Allianz Global Investors

Template – Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, paragraph 1 of Regulation (EU) 2020/852

Product name:

Allianz Global Equity Dividend

Legal entity identifier: 529900VRVENOFL7GGL10

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that this investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

●●	☐ Yes	●○	☑ No
☐	It will make a minimum of **sustainable investments with an environmental objective:** ___%	☑	It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **9.50%** of sustainable investments
	☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy		☑ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
	☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy		☑ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
			☑ with a social objective
☐	It will make a minimum of **sustainable investments with a social objective:** ___%	☐	It promotes E/S characteristics, but **will not make any sustainable investments**.

What environmental and/or social characteristics are promoted by this financial product?

Allianz Global Equity Dividend (the "Feeder Fund") is a feeder fund that invests at least 95% of its net asset value in its Master Fund, Allianz Global Dividend (the "Master Fund"), a sub-fund of Allianz Global Investors Fund SICAV. As a result, the management approach of the Feeder Fund is indirectly determined by the management approach of the Master Fund.

The Master Fund promotes environmental and social characteristics by monitoring greenhouse gas intensity ("GHG Intensity"). The Master Fund achieves this as follows:

- In a first step, environmental and social characteristics are promoted by applying exclusion criteria that exclude from the Fund's investment universe investments in certain issuers that are involved in controversial environmental or social business activities. As part of this process, the investment manager excludes investee companies from the investment universe if they are found to have committed severe violations of good governance practices, as well as principles and guidelines such as the United Nations Global Compact Principles, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- In a second step, the investment manager assesses investments (excluding cash and derivatives) based on the greenhouse gas emissions of investee companies, where such data is available. Based on this assessment, the investment manager manages the Fund in a way that ensures the GHG Intensity of the portfolio declines over time. The basis for evaluating this reduction is a GHG Intensity target, which is set for the respective financial year-end of the Fund. GHG Intensity is defined as GHG emissions (Scope 1 and 2) per million USD in revenue of the issuer. GHG emissions per million USD in revenue is used as this metric allows for a differentiation between more and less energy-efficient issuers. The investment manager has also determined that GHG Intensity data must be available for a certain percentage of the Fund's portfolio.

- The Investment Manager will also maintain a minimum percentage of 9.50% of the net asset value of the Feeder Fund in sustainable investments and a minimum percentage of 0.01% of the net asset value of the Feeder Fund in investments that are aligned with the EU Taxonomy.

No reference benchmark for measuring the attainment of the environmental and/or social characteristics promoted by the Master Fund has been defined.

The details and methodologies of each step are described in the section "What investment strategy does this financial product follow?".

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

  The following sustainability indicators of the Master Fund are used to measure the achievement of its environmental and/or social characteristics and are reported at the end of the financial year:

  - Confirmation that the exclusion criteria were adhered to throughout the entire financial year of the Fund.
  - The GHG Intensity of the Fund's portfolio compared to the GHG target set as part of the GHG Intensity trajectory for the respective financial year-end. The methodology for calculating GHG Intensity is further detailed in the section "What investment strategy does this financial product follow?".
  - Percentage of the Fund's net asset value (the percentage is specified in the section "What investment strategy does this financial product follow?") that is covered by data on the GHG Intensity of the respective issuers. The methodology for calculating GHG Intensity is further detailed in the section "What investment strategy does this financial product follow?".
  - Percentage of the net asset value of the Feeder Fund that is allocated to sustainable investments (see also the "What investment strategy does this financial product follow?" section).
  - Percentage of the net asset value of the Feeder Fund invested in Taxonomy-aligned investments.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

  The objectives of the sustainable investments that the Master Fund partially intends to make include a broad range of environmental and social themes for which the investment manager uses as reference, among others, the United Nations Sustainable Development Goals (SDGs)[1], namely: no poverty, zero hunger, good health and well-being, quality education, gender equality, clean water and sanitation, affordable and clean energy, decent work and economic growth, industry, innovation and infrastructure, reduced inequalities, sustainable cities and communities, responsible consumption and production, climate action, life below water, life on land, peace, justice and strong institutions, and partnerships for the goals, and the objectives of the EU Taxonomy, namely: climate change mitigation, adaptation to climate change, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems.

  The contribution of sustainable investments is determined by the respective business activity of an issuer. This involves assigning the individual business activities of each issuer to the goals or sub-goals of the SDGs and the objectives of the Taxonomy. Determining to which of the above-mentioned objectives an issuer's business activity specifically contributes depends, among other things, on the sector to which the business activity in question belongs.

  The investment manager measures the contribution of the sustainable investments to the attainment of the objectives on the basis of their own methodology, as follows:

  - An issuer's business activities are categorised into revenue streams from various business segments, based on external data. If the available segmentation of business activities is not detailed enough, the investment manager determines the allocation. The Investment Manager uses qualitative and quantitative research to assess whether business activities contribute to the Sustainable Development Goals or the Taxonomy objectives. The revenue share attributable to a business activity accounted for in this way is allocated to the share for sustainable investments, provided that the issuer passes the "Do No Significant Harm" (DNSH) assessment and adheres to the good governance principles.
  - For issuers whose business activities consist of at least 20% sustainable investments and who are either in transition to a net-zero pathway or already aligned with a net-zero pathway, the investment manager increases the calculated proportion of sustainable investments allocated to the issuers concerned by 20 percentage points. Issuers are considered to be on a net-zero pathway if they (1) have achieved net zero, (2) are aligned with net zero or (3) are in the process of aligning with net

zero. Issuers that (4) have committed to net zero or (5) are not aligned with net zero are not considered to be in transition or aligned with a net-zero pathway.

- For securities that finance specific projects ("Project Bonds") contributing to environmental or social objectives, the entire investment is considered to contribute to environmental and/or social objectives. However, these investments are also subject to a DNSH and good governance assessment, either at the issuer level or, in some cases, at the project level.
- The share of sustainable investments for each issuer and each project bond is weighted based on the percentage of the portfolio invested in these issuers or project bonds. The individual weighted proportions of sustainable investments across all issuers and Project Bonds are aggregated to determine the overall proportion of sustainable investments in the Fund.

The objectives of the sustainable investments that the Master Fund partially intends to make include all of the objectives that the EU Taxonomy uses as a reference, namely: climate change mitigation, adaptation to climate change, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems.

[1] https://sdgs.un.org/goals

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To assess whether sustainable investments do not significantly harm other environmental and/or social objectives, the investment manager applies Principal Adverse Impact (PAI) indicators to sustainability factors.

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.

How were the indicators for adverse impacts on sustainability factors taken into account?

All mandatory PAI indicators are considered as follows:

- Investments in issuers that violate exclusion criteria related to controversial weapons, serious breaches of principles and guidelines such as the United Nations Global Compact Principles, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights or sovereign issuers with an insufficient Freedom House Index rating, are excluded and do not pass the Do No Significant Harm (DNSH) assessment. The exclusion criteria are detailed in the "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" section.
- Thresholds are set for all PAI indicators, except for the "share of non-renewable energy consumption and production", which is indirectly reflected in other PAI indicators.

Specifically, the investment manager has taken the following steps:

- Establishing materiality thresholds to identify issuers with highly adverse impacts. Issuers are assessed against these thresholds at least semi-annually. Depending on the indicator, thresholds are set either relative to the sector, as absolute values, or based on events or situations where companies are reported to have negative environmental, social or governance (ESG) impacts (controversies). The investment manager may engage with issuers that do not meet these materiality thresholds to provide them with an opportunity to address adverse impacts.
- Weighting of the PAI indicator based on the level of confidence in the quality of available data, which is used to calculate an overall DNSH (Do No Significant Harm) score relevant to the issuer. The overall DNSH score is determined based on the threshold for each PAI indicator and the confidence weighting. A company is considered to have failed the DNSH assessment if its overall DNSH score is one or higher. If an issuer fails to meet the overall DNSH score twice consecutively, or if engagement efforts are unsuccessful, it is deemed to have failed the DNSH assessment. Investments in securities of issuers that fail the DNSH assessment are not classified as sustainable investments.
- In certain cases where backwards- or forward-looking information does not align with the DNSH assessment, the investment manager may override the DNSH assessment. Such decisions are made by an internal decision-making committee composed of representatives from functions such as Investments, Compliance and Legal.

The data collection for PAI indicators is insufficient. Where applicable, equivalent data points are used for the assessment of PAI indicators when applying the DNSH assessment. This applies to the following

indicators for corporate issuers: share of non-renewable energy consumption and production, activities that negatively impact biodiversity-sensitive areas, emissions into water and lack of processes and compliance mechanisms to monitor compliance with UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises; for sovereign issuers: GHG Intensity and investee countries and countries that are affected by social violations. In the case of Project Bonds, relevant data at the project level may be used to ensure that sustainable investments do not significantly harm other environmental and/or social objectives. The investment manager will seek to improve data coverage for PAI indicators with limited data availability by engaging with issuers and data providers. The investment manager will regularly assess whether data availability has improved sufficiently to incorporate the evaluation of such data into the investment process.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The exclusions made by the investment manager that are described in the "What investment strategy does this financial product follow?" section exclude companies that commit serious violations of any of the following: Principles of the UN Global Compact, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

☑ Yes

☐ No

The investment manager considers Principal Adverse Impacts (PAIs) through measures that directly affect the investment strategy, such as the application of exclusion criteria, as well as indirect measures, such as engagement with corporate issuers and participation in relevant industry initiatives. Considering PAIs does not imply their complete avoidance, but rather an effort to mitigate them. The overall mitigation objective also depends on the portfolio management within the general investment strategy.

The following PAI indicators are addressed through the direct measures outlined in the table below:

PAI indicator applicable to corporate issuers:	Direct measure (as described in the section: "What investment strategy does this financial product follow?")
– GHG emissions	– Application of exclusion criteria related to coal mining and utility companies generating revenue from coal – Objective of reducing the Fund's GHG Intensity over time
– Carbon footprint	
– GHG intensity of investee companies	
– Exposure to companies active in the fossil fuel sector	
– Activities negatively affecting biodiversity-sensitive areas	– Application of exclusion criteria related to severe violations of international standards, such as the United Nations Global Compact (UN GC) The following UN Global Compact Principles are relevant to other environmental PAIs: • Principle 7: Businesses should support a precautionary approach to environmental challenges; • Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility • Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies
– Emissions to water	
– Hazardous waste ratio	
– Violation of the principles of the UN Global Compact	– Application of exclusion criteria related to severe violations of international standards, such as the United Nations Global Compact (UN GC)

– Lack of processes and compliance mechanisms to monitor adherence to the UN Global Compact Principles	
– Board gender diversity	– Use of voting rights to promote board gender diversity
– Exposure to controversial weapons	– Application of exclusion criteria regarding controversial weapons
PAI indicator applicable to government and supranational issuers	
– Investee countries subject to social violations	– Application of exclusion criteria for sovereign issuers classified as "Not Free" in the Freedom House Index

Data on PAI indicators is inconsistent. The investment manager will endeavour to increase data coverage for PAI indicators with low data coverage by working with data providers and/or issuers. The investment manager will regularly check whether the availability of data has increased to such an extent that the assessment of such data can be included in the investment process.

PAI indicators are also considered through the following indirect measures:

- The investment manager actively engages in dialogue with investee companies on broader sustainability aspects, including PAI indicators such as gender diversity. This dialogue is also conducted to inform voting decisions ahead of shareholder meetings (regularly for direct investments in equities). When deciding on the exercise of voting rights, the investment manager also considers broader sustainability factors. Further details on the Investment Manager's approach to the exercise of voting rights and corporate engagement can be found in the Stewardship Statement of the Investment Manager.
- The investment manager has joined the Net Zero Asset Managers Initiative[2], an international group of asset managers working in partnership with institutional investors to support the reduction of GHG emissions.

[2] https://www.netzeroassetmanagers.org/

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Allianz Global Equity Dividend is a Feeder Fund that invests at least 95% in the Master Fund. The Master Fund's investment objective is to achieve long-term capital growth by investing in companies on the global equity markets that are expected to offer dividend payments in the long term in line with the environmental and social characteristics promoted by the Fund. The Master Fund's general investment strategy is described in the Master Fund prospectus.

The following applies with regard to the environmental and social characteristics of the investment strategy:

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

Since the Feeder Fund invests in a Master Fund, the following binding elements apply to the Master Fund:

In a first step, the investment manager applies the following exclusion criteria, i.e. the investment manager does not invest (either directly or indirectly) in securities issued by companies:

- that have committed serious violations of principles and guidelines such as the United Nations Global Compact (UN GC) Principles, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights,
- that develop, manufacture, use, maintain, offer for sale, distribute, store or transport controversial weapons (e.g. nuclear weapons outside the Treaty on the Non-Proliferation of Nuclear Weapons [also known as the Non-Proliferation Treaty], anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium and white phosphorus),
- derive more than 10% of their revenue from thermal coal mining,
- operate in the utilities sector and derive more than 20% of their revenue from coal,
- are involved in tobacco production or generate more than 5.00% of their revenue from the sale of tobacco.

Direct investments in securities issued by sovereign issuers classified as "Not Free" in the Freedom House Index[3] are excluded.

The investment manager applies exclusion criteria to specific issuers based on information from external data providers and, in certain circumstances, internal research. The assessment of issuers against exclusion criteria is conducted at least semi-annually. Under certain circumstances, the investment manager may override the information received. Such decisions are made by an internal decision-making committee composed of representatives from functions such as Investments, Compliance and Legal. Further details on external data providers and the ability to override certain information can be found in the respective product information document on the SFDR website.

Step 2: The Investment Manager assesses investments (excluding cash and derivatives) based on the GHG Intensity of investee companies, where such data is available. GHG emissions include not only CO_2 emissions but also other emissions such as methane. GHG Intensity is defined as GHG emissions (Scope 1 and 2) per million USD in revenue of the issuer. Scope 1 greenhouse gas emissions include direct emissions from an issuer, while Scope 2 greenhouse gas emissions include indirect emissions from purchased energy. GHG emissions per million USD in revenue is used as this metric allows for a differentiation between more and less energy-efficient issuers. Based on this assessment, the investment manager manages the Fund to ensure that the portfolio's GHG Intensity decreases over time, calculated based on the GHG Intensity at the end of each financial year of the Fund. In detail, the following applies:

- The investment manager obtains issuer GHG Intensity data from an external data provider. GHG Intensity data per million USD in revenue is not available for cash, derivatives, sovereign issuers and issuers not covered by the data provider. Such data must be available for at least 80% of the Fund's net asset value. The basis for calculating the 80% threshold is the Fund's net asset value. GHG Intensity data is not available for certain assets (e.g. bank balances, cash and deposits) due to their nature. Derivatives are also not rated. GHG Intensity is also calculated for internal target funds. The proportion of the portfolio for which GHG Intensity data is unavailable varies depending on the general investment strategy of the Fund, as described in the prospectus.
- Only issuers and instruments for which the investment manager has GHG Intensity data are included in the GHG Intensity calculation of the Fund's GHG Intensity. The GHG Intensity of each issuer is weighted according to the issuer's proportion in the Fund. The portfolio weights of issuers with available GHG Intensity data are mathematically adjusted so that the sum of their weights in the Fund equals 100%. The proportion of the portfolio for which GHG Intensity data is unavailable varies depending on the general investment strategy of the Fund, as described in the prospectus.
- The investment manager establishes an improvement trajectory for the GHG Intensity of the Fund. For this Fund, the improvement trajectory began at the end of the first financial year following the implementation of the sustainability approach. The Fund has applied the sustainability approach since 28 March 2025. The improvement trajectory requires that the GHG Intensity target decrease by 5.00% per year by the end of each financial year, compared to the target set for the previous financial year-end. For the period between 28 March 2025 and the end of the 2025 financial year, a pro-rated rate of the annual reduction is applied.
- The improvement trajectory is defined for the financial years up to the end of the financial year on 31 December 2035, as follows:

Tabular representation of the improvement trajectory

Financial year-end	GHG target as a percentage of the Fund's original GHG Intensity
0	100.00
1	95.00
2	90.25
3	85.74
4	81.45
5	77.38
6	73.51
7	69.83
8	66.34
9	63.02
10	59.87

- The investment manager selects issuers from the remaining investment universe (i.e., after applying exclusion criteria) and weights them so that the Fund's GHG Intensity at each financial year-end meets or falls below the improvement trajectory for that financial year.

Moreover, the investment manager commits to investing at least 9.50% of the Feeder Fund's net asset value (NAV) in sustainable investments. The Investment Manager also undertakes to ensure that at least 0.01% of the Feeder Fund's net asset value is aligned with the EU Taxonomy.

[3] The relevant country is classified as "Not Free" in the "Freedom in the World Score" column of the Freedom House Index at https://freedomhouse.org/country/scores.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The Master Fund does not commit to reducing the scope of investments considered before the application of the investment strategy by a specific minimum percentage.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- **What is the policy to assess good governance practices of the investee companies?**

Companies are excluded if they are proven to have violated established standards that align with the four principles of good governance: robust management structures, employee relationships, employee remuneration and compliance with tax regulations. The data on excluded companies is based on information provided by external data providers and, in certain cases, internal research. Under certain circumstances, the investment manager may override the information received. Such decisions are made by an internal decision-making committee composed of representatives from functions such as Investments, Compliance and Legal.

In addition, the Investment Manager actively promotes dialogue with the potential investee companies about matters relating to governance. This is done, among other reasons, in order to prepare voting decisions in advance of shareholders' meetings (regularly in the case of direct investments in equities). When making voting decisions, the investment manager also considers broader sustainability aspects. Further information about the Investment Manager's approach to the exercise of voting rights and engagement with companies is set out in the Management Company's stewardship statement.

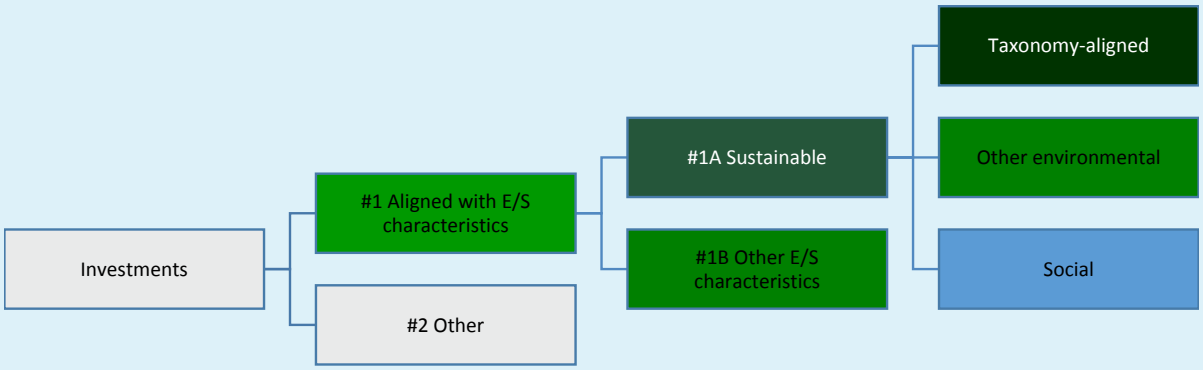
What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

The asset allocation section describes which portfolio assets the investment manager is required to use to promote environmental or social characteristics:

- The investment manager commits to selecting issuers with available GHG Intensity data for at least 80% of the Master Fund (#1 Aligned with E/S characteristics). The investment manager manages the Fund to ensure that the GHG Intensity of the portfolio decreases over time.
- At least 9.50% of the Feeder Fund's net asset value (NAV) is allocated to sustainable investments (#1A Sustainable Investments).
- At least 0.01% of the net asset value of the Feeder Fund is invested in sustainable investments that are aligned with the EU Taxonomy.

The Investment Manager does not commit to a minimum proportion of environmentally sustainable investments that are aligned with the EU Taxonomy or that are not aligned with the EU Taxonomy, nor to a minimum proportion of sustainable investments with a social objective. However, such investments may be freely allocated within the Fund's disclosed overall commitment to sustainable investments (at least 9.50%).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Derivatives are not used to promote the environmental or social characteristics of the Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The investment manager commits to a minimum proportion of 0.01% of sustainable investments aligned with the EU Taxonomy. The objectives of the sustainable investments that the financial product partially intends to make include all of the objectives that the EU Taxonomy uses as a reference, namely: climate change mitigation, adaptation to climate change, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems.

EU Taxonomy-aligned investments include debt and/or equity holdings in environmentally sustainable economic activities that comply with the EU Taxonomy. EU Taxonomy-aligned data is provided by an external data provider. The Investment Manager has assessed the quality of such data. The data will not be subject to an assurance provided by auditors or a review by third parties. This data does not cover sovereign bonds. There is currently no recognised methodology of determining the proportion of Taxonomy-aligned activities in sovereign bond investments.

Taxonomy-aligned data is derived from company-reported EU Taxonomy data. If companies do not report data, the data provider derives taxonomy-aligned data from other available equivalent public sources.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee

- Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☑ No

The investment manager does not pursue investments in EU Taxonomy-aligned fossil gas and/or nuclear energy activities. However, the investment manager may invest in companies that

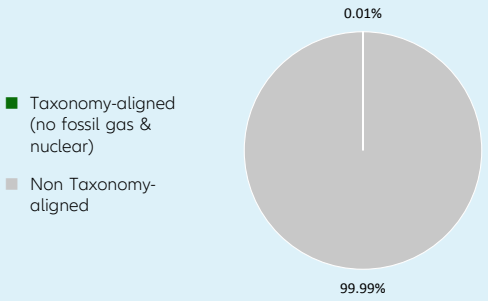
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

companies, e.g. for a transition to a green economy
- **operating expenditure** (OpEx) reflecting green operational activities of investee companies

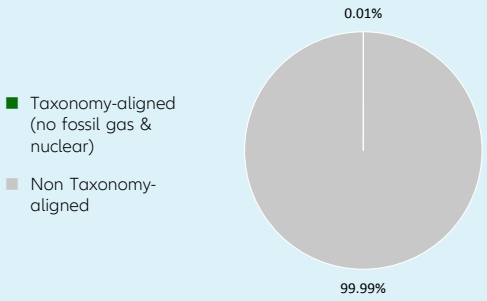
are also active in these sectors. Further information may be provided as part of the annual reporting process.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents x% of the total investments.

It should be noted that this Fund does not have a mandatory minimum quota for investments in sovereign bonds. As such, this Fund may (but is not required to) have a sovereign bonds exposure. As there is no mandatory minimum quota for investments in sovereign bonds, this graph does not generate any additional added value compared to the graph on the left.

** For the purpose of these graphs, "sovereign bonds" include all sovereign exposures.*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What is the minimum share of investments in transitional and enabling activities?

The investment manager does not undertake to split the minimum Taxonomy orientation into transition and enabling activities and its own performance.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The investment manager does not commit to a minimum proportion of environmentally sustainable investments that are not aligned with the EU Taxonomy. Taxonomy-aligned investments are considered to be a subcategory of sustainable investments. If an investment is not Taxonomy-aligned because the activity does not or is not yet covered by the EU Taxonomy or the positive contribution is not substantial enough to meet the screening criteria of the Taxonomy, such an investment can still be considered an environmentally sustainable investment if all the criteria are met. Although the Fund does not commit to a minimum proportion of environmentally sustainable investments that are not aligned with the EU Taxonomy, such investments may still be freely allocated within the Fund's disclosed overall commitment to sustainable investments (at least 9.50% of the net asset value of the Feeder Fund).

What is the minimum share of socially sustainable investments?

The investment manager does not commit to a minimum of socially sustainable investments. Sustainable investments may also include investments with a social objective. Although the Fund does not commit to a minimum proportion of socially sustainable investments, such investments may still be freely allocated within the Fund's disclosed overall commitment to sustainable investments (at least 9.50% of the net asset value of the Feeder Fund).

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The instruments categorised under "#2 Other" are permissible assets as defined in the prospectus. These include cash and cash equivalents, target funds, permitted asset classes and derivatives that do not specifically promote environmental or social characteristics. The Fund may use derivatives, which always fall under the category "#2 Other", for hedging, liquidity management, efficient portfolio management and investment purposes. These investments do not have any environmental or social minimum safeguards.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No, the investment manager has not designated a reference benchmark to assess the alignment of the Master Fund with the environmental and/or social characteristics it promotes.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that it promotes.

- How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

  An index is not used as a reference benchmark to assess compliance with the environmental or social characteristics promoted by the Master Fund.

- How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

  An index is not used as a reference benchmark to assess compliance with the environmental or social characteristics promoted by the Master Fund.

- How does the designated index differ from a relevant broad market index?

  An index is not used as a reference benchmark to assess compliance with the environmental or social characteristics promoted by the Master Fund.

- Where can the methodology used for the calculation of the designated index be found?

  An index is not used as a reference benchmark to assess compliance with the environmental or social characteristics promoted by the Master Fund.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://regulatory.allianzgi.com/de-de/sfdr/funds/mutual-funds