

Eurosif European SRI Transparency Code

Commitment

December 2021



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STATEMENT OF COMMITMENT

Sustainable and Responsible Investing is an essential part of the strategic positioning and behavior of Allianz Global Investors (AllianzGI). We have been involved in SRI since 2000 and welcome the European SRI Transparency Code. This is our statement of commitment covering the period

January 2021 to December 2021. Our full response to the European SRI Transparency Code can be accessed below and is available in the annual report of the retail funds and on our website.

COMPLIANCE WITH THE TRANSPARENCY CODE

AllianzGI is committed to transparency and we believe that we are as transparent as possible given the regulatory and competitive environments that exist in the countries in

which we operate. AllianzGI meets the full recommendations of the European SRI Transparency Code.

1) LIST OF FUNDS COVERED BY THE CODE

Name of the fund	Dominant/preferred SRI strategy	Asset class*	Exclusion standards and norms	Fund capital as at 31 Dec	Other labels	Links
Allianz Advanced Fixed Income Euro	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Bonds and other debt securities	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 2,83 bn		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-advanced-fixed-income-euro-a-eur
Allianz Advanced Fixed Income Short Duration	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Bonds and other debt securities	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 1,68 bn		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-advanced-fixed-income-short-duration-a-eur
Allianz Strategiefonds Wachstum Plus	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	International shares	- Controversial weapons - Alcohol - Tobacco - Arms - Human rights - Labour rights - Gambling - Pornography - CO2 intensive (incl. Coal) - Genetic Engineering - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Artic drilling, Hydraulic fracturing, Oil sands	EUR 1,46 bn		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-strategiefonds-wachstum-plus-a-eur
Allianz Euro Rentenfonds	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Bonds and other debt securities	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 1,17 bn		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-euro-rentenfonds-a-eur
Allianz Euro Balanced	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 1,11 bn		https://lu.allianzgi.com/en-gb/pro/our-funds/fonds/list/allianz-euro-balanced-i2-eur
Allianz Euro Rentenfonds	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Bonds and other debt securities	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 1,28 bn		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-euro-rentenfonds-a-eur

* (all assets in scope are actively managed).

Name of the fund	Dominant/preferred SRI strategy	Asset class*	Exclusion standards and norms	Fund capital as at 31 Dec	Other labels	Links
Allianz Best Styles US Equity	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	International shares (US)	- Controversial weapons - Alcohol - Tobacco - Arms - Human rights - Labour rights - Gambling - Pornography - CO2 intensive (incl. Coal) - Genetic Engineering - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Artic drilling, Hydraulic fracturing, Oil sands	EUR 3,03 bn		https://uk.allianzgi.com/en-gb/institutional/our-funds/mutual-funds/allianz-best-styles-us-equity-a-eur
Allianz Best Styles Global Equity SRI	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	International shares	- Controversial weapons - Alcohol - Tobacco - Arms - Human rights - Labour rights - Gambling - Pornography - CO2 intensive (incl. Coal) - Genetic Engineering - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Artic drilling, Hydraulic fracturing, Oil sands	EUR 924,02 m		https://uk.allianzgi.com/en-gb/institutional/our-funds/mutual-funds/allianz-best-styles-global-equity-a-eur
Allianz NEO ISR 2021	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Shares in a euro area country	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 167,2 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-neo-isr-2021-it7-eur
Allianz Emerging Markets Equity SRI	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Actively Managed: International shares	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 43,5 m		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-emerging-markets-equity-sri-it-eur
Allianz Green Transition Bond	Sustainability themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	International bonds and other debt securities	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Freedom House Index	EUR 22,2 m		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-green-transition-bond-at-h2-eur-eur
Allianz Climat 2021	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Shares in a euro area country	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	launched 18 Jan 2022 with EUR 135 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-climat-2021-it7-eur
Allianz Smart Energy	Sustainability Themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	International shares	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 295,34 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-smart-energy-a-eur
Allianz Clean Planet	Sustainability Themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	International shares	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 94,77 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-clean-planet-a-eur
Allianz Positive Change	Sustainability Themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	International shares	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 84,5 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-positive-change-a-eur
Allianz Better World Defensive	Sustainability Themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 25,63 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-better-world-defensive-at-eur

* (all assets in scope are actively managed).

Name of the fund	Dominant/ preferred SRI strategy	Asset class*	Exclusion standards and norms	Fund capital as at 31 Dec	Other labels	Links
Allianz Better World Dynamic	Sustainability Themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 29,44 m		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-better-world-dynamic-at-eur
Allianz Better World Moderate	Sustainability Themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 28,92 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-better-world-moderate-at-eur
Allianz Global Water	Sustainability Themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	International shares	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 1,02 bn		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-global-water-a-eur
Allianz Food Security	Sustainability Themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	International shares	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 103,78 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-food-security-a-eur
Allianz Sustainable Health Evolution	Sustainability Themed (SDG-aligned), Norms-Based Screening, Engagement & Voting, Exclusions	International shares	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 56,78 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-sustainable-health-evolution-a-eur
Allianz Valeurs Durables	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Shares in an EU country	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 787 m	- French SRI Label	https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/sri/allianz-valeurs-durables-ic-eur
Allianz Europe Equity SRI	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Shares in an EU country	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 247 m	- Towards Sustainability Label	https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/sri/allianz-europe-equity-sri-a-eur
Allianz Epargne Actions ISR Solidaire	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Shares in an EU country	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 54 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-epargne-actions-isr-solidaire-c-eur
Allianz Climate Transition	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Shares in an EU country	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 241 m		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-climate-transition-at-eur
Allianz Global Sustainability	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	International shares	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 2,43 bn		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-global-sustainability-a-eur

* (all assets in scope are actively managed).

Name of the fund	Dominant/preferred SRI strategy	Asset class*	Exclusion standards and norms	Fund capital as at 31 Dec	Other labels	Links
Allianz Stiftungsfonds Nachhaltigkeit	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	192,8 m		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-stiftungsfonds-nachhaltigkeit-a-eur
Allianz Euro Credit SRI	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Bonds and other debt securities denominated in euro	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 3,05 bn		https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-euro-credit-sri-a-eur
Allianz Euro Credit SRI Plus	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Bonds and other debt securities denominated in euro	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Unconventional O&G	EUR 110 m	- Towards Sustainability Label	https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-euro-credit-sri-plus-p-eur
Allianz Securicash SRI	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Short term monetary assets	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 3,58 bn	- French SRI Label	https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-securicash-sri-ic-eur
Allianz Euro Oblig Court Terme ISR	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Monetary assets	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Unconventional O&G	EUR 1,57 bn	- French SRI Label - Towards Sustainability Label	https://de.allianzgi.com/de-de/pro/unsere-fonds/fonds/list/allianz-euro-oblig-court-terme-isr-rc-eur
Allianz Green Bond	Impact Investing, Norms-Based Screening, Engagement & Voting, Exclusions	International bonds and other debt securities	- Controversial weapons - Arms - Human rights - UN Global Compact - ILO Conventions - Other: Coal, Alignment with the Green Bond Principles	EUR 1,23 bn	- Greenfin	https://uk.allianzgi.com/engb/institutional/our-funds/mutual-funds/allianz-green-bond-a-eur
AREF Fund Family	Impact Investing, Norms-Based Screening, Engagement & Voting, Exclusions	Structured funds	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 1,24 bn		
Allianz Global Multi-Asset Credit SRI	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	International bonds and other debt securities	- Controversial weapons - Alcohol - Tobacco - Arms - Human rights - Labour rights - Gambling - Pornography - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Unconventional O&G	EUR 61,12 m		https://uk.allianzgi.com/engb/institutional/our-funds/mutual-funds/allianz-global-multi-asset-credit-sri-wt-usd
Allianz Emerging Markets SRI Bond	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	International bonds and other debt securities	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Unconventional O&G	EUR 98,89 m		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-emerging-markets-sri-bond-p2-usd

* (all assets in scope are actively managed).

Name of the fund	Dominant/ preferred SRI strategy	Asset class*	Exclusion standards and norms	Fund capital as at 31 Dec	Other labels	Links
Allianz Emerging Markets SRI Corporate Bond	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	International bonds and other debt securities	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 103,3 m		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-emerging-markets-sri-corporate-bond-amg-usd
Allianz Vermögenskonzept SRI Dynamisch	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 138,88 m		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-vermoegenskonzept-sri-dynamisch-a-eur
Allianz Vermögenskonzept SRI Ausgewogen	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 205,4 m		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-vermoegenskonzept-sri-ausgewogen-a-eur
Allianz Vermögenskonzept SRI Defensiv	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 173,08 m		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-vermoegenskonzept-sri-defensiv-a-eur
Allianz Multi Tempere ISR	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Fund of funds	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 43,62 m	- French SRI Label	https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-multi-temp-r-isr-c-et-ou-d-eur
Allianz Epargne Durable	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Shares in a euro area country	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 27 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-epargne-durable-c-eur
Allianz Epargne Monetaire ISR	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Short term monetary assets	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 109 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-epargne-monetaire-isr-c-eur
Allianz Pee Monetaire ISR	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Short term monetary assets	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 54 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-pee-monetaire-isr-c-eur
Allianz Monetaire (2C)	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Short term monetary assets	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 71 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-monetaire-c-eur
Allianz Euro Short Term Bonds SRI	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Short term monetary assets	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 62 m		https://fr.allianzgi.com/fr-fr/investisseursprofessionnels/nos-produits/fonds/liste/allianz-euro-short-term-bonds-sri-c-et-ou-d-eur

* (all assets in scope are actively managed).

Name of the fund	Dominant/ preferred SRI strategy	Asset class*	Exclusion standards and norms	Fund capital as at 31 Dec	Other labels	Links
Allianz Dynamic Multi Asset Strategy SRI 15	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 1,67 bn		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-dynamic-multi-asset-strategy-sri-15-a-eur
Allianz Global Credit SRI	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	International bonds and other debt securities	- Controversial weapons - Alcohol - Tobacco - Arms - Human rights - Labour rights - Gambling - Pornography - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Unconventional O&G	EUR 59,26 m		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-global-credit-sri-at-usd
Allianz Best Styles Europe Equity SRI	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Shares in a euro area country	- Controversial weapons - Alcohol - Tobacco - Arms - Human rights - Labour rights - Gambling - Pornography - CO2 intensive (incl. Coal) - Genetic Engineering - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions - Other: Artic drilling, Hydraulic fracturing, Oil sands	EUR 893,46 m		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-best-styles-europe-equity-sri-a-eur
Allianz Neo ISR 2020	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Shares in a euro area country	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 191,2 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/sri/allianz-neo-isr-2020-it7-eur
Allianz Dynamic Multi Asset Strategy SRI 50	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 1,51 bn		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-dynamic-multi-asset-strategy-sri-50-a-eur
Allianz Dynamic Multi Asset Strategy SRI 75	Best-in-Class, Norms-Based Screening, Engagement & Voting, Exclusions	Multi asset	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 1,02 bn		https://de.allianzgi.com/de-de/unsere-fonds/fonds/list/allianz-dynamic-multi-asset-strategy-sri-75-a-eur
Allianz Actions Euro Convictions	Best-in-Class, Engagement & Voting, Norms-Based Screening	Shares in an EU country	- Controversial weapons - Tobacco - Arms - Human rights - Labour rights - CO2 intensive (incl. Coal) - UN Global Compact - OECD Guidelines for MNCs - ILO Conventions	EUR 522 m		https://fr.allianzgi.com/fr-fr/nos-opcvm/fonds/liste/allianz-actions-euro-convictions-c-eur

* (all assets in scope are actively managed).

2) GENERAL INFORMATION ABOUT THE FUND MANAGEMENT COMPANY

2.1) Name of the fund management company that manages the applicant funds

Allianz Global Investors GmbH, www.allianzgi.com, an investment company with limited liability, incorporated in Germany, with its registered office at Bockenheimer Landstrasse 42-44, 60323 Frankfurt/M, registered with the local court of Frankfurt/M under number HRB 9340 and authorised by Bundesanstalt für Finanzdienstleistungsaufsicht (www.bafin.de).

2.2) What are the company's track record and principles when it comes to integrating SRI into its processes?

AllianzGI's experience in sustainable investing spans more than 20 years. Since the inception of our first sustainable investment strategy in 1999, our number of sustainable products had increased to 150 by the end of 2021, up from 36 at the end of 2020. We made considerable progress in 2021, developing new sustainable investment products and innovative analytical tools and methods to aggregate and process data from third-party providers and alternative data sources, informing our proprietary sustainability scoring system. To achieve all of this, we built out the resources and organisational structure of our Sustainable and Impact Investing team to advance our strategy and support data, research and stewardship activities.

Our approach is applied across different asset classes (fixed Income, equities and multi asset) and covers equities, bonds and sovereigns across the globe. At AllianzGI, our Sustainable product categories aim to build sustainable portfolios using an assessment of E, S & G practices and values in the investment analysis and portfolio construction processes to deliver sustainable financial returns. The Sustainability Research team is specialized on the specific ESG issues that impact businesses. This means they have the expertise necessary to identify and track key ESG issues impacting the issuers in their sectors. This approach ensures that we are not overly reliant on external research providers and sell-side ESG brokers, enabling us to generate independent and differentiated insights into ESG topics ahead of the market.

We combine ESG analysis with robust stewardship to help improve the risk profile of investments and steer companies towards greater and more sustainable long-term profitability. This encourages investee companies to adopt better business models and business behaviours.

More information can be found on our website:

<https://www.allianzgi.com/en/our-firm/our-esg-approach>

2.3) How does the company formalise its sustainable investment process?

More information can be found on our website:

<https://www.allianzgi.com/en/our-firm/our-esg-approach>

In the section Key Policy Documents various policy documents can be found, such as our Sustainability Risk Management Policy Statement, our Stewardship Statement and our Global Corporate Governance Guidelines.

2.4) How are ESG risks and opportunities – including those linked to climate change understood/taken into account by company?

We recognize that understanding material ESG risks and early identification of long-term investment opportunities could lead to lower risk profiles for our investments and could be a source of alpha to our clients. AllianzGI believes that ESG factors such as climate change risk may impact the future performance of assets. Furthermore, we are convinced that the value added from a sustainable investment can only be fully capitalized through an active investment management approach. Our approach comprises ESG risk assessment and active stewardship.

For more information we refer to AllianzGI Sustainability Risk Management Policy and AllianzGI Climate Risk Statement, which can be found in the Key Policy Documents & Reports section of our website:

<https://www.allianzgi.com/en/ourfirm/esg/documents#keypolicydocumentsandreports>

2.5) How many employees are directly involved in the company's sustainable investment activity?

There are 187 employees involved: 33 FTEs within the Sustainable and Impact Investment team. Furthermore, there are additional 154 FTEs managing funds categorized as Article 8 or 9 according to the EU SFDR. Please note that these FTEs do not solely manage sustainable strategies but may simultaneously also manage non-sustainable strategies.

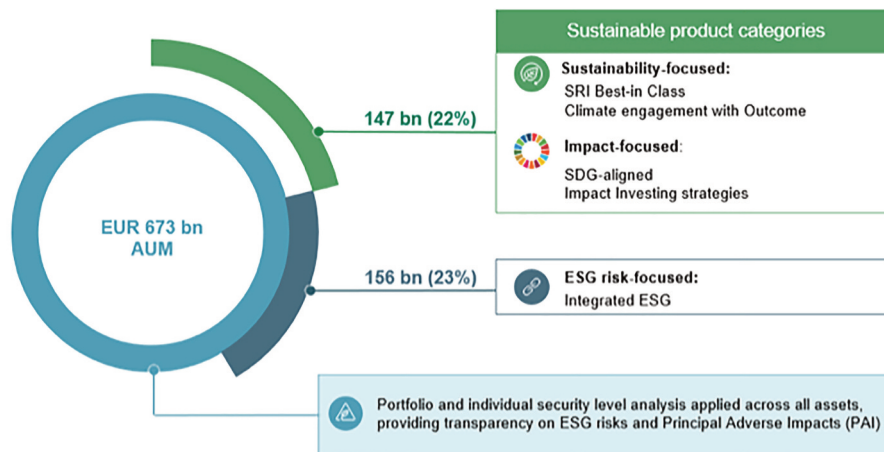
2.6) Is the company involved in any RI initiatives?

A full overview of AllianzGI's Sustainability Initiatives and Memberships can be found in the Key Policy Documents & Reports section of our website:

<https://www.allianzgi.com/en/ourfirm/esg/documents#keypolicydocumentsandreports>

2.7) What is the total number of SRI assets under company's management?

As of 31st December 2021, AllianzGI is managing EUR 147 billion in sustainable product categories.



Data as at 31 December 2021. Source: Allianz Global Investors. Any differences in totals are due to rounding. Impact comprises different strategies targeting climate transition, environmental projects and renewable energy. Environmental, social, governance (ESG); Sustainable & responsible investing (SRI). AllianzGI product categories Sustainability-focused, SDG-aligned and Impact as sustainable according to EU SFDR regulation. Allianz Global Investors supports the UN Sustainable Development Goals (SDGs).

3) GENERAL INFORMATION ABOUT THE SRI FUNDS THAT COME UNDER THE SCOPE OF THE CODE

3.1) What are the funds aiming to achieve by integrating ESG factors?

Allianz GI's sustainable product categories target two objectives:

- a sustainability objective ensuring long-term financial performance for our clients,
- a responsibility objective providing societal and environmental added value to the broader society.

Our strategy is to seek better risk/ return profiles through the incorporation of material ESG risk considerations. The Sustainability-focused approach (in line with SFDR article 8) is geared towards providing improved risk-adjusted returns and aims to reach sustainability objectives and values. Our Impact-focused approach (in line with SFDR article 9) is focused on enabling clients to invest with both their financial objectives and their sustainable goals in mind. Impact-focused products aim for measurable sustainable outcomes.

3.2) What internal or external resources are used for ESG evaluation of the issuers who make up the investment universe of the funds?

AllianzGI has dedicated internal resources performing sustainability analysis since 2000. A fundamental role of the team is to share its expertise in the consideration of ESG factors alongside mainstream company analysis in order to identify risks and opportunities.

In 2021 we significantly expanded the Sustainable and Impact investing team which now includes 38 team members in a well-organised structure with clear lines of responsibility. Sub-teams cooperate closely and report directly to Matt Christensen, Global Head of Sustainable and Impact Investing. The team is structured in the following sub-teams:

Sustainable Investment Office (SIO): shapes AllianzGI's overall sustainable investment strategy and policies, sustainable product strategy and leads key initiatives. The team also plays a critical role in providing improved knowledge to clients and other stakeholders on AllianzGI's sustainable investment capabilities.

Sustainability Methodologies and Analytics (SMA): the team is responsible for driving innovation using state-of-the-art technology and ESG data. This includes employing and new forms of data to support the Sustainability Research team, develop new methodologies across asset classes, deliver innovative tools for our investment platforms and shape elaborate client-oriented solutions for the future. The team oversees ESG integration and scoring approaches and develops the climate strategy dataset.

Sustainability Research and Stewardship teams: manage thematic research and engagement strategy and develop a thematic approach along the strategic topics of climate, planetary boundaries and inclusive capitalism. The Stewardship Team leads AllianzGI's engagement and proxy-voting activities globally.

Impact investing private markets: responsible for managing private equity social and environmental impact portfolios and mobilising commercial capital to achieve the United Nations' Sustainable Development Goals (SDGs).

Team members have a diverse range of professional backgrounds including finance, investment and legal, as well as environmental and sustainability expertise.

AllianzGI recognizes that clients' interest in sustainable investing stems from different perspectives, which require the application of different approaches and investment strategies. Having built expertise across a range of sustainable investment approaches over more than two decades, AllianzGI continues to remain focused on categorizing these offerings in a way that will help clients identify appropriate strategies for their needs.

AllianzGI's Sustainability Research process makes use of data from Sustainalytics, Vigeo Eiris, ISS Ethix and MSCI.

3.3) What ESG criteria are taken into account by the funds?

AllianzGI's sustainable product categories apply AllianzGI's Sustainable and Responsible Investment Exclusion Policy encompassing the following criteria:

United Nations Global Compact (UNGC) Principles

AllianzGI's Sustainable product categories refrain from investing in securities issued by companies with severe controversies regarding the principles of the UNGC. An internal engagement process is applied in case a company owned in our dedicated Sustainable product categories should be involved in a severe controversy regarding the UNGC principles. This active engagement may extend over some years. Should this engagement not be able to trigger any change, our Sustainable product categories will divest from the positions held.

Weapons

AllianzGI Sustainable product categories refrain from investing in:

- Securities issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus and nuclear weapons);
- Securities issued by companies that derive more than 10% of their revenues from the involvement in military equipment and services.

Climate Change

AllianzGI Sustainable product categories refrain from investing in:

- Securities issued by companies that derive more than 10% of their revenue from thermal coal extraction;
- Securities issued by utility companies that generate more than 20% of their revenues from coal.

Tobacco

AllianzGI Sustainable product categories refrain from investing in:

- Securities issued by companies involved in the production of tobacco;
- Securities issued by companies involved in the distribution of tobacco in excess of 10% of their revenues.

AllianzGI uses ISS-Ethix as the provider for ESG research data which is used for the above-mentioned exclusions. Corporate issuer analysis and sovereign issuer analysis (to the extent relevant) are undertaken for all funds mentioned in this document.

The analysis covers 5 SRI Domains:

1- Human rights: for AllianzGI SRI Funds Human rights are treated as an exclusion filter. The evaluation of securities is based on the issuer's respect of human rights in its business conduct and their policies to evaluate how a company integrates human rights in their activities and how they react in terms of controversy. For sovereign issuers, the signature of the 8 major International Labour Organization conventions and the Universal Declaration of Human Rights is taken into consideration in combination with an assessment of citizen political rights and civil liberties (including freedom of association) and freedom of the press.

2- Environment: includes an assessment of the company's direct and indirect environmental impact and risks incurred. The analysis of sovereign issuers includes a global appraisal of government environmental policy. Our methodology incorporates the analysis of the sector specific environmental challenges a company faces;

the way in which a company undertakes its environmental responsibility; and the development of environmental solutions.

3- Social: includes the issuer's extent of dialogue with employees, workplace health and safety considerations, career management and the relationship with suppliers. General social policy is considered in the assessment of government states with a particular focus on topics such as the healthcare system, education, the role played by women in civil society and infrastructures providing citizens with access to basic needs.

4 - Corporate Governance: includes an analysis of the issuer's willingness and capacity to organize its internal structure to limit dysfunction risks. For corporate issuers, this includes an evaluation of the Management Board or Supervisory Board composition, the transparency of remuneration systems, the existence of independent remuneration, nomination and audit committees, audit and internal controls. For sovereign issuers, includes an evaluation of systems used in the prevention and fight against corruption, the stability of political structures and government capacity to introduce necessary reforms.

5 - Business Behaviour: includes the analysis of the relationships between the issuer and other parties, (client suppliers, local authorities, etc.). For companies, this criterion also includes an evaluation of the impact the products or services have on society and their safety (mainly product safety) as well as the respect of market regulations and business practices and ethics (absence of anticompetitive and corruption practices). This domain is not applicable for the Sovereign analysis.

In parallel with this quantitative rating, an internal analysis is carried out covering a series of issues considered relevant by the Sustainability Research team. This qualitative analysis may lead to a rating being modified upwards or downwards by the Sustainability analyst.

We firmly believe in the separation of roles to avoid conflict of interest. Thus, the quantitative SRI analysis is run by our IT unit which owns this process. The process is based on a methodology set up by the Sustainability-Methodologies Analytics team in collaboration with the Sustainability Research team and is reviewed continuously. Only Sustainability analysts have the authority to override ratings. The interaction of portfolio managers managing funds within Sustainable product categories, is exclusively related to identifying which issuers are a part of their investable universe. Portfolio managers cannot override a rating.

For its closed-ended funds (AREF funds) that invest into Renewable Energies, the Investment Team has incorporated a clearly structured and binding process along the entire

lifetime of each fund to ensure that ESG considerations are integrated in the investment process of each asset and along the duration of each fund.

3.4) What principles and criteria linked to climate change are taken into account in the funds?

AllianzGI believes that it is crucial to be able to identify and assess sustainability risks as they can impact the investment performance of portfolios negatively. More specifically, the risks that can arise from climate change (physical and transition risks) may result in significant economic and financial losses and even impact financial stability.

Thus, climate change is a serious issue for all our stakeholders. At Allianz Global Investors, climate risks are an important consideration when assessing potential investments.

In 2021, we have been developing tools aiming at integrating climate change in our analysis. We are now performing and monitoring a quarterly test on most all of the funds managed by AllianzGI, with an annual review of the methodology.

Climate-related risks are considered through AllianzGI's sustainability risk management strategy, which was launched in 2021 and addresses two dimensions:

- Analysis and management of sustainability risks;
- Analysis and consideration in the investment process of principal adverse impacts.

Our dedicated and experienced Sustainability Research team analyzes the material implications of climate change to the economy, sectors' drivers and business models of individual companies. We research the following:

- How and where global warming as well as increasing extreme weather events stress the food system and the potential economic and social repercussions across the value chain;
- What are the key measures and challenges of the automotive sector to address its scope 3 emissions (use of products);
- By reviewing an energy production or distribution player, how its methane performance and related emissions reduction targets aligned with the latest methane emissions pathway set by the IEA and whether investment plans in methane leakage prevention systems are credible.

For more information we refer to two documents: AllianzGI's TCFD Report 2021 and AllianzGI Climate Policy Statement, which can be found in the Key Policy Documents section of our website:

<https://www.allianzgi.com/en/our-firm/esg/documents>

3.5) What is the ESG analysis and evaluation methodology of the fund manager/fund management company (how is the investment universe built, what rating scale is used, etc.)?

SRI Analysis

We use a variety of information sources to analyze issuers, including independent extra-financial ratings, agency reports, broker reports, dialogue with company representatives, CSR experts, NGOs, as well as press and other media sources. All data feeds into a proprietary database which has been calibrated in-house and integrates all data, including results of dialogue with issuers or other stakeholders, controversies analysis, SRI analysis of new issuers and a review of profiles established by extra-financial ratings agencies. Our SRI methodology is reviewed continuously, and the database is updated on a monthly basis. The underlying combination of more than one source of data, the coherence in the approach across asset classes and sectors, and the consistency in the way data is integrated have allowed AllianzGI's dedicated Sustainable product categories to generate performance and evolve over time. The main ESG Data providers that supply us with raw ESG Data are Vigeo Eiris and Sustainalytics. We supplement these with ISS Ethix and MSCI data. These sources are reviewed and updated, and we will incorporate new sources, if this is deemed necessary. Our quantitative SRI analysis takes the form of our proprietary SRI ratings. These are on a scale of 0 to 4, with 4 being the Best-in-Class

rating and 0 being the 'worst-in-class' rating, our SRI ratings cover a global universe comprised of equities, corporate bonds, sovereigns, agency and supranational bonds. These SRI ratings are built based upon our proprietary model. The model identifies and weights ESG indicators for each sector, recognizing that ESG issues and their materiality will differ from sector to sector. Our proprietary model allows us to create specific coverage giving us the flexibility to meet our customer needs.

3.6) How often is the ESG evaluation of the issuers reviewed? How are any controversies managed?

SRI ratings are reviewed on a monthly basis. There is also an annual review of the methodology. If a security or an issuer is subject to a severe SRI controversy, the Sustainability Research and Stewardship teams study the issues. Furthermore, the two teams engage with the issuers in question if deemed necessary. Based on these actions a conclusion is drawn. If the judgment by the Sustainability Research Team is negative, the fund manager will liquidate the position within a reasonable timeframe allowing for market liquidity. This is especially important for fixed income products where there might be an absence of market liquidity. The portfolio manager will aim to sell this position as soon as market liquidity allows for it to be sold.

4) INVESTMENT PROCESS

4.1) How are the results of the ESG research integrated into portfolio construction?

Allianz Global Multi-Asset Credit SRI, Allianz Global Credit SRI (*)

The funds exclude several industry sectors, including tobacco, alcohol, gambling, pornography, and coal producers. Additionally, they follow a Best-in-Class approach with at least 70% of the portfolio rated by the Sustainability Research and Stewardship team.

Allianz Global Sustainability (*)

The Allianz Global Sustainability strategy invests in a diversified mix of companies on the global stock market that generate long-term financial outperformance and enable a transition to a more sustainable economy. The investment process is a collaborative effort, consisting of

four stages: SRI Ratings; Idea Generation, Team Stock Selection and Portfolio Construction.

I. SRI Ratings

At the core of our approach is a proprietary SRI analysis and rating methodology that was first developed in 2002 and has been evolving ever since. Our analysis identifies best and worst practices, combining these considerations with the qualitative assessment of our in-house Sustainability team.

Our proprietary model is a tool that has enabled us to evolve and adapt as this sector grows and changes. It has made it possible for us to include long-term trends like climate change in our process. At the same time, it has also enabled us to meet and exceed the increasing market and regulatory requirements in this space, incorporating new forward-looking analysis and simultaneously delivering financial performance.

In brief:

- AllianzGI's SRI investment strategies are built using our proprietary Best-in-Class SRI ratings model;
- This model covers over 10,000 issuers globally across equities, corporate bonds, sovereigns, agency and supra-national bonds;
- Our model starts by identifying over 200 ESG indicators for each sector. These are then weighted according to how material our Sustainability team views each indicator in the context of long-term share prices. Doing so recognises that an ESG issue's relevance will differ from sector to sector;
- The model then maps raw ESG company data (obtained from specialised external data providers) onto matrices to form our sector-specific Best-in-Class ratings. These range from 0.00 to 4.00;

- A minimum SRI rating threshold identifies the Best-in-Class universe. In addition, all AllianzGI's SRI strategies implement a Human Rights Filter. Our analysis in this area is based on the issuer's respect of human rights in its business conduct, including integration of the Universal Declaration of Human Rights principles, respect of major International Labour Organization conventions and signature of the UN Global Compact.

II. Investment Process

The Allianz Global Sustainability strategy invests in a diversified mix of companies on the global stock market that generate long-term outperformance and a positive, measurable impact on society. The investment process is a collaborative effort, consisting of four stages: SRI Ratings; Idea Generation, Team Stock Selection and Portfolio Construction.



1- Proprietary SRI Ratings on over 10,000 companies. This is for illustrative purposes only.

2- Global listed companies with a market cap over \$1bn USD and a \$10mn average daily turnover.

Step 1: SRI Ratings

Global Sustainability portfolios are built from stocks that have achieved a sufficiently high SRI rating. Avoiding reputational risk in the portfolio is also a key component of the strategy's investment objective. As such, we start by excluding from our investment universe companies with significant (5%) revenues from the following industries: Tobacco, alcohol, pornography, gambling and/or weapons. In addition, all AllianzGI SRI funds apply minimum exclusion criteria for United Nations Global Compact Violators, companies that derive more than 10% of their revenue from thermal coal extraction and utility companies that generate more than 20% of their revenues from coal. The rest of the screening process is dependent on the Global Sustainability team's proprietary SRI ratings model.

In order for a stock to be included in the portfolio, it must have an SRI Rating categorised as either 'Average' or 'Best-in-Class'. No stocks rated 'Worst-in-Class' can be included within the portfolio. Moreover, 75% of the portfolio must consist of stocks backed by a Best-in-Class SRI rating. The fund has scope to invest up to 25% of the portfolio in stocks that demonstrate average, but improving ESG characteristics.

Step 2: Idea Generation

For liquidity reasons, the strategy only considers listed companies with a market capitalization (free-float) of at least USD 1 billion. In addition, local market practices must be taken into account and daily traded volume considered. This narrows down the investable universe to c. 5,000 stocks.

The portfolio managers then use all of AllianzGI's research capabilities to identify companies capable of fulfilling our Quality, Growth and Valuation investment philosophy criteria. This includes other portfolio management teams, the Sustainability function, and Grassroots® Research, our proprietary market research division.

AllianzGI's equity capabilities

Research is carried out in the portfolio management teams. Regular company interactions are also a core element of the Idea Generation process, with the firm's equity platform meeting over 1,000 businesses a year.

Every investment professional maintains and is accountable for a conviction list, which signals their views on stocks they cover. There are three ratings for each stock – high, medium and low – reflecting their stock preferences. Sorting stocks

by levels of conviction, a low conviction rating still means there is some degree of conviction and a low-rated stock is still a potential candidate for inclusion in a portfolio. Stocks which attract a negative view can be vetoed to indicate they should not be included in portfolios.

Conviction lists are shared globally. An advantage of this approach is that we fully capture the stock preferences of the whole investment platform, making previously hidden research and investment ideas more widely available. Conviction lists also highlight where opinions differ which also helps to promote debate and discussion of ideas.

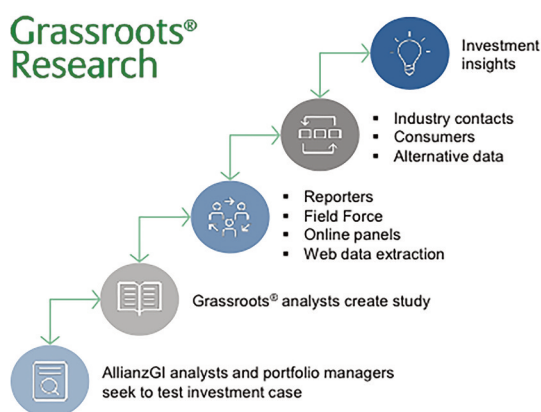
Fundamental research activities are supported and complemented by the proprietary Grassroots® Research® network.

Grassroots Research®

Grassroots Research®, a separate and proprietary research entity with over 350 market researchers and reporters, provides an additional level of investigative fieldwork and market research at the local level, across the globe. This

research effort allows AllianzGI to obtain information more quickly and more accurately than the market by going directly to the source. Grassroots Research® has been credited with identifying numerous under-followed or previously undiscovered opportunities. Serving as a complement to traditional research, the Grassroots Research® field force conducts practical investigative fieldwork, highlighting both risks and opportunities.

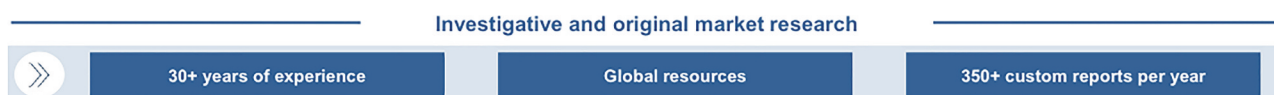
Grassroots Research® produces research that is proactively requested by investment professionals. Currently we commission over 30 studies per month across the globe to support conviction in individual stocks and sectors. In-depth information is gathered on under-researched marketplace trends, the competitive environment and global business developments impacting current and potential investments. While Grassroots Research® does not work equally well in all sectors, since it is based on the premise of reaching the relevant stakeholders, it is particularly valuable in the consumer, retail, pharmaceutical, telecom services, IT and leisure industries.



Grassroots® Research is a proprietary tool that provides our investment professionals with customised market research designed to answer specific questions about key stock and industry drivers.

- Collaborative in-house study design among AllianzGI research analysts, portfolio managers and Grassroots® analysts
- Utilizes local expertise of 60+ independent journalists and 300+ Field Force investigators to interview sources around the world
- Utilizes technological tools to target thousands of consumers and businesses online and extract alternative data from the Web

Grassroots® Research aims to identify inflection points in business trends and increase conviction in decision-making.



Source: Allianz Global Investors for illustrative purposes only.

Idea generation is facilitated by our Global Collaboration System, an online resource which enables interactive communication across the firm. Regular company engagement is also a core element of the Idea Generation process, with the firm's equity platform meeting over 1,000 businesses a year.

All these inputs are cross-checked by the team to source the best investment ideas that AllianzGI's global investment platform can offer.

Step 3: Team Stock Selection

Once a working universe of stocks has been established through Idea Generation, the portfolio managers go through their own process of stock selection. This leverages in particular the stock selection of AllianzGI's Global Growth team. Here, Stock Sponsors present their ideas at a weekly meeting, alongside a written investment case for all team members to read in advance.

This investment case details the extent to which a stock meets the team's quality, growth and valuation criteria, as well as its ESG performance. The investment case is presented and discussed, with further research or company meetings potentially required before the discussion is conclusive.

Stocks which are approved by the team are then free to be included in all team portfolios, subject to any respective guidelines. Once a stock has been approved, the Stock Sponsor is responsible for maintaining research coverage.

The Stock Sponsor can be any portfolio manager within the investment team. Having a Sponsor for each stock is an excellent tool for keeping the discipline of the investment process and ensuring that all stocks adhere to a shared philosophy. Likewise, regular discussion and anonymous voting ensures a collegiate approach to intellectual debate.

At each weekly meeting, the investment Growth team also reviews the structure and performance of its existing portfolios, focusing on approved stocks and possible additions or replacements. Discussion centres on the most recent periods of performance, highlighting those stocks which have added value but also any negative contributors and the reasons behind this. This provides the Global Growth team with a means of measuring stock selection success.

Step 4: Portfolio Construction

Gunnar Miller and Robbie Miles construct Allianz Global Sustainability portfolios at a separate weekly meeting.

The strategy invests primarily (up to 75% of portfolios) in companies that are considered Best-in-Class according to AllianzGI's proprietary SRI ratings. It can also invest up to 25% of the portfolio in 'Average' rated stocks that have demonstrated a commitment to improving ESG performance.

This flexibility incentivises the portfolio managers to engage with investee company managements in order to press for continued ESG improvements. We believe that superior ESG performance will ultimately translate into share price appreciation. As a result, this mechanism is an important source of alpha for the strategy, as well as positive, societal impact. The strategy cannot hold any worst-in-class rated names.

As per the investment philosophy, position sizes are decided according to the portfolio manager's level of conviction in a stock's future financial and ESG performance. This may be further supported by recent Grassroots® Research which substantiates our longer-term investment case, or clear positive momentum in terms of the company's ESG performance.

Typically, a high conviction stock will have an active position size of between 200-300 basis points. If a stock goes beyond a 300 basis point active position, it will be trimmed in order to mitigate any downside risk. Stocks with an active position of 100 basis points are typically lower conviction investments. These will either be recent, new additions to the fund or alternatively, positions due to be exited that are sources of cash for new ideas.

Each stock that is added or removed from the portfolio is considered for its marginal contribution to risk at the aggregate portfolio level which further controls the risk profile of the strategy. The portfolio managers do not make any active sector, country or market capitalization allocation decisions. Factor risk is monitored and minimized so that stock-specific risk is the largest driver of returns. The primary risk model used to gauge the effect of new position on the factors driving the portfolio's ex-ante tracking error is APT. Given that our SRI ratings are sector-relative, we are not forced to be structurally underweight certain sectors in order to maintain the ESG integrity of the portfolio.

Allianz Securicash SRI, Allianz Euro Oblig Court

Terme ISR, Allianz Epargne Monetaire ISR,

Allianz Pee Monetaire ISR, Allianz Monetaire (2C),

Allianz Euro Short Term Bonds SRI,

Allianz Rentenfonds (*)

Our stock-picking strategy is based on the dual focus of financial and "Social Responsibility" criteria. The nonfinancial analysis of securities, based on attention to environmental, human, sustainable development issues, and societal relations, allows us to assess the value of a security differently, by identifying risks and potential value destructions associated with a given issuer, which cannot be revealed by financial analysis alone.

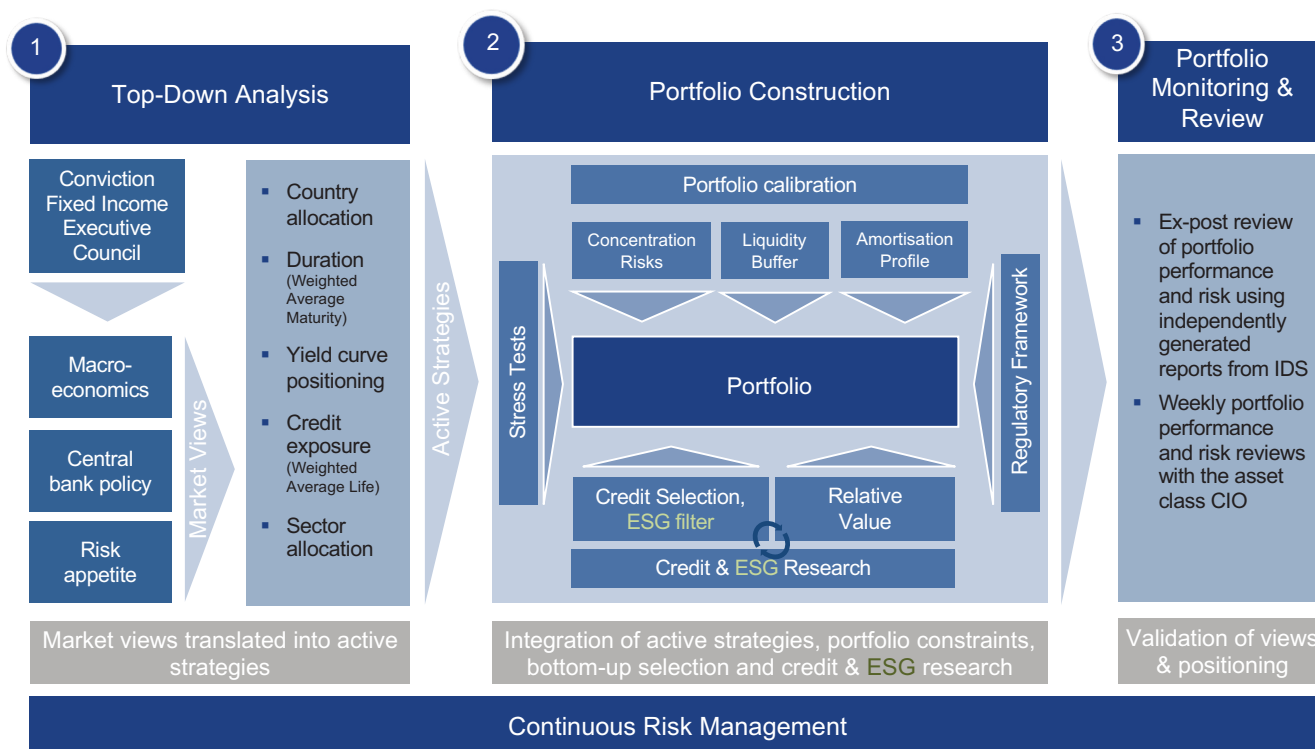
The investment process starts with top down analysis to anticipate money market trends and rate changes based on regular studies of the macroeconomic environment, on forecasts of central bank policies and the assessment of risk appetite in the market. In the second step, the portfolio is constructed integrating the active strategies derived from the top-down analysis with portfolio constraints and the bottom-up selection supported by our credit and ESG research teams.

The interaction between financial criteria and ESG criteria is a permanent aspect in our bottom-up selection process. The overall SRI rating is calculated for each company within the investment universe, and these ratings are then used to populate a proprietary database. This SRI ratings data-

base reflects our critical evaluation of companies' ESG positioning and helps in selecting stocks that may be considered for inclusion in the portfolio.

- At least 90% of portfolio assets must receive an internal SRI rating \geq sector average;

- 10% of assets could have an SRI rating \leq average or not rated;
- Excluded issuers (violating the Human Rights criteria, and issuers addressed by the AllianzGI's SRI exclusion policy) are not allowed in the portfolio.



Source: Allianz Global Investors, for illustrative purposes only.

Allianz Stiftungsfonds Nachhaltigkeit,
Allianz Vermögenskonzept SRI Dynamisch,
Allianz Vermögenskonzept SRI Ausgewogen,
Allianz Vermögenskonzept SRI Defensiv,
Allianz Dynamic Multi Asset Strategy SRI 15,
Allianz Dynamic Multi Asset Strategy SRI 50,
Allianz Dynamic Multi Asset Strategy SRI 75,
Allianz Euro Balanced

Investment objective of the funds

The SRI approach, which underlies the selection of individual securities, involves analysing investments according to ESG criteria. When selecting the individual securities in the core portfolio and within the scope of the global search for opportunities in interesting asset classes (satel-

lite investments), we try to select the best in their sector and apply specific exclusion criteria. Sustainable investing aims to create added value for investors while improving the risk profile.

ESG analysis and evaluation are included in the evaluation methodology in the same way as traditional financial analysis, aiming to construct a portfolio with an optimum ESG quality/financial quality profile. An issuer will therefore be included in the portfolio if, and only if, the ESG profile and financial appraisal are both positive.

The multi asset portfolio manager is not directly involved in the security selection within the underlying asset classes. This is performed by the portfolio management teams responsible for the specific asset classes. This way, we use the respective experts on all individual decision levels in the management of the fund.

Az DMAS SRI 15 50 75: a maximum of 20% of the total fund may invest in non-SRI exposure in active or passive target funds and long derivatives positions. Short derivatives positions are not restricted with respect to SRI criteria. ESG research is used for risk management, it impacts the weights of the assets in the portfolio and it has a constraining power.

For the fund we apply minimum exclusion criteria following AllianzGI's Sustainable and Responsible Investment Exclusion policy. Additionally, a Best-in-Class approach is applied that excludes all securities issued by companies belonging to the 20% with the weakest SRI Rating based on a region and sector neutral evaluation in the global equities and EUR bond segment of the fund.

The fund's investment process includes top-down and bottom-up elements. In terms of ESG, first securities are excluded based on a Best-in-Class approach and then the described minimum exclusions are applied.

**Allianz Smart Energy, Allianz Clean Planet,
Allianz Positive Change, Allianz Better World
Defensive, Allianz Better World Dynamic,
Allianz Better World Moderate,
Allianz Global Water, Allianz Food Security,
Allianz Sustainable Health Evolution**

All funds listed above are SDG-aligned funds, which means that the funds aim to invest worldwide in companies and projects which aim at a positive change on the environment and society and fulfil SDGs.

The Allianz Better World funds are considered Article 9 funds (products that have sustainable investment as their objective).

For the SDG-aligned funds, sustainable investments linked to SDGs seek both financial returns and positive change.

Investments do not significantly harm any of the sustainable investment objectives: For the funds, negative impact should be avoided (do no significant harm principle), unless it is an acceptable trade-off for a positive change (e.g. more copper is needed to produce more electric cars).

Allianz Multi Tempéré ISR (*)

The fund is a fund of funds managed by the MultiGestion MA Team and invests in funds which comply with the French Label. This leads to a limited list of target funds which must respect a series of criteria divided into six themes defined by French decree in order to obtain the SRI label. To

ensure that this is the case, the certification organization audits the candidate fund. The decision to award the SRI label is taken independently by the certification body on the basis of the audit report. The selected funds are the registered on an official list of the ministry of finance. The MultiGestion process is the same as for the other funds of the team with additional restriction from the Label ISR list.

The investment process starts with a quantitative analysis for idea generation. The vast universe of the 40,000 funds is filtered into about 90 groups of assets on a monthly basis, with a behavioural approach that generates lists of investment ideas. The funds that have received the attention of fund analysts will be included in a long list, and an extensive qualitative analysis will be applied to certain funds on this list.

The fund selection committee meets monthly to decide the funds in the investment universe. The target fund universe is usually represented by around 650 funds.

The allocation is based on a predominantly quantitative approach to market cycles and a fundamental approach (FMAIC).

From this selection list restricted to the Label ISR criterion and allocation inputs for certain types of assets (equity funds, bond funds, money market funds, etc.), the manager in charge of the AVIP Multi Tempéré ISR fund builds the portfolio, monitoring of allocations and risks is then applied throughout the life of the fund.

**Allianz Valeurs Durables, Allianz Actions Euro
Convictions, Allianz Europe Equity SRI,
Allianz Epargne Actions ISR Solidaire,
Allianz Epargne Durable (*)**

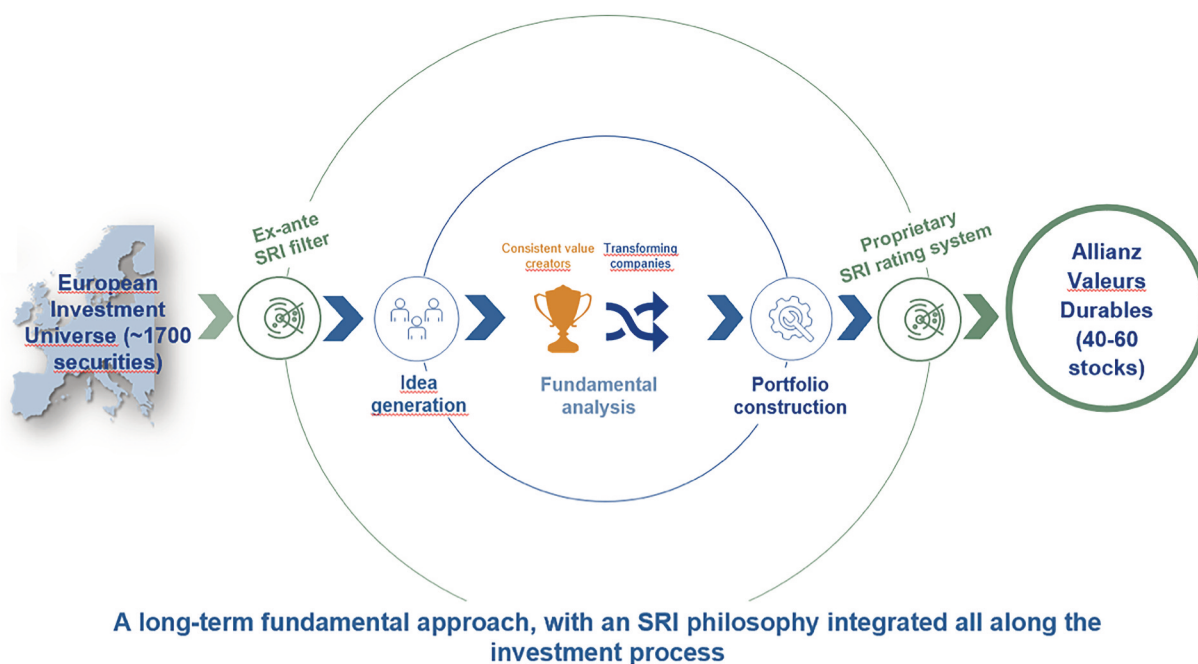
There is full integration of the financial and ESG analysis of the companies in our investment decision-making process. Thus, our ESG evaluation is incorporated in our company's fundamental evaluation in the same way as traditional financial criteria, with the aim to construct a portfolio with an optimal ESG and financial profile. For our SRI analysis, we rely on external research provided by several extra-financial rating agencies, with whom we have established long-term partnership. Nonetheless, far beyond data processing from external research providers, our SRI Research team conducts complementary, in-depth, qualitative analysis on the ESG profiles of the companies. For more information on the ESG analysis process please see our answer to question 3.5).

In addition to our SRI analysis, our selection of stocks is based on an in-depth analysis of each company from a financial perspective.

This analysis includes:

- fundamentals (analysis of the business model and strategy, growth dynamics, market positioning, intangibles, restructuring case when applicable);
- financial analysis (analysis of economic returns, financial risks);
- valuation (fair value assessment using various valuation methodologies and taking into account long term risks).

All equities held by Allianz Valeurs Durables & Allianz Europe Equity SRI & Allianz Epargne actions ISR Solidaire must be eligible according to our SRI methodology (i.e., rating equal or above 2 on a scale of 0 to 4) and our financial assessment must be positive. The process is illustrated in the chart below.



Source: Allianz Global Investors, 2022. For illustrative purposes only

Allianz Neo ISR 2020/ 2021, Allianz Climate 2021 (*)

These funds are structured products. From the SRI-universe of Allianz Valeurs Durables, the limited amount of stocks is selected based on the financial requirements for coupon payments disclosed in their prospectus.

Allianz Climate Transition (*)

The Europe Climate Transition strategy was built upon our SRI conviction investment process. Therefore, this process (notably, the financial and extra financial assessment described above) fully applies. In addition, the fund applies a specific impact evaluation which looks into the risks and the opportunities associated with the climate transition. From a climate perspective, our approach seeks to control the portfolio's exposure to carbon risk by monitoring the

portfolio carbon footprint over time, without any a priori sector exclusion. The fund's investment strategy is based on the active and positive selection of stocks, which offer solutions to climate change and are part of the transition towards a low-carbon economy.

While not applying *a priori* sector exclusion, we do exclude climate worst practices on the basis of the following:

- absence of greenhouse gas reduction targets despite undeniable risks in specific sectors;
- serious environmental controversies;
- very high-risk practices (e.g., arctic drilling, deforestation).

After this first filter, our stock selection is based on a three-dimensional assessment:

- I. Performance dimension ("Best Performers"): the "climate performance" of the issuer is assessed using industry-specific indicators (carbon intensity per GWh for utilities, vehicle emissions in gCO₂ / km for the automobile indus-

try, etc.) or failing that, carbon intensity, based on these indicators, we select the best performing companies of their sector.

- II. Progress dimension ("Best Efforts"):** progress is identified through the measuring of "climate performance" over time (calculation of the three-year change in sector-specific indicators or carbon intensity) and several quantitative and qualitative improvement indicators:
- reduction of greenhouse gas emissions proven over time;
 - clear and ambitious objectives;
 - executive compensation linked to the achievement of certain environmental objectives.

Based on these indicators, we select the companies which make the most efforts to reduce GHG emissions in their sector.

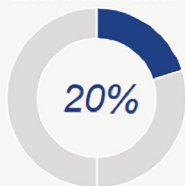
- III. Solutions dimension ("Best Solutions"):** the product solutions add value to companies from all sectors of activity, offering so-called "green" products and services such as energy efficiency gains, an energy mix that favors renewable energies, energy storage solutions, metal recycling solutions, waste collection and treatment solutions, and investments in so-called "green" Research and Development. We select companies representing "solutions" to the climate change challenges outside of their own sector, which can help suppliers and/or clients reduce their carbon footprint.

Allianz Emerging Markets SRI Bond (*)

At the Sovereign level, our ESG proprietary sovereign framework ranks our universe of c.80 investable emerging countries on these 3 dimensions.

- ESG risk factor modelling assesses non-financial risks that may impair creditworthiness
- A total of 20 ESG indicators are analysed for each investable emerging market (80+ countries)

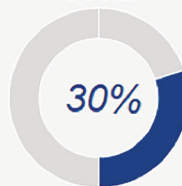
Environmental



Environmental (20%)

Sovereign Warming Potential target (NDC)
Air Quality (PM2.5 exposure)
Natural Resources Depletion (% GNI)
Water Stress Index
Greenhouse Gas emissions per capita

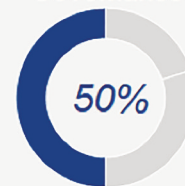
Social



Social (30%)

GINI Coefficient
Commitment to Reduce Inequality Index
Gender Inequality Index
Infant Mortality Rate
Life Expectancy
Homicide Rate (per 100,000)
Mobile Cellular Subscriptions (per 100 ppl)
Youth Literacy Rate

Governance



Governance (50%)

WGI (Government effectiveness, rule of law)
Legal system & Property Rights
Corruption Perception Index
Open Budget Index
State Fragility Index
Press Freedom
Freedom House Index

Source: Allianz Global Investors, 2022. This is for illustrative purposes only.
NDC = Nationally Determined Contributions to climate change, from the Paris Agreement.

We identified 20 relevant indicators from various public sources (World Bank, United Nations, think tanks and NGOs) and calculated an average score across each of the three pillars. For instance, the governance pillar includes indicators measuring the extent of corruption, the strength of the state, respect for obligations and fiscal transparency. These are key factors which often lead to changes in sovereign creditworthiness. We also selected environmental and social factors, such as measures of inequality, health and education, which signal a country's ability to achieve

sustainable growth over time. Given emerging markets' specificities and our assessment of relative importance of each indicator, we assigned different weights to each one of our three pillars: Environment (20%), Social (30%), Governance (50%). The weighted average is our overall ESG score.

Our analysis shows that the ESG score correlates closely with the markets perception of creditworthiness expressed by the sovereign spread. We can extract useful signals where market pricing differs from what is implied by the

ESG score, i.e. where spreads are high despite a good ESG score or vice-versa. We recognise that some of the indicators used can be slow moving. Therefore, we also combine this analysis with our expectations of each country's direction of travel from an ESG perspective. For instance, changes in governments can lead to quick and radical social and environmental policy shifts and improvement or deterioration in governance. Frequent country visits or meetings held with policymakers and local market participants help us to access political factors.

The analysis described above allows us to assess the direction of travel at a country level. This analysis occurs formally during our weekly macro review meeting where an in-depth review of three to four countries is conducted, on a rotational basis.

Each member of the team has responsibility for country research – usually countries from the same region. Each team member is responsible for covering 10-12 countries.

For our dedicated Sustainable and Responsible Investing strategies (Allianz Emerging Markets SRI Bond and Allianz Emerging Markets SRI Corporate Bond funds) we use the outcome of our ESG framework to exclude countries falling below the 10th percentile on each of the three pillars. The idea is to insulate portfolios from the worst offenders on each ESG dimension, making sure that a country performing particularly badly on any single pillar is still picked up by the filter even if it performs better on the other two pillars. For instance, it ensures that Venezuela is excluded due to significant deficiencies on the governance front, even if it scores above average on the environment pillar. We update the framework twice a year (in June and December).

Allianz Emerging Markets SRI Corporate Bond (*)

Specifically for our Allianz Emerging Markets SRI Corporate Bond fund, in addition to the country exclusions at the sovereign level, we also apply exclusions at the corporate level based on our proprietary SRI corporate framework.

Our proprietary corporate model allocates each issuer a rating of 0 to 4 in four domains: Corporate Governance, Environment, Social Development and Business Behaviour. We also analyse human rights as a fifth distinct domain, applying this as an ex-ante filter. The weight of the 4 domains in the average rating is sector specific. The average rating determines whether it is possible or not to invest in the issuer. This selection principle is also reinforced by a "worst practice" exclusion rule. The aim of this rule is to ensure that an issuer rating below the minimum requirement in any one domain does not qualify as a result of a satisfactory overall average rating due to high ratings in the other domains. Each rating could be re-evaluated or modified by the SRI Research Team, who has the final word, in the following cases:

- Divergence of appreciation between the external research providers, obsolescence or insufficiency of their analysis;
- Alert from the database on specific ESG criteria;
- Media and stakeholder controversies (NGOs, trade unions, etc.);
- Unrated issuers;
- Integration of additional data from brokers, Corporate Social Responsibility ("CSR") experts and from meetings with sustainable development teams of companies.

The Allianz Emerging Markets SRI Corporate Bond strategy commits to having 100% of the portfolio invested in companies with >1.50 SRI rating scores at the time of purchase – promoting a worst-in-class exclusionary approach. While for developed market companies we set higher thresholds, the 1.50 minimum SRI score threshold considers the fact that emerging markets companies are still on a transitional path of development in terms of ESG policies and standards.

A 10% bucket exists for issuers that do not currently possess an SRI score. In such instances the team's credit analysts assess ESG metrics in an integrated fashion within the credit research process, to ascertain whether the ESG credentials of the investment is aligned to the sustainability objectives of the strategy.

In addition to the SRI team screening, the Fixed Income team observes a number of exclusionary criteria for issuers. The first is where management misleads. Secondly, earnings catastrophes are indicative of management who are either not in control of their companies or who have not been transparent in their guidance. The third is where the industry is in secular (rather than cyclical) decline. Finally, it is very difficult to quantify upfront the extent and duration of the financial impacts from product liability issues, so we prefer to avoid companies facing such a situation.

On a financial level, we seek companies with strong competitive positions within their industry, growth in revenue and earnings, and positive cash flow. We also avoid industries which are opaque and/or prone to frequent defaults.

Once the most attractive sectors have been identified and the universe of issuers has been screened, we look for the most attractive companies by analysing their business position (industry/ market position, management strategy, track record, philosophy, operating efficiency and ownership structure). We also evaluate a company's ability to service all of its debt obligations by reviewing its financial position (accounting policies, net worth, leverage, profitability, cash flow and debt repayment profile). Historic spreads, liquidity and factors such as maturity, ratings and features are also analysed. We use research from Moody's, S&P and Fitch, and we have direct access to their analysts. Sell-side research is also utilised by the research team but plays only a minor role in the process.

The factors that we consider most important when analysing credit issuers are highlighted in the table below. Our credit analysts distribute their research to the other members of the investment team on each individual issuer that we cover.

Business position

Industry Position	Vulnerability to economic cycle, commodity pricing, barriers to entry and exit, buyer/supplier power, threat of substitute products and services, vulnerability to technological change.
Market Position	Geographic and product diversity, innovation, investment in R&D, market share, patents, brands, image, quality, product pipeline, cost competitiveness, currency exposure, strength of distribution, regulatory protections & requirements.
Management & Strategy	Track record, strategic direction, conservatism, succession planning and reputation.
Operating Efficiency	Revenue per employee, industry specific ratios.

Financial position

Financial Policy	Accounting policies, funding policies, financial benchmarks, ratings commitment, share buyback programmes, board driven credit ratios, CP ratings requirements.
Financial Structure	Tangible net worth, leverage.
Profitability	Margins, growth, EBIT funding, fixed charge cover.
Cash flow	Free cash flow, EBITDA/interest.
Endurance	Debt repayment profile, back up liquidity, access to capital markets, state support, market capitalisation.

Management errors are the primary reason for default, not financial ratios. Analysts conduct a large number of client meetings/visits and meet the management of every credit name that we own. If the analyst is happy with the management team and its business and financial strategy, the next step is a full financial and non-financial analysis. Non-financial analysis will look at industry trends, the positioning of the business within the industry and its competitive positioning. Where applicable there will be a full assessment of any restructuring plan. The non-financial analysis will be used for inputs into a financial model that will look at the company's cash flow, liquidity, refinancing risk, margin trends and capital structure. After this stage, if the business model appears to make sense, the analyst will review any covenants and capital structure to help quantify downside risk. The final stage is to assess the relative value of this company and its securities versus a peer group. This will lead to a recommendation to the Portfolio Managers.

Our analysts assess each company's credit fundamentals to produce a Credit Opinion and Financial Model. For asset-backed securities, a thorough examination of the security's collateral is undertaken. For high yield issues, we analyse the covenant package in detail and have developed an in-house scoring tool to provide a quick summary of any limitations on the company or potential adverse impacts. All these considerations are then combined with the market technicals and valuations to arrive at the sector and issuer selections.

The Credit Opinion is a view on the ratings over the next 12-18 months:

- 5: Multiple notch upgrade expected;
- 4: Single notch upgrade expected;
- 3: No rating change expected;
- 2: Single notch downgrade expected;
- 1: Multiple notch downgrade expected.

Event risk: indicator of potential risks (M&A, asset disposals, share buybacks, equity raise etc):

- Positive;
- Negative;
- Stable.

Medium term opinion – indicator of default risk:

- Green;
- Yellow;
- Red.

Allianz Euro Credit SRI,

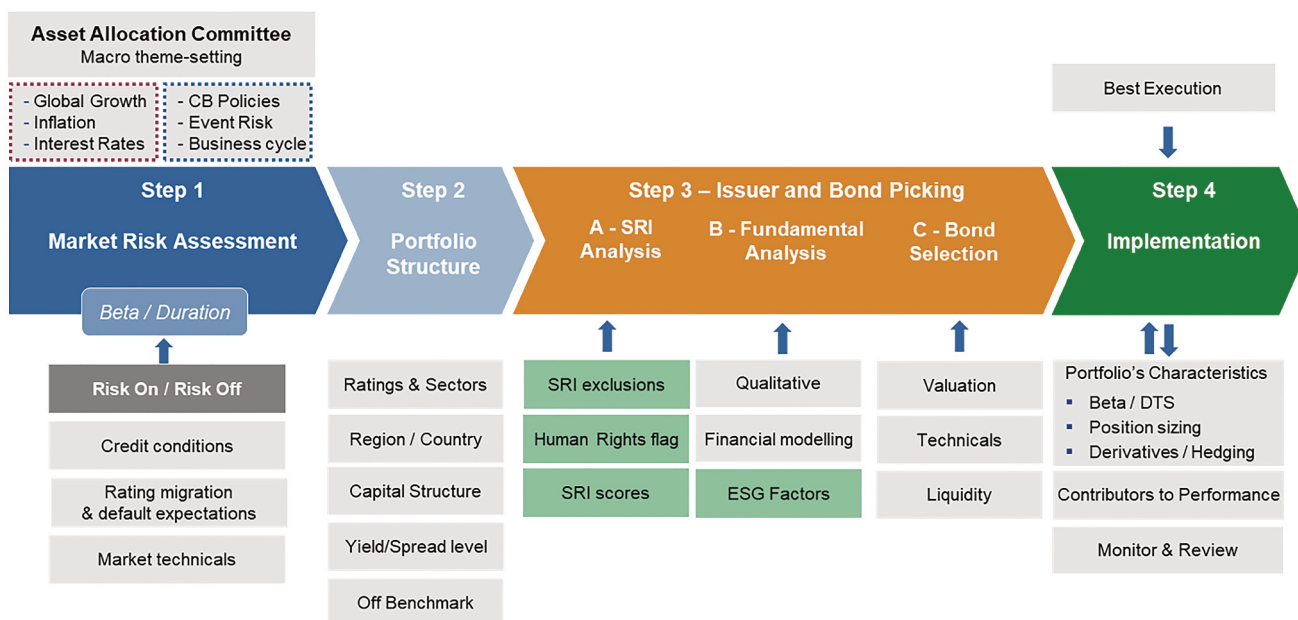
Allianz Euro Credit SRI Plus (*)

ESG factors are incorporated at two distinct levels. On the fundamental side, the Credit Research Team integrates ESG criteria in its analysis as credit analysts seek to evaluate any material risk which could result from those areas.

ESG factors are also analysed by our Sustainability team in order to identify the issuers potentially exposed to controversies and the ones excluded from our investment universe based on our minimum exclusion criteria on UN Global Compact violators, weapons, coal and tobacco. The sustainability team also provides the investment team with a proprietary SRI rating score which is the basis for bond selection.

The Allianz Euro credit SRI investment philosophy is based on a long-term conviction process relying on two pillars: extra-financial and financial fundamental analysis. Extra-financial ESG criteria, and the respect of human rights provide a more exhaustive evaluation of issuers' long-term risk. For this reason, extra-financial analysis is as important as fundamental analysis within the investment process.

Our investment process for Allianz Euro credit SRI is based on the dynamics illustrated in the chart below.



This investment process featured in the chart above consists on achieving key steps:

- Market risk assessment setting a common foundation for outlook discussion, setting strategic corridors for credit beta and duration across Fixed income portfolios;
- Portfolio structure to identify potential alpha sources;
- SRI analysis with SRI exclusions and Human Rights filter to avoid exposure to controversial issuers and our scoring model which is a combination of quantitative ESG analysis based on a Best-in-Class approach and reinforced by a

“worst practice” non-investable rule as a fundamental part of the investment process. During this step, the Sustainability research team uses internal & external analysis to set up our internal SRI rating;

- fundamental analysis which is based on quantitative analysis, financial modelling, ESG integration and research outputs;
- Bond selection to assess whether we are being paid for the risk embedded into a specific bond;
- Implementation to monitor and manage the portfolio.

Allianz Green Bond (*)

ESG factors are incorporated at two distinct levels. On the fundamental side, the Credit Research Team integrates ESG criteria in its analysis as credit analysts seek to evaluate any material risk which could result from those areas. ESG factors are also analysed by our Sustainability team in order to identify the issuers potentially exposed to controversies and the ones excluded from our investment universe based on our minimum exclusion criteria on UN Global Compact violators, weapons, coal and tobacco.

The Green Bonds portfolio management team is in charge

of research on the “Green” aspects of the Green Bond portfolios and notably the assessment of the compliance of the bonds with the Green Bond Principles, the analysis of the projects financed and of the climate strategy of the issuer.

Allianz Green Transition Bond (*)

The results of the ESG research are integrated in the portfolio construction through exclusions and filters described below. Exclusions are applied across the portfolio while the filters depend on the type of instrument (corporate or government bond).

Exclusions			
The UN Global Compact <ul style="list-style-type: none"> Companies involved in serious controversies regarding any of the 10 principles of the UN Global Compact Active engagement in certain cases¹ 	Weapons <ul style="list-style-type: none"> Controversial Weapons (cluster munition, antipersonnel mines, biological, chemical, depleted uranium weapons, nuclear weapons inside & outside of NPT²) Companies that derive more than 10% of revenues from weapons and military equipment & services 	Coal <ul style="list-style-type: none"> Companies that derive more than 10% of their revenue from thermal coal extraction Utility companies that generate more than 20% of their revenues from coal³ 	Tobacco <ul style="list-style-type: none"> Companies involved in the production / manufacturing of tobacco products Companies involved in the distribution of tobacco for more than 5% of their revenues
Filters			
Corporates		Governments	
Human Rights	ESG Rating	Freedom House Index	ESG Rating

For corporates, ESG factors are incorporated at two distinct levels. On the fundamental side for corporates, the Credit Research Team integrates ESG criteria in its analysis as credit analysts seek to evaluate any material risk which could result from those areas. ESG factors are also analysed by our Sustainability team in order to identify the issuers potentially exposed to controversies and the ones excluded from our investment universe based on our minimum exclusion criteria on UN Global Compact violators, weapons, coal and tobacco. The sustainability team also provides the investment team with a proprietary SRI rating score which is the basis for bond selection. Indeed, a minimum SRI rating is required to filter out issuers which could be exposed to one of the four domains analyzed by our proprietary SRI model (ESG and Business Behaviour).

For emerging market sovereign bonds, we apply a model designed to analyse the sustainable behaviour and performance of governments in emerging markets, based on 20+ ESG factors.

Allianz Advanced Fixed Income Euro, Allianz Advanced Fixed Income Short Duration, Allianz Euro Rentenfonds (*)

AllianzGI SRI ratings and sustainability research restrict the investable universe: only stocks from companies that (a) are rated and fulfil the Best-in-Class approach, (b) are not part of the AllianzGI SRI Exclusion policy, (c) do not have human rights controversies and (d) are not involved in further controversial activities qualify for portfolio construction.

Portfolio construction is based on the remaining eligible universe by applying an active asset allocation method.

Allianz Emerging Markets Equity SRI (*)

The team seeks to exploit inefficiencies in emerging markets equities via the blending of a scientific investment process with a human overlay. The team employs a technology

platform powered by artificial intelligence in a quantitative, data-driven approach. The portfolio is constructed using a Best-in-Class screening methodology, excluding the bottom 20% of the investment universe. Additionally, ESG scores are fully integrated into the team's investment process and combined with their proprietary behavioral finance-focused alpha and risk models. The team also implements a proprietary AI Environmental Sentiment score, which seeks to identify opportunities and risks through analyzing information via a sophisticated natural language processing (NLP) technique, across publicly available research and company-related transcripts, with the goal of providing independent, internal data to potentially keep one step ahead of external ESG providers.

Allianz Strategiefonds Wachstum Plus, Allianz Best Styles US Equity (*)

AllianzGI SRI ratings and sustainability research restrict the investable universe: only securities from issuers that (a) are rated and fulfil the Best-in-Class approach and (b) are not part of the AllianzGI SRI Exclusion policy.

Portfolio construction is based on the remaining eligible universe by optimizing the portfolio with respect to many constraints. Sustainability research enters in the way that many indicators are controlled via constraints, for example on the overall SRI rating, and hence impact stock selection.

Allianz Best Styles Europe Equity SRI, Allianz Best Styles Global Equity SRI (*)

AllianzGI SRI ratings and sustainability research restrict the investable universe: only securities from issuers that (a) are rated and fulfil the Best-in-Class approach, (b) are not part of the AllianzGI SRI Exclusion policy, and (c) are not involved in further controversial activities qualify for portfolio construction.

Portfolio construction is based on the remaining eligible universe by optimizing the portfolio with respect to many constraints. Sustainability research enters in the way that many indicators are controlled via constraints, for example on the overall SRI rating, and hence impact stock selection.

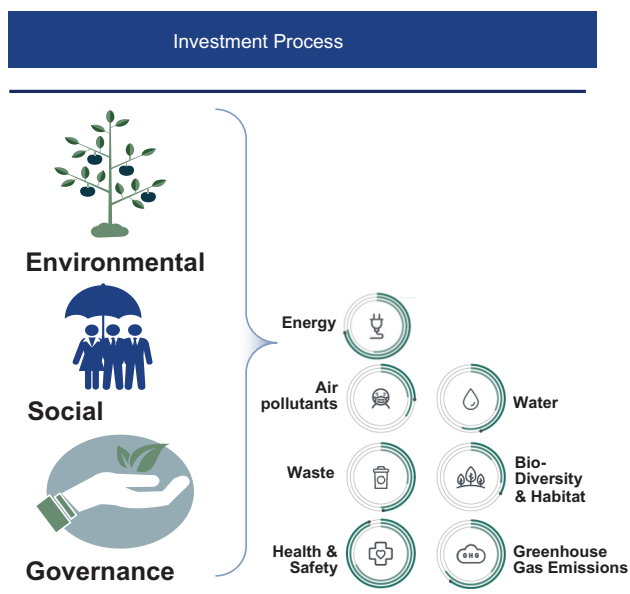
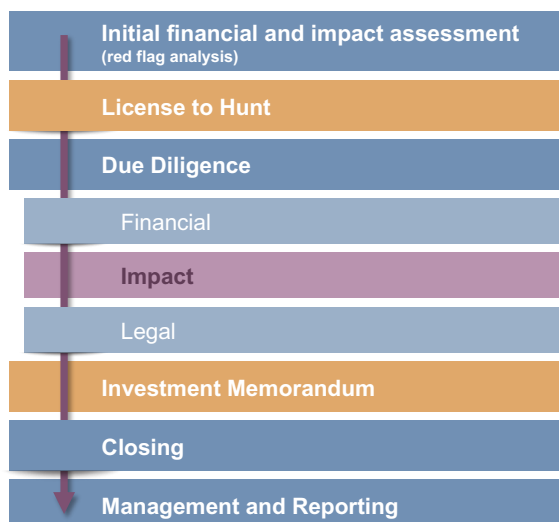
AREF Fund Family (*)

The Allianz ESG Integration framework is considered for each of the AREF fund family funds (AIF: Alternative investment funds) managed by the Infrastructure Equity (IEQ) team. The Team follows the Allianz ESG Guideline on Infrastructure (section §3.4.9) when addressing ESG risks and opportunities in an investment, as well as Allianz SE Exclusion policy (§3.9). When looking at investment opportunities linked to ESG topics, Allianz' key focus is to enable the transition to a low carbon economy, promote sustainable development, and to address environmental and/or climate-related concerns.

Likewise, the IEQ team strives to invest sustainably across green energy infrastructure projects. In order to keep up with our ambition, we incorporate ESG factors into our investment processes. During the investment process, it is ensured that ESG considerations are integrated into the portfolio construction. Therefore, the Transaction management team screens each investment for potential ESG and reputational-related risks during the due diligence process. This includes the consideration of sensitive areas as defined by Allianz Group such as environmental contamination (ground, water – eg, from cleaning solar modules with prohibited chemical products - and air, including CO2 emissions), fauna protection (eg, bats), resettlement of businesses/people, loss of rights (land and water) or H&S (health & safety) measures.

The due diligence process includes an ESG assessment as reflected in the following graph.

The impact assessment is an integral part of the investment process



Source: Allianz Global Investors, 2020.

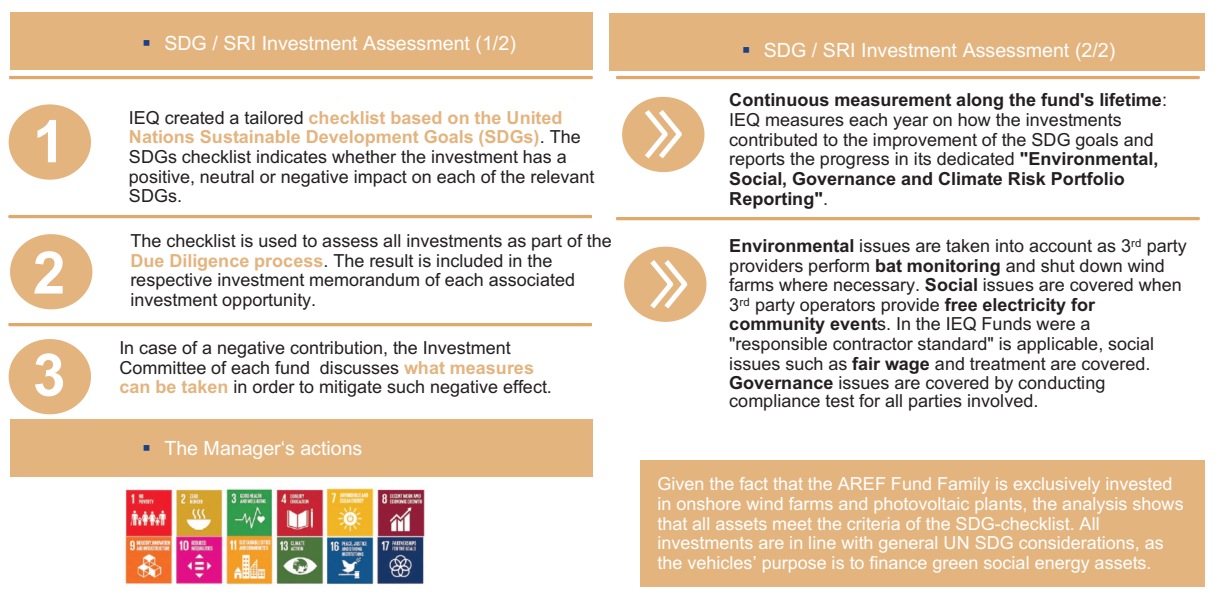
In addition, and applicable to all the AREF fund family vehicles, relevant aspects for equity investments in green energy assets are reflected in the legal documentation. To this end, a tailored checklist based on the United Nations Sustainable Development Goals (SDGs) was created by the IEQ team which is a major part of the ESG assessment. The SDGs checklist indicates whether the investment has a positive, neutral or negative impact on each of the SDGs. The checklist is used to assess all investments as part of the due diligence process. The outcome of the assessment, which is included in the respective investment memorandum of each associated investment opportunity, will lead to:

- a transaction proceeding in the regular investment processes which will include scrutiny of reports provided by

the seller or commissioned by the IEQ team relating to ESG in order to define project specific key performance indicators (KPIs), or

- additional information being required, or certain conditions being determined prior to proceeding, or
- a transaction being declined on ESG grounds.

For the AREF fund family, the asset management team controls the day-to-day operations of the companies and relationships with suppliers of the projects and therefore directly manages potential ESG issues, if any, within our assets. The steps of the IEQ team's identification, analysis and monitoring during the lifetime of the invested assets are detailed in the following graph.

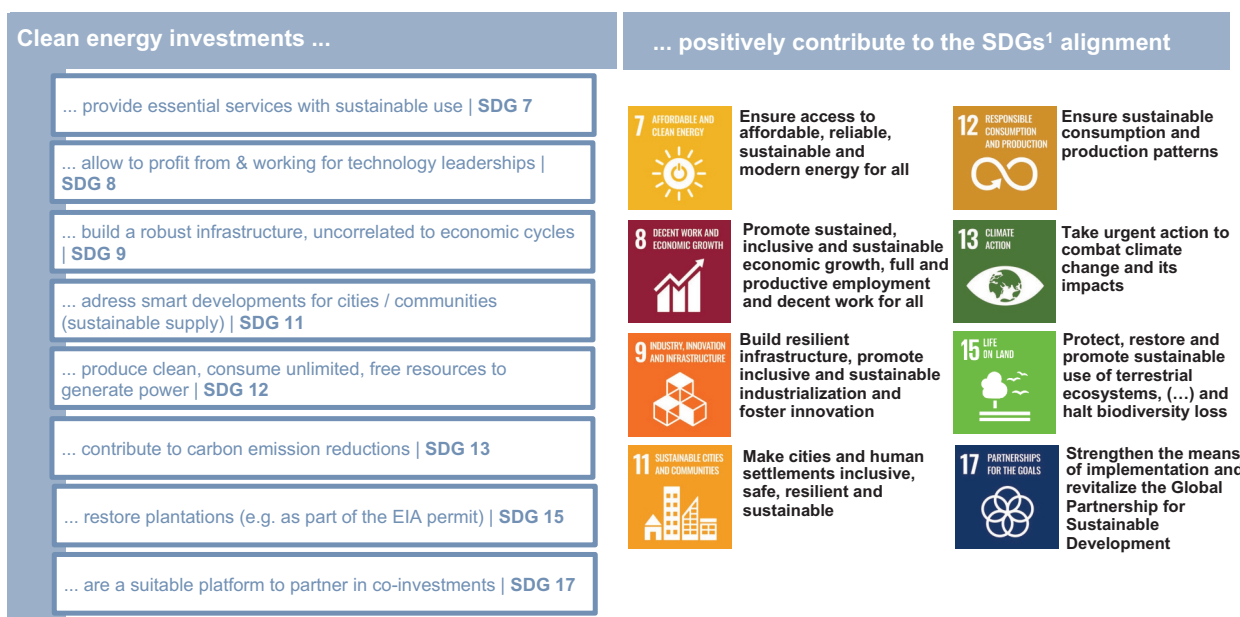


Source: Allianz Global Investors, 2020.

In all our AREF fund family products, we pursue the improvement of at least one SDG: the SDG 7 (ensure access to affordable, reliable, sustainable, and modern energy for all). In addition, the goals associated with SDG 8, SDG 9, SDG 11, SDG 12, SDG 13, SDG 15 and SDG 17 are, in most

of our assets, also monitored. See the following graph for a definition on the mostly applicable SDGs.

Renewable energy assets have an inherent positive value on the achievement of ESG targets.



Source: Allianz Global Investors, 2020.

4.2) How are criteria specific to climate change integrated into portfolio construction?

For the general description of the process please see our answer to question 3.4) For funds which have a specific focus on climate, see below for a detailed description.

Allianz Global Multi-Asset Credit SRI, Allianz Global Credit SRI (*)

None of the funds have specific climate change-related objectives or constraints, other than the specific sector exclusions on Coal and Unconventional Oil & Gas. Other considerations such as carbon emissions and intensity are factored into the Sustainability team's SRI score through a composite of external data and proprietary qualitative analysis.

Allianz Global Sustainability (*)

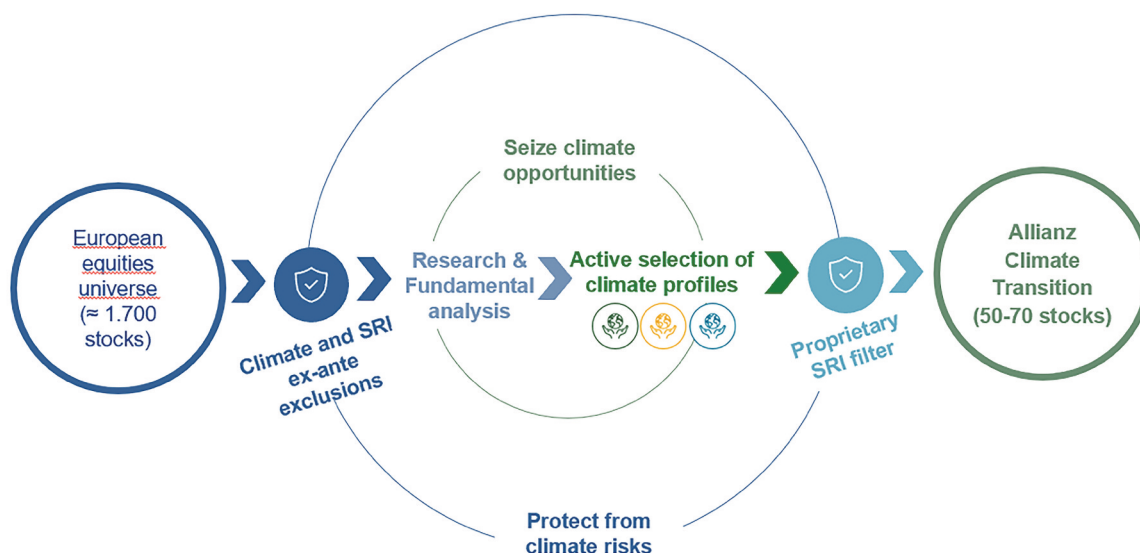
Allianz Global Sustainability takes a sector relevant approach to ESG risk, relying on the weighting of our SRI Ratings. In the case of climate change, this means that stocks which are exposed to material climate risk will have a greater weighting on Environmental factors in their overall SRI rating. At the same time, the portfolio managers consider stocks from a bottom-up perspective, factoring in their own assessment of climate change risk in each investment case.

Allianz Climate Transition (*)

The Allianz Climate Transition Fund is managed under a dynamic low-carbon investment strategy in line with the objective of limiting global warming to 2°C. This approach involves sustainable development, likely to impact the business model and the growth and risk profile of companies across various business sectors, and which also create potential medium and long-term investment opportunities. Our approach aims to limit portfolio exposure to carbon risk by ensuring the reduction of its impact on climate over the recommended investment horizon, without applying any sector exclusions targeting industries generating high greenhouse gas emissions. Indeed, we consider sector exclusion leads to ignoring the problem instead of tackling it. We believe consider it is our financial duty to actively engage with committed companies and push them towards a genuine energy transition.

Our stock-picking strategy targets two types of companies:

- I. Companies demonstrating dynamic progress in terms of climate impact performance by aligning their strategies with energy transition objectives and therefore reducing risks incurred by implementing this type of transition ("Best Performers", and/or "Best Effort" profiles)
- II. Companies involved in businesses, products or services which reduce greenhouse gas emissions in the real economy and which, therefore, benefit from opportunities provided by energy transition ("Best Solution" profiles).



Our holistic understanding of climate transition is integrated all along the investment process

Source: Allianz Global Investors, 2021. A performance of the strategy is not guaranteed and losses remain possible.

Allianz Emerging Markets SRI Bond, Allianz Emerging Markets SRI Corporate Bond (*)

Indicators such as Greenhouse gas emissions, natural resources depletion, sovereign warming potential etc. which refer to a country's contribution to climate change are used to calculate our proprietary sovereign E score. By excluding the bottom 10 percentile of countries on the E pillar, we reduce our exposure to the highest contributors to climate change. Additionally, for corporate issuers the SRI ratings process described previously captures an Environmental pillar assessment. Where a significant environmental controversy or weakness exists, a zero E pillar score can be assigned to the issuer, which is then incorporated into the portfolio construction process. For both funds there is also an ability to measure aggregate carbon footprint versus benchmark, to produce an environmental "key performance indicator" (KPI) for reporting environmental risk relative to benchmark.

Allianz Green Bond (*)

The strategy is essentially investing in green bonds and as a consequence we consider it to be invested in assets providing solutions to climate change or other sustainability challenges. Criteria specific to climate change are constantly integrated into portfolio construction as our fundamental analysis starts by assessing whether a bond is green or not.

This analysis starts with checking whether the bond structure is in line with the Green Bond Principles or not. The respect of those principles (use of proceeds, internal process, man-

agement of proceeds, and reporting) is a prerequisite for a bond to be considered green.

Eligibility criteria under which bonds are considered as "Green Bonds" include:

- A formal statement in the use of proceeds section of the bond prospectus stating that the proceeds will be used to finance "green" / climate projects;
- Internal process by the issuer to identify qualifying projects based on sound methodology and clear criteria;
- Management of the proceeds to make sure that they will be allocated to the identified projects and not to other general expenses / investments;
- Reporting, at least annually, of the status of the use of proceeds, the status of projects and the actual environmental impact.

The evaluation is followed by the analysis of the projects financed with the Green Bond issuance proceeds. To be eligible, they have to be part of the Green Projects list defined internally by AllianzGI based on research from the Climate Bonds Initiative (CBI), a world-class reputation organisation, which provides a science-based evaluation of the climate change mitigation impacts of the different types of projects. AllianzGI has been a partner of the CBI since 2015.

This analysis is completed by an evaluation of the ESG profile of the issuer in order to avoid controversial issuers. In case an issuer is subject to an alert confirmed by our internal Sustainability team on one of the four domains analysed (Environment, Social, Business Behaviour and Corporate Governance), the bonds from this issuer would not be eligible to the Green Bond strategy.

Thus, the eligibility of an issuer is determined by the absence of any alert on its overall profile and especially on Human Rights. This investment rule enables the fund to avoid issuers under controversy on specific topics and to keep in its investment universe companies where we believe the ESG profile could have strong improvement potential, the aim being to be able to finance companies which have not proceeded yet to their energy transition to a business model aligned with the goal of the Paris agreement.

The last step of the analysis is focused on the credibility of the issuer's approach regarding its transition to a low carbon model. We want to favour Green Bonds from issuers who really have set up a sound strategy to mitigate the negative environmental impacts of their activities and we want to avoid supporting issuers for which we think the use of the Green Bond market has been made more for communication / marketing purpose without real ambition and commitment towards future generations.

Allianz Green Transition Bond

The strategy invests notably in green bonds, in bonds from corporate issuers having committed to SBTi and in emerging market sovereign bonds with a preference for those showing a better environmental performance and a credible transition strategy. Specific criteria are integrated in the structure of the different buckets of the portfolio as describe below:

Green Bond bucket

Criteria specific to climate change are constantly integrated into portfolio construction as our fundamental analysis starts by assessing whether a bond is green or not. This assessment relies on three steps: the alignment of the bond structure with the Green Bond principles, the analysis of the projects financed to make sure that they are aligned with our list of eligible projects, and the analysis of the issuer's climate strategy.

SBTi corporate bonds bucket

The fund also invests in bonds from issuers having committed to SBTi with the aim to identify companies with credible decarbonisation pathways, leaders in the way towards net zero. The SBTi criteria is integrated as a basis of bond selection for this bucket.

EM Sovereign bucket

The fund seeks opportunities in emerging economies that are transforming themselves, by implementing a model for sustainable growth. It avoids those sovereigns that are reluctant to change and the ones with a poor ESG performance. To identify the best sovereign bonds, we rely on a model designed to analyse the sustainable behaviour and performance of governments in emerging markets.

This model enables us to analyse more than 20+ ESG criteria for approximately 80 sovereigns.

Allianz Strategiefonds Wachstum Plus, Allianz Best Styles US Equity (*)

Climate change considerations enter by excluding securities from (a) issuers that derive more than 10% of their revenue from thermal coal extraction and (b) utility companies that generate more than 20% of their revenues from coal in line with the AllianzGI SRI Exclusion Policy. In addition, securities from issuers where more than 30% of their electricity production is based on coal are excluded according to AllianzGI firm-wide exclusions. In the portfolio construction based on the remaining eligible universe, the portfolio's carbon footprint is managed, and a reduction of greenhouse gas emissions compared to the market index is targeted.

Allianz Best Styles Europe Equity SRI, Allianz Best Styles Global Equity SRI (*)

Climate change considerations enter by excluding securities from (a) issuers that derive more than 10% of their revenue from thermal coal extraction and (b) utility companies that generate more than 20% of their revenues from coal in line with the AllianzGI SRI Exclusion Policy. In addition, securities from issuers where more than 30% of their electricity production is based on coal are excluded according to AllianzGI firm-wide exclusions. Moreover, securities from issuers are excluded which are involved in the production of arctic drilling, production and / or exploration of oil sands with more than 5% of revenues, or which are involved in the production of hydraulic fracturing and/or which provide services in relation to hydraulic fracturing of more than 5% of their revenues. In the portfolio construction based on the remaining eligible universe, the portfolio's carbon footprint is managed, and a reduction of greenhouse gas emissions compared to the market index is targeted.

AREF Fund Family (*)

In each of the AREF fund family products, the carbon emissions avoidance is measured and monitored. The impact on carbon emission reduction of the operational project is compared to a "business-as-usual" national scenario. The information on emissions per MWh for each country is based on the "Total Supplier mix", which is taken from the study "European Residual mixes. Results of the calculation of Residual mixes for the calendar year 2018" published by the association of Issuing bodies on 28 May 2019 (Version 1.1) as of today, our carbon reporting fulfils the requirements of all our investors and is aligned with the French Energy Transition Law in its article 173.

I. Investment policies – Disclosure of ESG criteria

• The general approach used by the Infrastructure Equity Team

Alongside the implementation of the new French legislation, the Portfolio Management Team (hereafter the “Team”, “PMT”) incorporated, as of February 2017, a new process to ensure that ESG considerations are integrated into the investment process of the funds the Team manages. PMT created a tailored checklist based on the Sustainable Development Goals (“SDGs”). The SDGs were developed and published by the United Nations, and will be used to indicate whether the project has a positive, neutral or negative impact on each of the SDGs. As of February 2017, future investments have been assessed along the checklist in every investment process as part of the due diligence and the result has been included in the respective investment memorandum. Assets should only be acquired if the contribution to each of the SDGs is either positive or neutral. In case of a negative contribution, this will be discussed in the Acquisition Committee of the Fund.

• Assessment for AREF

All of AREF’s investments were selected in accordance with the relevant ESG standards and were retroactively assessed in accordance with an ESG checklist as described above. Given the fact that the Funds are exclusively invested in onshore wind farms and photovoltaic plants, the analysis showed that all assets meet the criteria of the ESG checklist and thus comply with the ESG criteria. All investments are in line with general ESG considerations, as the Fund’s purpose is to finance renewable energy assets instead of e.g. carbon intensive assets.

II. Disclosure of climate-related financial risks

• Carbon risks

Carbon risks are defined as techno-economic risks linked to the transition to a low-carbon economy. The Fund’s investment strategy is focused on zero-carbon emission renewable energy technologies. Due to this strategy, carbon risks for the Fund can be considered as low.

• Physical climate risks

Physical climate risks are defined as risks related to the physical impacts of climate change. As all other real assets, renewable energy plants are also exposed to

changes in the physical climate. However, as part of the AllianzGI Infrastructure Equity investment process, insurance standards for photovoltaic and wind parks were developed in cooperation with Alternative Green Insurance, a leading European renewable energy insurance team. Following the requirements of the established standards, all projects have insurances which cover (among other things) natural hazards and business interruptions due to extreme weather events such as storms, earthquakes and floods and accordingly protect the assets financially to a large extent against physical climate risks. Accordingly, the exposure of the Fund to physical climate risks can be considered as low.

• Legal climate risks

2DII defines legal climate risks as risks related to a litigation on liability risks associated with climate change. Investments in renewable energy assets are generally regarded as climate friendly. Thus, litigation on liability associated with climate change can be regarded as low.

III. Substantial Contribution Analysis and Physical Risk Assessment

The activity has implemented physical and non-physical solutions (“adaptation solutions”) that substantially reduce the most important physical climate risks that are material to that activity.

The physical climate risks that are material to the activity have been identified from those listed in the figure below performing a robust climate risk and vulnerability assessment on a best effort basis given the data available. The climate risk and vulnerability assessment are proportionate to the scale of the activity and its expected lifespan.

The climate projections and assessment of impacts are based on best practice and available guidance and take into account state-of-the-art science for vulnerability and risk analysis and related methodologies in line with the most recent Intergovernmental Panel on Climate Change reports (IPCC.ch) scientific peer-reviewed publications and open sources or paying models.

- Do not adversely affect the adaption efforts or the level of resilience to physical climate risks of other people, of nature, of cultural heritage, of assets and of other economic activities;

Figure: Classification of climate-related hazards

Chronic	Temperature-related	Wind-related	Water-related	Solid mass-related
	Changing temperature (air, freshwater, marine water)	Changing wind patterns	Changing precipitation patterns and types (rain, hail, snow/ice)	Coastal erosion
	Heat stress		Precipitation of hydrological variability	Soil degradation
	Temperature variability		Ocean acidification	Soil erosion
	Permafrost thawing		Saline intrusion	Solifluction
			Sea level rise	
			Water stress	
Acute	Heat wave	Cyclone, hurricane, typhoon	Drought	Avalanche
	Cold wave/frost	Storm (including blizzards, Dust and sandstorms)	Heavy precipitation (rain, hail, snow/ice)	Landslide
	Wildfire	Tornado	Flood (coastal, fluvial, pluvial, ground water)	Subsidence
			Glacial lake outburst	

- Favour nature-based solutions or rely on blue or green infrastructure to the extent possible;
- Are consistent with local, sectoral, regional or national adaptation plans and strategies;
- Are monitored and measured against pre-defined indicators and remedial action is considered where those indicators are not met;
- Complying with the DNSH technical screening for that activity as detailed in this report §.6.

• Physical Risk Assessment

Upon the implementation of procedures to comply with new EU regulations we have set up the usage of a physical risk model to quantify climate risks across our portfolios. This tool allows to determine what grade of risk each asset corresponds to, for a given peril, at a given time period. Additionally, to the risk grade, the tool provides an assessment of average monetary loss for each case, as well as a worst-case scenario financial analysis in case of a high impact low probability event.

IV. Do no Significant Harm Policies



Sustainable use and protection of water and marine resources

Water related impact assessment has been taken into account and no considerable significant harm has been detected.



Protection and restoration of biodiversity and ecosystems

EIA or screening has been completed in accordance with Directive 2011/92/EU672.

For sites/operations located in or near biodiversity-sensitive areas (including the Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas, as well as other protected areas), an appropriate assessment, where applicable, has been conducted and based on its conclusions the necessary mitigation measures are implemented.



Pollution prevention and control

Emissions are within or lower than the emission levels associated with the best available techniques (BAT-AEL) ranges set out in the latest relevant best available techniques (BAT) conclusions, including the best available techniques (BAT) conclusions for large combustion plants³⁶³. No significant cross-media effects occur.

In case of usage of ships, measures are in place to minimise toxicity of anti-fouling paint and biocides as laid down in Regulation (EU) No 528/2012.



Transition to a circular economy.

The activity assesses availability of and, where feasible, uses equipment and components of high durability and recyclability and that are easy to dismantle and refurbish.

4.3) How are the issuers that are present in the portfolio, but not subject to ESG analysis evaluated (not including mutual funds)?

Where an issuer is not formally rated by the Sustainability Research team, the credit research analysts and portfolio managers will still consider ESG factors in their appraisal; this includes considerations of corporate governance or environmental risks for example. Even in securitized assets, the team will look at factors such as energy efficiency and natural disaster risk for commercial mortgage-backed issues, or sponsor governance practices in other asset-backed issues.

Allianz Global Sustainability,

Allianz Valeurs Durables,

Allianz Actions Euro Convictions,

Allianz Europe Equity SRI,

Allianz Epargne Actions ISR Solidaire,

Allianz Epargne Durable,

Allianz Climate Transition (*)

All the stocks in the portfolio are subject to an ESG analysis.

Allianz Stiftungsfonds Nachhaltigkeit,

Allianz Vermögenskonzept SRI Dynamisch,

Allianz Vermögenskonzept SRI Ausgewogen,

Allianz Vermögenskonzept SRI Defensiv,

Allianz Dynamic Multi Asset Strategy SRI 15,

Allianz Dynamic Multi Asset Strategy SRI 50,

Allianz Dynamic Multi Asset Strategy SRI 75,

Allianz Euro Balanced (*)

ESG analysis is performed on all single securities in the fixed income and equity sleeve.

Allianz Smart Energy, Allianz Clean Planet,

Allianz Positive Change, Allianz Better World

Defensive, Allianz Better World Dynamic,

Allianz Better World Moderate,

Allianz Global Water, Allianz Food Security,

Allianz Sustainable Health Evolution (*)

ESG analysis is performed on all single securities.

Allianz Emerging Markets SRI Bond,

Allianz Emerging Markets SRI Corporate Bond (*)

As mentioned above, a 10% bucket exists for issuers that do not currently possess an SRI score. In such instances the

team's credit analysts assess ESG metrics in an integrated fashion within the credit research process, to ascertain whether the ESG credentials of the investment is aligned to the sustainability objectives of the strategy.

Allianz Advanced Fixed Income Euro,

Allianz Advanced Fixed Income Short Duration,

Allianz Euro Rentenfonds (*)

Through research we are able to gain an information advantage by developing an in-depth understanding of the risks embedded in a security. For the Advanced Fixed Income strategy, the primary source of research is AllianzGI's Advanced Analytics.

AllianzGI's Advanced Analytics is based on advanced proprietary quantitative models. These models allow us to understand the complex relationships between numerous economic variables and to reduce the complexity of these relationships to make them more palatable and concrete for the portfolio manager.

We also recognize that classic quantitative approaches can be poor in predicting structural breaks in economic relationships, especially during severe crises. This is due to the fact that many models try to capture those factors that were particularly good at explaining past events and, therefore, ignore indicators that may be relevant for future crises. Our response is to take different views on the markets and constantly challenge what we observe through innovative models.

Using Advanced Analytics, we consider:

- **Global sovereign bonds:** through our research we analyse the ability, and the willingness to pay, of 110 sovereign issuers.
- **Global covered bonds:** our research covers the legal framework, macroeconomic environment, standalone issuer strength and covered pool quality for covered bonds issuers globally.
- **Global corporate bonds (financials and non-financials):** We systematically analyse the fundamental strength of global corporate issuers to obtain risk clustered classes of corporate bonds. This feeds into our Rich/ Cheap Analysis tool, which measures the attractiveness of individual bonds along the yield curve.
- **Global Securitized:** we cover over 300 transactions of securitized issuance, including ABS/MBS in Europe and in the USA.

A condition sine qua non for inclusion in an Advanced Fixed Income managed portfolio is that the issue and/or issuer has been internally rated using an Advanced Fixed Income Credit Rating methodology. The Advanced Fixed Income team has developed several rating methodologies, each suited to a specific fixed-income asset-class.

The success of this approach has meant that the Advanced Fixed Income strategy has never suffered a default since its inception in 1999.

AREF Fund Family (*)

For the Equity funds in scope and the AREF Family Funds all issuers are subject to ESG analysis.

4.4) Has the ESG evaluation or investment process changed in the last 12 months?

Allianz Emerging Markets SRI Bond, Allianz Emerging Markets SRI Corporate Bond (*)

To increase the focus of our framework on the pressing global climate emergency, we have included a new indicator within the Environmental pillar that captures a sovereign's warming potential, based on Nationally Determined Contributions (NDCs). NDCs are non-binding national plans to tackle climate change, in order to achieve global targets, set by the Paris Agreement. We added this indicator to our Environmental pillar indicators' set and removed the previously utilized Environmental Performance Index. Our framework remains otherwise unaltered.

Allianz Emerging Markets Equity SRI (*)

Yes. The Emerging Markets Equity SRI Fund was previously managed by the Systematic team in Frankfurt, which was transferred to the Systematic team in San Diego, in August 2021. The prior investment process combined a mix of long-term successful investment styles such as value and momentum, with a more diversified set of holdings and lower tracking error. The current investment process uses a proprietary set of factors, focused on behavioral finance and AI, with a greater conviction portfolio and higher tracking error.

AREF Fund Family (*)

Although the ESG evaluation process has not changed in the last 12 months, we have implemented additional disclosures/reporting as per the new SFDR regulation in place.

The Fund invests in the energy infrastructure sector with a focus on Renewable Energy Assets like wind and photovoltaic plants, on a long-term basis, through equity investments. The Fund is fully invested as of the current fiscal period.

The investment manager took several actions in the reporting period to address, avoid or mitigate principal adverse

impacts the investments, including:

- Consideration of Principal Adverse Impact risks along selected key performance indicators such as carbon emissions, exposure to sectors that are affecting climate change more than other sectors, human rights, and labour rights;
- Analysis that companies do not significantly harm Sustainable Investment objectives in accordance with principle adverse impact indicators;
- Review and analysis to ensure good governance practices and minimum social safeguards are followed;
- Respect of an internal checklist based on SDGs to determine within the investment process the nature of the impact on each SDG;
- Respect of minimum exclusion criteria (SRI minimum exclusions);
- As well as the integration of ESG considerations in the investment process of the managed Fund.

4.5) Is a part of the funds invested in entities pursuing strong social goals/social enterprises?

Allianz Global Sustainability (*)

Yes. Many portfolio holdings are strongly aligned with social goals. For example, the health care companies Astra Zeneca and Novo Nordisk actively target better access to medicine across emerging markets and/or disadvantaged communities. Similarly, consumer goods businesses like Nestlé have firm commitments to improving supply chains and agricultural practices. Thus, while Allianz Global Sustainability does not have a specific remit to buy companies aligned with such objectives, our investment objective to enable the transition to a more sustainable economy means there is natural overlap.

Allianz Epargne Actions ISR Solidaire (*)

The fund is a solidarity fund with strong social focus as recognized by its French label Finansol.

Allianz Epargne Actions ISR Solidaire is a solidarity fund that meets the requirements of the French Law on the Modernization of the Economy of August 4, 2008, which imposes on Company Savings Plans the obligation to offer at least one solidarity fund to its beneficiaries. Solidarity finance connects savers who seek to give meaning to their money to companies and associations with strong social and environmental utility, typically dedicated to the fight against exclusion, the improvement of social cohesion or sustainable development.

Allianz Epargne Actions ISR Solidaire is a fund targeting financial performance by selecting companies whose social qualities are deemed to be of superior quality. Our social strategy aims both to protect the portfolio against social risks, but also to take advantage of the most advanced companies in this area. The social criteria we take into account concern different levels of the value chain, from the company's relationship with its suppliers to the life of the product and its impact on society, including the management of the company's human capital.

AREF Fund Family (*)

Our products aim to contribute to meet our clients' targets on environmental ("E"), but also social ("S") goals.

The "S" for "social" is one of the components the IEQ team measures when investing in Renewables. There are several metrics to measure the "social" impact of a renewable energy asset and one of them is the gender equality / personnel diversity. Diversity has been one of the aspects considered in AREF III, the AREF fund family's latest vehicle which has a focus on investments in the US.

In AREF III, the IEQ team adopted a Responsible contractor policy ("RCP") for investments in renewable energy projects. Developed in partnership with the North America's building Trades unions ("NABTU"), the RCP policy aims at fostering bidding by unions on construction and maintenance contracts attached to the investment projects, requires performance reporting from contractors and promotes fair wages, benefits, gender equality and diversity as well as working conditions for those engaged in the invested projects.

As another example of our invested assets improving the social acceptance of wind projects, it is worth recounting the experience with our project "Windpark Köhlen". One and a half years ago, we started a re-labelling of our wind energy turbines at the windfarm in order to reduce the light disturbances caused by the flashing of the rotors to the local communities.

In general, and depending on the technology, project location and permitting, more and more social metrics are assessed in our AREF fund family. below are some examples.

- The impact of noise and vibration on residents and businesses from an asset under construction, which is to be measured by our EPC (engineering, procurement, construction) contractors and supervised within the construction supervision tasks of our engineers.
- Health and safety metrics such as accident rates, disability access, security, labour standards in procurement policy (or similar), affordable workforce housing, social enterprise partnering, community development (and as to be compiled in the EPC and/or O&M (operation and maintenance agreements)).

- In the AREF fund family, where an RCP policy is incorporated for AREF III, social issues such as fair wage and treatment are covered.
- Employee diversity: in future European transactions, there might be a specific focus on the employment of refugees with a willingness to be integrated into the European society; progress against targets to be monitored.

4.6) Do the funds engage in securities lending activities?

At this time, AllianzGI have a number of clients who specifically request that we participate in securities lending in their segregated portfolios, and in these cases, we have arranged an agency lending agreement with a third party provider. To facilitate timely return of holdings (e.g. to accommodate sale, dividend, Proxy Voting or Corporate Action purposes), our current lending arrangements contain guarantees referring to this, allowing for securities on loan to be recalled in a timely manner. The counterparty selection process does not formally integrate ESG criteria.

Allianz Global Multi-Asset Credit SRI, Allianz Global Credit SRI (*)

From 15 December 2021, all funds listed above ceased to have permission to engage in securities lending. Prior to this, securities lending was permitted but never implemented.

4.7) Do the funds use derivative instruments?

The funds may use derivatives, though in practice this does not happen frequently. The use and constraints are outlined in the prospectus for each fund. Generally speaking, the following derivatives can be used: interest-rate futures, equity index futures and interest-rate swaps. See below for more information per fund.

Allianz Global Multi-Asset Credit SRI, Allianz Global Credit SRI (*)

The funds do use derivatives, primarily for hedging currency and interest rate risk. The use and constraints are outlined in the prospectus for each fund. The instruments used most frequently are forward FX and bond futures. The Global Multi-Asset Credit SRI Fund makes use of short positions in equity index futures to hedge credit risk (it may not own long positions). The Global Credit SRI fund has also used Index Credit Default Swaps (CDS) to manage credit risk exposure.

Allianz Global Sustainability,
Allianz Valeurs Durables,
Allianz Actions Euro Convictions,
Allianz Europe Equity SRI,
Allianz Epargne Actions ISR Solidaire,
Allianz Epargne Durable, Allianz Climate Transition (*)

Although some derivative instruments are allowed in the prospectus these are not used in practice.

Allianz Neo ISR 2020/ 2021, Allianz Climate 2021 (*)

The funds use derivative instruments, being structured products.

Allianz Securicash SRI, Allianz Epargne Monetaire ISR, Allianz Pee Monetaire ISR, Allianz Monetaire (2C), Allianz Euro Short Term Bonds SRI (*)

Interest-rate derivatives can be used, solely to hedge interest rate risk. The fund does not enter Total Return Swaps.

Allianz Euro Oblig Court Terme ISR (*)

Both credit and investment rate derivatives can be used for efficient portfolio management to hedge the portfolio and/or marginally add value but are not used as major performance contributors.

The investment in CDS (selling protection) is mainly done on an opportunistic basis at very short maturities. On the other hand, CDS (buying protection) can be used to hedge individual credit exposures. In no case will this type of instrument be used for speculative purposes such as, for example, taking a short position on an issuer.

Allianz Stiftungsfonds Nachhaltigkeit,
Allianz Vermögenskonzept SRI Dynamisch,
Allianz Vermögenskonzept SRI Ausgewogen,
Allianz Vermögenskonzept SRI Defensiv,
Allianz Dynamic Multi Asset Strategy SRI 15,
Allianz Dynamic Multi Asset Strategy SRI 50,
Allianz Dynamic Multi Asset Strategy SRI 75,
Allianz Euro Balanced, Allianz Smart Energy,
Allianz Clean Planet, Allianz Positive Change,
Allianz Better World Defensive, Allianz Better World Dynamic, Allianz Better World Moderate,
Allianz Global Water, Allianz Food Security,
Allianz Sustainable Health Evolution(*)

Yes.

Allianz Multi Tempere ISR (*)

Derivatives are used to a limited extent for efficient portfolio allocation and especially for risk management purposes. Futures are used in practice to hedge the equity and/or bond exposures.

Allianz Emerging Markets SRI Bond,
Allianz Emerging Markets SRI Corporate Bond (*)

Both funds may use currency forwards or futures for hedging purpose (interest rate or currency hedging).

Allianz Euro Credit SRI, Allianz Euro Credit SRI Plus, Allianz Green Bond, Allianz Green Transition Bond (*)

The strategies mainly use currency swaps, interest rate futures and CDS on iTraxx indices for hedging or efficient portfolio management purpose.

Allianz Advanced Fixed Income Euro,
Allianz Advanced Fixed Income Short Duration,
Allianz Euro Rentenfonds (*)

Yes, but for the Advanced Fixed Income strategy, derivatives are not an essential part of our approach. If they are used, typically it is to fine tune duration using futures or enter relative-value positions.

4.8) Do the funds invest in mutual funds?

Allianz Global Multi-Asset Credit SRI,
Allianz Global Credit SRI (*)

Both funds may invest up to 10% in other AllianzGI mutual funds, subject to UCITS and prospectus rules and internal approvals.

Allianz Global Sustainability (*)

For this fund it is permitted to invest up to 10% in other AllianzGI mutual funds, however not used by the portfolio management team.

Allianz Securicash SRI, Allianz Epargne Monetaire ISR, Allianz Pee Monetaire ISR, Allianz Monetaire (2C), Allianz Euro Short Term Bonds SRI (*)

As a short-term money market fund, Allianz Sécuricash SRI usually does not invest in other funds. However, it would be allowed to invest up to 10% of its assets in other short-term money market funds managed by Allianz Group entities.

Allianz Euro Oblig Court Terme ISR (*)

For these funds it is permitted, however not used by the portfolio management team. It might be used for cash management purposes. In this case, we invest in Allianz Securicash SRI which is an SRI fund.

**Allianz Stiftungsfonds Nachhaltigkeit,
Allianz Euro Balanced (*)**

All these funds may invest up to 10% in other AllianzGI mutual funds, subject to UCITS and prospectus rules and internal approvals.

**Allianz Dynamic Multi Asset Strategy SRI 15,
Allianz Dynamic Multi Asset Strategy SRI 50,
Allianz Dynamic Multi Asset Strategy SRI 75 (*)**

All these funds may invest up to 20% in other AllianzGI mutual funds, subject to UCITS and prospectus rules and internal approvals.

**Allianz Vermögenskonzept SRI Dynamisch,
Allianz Vermögenskonzept SRI Ausgewogen,
Allianz Vermögenskonzept SRI Defensiv (*)**

All these funds may invest up to 30% in other AllianzGI mutual funds, subject to UCITS and prospectus rules and internal approvals.

**Allianz Smart Energy, Allianz Clean Planet,
Allianz Positive Change, Allianz Better World
Defensive, Allianz Better World Dynamic,
Allianz Better World Moderate, Allianz Global
Water, Allianz Food Security,
Allianz Sustainable Health Evolution (*)**

The Better World fund family can invest up to 10% in mutual funds.

Allianz Multi Tempere ISR (*)

Yes, this is a fund of funds.

**Allianz Valeurs Durables, Allianz Actions Euro
Convictions, Allianz Europe Equity SRI,
Allianz Epargne Actions ISR Solidaire, Allianz
Epargne Durable, Allianz Climate Transition (*)**

For these funds it is permitted, however not used by the portfolio management team. It might be used for cash management purposes. In this case, we invest in Allianz Securicash SRI which is an SRI fund.

**Allianz Euro Credit SRI, Allianz Euro Credit SRI Plus,
Allianz Green Bond (*)**

For these funds it is permitted, however not used by the portfolio management team. It might be used for cash management purposes. In this case, we could invest in Allianz Securicash SRI which is an SRI fund.

Allianz Green Transition Bond (*)

The fund can invest in mutual funds up to 10%, however this option has not been used by the portfolio management team. It could be used for cash management purposes.

**Allianz Advanced Fixed Income Euro,
Allianz Advanced Fixed Income Short Duration,
Allianz Euro Rentenfonds (*)**

All 3 funds currently do not invest in target mutual funds but are allowed to do so according to the respective fund prospectus.

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ADM2276657