

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852*

Product name:

Allianz Global Equity Dividend

Legal entity identifier: 529900VRVENOFL7GGL10

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the 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.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

It made **sustainable investments with an environmental objective**: _%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 59.27% 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 made **sustainable investments with a social objective**: _%

It promoted E/S characteristics, but **did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Allianz Global Equity Dividend (the "Feeder Fund") is a feeder fund that invested 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 was indirectly determined by the management approach of the Master Fund.

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

In a first step, environmental and social characteristics were 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 excluded investee companies from the investment universe if they were found to have committed severe violations of good governance practices or 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 assessed investments (excluding cash and derivatives) based on the greenhouse gas emissions of investee companies, where such data was available. Based on this assessment, the investment manager managed the Fund in a way that ensured the GHG

* Not included in the audit opinion on the annual report according to Section 7 of the German capital investment accounting and valuation ordinance (Kapitalanlage-Rechnungslegungs- und Bewertungsverordnung; KARBV)

Intensity of the portfolio declined over time. The basis for evaluating this reduction was a GHG Intensity target, which was set for the respective financial year-end of the Fund. GHG Intensity was defined as GHG emissions (Scope 1 and 2) per million USD in revenue of the issuer. GHG emissions per million USD in revenue was used as this metric allowed for a differentiation between more and less energy-efficient issuers. The investment manager also determined that GHG Intensity data must be available for a certain percentage of the Fund's portfolio.

Additionally, the Investment Manager maintained a minimum percentage of 9.50% of the Feeder Fund's net asset value (NAV) in sustainable investments and a minimum percentage of 0.01% of the Fund's NAV in investments aligned with the EU Taxonomy.

No reference benchmark was designated for achieving the environmental and/or social characteristics promoted by the Fund.

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

- **How did the sustainability indicators perform?**

The following sustainability indicators of the Master Fund were used to measure the attainment of the environmental and/or social characteristics and performed as follows:

- The exclusion criteria were complied with throughout the Fund's financial year. The following exclusion criteria were applied to securities issued by companies:
 - that commit serious violations of principles and guidelines such as the principles of the UN Global Compact, 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),
 - that generate more than 10% of their revenue from coal extraction for power stations,
 - that operate in the utilities sector and generate more than 20% of their revenue from coal,
 - that are involved in the production of tobacco or that generate more than 5% 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 were excluded. The Freedom House Index was insufficient if the jurisdiction in question had a rating of "Not Free" in the Freedom House Index, which could be accessed at <https://freedomhouse.org/country/scores> ("Freedom in the World Score" column).

Investors are advised that the exclusion criteria may have changed during the reporting period. The exclusion criteria applicable at the time of reporting are documented above and in the pre-contractual disclosures.

The exclusion criteria were based on information from an external data provider and were coded in the ex-ante and ex-post investment limit auditing systems. The review was carried out at six-monthly intervals, or more frequently.

- 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 was 7.73%. The methodology for calculating GHG Intensity is specified in the pre-contractual disclosures in the "What investment strategy does this financial product follow?" section.
- The Fund has maintained a consistent trajectory of reducing GHG Intensity, applying a maximum deviation of 10% from the GHG Intensity achieved at the previous financial year-end.
- The Sustainability KPI – as described above – reflects the greenhouse gas intensity (GHG intensity) of the issuers included in the portfolio, provided that the relevant data was available for the issuers concerned. The actual percentage of the KPI coverage of the Master Fund's portfolio (the portfolio in this sense did not include derivatives and instruments that did not by their very nature have a rating, for example cash and deposits) was 99.31%.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The objectives of the sustainable investments that the Master Fund partially pursued covered a broad range of environmental and social themes. The Investment Manager was guided, among other things, by the United Nations Sustainable Development Goals (UN SDGs)[1] and by the objectives of the EU Taxonomy – in particular climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems.

The Investment Manager evaluated the contribution of sustainable investment to these objectives using an internal methodology:

- An issuer's business activities were categorised into revenue streams from various business segments, based on external data. In cases where the breakdown of the business activities received was not detailed enough, it was determined by the Investment Manager. The Investment Manager used qualitative and quantitative research to assess whether business activities contributed to the Sustainable Development Goals or the Taxonomy objectives. The revenue share attributable to a business activity accounted for in this way was allocated to the share for sustainable investments, provided that the issuer passed the "Do No Significant Harm" (DNSH) assessment and adhered to the good governance principles.

- Issuers whose business activities consisted of at least 20% sustainable investments and who were on a transition pathway to Net Zero or already aligned with it received a 20-percentage-point increase in their share of sustainable investments. Issuers were considered to be in transition to Net Zero if they had already achieved Net Zero, were aligned with it or were aligning themselves with it. Issuers who had only given an commitment or were not aligned were excluded from this increase.

- For securities that financed specific projects ("Project Bonds") contributing to environmental or social objectives, the entire investment was considered to have contributed to environmental and/or social objectives. However, these investments were 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 was 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 were aggregated to determine the overall proportion of sustainable investments in the Master Fund.

The objectives of the sustainable investments that the Master Fund partially intended to make included all of the objectives that the EU Taxonomy used 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 did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

To assess whether sustainable investments do not cause significant harm to other environmental and/or social objectives, the Investment Manager used the indicators relating to principal adverse impacts ("PAI") on 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 have the indicators for adverse impacts on sustainability factors been taken into account?

All mandatory PAI indicators were considered as follows:

- Investments in issuers that violated exclusion criteria related to controversial weapons, committed serious violations of principles and guidelines such as the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, or in sovereign issuers with an insufficient Freedom House Index rating, were excluded and did not pass the DNSH assessment. The exclusion criteria were detailed in the pre-contractual disclosures 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 were set for all PAI indicators, except for the "share of non-renewable energy consumption and production" indicator, which was indirectly considered in other PAI indicators.

Specifically, the Investment Manager took the following steps:

- Setting thresholds to determine significant negative impacts in order to identify issuers with significant adverse impacts. The issuers were assessed at least every six months on the basis of these thresholds. Depending on the indicator, thresholds were set either relative to the sector, in absolute terms or on the basis of events or situations where companies were alleged to have had negative environmental, social or governance impacts (controversies). The Investment Manager was able to engage in dialogue with issuers who did not satisfy the thresholds to give them the opportunity to rectify the negative impacts.
- Weighting of the PAI indicator based on the level of confidence in the quality of available data, which was used to calculate an overall DNSH score relevant to the issuer. The overall DNSH score was 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 failed 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 failed the DNSH assessment are not classified as sustainable investments.
- In certain cases where backward- or forward-looking information did not align with the DNSH assessment, the Investment Manager was able to override the DNSH assessment. Such decisions were made by an internal decision-making committee composed of representatives from functions such as Investments, Compliance and Legal.

The data collection for PAI indicators was insufficient. Where applicable, equivalent data points were 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 negatively affecting biodiversity-sensitive areas, emissions to water. 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, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and 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 was able to be used to ensure that sustainable investments do not significantly harm other environmental and/or social objectives.

The Investment Manager endeavoured to improve data coverage for PAI indicators with low data coverage by working with data providers and/or issuers. The Investment Manager regularly assessed whether data availability had improved sufficiently to incorporate the evaluation of such data into the investment process.

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

The Investment Manager's exclusions, as described in the "What investment strategy does this financial product follow?" section of the Fund's pre-contractual disclosure, excluded companies that had seriously violated any of the following frameworks: the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Companies were excluded if there were proven violations of recognised standards in relation to four aspects of good governance: sound management structures, employee relations, remuneration of staff and tax compliance. The excluded companies were identified based on information from external data providers and, in certain cases, supplemented by internal research. In individual cases, the Management Company overrode the information received. Decisions on such exceptions were made by an internal decision-making committee, which included representatives from the areas of Investments, Compliance and Legal, among others.

The Management Company also actively engaged in and led dialogue with portfolio companies on governance issues. This was done, among other reasons, to inform voting decisions ahead of shareholder meetings (regularly in the case of direct investments in equities). When deciding on the exercise of voting rights, broader sustainability aspects were also considered. Further details about the Investment Manager's approach to the exercise of voting rights and corporate dialogue is set out in the Management Company's stewardship statement.

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.



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Manager considered PAIs through measures that directly affected 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 did not imply their complete avoidance, but rather an effort to mitigate them. The overall mitigation objective also depended on the portfolio management within the general investment strategy.

Data on PAI indicators was inconsistent. The Investment Manager endeavoured to improve data coverage for PAI indicators with low data coverage by working with data providers and/or issuers. The Investment Manager regularly assessed whether data availability had improved sufficiently to incorporate the evaluation of such data into the investment process.

PAIs were also considered through the following indirect measures:

- The Investment Manager actively engaged in dialogue with investee companies on broader sustainability aspects, including PAI indicators such as gender diversity. This dialogue was also conducted to inform voting decisions ahead of shareholder meetings (regularly in the case of direct investments in equities). When deciding on the exercise of voting rights, the Investment Manager also considered broader sustainability factors. Further details on the investment manager's approach to 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/>

The following PAI indicators were considered by the Fund's Investment Manager:

- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Activities negatively affecting biodiversity-sensitive areas
- Emissions to water
- Hazardous waste and radioactive waste ratio
- Violations of UN Global Compact principles and Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
- Board gender diversity
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
- Investee countries subject to social violations



What were the top investments of this financial product?

During the reporting period, the majority of the Fund's investments comprised equities, fixed-income securities and target funds. Part of the Fund contained assets that do not promote environmental or social characteristics. Examples of such assets include derivatives, cash and deposits. Since these assets were not used to attain the environmental or social characteristics promoted by the Fund, they were not taken into account in determining the top investments. The top investments are the investments with the highest weighting in the Fund. The weighting is calculated as an average of the four valuation dates. The valuation dates are the reporting date and the last day of each third month over a period of nine months counting backwards.

For reasons of transparency, the more detailed classification (at sub-sector level) is indicated for investments falling under the NACE sector "Public administration and defence; compulsory social security" in order to distinguish between investments falling under the sub-sectors "Administration of the State and the economic and social policy of the community", "Provision of services to the community as a whole" and "Compulsory social security activities".

For investments in target funds, it is not possible to allocate sectors clearly, as the target funds can invest in securities of issuers from different sectors.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01.01.2025–31.12.2025

Largest investments	Sector	% Assets	Country
ALLIANZ GLB DVD PLAN12-F EUR	N/A	99.31%	Luxembourg

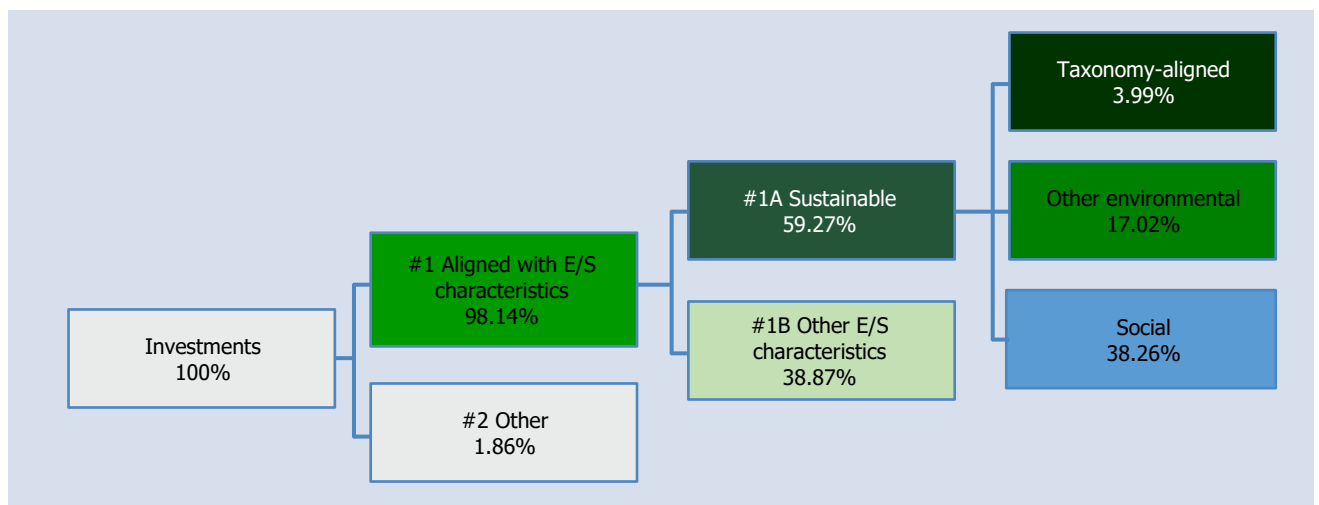


What was the proportion of sustainability-related investments?

Sustainability-related investments means all investments that contribute to the attainment of the environmental and/or social characteristics of the investment strategy. The majority of Fund assets were used to attain the environmental or social characteristics promoted by this Fund. A low portion of the Fund contained assets that do not promote environmental or social characteristics. Examples of such instruments include cash and cash deposits, certain target funds and investments with temporarily divergent or absent environmental, social, or good governance qualifications.

Asset allocation describes the share of investments in specific assets.

- [What was the asset allocation?](#)



#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 environmentally and socially sustainable investments
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

- **In which economic sectors were the investments made?**

The table below shows the proportion of the Fund's investments in different sectors and sub-sectors at the end of the financial year. The evaluation is based on the NACE classification of the economic activities of the company or the issuer of the securities in which the Fund is invested. In the case of investments in target funds, a transparency approach is applied to take into account the sectoral and sub-sectoral affiliations of the underlying assets of the target funds in order to ensure transparency around the sectoral exposure of the Fund.

The identification of sectors and sub-sectors of the economy, income from exploration, mining, production, manufacturing, processing, storage, refining or distribution, including transport, storage and trade of fossil fuels as defined in Article 2(62) of Regulation (EU) 2018/1999 of the European Parliament and of the Council, is currently not possible because the evaluation includes only NACE classification levels I and II. The above activities in the fossil fuels sector are in part included as aggregated with other areas under sub-sectors B5, B6, B9, C28, D35 and G46.

	Sector or sub-sector	% Assets
B	MINING AND QUARRYING	4.69%
B06	Extraction of crude petroleum and natural gas	3.42%
B07	Mining of metal ores	1.27%
C	MANUFACTURING	35.93%
C19	Manufacture of coke and refined petroleum products	1.94%
C20	Manufacture of chemicals and chemical products	4.63%
C21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	1.45%
C22	Manufacture of rubber and plastic products	1.06%
C26	Manufacture of computer, electronic and optical products	10.93%
C27	Manufacture of electrical equipment	3.91%
C28	Manufacture of machinery and equipment n.e.c.	4.10%
C29	Manufacture of motor vehicles, trailers and semi-trailers	6.60%
C32	Other manufacturing	1.32%
D	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	1.98%
D35	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	1.98%
G	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	5.17%
G46	Wholesale trade, except of motor vehicles and motorcycles	3.73%
G47	Retail trade, except of motor vehicles and motorcycles	1.45%
H	TRANSPORTING AND STORAGE	3.79%
H52	Warehousing and support activities for transportation	1.70%
H53	Postal and courier activities	2.09%
I	ACCOMMODATION AND FOOD SERVICE ACTIVITIES	3.84%
I55	Accommodation	2.43%
I56	Food and beverage service activities	1.41%
J	INFORMATION AND COMMUNICATION	10.49%
J58	Publishing activities	3.54%
J63	Information service activities	6.94%
K	FINANCIAL AND INSURANCE ACTIVITIES	31.51%
K64	Financial service activities, except insurance and pension funding	16.02%
K65	Insurance, reinsurance and pension funding, except compulsory social security	10.29%
K66	Activities auxiliary to financial services and insurance activities	5.20%
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	1.60%
M73	Advertising and market research	1.60%
Other	NOT ASSIGNED	1.02%



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

Taxonomy-aligned investments comprise debt and/or equity in environmentally sustainable economic activities that are aligned with the EU Taxonomy. Taxonomy alignment data is provided by an external data provider. The Investment Manager has assessed the quality of this data. The data is neither subject to an audit by statutory auditors nor to verification by third parties. This does not cover sovereign bonds. There is currently no recognised methodology for determining the share of Taxonomy-aligned activities in investments in sovereign bonds.

The share of investments in sovereign bonds was 0% (calculated on the basis of a look-through approach).

The Taxonomy-aligned activities in the pre-contractual disclosure are based on the share of turnover, while the periodic reporting also includes values for capital expenditure (CapEx) and operational expenditure (OpEx). Only in some cases is Taxonomy-aligned data derived from corporate reports in accordance with the EU Taxonomy. If companies themselves did not report data, the data provider derives Taxonomy-aligned data from other available equivalent public sources.

- Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

Yes

In fossil gas

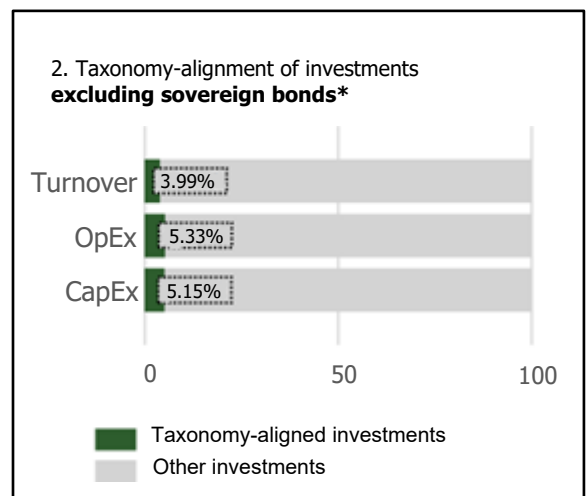
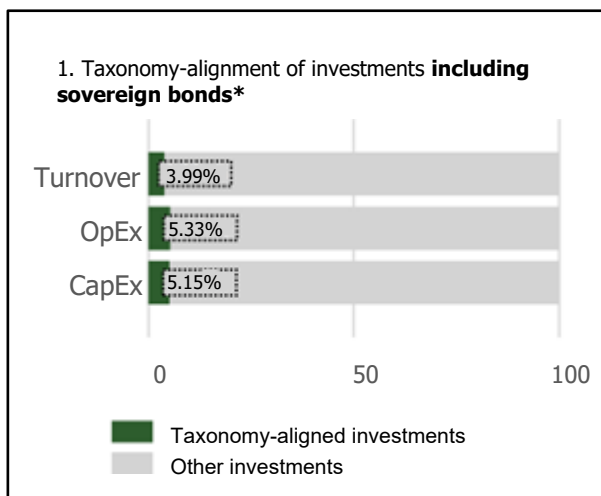
In nuclear energy

No

The breakdown of the proportions of investments in fossil gas and nuclear energy in accordance with the environmental objectives is currently not possible as no verified form of the data is available yet.

¹Fossil 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 no significant harm to 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.

The graphs below show in green the percentage of investments that were 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.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

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

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **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.

Climate change mitigation	3.74%
Climate change adaptation	0.00%

- [What was the share of investments made in transitional and enabling activities?](#)

Transitional activities	0.00%
Enabling activities	2.47%

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy was 17.02%.



What was the share of socially sustainable investments?

The share of sustainable investments with a social objective was 38.26%.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

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



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To ensure that the Master Fund fulfilled its environmental and social characteristics, the binding elements were defined as assessment criteria. Compliance with the binding elements was measured using sustainability indicators. For each sustainability indicator, a methodology, based on different data sources, was set up in order to ensure accurate measurement and reporting of the indicators. In order to keep the underlying data up to date, the sustainable minimum exclusion list was updated at least twice a year by the sustainability team based on external data sources.

Technical control mechanisms were introduced to monitor compliance with the binding elements in ex-ante and ex-post investment limit auditing systems. These mechanisms ensured that the environmental and/or social characteristics were complied with at all times. Appropriate measures were taken to remediate any violations found. Examples of such measures include the sale of securities that are not consistent with the exclusion criteria or exposure to issuers (in the case of direct investments). These mechanisms are an integral part of PAI consideration.

In addition, AllianzGI is involved in the investee companies. The exposure activities were only carried out in relation to direct investments. There is no guarantee that the exposure activities carried out cover issuers held in every Fund. The exposure strategy of the Management Company is based on two approaches: (1) risk-based approach and (2) thematic approach.

The risk-based approach focuses on the key ESG risks identified. The exposure is closely related to the size of the investment. The focus of the exposure takes into account aspects such as significant votes against company management at past general assemblies, controversies relating to sustainable or governance practices and other sustainability topics.

The thematic approach links exposures either with the three strategic sustainability topics of AllianzGI (climate change, planetary boundaries and inclusive capitalism) and the issue of governance practice in specific markets or with a broader context. Thematic exposures were identified using topics considered important for portfolio investments and were prioritised based on the size of the investments made by AllianzGI and under consideration of customer priorities.



How did this financial product perform compared to the reference benchmark?

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.

- **How does the reference benchmark differ from a broad market index?**

The Investment Manager did not designate a reference benchmark to measure alignment with the promoted environmental and/or social characteristics.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

The Investment Manager did not designate a reference benchmark to measure alignment with the promoted environmental and/or social characteristics.

- **How did this financial product perform compared with the reference benchmark?**

The Investment Manager did not designate a reference benchmark to measure alignment with the promoted environmental and/or social characteristics.

- **How did this financial product perform compared with the broad market index?**

The Investment Manager did not designate a reference benchmark to measure alignment with the promoted environmental and/or social characteristics.

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