Principal Adverse Impact Statement

30 June 2025

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Allianz Capital Partners
A company of Allianz Global Investors

Allianz Global Investors

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1. Summary

Allianz Global Investors GmbH (LEI: OJ2TIQSVQND4IZYYK658) ("**AllianzGI**") and its affiliate Allianz Capital Partners GmbH (LEI: 529900LP85FZLRHOP912) ("**ACP**") consider principal adverse impacts of their investment decisions on sustainability factors.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2024 to 31 December 2024.

The present statement includes the statement on principal adverse impacts on sustainability factors of both AllianzGI and ACP. AllianzGI and ACP are affiliates and as such part of the Allianz Global Investors group. Both operate under the common governance framework of Allianz Global Investors. Actions taken at Allianz Global Investors in respect of principal adverse impacts on sustainability factors generally apply to AllianzGI and ACP, respectively. AllianzGI's assets under management comprise liquid and private markets investments whereas ACP engages only in private markets business. Unless otherwise indicated, "**Allianz Global Investors**" in this statement refers to both AllianzGI and ACP.

With this statement, AllianzGI and ACP disclose the principal adverse impacts on sustainability factors in accordance with Article 4 of Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation – "**SFDR**") and Articles 4 et seq. of the Commission Delegated Regulation (EU) 2022/1288 ("**SFDR Delegated Regulation**"). Principal adverse impacts ("**PAI**") are negative effects on sustainability factors. Sustainability factors include environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters.

The statement covers 16 mandatory PAI indicators (as set out in Annex I Table 1 No. 1–16 of the SFDR Delegated Regulation) as well as the following two additional PAI indicators selected by AllianzGI and ACP:

- Investments in companies without carbon emission reduction initiatives (Annex I Table 2 No. 4 of the SFDR Delegated Regulation)
- Lack of anti-corruption and anti-bribery policies (Annex I Table 3 No. 15 of the SFDR Delegated Regulation)

This PAI statement relates to all Assets under Management (AuM) resulting from all portfolio management activities by AllianzGI and ACP, including all branches and across all regions. This includes listed equities and listed fixed income assets in public markets, and private markets investments.

The total Assets under Management[1] (i.e., current value of all investments as of 31 December 2024) of AllianzGI is 625.2 billion EUR and of ACP is 63.1 billion EUR.

For public markets investments, PAI data was sourced from third-party data providers, whereas for private markets investments, PAI data was collected directly from investee companies and, in case of indirect investment strategies, from the respective managers (GPs) of the target funds on a best-effort-basis. For this reporting period, information in relation to the PAI indicators was not readily available with regard to a substantial part of the relevant assets under management. More specifically, the data coverage for the data we received was heterogenous and relatively high for indicators like scope 1 and 2 GHG emissions (PAI 1, PAI 2 and PAI 3), but very low for other indicators such as emissions to water (PAI 8). As a general rule, estimations on the part of Allianz Global Investors were only made to the extent that it would not impair the accuracy of the reported PAI indicators. The data coverage factor is disclosed for every PAI indicator. We generally strive to increase data coverage for PAI indicators with low data coverage through engagement with our data providers and investee companies.

This statement also summarizes the policies and measures of AllianzGI and ACP to identify, prioritise and mitigate PAI. With our approach to PAI screening, we have a robust framework in place to identify and prioritise PAI in the investment process. We strive to mitigate PAI through our active stewardship, exclusion policies and industry collaboration by means of international initiatives. One key pillar of our stewardship activities is the thematic engagement across the three sustainability themes we identified, which are also related to the respective PAI indicators: climate change (related to GHG PAI), planetary boundaries (related to biodiversity) and inclusive capitalism (related to some of the social PAI). For the PAI we consider most severe, we have defined a firmwide exclusion policy which restricts, investments in companies involved in coal (subject to

[1] The total Assets under Management of AllianzGI include also Assets under Administration which are in scope of SFDR

materiality thresholds) and controversial weapons. Furthermore, AllianzGI has made several commitments to strategic initiatives related to PAI indicators, which strengthens our approach to mitigate potential adverse impacts.

This statement was approved by the Sustainability Governance Committee of AllianzGI, the responsible body for the approval of the PAI statement of both AllianzGI and ACP. It applies to all branches of AllianzGI and ACP in all regions.

2. Description of the principal adverse impacts on sustainability factors

2.1 Description of the principal adverse impacts on sustainability factors for Allianz Global Investors GmbH

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies						
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	20,124,484.9	17,652,850.5	**Calculation:** PAI 1 reflects the sum of all scope 1, scope 2 and scope 3 GHG emissions expressed as carbon dioxide equivalents (CO2e) in metrics tonnes which are attributed to investments of AllianzGI. We calculate the share of GHG emissions attributed to an investment by first calculating the share of our investment in the investee company in relation to the investee company's overall enterprise value. Second, this share is multiplied with the respective investee company's overall GHG emissions. The share of GHG emissions attributed to AllianzGI is then aggregated for all investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 63.9% (2023: 52.6%) of the assets managed by AllianzGI for which carbon emission data was available. Where carbon emission data was not provided to AllianzGI, no emissions were attributed to investments of AllianzGI. Data on scope 3 emissions for publicly listed companies are consistently based on the estimation model from our third-party data provider.	**Engagement:** We engage with listed corporates under the umbrella of our "climate change" theme. In 2024, we had 186 direct conversations with companies about climate change. Within our climate thematic engagement stream, we continued our engagement projects on key high-emitting sectors and introduced a regional focus on Asian financial institutions. This activity also informs our climate-related votes at general meetings. **Voting:** We consider "Say on Climate" a helpful tool for holding companies accountable for their climate ambitions. In 2024 we evaluated around 28 "Say on Climate" resolutions. We decided to take vote action against directors if we were not convinced by companies' actions or explanations. We consider holding directors accountable as an important way of voicing our concerns on climate issues. **Company commitment**: AllianzGI is a signatory to the Net Zero Asset Manager initiative ("NZAMi") and supportive of the goal of net zero GHG emissions by 2050 or sooner. Our first interim targets cover 14% of our assets under management for which we commit to reduce the carbon intensity by the end of 2024 by 25% for our listed equity and corporate bonds and to reduce 28% of absolute emissions by end of 2025 for direct infrastructure equity. **PAI screening:** We have developed for our public market investment strategies a proprietary methodology to screen the PAI profile of corporates pre-trade and monitor them post-trade. Corporates identified at risk may be subject to further analysis and are not investable for products complying with Art. 9 SFDR. For public market strategies, this is performed through pre-trade warnings to make portfolio managers aware of potentially relevant PAI ahead of making investment decisions. In private markets, a proprietary environmental, social and governance ("ESG") questionnaire is used to request sustainability-related information from investee companies, target fund managers and borrowers and an assessment is made during the due diligence process. If, at any time during the investment phase, sustainability risks and PAI indicators are considered too high or do not meet the relevant ESG criteria as per the respective portfolio managers'
		Scope 2 GHG emissions	3,969,524.4	3,815,946.2		
		Scope 3 GHG emissions	137,337,418.0	108,502,069.7		
		Total GHG emissions	161,431,427.4	129,970,866.4		
	2. Carbon footprint	Carbon footprint	258.2	213.0	**Calculation:** PAI 2 reflects the sum of all scope 1, scope 2 and scope 3 GHG emissions attributed to investments of AllianzGI (calculated as set out for PAI 1 above) in metrics tonnes per million EUR invested. "Per million EUR invested" is calculated by dividing the sum of all scope 1, scope 2 and scope 3 GHG emissions by the total value of all investments managed by AllianzGI in million EUR. **Data coverage:** The reported PAI indicator is based on 63.9% (2023: 52.6%) of the assets managed by AllianzGI for which emission data was available. Where emission data was not provided to AllianzGI, no emissions were attributed to investments of AllianzGI.	
	3. GHG intensity of investee companies	GHG intensity of investee companies	912.6	875.6	**Calculation:** PAI 3 reflects the weighted average of the GHG intensity of all investments managed by AllianzGI. This is calculated by aggregating the GHG	

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
					intensity of all investee companies (i.e., the investee companies' scope 1, 2 and 3 GHG emissions in metric tonnes per million EUR revenue), with each GHG intensity weighted by the relative share of the respective investment in the overall portfolio of investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 61.8% (2023: 58.1%)of the assets managed by AllianzGI for which emission data was available. For investee companies without emissions data, the weighted average GHG intensity of the investee companies with emission data was applied. That means it was effectively assumed that all investee companies without emission data have the weighted average GHG intensity of the investee companies with emission data in the overall portfolio managed by AllianzGI.	internal proprietary assessment, a transaction may be subject to further action. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach. In addition, all strategies following the Allianz Sustainability Integration Framework require additional checks for investments in ESG sensitive business areas, such as infrastructure, oil and gas, nuclear energy, hydro-electric power, and mining. **Firmwide exclusions:** Due to the highly negative climate impact of coal, we are excluding companies involved in coal in all public markets mutual funds of AllianzGI and portfolio management mandates which are subject to the firmwide exclusion policy. The relevant thresholds can be found at: [Firmwide Exclusion Policy] **Dedicated sustainability approach:** We offer clients a dedicated sustainability approach to actively manage the GHG intensity of funds in scope (this approach was used for funds comprising 33 billion EUR assets under management at year end 2024).
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	6.2%	5.5%	**Calculation:** PAI 4 reflects the share of investments in companies active in the fossil fuel sectors (which include extraction, processing, storage and transportation of petroleum products, natural gas, and thermal and metallurgical coal) in relation to all investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 62.5% (2023: 56.6%) of the assets managed by AllianzGI for which data on exposure to the fossil fuel sector was available. Investments for which such data was not available were considered as companies without exposure to the fossil fuel sector.	
	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	58.5%	63.5%	**Calculation:** PAI 5 reflects the weighted average share of non-renewable energy consumption and production of investee companies. This is calculated by aggregating the percentage of non-renewable energy consumption and production (i.e., non-renewable energy sources divided by total energy sources) of investee companies, with each such percentage weighted by the relative share of the relevant investment in the overall portfolio of investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 61.5% (2023: 55.2%) of the assets managed by AllianzGI for which relevant data was available. For investee companies without the relevant data, the weighted average percentage of non-renewable energy consumption and production of the investee companies with available data is applied. That	

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
					means it was effectively assumed that companies without data have the weighted average percentage of non-renewable energy consumption and production of all investee companies with data in the overall portfolio of investments managed by AllianzGI.	
	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	PAI per High Impact NACE Sector: A: 0.9 B: 6.7 C: 3.6 D: 3.4 E: 1.4 F: 0.2 G: 0.3 H: 1.4 L: 0.4	PAI per High Impact NACE Sector: A: 0.5 B: 3.5 C: 26.2 D: 3.6 E: 1.5 F: 0.2 G: 0.2 H: 1.1 L: 0.5	**Calculation:** PAI 6 reflects the weighted average energy consumption intensity of investee companies per high impact climate sector. This is calculated by aggregating for each high impact climate sector (categorized by NACE Level 1) all relevant investee companies' energy consumption intensities, with each intensity weighted by the relative share of the relevant investment in the overall portfolio of investments in that high impact climate sector. The energy consumption intensity is expressed as total energy consumption in GWh, divided per million EUR revenue. **Data coverage:** The reported PAI indicator is based on 61.4% (2023: 55.4%) of the assets managed by AllianzGI for which relevant data was available. For investee companies without energy consumption intensity data, the weighted average energy consumption intensity per high impact sector of investee companies with data was applied. That means it was effectively assumed that investee companies without data have the weighted average energy consumption intensity of the investee companies with data in the specific high impact sector.	
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	6.1%	5.3%	**Calculation:** PAI 7 reflects the share of investments in companies with activities negatively affecting biodiversity-sensitive areas in relation to all investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 62.0% (2023: 75.8%) of the assets managed by AllianzGI for which data on activities negatively affecting biodiversity-sensitive areas was available. Investments for which data was not available were considered as companies without activities negatively affecting biodiversity-sensitive areas.	**Engagement:** We engage listed corporates on biodiversity as part of the "planetary boundaries" theme. In 2024 we have enhanced our biodiversity engagement framework and engaged with 70 companies across different topics, in 30 of those biodiversity was the main topic. We have escalated unsatisfactory biodiversity engagements with the aim of driving laggards, and in 2025 we will be developing a more systematic escalation strategy. Having joined Nature Action 100 (NA100) late in 2023, in 2024 we began collaborative engagement activities and provided feedback on the NA100 benchmark methodology, which is the basis for this initiative. In our engagements under the NA100 umbrella, we discussed how companies should build a biodiversity strategy as guided by the benchmark. **Voting:** We publicly pre-announced our support for two

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
						shareholder resolutions as we sought to indicate that we expect to see further progress with the companies´ biodiversity and dependency assessments, because this is a basis to formulate an effective biodiversity strategy. **Exclusions for sustainable public markets mutual funds:** As part of AllianzGI`s exclusion policy for products complying with Art. 8 or Art. 9 SFDR, we are screening out corporates with severe violations of international norms (comprising, among others, also environmental norms). **PAI screening:** We have developed for our public market investment strategies a proprietary methodology to screen the PAI profile of corporates pre-trade and monitor them post-trade. Corporates identified at risk may be subject to further analysis and are not investable for our products complying with Art. 9 SFDR. For public markets strategies, this is performed through pre-trade warnings to make portfolio managers aware of potentially relevant PAI ahead of making investment decisions. In private markets, a proprietary environmental, social and governance ("ESG") questionnaire is used to request sustainability-related information from investee companies, target fund managers and borrowers and an assessment is made during the due diligence process. If, at any time during the investment phase, sustainability risks and PAI indicators are considered too high or do not meet the relevant ESG criteria as per the respective portfolio managers' internal proprietary assessment, a transaction may be subject to further action. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach. In addition, all strategies following the Allianz Sustainability Integration Framework require additional checks for investments in ESG sensitive business areas, such as agriculture, fisheries and forestry, animal welfare, animal testing.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.1	0.1	**Calculation:** PAI 8 reflects the sum of all emissions to water attributed to investments of AllianzGI per million EUR invested. This is calculated by dividing the sum of all emissions to water (in tonnes) attributable to investments managed by AllianzGI (calculated as set out for PAI 1 above) by the value of all investments managed by AllianzGI in million EUR. **Data coverage:** The reported PAI indicator is based on 8.1% (2023: 3.0%) of the assets managed by AllianzGI for which water emissions data was available. Where water emissions data was not provided to AllianzGI, no emissions were attributed to investments of AllianzGI.	**Exclusions for sustainable public markets mutual funds:** As part of AllianzGI`s exclusion policy for products complying with Art. 8 or Art. 9 SFDR, we are screening out corporates with severe violations of international norms (comprising, among others, also environmental norms). **PAI screening:** We have developed for our public market investment strategies a proprietary methodology to screen the PAI profile of corporates pre-trade and monitor them post-trade. Corporates identified at risk may be subject to further analysis and are not investable for our products complying with Art. 9 SFDR. For public markets strategies, this is performed through pre-trade warnings to make portfolio managers aware of potentially relevant PAI ahead of making

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
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	1.1	1.4	**Calculation:** PAI 9 reflects the sum of all hazardous waste and radioactive waste attributed to investments of AllianzGI per million EUR invested. This is calculated by dividing the sum of all hazardous waste and radioactive waste (in tonnes) attributable to investments managed by AllianzGI (calculated as set out for PAI 1 above) by the total value of all investments managed by AllianzGI in million EUR. **Data coverage:** The reported PAI indicator is based on 59.3% (2023: 49.0%) of the assets managed by AllianzGI for which relevant emission data was available. Where emission data was not provided to AllianzGI, no emissions were attributed to investments of AllianzGI.	investment decisions. In private markets, a proprietary environmental, social and governance ("ESG") questionnaire is used to request sustainability-related information from investee companies, target fund managers and borrowers and an assessment is made during the due diligence process. If, at any time during the investment phase, sustainability risks and PAI indicators are considered too high or do not meet the relevant ESG criteria as per the respective portfolio managers' internal proprietary assessment, a transaction may be subject to further action. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach. In addition, all strategies following the Allianz Sustainability Integration Framework require additional checks for investments in ESG sensitive business areas, such as agriculture, fisheries and forestry, hydro-electric power, and mining.
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 Cooperation 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	0.7%	0.4%	**Calculation:** PAI 10 reflects the share of investments in investee companies with involvement in violations of UN Global Compact ("UNGC") principles or OECD Guidelines in relation to all investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 64.3% (2023: 59.6%) of the assets managed by AllianzGI for which data on violations of UNGC principles or OECD Guidelines was available. Investments for which such data was not available were considered as companies without violations of UNGC principles or OECD Guidelines.	**Engagement:** We expect listed corporates to adhere to international norms and engaged with corporates on controversies, for example related to human rights as part of the "inclusive capitalism" theme. In 2024, we focused our engagements on living wages and work-place mental health. Our proprietary framework for engaging with companies on human rights in supply chains draws from the OECD due diligence guidance for responsible business conduct and is based on the five pillars of human rights action that we look for in companies: 1. Human rights policy, 2. Risk assessment, 3. Prevention, mitigation and remediation measures, 4. Performance tracking and monitoring, 5. Communication and reporting. **Exclusions for sustainable public markets mutual funds**: As part of AllianzGI`s exclusion policy for products complying with Art. 8 or Art. 9 SFDR, we are screening out corporates with severe violations of international norms. **PAI screening:** We have developed for our public market investment strategies a proprietary methodology to screen the PAI profile of corporates pre-trade and monitor them post-trade. Corporates identified at risk may be subject to further analysis and are not investable for our products complying with Art. 9 SFDR. For public markets strategies, this is performed through pre-trade warnings to make portfolio managers aware of potentially relevant PAI ahead of making investment decisions. In private markets, a proprietary environmental, social and governance ("ESG") questionnaire is used to request sustainability-related information from investee companies, target fund managers and borrowers and an
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without 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	3.3%	2.4%	**Calculation:** PAI 11 reflects the share of investments in investee companies which lack processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines in relation to all investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 63.0% (2023: 56.8%) of the assets managed by AllianzGI for which data on compliance with UNGC principles or OECD Guidelines was available. Investments for which such data was not available were considered as not lacking processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines.	

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
						assessment is made during the due diligence process. If, at any time during the investment phase, sustainability risks and PAI indicators are considered too high or do not meet the relevant ESG criteria as per the respective portfolio managers' internal proprietary assessment, a transaction may be subject to further action. Please refer to section 3 of the PAI statement for more details on our PAI screening approach. In addition, all strategies following the Allianz Sustainability Integration Framework require additional checks for investments in ESG sensitive business areas, such as human rights.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	13.6%	14.8%	**Calculation:** PAI 12 reflects the weighted average unadjusted gender pay gap of investee companies. This is calculated by aggregating the unadjusted gender pay gap of investee companies, with each gender pay gap weighted by the share of the relevant investment in the overall portfolio of investments managed by AllianzGI. The unadjusted gender pay gap is defined as the difference between the average gross hourly earnings of male and female employees, expressed as a percentage of hourly gross earnings of men. **Data coverage:** The reported PAI indicator is based on 52.5% (2023: 43.4%) of the assets managed by AllianzGI for which relevant data was available. For investee companies without gender pay gap data, the weighted average unadjusted gender pay gap of investee companies with data was applied. That means it was effectively assumed that all investee companies without data have the weighted average gender pay gap of the investee companies with data in the overall portfolio of investments managed by AllianzGI.	**Engagement:** As part of our "inclusive capitalism" sustainability theme, we are engaging with listed corporates on gender pay gap. We are active members of the 30% Club Investor Groups in France and Germany to increase gender diversity on management boards and among senior executives, as well as improve the pipeline of female talent. In Germany, we led or supported 15 engagements with DAX 40 and MDAX40 companies in 2024. **PAI screening:** We have developed for our public market investment strategies a proprietary methodology to screen the PAI profile of corporates pre-trade and monitor them post-trade. Corporates identified at risk may be subject to further analysis and are not investable for our products complying with Art. 9 SFDR. For public markets strategies, this is performed through pre-trade warnings to make portfolio managers aware of potentially relevant PAI ahead of making investment decisions. In private markets, a proprietary environmental, social and governance ("ESG") questionnaire is used to request sustainability-related information from investee companies, target funds and borrowers and an assessment is made during the due diligence process. If, at any time during the investment phase, sustainability risks and PAI indicators are considered too high or do not meet the relevant ESG criteria as per the respective portfolio managers' internal proprietary assessment, a transaction may be subject to further action. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	35.6%	35.8%	**Calculation:** PAI 13 reflects the weighted average board gender diversity of investee companies. Board gender diversity is expressed as the percentage of female to all board members of an investee company. The weighted average board gender diversity is calculated by aggregating the board gender diversity of all investee companies, with each such diversity weighted by the relative share of the relevant	**Engagement**: As part of our "inclusive capitalism" sustainability theme, we are engaging with listed corporates on board gender diversity. We are an active member of the 30% Club Investor Groups in France and Germany, and aim to increase gender diversity on management boards and among senior executives, as well as improve the pipeline of female talent. In Germany we led or supported 15 engagements with DAX 40 and MDAX40 companies in 2024.

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
					investment in the overall portfolio of investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 51.7% (2023: 46.2%) of the assets managed by AllianzGI for which relevant data was available. For investee companies without board gender diversity data, the weighted average board gender diversity of investee companies with data was applied. That means it was effectively assumed that all investee companies without board gender diversity data have the weighted average board gender diversity of the investee companies with data in the overall portfolio of investments managed by AllianzGI.	**Voting:** We strongly encourage all boards and management teams of listed corporates to strive for at least 30% representation of male and female gender and vote generally against re-elections of board members of large cap corporates in developed markets if the board gender diversity is below 30%. In France, Italy and the UK we increased this threshold to 40% effective 2024. **PAI screening:** We have developed for our public market investment strategies a proprietary methodology to screen the PAI profile of corporates pre-trade and monitor them post-trade. Corporates identified at risk may be subject to further analysis and are not investable for our products complying with Art. 9 SFDR. For public markets strategies, this is performed through pre-trade warnings to make portfolio managers aware of potentially relevant PAI ahead of making investment decisions. In private markets, a proprietary environmental, social and governance ("ESG") questionnaire is used to request sustainability-related information from investee companies, target funds and borrowers and an assessment is made during the due diligence process. If, at any time during the investment phase, sustainability risks and PAI indicators are considered too high or do not meet the relevant ESG criteria as per the respective portfolio managers' internal proprietary assessment, a transaction may be subject to further action. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.0%	0.0%	**Calculation:** PAI 14 reflects the share of investments in investee companies with exposure to controversial weapons in relation to all investments managed by AllianzGI. Exposure to controversial weapons means that the relevant investee companies manufacture or sell controversial weapons, including anti-personnel mines, cluster munitions, chemical weapons and biological weapons. **Data coverage:** The reported PAI indicator is based on 66.7% (2023: 63.2%) of the assets managed by AllianzGI for which data on exposure to controversial weapons was available. Where such data was not available, investments were considered as not having exposure to controversial weapons.	**Firmwide exclusions:** We are of the view that there are certain categories of weapons – so-called controversial weapons – which must not be supported by any means as they have been deemed unacceptable or even illegal under certain regulations based on their humanitarian impact. Therefore, we are refraining from investing with our mutual funds and portfolio management mandates which are subject to the firmwide exclusion policy in corporates involved in controversial weapons as defined below: • Anti-personnel mines, • Cluster munitions, • Biological weapons, • Chemical weapons, • Nuclear weapons outside of NPT (non-proliferation treaty) **PAI screening:** We have developed for our public market investment strategies a proprietary methodology to screen the PAI profile of corporates pre-trade and monitor them post-trade. Corporates identified at risk may be subject to further analysis and are not investable for our products complying with Art. 9 SFDR. For public market strategies, this is

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
						performed through pre-trade warnings to make portfolio managers aware of potentially relevant PAI ahead of making investment decisions. In private markets, a proprietary environmental, social and governance ("ESG") questionnaire is used to request sustainability-related information from investee companies, target funds and borrowers and an assessment is made during the due diligence process. If, at any time during the investment process, sustainability risks and PAI indicators are considered too high or do not meet the relevant ESG criteria as per the respective portfolio managers' internal proprietary assessment, a transaction may be subject to further actions. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach.
INDICATORS APPLICABLE TO INVESTMENTS IN SOVEREIGNS AND SUPRANATIONALS						
Environmental	15. GHG intensity	GHG intensity of investee countries	231.2	263.8	**Calculation:** PAI 15 reflects the weighted average GHG intensity of investee countries. The GHG intensity of investee countries is expressed as tonnes of CO2e emissions per billion EUR GDP of that country. The weighted average GHG intensity is calculated by aggregating the GHG intensity of all investee countries, with each intensity weighted by the relative share of the relevant investment in the overall portfolio of investments managed by AllianzGI. For the currency conversion of nominal GDP in the local currency to EUR, the average annual nominal exchange rate is used. **Data coverage:** The reported PAI indicator is based on 18.7% (2023: 20.0%) of the assets managed by AllianzGI for which relevant data was available. For investee countries without GHG emissions data, the weighted average GHG intensity of investee countries with GHG emissions data was applied. That means it was effectively assumed that all investee countries without emission data have the weighted average GHG intensity of the investee countries with emission data relevant for the portfolios managed by AllianzGI.	**PAI screening:** We have developed a proprietary methodology to screen the PAI profile of sovereign issuers pre-trade and monitor them post-trade. Sovereign issuers identified at risk may be subject to further analysis and are not investable for our products complying with Art. 9 SFDR. For public market strategies, this is performed through pre-trade warnings to make portfolio managers aware of potentially relevant PAI ahead of making investment decisions. Indicators applicable to investments in sovereigns and supranationals are not relevant for private markets. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach.
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations	1 investee country, representing 1.8% of all investee countries, and 0.1% as a share of all investments	1 investee country, representing 1.8% of all investee countries, and 0.1% as a share of all investments managed by AllianzGI	**Calculation:** PAI 16 reflects the share of investments in investee countries subject to social violations in relation to all investments managed by AllianzGI. Investee countries are considered to be subject to social violations if they are subject to European Union Sanctions (see [European Union External Action](#)). **Data coverage:** The reported PAI indicator is based	**Exclusions for sustainable public markets mutual funds:** As part of AllianzGI`s exclusion policy for products complying with Art. 8 or Art. 9 SFDR, we are screening out sovereign issuer with insufficient Freedom House score (for our Emerging Markets Debt strategies, we are using an equivalent ESG rating). **PAI screening:** We have developed a proprietary

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
		principles and, where applicable, national law	managed by AllianzGI		on 18.7% (2023: 20.0%) of the assets managed by AllianzGI for which data on European Union Sanctions was available. Where such data was not available, investments were considered as not being subject to social violations.	methodology to screen the PAI profile of sovereign issuers pre-trade and monitor them post-trade. Sovereign issuers identified at risk may be subject to further analysis and are not investable for our products complying with Art. 9 SFDR. For public market strategies, this is performed through pre-trade warnings to make portfolio managers aware of potentially relevant PAI ahead of making investment decisions. Indicators applicable to investments in sovereigns and supranationals are not relevant for private markets. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach.

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Other indicators for principal adverse impacts on sustainability factors						
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
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	25.9%	24.4%	**Calculation:** This indicator reflects the share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement in relation to all investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 61.2% (2023: 56.4%) of the assets managed by AllianzGI for which data on carbon emission reduction initiatives was available. Where such data was not available, investments were considered as investments without carbon emission reduction initiatives.	**Engagement:** We engage with listed corporates under the umbrella of our "climate change" theme. In 2024, we had 186 direct conversations with companies about climate change. Within our climate thematic engagement stream, we continued our engagement projects on key high emitting sectors and introduced a regional focus on Asian financial institutions. This activity also informs our climate-related votes at general meetings. **Voting:** We consider "Say on Climate" a helpful tool for holding companies accountable for their climate ambitions. In 2024 we evaluated around 28 "Say on Climate" resolutions. We decided to take vote action against directors if we were not convinced by companies' actions or explanations. We consider holding directors accountable as an important way of voicing our concerns on climate issues. **Company commitment:** AllianzGI is a signatory to the NZAMi and supportive of the goal of net zero GHG emissions by 2050 or sooner. Our first interim targets cover 14% of our assets under management for which we commit to reduce the carbon intensity by the end of 2024 by 25% for our listed equity and corporate bonds and to reduce 28% of absolute emissions by end of 2025 for direct infrastructure equity.

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
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 consistent with the United Nations Convention against Corruption	2.4%	3.0%	**Calculation:** This indicator reflects the share of investments in investee companies without policies on anti-corruption and anti-bribery in accordance with the United Nations Convention against Corruption (or equivalent recognized external standards) to all investments managed by AllianzGI. **Data coverage:** The reported PAI indicator is based on 43.0% (2023: 39.5%) of the assets managed by AllianzGI for which data on policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption was available. Where such data was not available, investments were considered as not having policies on anti-corruption and anti-bribery in accordance with the United Nations Convention against Corruption.	**Exclusions for sustainable public markets mutual funds**: As part of AllianzGI's exclusion policy for products complying with Art. 8 or Art. 9 SFDR, we are screening out corporates with severe violations of international norms.

2.2 Description of the principal adverse impacts on sustainability factors for Allianz Capital Partners GmbH

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Indicators applicable to investments in investee companies						
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	1,113,675.9	1,026,493.6	**Calculation:** PAI 1 reflects the sum of all scope 1, scope 2 and scope 3 GHG emissions expressed as carbon dioxide equivalents (CO2e) which are attributed to investments of ACP. We calculate the share of GHG emissions attributed to an investment by first calculating the share of our investment in the investee company in relation to the investee company's overall enterprise value. Second, this share is multiplied with the respective investee company's overall GHG emissions. The share of GHG emissions attributed to ACP is then aggregated for all investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 46.6% (2023: 48.9%) of the assets managed by ACP for which carbon emissions data was available. Where carbon emissions data was not provided to ACP, no emissions were attributed to investments of ACP. **Comment on impact evolution:** The main driver of the decrease of this year's impact compared to last year's impact was that a gas infrastructure asset, which was responsible for 82% of all financed scope 3 emissions last year is no longer in the holdings of this year.	**Company Engagement:** ACP engaged with all of its direct infrastructure investments in 2024 on GHG emissions and required that companies with scope 1 and 2 GHG* emissions greater than 10 tCO2e/million EUR (calculated as GHG emissions (CO2e) / [equity + debt] in the capital structure (million EUR) per asset) put in place decarbonisation targets up to 2025 and state their decarbonisation pathway to net zero. Progress is monitored annually, and companies are pushed to stretch targets. In addition, ACP rolled out a climate tool to the majority of its portfolio companies to determine how they can mitigate and adapt to the risk of physical climate change in the short, medium, and long term. ACP Renewables screened all the assets in its portfolio using the climate tool and also collected scope 2 emissions data in 2024. For 2025, ACP Renewables aims to continue data collection of scope 2 data whilst increasing data coverage. For indirect investments (i.e., investments in third-party infrastructure funds), ACP engaged with most of the target fund managers to encourage the reduction of GHG emissions in corporate activities or fund portfolios and the setting of net zero plans. Moreover, ACP indirect infrastructure equity monitors annually the scope 1 and 2 GHG emissions of its portfolio funds and co-investments whenever such data is available. ACP Private Equity (indirect strategy) requests emissions data from target fund managers and as part of due diligence for new investments will review a target fund manager's likely GHG intensity of their strategy as well as details of any approach to setting decarbonisation targets. In addition to encouraging companies to reduce scope 1 emissions, ACP is working with a wider group of stakeholders including regulators and governments to assist in the reduction of scope 2 emissions through the greater use of eco fuel in the energy mix including biomethane and hydrogen. **Voting:** ACP required that for all direct infrastructure investments, decarbonisation targets and net zero pathways shall be ratified by the company boards. In case of direct investments, ACP is able to influence its boards to ensure that decarbonisation is prioritised. **Company commitment:** ACP as part of Allianz Global
		Scope 2 GHG emissions	759,014.0	611,086.3		
		Scope 3 GHG emissions	3,671,261.1	18,258,921.6		
		Total GHG emissions	5,543,951.0	19,896,501.5		
	2. Carbon footprint	Carbon footprint	87.9	370.3	**Calculation:** PAI 2 reflects the sum of all scope 1, scope 2 and scope 3 GHG emissions attributed to investments of ACP (calculated as set out for PAI 1 above) per million EUR invested. "Per million EUR invested" is calculated by dividing the sum of all scope 1, scope 2 and scope 3 GHG emissions by the total value of all investments managed by ACP in million EUR. **Data coverage:** The reported PAI indicator is based on 46.6% (2023: 48.9% of the assets managed by ACP for which carbon emissions data was available. Where carbon emissions data was not provided to ACP, no emissions were attributed to investments of ACP.	

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
					Comment on impact evolution: The main driver of the decrease of this year's impact compared to last year's impact was that a gas infrastructure asset, which was responsible for 82% of all financed scope 3 emissions last year is no longer in the holdings of this year (see explanation above under PAI 1). .	Investors group with AllianzGI being a signatory to the NZAMi is supportive of the goal of net zero GHG emissions by 2050 or sooner and is committing to reduce the absolute emissions of the direct infrastructure equity portfolio by 28% by end of 2025. **PAI screening:** ACP has developed for its direct infrastructure investments a proprietary ESG Questionnaire which is to be completed semi-annually by the portfolio companies which covers, among others, ESG topics, 16 PAI (14 mandatory plus 2 discretionary). Slow reporting of PAI is followed up regularly by the portfolio management team, with coverage improving over time. Concerns are fast tracked with discussion between the portfolio manager and ESG departments on how to resolve them. For potential investments, the portfolio management team is required to provide as much information as possible relating to the status of the 16 PAI. ACP Renewables reports PAI data post-investment on at least an annual basis. With regard to indirect investments (fund-of-fund strategies), ACP indirect infrastructure and private equity teams investigate during the due diligence phase which PAI will be reported by the targeted fund or co-investment and engage during the investment phase with target fund managers to receive such information and as well to ask for increasing PAI coverage. For example, we request from target fund managers PAI data on an annual basis, also liaising with data platforms who are engaging with target fund managers to request this information. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach. **Dedicated sustainability approach:** ACP continues to launch funds complying with Art. 8 SFDR, some of which commit to reduce the carbon footprint of high and medium GHG emitting companies (Scope 1 and 2 emissions greater than 10 tCO2e/million EUR) including having a net zero plan in place or a commitment to a sustainable investment share which shall contribute to climate change mitigation, adaptation and the decarbonisation of the economy. **Firmwide exclusions:** Due to the highly negative climate impact of coal are all investments subject to the ACP firmwide exclusion policy dedicated to coal as well as the Allianz Sustainability Integration Framework. More details can be found here: Firmwide Exclusion Policy. *Data coverage is low for scope 3 GHG emissions
	3. GHG intensity of investee companies	GHG intensity of investee companies	1,131.6	4,210.6	**Calculation:** PAI 3 reflects the weighted average of the GHG intensity of all investments managed by ACP. This is calculated by aggregating the GHG intensity of all investee companies (i.e., the investee companies' scope 1, 2 and 3 GHG emissions per million EUR revenue), with each GHG intensity weighted by the relative share of the respective investment in the overall portfolio of investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 46.6% (2023: 38.4%) of the assets managed by ACP for which carbon emissions data was available. For investee companies without emissions data, the average GHG intensity of the investee companies with emission data was applied. That means it was effectively assumed that all investee companies without emission data have the weighted average GHG intensity of the investee companies with emission data in the overall portfolio of investments managed by ACP. **Comment on impact evolution:** The main driver of the decrease of this year's impact compared to last year's impact was that a gas infrastructure asset, which was responsible for 82% of all financed scope 3 emissions last year is no longer in the holdings of this year (see explanation above under PAI 1).	
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	6.7%	6.3%	**Calculation:** PAI 4 reflects the share of investments in companies active in the fossil fuel sectors (which include extraction, processing, storage and transportation of petroleum products, natural gas, and thermal and metallurgical coal) in relation to all investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 45.4% (2023: 34.8%) of the assets managed by ACP for which data on exposure to the fossil fuel sector was available. Investments for which such data was not available were considered as companies without exposure to the fossil fuel sector.	

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
	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	35.7%	44.5%	**Calculation:** PAI 5 reflects the weighted average share of non-renewable energy consumption and production of investee companies. This is calculated by aggregating the percentage of non-renewable energy consumption and production (i.e., non-renewable energy sources divided by total energy sources) of investee companies, with each such percentage weighted by the relative share of the relevant investment in the overall portfolio of investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 39.1% (2023: 34.3%) of the assets managed by ACP for which relevant data was available. For investee companies without the relevant data, the weighted average percentage of non-renewable energy consumption and production of the investee companies with available data is applied. That means it was effectively assumed that companies without data have the weighted average percentage of non-renewable energy consumption and production of all investee companies with data in the overall portfolio managed by ACP.	
	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	No NACE sector information was available for Private Market investments. The overall weighted average energy consumption intensity across all sectors was 0.9	No NACE sector information was available for Private Market investments. The overall weighted average energy consumption intensity across all sectors was 1.1	**Calculation:** PAI 6 reflects the weighted average energy consumption intensity of investee companies per high impact climate sector. This is calculated by aggregating for each high impact climate sector (categorized by NACE Level 1) all relevant investee companies' energy consumption intensities, with each intensity weighted by the relative share of the relevant investment in the overall portfolio of investments in that high impact climate sector. The energy consumption intensity is expressed as total energy consumption in GWh, divided per million EUR revenue. **Data coverage:** The reported PAI indicator is based on 31.5% (2023: 20.9%) of the assets managed by ACP for which relevant data was available. For investee companies without energy consumption intensity data, the weighted average energy consumption intensity per high impact sector of investee companies with data was applied. That means it was effectively assumed that investee companies without data have the weighted average energy consumption intensity of the investee companies with data in the specific high impact sector.	

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
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	1.1%	0.3%	**Calculation:** PAI 7 reflects the share of investments in companies with activities negatively affecting biodiversity-sensitive areas in relation to all investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 45.0% (2023: 38.8%) of the assets managed by ACP for which data on activities negatively affecting biodiversity-sensitive areas was available. Investments for which data was not available were considered as companies without activities negatively affecting biodiversity-sensitive areas. **Comment on impact evolution:** The main driver of the increase of this year's impact compared to last year's impact was increased data capture in the Private Equity strategy, where the target fund managers (GPs) applied a prudent approach in the assessment of PAI 7 for their portfolio companies.	**PAI screening:** In addition to implementing the Allianz Global Investors firmwide exclusion policies as well as following the Allianz Sustainability Integration Framework, ACP also applies a Reputational Risk Matrix ("RRM"). Within the RRM, 13 sensitive business areas (grouped by environmental, social and governance) are rated from 1 to 5 with 1 ranked "Very Low" with "no significant impact on any group of stakeholders" and 5 ranked "Very High" with "nearly all stakeholders being impacted". Each potential direct investment opportunity is screened within the RRM against the following sensitive business areas: • Environmental: mining, crude oil & gas, nuclear energy, hydroelectric power, agriculture, animal welfare and infrastructure. This also covers ground, water and air contamination, including GHG emission levels and reference to endangered species or protected areas with reference to the International Union for the Conservation of Nature IBAT database. • Social: human rights, clinical trials, animal testing, sex industry, betting and gambling. This also covers the resettlement or maltreatment of people and the loss of rights (land and water). • Governance: defence, sanction related and fiscal or tax related. This covers ethical and business compliance. If any rating is 3 or higher (after mitigation measures) within the RRM, the investment opportunity is referred to the Allianz Group Risk and Allianz SE Global Sustainability offices where the potential investment is screened against the Allianz Standard for Reputational Risk Management. In such case, a potential investment is not pursued further until approval is given by the Allianz Group Risk and Allianz SE Global Sustainability offices. Furthermore, ACP has developed for its direct investments a proprietary ESG Questionnaire which is to be completed semi-annually by the portfolio companies which covers, among others, ESG topics, 16 PAI (14 mandatory plus 2 discretionary). Slow reporting of PAI is followed up regularly by the portfolio management team, with coverage improving over time. Concerns are fast tracked with discussion between the portfolio manager and ESG departments on how to resolve them. For potential investments, the investment team is required to provide as much information as possible relating to the status of the 16 PAI. With regard to indirect investments (fund-of-fund strategies), ACP indirect infrastructure and private equity teams investigate during the due diligence phase which PAI will be reported by the targeted fund or co-investment, and engage during the investment phase with the target fund managers to
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.2	0.03	**Calculation:** PAI 8 reflects the sum of all emissions to water attributed to investments of ACP per million EUR invested. This is calculated by dividing the sum of all emissions to water (in tonnes) attributable to investments managed by ACP (calculated as set out for PAI 1 above) by the total value of all investments managed by ACP in million EUR. **Data coverage:** The reported PAI indicator is based on 20.5% (2023: 21.5%) of the assets managed by ACP for which water emissions data was available. Where water emissions data was not provided to ACP, no emissions were attributed to investments of ACP. **Comment on impact evolution:** The main driver of the increase of this year's impact compared to last year's impact was increased data capture in the Private Equity strategy, where the target fund managers (GPs) applied a prudent approach in the assessment of PAI 8 for their portfolio companies.	
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	0.1	0.7	**Calculation:** PAI 9 reflects the sum of all hazardous waste and radioactive waste attributed to investments of ACP per million EUR invested. This is calculated by dividing the sum of all hazardous waste and radioactive waste (in tonnes) attributable to investments managed by ACP (calculated as set out for PAI 1 above) by the total value of all investments managed by ACP in million EUR. **Data coverage:** The reported PAI indicator is based on 30.6% (2023: 31.2%) of the assets managed by	

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
					ACP for which emissions data was available. Where emissions data was not provided to ACP, no emissions were attributed to investments of ACP. It is to be noted that we removed the most extreme outlier of data reported by our target fund managers (GPs) for the indirect strategies due to low confidence in the data reliability.	receive such information and as well to ask for increasing PAI coverage. For example, we request from target fund managers PAI data on an annual basis, also liaising with data platforms who are engaging with target fund managers to request this information. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach.
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 Cooperation 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	0.1%	0.0%	**Calculation:** PAI 10 reflects the share of investments in investee companies with involvement in violations of UN Global Compact ("UNGC") principles or OECD Guidelines for Multinational Enterprises in relation to all investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 44.1% (2023: 40.1%) of the assets managed by ACP for which data on violations of UNGC principles or OECD Guidelines for Multinational Enterprises was available. Investments for which such data was not available were considered as not being in violation of the UNGC principles or OECD Guidelines for Multinational Enterprises.	
	11. Lack of processes and compliance mechanisms to monitor compli-ance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without 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	13.6%	16.2%	**Calculation:** PAI 11 reflects the share of investments in investee companies which lack processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines in relation to all investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 40.1% (2023: 38.5%) of the assets managed by ACP for which data on processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines was available. Investments for which such data was not available were considered as not lacking processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines.	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	18.3%	21.2%	**Calculation:** PAI 12 reflects the weighted average unadjusted gender pay gap of investee companies. This is calculated by aggregating the unadjusted gender pay gap of investee companies, with each gender pay gap weighted by the share of the relevant investment in the overall portfolio of investments managed by ACP. The unadjusted gender pay gap is defined as the difference between the average gross hourly earnings of male and female employees, expressed	**PAI screening:** ACP has developed for its direct investments a proprietary ESG Questionnaire which is to be completed semi-annually by the portfolio companies which covers, among others, ESG topics, 16 PAI (14 mandatory plus 2 discretionary). Slow reporting of PAI is followed up regularly by the portfolio management team, with coverage improving over time. Concerns are fast tracked with discussion between the asset management team and ESG departments on how to resolve them. For potential investments, the portfolio

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
					as a percentage of hourly gross earnings of men. **Data coverage:** The reported PAI indicator is based on 26.3% (2023: 23.3%) of the assets managed by ACP for which relevant data was available. For investee companies without gender pay gap data, the weighted average unadjusted gender pay gap of investee companies with data was applied. That means it was effectively assumed that all investee companies without data have the weighted average gender pay gap of the investee companies with data in the overall portfolio of investments managed by ACP.	manager is required to provide as much information as possible relating to the status of the 16 PAI. With regard to indirect investments (fund-of-fund strategies), ACP indirect infrastructure and private equity teams investigate during the due diligence phase which PAI will be reported by the targeted fund or co-investment and engage during the investment phase with target fund managers to receive such information and as well to ask for increasing PAI coverage. For example, we request from the target fund managers PAI data on an annual basis, also liaising with data platforms who are engaging with target fund managers to request this information. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	20.0%	20.3%	**Calculation:** PAI 13 reflects the weighted average board gender diversity of investee companies. Board gender diversity is expressed as the percentage of female to all board members of an investee company. The weighted average board gender diversity is calculated by aggregating the board gender diversity of all investee companies, with each such diversity weighted by the relative share of the relevant investment in the overall portfolio of investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 36.5% (2023: 33.8%) of the assets managed by ACP for which relevant data was available. For investee companies without board gender diversity data, the weighted average board gender diversity of investee companies with data was applied. That means it was effectively assumed that all investee companies without board gender diversity data have the weighted average board gender diversity of the investee companies with data in the overall portfolio of investments managed by ACP.	
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.0%	0.0%	**Calculation:** PAI 14 reflects the share of investments in investee companies with exposure to controversial weapons in relation to all investments managed by ACP. Exposure to controversial weapons means that the relevant investee companies manufacture or sell controversial weapons, including anti-personnel mines, cluster munitions, chemical weapons and biological weapons. **Data coverage:** The reported PAI indicator is based on 81.7% (2023: 86.1%) of the assets managed by ACP for which data on exposure to controversial weapons was available. Where such data was not available, investments were considered as not having exposure to controversial weapons.	**Exclusions:** The Allianz Sustainability Integration Framework prohibits investment transactions in issuers related to the development, production, maintenance and trading of banned or controversial weapons that fall under the scope of the pertinent international conventions as set out it in section 02.9.1.1 of the Allianz Sustainability Integration Framework.

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
INDICATORS APPLICABLE TO INVESTMENTS IN SOVEREIGNS AND SUPRANATIONALS						
Environmental	15. GHG intensity	GHG intensity of investee countries			ACP did not manage investments in sovereigns and supranationals in the reporting period, hence this indicator is not relevant for this PAI statement.	ACP did not manage investments in sovereigns and supranationals in the reporting period, hence this indicator is not relevant for this PAI statement.
Social	16. Investee countries subject to so- cial violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law			ACP did not manage investments in sovereigns and supranationals in the reporting period, hence this indicator is not relevant for this PAI statement.	ACP did not manage investments in sovereigns and supranationals in the reporting period, hence this indicator is not relevant for this PAI statement.
Other indicators for principal adverse impacts on sustainability factors						
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
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	48.6%	51.7%	**Calculation:** This indicator reflects the share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement in relation to all investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 66.6% (2023: 64.5%) of the assets managed by ACP for which data on carbon emission reduction initiatives was available. Where such data was not available, investments were considered as investments without carbon emission reduction initiatives.	**Company Engagement:** ACP engaged with all of its direct infrastructure investments in 2024 on GHG emissions and required that companies with scope 1 and 2 GHG* emissions greater than 10 tCO2e/million EUR (calculated as GHG emissions (CO2e) / [equity + debt] in the capital structure (million EUR) per asset) put in place decarbonisation targets up to 2025 and state their decarbonisation pathway to net zero. Progress is monitored annually, and companies are pushed to stretch targets. In addition, ACP rolled out a climate tool to the majority of its portfolio companies to determine how they can mitigate and adapt to the risk of physical climate change in the short, medium, and long term. For indirect investments (i.e., investments in third-party infrastructure funds), ACP engaged with most of the target fund managers (GPs) to encourage the reduction of GHG emissions in corporate activities or fund portfolios and the setting of net zero plans. Moreover, ACP Indirect Infrastructure Equity monitors annually the scope 1 and 2 GHG emissions of its portfolio funds and co-investments whenever such data is available. ACP Private

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
						Equity (indirect strategy) requests emissions data from the target fund managers (GPs) and as part of due diligence for new investments will review a GP's likely GHG intensity of their strategy as well as details of any approach to setting decarbonisation targets. **Voting:** ACP required that for all direct investments, decarbonisation targets and net zero pathways shall be ratified by the company boards. In case of direct investments, ACP is able to influence its boards to ensure that decarbonisation is prioritised. **Company commitment:** ACP as part of Allianz Global Investors group with AllianzGI being a signatory to the NZAMi is supportive of the goal of net zero GHG emissions by 2050 or sooner and is committing to reduce the absolute emissions of the direct infrastructure equity portfolio by 28% by the end of 2025. **PAI screening:** ACP has developed for its direct investments a proprietary ESG Questionnaire which is to be completed semi-annually by the portfolio companies which covers, among others, ESG topics, 16 PAI (14 mandatory plus 2 discretionary). Slow reporting of PAI is followed up regularly by the portfolio management team, with coverage improving over time. Concerns are fast tracked with discussion between the portfolio manager and ESG departments on how to resolve them. For potential investments, the investment team is required to provide as much information as possible relating to the status of the 16 PAI. With regard to indirect investments (fund-of-fund strategies), ACP indirect infrastructure and private equity teams investigate during the due diligence phase which PAI will be reported by the targeted fund or co-investment and engage during the investment phase with the target fund managers to receive such information and as well to ask for increasing PAI coverage. For example, we request from target fund managers PAI data on an annual basis, also liaising with data platforms who are engaging with target fund managers to request this information. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach. **Dedicated sustainability approach:** ACP continues to launch funds complying with Art. 8 SFDR, some of which commit to reduce the carbon footprint of high and medium GHG emitting companies (scope 1 and 2 emissions greater than 10 tCO_2e/million EUR) including having a net zero plan in place or a commitment to a sustainable investment share which shall contribute to climate change mitigation, adaptation and the decarbonisation of the economy.

Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
						*Data coverage is low for scope 3 GHG emissions.
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS						
INDICATORS APPLICABLE TO INVESTMENTS IN INVESTEE COMPANIES						
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 consistent with the United Nations Convention against Corruption	1.7%	1.9%	**Calculation:** This indicator reflects the share of investments in investee companies without policies on anti-corruption and anti-bribery in accordance with the United Nations Convention against Corruption (or equivalent recognized external standards) to all investments managed by ACP. **Data coverage:** The reported PAI indicator is based on 39.3% (2023: 35.2%) of the assets managed by ACP for which data on policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption was available. Where such data was not available, investments were considered as not having policies on anti-corruption and anti-bribery in accordance with the United Nations Convention against Corruption.	**PAI screening:** ACP has developed for its direct infrastructure investments a proprietary ESG Questionnaire which is to be completed semi-annually by the portfolio companies which covers, among others, ESG topics, 16 PAI (14 mandatory plus 2 discretionary). Slow reporting of PAI is followed up regularly by the portfolio management team, with coverage improving over time. Concerns are fast tracked with discussion between the portfolio manager and ESG departments on how to resolve them. For potential investments, the investment team is required to provide as much information as possible relating to the status of the 16 PAI. With regards to indirect investments (fund-of-fund strategies), ACP indirect infrastructure and private equity teams investigate during the due diligence phase which PAI will be reported by the targeted fund or co-investment and engage during the investment phase with the target fund manages to receive such information and as well to ask for increasing PAI coverage. For example, we request from target fund managers PAI data on an annual basis, also liaising with data platforms who are engaging with target fund managers to request this information. Please refer to section 3 of the PAI Statement for more details on our PAI screening approach.

3. Description of policies to identify and prioritise principal adverse impacts of investment decisions on sustainability factors

3.1 Policies to identify and prioritise principal adverse impacts on sustainability factors

Allianz Global Investors considers principal adverse impacts of investment decisions with respect to all Assets under Management (AuM) resulting from both collective and individual portfolio management activities of all branches across all regions. This includes listed equities, listed fixed income and private markets investments[2].

Allianz Global Investors is committed to the United Nations Principles for Responsible Investment (UN PRI), with AllianzGI being a signatory since 2007. As stated by the PRI principles, signatories commit, among others, to "incorporate ESG issues into investment analysis and decision-making processes", whereby 'ESG issues' refer to both the impact of ESG-related risks on investments as well as their impacts on sustainability factors[3]. Since then, Allianz Global Investors is constantly developing and improving its approach to adhere to this commitment, including taking impacts on sustainability factors into consideration into the investment analysis and decision-making processes.

General approach to address, avoid or reduce Principal Adverse Impact

Allianz Global Investors implemented due diligence policies with respect to the principal adverse impacts of investment decisions on sustainability factors. These due diligence policies aim to ensure that principal adverse impacts are appropriately considered as follows:

- For listed equities and listed fixed income assets, AllianzGI has implemented a framework to identify and assess negative impacts on sustainability factors, which is based on the 16 mandatory PAI indicators as defined by the SFDR Delegated Regulation. PAI indicators are considered either as part of the application of exclusion criteria or through significance thresholds on a sectorial or absolute basis (as set out further below). AllianzGI has implemented pre-trade warnings for investments in securities which are not meeting these significance thresholds. The portfolio manager can use such pre-trade warnings as a trigger to perform in-depth research regarding the relevant securities. Investments in securities issued by companies or sovereigns which are not meeting the significance thresholds are not investible for our investment funds which comply with Article 9 SFDR. In addition, our ESG experts provide our investment professionals with regular portfolio screening of PAI along selected key performance indicators such as carbon emissions, exposure to sectors that are affecting climate change more than other sectors, human rights, and labour rights.
- For private markets investments, Allianz Global Investors considers PAI during the investment origination and investment structuring phases, often through project and fund-specific due diligence questionnaires. Additionally, Allianz Global Investors' private markets assets are generally subject to the Allianz Sustainability Integration Framework, which sets out criteria to be considered and met when investing in particular ESG sensitive business areas. Investments are actively monitored through the asset management process, responding to material adverse changes of the PAI profile through engagement with the management and sponsors of investee companies or, in the context of indirect (fund-of-funds) strategies, through engagement with General Partners (GPs) of target funds and co-investments, in which Allianz Global Investors invests on behalf of its clients. Further details can be found in the Allianz Sustainability Integration Framework .
- The probability of occurrence and severity of PAI, including their potentially irremediable character, is considered through setting sectorial as well as absolute thresholds, taking into account the fact that some 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 (in particular for the social PAI). For the PAI we consider most severe, we have defined a firmwide exclusion policy which restricts, among others, investments in companies involved in coal (subject to materiality thresholds) and controversial weapons (see below).

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[2] Please note that this does not extend to the investment decisions of third-party assets that Allianz Global Investors GmbH does not manage.

[3] For more information on ESG issues as defined by PRI, please see here: https://www.unpri.org/Uploads/x/l/q/maindefinitionstoprireportingframework_971173.pdf (page 3)

Exclusion criteria

Allianz Global Investors refrains from making certain investments in assets that are considered as creating significant adverse impacts on sustainability indicators by applying minimum exclusion criteria.

In respect of all public markets mutual funds and portfolio management mandates which are in scope of the firmwide exclusion policy, Allianz Global Investors restricts investments as follows:

(1) exclusion of companies producing or associated with controversial weapons;
(2) exclusion of companies involved in coal (subject to certain materiality thresholds).

Further details can be found in our Exclusion Policy.

In respect of our public market sustainable investment strategies, Allianz Global Investors applies additional exclusion criteria by refraining, at least, from investing in:

- companies with severe controversies regarding established international norms, such as the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises (MNEs) and the UN Guiding Principles for Business and Human Rights.
- companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium and white phosphorus).
- companies involved in nuclear weapons outside of the Non-Proliferation Treaty (NPT)
- companies involved in nuclear weapons inside of the Non-Proliferation Treaty (NPT)[4]
- companies that derive more than a certain amount of their revenues from the involvement in military equipment and services[4].
- companies that derive more than a certain amount of their revenues from thermal coal extraction.
- companies that derive more than a certain amount of their revenues from coal-based power generation.
- companies involved in the production of tobacco, and companies involved in the distribution of tobacco in excess of a certain amount of their revenues.

In respect of private markets strategies, Allianz Global Investors generally applies the Allianz Sustainability Integration Framework, which also sets out certain exclusion criteria with regard to companies associated with controversial weapons and involved in coal and oil sand (subject to certain materiality thresholds). Indirect strategies typically seek similar exclusion where target funds are willing to accept such requests. Further details can be found here: Allianz Sustainability Integration Framework.

In addition, Allianz Global Investors engages with selected investee companies to induce improved management of sustainability risks and to reduce adverse impacts on sustainability factors. For more details, please refer to the next section.

For more information on Allianz Global Investors' policies in respect of sustainability related matters, please visit our website AllianzGI Sustainability Policies and Documents.

Allianz Global Investors reviews its sustainability related policies at least annually, or more frequently if material changes to the regulatory or market environment require adjustments.

3.2 Allocation of responsibilities for the implementation of those policies to identify and prioritise principal adverse impacts

AllianzGI has a Sustainability Governance Committee ("SGC") with representatives from relevant internal functions both at AllianzGI and ACP. It is the central sustainability governance and decision-making body at Allianz Global Investors group, and reports to the Executive Committee ("ExCo") and the Legal, Compliance and Risk Committee ("LCR"). It is responsible for all overarching sustainability-related topics at Allianz Global Investors, including ACP, and approves both AllianzGI's and ACP's PAI Statement. This joint PAI statement for AllianzGI and ACP was approved by the Sustainability Governance Committee on 24.06.2025.

[4] These exclusion criteria will be removed from the standard exclusion criteria for SFDR Article 8 mutual funds going forward. More information is available at: Change of defence exclusion criteria

Allianz Global Investors' approach to identify and prioritise principal adverse impacts on sustainability factors, as set out above, will be implemented by the relevant internal functions at Allianz Global Investors. Generally, adherence to our ESG approach, including in respect of considering PAI, applying exclusion criteria and engaging with investee companies is ensured through the investment platform and our investment professionals which are directly engaged in the investment sourcing and monitoring processes. In addition, Legal, Compliance & Risk acts as second and Internal Audit as third line of defence.

3.3 Methodologies on the selection, identification and assessment of principal adverse impacts

Allianz Global Investors has selected the following two voluntary PAI indicators:

- Investments in companies without carbon emission reduction initiatives (Annex I Table 2 No. 4 of the SFDR Delegated Regulation);
- Lack of anti-corruption and anti-bribery policies (Annex I Table 3 No. 15 of the SFDR Delegated Regulation).

The selection of these two voluntary PAI indicators was based on several factors, such as data availability, data quality, applicability, and materiality from a sustainability perspective.

PAI indicators relevant for investments in real estate assets are not applicable, since neither AllianzGI nor ACP manage real estate assets. Therefore, this PAI Statement does not include information on PAI indicators 17 and 18 (Annex I Table 1 no. 17 and 18 of the SFDR Delegated Regulation).

In accordance with Article 6(3) of the SFDR Delegated Regulation, Allianz Global Investors calculates the annual PAI indicator as an average of four PAI indicators as at quarter-end ("quarterly snapshots"). This PAI statement is based on a fiscal year end as of 31 December 2024. Therefore, the four quarterly PAI indicators are calculated as of Q1 2024 (31 March 2024), Q2 2024 (30 June 2024), Q3 2024 (30 September 2024), Q4 2024 (31 December 2024) and the final reported PAI indicator is the average of the four quarter-end PAI indicators.

With regard to the identification and assessment of principal adverse impacts, the following methodology was applied:

- As per the Q&A of the European Supervisory Authorities ("ESAs") of 17 November 2022, 'current value of all investments' refers to all Assets under Management resulting from both collective and individual portfolio management activities and therefore always to the entirety of the aggregated portfolio of assets managed by AllianzGI and ACP, respectively.
- Correspondingly, cash positions and derivatives are included in the aggregated portfolio of assets managed by AllianzGI and ACP respectively (for computing the 'current value of all investments'). Derivatives are reflected with their market value.
- Where an investment is carried out by making commitments which are only drawn at a later stage (e.g., fund-of-fund strategies in private markets), such undrawn commitments are not taken into account for the calculation of 'current value of investments' and 'current value of all investments', respectively.
- Due to technical limitations, investments in derivative instruments are treated as if no PAI data was available (i.e. they are not taken into account for computing the 'current value of investment').
- As no PAI data is applicable to cash and cash equivalents, these positions are also treated as if no PAI data was available (i.e. they are not taken into account for computing the 'current value of investment').
- In accordance with the ESAs' Q&A of 17 November 2022, the Enterprise Value of investee companies (i.e. the sum of market capitalisation of ordinary shares, market capitalisation of preferred shares, book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents) is fixed at fiscal year-end.
- Where the Enterprise Value of investee companies was provided by a third-party data provider, it refers to the value at each investee company's actual fiscal year end.
- With regard to the quarterly 'snapshots' of the PAI indicators, in accordance with the ESAs' Q&A of 17 November 2022 the 'current value of investment' reflects the value of an investment (e.g., a share) at fiscal year-end, multiplied by the number of investments (e.g., shares) held in the respective investee company at quarter-end. The change in the current value of investment therefore represents a change in the number of investments (e.g., shares) held, not a change in the valuation of that investment (e.g., a share).
- Correspondingly, the 'current value of all investments' (i.e. all Assets under Management resulting from both collective and individual portfolio management activities of AllianzGI and ACP, respectively) is fixed at year end (31 December 2024) and hence the year-end value is used for the quarter-end calculations.

- For each of our investments, we used the latest available PAI value for the respective investment as of June 2025. In many cases, and in particular for private markets investments, due to the time lag of data provisioning, the PAI value refers to the value reported by the investee companies' fiscal year 2023.
- In line with ESMA's clarifications on the SFDR Delegated Regulation (para 12 et seq.), a look-through approach was generally applied to indirectly held assets (e.g. assets held through means of an SPV or an investment fund). However, for certain target fund investments in third-party target funds in private markets, data was only provided on an aggregated basis by the third-party fund manager. In this case, the look-through-approach was not applied.
- For private market target fund investments, data was gathered on a best-effort-basis through direct engagement with target fund managers, but data coverage was generally low albeit better than for last year's PAI statement. In respect of target fund investments by public market products managed by Allianz Global Investors, investments in third-party target funds were generally excluded due to lack of data availability.
- Where AllianzGI or ACP, respectively, for the account of an investment fund or a portfolio management mandate invested in another product managed by it (e.g., where AllianzGI or ACP, respectively, managed both the target fund and the fund-of-fund), the relevant assets that would have otherwise been counted twice were not taken into account.
- With respect to missing data, assumptions were made for a certain number of PAI indicators, including by applying a rebasing approach for certain PAI (see section 3.4 below for further details).

3.4 Data sources

For public markets investments, PAI data was sourced from third-party data providers. It is to be noted that the third-party data provider has steadily increased the data coverage for PAI 1, PAI 2, PAI 3, PAI 4, PAI 5, PAI 6, PAI 8, PAI 9, PAI 10, PAI 11, PAI 12, PAI 13 of Annex I Table 1.

For private markets investments, PAI data was collected directly from investee companies and, in case of indirect investment strategies, from the respective managers (GPs) of the target funds on a best effort basis. We decided, however, to not consider the most extreme outliers provided by the GPs for PAI 3, PAI 6, PAI 8 and PAI 9 of Annex I Table 1 due to low confidence in the reliability of these data points.

For this PAI statement covering the reference period from 1 January 2024 to 31 December 2024, information in relation to the PAI indicators was not readily available with regard to a substantial part of the assets managed by Allianz Global Investors. In respect of public markets, data availability was dependent on third party provider's sources. With regard to private markets investments, data availability was dependent on the investee companies and target fund managers which have only recently commenced with providing data on PAI indicators. In addition, the data coverage for the data we received was heterogenous and relatively high for indicators like scope 1 and 2 GHG emissions (PAI 1, PAI 2 and PAI 3), but very low for other indicators such as emissions to water (PAI 8). Best efforts have been undertaken to gain as much information as possible: in case of private markets investments, by obtaining the information directly from investee companies for direct strategies and by engaging with target fund managers for providing PAI information for indirect strategies; for public markets investments by cooperating and engaging with third-party data providers to improve data availability and timeliness of PAI indicators. In addition, reasonable assumptions were made as outlined below.

The following methodology was generally applied in respect of missing data:

1) No estimation for missing data was made with regard to PAI reflecting the emissions/waste attributable to investments of Allianz Global Investors (PAI 1, PAI 2, PAI 8 and PAI 9): Where emission data was not available, emissions were not attributed to investments of Allianz Global Investors' investments. Hence, PAI 1, 2, 8, 9 do not cover investee companies with missing data and were not "rebased" in the aggregation process. However, Allianz Global Investors discloses the data coverage for each PAI indicator in accordance with industry practice. The rationale is that the disclosure of both the exact PAI indicator for investments with relevant data and the data coverage factor provides the most accurate figure which is not distorted by estimation errors. In addition, Allianz Global Investors continues to engage with investee companies as well as third-party data providers to encourage additional PAI data disclosures and hence increase data coverage over time.
2) Likewise, no estimation was made with regard to PAI reflecting the share of investments in investee companies fulfilling a certain Yes/No-condition (PAI 4, PAI 7, PAI 10, PAI 11, PAI 14, PAI 16 and the two voluntary PAI) of all investments managed by Allianz Global Investors. Only the investments in investee companies for which data was available on the relevant Yes/No-condition were aggregated. Hence, PAI 4, 7, 10, 11, 14 and 16 do not cover investments in investee companies / countries with missing data and were thus not "rebased" in the aggregation process.

However, Allianz Global Investors discloses the data coverage for each PAI indicator in accordance with industry practice. The rationale is again that the disclosure of both the exact PAI indicator for investments with relevant data and the data coverage factor provides the most accurate figure which is not distorted by estimation errors. In addition, Allianz Global Investors continues to engage with investee companies as well as third-party data providers to encourage additional PAI data disclosures and hence increase data coverage over time.

3) By contrast, an estimation was made with regard to PAI reflecting emission intensities and percentage shares (PAI 3, PAI 5, PAI 6, PAI 12, PAI 13 and PAI 15) in that the weighted average PAI indicator of all investments where data was available was applied as PAI indicator for the entirety of the portfolio. By means of such "rebasing", it is effectively assumed that all investments without the required data have the weighted average intensity/percentage share of the investments where data was available. The rationale is that if no-rebasing is applied in this cluster of PAI indicators, an intensity/percentage share of 0 would be effectively assumed for the investee company without data which would distort the accuracy of the respective weighted average PAI indicator. In order to provide full transparency on the share of the portfolio based on which the weighted average PAI 3, 5, 6, 12, 13 and 15 was calculated, Allianz Global Investors discloses the data coverage for each PAI in accordance with industry practice.

In addition, the following assumptions were made in respect of missing data:

- Where information on the fiscal-year end of investee companies was not available, 31 December 2024 was considered the investee company's fiscal year-end.
- Due to data limitations and for consistency reasons, we assumed in respect of fixing the value of an investment (e.g., a share) at fiscal year-end that the fiscal year-end of all investee companies is the same as for AllianzGI and ACP (31 December).
- Where an investment was not held at 31 December 2024, the value of the investment reflects the valuation (e.g., share price) at the last quarter-end at which the investment was held.
- For investments in listed securities, where a certain issuer has no PAI data available, we use the PAI data of its closest parent company in the company hierarchy structure ("waterfall process"). If no data is available in the full company hierarchy, the investment is considered as no data being available for this investment.

The following margin of error may be associated with the methodologies applied in respect of computing the PAI indicators and dealing with missing data:

- Cash and derivatives are included in 'current value of all investments' as per the guidance provided by the ESAs in their Q&A of 17 November 2022. That means that 'current value of all investments' increases with holdings in cash and cash equivalents.
- 'Current value of all investments' refers to the entire portfolio managed by AllianzGI and ACP respectively, as per the guidance provided by the ESAs' Q&A of 17 November 2022, and not only to the assets in the portfolio which are relevant in respect of the relevant PAI indicator.
- By not applying a rebasing-approach for a certain number of PAI indicators, no emissions are attributed to investments of Allianz Global Investors in respect of PAI 1, PAI 2, PAI 8 and PAI 9, nor do investments count into the share of investments fulfilling a certain Yes/No-condition in respect of PAI 4, PAI 7, PAI 10, PAI 11, PAI 14, PAI 16 and the two voluntary PAI. In reality, the relevant PAI indicator may be higher than the reported PAI indicator of the investments with available data.
- By applying a rebasing-approach for the other PAI indicators, the actual weighted average PAI indicator applying to the covered part of the portfolio is effectively assumed as weighted average PAI indicator for the uncovered part of the portfolio. In reality, the weighted average PAI indicator of the investments for which data was not available may be higher or lower than the weighted average PAI of the investments with available data.

4. Engagement policies

Engagement in public markets

Allianz Global Investors sees the value of engagement in sharing our views and perspectives on sustainability performance with boards and executive management of investee companies, in order to reduce adverse impact on environment and society, foster long-term sustainable business prospects and enable transition. Therefore, AllianzGI enters a dialogue with selected listed investee companies, where AllianzGI identifies systematic sustainability risks and/or significant principal adverse impacts. Our engagement strategy for listed corporates rests on two pillars: (1) risk-based approach and (2) thematic approach. The risk-based approach focuses on the material ESG risks identified. Engagements are closely related to the size of exposure. The focus of engagements is determined by considerations such as significant votes against company management at past general meetings or sustainability issues identified as below market practice. Engagements can also be triggered by controversies connected to sustainability or governance. The thematic approach either links engagements to AllianzGI's three strategic sustainability themes – climate change, planetary boundaries, and inclusive capitalism – or to governance themes within specific markets or more broadly. In our engagements, companies are not always adequately responsive to concerns raised or their actions do not give due consideration to the interests of minority shareholders. If we conclude that a substantial portion of our concerns cannot be resolved through standard interactions with investee companies, and we believe that an engagement has failed against the pre-defined objective, we may consider escalation trajectories. Since 2022, we added data clarification requests to our interaction with companies in line with regulatory requirements. These comprised conversations on sustainable investment share and Principal Adverse Impact / Do No Significant Harm in the context of the EU sustainability regulation. In some cases, these interactions were the starting point for a more thorough engagement process.

In addition to direct company engagements, we undertake public policy engagements and participate in collaborative engagement initiatives aimed at improving corporate practices and disclosure of information at an industry or market level. Further details about our engagement with listed corporates can be found in our Engagement Policy Statement.

Proxy Voting

Active investment strategies benefit from the exercise of voting rights. AllianzGI sees proxy voting as a core part of its investment and stewardship processes. We have robust policies for major corporate governance and proxy voting matters and put substantial effort into developing and debating our views and positions. Our proxy voting decision making process involves close collaboration between portfolio managers and stewardship analysts. There is a direct link between proxy voting and company engagement, while corporate governance analysis undertaken for proxy voting purposes feeds into investment decisions. To ensure proper stewardship of invested corporates Allianz Global Investors has implemented proprietary Global Corporate Governance Guidelines for public market equity investments.

Private Markets Stewardship

As a private markets investor, we endeavor to engage and steward the assets we invest in through the levers of influence specific to each strategy.

- Engagement as equity owner: We engage directly with management teams of the companies in which we are invested.
- Stewardship as debt borrower: We vote on matters that are triggered by lender decision rights under the debt documentation. We can also engage with management teams and/or equity sponsors on a more informal basis.
- Engagement in case of indirect investments (fund-of-fund strategies): We seek to drive change through ongoing engagement (in review meetings) with asset managers, foster improvements to ESG standards, and encourage and track contributions towards ESG and climate goals.

The reduction of GHG emissions is a regular theme of our engagements in private markets.

5. References to International Standards

Allianz Global Investors is committed to a number of responsible business code of conducts and internationally recognized standards that are related to addressing principal adverse impacts, where AllianzGI is a signatory and member.

Key international standards / initiatives / collaborative networks are:

- In 2007, AllianzGI was among the first 50 asset managers to sign the UN-supported Principles for Responsible Investment (PRI). As stated by the PRI principles, signatories commit, among others, to "incorporate Environmental, Social and Governance (ESG) issues into investment analysis and decision-making processes", whereby ESG issues refer to both: The impact of ESG-related risks on investments as well as their impacts on sustainability factors. Today, the principles continue to guide our approach and drive continuous improvement across our business. In 2024, AllianzGI became a part of the PRI-Spring, a stewardship initiative, which addresses the systematic risks of biodiversity loss to protect the long-term interests of the investors. Allianz Global Investors' PRI Transparency Report contains more detailed information and is available on our website (the PRI is not related to specific PAI).
- AllianzGI is an official supporter of the G20 Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD). We are improving transparency around climate-related disclosures and are working to further align our strategy and approach with the recommendations developed by TCFD. As TCFD has encouraged companies all over the world to disclose the risks that climate change poses to their business models, supporting this is aligned with addressing carbon emission and climate risks more broadly that we consider having sustainability adverse impact. The initiative is linked to PAI 1-6 greenhouse gas emissions and shall ultimately contribute to a decrease in greenhouse gas emissions globally.
- AllianzGI is a participant of Climate Action 100+. The Climate Action 100+ is a five-year investor-led initiative to engage more than 100 of the world's largest corporate greenhouse gas emitters to curb emissions, strengthen climate-related financial disclosure and improve governance on climate change risks. Participating in the Climate Action 100+ is for us an important way to support reducing carbon emission which we consider as one of the key principal adverse impacts. The initiative is linked to PAI 1-6 greenhouse gas emissions and shall ultimately contribute to a decrease in greenhouse gas emissions globally.
- In 2021, AllianzGI joined the Net Zero Asset Managers initiative ("NZAMi"), and supports the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C. AllianzGI's TCFD Report contains more detailed information and is available on our website. The initiative is linked to PAI 1–6 (greenhouse gas emissions) and shall ultimately contribute to a decrease in greenhouse gas emissions globally.
- In 2023, AllianzGI became a member of the TNFD Forum, reflecting our conviction that it can become a central framework for biodiversity. As part of our membership, we collaborate with other TNFD members to support systemic progress on planetary boundaries and biodiversity concerns – for example, by shaping new developments around nature-related financial disclosures and impact measurement. The initiative is linked to PAI 7 activities negatively affecting biodiversity-sensitive areas and shall ultimately contribute to increased transparency around biodiversity.
- In 2023 AllianzGI joined Nature Action 100, which is a global investor engagement initiative that drives corporate action to reverse nature loss in line with the UN Global Biodiversity Framework as a founding participant. The initiative is linked to PAI 7 and shall ultimately contribute to a decrease of biodiversity loss.
- In 2024, AllianzGI joined the Platform Living Wage Financials initiative, underscoring our commitment to promoting fair wages across industries. As part of our participation, we work collaboratively with other members to encourage companies to adopt and implement living wage policies, thereby driving systemic change in labor practices and contributing to economic sustainability. The initiative is linked to PAI 12 unadjusted gender pay gap and aims to enhance transparency and accountability in wage practices.
- In 2021, AllianzGI joined the 30% Club France. The purpose of the 30% Club France Investor Group is to engage with SBF120 (Société des Bourses Françaises 120 Index) companies on gender diversity to drive systemic change on company boards and within senior management teams and to develop best practices and recommendations to make SBF120 companies more inclusive, diverse and sustainable. The initiative is linked to PAI 13 board gender diversity and shall ultimately contribute to an improved board gender diversity in France.

Please visit our website for a complete list of all AllianzGI's memberships and partnerships: Sustainability Initiatives Overview

Forward-looking climate scenario analysis

Risks related to climate change are potentially material, meaning that their impact may result in significant economic and financial losses. Their materiality is increasing as they could have a negative impact on financial stability. Thus, severe climatic changes could impact the economy in various ways, whether it is affecting total economic activity, the productivity of the workforce or the smooth functioning of financial markets. Therefore, building a toolkit to help manage and mitigate risks related to climate change is essential. Climate scenario analysis and stress testing is a key part of such a toolkit. It allows for the exploration of impacts and exposures under a range of different potential climate pathways. The financial risks from climate change are typically classified as physical and transition risks by the investment and finance literature and practitioner community at large.

Physical risks from climate change arise from a number of factors and relate to specific weather events (such as heatwaves, floods, wildfires and storms) and longer-term shifts in the climate (such as changes in precipitation, extreme weather variability, sea level rise, and rising mean temperatures). Some examples of physical risks that are becoming evident include:

- Increasing frequency, severity or volatility of extreme weather events leading to increased business disruption and losses, as well as potentially impacting the availability and cost of property and casualty insurance. This may lead to the value of investors' portfolios fluctuating substantially and insurance customers paying higher premiums or choosing not to take out coverage, leaving them or their lenders more exposed to potential future losses; and
- Increasing frequency and severity of flooding leading to physical damage to assets held as collateral by asset owners and banks, such as residential and commercial property.

Physical risks may lead to increased credit risks, particularly for banks, or to underwriting risks for liability insurers if there are greater than anticipated insurance or legal claims to recover financial losses.

Transition risk refers to the negative impact that the introduction of climate policies to reduce GHG emissions could have on certain high-emitting firms. Policies aimed at curbing emissions and facilitating the transition to a greener economy could create significant risks to the most carbon-intensive industries. For example, industries that heavily rely on non-renewable or highly polluting resources, such as mining or fossil fuel extraction, could face a sharp fall in profits and higher production costs.

Transition risk could undermine the creditworthiness of bank counterparties as well as asset prices, with, potentially, detrimental consequences for bank solvency. As climate change advances, the risk of abrupt financial losses in climate risk-sensitive geographical areas would increase, thereby leading to the erosion of collateral and asset values for a large number of financial institutions.

Scenarios description:

In order to assess the impact of climate risks, we considered the Bank of England (BoE) climate scenarios published in 2019 (Bank of England General Insurance Stress Test 2019).

The stress tests apply to all funds managed by Allianz Global Investors and are performed and monitored on a quarterly basis. The results at company level and by asset class are reported on a quarterly basis, in the Legal, Risk and Compliance Committee, in the AllianzGI board report UK Risk committee AllianzGI UK board report.

Bank of England (BoE) defined three hypothetical scenarios referring to the Paris Agreement[5] that has set out climate targets for the coming decades. Meeting these targets will require significant structural changes in the economy over the coming years and decades.

The first two scenarios assume that the Paris Agreement targets are broadly achieved, though through different means. In the third scenario, it is assumed that the targets are not met, resulting in a significant impact on the global climate.

To understand how each scenario could impact financial risks, BoE considers two primary channels: physical and transition risks (please see description above). The severity of the impact in the transition risk will depend on whether the transition is orderly or disorderly.

[5] Please note that for private markets and ACP, the sustainability risk management approach is currently more focused on qualitative analysis as part of the due diligence process for new investments.

"Disorderly Transition"
A sudden transition ensuing from rapid global action and policies and emerging over the medium-term business planning horizon that results in achieving a temperature increase being kept below 2°C (relative to pre-industrial levels) but only following a disorderly transition. In this scenario, transition risk is maximized.

"Orderly Transition"
A long-term orderly transition scenario that is broadly in line with the Paris Agreement. This involves a maximum temperature increase being kept well below 2°C (relative to pre-industrial levels) with the economy transitioning in the next three decades to achieve carbon neutrality by 2050 and greenhouse-gas neutrality in the decades thereafter.

"Hothouse World"
A scenario with failed future improvements in climate policy, reaching a temperature increase in excess of 4°C (relative to pre-industrial levels) by 2100 assuming no transition and a continuation of current policy trends. Physical climate change risk is high under this scenario, with climate impacts for these emissions reflecting the riskier (higher) end of the current estimates.

The main differences between Scenarios A and B are:

1. the underlying assumption between disorderly and orderly transition; and
2. the point in time at which the shocks occur. Hence the impact is instantaneous, but the shocks occur at different times in the future for each scenario.

The scenarios provide valuable insights as they not only allow us to gain an understanding of the potential negative financial impacts of both physical and transition risks on assets from sectors at-risk – such as fuel extraction, power generation, and agriculture – but also the financial opportunities of a sustainable economy (e.g., electric vehicles, renewables).

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