June 2026

POLICY ON THE INTEGRATION OF SUSTAINABILITY RISKS INTO THE INVESTMENT DECISION-MAKING PROCESS

Our understanding of sustainability risks encompasses environmental, social or governance (ESG) events and/or circumstances which, if they occur, could potentially have a significant adverse impact on the assets, profitability or reputation of the Allianz Group or any of its companies. Examples of sustainability risks include, but are not limited to, climate change, loss of biodiversity, breaches of recognised labour standards and corruption.
Allianz has implemented a Group-wide approach to integrate sustainability throughout the investment process for all insurance companies. This means that all customers' insurance premiums (with the exception of premiums for unit-linked insurance products) are subject to the same sustainability criteria. The approach also applies to Allianz Life Luxembourg S.A. and the investment strategy of its proprietary investment portfolio (insurance investment assets). This group-wide approach ensures that sustainability risks are taken into account throughout the investment decision-making process, including in asset/liability management, investment strategy, asset manager oversight, investment monitoring and risk management.
Asset management is carried out by selected asset managers, and clear requirements are set out for asset managers regarding the consideration of sustainability risks.
With regard to investment in insurance investment assets, we follow a comprehensive and well-founded approach to sustainability integration comprising the following six elements:

1. **Selection, mandate and monitoring of asset managers:**

In addition to economic considerations, we also take environmental, social and governance factors into account. All asset managers investing on behalf of Allianz are required to align with Allianz's long-term investment horizon, to articulate their stance on climate change (in line with Allianz's climate targets), and to incorporate sustainability risks and opportunities into their investment process. In principle, all asset managers managing Allianz's insurance investment assets must have a qualified and appropriate sustainability policy in place. Allianz has defined mandatory and strongly recommended criteria for a qualified sustainability policy with which asset managers must comply[1] . Furthermore, they are required to comply with all restriction and exclusion criteria defined by Allianz (for further details, see point 4). Asset managers are closely monitored by the investment function with regard to compliance with the respective restrictions and exclusion criteria, the implementation of their own sustainability policies, and the alignment of their activities with Allianz's long-term climate interests. Our own asset management is delegated to AIM within the group; the Allianz Group's objectives are de facto taken into account in our asset allocation planning. This section does not apply to unit-linked insurance products.

2. **Identification, analysis and management of potential sustainability risks:**

Investment transactions in unlisted asset classes, such as property, infrastructure and private equity, are reviewed by Allianz and by asset managers both within and outside the Group, in accordance with defined sustainability criteria. These criteria are based on international best practice and include aspects such as biodiversity risk, risk to protected areas, labour risk, risk to local communities, carbon intensity for high-emission assets where a decarbonisation plan is required, and general sustainability risks and impacts. Where a sustainability risk relating to a (potential) transaction is identified, a mandatory referral process is initiated. The transaction is then assessed by the relevant asset manager, who decides either to proceed with the transaction, to proceed subject to the mitigation and management of sustainability-related risks, or to reject it on sustainability grounds. For investments in listed asset classes, such as sovereign bonds, corporate bonds and publicly traded shares, Allianz uses ESG data from an external data provider, namely MSCI ESG Research, in conjunction with its own research to assess material sustainability risks (such as carbon emissions, waste and toxic emissions, and labour management) and to take these into account in portfolio management.

[1] The mandatory criteria for such a policy include, but are not limited to, a clear sustainability governance structure with clearly defined roles and responsibilities, the integration of specific sustainability principles, and compliance with regulatory requirements.

3. **Active ownership:**

- Bilateral engagement: On behalf of all its insurance subsidiaries, Allianz SE is entering into a dialogue with selected investment firms, through which Allianz identifies systemic sustainability risks, including those relating to good governance practices and a selection of PAI. The engagement aims to strengthen the portfolio company's management of sustainability risks and to drive improvements in its overall sustainability performance. Significant change can take several years, which is why Allianz views engagement as an ongoing process that can have an impact and be mutually beneficial. Allianz would not be able to contribute to this positive change if it were to automatically divest its investments. However, if engagement proves unsuccessful, Allianz may divest from certain issuers. Furthermore, the in-house asset managers Allianz GI and PIMCO undertake sustainability initiatives on behalf of their assets under management, including the investment assets of Allianz's insurance businesses. [2]

- Collaborative engagement: Collaborative dialogues may take the form of several investors engaging with a single company or with several companies and their value chains within the same sector. Collaboration strengthens the actions of the parties involved, enabling more effective and solution-focused discussions at a greater level of detail. Allianz promotes collaborative engagement wherever possible as a more efficient and effective form of investment management, particularly through initiatives such as the Climate Action 100+.

- Asset manager engagement: The asset manager engagement programme covers asset managers in both the private and public markets. Asset managers maintain close relationships with portfolio companies and have the organisational structure, expertise and analytical capabilities required to assess and engage with companies, often through dedicated management teams. Allianz clearly communicates its interests to asset managers and helps them align their investments and management activities so that Allianz's long-term sustainability and climate interests are optimally represented.

- Voting: No voting rights are exercised by Allianz Life Luxembourg S.A. or by external asset managers who manage equity mandates on our behalf.

[2] For further information on AllianzGI's ESG approach, please click here. For further information on PIMCO's ESG approach, please click here.

4. Exclusion and restriction[3] of certain countries, sectors and companies from the investment assets of[4] insurance policies:

This covers:
(1) the exclusion of companies producing or associated with controversial and nuclear weapons[5] ,
(2) the restriction of coal-based business models[6] ,
(3) the exclusion of certain sovereign bonds from countries associated with serious human rights violations and significant issues in addressing sustainability concerns,
(4) the exclusion and restriction of individual issuers presenting high sustainability risks following the engagement process, where engagement has proved unsuccessful,
(5) the restriction of unconventional oil and gas and oil- and gas-based business models,
(6) restricting business models based on oil and gas,
(7) the exclusion of seabed mining.

5. Commitment to climate change risks and decarbonisation:

Limiting global warming and mitigating climate change is a top priority for Allianz. Allianz is committed to contributing to the implementation of the 2015 Paris Agreement on Climate Change and considers that achieving its objective requires the rapid decarbonisation of the global economy towards net-zero emissions by 2050. Allianz identifies and manages climate-related risks and opportunities by:

- committing to completely phasing out coal-based business models from its insurance investment portfolio by 2040 at the latest. Allianz will reduce the threshold from the current 15 per cent to 0 per cent by 2040 at the latest;
- limiting financing of oil- and gas-based business models[7] ;
- As a founding signatory of the United Nations Net Zero Asset Owners Alliance (AOA), the Allianz Group has committed to setting science-based targets aimed at achieving net-zero greenhouse gas emissions financed[8] in its insurance investments by 2050. Carbon neutrality means that financed GHG emissions are avoided, reduced and that residual emissions are offset. Allianz has set interim targets for various asset

---

[3] A restriction involves a phased withdrawal whereby equity investments are sold and fixed-income investments may be held to maturity, with no new investments or reinvestments permitted. An exclusion involves the active sale of investments.

[4] Please note that the exclusions mentioned above for proprietary investments do not apply to index instruments, index-linked structured products and seed capital. Furthermore, for mutual funds, we apply these exclusions where practicable.

[5] Companies involved in nuclear weapons programmes outside the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and weapons falling within the scope of the following international conventions: the Ottawa Convention (anti-personnel mines); Convention on Cluster Munitions (cluster munitions/bombs); Biological and Toxin Weapons Convention (biological weapons); and Chemical Weapons Convention (chemical weapons).

[6] Companies that derive more than 15 per cent of their electricity from coal-fired power generation or of their revenue; companies planning new coal-fired electricity generation capacity or new coal extraction volumes (e.g. power stations and mines) or other new infrastructure primarily used for coal-fired power generation, such as ports or storage facilities (applies to utilities, mining companies and coal-related service providers); companies with more than 5 GW of coal-fired power generation capacity or which extract more than 10 million tonnes of thermal coal per year; by 'restriction', we mean that equity holdings in the companies concerned are divested, fixed-income investments are liquidated and no new bond investments are permitted. Allianz may also divest from or restrict exposure to companies earlier under contractual agreements; for further details, see here.

[7] For further information, please refer to Allianz's statement on business models based on oil sands and the statement on business models based on oil and gas.

[8] Financed emissions refer to Scope 3 Category 15, namely the Scope 1 and 2 emissions of owned companies, typically tracked using the AOA's Target Setting Protocol. We regard the New Zealand AOA's Target Setting Protocol (TSP) framework as a best practice for setting GHG emission reduction targets. The development of the TSP drew heavily on the IPCC's climate scenarios, which limit the temperature increase by the end of the century to 1.5 °C. The TSP was aligned with relevant stakeholders, including the academic community, and approved following a public consultation. As such, we generally follow its recommendations for our interim decarbonisation targets.

classes[9] such as portfolios of listed and unlisted corporate bonds and traded equities, direct property holdings and commercial mortgages.[10] The interim targets are reviewed every five years, starting from the reference year of 2019. The results of the independent expert's verification of our transition plan will be available from September 2026 in the document prepared in accordance with Article 10 of the Disclosure Regulation, available on our website.

6. Climate change stress tests and scenario analysis:

Climate change considerations (particularly regarding the transition and physical risk) form an integral part of Allianz's insurance and investment strategy. Allianz applies various quantitative and qualitative approaches to carry out climate change stress tests and scenario analyses, taking into account the long-term timeframe over which climate change may unfold and the high degree of uncertainty regarding the direction of future climate and economic developments. Allianz carries out sensitivity and scenario analyses covering time horizons up to 2050, including scenarios involving an orderly or disorderly transition, or scenarios without a transition but with increased levels of physical risk.

For further information on how Allianz manages sustainability-related risks in its investment processes, please refer to the following website: Allianz Group Annual Report 2025.

This statement pursuant to Article 3 of the SFDR is updated regularly. The latest amendments relate to updates in the sections '1. Selection, mandate and monitoring of asset managers', '2. Identification, analysis and treatment of potential sustainability risks' sustainability' and '4. Exclusion and restriction of certain countries, sectors and companies from insurance investment assets', as well as adjustments to the wording.

[9] We do not yet set targets for our sovereign and sub-sovereign bonds, nor for securitised products, cash and derivatives.

[10] Our targets generally follow the AOA's target-setting protocol and, in accordance with this protocol, we do not yet set targets for our sovereign and sub-sovereign bonds, nor for securitised products, cash and derivatives. For further information on Allianz's climate targets, please refer to the Allianz Group's 2025 Annual Report, available at

Allianz is a global leader in insurance and financial services, with 125 million customers in over 70 countries and more than 157,000 employees. Allianz is the leading insurance brand in Interbrand's 2025 Global Brands Ranking and the most sustainable insurer in the Dow Jones Sustainability Index 2025. In the Benelux countries, Allianz offers a wide range of products and services to private individuals, the self-employed, SMEs and large corporations through its insurance brokers. These range from investment to retirement savings, from motor insurance to fire insurance, and from cyber insurance to group insurance. In Belgium and Luxembourg, Allianz has over 950,000 customers, more than 740 employees and a turnover of over 1.5 billion euros. In the Netherlands, Allianz serves more than 910,000 customers through its brokerage network and its direct insurance subsidiary, Allianz Direct. Allianz employs around 770 people in the Netherlands and generates a turnover of 1.9 billion euros.

Would you like more information? Please visit www.allianz.lu.

Any complaints relating to the policy or to a fault with Allianz Life Luxembourg may be addressed to the Complaints Department of Allianz Life Luxembourg S.A. by post to Complaints Department – Allianz, 19–23, rue Jean Fischbach, Building C, L-3372 Leudelange, by email 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 review by the Executive Management of Allianz Life Luxembourg;
- follow the out-of-court dispute resolution procedure with the Insurance Commission (CAA), Allianz's supervisory authority, subject to a waiting period of 90 days from the date on which the complaint was submitted to Allianz, and out-of-court settlement after a period of one year from the date on which the complaint was submitted to Allianz.

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

- by post to the CAA (11, rue Robert Stumper, L-2557 Luxembourg),
- by fax to the CAA (22 69 10),
- by email (reclamation@caa.lu)
- online via the CAA website (forms available in FR, EN and DE).