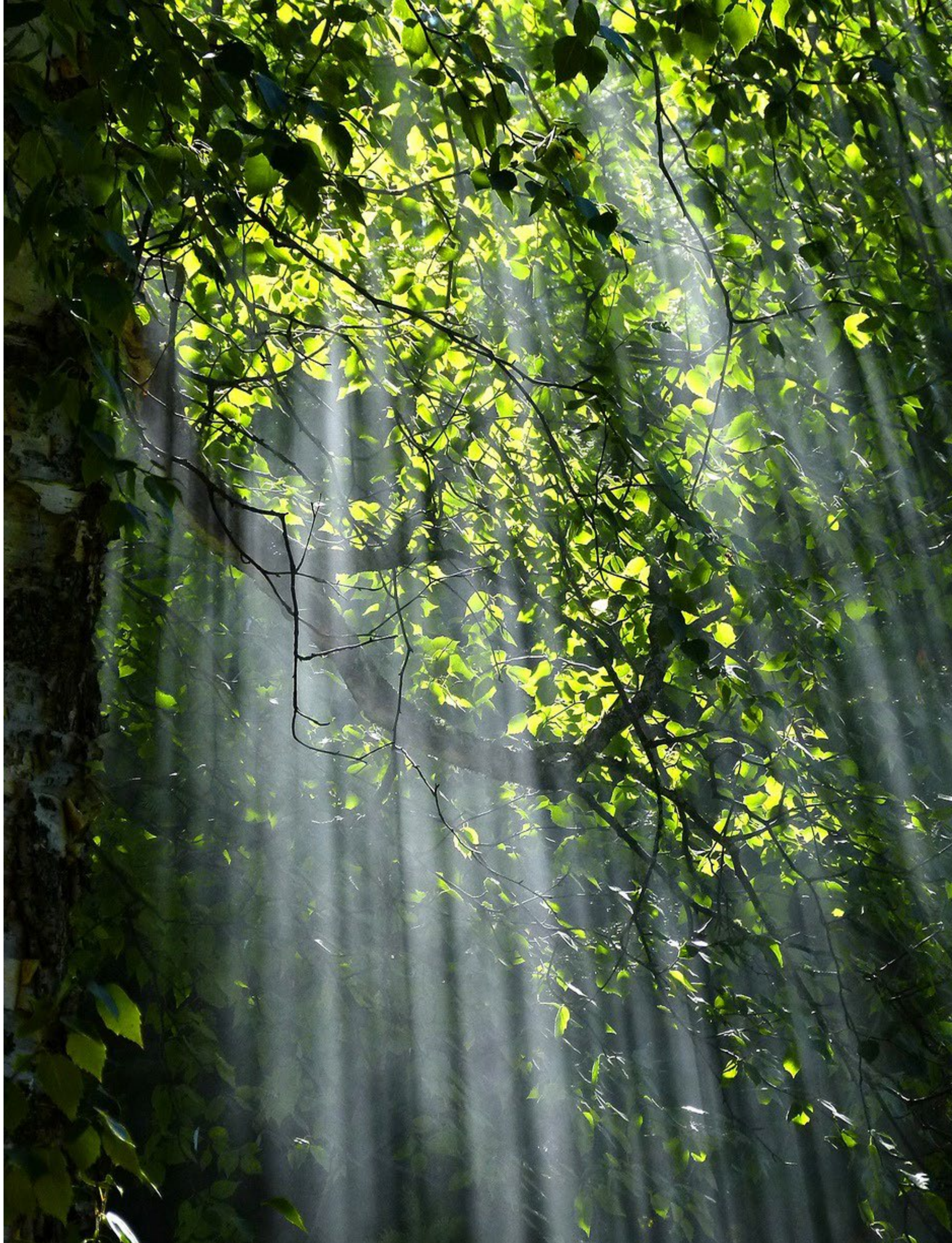
Allianz

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

June 2025



Contents

SUMMARY 2
DESCRIPTION OF THE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS 3
DESCRIPTION OF POLICIES TO IDENTIFY AND PRIORITISE PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS 30
ENGAGEMENT POLICIES 35
REFERENCES TO INTERNATIONAL STANDARDS 38
HISTORICAL COMPARISON 41

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

Summary

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

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

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

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

Allianz Life Luxembourg considers principle adverse impacts of its investment decisions with respect to proprietary investments[1] and has a robust framework in place to identify and assess those impacts. Key internal policy documents are defining and governing this investment approach, which is rooted in four fundamental convictions: 1.) match liabilities: We invest long-term, driven by the profile of our liabilities. 2.) capture opportunities: We provide capital to sustainable business models because we believe these will deliver better returns in the long run. 3.) manage material risk: We are committed to managing material sustainability risks for our portfolio. 4.) manage impact: As a long-term investor, our decision-making process includes assessing and managing the impacts of our investments on the environment and society. Our business can only be successful if we respect planetary boundaries and contribute to people being able to live a decent life. Hereby principal adverse sustainability impacts such as greenhouse gas (GHG) emissions, biodiversity loss, water stress, hazardous waste and toxic emissions treatment, human rights violations, health & safety, adverse community impacts, bribery and corruption are taken into account through various methods such as investment restrictions[2], detailed investment guidelines, short-term and long-term reduction targets, and engagement. To identify and assess principle adverse impacts we take several indicators into account depending on their materiality for the respective investment. We strive to implement best practices across all asset classes, guided by the recommendations of leading sustainable investor organizations such as the Principles for Responsible Investment (PRI) and the Institutional Investors Group on Climate Change (IIGCC). At the same time, the world is changing fast, and our

[1] Please note that this does not extend to the investment decisions with respect to the underlying investments of unit-linked products, as those are made by the customer, not the insurance undertaking.
[2] Please note that the restrictions for proprietary investments do not apply to index-linked instruments, index-linked structured products, and seed money. Moreover, for mutual funds we apply the restrictions on a best effort.

ambition is to shape the direction of travel through our contributions to partnerships. Allianz has made several commitments to strategic initiatives related to climate change, amongst other topics, which strengthen our approach to mitigate potential adverse impacts.

Description of the principal adverse impacts on sustainability factors

General explanatory notes

For investee company PAI metrics: Percentages or investor allocation per million EUR invested are calculated with reference to the entire proprietary investments (without unit-linked investments, but including assets held for index-linked and unit-linked contracts In line with the ESA Q&A (17.11.2022) I. 2.) held by Allianz Life Luxembourg. The denominator[3] also includes cash and cash equivalents as well as derivatives[4]. The calculation logic aims at aligning the figures in the following table with our product disclosures on sustainable investments and EU Taxonomy aligned investments, which are also communicated as a share based on the entire proprietary investments (in market values). The calculation approach likewise seeks to enable customers to better compare the disclosed principal adverse impacts on sustainability factors in line with rational (7) of SFDR RTS.

The PAI metrics are calculated as the average of impacts on 31 March, 30 June, 30 September and 31 December 2024. For the calculation, we use the latest available PAI data at each quarter end date to reflect the sustainability data available at the point of investment decision making. Despite engaging with our data providers, there remains at least one year time-lag on most quantitative datapoints. PAI consideration is a continuous process throughout the year, including due diligence for new investments. For PAI reporting, due to the static nature of PAI data for not listed investments, data updates are in most cases provided yearly and forward-filled until the next data update for not listed investments. We are in continuous discussions with our internal and external asset managers as well as data providers to address data gaps and broaden our understanding of potential adverse impact.

For measuring and steering the decarbonization of our portfolio, and for our sustainability reporting, we calculate the emissions attributed to an investment in our portfolio by computing the fractional share of the respective company's total GHG/water/waste emissions relative to the amount of the company that we finance. This is determined by the ratio of our exposure in the company (equity or bond) and the company's total enterprise value including cash[5] (EVIC), multiplied with the company's total emissions. While the regulatory technical standards suggest the use of year-end EVIC, we deem it reasonable for the calculation of metrics based on the investor allocation approach to recalculate the EVIC quarterly with the share prices at quarter ends so that the denominator (EVIC) is aligned with the nominator (value of investment in investee companies). As the EVIC is based on the book value of total debt we likewise use the nominal value of our fixed income investments in investee companies for the investor allocation approach PAI metrics. The different EVIC components (Company Market Cap, Preferred Stock, Non-Redeemable (Net), Total Debt, Minority Interest) are sourced from the Refinitiv Eikon database. If these components are not available from Refinitiv, EVIC data from MSCI is used instead. If the necessary data is still not available, we use the company's market cap from MSCI instead of EVIC.

[3] The denominator also includes assets held temporarily on the balance sheet to facilitate the timely processing of unit-linked contracts.
[4] In line with the ESA Q&A (17.11.2022) I. 2.
[5] Enterprise value means the sum "market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents." SFDR RTS p.38

Indicators applicable to investments in investee companies							
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period[6]
	CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	0.64 kt CO2	0.85 kt CO2	3.73 kT CO2	We calculate the owned emissions of an investment in our portfolio by computing the fractional share of the respective company's GHG emissions relative to the amount of the company that we finance. This is determined by the ratio of our exposure in the company (equity or bond) and the company's total enterprise value, multiplied with the company's total emissions. The total emissions are the sum of all those owned emissions in our portfolio, expressed as carbon dioxide equivalents (CO2e). For the carbon footprint per million EUR invested the total GHG emissions are divided by our proprietary investments (in EUR market value). There is usually at least a one-year time-lag between financial data and emission data within the calculation. Scope 1 and 2 emissions are based on an emissions waterfall combining several data	Allianz Group commits to net-zero greenhouse gases (GHG) by 2050 for its proprietary investment portfolio. As a founding member of the U.N.-convened Net-Zero Asset Owner Alliance (NZAOA), Allianz advocates for ambitious decarbonization strategies. The whole investment management function of Allianz is responsible for implementing climate topics in the existing processes and hence in the proprietary investment portfolio. Generally, we aim to achieve GHG emission reductions through actions, such as engaging investee companies and customers, increasing exposures to lower-carbon business, setting targets for low-carbon solutions (outlined in the section Climate-related opportunities in the Sustainability Statement section of the Allianz Group Annual Report 2024), and reducing our exposure to defined fossil fuel business such as thermal coal, oil, and gas. Allianz/we follow NZAOA recommendations and apply a four-part approach to target setting to cover all relevant aspects, including intermediate decarbonisation targets: **1. Quantitative sub-portfolio intermediate targets:**
		Scope 2 GHG emissions	0.16 kt CO2	0.12 kT CO2	0.46 kT CO2		
		Scope 3 GHG emissions	10.38 kt CO2	5.76 kT CO2	21.41 kT CO2		
		Total GHG emissions	11.17 kt CO2	6.74 kT CO2	25.61 kT CO2		
	2. Carbon footprint	Carbon footprint	47.76 T CO2/mEUR invested	25.62 T CO2/mEUR invested	72.06 T CO2/mEUR invested		
	3. GHG intensity of investee companies	GHG intensity of investee companies	846.27 T CO2/mEUR of revenues	22.75 T CO2/mEUR of revenues	755.30 T CO2/mEUR of revenues		

[6] The actions taken, and actions planned and targets set for the next reference period do not include assets held temporarily on the balance sheet to facilitate the timely processing of unit-linked contracts.

						sources and reported as well as estimated data. In addition to the estimated data we source from data providers, we apply sector averages based on NACE sectors. More details on the methodology and enrichment process can be found here. Scope 3 emissions data are sourced from data vendors and limited to reported data. We do not source Scope 3 estimated data due to methodological and data quality concerns such as very high variance between sector estimations and reported scope 3 emissions. Green bonds are a special case in the process of our portfolio's carbon footprint calculation. These are bonds where the money raised by the issuer is used exclusively to finance projects that have a positive environmental impact, such as funding further development of renewable energy or green buildings. For green bonds, financed emissions are reduced by 90 %, making them 10 % of those from a regular bond by the same issuer, assuming all else is equal. This reduction reflects the environmental benefits of green bonds and is based on expert judgment. The approach has been validated utilizing proceeds-based MSCI data for green bonds. Going forward,	As a first milestone towards our net-zero GHG target for our proprietary investments, by 2025 we aimed and succeeded to reduce Scope 1 +2 GHG emissions in equities and corporate bonds by 25% compared to 2019. For these asset classes data is largely available and methodologies are most advanced. Our target is to reduce absolute financed emissions in the respective asset classes by 50 % by 2030 compared to the 2019 baseline emissions. Allianz Group has chosen 2019 as the base year when setting targets in 2023 as it is the first year with good data coverage and quality; in addition, year-end 2019 data is not influenced by COVID-19 or other extraordinary events. For both our listed and non-listed corporate exposure, we have set a target to reduce our gross emission intensity by 50 % by 2030 compared to the 2019 baseline emission intensity. For non-listed corporates, we are still in the process of gathering emission data and we do not know beforehand how many of our portfolio companies and indirect investments via funds will deliver data in the coming years until 2030. As data coverage is uncertain and changing, we cannot set a reasonable absolute financed emission reduction target for our non-listed corporate portfolio yet. An intensity metric does not rely on coverage, as absolute emissions are divided by the respective covered portfolio exposure. A GHG emission reduction of 50 % during this decade is in line with the latest IPCC scenarios and equal to the midpoint of the respective scenario range from 40 % to 60 % suggested by the NZAOA, after thorough analysis of the IPCC

						Allianz will monitor the market developments in measuring financed emissions of green bonds. Green bonds are identified via a respective flag from our data provider. Our Scope 1+2 emission carbon footprint data and methodology is subject to reasonable assurance due to disclosure in the Allianz Annual Report. We have streamlined our methodology and calculation for GHG intensity of investee companies to establish consistency across weighted average PAI indicator calculations. For computing the portfolio's weighted average Scope 1 -3 GHG emissions intensity per million EUR of revenue of investee companies, we multiply the weight of each investee company with the company's GHG intensity per million EUR of revenue and compute the final sum. The weight of each company is determined by the exposure in EUR market value divided by our investee company proprietary investment portfolio. For the calculation we only take into account those companies for which we could source data. The figures reported are based on the following coverage figures of	scenarios and vetting with academia (NZAOA 4th Target-Setting Protocol, T13 page 5). For our sub-portfolio targets, we have used the C1a and C1b scenarios provided by the IPCC and run sensitivity analysis on both required and potential emission pathways with the World Energy Outlook scenarios by the IEA and the Forecast Policy Scenario by Inevitable Policy Response. Allianz aims to finance the transition of companies in the hard-to abate cement and steel sector that are aligned with a 1.5 °C path and have well-defined decarbonization strategies. Allianz therefore created a separate emission bucket for new investments in those companies (equity investments and investments in bonds issued after 1/1/2024) on the Allianz "steel and cement climate list," meaning that the financed emissions of these new investments are shown separately under "No target yet" in the Allianz Group reporting in the respective emissions table within the Annual Report and are not part of the 2030 corporate sub-portfolio emission target. For more information on this, please refer to the Explanatory Notes on the Allianz company website. Our investment management function allows us to steer our portfolio allocation by setting targets and frameworks for our asset managers. These include defining detailed decarbonization targets for individual mandates, restricting certain high-emitting companies without reduction plans, and increasing target volumes for investments in low carbon solutions. We break down our global targets to an individual mandate level. Each asset manager is then responsible for reaching the respective mandate

						our proprietary investments in investee companies: Scope 1 GHG emissions: 99,98% Scope 2 GHG emissions: 99,98% Scope 3 GHG emissions: 99,98% (Scope 3 covers a wide range of emission categories, of which companies often only disclose single categories. This leads to a distortion of the data and data coverage might appear higher, while comparability between the reported figures might not be given.) Total GHG emissions: 99,98% Carbon footprint: 99,98% GHG intensity of investee companies: 21,10%	decarbonization target by taking appropriate actions. We hold regular deep dive meetings where we monitor and discuss the decarbonization performance of our asset managers against the set targets. We do not set quantitative reduction targets on scope 3 emissions, because of data comparability, coverage, transparency, and reliability issues. We monitor Scope 3 disclosures across sectors. **2. Intermediate sector targets:** Allianz has set Group-level intermediate sector targets for selected high-emitting sectors (oil and gas, steel and utilities) in the proprietary investment portfolio, which will trigger three types of actions supporting our overall GHG emission reduction target: sector engagements, investment restrictions, and moving from climate laggards to climate leaders within the respective sectors. Setting sector targets enables us to enhance the link between overall portfolio emissions reductions and sectoral efficiency gains. To address the potential problem of inconsistency or unavailability of the production and emissions data required for the calculation of productivity-based carbon intensity metrics, Allianz has set the scope for the intermediate sector targets as follows: Target coverage is set to companies included in the Transition Pathway Initiative (TPI) dataset or those companies falling under the classification in the Allianz statement on oil and gas business models with the largest hydrocarbon production (above 60 million barrels of oil equivalent production in 2020) or Allianz statement on coal-based business models. Substantial coverage in each sector was ensured during the target scope

							setting. All quantitative figures apply to the average of covered companies to be reached in December 2030 an aggregated Allianz Group-level. The targets build on the recommendations of the NZAOA Target Setting Protocol. They further incorporate potential and expected public and private policy developments which would close the gap towards the net-zero scenario. The 2030 target values were updated to the 2028 Transition Pathway Initiative benchmark values, which are appropriate as they reflect the one year time lag in emission data. 1. Oil & Gas (coverage Allianz O&G 100 list, see above): o Scope 1, 2 and 3 (cat 11): 45.2 gCO2e/MJ o Net-zero targets across all 3 emission scopes (target year 2025) 2. Utilities: o Scope 1: 0.2 tCO2e/MWh (Coverage TPI, see above) o Coal phase-out in line with 1.5°C pathway (as per Allianz thermal coal guideline) 3. Steel (Coverage TPI, see above): ▪ Scope 1 and 2: 1.2 tCO2e/t steel For more details, please see Allianz Group Annual Report 2024 section *Decarbonization levers and actions related to climate change mitigation for our proprietary investment portfolio*. **3. Engagement activities:** We consider engagement as one of the most important mechanisms that asset owners have for contributing to a net-zero economy transition.

							Allianz has set three engagement targets for the corporate portfolio. First, by 2030, Allianz plans to engage with all external asset managers who are "below expectations" based on Allianz's in-house systematic assessment. This assessment differs based on the type of asset manager and asset class. If an asset manager does not meet Allianz's minimum expectations, the investment functions start the engagement process to understand the root cause of the asset manager not meeting the expectations and develop a plan of action for them to close the identified gaps that persist. For all public equity asset managers, the investment function benchmarks them against best practice guidance (e.g., NZAOA guidance on best practice for proxy voting and climate policy engagement). In situations where engagement does not lead to the desired results, the asset manager may become ineligible for new business. For more information on this, please refer the Sustainability Statement section of the Allianz Group Annual Report 2024. Second, Allianz wants to participate in at least 15 multilateral engagements on climate (30 multilateral engagements overall), either as the lead investor or as a supporting member. To reach this target, the investment functions is continuing to review existing or new multilateral engagement initiatives for ones that meet Allianz's ambition and are aligned with Allianz's interests. Third, of the top 100 portfolio emitters currently not already adequately engaged multilaterally or by Allianz asset managers, the investment

							function aims to engage bilaterally with 15. The investment function will screen the financed GHG emissions of the Allianz's portfolio companies to identify those qualifying for engagement, i.e., those with the highest financed GHG emissions that are not already engaged. As many of our high emitters in the portfolio can only decarbonize properly if the sector – including the value chain – has the right technology and economic incentives to do so, Allianz is supportive of high-quality sector engagement initiatives. Sector engagements support the sector targets for 2030, particularly in the steel and oil & gas sectors, as described in the Sustainability Statement section of the Allianz Group Annual Report 2024. **4. Financing the transition:** We are targeting investments in economic activities that contribute to climate change mitigation and climate-positive solutions such as forestry, hydrogen, dedicated transition finance funds and in the area of blended finance co-investments alongside IFC in emerging market Paris-aligned infrastructure projects. Allianz is targeting to increase investments in low-carbon solutions by at least € 20bn by 2030, compared to year-end 2023 (€ 43.5 bn.as of 31.12.2024), subject to market environment and constraints on Group-level. The investment management framework used to identify and invest in low-carbon solutions is informed by several climate scenarios, focusing on transition events, underlying technology, and investment volumes. The scenarios considered are similar to those for Allianz's emission-related targets and include the IPCC's Sixth Assessment Report (AR6 C1) and the IEA World Energy Outlook. These scenarios converge on the technologies

							that need to be scaled to limit global warming. For more details, please see Allianz Group Annual Report 2024 section *Identifying and assessing climate-related opportunities*.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0.74%	0.81%	3.07%	For computing our portfolio's share of investments in companies active in the fossil fuel sector, we compute the sum of all exposures in companies involved in fossil fuels related activities (including extraction, processing, storage and transportation of petroleum products, natural gas, and thermal and metallurgical coal) divided by our proprietary investments (in EUR market value). Please see the general explanatory notes above. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 95.77% coverage of our proprietary investments in investee companies.	As part of our commitment to decarbonise our proprietary investment portfolio, we are restricting investments in certain energy-related sectors and issuers. To accelerate clean and just transition to renewable energy we exempt from these restrictions ring-fenced direct / project investments (defined by a clearly specified and well governed use of proceeds) in renewable and low-carbon energy. This allows us to approach and work with companies to create more renewable / low-carbon projects[7]. As described in the Allianz Statement on renewables/low-carbon energy the exemption also includes non-fossil energy storage technologies and blue hydrogen (under the condition that lifecycle emissions of the specific project are verified to be similar to green hydrogen, which needs to be demonstrated in a case-by-case assessment). We likewise evaluate and exempt on an individual basis investments in companies with credible and public transition strategies compatible with the scientific pathways of limiting global warming to 1.5°C (independent third-party assessments of target and performance required). A company planning/building new coal activities is not 1.5°C aligned. The renewable / low-carbon energy allowance as laid out above are unaffected by this. The exemptions require prior due diligence on

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

							other sustainability dimensions as set out by the internal Allianz Standard for Integration of Sustainability. ▪ Restrictions on coal-based business models[8] in line with the Allianz Statement on coal-based business models: o companies deriving 25% or more of their revenues from thermal coal (mining companies and coal service providers[9]) o companies deriving 25% or more of their generated electricity from thermal coal (utilities) o planning new coal (e.g. plants[10] and mines[12]) (utilities, mining companies, and coal service providers) o having more than 5 GW of thermal coal power plant capacity installed or mining more than 10 million tonnes thermal coal annually (utilities and mining companies) We are continuously tightening our threshold to fully phase-out coal-based business models across our insurance proprietary investment assets by 2040, at the latest. For more details, see here.

[8] Divestment of equity stakes and existing fixed income investments are put in run-off. Please note that these restrictions do not apply to index-linked instruments, index-linked structured products, and seed money. Moreover, for mutual funds we apply the restrictions on a best effort.
[9] Service providers: e.g. coal-related operation & maintenance services, coal-related engineering & construction, coal trading
[10] Mining companies: New coal mining refers to either a 10% or more increase in the absolute volume of annually mined thermal coal that resulted from either an expansion or increase in output at existing mines, or any new mining site(-s).

							▪ Restrictions[11] on oil sand-based businesses in line with the Allianz Statement on oil sands business models: o companies deriving more than 10% of revenue from oil sands across all lines of business. ▪ Restrictions on funding of projects in line with the Allianz statement on oil and gas business models. These pertain to both new and existing projects/operations. No new funding for projects in: o exploration and development of new oil and new gas fields (up-stream) o construction of new midstream in-frastructure related to oil, o construction of new oil power plants o practices relating to the Arctic (as defined by AMAP, excluding opera-tions in Norwegian territories) and Antarctic, coal-bed methane, extra-heavy oil and oil sands, as well as ultra-deep sea. ▪ Company-level restrictions[12] in line the Alli-anz statement on oil and gas business mod-els (from 1st of January 2025): o Companies without a commitment to net-zero GHG by 2050, in align-ment with science-based 1.5°C pathways, across all three GHG emissions scopes (as defined by the Greenhouse Gas Protocol). The

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

							investment function will use credible, independent third-party sources, where available, for assessing the commitment (for example Transition Pathway Initiative, Climate Action 100+ Net-Zero Company Benchmark). The companies should ideally in addition align their operations and disclosure to the Climate Action 100+ Net-Zero Company Benchmark requirements, most notably the alignment of capital expenditures and corporate lobbying. ○ Scope: Companies with the largest hydrocarbon production (i.e., above 60 million barrels of oil equivalent production in 2020), which are estimated to represent approximately 85% of the hydrocarbon production of the O&G industry (with predominant business activities in oil and gas except non-energy / petrochemical). Engagement at the industry level: to support the shift towards a low-carbon economy, we are deep-diving into high-emitting sectors (such as Utilities and Oil & Gas) in our proprietary investment portfolio with intermediate sector targets (please refer to disclosure under PAI #1 – PAI #3) and via engagement initiatives. We plan to increase our participation in collaborative engagements such as CA100+ and drive sector and asset manager engagements activities.

	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	66.05%	80.36%	72.87%	For computing our portfolio's weighted average share of non-renewable energy consumption and non-renewable energy production of investee companies, we multiply the weight of each investee company with the company's share of non-renewable energy consumption and non-renewable energy production and compute the final sum. The weight of each company is determined by the exposure in EUR market value divided by our investee company proprietary investment portfolio. For the calculation we only take into account those companies for which we could source data to avoid assuming "real zeros" for missing data. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 89.48% coverage of our proprietary investments in investee companies.	In our proprietary investment portfolio we are restricting investments in certain sectors and issuers related to coal-based and oil-sand based business models as well as Oil and Gas. Please see actions taken under PAI #4. By combining engagement efforts and exemptions for ring-fenced direct / project investments in renewable and low-carbon energy, we aim to influence the share of non-renewable energy production. Another key pillar of our commitment to net-zero GHG in our proprietary investments are our investment strategies in a net-zero economy. We have a growing global portfolio of investments in low-carbon solutions, investing in renewable energy, energy innovations and fostering the transition to a net-zero economy. Our own asset management is delegated within the Group to AIM, the objectives of the Allianz Group are de facto taken into account in our asset allocation planning.

	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector				For computing our portfolio's weighted average energy consumption in GWh per million EUR of revenue of investee companies, we multiply the weight of each investee company with the company's energy consumption in GWh per million EUR of revenue and compute the final sum. The weight of each company is determined by the exposure in EUR market value divided by our investee company proprietary investment portfolio. For the calculation we only take into account those companies for which we could source data to avoid assuming "real zeros" for missing data. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on the following coverage figures of our proprietary investments in investee companies in the respective NACE sectors: MANUFACTURING: 83.68% ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY: 28.72%	Please see PAI #1-#3 for our climate related intermediate targets, which include specific sector targets. Based on existing efforts on high emitting sectors (Oil and Gas and Utilities), we are continuing our sector-based as well as sector overarching engagements as detailed above and in section Engagement policies.
		A — AGRICULTURE, FORESTRY AND FISHING:	0 GWh per MEUR revenue	0 GWh per MEUR revenue	0 GWh per MEUR revenue		
		B — MINING AND QUARRYING:	0 GWh per MEUR revenue	0 GWh per MEUR revenue	0.34 GWh per MEUR revenue		
		C — MANUFACTURING:	0.20 GWh per MEUR revenue	0.14 GWh per MEUR revenue	0.54 GWh per MEUR revenue		
		D — ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY:	0.11 GWh per MEUR revenue	0.13 GWh per MEUR revenue	1.16 GWh per MEUR revenue		
		E — WATER SUPPLY; SEWERAGE, WASTE MANAGEMENTAND REMEDIATION ACTIVITIES:	0 GWh per MEUR revenue	0 GWh per MEUR revenue	0 GWh per MEUR revenue		

		F — CONSTRUCTION:	0 GWh per MEUR revenue	0 GWh per MEUR revenue	0 GWh per MEUR revenue	We have no investment in the other sectors.	
		G — WHOLESALE AND RETAIL TRADE; REPAIR OF MOTORVEHICLES AND MOTORCYCLES:	0 GWh per MEUR revenue	0 GWh per MEUR revenue	0 GWh per MEUR revenue		
		H — TRANSPORTATION AND STORAGE:	0 GWh per MEUR revenue	0 GWh per MEUR revenue	0 GWh per MEUR revenue		
		L — REAL ESTATE ACTIVITIES:	0 GWh per MEUR revenue	0 GWh per MEUR revenue	0 GWh per MEUR revenue		
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	2.14%	0%	0%	For computing our portfolio's share of investments in companies negatively affecting biodiversity-sensitive areas, we compute the sum of all exposures in companies, which report having operations in or near to biodiversity sensitive areas and have been implicated in controversies with severe or very severe adverse impact on the environment divided by our proprietary investments (in EUR market value). We are in continuous discussions with our asset managers and data providers to address data gaps	Engagement with selected investee companies in our proprietary investment portfolio: In 2023 we enhanced our former ESG scoring process by further integrating SFDR regulatory requirements to consider PAI indicators systematically in the investment process. The Adverse Impact Steering (AIS) process was first initiated in 2024 and considers issuers in our listed investment portfolio that are below our scoring threshold for issues relating to Biodiversity & Land Use. For more details please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors" and Engagement Policies. Investment transactions into non-listed asset classes are subject to the Sensitive Business

						and broaden our understanding of potential adverse impact. The figures reported are based on 95.77% coverage of our proprietary investments in investee companies.	Guidelines (SBGs) and Referral process for non-listed assets, please see section “Description of policies to identify and prioritise principal adverse impacts on sustainability factors”.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0%	0%	0.02%	We calculate the owned tons of emissions to water of an investment by computing the fractional share of the respective company's emissions to water relative to the amount of the company that we 'own'. This is determined by the ratio of our exposure in the company (equity or bond) and the company's total enterprise value, multiplied with the company's total emissions. We compute our water emissions footprint per million EUR invested by dividing the total owned emissions by our proprietary investments (in EUR market value). We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 9.25% coverage of our proprietary investments in investee companies.	Engagement with selected investee companies in our proprietary investment portfolio: In 2023 we enhanced our former ESG scoring process by further integrating SFDR regulatory requirements to consider PAI indicators systematically in the investment process. The new AIS process was first initiated in 2024 and considers issuers in our listed investment portfolio that are below our scoring threshold for issues relating to Toxic Emissions & Waste. For more details see section “Description of policies to identify and prioritise principal adverse impacts on sustainability factors” and Engagement Policies. Investment transactions into non-listed asset classes are subject to the SBGs and Referral process for non-listed assets, please see section “Description of policies to identify and prioritise principal adverse impacts on sustainability factors”.
Waste	9. Hazardous waste and	Tonnes of hazardous waste and radioactive waste	0.02%	0.01%	0.07%	We calculate the owned tons of hazardous waste and radioactive waste generated of an investment by computing the fractional share	Engagement with selected investee companies in our proprietary investment portfolio: In 2023 we enhanced our former ESG scoring process by further integrating SFDR regulatory requirements to

	radioactive waste ratio	generated by investee companies per million EUR invested, expressed as a weighted average				of the respective company's emissions to water relative to the amount of the company that we 'own'. This is determined by the ratio of our exposure in the company (equity or bond) and the company's total enterprise value, multiplied with the company's total emissions. We compute our waste emissions footprint per million EUR invested by dividing the total owned emissions by our entire proprietary investments (in EUR market value). Due to data availability issues, the present figure only represents hazardous waste. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 76.29% coverage of our proprietary investments in investee companies.	consider PAI indicators systematically in the investment process. The new AIS process was first initiated in 2024 and considers issuers in our listed investment portfolio that are below our scoring threshold for issues relating to Toxic Emissions & Waste. For more details see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors" and Engagement Policies. In 2023 Allianz Investment Management joined the collaborative engagement Investor Initiative on Hazardous Chemicals (IIHC). The initiative aims to reduce adverse impacts of manufacture and use of hazardous chemicals, especially chemicals that have a persistent impact on human health and the environment. Hence, the main objective of this initiative is to engage with investee companies for disclosure on hazardous chemicals, time-bound commitments to phase out hazardous chemicals, a shift towards a circular strategy and responses to controversies, lawsuits, and regulation. Investment transactions into non-listed asset classes are subject to the SBGs and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".
			INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS				
Social and employee matters	10. Violations of UN Global Compact	Share of investments in investee companies that have been involved in	0%	0%	0.43%	For computing our portfolio's share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises, we	Engagement with selected investee companies in our proprietary investment portfolio: In 2023 we enhanced our former ESG scoring process by further integrating SFDR regulatory requirements to consider PAI indicators systematically in the investment process. The new AIS process was first

	principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	violations of the UNGC principles or OECD Guidelines for Multinational Enterprises				compute the sum of all exposures in companies, which are identified as non-compliant with UN GC principles, divided by our proprietary investments (in EUR market value). We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 95.77% coverage of our proprietary investments in investee companies.	initiated in 2024 and considers issuers in our listed investment portfolio that are flagged for issues relating to principle adverse impact indicators in non-compliance with UN GC principles, human rights, labor rights and governance principles. For more details see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors" and Engagement Policies. Likewise, Allianz SE has been a member of PRI since 2011, which underlines our long-term commitment to work with our investee companies to protect the environment, uphold human and labor rights and promote good corporate governance practices. In addition, Allianz is committed to Advance, an PRI collaborative engagement initiative on Human Rights. Investment transactions into non-listed asset classes are subject to the SBGs and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".
	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	0%	0.18%	1.18%	For computing our portfolio's share of investments with a lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises, we compute the sum of all exposures in companies, which are identified to lack policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises, divided by our proprietary investments (in EUR market value).	

		Guidelines for Multinational Enterprises				We have developed a waterfall to determine alignment with PAI #11, which combines several data sources: UNGC signatory status of investee company; investee company reports to follow OECD guidelines; investee company has a labor due diligence policy (ILO)], policy on anti-corruption and anti-bribery (UN Convention against Corruption) and defines processes, set targets or reports achievements for monitoring the effectiveness of its human rights policy. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 95.77% coverage of our proprietary investments in investee companies.	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	18.71%	5.16%	9.89%	For computing our portfolio's weighted average unadjusted gender pay gap of investee companies, we multiply the weight of each investee company with the company's unadjusted gender pay gap and compute the final sum. The weight of each company is determined by the exposure in EUR market value divided by our investee company investment portfolio. For the calculation we only take	Despite best effort, data availability limits the degree of consideration of specific principle adverse impact metrics such as unadjusted gender pay gap. On the specific metric, we see raising awareness and increasing transparency as key for now and consequently request the information from our asset managers. Against the background of insufficient coverage and methodological consensus / reporting scope (UK vs. global disclosures vs. estimates) our aim is to receive comparable information based on companies' entire operations in the long-term. In our investment

						into account those companies for which we could source data to avoid assuming "real zeros" for missing data. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 63.99% coverage of our proprietary investments in investee companies.	strategy, we consider the underlying adverse sustainability indicator theme "social and employee matters" through our Sustainability Integration approach for listed assets and workforce related topics in our SBGs and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	39.96%	39.97%	40.43%	For computing our portfolio's average board gender diversity of investee companies we multiply the weight of each investee company with the company's percentage of female board members and compute the final sum. The weight of each company is determined by the exposure in EUR market value divided by our investee company investment portfolio. For the calculation we only take into account those companies for which we could source data to avoid assuming "real zeros" for missing data. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on	For our proprietary investments, we see raising awareness and increasing transparency as key and consequently request information on board gender diversity from our asset managers. Our aim is to receive comparable information for our entire portfolio in investee companies. In our investment strategy, we consider the underlying adverse sustainability indicator theme "social and employee matters" through our Sustainability Integration approach for listed assets and workforce related topics in our SBGs and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".

						95.77% coverage of our proprietary investments in investee companies.	
	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%	For computing our portfolio's share of investments in investee companies, which are involved in the manufacture or selling of controversial weapons, we compute the sum of all exposures in companies, which are identified to be involved with controversial weapons as described below, divided by our entire proprietary investments (in EUR market value). Please see the general explanatory notes above. Controversial weapons are defined as weapons that fall under the scope of the following international conventions: ▪ Ottawa Convention (anti-personnel landmines) ▪ Convention on Cluster Munitions (cluster ammunition/bombs) ▪ Biological and Toxin Weapons Convention (biological weapons) ▪ Chemical Weapons Convention (chemical weapons) The figures reported are based on 100% coverage of our proprietary	We avoid principle adverse sustainability impacts in our proprietary investment portfolio by excluding[12] all investments in companies that are involved in the development, production, maintenance, and trading of banned/controversial and nuclear weapons in accordance with the following international conventions: ▪ **Anti-personnel landmines** as defined in Article 2 of the *Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction* (Ottawa Treaty) ▪ **Cluster munitions** as defined in Article 2 of the *Convention on Cluster Munitions* ▪ **Biological and toxin weapons** as defined in Article I of the *Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction* (Biological Weapons Convention) ▪ **Chemical weapons** as defined in Article II of the *Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction* (Chemical Weapons Convention) ▪ **Nuclear weapons** as defined in the *Treaty on the Non-Proliferation of Nuclear Weapons* (NPT). Investments in companies involved in nuclear weapon programs outside NPT are restricted for the proprietary investment portfolio.

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

						investments in investee companies.	
			Indicators applicable to investments in sovereigns and supranationals				
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries	344.87 T CO2 per mEUR of GDP	319.05 T CO2 per mEUR of GDP	323.16 T CO2 per mEUR of GDP	For computing our portfolio's weighted average sovereign GHG intensity, we multiply the weight of each country in our sovereign portfolio with the sovereign's total GHG emissions to GDP ratio and compute the final sum. The weight of each country is determined by the exposure in EUR to the sovereign divided by our entire sovereign investment portfolio. Exposure is defined as nominal value for sovereign bonds. We only take into account those countries for which we could source GHG and GDP data. The figures reported are based on 93.71% coverage of our proprietary investments in sovereign and supranational issuers. We follow PCAF recommendations on sovereign emissions calculation and use Scope 1, 2 and 3 GHG emissions excluding land use, land use change, and forestry (LULUCF). The main reasons are high uncertainty around LULUCF data and that there is no commonly accepted standard for accounting of LULUCF emissions. Also, LULUCF	We are working with the NZAOA to finalize the methods for sovereign bonds for target setting on GHG emissions reductions. Once the recommended is released by the NZAOA, we will set targets for this asset class within 12 months. Decarbonization requires for all stakeholders to act together. It's vital to support Sovereigns that have 1.5° C aligned targets, so that they can set the right boundaries and incentives for companies and citizens to act on these. Consequently, for our sustainable sovereign investment methodology we use NGO data from Net-Zero Tracker to identify sovereigns that have 'in law' or 'in policy paper' net-zero 2050, climate or carbon neutral targets. These are considered as sustainable. For our life products, we have set commitments on minimum quotas of sustainable investments and report on our exposure in sustainable sovereigns to our clients in the periodic reporting.

						emissions have the potential to distort the overall trends of key sectors that contribute to global warming. We are planning to calculate the Sovereign carbon footprint including LULUCF in the future. GDP is sourced from the Worldbank database. Based on (a) country coverage, (b) recency of data, and (c) data quality considerations, we use sovereign production emission data from UNFCCC, PRIMAP and OECD database.	
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 principles and, where applicable, national law	0%	0%	0%	We review the Human Rights situation in a country with the Allianz Human Rights Risk Score, which was developed in 2022. The number of investee countries reported with social violations is determined based on a scoring threshold. Based on the United Nations Universal Declaration of Human Rights (e.g. right to liberty, equality, education, prohibition of torture, etc.), Allianz experts assess countries' human rights risk exposure, using NGO information as well as in-house research. We have no investment in these countries.	In our proprietary investment portfolio, we restrict investments in sovereign bonds from countries associated with severe human rights concerns and significant issues in managing them. We assess sovereign issuers using sustainability ratings from external data providers and review the human rights situation using the Allianz Human Rights Risk Score, based on the United Nations Universal Declaration of Human Rights. Our internal experts assess countries' human rights risk exposure using NGO information and in-house research. For more information please refer to the Sustainability Statement section of the Allianz Group Annual Report 2024.

			Indicators applicable to investments in real estate assets				
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0%	0%	0%	For computing our portfolio's exposure to fossil fuels through real estate assets, we compute the sum of all exposures in real estate assets, which are identified to be involved in the extraction, storage, transport or manufacture of fossil fuels divided by our proprietary investments in real estate (in EUR market value). Please see the general explanatory notes above. We are in continuous discussions with our asset managers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 35.70% coverage of our proprietary real estate and mortgage assets.	As part of our commitment to net-zero greenhouse gas emissions from our proprietary investment portfolio by 2050, we aim to align our real estate portfolio with a 1.5-degree pathway. Allianz applies external carbon emissions benchmarks in line with best practice in using region- and sector-specific benchmarks provided by The Carbon Risk Real Estate Monitor (CRREM). CRREM is an EU-funded research project that aims to guide real estate investments to avoid carbon-risk factors related to changing market expectations and legal regulation. Allianz on Group-level has already achieved its first intermediate target to align the overall proprietary fully owned real estate portfolio with 1.5-degree pathways of CRREM. Subsequently, the updated 2030 target on Group-level expanded the scope to direct equity, joint ventures equity, equity funds (50%), and direct commercial real estate loans (CREL; mortgages) (60%). The coverage percentage means that Allianz will require that the best 50% of the funds and 60% of the CREL portfolio covered by carbon footprint reporting is, on average, in line with CRREM pathways. These limitations are necessary due to legacy assets in the portfolios and serve as a first steps towards better coverage in the next target-setting cycle. Debt funds related to real estate financing and retail mortgages are excluded from these quantitative focused targets. Nonetheless, Allianz aims to measure and improve the Sustainability performance of its entire
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	35.70%	28.21%	5.68%	For computing our portfolio's exposure to energy-inefficient real estate assets, we compute the sum of all exposures in real estate assets, which are identified as energy-inefficient divided by our proprietary investments in real estate (in EUR market value). Please see the general explanatory notes above. Following the regulatory guidance we classify assets as energy-inefficient if:	

						▪ asset built before 31.12.2020 has energy performance certificate of C or worse ▪ assets built after 31.12.2020 has primary energy demand worse than nearly zero-energy building (NZEB) We are in continuous discussions with our asset managers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 35.70% coverage of our proprietary real estate and mortgage assets.	proprietary real estate portfolio, among others, by seeking out pilot 'lighthouse' projects and Allianz group-wide initiatives. These initiatives include procuring certified green energy and investing in onsite energy production and energy efficiency measures. By improving the energy efficiency and replacing traditional energy sources with low-carbon alternatives we are transforming our buildings for the future. While our primary focus is on carbon emissions and energy efficiency, we also look at governance and social and well-being standards. Any new equity investment must have an environmental or sustainability certification (e.g. BREEAM or LEED). For investments in real estate funds and European commercial real estate lending (EU CREL) three components are requested: **a. Transparency:** Carbon footprint reporting as explicit target **b. New investments:** Phase-in of net-zero targets and for EU CREL: Targets aligned with 1.5°C pathways of CRREM **c. Existing assets:** Engagement approach We also aim to influence our partners and tenants to follow our lead and take an active role to bring about change, for example by promoting 'green leases' which include provisions designed to reduce environmental impacts. Generally, investment transactions in our proprietary investment portfolio into non-listed asset classes are subject to the SBGs and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".

Additional climate and other environment-related indicators							
Indicators applicable to investments in investee companies							
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS							
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	2.20%	0.75%	5.99%	For computing our portfolio's share of investments in investee companies without carbon emissions reduction initiatives, we compute the sum of all exposures in companies, which are identified to lack carbon emission reduction initiatives aimed at aligning with the Paris Agreement divided by our proprietary investments (in EUR market value). Please see the general explanatory notes above. To identify if companies' initiatives are Paris aligned we have developed a waterfall based on scientific third-party assessments: Science Based Targets initiative (targets) and Transition Pathway Initiative's carbon performance assessment (2050: '1.5 Degrees', 'Below 2 Degrees', 'Paris Pledges'). For non-listed investee company investments we request information from our asset managers. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of	As part of our commitment to net-zero greenhouse gas emissions from our proprietary investment portfolio by 2050, as asset owners, we will assist, incentivize, and require our portfolio companies to embark on decarbonization pathways consistent with the 1.5°C objective of the Paris Agreement. Please refer to PAI #1 for our four-part approach to net-zero target setting, which explicitly includes among others engagement actions focused on transitioning top emitters to net-zero emissions pathways. As elaborated under PAI #4 and PAI #5, we aim to support the transition away from fossil fuels to renewable energy by exempting companies from our energy-related restrictions with credible and public transition strategies, which are compatible with the scientific pathways of limiting global warming to 1.5°C and confirmed by independent third-party assessments of target and performance. We evaluate these exemptions using public company commitments on coal phase-out and corresponding long-term strategy, asset-based closing plans and their past performance on this, and company-level GHG reduction targets. Data sources used overlap with our voluntary PAI indicator and include the Climate Action 100+ Net-Zero Company Benchmark, Carbon Tracker, the Transition Pathway Initiative, the

						potential adverse impact. The figures reported are based on 71.17% coverage of our proprietary investments in investee companies.	Global Coal Exit List, and the Science Based Targets initiative. Please see section References to international standards – Climate Change for further information on our initiatives and actions. for example how we introduce the CA100+ Net-Zero Company Benchmark[13] to the companies we engage with and support the initiative's broader roll out of this measurement and tracking tool.
Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters							
Indicators applicable to investments in investee companies							
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS							
Adverse sustainability indicator		Metric	Impact 2024	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	0%	0%	1.07%	For computing our portfolio's share of investments lacking anti-corruption and anti-bribery policies, we compute the sum of all exposures in companies, which are identified to lack policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption divided by our proprietary investments (in EUR market value). We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of	Investee companies' corporate governance and business ethics practices are a key pillar in our externally sourced ESG Scoring and controversy screening within the Sustainability Integration approach for listed assets in our proprietary investment portfolio. In the ESG score all companies are evaluated on their oversight and management of business ethics issues such as fraud, executive misconduct, corrupt practices, money laundering, or anti-trust violations[14]. In 2023 we enhanced our process for sustainability integration in listed assets by further integrating SFDR regulatory requirements to consider PAI indicators systematically in the investment process. One of the triggers remains ESG scoring below threshold. The new AIS process was first initiated

[13] The Benchmark covers critical indicators to measure company progress against a 1.5°C aligned pathway, and to transparently report on their progress.
[14] ESG Industry Materiality Map - MSCI

						potential adverse impact. The figures reported are based on 95.77% coverage of our proprietary investments in investee companies.	in 2024. For more details see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors". In addition, companies with severe risk exposure in good governance practices are included in the engagement selection process. If insufficient governance practices persist for more than three consecutive years and/or the engagement process has failed, companies are excluded from Allianz's proprietary portfolio. Investment transactions in our proprietary investment portfolio into non-listed asset classes are subject to the SBGs and Referral process for non-listed assets, which includes screening for anti-bribery and anti-corruption plans/systems/procedures, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".

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

To identify and assess principle adverse impacts we take several indicators into account depending on their materiality for the respective investment. The probability of occurrence and severity of PAI, including their potentially irremediable character, is considered through setting intermediate sectorial as well as intermediate absolute targets, taking into account the fact that some sectors are more material for certain PAI than others (in particular for the environmental PAI) whereas for other PAI all sectors are equally relevant and should therefore be held to the same standards (for example UNGC compliance). For the PAI we consider most severe, we have defined exclusion and/or investment restrictions (see above; for example PAI # 4 fossil fuel and PAI # 14 controversial weapons exclusions). Furthermore, Allianz SE has made several commitments to strategic initiatives related to climate change, amongst other topics, which strengthen our approach to mitigate potential adverse impacts. In particular Allianz supports the shift to a climate-friendly economy with an ambitious sustainability approach for our business segments and operations. The financial sector has a crucial role to play in enabling a low-carbon future. Human-made climate change is one of the greatest global challenges of our time and has already caused far-reaching negative consequences. It has also created far-reaching losses for nature and people, and various human and natural systems are being stressed beyond the limits of their adaptive capacity. Therefore, irreversible damage has already started to occur. The 2015 Paris Agreement aims to limit global warming to 1.5 °C above pre-industrial levels by the end of the century. According to the Intergovernmental Panel on Climate Change (IPCC), to restrict warming to 1.5 °C, emissions need to be almost halved every decade and reach net-zero emissions by the middle of the century to maintain a reasonable chance of achieving this goal. However, if current emission trends persist, climate scientists estimate the greenhouse gas (GHG) budget will be exceeded before 2030, which necessitates urgent climate mitigation efforts from policymakers and businesses. Allianz expects climate change will continue to have significant impact on global economies and our business. The risks and opportunities we see emerging today from the transition to a low-carbon economy will transform and increase over the mid to long term, driven through technological progress, changes in consumer sentiment, increasing costs from regulatory compliance on disclosing physical climate risks or operational disruptions caused by more extreme weather events and ecosystem degradation[15]. As asset owners, we are uniquely positioned to support transforming the global economy and financial systems by driving decarbonization efforts of investee companies and reduction of GHG emissions in the real world. As a founding member of the U.N.-convened Net-Zero Asset Owner Alliance (NZAOA), Allianz SE advocates for ambitious decarbonization strategies and financing by industry. Our commitment is net zero GHG emissions in our proprietary investment portfolio by 2050. In line with our commitment, we have selected "Investments in companies without carbon emission reduction initiatives" as one of the two additional indicators. We further selected "Lack of anti-corruption and anti-bribery policies" as the additional social indicator. All companies are vulnerable to corruption, and the potential for damage is considerable. Consequently, policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption are a crucial foundation for responsible business practices. We also considered data quality and coverage in the selection.

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

From 2024 onwards, the cornerstone of the overarching sustainability approach at Allianz is the Allianz Standard for Integration of Sustainability (ASIS), which replaces the sustainability components of the Allianz Standard for Reputational Risk Management (AS RRIM) that had been in place from 2013 to 2023. The ASIS outlines principles, rules, processes, roles, and responsibilities for integrating sustainability topics at Allianz Group. The Standard aims to identify business activities that may trigger sustainability issues and, where appropriate, to take action to minimize their probability and/or impact. This is managed through the Sensitive Business Areas (SBAs) (and Guidelines), the sensitive country list (SCL), the Energy Guidelines (reflecting Allianz's Statements on Coal, Oil sands, and Oil & gas-based business models), and the sustainability due diligence and referral process, in line with the OECD Guidelines for Multinational Enterprises and the UNGP on Business and Human Rights. The guidelines are owned by Global Sustainability and authorized by the Allianz SE Board of Management. Ultimate responsibility for all matters relating to sustainability resides with the Board of Management of Allianz SE as the Group's parent company. This includes climate change and the net-zero transition plan, which has been approved by the Board of Management. Climate-related matters are typically part of all Group Sustainability Board meetings, which are held at least quarterly. For more details see Allianz Group Corporate Sustainability Report 2024.

The Allianz Functional Rule for Sustainability in Investments (FRSI) sets the rules, principles, and processes for the integration of environmental, social, and governance topics into the investment management function. The objective of the FRSI is to align the identification, assessment, and management of sustainability impacts, risks, and opportunities for the proprietary investment assets with the Allianz transition plan, applicable sustainability regulation, and other relevant Group policies (e.g., ASIS). Sustainability topics are integrated across relevant processes in investment management (excluding unit-linked business) and cover environmental, social, and governance topics. The FRSI covers relevant processes and key requirements which aim to increase positive impact, decrease negative impact, reduce risks, and make use of opportunities in the proprietary investment portfolio. These processes are outlined in the section Integrating Sustainability in proprietary investments.
The FRSI covers all proprietary investment assets excluding unit linked assets. Sustainability governance is fully integrated into existing governance structures and makes use of existing committees (e.g., the Group Investment Committee). Allianz SE is a signatory of the United Nations-backed PRI since August 2011. As a signatory, Allianz is committed to promoting the Principles within the Allianz Group and amongst industry peers. Therefore, the FRSI considers and closely follows the PRI recommendations. We deem the framework laid out by the UN-convened NZAOA for target-setting to be best practice. Thus, we generally follow the recommendations of the NZAOA for setting intermediate decarbonization targets.

[15] For further information, please refer to the Allianz Risk Barometer on the Allianz company website

Allianz internal asset management units also have set up their own set of processes, rules, and governance on sustainability integration in their investment activities. Operating entities and global lines also implement specific standards and rules regarding Sustainability integration for their given organizational unit.

	Allianz Standard for Integration of Sustainability (replacing the Sustainability components of the ASRRIM from 2024 onwards)	Allianz Functional Rule for Sustainability in Investments (former Allianz ESG Functional Rule for Investments)
Date on which the governing body of the financial market participant approved policies	**Version 2.0** Authorized by Allianz SE Board Member Dr. G. Thallinger and Group Sustainability Board: 03.12.2024 Taken notice by Allianz SE Board of Management: 16.12.2024 Authorized by: Allianz Life Luxembourg Executive Committee: 30.06.2025	**Version 7.0** Authorized by Allianz SE Board Member Dr. G. Thallinger: 19.11.2024 Authorized by Allianz Group Finance and Risk Committee: 03.12.2024 Authorized by: Allianz Life Luxembourg Executive Committee: 30.06.2025
How the responsibility for the implementation of those policies within organisational strategies and procedures is allocated	The management of Allianz Life Luxembourg's own assets is delegated to Allianz Investment Management SE (AIM). The choice of Strategic Asset Allocation (SAA) and the Asset Liability Management (ALM) remain the responsibility of Allianz Life Luxembourg, which provides the guiding principles to AIM. The latter is free to choose investments, within the limits imposed by the SAA and ALM.	The management of Allianz Life Luxembourg's own assets is delegated to Allianz Investment Management SE (AIM). The application of the Allianz Functional Rule for Sustainability in Investments remain the responsibility of Allianz Life Luxembourg, which provides the guiding principles to AIM.

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

- Asset Manager Selection, Appointment and Monitoring: A central process in our proprietary investment management is selecting, appointing, and monitoring asset managers. We prefer
  asset managers with investment and stewardship processes aligned with our Sustainability Strategy. Asset managers stewarding Allianz proprietary assets, operate in both private and public markets. As critical stakeholders to our investment activities, asset managers often have long-standing relationships with the companies that they invest in, deep analytical competencies to assess companies, and dedicated stewardship teams. Therefore, the way in which they execute and represent investment activities on our behalf is critical to meeting our expectations that their activities align with the long-term financial interests of Allianz regarding sustainability and climate topics. The investment function has defined minimum expectations, monitoring, and engagement practices for public and private asset managers, and it reviews them against these expectations. Asset managers need to have and adhere to their own qualified sustainability rule set, as outlined in the FRSI. If an asset manager cannot meet this condition, an engagement escalation process is triggered. The investment function holds regular review meetings with listed-asset asset managers to discuss sustainability performance as well as specific issuers that meet the Adverse Impact Steering (AIS) trigger points. These processes also apply to Allianz internal asset managers (AllianzGI and PIMCO), which manage the majority of our proprietary assets. The investment function works with internal and external asset managers via mandates, informed by benchmarks and guidelines integrating our sustainability preferences. Given the material and potentially sizable financial impacts that sustainability risks and opportunities, including climate change, can have on our investment portfolios, a joint effort across the respective investment and sustainability teams is implemented for sustainability integration along the value chain. These investment teams are responsible to evaluate and engage their asset managers in line with our long-term interests. In turn, those investment teams make use of the approach and best practices designed or implemented by the in-house Sustainable Investing team. In addition to

regular due diligence activities, the investment function actively assesses the asset managers on core sustainability themes for consistent messaging across our asset classes. For asset managers that do not meet Allianz expectations or sustainability needs, the investment function requests time-bound commitments to implement improvements. In circumstances where the asset manager has multiple areas of concern, the investment teams may escalate to the in-house Sustainable Investing team for further review. Jointly it is subsequently decided if further engagement is likely to be effective, or if the asset manager should be deemed ineligible for further business.For more details see Allianz Investment Management Engagement Approach and Allianz Group Corporate Sustainability Report 2024.

- Sustainability Integration in listed assets (such as sovereign bonds, corporate bonds and public equity): In 2023 Allianz enhanced the existing ESG scoring process to be further aligned with EU regulatory requirements. Based on sustainability data from MSCI ESG Research in conjunction with own proprietary research to assess material adverse impacts, the Adverse Impact Steering (AIS) process was developed to systematically evaluate and manage material sustainability risks and principal adverse impacts on sustainability factors in our investment decision making process for proprietary investments. Through the AIS approach, Allianz determines trigger points based on data provided by MSCI ESG Research for sustainability risks or controversies (human rights, governance, labor rights, UNGC compliance), as well as adverse impacts from toxic emissions and waste, biodiversity, and land use. Investee companies with AIS trigger points are further assessed, often in close collaboration with our asset managers, and discussed regularly during asset manager sustainability review meetings. We decide on next steps, which may include engagement with improvement objectives or restricting the issuer. Trigger points are evaluated and updated at least every three years, while investments in issuers below AIS trigger points are monitored centrally.
  Engagements are conducted on a case-by-case basis either by AIM and/or the respective Asset Manager. Details on the engagement approach are described below in section Engagement policies. In addition to the AIS and in line with Allianz's guidelines on thermal coal, oil sands, and oil and gas, and as we see the future of these business models endangered, we restrict certain fossil fuel companies or projects (divestment for equity and run-off for debt investments). We also restrict investments in sovereign bonds from countries associated with severe human rights concerns and significant issues in managing them. Sovereign issuers are assessed using sustainability ratings from external data providers and review the human rights situation using the Allianz Human Rights Risk Score, based on the United Nations Universal Declaration of Human Rights. Allianz's internal experts assess countries' human rights risk exposure using NGO information and in-house research.

- Sustainability integration / Referral process for non-listed assets in our proprietary investment portfolio: Investment transactions into non-listed asset classes, such as real estate, infrastructure, renewable energy, private equity, are subject to systematic screening and assessment. The due diligence and referral process is a case-specific assessment, requiring potentially sensitive business to be screened on a transaction-by-transaction basis and referred for detailed sustainability assessment if necessary. The SBAs and Guidelines (SBGs) were developed in 2013 through dialogue with internal and external stakeholders (NGOs). For each of the twelve SBAs, across "Agriculture, Fisheries and Forestry", "Agricultural Commodities investments", "Animal Welfare", "Betting and Gambling", "Clinical Trials", "Animal Testing", "Defense" (which outlines Allianz's restrictions for banned/controversial weapons), "Hydroelectric Power", "Infrastructure", "Mining", "Nuclear Energy", "Oil and Gas", and "Sex industry", SBGs were developed based on internationally recognized standards and best practices, such as the International Finance Corporation's Environmental & Social Performance Standards, International Hydropower Association Sustainability Protocol, and the core ILO conventions. The Guidelines comprise criteria that assist all parties in screening transactions and identifying potential and/or actual sustainability issues. Examples of screening criteria include adverse impact issues like impacts on biodiversity, impact to protected areas, deforestation, pollution such as oil spills, human rights violations, and impacts to local communities (for further information, please refer to the Sustainability Statement section in the Allianz Group Annual Report 2024 and the Sustainability Integration Framework). The mandatory application of guidelines for in scope investment transaction in the defined business areas enable that potential adverse impacts are identified, assessed and appropriate actions are taken. The SCL identifies transactions in countries with systematic human rights violations, such as corruption and rule of law, requiring additional human rights due diligence. Criteria to determine sensitive countries are based on international human rights assessments and indices. When negative sustainability impacts related to a (potential) transaction are identified in one of the SBAs during screening, a referral is triggered. The transaction then undergoes a subsidiary, and/or Group-level sustainability assessment, following with a decision to either (i) proceed with the transaction, (ii) proceed with binding conditions, or (iii) decline the business transaction. The SBAs and SBGs have been subject to an extensive review in 2024 to keep sustainability issues relevant and current. The update likewise considered alignment with EU regulatory requirements and other industry sources. For new investments from 2025 onward updated SBAs and guidelines for the following sectors are applicable: "Utilities", "Metals & Mining", "Construction & Engineering", "Oil & Gas", "Forestry & Paper Products", "Agriculture, Farming & Fishing", "Food & Beverages" and "Pharmaceuticals & Biotechnology". For directly sourced investments into not listed funds (outside the scope of the referral process) we assess how adverse impacts are considered during the due diligence, investment decision process and holding period. Where possible, we include adverse impact consideration in the binding contractual agreements with the respective asset managers.

Also, for asset classes outside the PAI reporting scope, we are considering PAI in the investment decision processes with concrete intermediate reduction targets and integrated, where relevant, PAI metric related restrictions in our sourcing of new investments. As part of the Intermediate Climate Target Setting for 2030, Allianz has, for example, included for all corporate, including infrastructure, an additional intermediate intensity target of -50% emission intensity compared to 2019.

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

Given stark differences in data availability across the principle adverse impact metrics (as defined by EU regulators) and asset classes, we are in continuous discussions with our asset managers and data providers to address data gaps, broaden our understanding of potential adverse impact and look for new data sources. Our methodologies to assess and manage PAI are dependent on data availability and quality. Hence, we combine various data sources for listed and not listed data deliveries. In this, we prioritise data reported by companies.
At present, we mostly use reported and estimated data sourced from data providers such as MSCI, Refinitiv and ISS ESG in combination with data from SBTi, TPI, World Bank, UNFCCC, OECD, PRIMAP, internal research, NGOs (e.g., Urgewald) and other third-party data providers. In addition, we receive data from our asset managers, which either directly obtain information from the investee companies and assets they manage or use estimations to fill data gaps. As asset owners we are, especially for fund investments, dependent on asset managers data collection efforts and hence actively engage with them for improvements in data coverage and methodological issues (e.g. EPC data collection for assets outside of the EU). Despite best effort, data availability limits the degree of consideration of specific principle adverse impact metrics. In those cases, we consider the underlying adverse sustainability indicator themes / PAI families (such as waste or social and employee matters) and use specific thematic management scores from MSCI ESG rating. We are continuously working on improving our data quality and consistency across data sources. However, in some instances data quality/consistency issues are rooted in regulatory uncertainty on terms such as "violations", which limits our ability to ensure consistency for data delivered from Asset Managers vs. data providers or vs. data provided via the EET. Even though customers form the final investment decision for unit-linked insurance products, not Allianz Life Luxembourg, we are committed to enhancing the data quality for data delivered in the EET format for funds in the unit-linked insurance product offering. As there is neither a legal requirement for funds to disclose PAI data nor to disclose their full methodologies underlying the PAI data provided in the EET format, we are planning to continuously monitor and enhance our internal processes.

A highly complex technical implementation is required to combine and calculate PAI indicators from various data sources. Hence, the data enrichment processes might be subject to technical issues that might in turn affect our reported impacts on PAI indicators. We have matured data checks for GHG emissions data, which inform our ongoing efforts to build out similar data checks for all other PAI indicators. In 2023 and 2024 we have made progress towards building out a PAI data quality dashboard and strive to further engage with Asset Managers and data providers for better PAI data and coverage. Before calculating quarterly impacts, we check the GHG input data and continuously more PAI data points for accuracy. For this purpose, we examine for example year over year development of GHG emissions and EVIC/GDP data for the top emitters in the various asset classes. Outliers are then manually verified against publicly available data (e.g. company's published annual reports) and corrected if necessary. From the reporting period January 1, 2024, to December 31, 2024 onwards, we have also introduced systematic range filters as well as upper boundaries for selected PAI indicators such as PAI #8 and PAI #9. Due to low confidence in the reliability of these data points, we exclude values outside the defined ranges and strive to a with the delivering party Manual corrections are likewise required given mismatches of reporting levels between the company investment level and the level at which a company reports sustainability data. For example, carbon footprint KPIs for an investment can be displayed by different aggregation levels. This can entail aggregation by direct issuer level, parent issuer level or ultimate issuer level. Based on the Bloomberg company hierarchy, we define the different issuer levels as follows: 1.) Direct issuer: Issuer of investment. 2.) Parent issuer: Company that owns the direct issuer. 3.) Ultimate issuer: Highest/final company that owns the other companies. Because emissions of an investment are often only reported at the ultimate issuer level, and might be unavailable for the respective reporting year, we have defined a methodology for sourcing and determining GHG emissions used for the carbon footprint calculations. Details can be found here.

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

Engagement policies

Brief summary of engagement policies

Engagement is key to our active ownership approach and aligns with PRI Principle 2: "We will be active owners and incorporate sustainability issues into our ownership policies and practices". On behalf of all its insurance subsidiaries, Allianz SE enters into a dialogue with selected investee companies and asset managers. Bilateral engagements are performed (between Allianz and the target company/issuer) based on the AIS process, multilateral engagements on strategic topics like climate, biodiversity, pollution, or human rights, and asset manager engagements on the listed and non-listed side. We have increased our collaborative engagement over the last years to amplify the positive impact of our efforts. Multilateral engagements can take the form of multiple investors addressing a single company or addressing multiple companies and their value chain in a single sector at the same time[16]. Collaboration consolidates the efforts for the parties involved, allowing for more efficient and solution-oriented discussions at a greater level of detail. In 2024, we continued to take an active role in the Climate Action 100+ initiative by co-leading engagements and continued to drive sector and asset manager engagements activities as part of the AOA. The active engagement strategy aligns with Allianz's goals and business objectives, as Allianz believes that companies and asset managers that effectively address sustainability concerns are less likely to encounter or contribute to events that harm their business performance. Through engagements, Allianz seeks to help companies to address sustainability risks and opportunities and support portfolio companies and asset managers in developing or expanding their sustainability governance and processes.

For more details see Allianz Investment Management Engagement Approach and Allianz Group Annual Report 2024 section *Active Engagements*.

Engagement reinforces sustainability performance at portfolio companies by supporting their employees and programs that are driving best practices. As a general principle we strive for additionality: supporting positive outcomes that would be less likely to occur without our involvement. This is particularly important for us as an asset owner because we want to complement, not duplicate, the efforts of the asset managers that we work with. We could not have this influence if we withdrew our investments whenever issues arose at the companies that we invest in, leaving sustainability risks or concerns unaddressed. Engagement is a way for us, as investors, to highlight topics that we see as material to the company or sector and to also support our investee companies improve sustainability topics that they also see important for their business success. However, if a company or asset manager does not demonstrate that they are taking our concerns seriously, and the situation or concern does not improve, we may exclude them from our investable universe or stop doing further business with them.

We consider real-world decarbonization crucial, as climate change threatens our insurance offerings and poses a systemic risk to our proprietary investment portfolio. Climate change is a key focus of our engagements, driving portfolio decarbonization and transition to a low-carbon economy. This often includes asking companies to take accelerated action to decarbonize their operations and value chain, in addition to aligning their corporate lobbying to position themselves as leaders in their sectors in line with their business interests. In rare cases, Allianz restricts companies due to failed engagements. Engagement program details and progress are reported to the Group Sustainability Board. The following table gives an overview of active engagements in proprietary investments; it includes engagements Allianz Investment Management conducts as an asset owner as well as those conducted by Allianz's internal asset managers with companies where Allianz proprietary assets are invested, following the engagement policy of the respective asset manager.

[16] In all instances of multilateral engagement, the topics and questions of concerns are pre-identified and determined to be in line with Allianz long-term interests before the investment function agrees to join the conversation. The engagement groups always make clear that each investor continues to make their own stewardship and portfolio allocation decisions independently. We do not have conversations with other investors regarding proxy-voting decisions or decisions to hold, increase or sell a position in a company.

Overview of active engagements in proprietary investments[17]

Number of engagements

	2024	2023
Active corporate engagements - Internal asset managers	1,354	n.a.
Active corporate engagements - Allianz Investment Management	33	n.a.
Active corporate engagements	1,387	663
On Environmental Topics	1,186	n.a.
Thereof with a focus on Climate Change	436	446
On Social Topics	791	n.a.
On Governance Topics	2,355	n.a.
On Other	37	n.a.
Active asset manager engagements	77	n.a.
Thereof with a focus on Climate Change	72	n.a.

Engagement topics include principal adverse impact indicators such as:

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

[17] Many engagements have multiple topics, sometimes also multiple topics falling into one Environmental, Social, Governance, or Other summation. Therefore, the total number of topics is higher than the number of active company engagements.

Asset owner targets on engagements in proprietary investments
Number of engagements

	2024	2023	2030 target
Engage with all external asset managers "below expectations" based on systematic assessment in % (as we are continuously assessing asset managers, this is not a fixed-target number, but changes over time)	95.2	n.a.	100
Lead or support 30 multilateral engagements	15	8	30
Thereof 15 with climate focus	10	7	15
Engage 15 among the top 100 non-engaged portfolio emitters	5	5	15

As indicated above, Allianz internal asset managers AllianzGI and PIMCO conduct sustainability-specific engagements on behalf of their assets under management, including Allianz proprietary investment assets. Therein, key thematic engagement projects include net-zero transition, with a focus on high-emitting sectors, biodiversity and human rights. For more information on AllianzGI's engagement, please see here. For more information on PIMCO's engagement, please see here.

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

References to international standards

We believe collaboration and long-term partnerships are instrumental in delivering positive change. While our commitment to achieving our sustainability goals is independent of our involvement with membership associations, we believe that effective partnerships can promote greater transparency, faster implementation, and more equitable outcomes. True to our name “Allianz” – signifying alliance – Allianz acts as a trusted partner and collaborate with public and private sectors and civil society, contributing to systemic change toward a more sustainable future. By pooling resources, expertise, and innovation, we address these global challenges together. Allianz’s involvement in the UN-convened Net-Zero Asset Owner Alliance (NZAOA) exemplifies our commitment to bridging public and private sector action to address climate change.

Allianz Life Luxembourg is part of the Allianz Group, which is a member of a wide range of sustainability-related initiatives and principles on behalf of its operating entities. Allianz’ reporting on progress to these initiatives and principles partially overlaps with the PAI metrics. In particular the GHG emissions related PAI indicators are reflected in a multitude of climate related commitments and disclosures of Allianz. Allianz[18] is committed to the Principles for Responsible Investment (PRI) since 2011. The PRI guide our approach to responsible investment and drive continuous improvement across our businesses. Allianz reports annually to the PRI as an asset owner. The latest and past PRI Transparency Reports can be found on our profile on the PRI website. In the next paragraphs, we highlight our approach to Human Rights and Climate Change. For detailed information on Allianz’s sustainability strategy, governance and partnerships, please refer to the Sustainability Statement section in the Allianz Group Annual Report 2024.

Human Rights

Allianz recognizes the importance of human rights as both a value-based topic and a business issue, and is committed to supporting and respecting the protection of human rights, in addition to ensuring that Allianz is not complicit in human rights abuses. The human rights that Allianz is committed to respecting are those agreed by governments in:

- the International Bill of Human Rights, comprising the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights and its two Optional Protocols, in addition to
- the core International Labor Organization (ILO) Conventions, comprising the prohibition of child labor and forced labor, freedom of association and the right to collective bargaining, occupational health and safety, and the elimination of discrimination in respect of employment and occupation.

Allianz aims to identify, prevent, mitigate or remediate adverse human rights impacts linked to its business activities and operations, including our supply chain. Allianz’s approach is guided by the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the U.N. Guiding Principles on Business and Human Rights (UNGP). Allianz’s due diligence in own operations and supply chains complies with the legal obligations of the German Supply Chain Due Diligence Act (GSCA) and is covered by the Allianz SE Human Rights Policy Statement. For details, please refer to the sections *S1 Own workforce,S2 Workers in the value chain, S3 Affected communities* within the Sustainability Statement in the Allianz Group Annual Report 2024. Allianz also reports on the implementation of the UNGC’s Ten Principles every year in its annual Sustainability Report and the UNGC Communication on Progress. For further details, please see the Allianz SE profile on the UNGC website.

Integrating human rights into our core business

Allianz commitment to human rights extends across our value chain. For our commercial insurance and our proprietary investments, human rights due diligence processes are an integral part of our overall sustainability approach. We use a combination of sector- and country-specific approaches to identify human rights risks being aware that, in certain sectors and certain countries, there is generally a heightened risk of human rights violations, we apply particular due diligence there. Our due diligence processes for commercial insurance and proprietary investments are published in detail in the Allianz Sustainability Integration Framework.

For investments in non-listed asset classes (e.g. real estate, infrastructure, renewable energy, private equity), the ASIS among others incorporates screening and assessment criteria to proactively identify business activities that could (potentially) be linked to human rights-related impacts in the Sensitive Business Areas (SBAs) Mining, Oil & Gas, Nuclear Energy, Hydro-electric Power, Agriculture, Fisheries and Forestry, Infrastructure, and the Sex Industry. Similarly, ASIS partially covers for certain SBAs the material sustainability matters "Communities' economic, social, and cultural rights" and "Rights of indigenous people" through screening and identification for negative information related to resettlement of people (including native people) and impacts on their land and water rights; absence of free, prior, and informed consent; and incidents of physical harm on affected communities in relation to resettlement.
A Sensitive Business Guideline (SBG) has been developed for each SBA, comprising criteria that assist the screening of transactions to identify potential and/or actual human rights impacts, and other sustainability issues. If negative information on impacts is identified, the referral process is triggered. In addition, screening based on a dedicated human rights guideline is required when conducting business in a country on the Sensitive Countries List (SCL). Criteria to determine sensitive countries are based on international human rights assessments and indices.

We also restrict investments in sovereign bonds from countries associated with severe human rights concerns and significant issues in managing them. We assess sovereign issuers using sustainability ratings from external data providers and review the Human Rights situation in a country with the Allianz Human Rights Risk Score, which was developed in 2022. Based on the United Nations Universal Declaration of Human Rights (e.g., right to liberty, equality, education, prohibition of torture, etc.), Allianz experts assess countries' human rights risk exposure, using public NGO data sources (i.e., HRMI Rights Tracker, Walkfree, Transparency International etc.) and proprietary qualitative assessments... In terms of our corporate investments, our systematic screening process is a method to monitor our portfolio for sustainability developments and concerns in a consistent manner over time. We flag companies in our portfolio for further review that have among others one or more Principle Adverse Impact (PAI) concerns or other severe controversies. The indicators that we screen for includes flags or low scores also on topics such as human rights, labour rights, UN Global Compact violations, or severe controversies. For more details see Allianz Investment Management Engagement Approach and Allianz Group Annual Report 2024 section *Active Engagements*.

Climate Change

Collaboration and long-term partnerships play instrumental roles in delivering positive change by leveraging expertise and influence to address complex sustainability challenges, such as climate change and social impact. Allianz's businesses actively engage in various sustainability-related initiatives and principles, such as the NZAOA, and strategically consider climate criteria in all our business lines. Allianz is advocating for ambitious decarbonization strategies and financing by the industry.
As an NZAOA founding member Allianz SE commits long-term to transitioning its proprietary investment portfolios to net-zero GHG emissions by 2050 consistent with a maximum temperature rise of 1.5°C above pre-industrial temperatures, taking into account the best available scientific knowledge including the findings of the Intergovernmental Panel on Climate Change (IPCC), and regularly reporting on progress, including establishing intermediate targets every five years in line with the Paris Agreement. With climate related policies, targets and decarbonization actions, Allianz SE strives to supports those taking action to decarbonise their operations and mitigate climate change in the real economy. Allianz encourages companies to implement net-zero strategies via initiatives such as the Institutional Investors Group on Climate Change, Climate Action 100+, and the PRI. Engagements support the decarbonization of our portfolios and the transition to a low-carbon economy and are considered an important action toward the achievement of our net-zero commitments. Supporting real-world decarbonization is also an imperative for us because climate change poses a real threat to the insurance offerings that we provide to businesses and society.

In line with the NZAOA Target-Setting Protocol, Allianz will assist, incentivize and require our portfolio companies to embark on decarbonization pathways consistent with the 1.5°C objective of the Paris Agreement. We deem the framework of the NZAOA Target-Setting Protocol (TSP) as best practice for setting GHG emission reduction targets. The TSP was developed with a strong reference to IPCC's climate scenarios (C1a and C1b scenarios of IPCC's AR6 WG III scenario envelope. For further information, please see "The scientific basis for establishing net-zero targets" in the NZAOA TSP), limiting temperature increase by the end of the century to 1.5 °C with no or limited overshoot during the century. The TSP was aligned with relevant stakeholders, including academia, and vetted in a public consultation. Thus, we generally follow its recommendations for our intermediate decarbonization targets for proprietary investments.

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

In line with Allianz's net-zero commitment, Allianz has set intermediate targets for 2030, which are further underpinned by actions toward achieving our targets. Allianz's emission targets are aligned with credible, science-backed climate scenarios – such as those provided by the above mentioned IPCC's 6th Assessment Report. Further scenarios used include the International Energy Agency (IEA)'s Net-Zero by 2050 and the One Earth Climate Model; these limit global warming in 2100 to 1.5 °C with only a limited or no overshoot of this temperature during this century. While the individual scenarios differ in their assumptions and narratives (including global future economic and public and private policy developments), they agree on a necessary emission reduction range for CO2 emissions of 36 % to 69 % from 2020 to 2030, with a median reduction of 48 %. For GHG emissions, the range is 34 % to 60 %, with a median of 43 %. All Allianz's existing sub-portfolio targets for its operations, proprietary investments, and Property-Casualty insurance with a global focus are aligned with this emissions reduction range. For all of Allianz's intensity targets, in addition to factoring in expected portfolio growth, the target definition was also informed by the anticipated real economy decarbonization, modeled using authoritative scenarios such as the Stated Policies Scenario (STEPS) of the IEA. For Allianz's proprietary real estate portfolio, 2030 intensity targets were set that are aligned with the second version of the CRREM. These sectoral decarbonization pathways are based on the latest science and widely accepted as best practice. The targets have been developed with external stakeholders such as property managers or joint venture partners. Allianz's real estate targets are also aligned with the NZAOA TSP. They include all operational emissions from the entire building irrespective of the organizational boundaries or control approaches ("whole-building approach"). Because of this, tenant-related operational emissions are in scope. Based on 2023 GHG emissions data, the current GHG performance trend is in line with the CRREM decarbonization pathways at a portfolio level.

Allianz's 2030 intermediate targets are both absolute and intensity GHG emission targets. Absolute GHG emissions refer to an absolute amount of GHG emissions associated with the respective business activity such as investing or insuring; absolute GHG emission targets seek to reduce the absolute amount of GHG emissions. Conversely, GHG intensity emission targets harmonize the GHG emissions through a denominator that relates to a business activity, such as GHG emissions per million euro invested, or per million euro of premium. Since the total GHG emissions across the Scopes, particularly Scope 3, is unknown to date, Allianz has not yet set an overarching reduction target, instead prioritizing the reporting boundaries for our 2030 intermediate targets on those parts of the portfolio and own operations where established and credible GHG accounting standards, target-setting methodologies, and reliable emissions data are available. We will continue to monitor developments in this area, and develop our disclosures as appropriate.

For the proprietary investment portfolio, Allianz calculates financed GHG emissions generally according to PCAF guidance[19]. We aspire to calculate GHG emissions for as much of our portfolio as possible and aim to progressively expand the coverage of our portfolio over time; currently, we are constrained by the availability of methodologies and data. Therefore, Allianz is working on developing methods, for instance through our membership in the UN-convened NZAOA, and co-leading the PCAF Working Group on developing a carbon accounting standard for sub-sovereign debt and strongly contributing to the PCAF Inventory Fluctuations Working Group.

Allianz Investment Management is an active member of CA100+ which aims to engage with the world's largest corporate GHG emitters to set GHG emission reduction targets, strengthen climate-related financial disclosures and improve governance on climate change. Our effort has included introducing the CA100+ Net-Zero Company Benchmark to the companies we engage with and supporting the initiative's broader roll out of this measurement and tracking tool. The Benchmark covers critical indicators to measure company progress against a 1.5°C aligned pathway, and to transparently report on their progress. We are also actively contributing to specialized initiatives that focus on decarbonization. One key effort of these initiatives and Allianz is to develop (forward-looking) climate performance indicators across asset classes and assessment tools to monitor portfolios' alignment with the 1.5°C objective of the Paris Agreement.

[19] PCAF stands for Partnership for Carbon Accounting Financials. Our targets are displayed as CO2
equivalents but refer to all Kyoto GHGs. The actual inclusion of non-CO2 gases depends on the investee data as made available to us by our data providers. Our detailed GHG accounting method is covered in
the section Methodology information for climate metrics.

Historical comparison

The first PAI statement including quantitative disclosures in the format of Annex I SFDR RTS was published in June 2023, therefore a quantitative comparison is only possible from the reporting period January 1, 2022, to December 31, 2022 onwards. This year's PAI statement is covering the reporting year from January 1, 2024, to December 31, 2024, allowing a historical quantitative comparison to the reporting years 2023 and 2022 in the table above. The Art. 4 SFDR disclosures can be found following these link: 2024, 2023 and 2022.

Amendments and Updates	
Version as of	**Major Changes**
May 2025 (for 30 June 2025)	Updates to match the reporting in the Allianz Group Annual Report 2024. Major updates are reflected in the Engagement section (especially the table structure therein) as well as in the sections "References to international standards" and "Description of policies to identify and prioritise principal adverse impacts on sustainability factors" (for example the adjustments to the sensitive business areas and guidelines from 2025 onwards).
May 2024 (for 30 June 2024)	Updates to sections reflecting Allianz new intermediate climate targets for 2030 and figures from the reporting year 2023. Updates to "Description of the principal adverse impacts on sustainability factors" with more detailed information on the identification, assessment, and consideration PAI. Update to section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors" to reflect new Allianz Governance structure for proprietary investments and new Adverse Impact Steering Process.
May 2023 (for 30 June 2023)	Extensive revision with the introduction of SFDR RTS format including qualitative and quantitative requirements.
May 2022 (for 30 June 2022)	The following points were adjusted with the update: The disclosure was supplemented with more detailed information on the identification, assessment, and consideration of the principal adverse impacts (PAI) and updated with figures from the reporting year 2021. An update was likewise made to sections where we strengthened our sustainability approach in 2021, for example, through the Allianz Oil and Gas Policy. Section C provides more detailed information about Allianz sustainability initiatives and principles. In particular, Allianz approach to human rights and climate change is outlined.
May 2021 (for 30 June 2021)	First blueprint version.

Allianz is a global leader in insurance and financial services provision. It is present in over 70 countries, employing more than 157.000 people serving 125 million* customers. Allianz is the no. 1 insurance brand in the 2024 Interbrand Global Brands Ranking and has been recognized as a sustainable insurer by the Dow Jones Sustainability Index 2024. In the Benelux, Allianz offers a broad range of insurance products and services for individuals, the self-employed, SMEs and large companies through its network of insurance brokers. In Belgium and Luxembourg, Allianz serves more than 950,000 customers, employs close to 740 people and collects 1.5 billion euros. In the Netherlands, Allianz serves over 910.000 customers with the help of distribution partners. Allianz employs approximately 770 people in the Netherlands and collects 1.9 billion euros in gross premiums in that country.
Would you like more information? Then visit www.allianz.lu.

Any complaint relating to the contract or to a malfunction of Allianz Life Luxembourg may be addressed to the Complaints Department of Allianz Life Luxembourg S.A. by post to Service Complaints - Allianz, 19-23, rue Jean Fischbach, Bâtiment C, L-3372 Leudelange, by e-mail to: Plaintes_ALL@allianz.lu or via our website: www.allianz.lu .

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

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

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

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

* Including non-consolidated entities with Allianz customers.