

# Allianz Cash Balance

Pre-contractual document on sustainable financing

Version of 28 January 2026

Pre-contractual information for financial products referred to in Article 8(1), (2) and (2a) of Regulation (EU) 2019/2088 and in the first paragraph of Article 6 of Regulation (EU) 2020/852, and Article 20 of Delegated Regulation (EU) 2022/1288

The sustainability information contained in this document about the product has been prepared to the best of Allianz Benelux NV's ability. For this, however, Allianz Benelux NV depends on the information on the various sustainability aspects made available by the asset managers. Consequently, the information in this document has been prepared on the basis of the information available up to or today and may be further amended and/or supplemented according to the information provided by the asset managers in the coming years.

## 1. Integrating sustainability risks

### 1.1. How sustainability risks are integrated into their investment decisions

Our understanding of sustainability risks includes environmental, social or governance (ESG) events or situations which, if they occur, could potentially have a material adverse impact on the assets, profitability or reputation of the Allianz Group or any of its subsidiaries. Examples of ESG risks include, but are not limited to, climate change, loss of biodiversity, violation of recognized labour standards and corruption.

Allianz has implemented a Group-wide approach to embed sustainability throughout the investment process for all insurance companies. This means that all customer insurance premiums (with the exception of premiums for unit-linked insurance products) are subject to the same sustainability criteria. This also applies to Allianz Benelux SA and the investment strategy for its insurance investment assets. This Group-wide approach takes sustainability risks into account throughout the investment decision-making process, including asset-liability management, investment strategy, asset manager management, investment monitoring and risk management.

Asset management is carried out by selected asset managers and clear requirements are set for asset managers to take into account sustainability risks.

For investment in insurance investment assets, we follow a comprehensive and well-documented ESG integration approach comprising the following six elements:

- 1) Selection, appointment and monitoring of asset managers
- 2) Identification, analysis and treatment of potential ESG risks
- 3) Active ownership (through engagement and voting<sup>1</sup>)
- 4) Exclusion of certain sectors and companies from insurance investment assets
- 5) Climate change risks and commitment to decarbonization (Paris Climate Agreement 2015)
- 6) Climate resilience testing and scenario analysis

For more details on these points, please consult the dedicated section of our website <https://allianz.be/fr/general/investissement-durable.html>

In addition, for unit-linked insurance products where customers bear the investment risk, and hence the risk of the sustainability of the funds, or other units in which the insurance premium is invested, we generally expect the asset managers of unit-linked funds to be signatories to the Principles for Responsible Investment (PRI) and/or to have their own ESG policy.

### 1.2. The results of the assessment of the likely impact of sustainability risks on the performance of the financial products they make available

At branch 23 level, we take into account sustainability risks on the basis of the Morningstar Sustainability Rating, which assesses the degree of unmanaged sustainability risks relative to the fund's peers. The lower the Morningstar Sustainability Rating, the greater the likelihood that sustainability risks will materialize

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<sup>1</sup> Voting rights are exercised by Allianz GI or external asset managers managing equity mandates on behalf of the Allianz Group.

## 2. The purpose of the product

Allianz Cash Balance is a second pillar product for employees. With this product, the employer can determine their investment policy for financing the pension commitment in accordance with their risk appetite, their population, and their sustainability preferences.

Allianz Benelux S.A. has classified this product under Article 8 of the European Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial sector (SFDR)<sup>2</sup> because it promotes environmental and/or social characteristics. For the product to have the Article 8 SFDR classification, it must invest in at least one of the investment options classified under Article 8 in the list below (point 3 - Our funds) and at least one of these investment options must be maintained during the holding period of the financial product. Depending on the participant's age, the ESG investment option will vary during the term of the agreement. However, the contract will always contain an investment with ESG criteria (Article 8 SFDR) and will end at the statutory retirement age as it is a second pillar contract.

1 other funds are classified article 6 SFDR and 9 funds are classified article 8 SFDR. Therefore, in selecting the 10 fund in the product, we have ensured that performance, risk management, and ESG criteria are combined.

## 3. Our funds

The Allianz Cash Balance product consists of 10 funds, some of which take environmental and/or social characteristics into account. We classify them under article 6 or 8 SFDR.

Categories a,b,c are intended to indicate to what extent you want to invest in sustainable investments (category b), in environmentally sustainable investments (category a) and/or financial instruments that take into account the main negative effects on sustainability factors (category c). For more information on categories a,b,c, please refer to the sectoral notes<sup>3</sup>.

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<sup>2</sup> Article 6 SFDR: the product does not promote environmental and/or social characteristics and does not pursue any sustainable investment objective.  
Article 8 SFDR: the product promotes environmental and/or social characteristics even if this is not its main focus, nor the main focus of the investment process.  
Article 9 SFDR: the product pursues a sustainable investment objective. Sustainable investment is clearly defined and is the focus of the investment process.

<sup>3</sup> <https://www.assuralia.be/fr/infos-secteur/regles-de-conduite/58-fiches-d-intermediation>

Name of the funds	Name of the underlying fund	ISIN code	Asset manager	Article 6 or 8 or 9 SFDR	Categorie a (min %)	Categorie b (min %)	Categorie c	Link of the SFDR Asset manager-page
EB Developed World Screened Equity Tracker	iShares Developed World Screened Index Fund (IE)	IE00BFG1TG02	Blackrock	8	0%	0%	Yes	<a href="https://www.blackrock.com/lu">https://www.blackrock.com/lu</a>
EB Emerging Market Screened Equity Tracker	iShares Emerging Market Screened Equity Index Fund (IE) Flexible Acc EUR	IE00BKPTWY98	Blackrock	8	0%	0%	Yes	<a href="https://www.blackrock.com/lu">https://www.blackrock.com/lu</a>
EB Euro Corporate Bond ESG Tracker	iShares € Corp Bond ESG SRI UCITS ETF Euro	IE000L2TO2T2	Blackrock	8	0%	20.00%	Yes	<a href="https://www.blackrock.com/lu">https://www.blackrock.com/lu</a>
EB Euro Government Bond Climate Tracker	iShares € Govt Bond Climate UCITS ETF Acc EUR	IE00BLDGH553	Blackrock	8	0%	0%	Yes	<a href="https://www.blackrock.com/lu">https://www.blackrock.com/lu</a>
EB Global Bonds ESG	GIS Global Bond ESG Inst EUR (Hdg)-Acc	IE00BYXVX196	PIMCO Global Advisors (Ireland) Limited	8	0%	10.00%	Yes	<a href="https://www.pimco.be/en-be/investments">https://www.pimco.be/en-be/investments</a>
EB Global Equities ESG	Allianz Global Sustainability-WT EUR	LU1766616152	Allianz Global Investors Luxembourg S.A	8	0.01%	50.00%	Yes	<a href="https://regulatory.allianzgi.com/SFDR">https://regulatory.allianzgi.com/SFDR</a>
EB Target Absolute Return	PIMCO GIS Income Fund Institutional EUR (Hdg)	IE00B80G9288	PIMCO Global Advisors (Ireland) Limited	6	-	-	No	<a href="https://www.pimco.be/en-be/investments">https://www.pimco.be/en-be/investments</a>
EB Target Volatility 12	ALLIANZ Strategy 75-CT EUR	LU0352312853	Allianz Global Investors Luxembourg S.A	8	0.01%	1.00%	Yes	<a href="https://regulatory.allianzgi.com/SFDR">https://regulatory.allianzgi.com/SFDR</a>
EB Target Volatility 4	ALLIANZ Strategy 15-CT EUR	LU0398560267	Allianz Global Investors Luxembourg S.A	8	0.01%	1.00%	Yes	<a href="https://regulatory.allianzgi.com/SFDR">https://regulatory.allianzgi.com/SFDR</a>
EB Target Volatility 8	ALLIANZ Strategy 50-CT EUR	LU0352312184	Allianz Global Investors Luxembourg S.A	8	0.01%	1.00%	Yes	<a href="https://regulatory.allianzgi.com/SFDR">https://regulatory.allianzgi.com/SFDR</a>

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

Product name: EB Developed World Screened Equity Tracker  
 ISIN IE00BFG1TG02  
 Version 28/01/2026

Legal entity identifier: 5493003VEXYSMO311195

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

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

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input checked="" type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



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

The Sub-Fund is passively managed and seeks to promote the following environmental and social characteristics by tracking the performance of the MSCI World Screened Index, its Benchmark Index:

1. Exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes;
2. Exclusion of issuers deemed to have violated United Nations Global Compact principles;
3. Exclusion of issuers deemed to be involved in very severe ESG related controversies;
4. Exclusion of issuers deemed to be involved in severe or very severe environmental controversies relating to biodiversity and land use and supply chain management; and
5. Targeted reduction in carbon emission intensity.

These environmental and social characteristics are incorporated through the selection of constituents in the Sub-Fund's Benchmark Index at each index rebalance (as described below). The Benchmark Index excludes issuers from the MSCI World Index (the "Parent Index") based on their involvement in certain activities deemed to have negative environmental or social outcomes. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities):

- controversial weapons
- nuclear weapons
- civilian firearms
- tobacco

- thermal coal power
- fossil fuel extraction
- palm oil production or distribution
- arctic oil and gas extraction

The index provider defines what constitutes “involvement” in each restricted activity. This may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Benchmark Index also excludes issuers from the Parent Index which are classified as violating United Nations Global Compact principles (which are widely accepted corporate sustainability principles that meet fundamental responsibilities in areas such as anti-corruption, human rights, labour and environmental) and/or which have a ‘red’ MSCI ESG controversy flag (based on an MSCI ESG controversy score of 0). An MSCI ESG controversy score measures an issuer’s involvement (or alleged involvement) in serious controversies based on an assessment of an issuer’s operations, products and/or services which are deemed to have a negative ESG impact. An MSCI ESG controversy score may consider involvement in adverse impact activities in relation to environmental issues such as biodiversity and land use, energy and climate change, water stress, supply chain management, toxic emissions and waste issues. An MSCI controversy score may also consider involvement in adverse impact activities in relation to social issues such as human rights, labour management relations, discrimination and workforce diversity. Companies with an ‘orange’ MSCI ESG controversy flag (based on an MSCI ESG controversy score of 1) which have been determined to be involved in severe or very severe environmental controversies relating to (1) land use and biodiversity, or (2) supply chain management, are also excluded from the Benchmark Index. In addition, companies which have been identified as having a ‘red’ MSCI ESG controversy flag, or which have been classified as violating United Nations Global Compact principles, may also be removed from the Benchmark Index in between index rebalances in accordance with the index methodology. The Benchmark Index also seeks to reduce the carbon emissions intensity by 30%, relative to the Parent Index at each index rebalance.

For more information on where details of the methodology of the Benchmark Index can be found see [Where can the methodology used for the calculation of the designated index be found?](#) below.

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

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

The following sustainability indicators form part of the ESG selection criteria of the Benchmark Index tracked by the Sub-Fund:

1. The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes as described above (see What environmental and/or social characteristics are promoted by this financial product?).
2. The exclusion of companies classified as violating United Nations Global Compact principles as described above (see What environmental and/or social characteristics are promoted by this financial product?).
3. The exclusion of companies identified as being involved in ESG related controversies as described above (see What environmental and/or social characteristics are promoted by this financial product?).
4. The carbon emission intensity as described above (see What environmental and/or social characteristics are promoted by this financial product?).
5. The consideration of the principal adverse impacts on sustainability factors as identified in the table below (see Does this financial product consider principal adverse impacts on sustainability factors?).

The ESG selection criteria of the Benchmark Index is applied by the index provider at each index rebalance. At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Sub-Fund is also rebalanced in line with its Benchmark Index. Where the Sub-Fund's portfolio ceases to meet any of these characteristics in between index rebalances, the Sub-Fund's portfolio will be re-aligned at the next index rebalance (or as soon as possible and practicable thereafter) in accordance with the Benchmark Index. Where a constituent is removed from the Benchmark Index in between index rebalances, the Fund's portfolio will be re-aligned thereafter as soon as possible and practicable (in the Investment Manager's view) to align with the Benchmark Index.

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

This Sub-Fund does not commit to investing in sustainable investments.

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

Not applicable as the Sub-Fund does not commit to investing in sustainable investments.

***How have the indicators for adverse impacts on sustainability factors been taken into account?***

Not applicable as the Sub-Fund does not commit to investing in sustainable investments.

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

Not applicable as the Sub-Fund does not commit to investing in sustainable investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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



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

Yes

Yes, the Sub-Fund takes into consideration principal adverse impacts on sustainability factors by tracking the Benchmark Index which incorporates certain ESG criteria in the selection of index constituents. The Investment Manager has determined that those principal adverse impacts (PAIs) marked as “X” in the table below are considered as part of the selection criteria of the Benchmark Index at each index rebalance.

The Sub-Fund’s annual report will include information on the principal adverse impacts on sustainability factors set out below.

	PAI Description	Benchmark Index Selection Criteria				
		Minimum % reduction of carbon emission intensity	Exclusion of issuers based on certain environmental screens (listed above)	Exclusion of issuers based on an MSCI ESG controversy score	Exclusion of issuers classified as violating United Nations Global Compact Principles	Exclusion of issuers determined to have any tie to controversial weapons
Greenhouse Gas (GHG) emissions	1. (a) GHG emissions (Scope 1/2)	X				
	1.(b) GHG emissions (Scope 3)	X				
	2. Carbon footprint					
	3. GHG intensity	X				
	4. % in Fossil Fuels		X			
	5. Non-Renewable / Renewable %					
Biodiversity	6. High impact sector energy consumption					
	7. Negative impact to Biodiversity sensitive areas			X		
Water	8. Emissions to Water			X		
Waste	9. Hazardous Waste			X		
Social and employee matters	10. UNGC+OECD Violations			X	X	
	11. UNGC+OECD Process, Monitoring					
	12. Unadjusted gender pay gap					
	13. Board gender diversity					
	14. Controversial weapons					X

No



## What investment strategy does this financial product follow?

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

The investment policy of the Sub-Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics of its Benchmark Index. The index methodology of its Benchmark Index is described above (see What environmental and/or social characteristics are promoted by this financial product?).

By investing in the constituents of its Benchmark Index, the Sub-Fund's investment strategy enables it to comply with the ESG requirements of its Benchmark Index as determined by the index provider. In the event that any investments cease to comply, the Sub-Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Sub-Fund may use optimisation techniques in order to achieve a similar return to the Benchmark Index which means that it is permitted to invest in securities that are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. If the Sub-Fund does so, its investment strategy is to invest in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase. If such securities cease to comply with the ESG requirements of the Benchmark Index, the Sub-Fund may hold such securities only until the next portfolio rebalance and when it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The strategy is implemented at each portfolio rebalance of the Sub-Fund, which follows the index rebalance of its Benchmark Index.

### Governance Processes

The Investment Manager carries out due diligence on the index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of good governance criteria set out by the SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies.

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

The binding elements of the investment strategy are that the Sub-Fund will invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics of its Benchmark Index.

As the Sub-Fund is able to use optimisation techniques and may invest in securities that are not underlying constituents of the Benchmark Index, where it does so, its investment strategy is to invest only in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase.

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Sub-Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and/or it is possible and practicable (in the Investment Manager's view) to liquidate the position.

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

There is no committed minimum rate to reduce the scope of the Sub-Fund's investments.

The Sub-Fund's Benchmark Index seeks to reduce the number of constituents from the starting universe through the application of the ESG selection criteria. However, there is no minimum rate of reduction applied or targeted by the index provider in the selection of constituents for the Benchmark Index.

The rate of reduction may vary over time depending on the issuers that make up the starting universe. For example, if issuers in the starting universe engage in fewer activities that are excluded from the

starting universe based on the ESG selection criteria applied by the Benchmark Index, the rate of reduction may reduce over time. Conversely, if the index provider increases the ESG selection criteria in the Benchmark Index as ESG standards evolve, the rate of reduction may increase over time.

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

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

Good governance checks are incorporated within the methodology of the Benchmark Index. In accordance with the methodology of the Benchmark Index, the index provider excludes companies from the Benchmark Index based on an ESG controversy score (which measures an issuer's involvement in ESG related controversies) and excludes companies that are classified as violating United Nations Global Compact principles (see What environmental and/or social characteristics are promoted by this financial product? above). Companies that cannot be assessed by the index provider for an ESG controversy score where data is not available are also excluded from the Benchmark Index.



### What is the asset allocation planned for this financial product?

**Asset allocation** describes the share of investments in specific assets.

The Sub-Fund seeks to invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index.

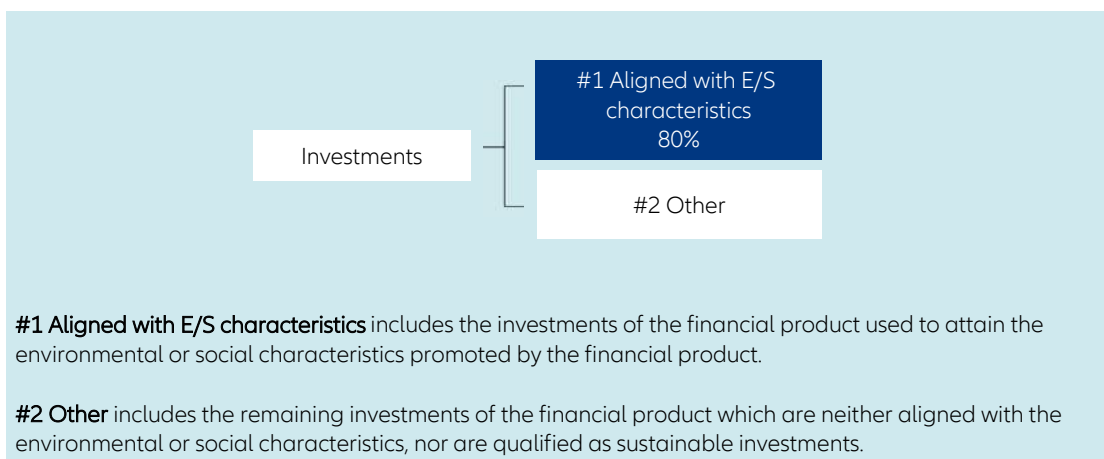
It is expected that at least 80% of the Sub-Fund assets will be invested in either securities within the Benchmark Index or in securities that meet the ESG selection criteria of the Benchmark Index. As such, at each index rebalance (or as soon as reasonably practicable thereafter), the portfolio of the Sub-Fund will be rebalanced in line with its Benchmark Index so that at least 80% of the Sub-Fund's assets will be aligned with the ESG characteristics of the Benchmark Index (as determined at that rebalance).

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Sub-Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index (or as soon as reasonably practicable thereafter) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Sub-Fund may invest up to 20% of its assets in other investments ("#2 Other").

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

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

The Sub-Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the environmental or social characteristics promoted by the Sub-Fund. Where the Sub-Fund uses derivatives for promoting environmental or social characteristics, any ESG rating or analyses referenced above will apply to the underlying investment.



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

This Sub-Fund does not currently commit to investing more than 0% of its assets in investments in

environmentally sustainable economic activities within the meaning of the Taxonomy Regulation.

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

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

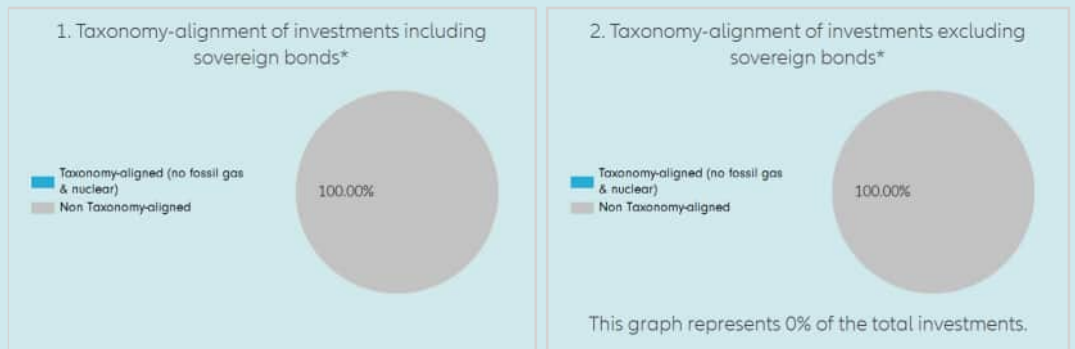
**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes  In fossil gas  In nuclear energy
- No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

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



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

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

This Sub-Fund does not currently commit to investing more than 0% of its assets in investments in transitional and enabling activities within the meaning of the Taxonomy Regulation.



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



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

Not applicable as the Sub-Fund does not commit to investing in sustainable investments with an environmental objective.



### What is the minimum share of socially sustainable investments?

This Sub-Fund does not currently commit to investing more than 0% of its assets in investments in socially sustainable investments.

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



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

Other holdings may include cash, money market funds and derivatives. Such investments may only be used for the purpose of efficient portfolio management, except for derivatives used for currency hedging for any currency hedged share class.

Any ESG exclusionary criteria applied by the index provider will apply only to the derivatives relating to individual issuers used by the Sub-Fund. Derivatives based on financial indices, interest rates, or foreign exchange instruments will not be considered against minimum environmental or social safeguards.



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

Yes, this Sub-Fund seeks to achieve the environmental and social characteristics it promotes by tracking the performance of the MSCI Emerging Markets ex Select Controversies Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.

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

At each index rebalance, the index provider applies the ESG selection criteria to the Parent Index to exclude issuers that do not meet such ESG selection criteria.

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

At each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Sub-Fund is also rebalanced in line with its Benchmark Index.

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

The Benchmark Index excludes issuers that do not meet its ESG selection criteria from its Parent Index, which is a broad market index. The ESG selection criteria that is excluded is set out above (see What environmental and/or social characteristics are promoted by this financial product?) above.

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

The methodology of the Sub-Fund's Benchmark Index can be found by copying and pasting the following link into your web browser:

<https://www.msci.com/index/methodology/latest/Worldexselectcontroversies>.

The methodology of the Sub-Fund's Benchmark Index can also be found on the index provider's website at <https://www.msci.com/index-methodology>.



## Where can I find more product specific information online?

More product-specific information can be found on the website:

For further details specific to this Sub-Fund, please refer to the sections of this prospectus entitled 'Investment Objective' and 'Investment Policy', 'SFDR' and also the product page for the Sub-Fund, which can be found by typing the name of the Sub-Fund into the search bar on the iShares website: [www.iShares.com](http://www.iShares.com), or other product-specific information can be found on the website:

<https://allianz.be/fr/general/investissement-durable.html>

<https://allianz.be/nl/algemeen/duurzaam-beleggen.html>

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

Product name: EB Emerging Market Screened Equity Tracker  
 ISIN IE00BKPTWY98  
 Version 28/01/2026

Legal entity identifier: 549300JQN60FY4XALB24

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

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## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input checked="" type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



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

The Sub-Fund is passively managed and seeks to promote the following environmental and social characteristics by tracking the performance of the MSCI Emerging Markets ex Select Controversies Index, its Benchmark Index:

1. Exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes;
2. Exclusion of issuers deemed to have violated United Nations Global Compact principles; and
3. Exclusion of issuers deemed to be involved in very severe ESG related controversies;

These environmental and social characteristics are incorporated through the selection of constituents in the Sub-Fund's Benchmark Index at each index rebalance (as described below). The Benchmark Index excludes issuers from the MSCI Emerging Markets Index (the "Parent Index") based on their involvement in certain activities deemed to have negative environmental or social outcomes. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities):

- controversial weapons
- nuclear weapons

- civilian firearms
- tobacco
- thermal coal
- oil sands

The index provider defines what constitutes “involvement” in each restricted activity. This may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Benchmark Index also excludes issuers from the Parent Index which are classified as violating United Nations Global Compact principles (which are widely accepted corporate sustainability principles that meet fundamental responsibilities in areas such as anti-corruption, human rights, labour and environmental) and/or which have a ‘red’ MSCI ESG controversy flag (based on an MSCI controversy score). An MSCI controversy score measures an issuer’s involvement (or alleged involvement) in serious controversies based on an assessment of an issuer’s operations and/or products which are deemed to have a negative ESG impact. An MSCI controversy score may consider involvement in adverse impact activities in relation to environmental issues such as biodiversity and land use, energy and climate change, water stress, toxic emissions and waste issues. An MSCI controversy score may also consider involvement in adverse impact activities in relation to social issues such as human rights, labour management relations, discrimination and workforce diversity.

For more information on where details of the methodology of the Benchmark Index can be found see *Where can the methodology used for the calculation of the designated index be found?* below.

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

The following sustainability indicators form part of the ESG selection criteria of the Benchmark Index tracked by the Sub-Fund:

1. The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes as described above (see *What environmental and/or social characteristics are promoted by this financial product?*).
2. The exclusion of companies classified as violating United Nations Global Compact principles by the Benchmark Index as described above (see *What environmental and/or social characteristics are promoted by this financial product?*).
3. The exclusion of companies identified as being involved in ESG related controversies as described above (see *What environmental and/or social characteristics are promoted by this financial product?*).
4. The consideration of the principal adverse impacts on sustainability factors as identified in the table below (see *Does this financial product consider principal adverse impacts on sustainability factors?*).

The ESG selection criteria of the Benchmark Index is applied by the index provider at each index rebalance. At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Sub-Fund is also rebalanced in line with its Benchmark Index. Where the Sub-Fund’s portfolio ceases to meet any of these characteristics in between index rebalances, the Sub-Fund’s portfolio will be re-aligned at the next index rebalance (or as soon as possible and practicable thereafter) in accordance with the Benchmark Index.

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

This Sub-Fund does not commit to investing in sustainable investments.

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

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

Not applicable as the Sub-Fund does not commit to investing in sustainable investments.

**How have the indicators for adverse impacts on sustainability factors been taken into account?**

Not applicable as the Sub-Fund does not commit to investing in sustainable investments.

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

Not applicable as the Sub-Fund does not commit to investing in sustainable investments.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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



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

Yes

Yes, the Sub-Fund takes into consideration principal adverse impacts on sustainability factors by tracking the Benchmark Index which incorporates certain ESG criteria in the selection of index constituents. The Investment Manager has determined that those principal adverse impacts (PAIs) marked as ‘X’ in the table below are considered as part of the selection criteria of the Benchmark Index at each index rebalance.

The Sub-Fund’s annual report will include information on the principal adverse impacts on sustainability factors set out below.

	PAI Description	Benchmark Index Selection Criteria			
		Exclusion of issuers based on certain environmental screens (listed above)	Exclusion of issuers based on an MSCI ESG controversy score	Exclusion of issuers classified as violating United Nations Global Compact Principles	Exclusion of issuers determined to have any tie to controversial weapons
Greenhouse Gas (GHG) emissions	1. (a) GHG emissions (Scope 1/2)				
	1.(b) GHG emissions (Scope 3)				
	2. Carbon footprint				
	3. GHG intensity				
	4. % in Fossil Fuels	X			
	5. Non-Renewable / Renewable %				
	6. High impact sector energy consumption				
Biodiversity	7. Negative impact to Biodiversity sensitive areas		X		
Water	8. Emissions to Water		X		
Waste	9. Hazardous Waste		X		
Social and employee matters	10. UNGC+OECD Violations			X	
	11. UNGC+OECD Process, Monitoring				
	12. Unadjusted gender pay gap				
	13. Board gender diversity				
	14. Controversial weapons				X

No



## What investment strategy does this financial product follow?

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

The investment policy of the Sub-Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index which incorporates certain ESG criteria in the selection of constituents. The index methodology of its Benchmark Index is described above (see What environmental and/or social characteristics are promoted by this financial product?).

The Sub-Fund seeks to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index where possible and practicable.

By investing in the constituents of its Benchmark Index, the Sub-Fund's investment strategy enables it to comply with the ESG requirements of its Benchmark Index as determined by the index provider. In the event that any investments cease to comply, the Sub-Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The strategy is implemented at each portfolio rebalance of the Sub-Fund, which follows the index rebalance of its Benchmark Index.

### Governance Processes

The Investment Manager carries out due diligence on the index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of good governance criteria set out by the SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies.

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

The binding elements of the investment strategy are that the Sub-Fund will invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics of its Benchmark Index.

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Sub-Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

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

There is no committed minimum rate to reduce the scope of the Fund's investments.

The Sub-Fund's Benchmark Index seeks to reduce the number of constituents from the Parent Index through the application of the ESG selection criteria. However, there is no minimum rate of reduction applied or targeted by the index provider in the selection of constituents for the Benchmark Index.

The rate of reduction may vary over time depending on the issuers that make up the Parent Index. For example, if issuers in the Parent Index engage in fewer activities that are excluded from the Parent Index based on the ESG selection criteria applied by the Benchmark Index, the rate of reduction may reduce over time. Conversely, if the index provider increases the ESG selection criteria in the Benchmark Index as ESG standards evolve, the rate of reduction may increase over time.

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

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

Good governance checks are incorporated within the methodology of the Benchmark Index. At each index rebalance, the index provider excludes companies from the Benchmark Index based on an ESG controversy score (which measures an issuer's involvement in ESG related controversies) and excludes companies that are classified as violating United Nations Global Compact principles (see What environmental and/or social characteristics are promoted by this financial product? above).



### **What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in specific assets.

The Sub-Fund seeks to invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index.

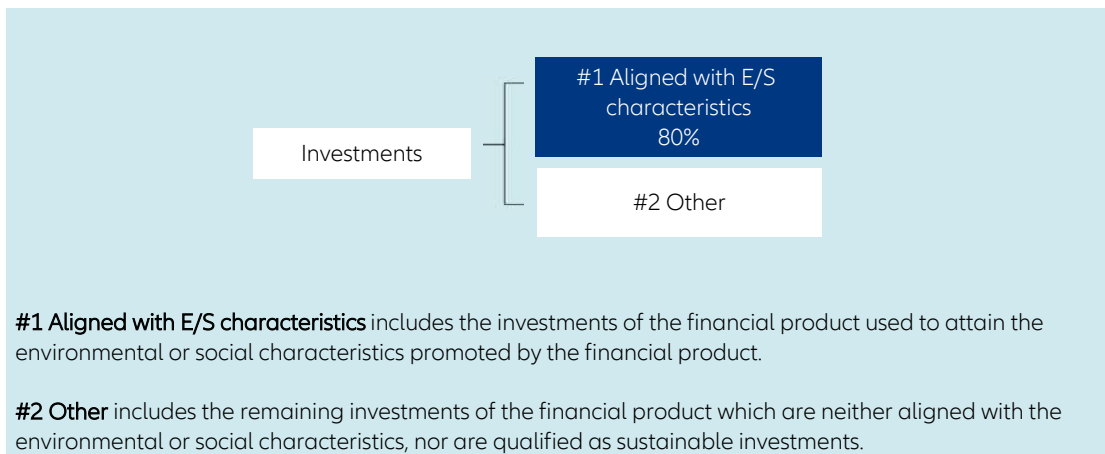
It is expected that at least 80% of the Sub-Fund's assets will be invested in securities within the Benchmark Index. As such, at each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Sub-Fund will be rebalanced in line with its Benchmark Index so that at least 80% of the Sub-Fund's assets will be aligned with the ESG characteristics of the Benchmark Index (as determined at that rebalance).

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Sub-Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Sub-Fund may invest up to 20% of its total assets in other investments ('#2 Other').

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

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

The Sub-Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the environmental or social characteristics promoted by the Sub-Fund. Where the Sub-Fund uses derivatives for promoting environmental or social characteristics, any ESG rating or analyses referenced above will apply to the underlying investment.



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

This Sub-Fund does not currently commit to investing more than 0% of its assets in investments in environmentally sustainable economic activities within the meaning of the Taxonomy Regulation.

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

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

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

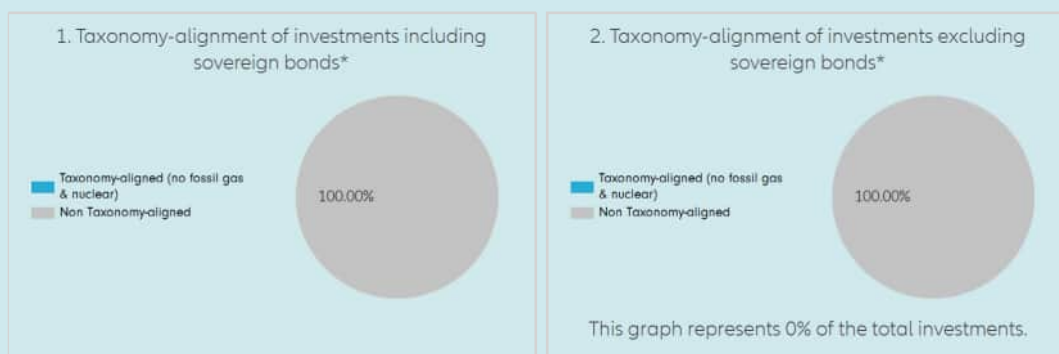
### Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes  In fossil gas  In nuclear energy

No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU taxonomy.

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



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

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

This Sub-Fund does not currently commit to investing more than 0% of its assets in investments in transitional and enabling activities within the meaning of the taxonomy Regulation.



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



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

Not applicable as the Sub-Fund does not commit to investing in sustainable investments with an environmental objective.



### What is the minimum share of socially sustainable investments?

This Sub-Fund does not currently commit to investing more than 0% of its assets in investments in socially sustainable investments.

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



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

Other holdings may include cash, money market funds and derivatives. Such investments may only be used for the purpose of efficient portfolio management, except for derivatives used for currency hedging for any currency hedged share class.

Any ESG exclusionary criteria applied by the index provider will apply only to the derivatives relating to individual issuers used by the Sub-Fund. Derivatives based on financial indices, interest rates, or foreign exchange instruments will not be considered against minimum environmental or social safeguards.



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

Yes, this Sub-Fund seeks to achieve the environmental and social characteristics it promotes by tracking the performance of the MSCI Emerging Markets ex Select Controversies Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.

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

At each index rebalance, the index provider applies the ESG selection criteria to the Parent Index to exclude issuers that do not meet such ESG selection criteria.

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

At each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Sub-Fund is also rebalanced in line with its Benchmark Index.

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

The Benchmark Index excludes issuers that do not meet its ESG selection criteria from its Parent Index, which is a broad market index. The ESG selection criteria that is excluded is set out above (see What environmental and/or social characteristics are promoted by this financial product?) above.

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

The methodology of the Sub-Fund's Benchmark Index can be found by copying and pasting the following link into your web browser:

<https://www.msci.com/index/methodology/latest/Worldexselectcontroversies>.

The methodology of the Sub-Fund's Benchmark Index can also be found on the index provider's website at

<https://www.msci.com/index-methodology>.



## Where can I find more product specific information online?

More product-specific information can be found on the website:

For further details specific to this Sub-Fund, please refer to the sections of this prospectus entitled 'Investment Objective' and 'Investment Policy', 'SFDR' and also the product page for the Sub-Fund, which can be found by typing the name of the Sub-Fund into the search bar on the iShares website: [www.iShares.com](http://www.iShares.com), or other product-specific information can be found on the website:

<https://allianz.be/fr/general/investissement-durable.html>

<https://allianz.be/nl/algemeen/duurzaam-beleggen.html>

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

Product name:  
EB Euro Corporate Bond ESG Tracker  
ISIN IE000L2TO2T2  
Version 28/01/2026

Legal entity identifier:  
54930041E5EPRL6LTH97

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

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

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



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

The Fund is passively managed and seeks to promote the following environmental and social characteristics by tracking the performance of the Bloomberg MSCI Euro Corporate ESG SRI Index, its Benchmark Index:

1. Exclusion of issuers deemed to be involved in certain activities considered to have negative environmental and/or social outcomes;
2. Exclusion of issuers deemed to be involved in very severe ESG related controversies;
3. Exclusion of issuers considered to be lagging industry peers in their high exposure and failure to manage significant ESG risks (based on an ESG rating); and
4. Exposure to investments qualifying as sustainable investments.

These environmental and social characteristics are incorporated through the selection of constituents in the Fund's Benchmark Index at each index rebalance (as described below).

The Benchmark Index excludes issuers based on their involvement in certain activities deemed to have negative environmental or social outcomes. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities):

- alcohol
- tobacco
- gambling
- adult entertainment

- genetically modified organisms (GMO)
- nuclear power
- civilian firearms
- conventional weapons
- controversial weapons
- nuclear weapons
- thermal coal
- fossil fuels

The index provider defines what constitutes “involvement” in each restricted activity. This may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Benchmark Index also excludes issuers with a ‘red’ MSCI ESG controversy flag (based on an MSCI ESG controversy score of 0). An MSCI ESG controversy score measures an issuer’s involvement (or alleged involvement) in serious controversies based on an assessment of an issuer’s operations, products and/or services which are deemed to have a negative ESG impact. An MSCI ESG controversy score may consider involvement in adverse impact activities in relation to environmental issues such as biodiversity and land use, energy and climate change, water stress, toxic emissions and waste issues. An MSCI ESG controversy score may also consider involvement in adverse impact activities in relation to social issues such as human rights, labour management relations, discrimination and workforce diversity.

To be included in the Benchmark Index, issuers must have an MSCI ESG rating and the rating must be BBB or higher. An MSCI ESG rating is designed to measure an issuer’s resilience to long-term industry material ESG risks and how well it manages ESG risks and opportunities relative to industry peers. The index provider may consider the following environmental themes when determining an issuer’s ESG score as part of the ESG rating methodology: climate change mitigation based on greenhouse gas emissions, waste and other emissions, land use and biodiversity. The index provider may also consider the following social themes when determining an issuer’s ESG score as part of the ESG rating methodology: access to basic services, community relations, data privacy and security, human capital, health and safety and product governance. The MSCI ESG rating methodology recognises that certain environmental and social issues are more material based on the type of activity that the issuer is involved in by weighting the issues differently in the scoring methodology. Those issuers with higher MSCI ESG scores are determined by the index provider to be those issuers that may be better positioned to manage future ESG-related challenges and risks compared to their industry peers.

In addition, the Benchmark Index applies exclusions consistent with the outcomes of the EU Paris-aligned Benchmark Exclusions.

The EU Paris-aligned Benchmark Exclusions promote limiting global temperature rises within the targets set in the Paris Agreement by excluding investments in companies that have 1% or more of their revenue deriving from exploration, mining, extraction, distribution, or refining of hard coal and lignite; have 10% or more of their revenue deriving from the exploration, extraction, distribution or refining of oil fuels; have 50% or more of their revenue deriving from the exploration, extraction, manufacturing, or distribution of gaseous fuel; or have 50% or more of their revenue deriving from electricity generation having a greenhouse gas intensity greater than 100g CO<sub>2</sub> e/kWh.

The EU Paris-aligned Benchmark Exclusions also promote social characteristics related to (a) reduction of the availability of weapons by excluding investment in companies with involvement in activities related to controversial weapons; (b) better health and well-being by excluding investment in companies involved in the cultivation and/or production of tobacco; and (c) support for human rights, labour standards, the environment and anti- corruption by excluding investment in in companies deemed to have failed to comply with the 10 UN Global Compact (UNGC) Principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

In order to achieve the outcomes as outlined above, we rely on data used by the index provider.

The Benchmark Index may hold Green, Social and Sustainability (GSS) bonds issued by a company. In accordance with regulatory guidance, such investments in GSS bonds (if held by the Benchmark Index) will, instead of being subject to all the EU Paris-aligned Benchmark Exclusions at issuer level, be subject to:

- the EU Paris-aligned Benchmark Exclusions relating to UNGC and OECD violations (as described in (c) above) at the issuer level; and
- the other EU Paris-aligned Benchmark Exclusions described above at the level of the economic activities financed by the GSS bond.

The Fund may gain indirect exposure for non-investment purposes (through, including but not limited to, derivatives and shares or units of Collective Investment Schemes (“CIS”)) to issuers with exposures that are inconsistent with the EU Paris-aligned Benchmark Exclusions described above. Circumstances in which such indirect exposure may arise include, but are not limited to, where a counterparty to a FDI in which the Fund invests posts collateral which is inconsistent with the Benchmark Index’s ESG criteria or where a CIS in which the Fund invests does not apply any or the same ESG criteria as the Benchmark Index and so provides exposure to securities which are inconsistent with the Benchmark Index’s ESG criteria.

For more information on where details of the methodology of the Benchmark Index can be found please see Where can the methodology used for the calculation of the designated index be found? (below)

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

The following sustainability indicators form part of the ESG selection criteria of the Benchmark Index tracked by the Fund:

1. The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes as described above (see What environmental and/or social characteristics are promoted by this financial product?).
2. The exclusion of issuers identified as being involved in ESG related controversies as described above (see What environmental and/or social characteristics are promoted by this financial product?).
3. The exclusion of issuers with a weighted-average industry-adjusted MSCI ESG rating below the minimum threshold as described above (see What environmental and/or social characteristics are promoted by this financial product?).
4. The Fund’s investments qualifying as sustainable investments as described below (see What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?).
5. The consideration of the principal adverse impacts on sustainability factors as identified in the table below (see Does this financial product consider principal adverse impacts on sustainability factors?).

The ESG selection criteria of the Benchmark Index is applied by the index provider at each index rebalance and the Benchmark Index seeks to achieve its stated targets. At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index. Where the Fund’s portfolio ceases to meet any of these characteristics in between index rebalances, the Fund’s portfolio will be re-aligned at the next index rebalance (or as soon as possible and practicable thereafter) in accordance with the Benchmark Index.

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

The Fund’s investments qualifying as sustainable investments may be in:

1. Fixed income securities which have been classified as “green bonds”;
2. Issuers involved in activities deemed to contribute to positive environmental and/or social impacts; or
3. Issuers which have committed to one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi).

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

The index provider may allocate a proportion of the Benchmark Index to securities classified as green bonds under the index methodology. The Benchmark Index defines green bonds as fixed income securities the proceeds of which are exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes. In accordance with the Benchmark Index methodology, securities (whether or not labelled as green by the issuer) are independently evaluated under the following four criteria to determine whether they should be classified as green bonds: (i) stated use of proceeds; (ii) process for green project evaluation and selection; (iii) process for management of proceeds; and (iv) commitment to ongoing reporting of the environmental performance of the use of proceeds. To be considered a green bond for the purpose of the index methodology, all four criteria must be met for bonds issued after the publication of the Green Bond Principles (an agreement among market participants on a set of standards for the green credentials of labelled issuance), although bonds issued prior to that date that do not satisfy all four criteria may still qualify for inclusion in the Benchmark Index.

The index provider may also allocate a proportion of the Benchmark Index to issuers that either: (1) derive a minimum percentage of their revenue from products or services with positive impacts on the environment and/or society, or (2) have one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi).

The Benchmark Index uses the MSCI ESG Sustainable Impact Metrics which aim to measure revenue exposure to positive sustainable impacts in line with the United Nations' Sustainable Development Goals, the European Union Taxonomy and other sustainability-related frameworks. The MSCI ESG Sustainable Impact Metrics consider positive environmental impacts in relation to themes such as climate change and natural capital and seek to identify those issuers that may derive revenues from activities (or related activities) such as alternative energy, energy efficiency and green building, sustainable water, pollution prevention and control and sustainable agriculture. The MSCI ESG Sustainable Impact Metrics also consider positive societal impacts in relation to themes such as basic needs and empowerment and seek to identify those issuers that may derive revenues from activities (or related activities) such as nutrition, major disease treatments, sanitation, affordable real estate, small and medium enterprises (SMEs), education and connectivity.

The environmental and social themes together with the revenue alignment thresholds are determined by the index provider and are applied at each index rebalance of the Benchmark Index.

The Benchmark Index also seeks to identify constituents with a commitment to one or more active carbon emissions reduction target(s) approved by the SBTi. The SBTi seeks to provide a clearly defined pathway for issuers and financial institutions to reduce greenhouse gas (GHG) emissions to align with the goals of the Paris Agreement and help prevent the worst impacts of climate change.

The sustainable investments within the Fund may contribute to either an environmental objective or a social objective or a combination of the two. The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the issuers within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.

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

At each index rebalance, all investments qualifying as sustainable investments are screened by the index provider against certain minimum environmental and social indicators. As part of the screening criteria applied by the index provider, issuers are assessed on their involvement in activities deemed to have highly negative environmental and social impacts. Where an issuer has been identified by the index provider as being involved in activities with highly negative environmental and social impacts, it shall not be eligible as a sustainable investment.

For bonds qualifying as green bonds, the assessment is carried out by the index provider at an issuance level based on the use of the proceeds of the bonds which must be formally and exclusively applied to promote climate or other environmental sustainability purposes. In addition, certain minimum safeguards and eligibility exclusions are applied by the index provider in the selection of green bonds to avoid exposure to bonds associated with activities deemed to have highly negative environmental and societal impacts.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The mandatory indicators for adverse impacts on sustainability factors (as set out in the Regulatory Technical Standards (RTS) under the SFDR) are considered at each index rebalance through the screening criteria applied by the index provider in the selection of index constituents qualifying as sustainable investments.

As a result of the screening criteria applied by the index provider, the following investments within the Benchmark Index shall not qualify as sustainable investments:

1. Issuers deriving a minimum % revenue from thermal coal (as determined by the index provider) which is significantly carbon intensive and a major contributor to greenhouse gas emissions (taking into account indicators relating to GHG emissions),
2. Issuers with an 'orange' MSCI ESG controversy score of 1 or below that have been deemed to be involved in severe or very severe ESG related controversies (including in relation to indicators concerning greenhouse gas emissions, biodiversity, water, waste and social and employee matters), and (3) issuers with an MSCI ESG rating of B or below, which are deemed to be lagging industry peers based on their high exposure and failure to manage significant ESG risks (including in relation to indicators concerning greenhouse gas emissions, biodiversity, water, waste, unadjusted gender pay gap and board gender diversity).

In respect of green bonds, the indicators for adverse impacts on sustainability factors are taken into account at each index rebalance and are assessed by the index provider at the issuance level based on an assessment of the use of proceeds of the bonds which must be formally and exclusively applied to promote climate or other environmental sustainability purposes. In addition, minimum safeguards and eligibility exclusions are applied by the index provider in the selection of green bonds to ensure the proceeds of which are not applied to activities with highly negative environmental and social outcomes. This includes through the minimum safeguards and eligibility exclusions of bonds with the use of proceeds linked to thermal coal extraction and power generation, significant biodiversity loss and controversial weapons.

The Benchmark Index also excludes: (1) issuers with a 'red' MSCI ESG controversy flag which includes issuers determined to be in violation of international and/or national standards (taking into account indicators concerning violations of United Nations Global Compact principles and OECD Guidelines for Multinational Enterprises), and (2) issuers determined to have any tie to controversial weapons (taking into account indicators concerning ties to controversial weapons).

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

The Fund's Benchmark Index excludes issuers with a 'red' ESG controversy flag which excludes issuers which have been determined by the index provider to be in violation of the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises.

The Benchmark Index applies the above exclusionary criteria at each index rebalance.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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



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

Yes

Yes, the Fund takes into consideration principal adverse impacts on sustainability factors by tracking the Benchmark Index which incorporates certain ESG criteria in the selection of index constituents. The Investment Manager has determined that those principal adverse impacts (PAIs) marked as 'X' in the table below are considered as part of the selection criteria of the Benchmark Index at each index rebalance.

The Fund's annual report will include information on the principal adverse impacts on sustainability factors set out below.

	PAI Description	Benchmark Index Selection Criteria		
		Exclusion of issuers based on certain environmental screens (listed above)	Exclusion of issuers based on an MSCI ESG controversy flag	Exclusion of issuers determined to have any tie to controversial weapons
Greenhouse Gas (GHG) emissions	1.(a) GHG emissions (Scope 1/2)	X		
	1.(b) GHG emissions (Scope 3)	X		
	2. Carbon footprint	X		
	3. GHG intensity	X		
	4. % in Fossil Fuels	X		
	5. Non-Renewable / Renewable %	X		
	6. High impact sector energy consumption			
Biodiversity	7. Negative impact to Biodiversity sensitive areas		X	
Water	8. Emissions to Water		X	
Waste	9. Hazardous Waste		X	
Social and employee matters	10. UNGC + OECD Violations		X	
	11. UNGC + OECD Process, Monitoring			
	12. Unadjusted gender pay gap			
	13. Board gender diversity			
	14. Controversial weapons			X

No



## What investment strategy does this financial product follow?

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

The investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consists of the component securities of the Benchmark Index which incorporates certain ESG criteria including the EU Paris- aligned Benchmark Exclusions applied in the selection of constituents. The index methodology of its Benchmark Index is described above (see What environmental and/or social characteristics are promoted by this financial product?).

By investing in the constituents of its Benchmark Index, the Fund's investment strategy enables it to comply with the ESG requirements of its Benchmark Index as determined by the index provider. In the event that any investments cease to comply, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Fund may use optimisation techniques in order to achieve a similar return to the Benchmark Index which means that it is permitted to invest in securities that are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. If the Fund does so, its investment strategy is to invest only in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase. If such securities cease to comply with the ESG requirements of the Benchmark Index, the Fund may hold such securities only until the next portfolio rebalance and when it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The strategy is implemented at each portfolio rebalance of the Fund, which follows the index rebalance of its Benchmark Index.

### Governance Processes

The Investment Manager carries out due diligence on the index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of good governance criteria set out by the SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies.

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

The binding elements of the investment strategy are that the Fund will invest in a portfolio of fixed income securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics including the EU Paris-aligned Benchmark Exclusions applied by its Benchmark Index.

As the Fund is able to use optimisation techniques and may invest in securities that are not underlying constituents of the Benchmark Index, where it does so, its investment strategy is to invest in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase.

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and/or it is possible and practicable (in the Investment Manager's view) to liquidate the position.

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

There is no committed minimum rate to reduce the scope of the Fund's investments.

The Fund's Benchmark Index seeks to reduce the number of constituents from the starting universe through the application of the ESG selection criteria. However, there is no minimum rate of reduction applied or targeted by the index provider in the selection of constituents for the Benchmark Index.

The rate of reduction may vary over time depending on the issuers that make up the starting universe. For example, if issuers in the starting universe engage in fewer activities that are excluded from the starting universe based on the ESG selection criteria applied by the Benchmark Index, the rate of reduction may reduce over time. Conversely, if the index provider increases the ESG selection criteria in the Benchmark Index as ESG standards evolve, the rate of reduction may increase over time.

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

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

Good governance checks are incorporated within the methodology of the Benchmark Index.

The index provider excludes issuers from the Benchmark Index based on an ESG controversy score (which measures an issuer's involvement in ESG related controversies) which includes the exclusion of issuers that are classified as violating United Nations Global Compact principles (see What environmental and/or social characteristics are promoted by this financial product?).



### **What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in specific assets.

The Fund seeks to invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index.

It is expected that at least 80% of the Fund's assets will be invested in either securities within the Benchmark Index or in securities that meet the ESG selection criteria of the Benchmark Index. As such, at each index rebalance, the portfolio of the Fund will be rebalanced in line with its Benchmark Index so that at least 80% of the Fund's assets will be aligned with the ESG characteristics of the Benchmark Index (this includes 20% of the Fund's assets that are qualified as sustainable investments) (as determined at that rebalance).

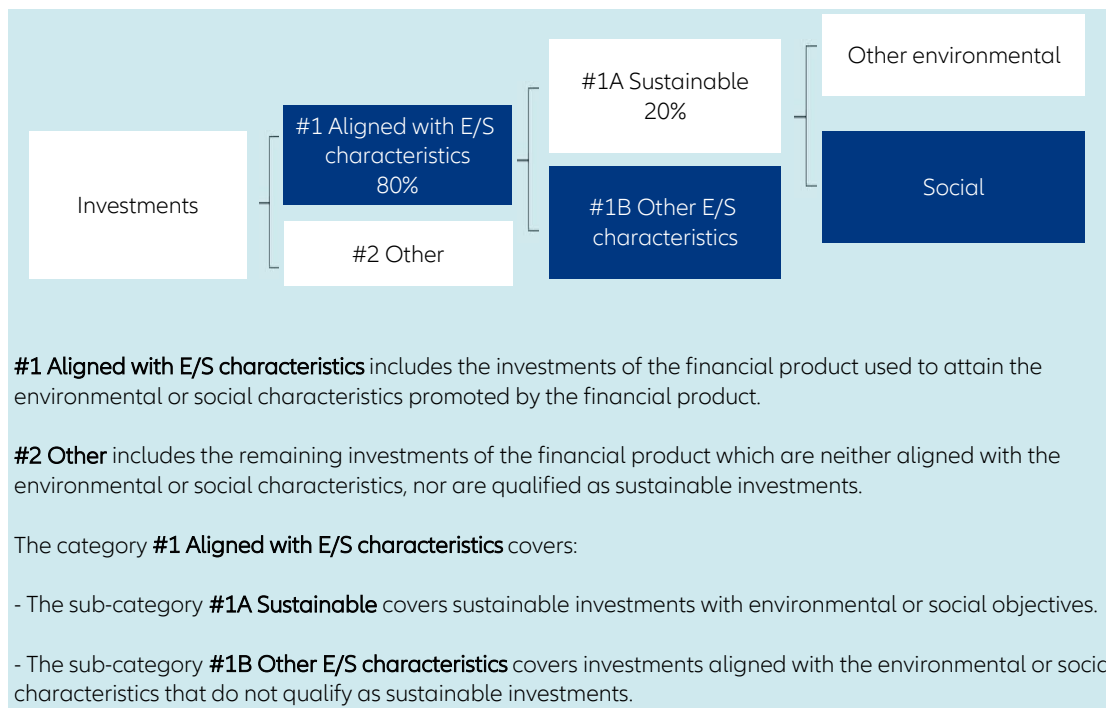
In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index (or otherwise cease to meet the ESG selection criteria of the Benchmark Index) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index. Where any investment ceases to qualify as a sustainable investment between index rebalances, the Fund's holdings in sustainable investments may fall below the minimum proportion of sustainable investments.

The Fund may invest up to 20% of its total assets in other investments ('#2 Other').

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the environmental or social characteristics promoted by the Fund. Where the Fund uses derivatives for promoting environmental or social characteristics, any ESG rating or analyses referenced above will apply to the underlying investment.



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

The Fund does not currently commit to investing more than 0% of its assets in sustainable investments with an environmental objective aligned with the EU Taxonomy.

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

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

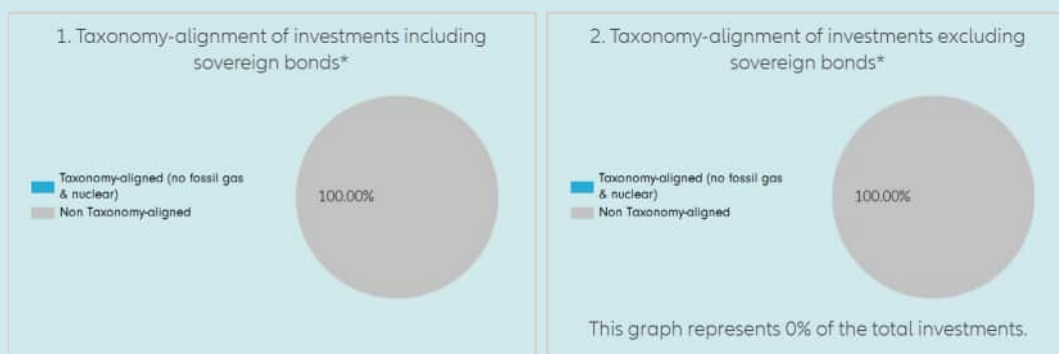
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes
- In fossil gas       In nuclear energy
- No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

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



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

This Fund does not currently commit to investing more than 0% of its assets in investments in transitional and enabling activities within the meaning of the EU Taxonomy.



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



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

A minimum of 20% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or a social objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the issuers within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.



### What is the minimum share of socially sustainable investments?

A minimum of 20% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or a social objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the issuers within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.

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



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

Other holdings may include cash, money market funds and derivatives. Such investments may only be used for the purpose of efficient portfolio management, except for derivatives used for currency hedging for any currency hedged share class.

Any ESG rating or analyses applied by the index provider will apply only to the derivatives relating to individual issuers used by the Fund. Derivatives based on financial indices, interest rates, or foreign exchange instruments will not be considered against minimum environmental or social safeguards.



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

Yes, the Fund seeks to achieve the environmental and social characteristics it promotes by tracking the performance of the Bloomberg MSCI Euro Corporate ESG SRI Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.

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

At each index rebalance, the index provider applies the ESG selection criteria to the Bloomberg Euro Corporate Bond Index to exclude issuers that do not meet such ESG selection criteria.

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

At each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index.

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

As a result of the application of the ESG selection criteria of the Benchmark Index, the portfolio of the Fund is expected to be reduced compared to the Bloomberg Euro Corporate Bond Index, a broad market index comprised of fixed income securities.

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

The methodology of the Fund's Benchmark Index can be found on the index provider's website at: <https://www.bloomberg.com/professional/product/indices/bloomberg-fixed-income-indices/#/ucits>.

Further details of the Fund's Benchmark Index (including its constituents) are also available on the index provider's website at: <https://www.bloombergindices.com/bloomberg-indices/>.



## Where can I find more product specific information online?

More product-specific information can be found on the website:

For further details specific to this Fund, please refer to the sections of this prospectus entitled 'Investment Objective' and 'Investment Policy', 'SFDR' and also the product page for the Fund, which can be found by typing the name of the Fund into the search bar on the iShares website: [www.iShares.com](http://www.iShares.com) or other product-specific information can be found on the website:

<https://allianz.be/fr/general/investissement-durable.html>

<https://allianz.be/nl/algemeen/duurzaam-beleggen.html>

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

Product name: EB Euro Government Bond Climate Tracker  
 ISIN IE00BLDGH553  
 Version 28/01/2026

Legal entity identifier: 549300KF2IWWFDRM5G17

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

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

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input checked="" type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



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

The Fund is passively managed and seeks to promote certain environmental and social characteristics by tracking the performance of the FTSE Advanced Climate Risk-Adjusted European Monetary Union Government Bond Index, its Benchmark Index.

The environmental and social characteristics promoted by this Fund are to provide higher exposure to government issuers in countries less exposed to climate change risks with respect to resilience and preparedness to the risks of climate change. These environmental and social characteristics are incorporated through the selection and weighting of constituents in the Fund's Benchmark Index (as described below).

The Benchmark Index measures the performance of government bonds within the FTSE EMU Government Bond Index (the 'Parent Index') while seeking to achieve a greater climate benefit by providing higher exposure to countries less exposed to climate change risks and lower exposures to countries that are more exposed to climate change risks. The index provider weights each country based on the market capitalisation of its index eligible debt, as well as its relative climate risk exposure.

The exposure of each country to climate risk is measured across three distinct and quantitative climate-related pillars: (i) transition risk, which represents, the level of climate related risk exposure of the country's economy as measured by the distance to reach the modeled emissions needed to meet the temperature alignment target, as determined by the index provider; (ii) physical risk, which represents the level of climate related risk exposure to the country and its economy from the physical effects of climate change (for example, sea level exposure and climate related natural disasters); and (iii) resilience, which represents a country's preparedness (for example its governmental effectiveness and its disaster preparedness) and actions taken (for example, the percentage of the country's territory (terrestrial and marine) that is protected and the country's afforestation rate) to cope with its level of climate related risk exposure. A single combined score across these three pillars is derived for each country in the Parent Index, and this score is applied to the market value weights of each country to reweight the exposure to the

country within the Benchmark Index to provide higher exposure to countries less exposed to climate change risks, and lower exposures to countries that are more exposed to climate change risks. The index provider will also apply constraints to the constituents of the Benchmark Index, relative to the Parent Index, to help ensure index diversification and manage concentration risk.

For more information on where details of the methodology of the Benchmark Index can be found please see *Where can the methodology used for the calculation of the designated index be found?* (below).

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

The following sustainability indicators form part of the ESG selection criteria of the Benchmark Index tracked by the Fund:

1. The index provider's country climate score as described above (see *What environmental and/or social characteristics are promoted by this financial product?*).
2. The consideration of the principal adverse impacts on sustainability factors as identified in the table below (see *Does this financial product consider principal adverse impacts on sustainability factors?*).

The ESG selection criteria of the Benchmark Index is applied by the index provider at each index rebalance and the Benchmark Index seeks to achieve its stated targets. At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index. Where the Fund's portfolio ceases to meet any of these characteristics in between index rebalances, the Fund's portfolio will be re-aligned at the next index rebalance (or as soon as possible and practicable thereafter) in accordance with the Benchmark Index.

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

This Fund does not commit to investing in sustainable investments.

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

Not applicable as the Fund does not commit to investing in sustainable investments.

***How have the indicators for adverse impacts on sustainability factors been taken into account?***

Not applicable as the Fund does not commit to investing in sustainable investments.

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

Not applicable as the Fund does not commit to investing in sustainable investments.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

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

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



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

Yes

Yes, the Fund takes into consideration principal adverse impacts on sustainability factors by tracking the Benchmark Index which incorporates certain ESG criteria in the selection of index constituents. The Investment Manager has determined that those principal adverse impacts (PAIs) marked as 'X' in the table below are considered as part of the selection criteria of the Benchmark Index at each index rebalance.

The Fund's annual report will include information on the principal adverse impacts on sustainability factors set out below.

	PAI Description	Benchmark Index Selection Criteria	
		FTSE Climate Score	Exclusion of issuers based on UN Sanctions screens
Greenhouse Gas (GHG) emissions	1.(a) GHG emissions (Scope 1/2)		
	1.(b) GHG emissions (Scope 3)		
	2. Carbon footprint		
	3. GHG intensity		
	4. % in Fossil Fuels		
	5. Non-Renewable / Renewable %		
Biodiversity	6. High impact sector energy consumption		
	7. Negative impact to Biodiversity sensitive areas		
Water	8. Emissions to Water		
Waste	9. Hazardous Waste		
Social and employee matters	10. UNGC + OECD Violations		
	11. UNGC + OECD Process, Monitoring		
	12. Unadjusted gender pay gap		
	13. Board gender diversity		
	14. Controversial weapons		
Indicators applicable to investments in sovereigns and supranationals	15. GHG intensity of investee countries	X	
	16. Investee countries subject to social violations		X

No



## What investment strategy does this financial product follow?

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

The investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consists of the component securities of the Benchmark Index which incorporates certain ESG criteria in the selection of constituents. The index methodology of its Benchmark Index is described above (see What environmental and/or social characteristics are promoted by this financial product?).

By investing in the constituents of its Benchmark Index, the Fund's investment strategy enables it to comply with the ESG requirements of its Benchmark Index as determined by the index provider. In the event that any investments cease to comply, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Fund may use optimisation techniques in order to achieve a similar return to the Benchmark Index which means that it is permitted to invest in securities that are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. If the Fund does so, its investment strategy is to invest only in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase. If such securities cease to comply with the ESG requirements of the Benchmark Index, the Fund may hold such securities only until the next portfolio rebalance and when it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The strategy is implemented at each portfolio rebalance of the Fund, which follows the index rebalance of its Benchmark Index.

#### Governance Processes

The Investment Manager carries out due diligence on the index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of good governance criteria set out by the SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies.

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

The binding elements of the investment strategy are that the Fund will invest in a portfolio of fixed income securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics of its Benchmark Index.

As the Fund is able to use optimisation techniques and may invest in securities that are not underlying constituents of the Benchmark Index, where it does so, its investment strategy is to invest in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase.

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and/or it is possible and practicable (in the Investment Manager's view) to liquidate the position.

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

There is no committed minimum rate to reduce the scope of the Fund's investments.

The Fund's Benchmark Index seeks to reduce the number of constituents from the Parent Index through the application of the ESG selection criteria. However, there is no minimum rate of reduction applied or targeted by the index provider in the selection of constituents for the Benchmark Index.

The rate of reduction may vary over time depending on the issuers that make up the Parent Index. For example, if issuers in the Parent Index engage in fewer activities that are excluded from the Parent Index based on the ESG selection criteria applied by the Benchmark Index, the rate of reduction may reduce over time. Conversely, if the index provider increases the ESG selection criteria in the Benchmark Index as ESG standards evolve, the rate of reduction may increase over time.

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

Not applicable. Save for other holdings (which may include cash, money market funds and derivatives), the Fund will only invest in sovereign bonds within the Benchmark Index, or that otherwise meet the selection criteria of the Benchmark Index, in accordance with the Fund's investment strategy.

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



## What is the asset allocation planned for this financial product?

### Asset allocation

describes the share of investments in specific assets.

The Fund seeks to invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index.

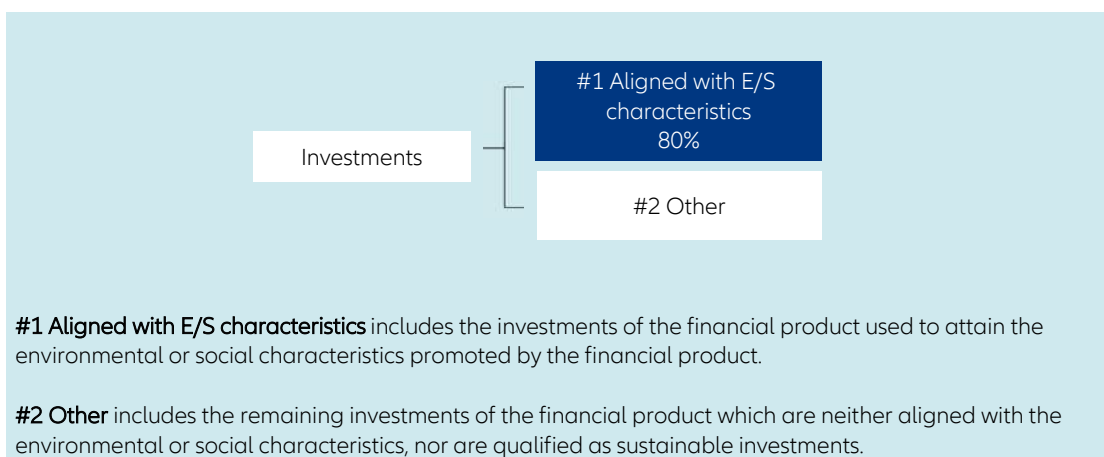
It is expected that at least 80% of the Fund's assets will be invested in either securities within the Benchmark Index or in securities that meet the ESG selection criteria of the Benchmark Index. As such, at each index rebalance, the portfolio of the Fund will be rebalanced in line with its Benchmark Index so that at least 80% of the Fund's assets will be aligned with the ESG characteristics of the Benchmark Index (as determined at that rebalance).

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index (or otherwise cease to meet the ESG selection criteria of the Benchmark Index) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Fund may invest up to 20% of its total assets in other investments ('#2 Other').

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the environmental or social characteristics promoted by the Fund. Where the Fund uses derivatives for promoting environmental or social characteristics, any ESG rating or analyses referenced above will apply to the underlying investment.



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

This Fund does not currently commit to investing more than 0% of its assets in investments in environmentally sustainable economic activities within the meaning of the EU Taxonomy.

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

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

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

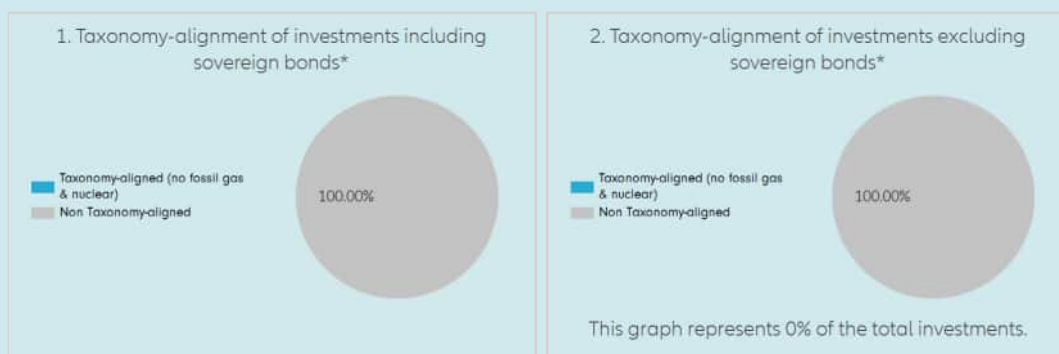
### Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes  In fossil gas  In nuclear energy

No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU taxonomy.

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



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

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

This Fund does not currently commit to investing more than 0% of its assets in investments in transitional and enabling activities within the meaning of the EU taxonomy.



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



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

Not applicable as the Fund does not commit to investing in sustainable investments with an environmental objective.



### What is the minimum share of socially sustainable investments?

Not applicable as the Fund does not currently commit to investing more than 0% of its assets in socially sustainable investments.

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



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

Other holdings may include cash, money market funds and derivatives. Such investments may only be used for the purpose of efficient portfolio management, except for derivatives used for currency hedging for any currency hedged share class.

Any ESG rating or analyses applied by the index provider will apply only to the derivatives relating to individual issuers used by the Fund. Derivatives based on financial indices, interest rates, or foreign exchange instruments will not be considered against minimum environmental or social safeguards.



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

Yes, the Fund seeks to achieve the environmental and social characteristics it promotes by tracking the performance of the FTSE Advanced Climate Risk-Adjusted European Monetary Union Government Bond Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.

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

At each index rebalance, the index provider applies the ESG selection criteria to the Parent Index to exclude issuers that do not meet such ESG selection criteria.

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

At each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index.

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

The Benchmark Index excludes issuers that do not meet its ESG selection criteria from its Parent Index, which is a broad market index. The ESG selection criteria that is excluded is set out above (see What environmental and/or social characteristics are promoted by this financial product?).

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

The methodology of the Fund's Benchmark Index can be found on the index provider's website at: <https://www.lseq.com/en/ftse-russell/indices/climate-wabi#t-methodology>.



## Where can I find more product specific information online?

More product-specific information can be found on the website:

For further details specific to this Fund, please refer to the sections of this prospectus entitled 'Investment Objective' and 'Investment Policy', 'SFDR' and also the product page for the Fund, which can be found by typing the name of the Fund into the search bar on the iShares website: [www.iShares.com](http://www.iShares.com) or other product-specific information can be found on the website:

<https://allianz.be/fr/general/investissement-durable.html>

<https://allianz.be/nl/algemeen/duurzaam-beleggen.html>

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

Product name: EB Global Bonds ESG  
 ISIN IE00BYXVX196  
 Version 28/01/2026

Legal entity identifier: 549300PFJAUUMMOPU079

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

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

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



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

The Fund's approach to sustainable investing is through the promotion of environmental and social characteristics (while the Fund does not have sustainable investment as its objective, it seeks to invest a portion of its assets in sustainable investments).

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

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

The Fund's sustainability-related impact shall be measured through the Investment Advisor's implementation of its exclusion strategy, issuer engagement policy and investment in certain ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**").

For example, the Fund's exclusion strategy results in the exclusion of certain sectors including issuers involved in Fossil Fuel related sectors (including issuers engaged principally in the oil industry, including extraction, production, refining, transportation, or the mining and sale of coal and coal-fired generation).

In addition, as part of the Fund's screening process, the Investment Advisor refers to globally accepted norms, such as, the UN Global Compact Principles and the UN Guiding Principles on Business and Human Rights, where appropriate.

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

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

The environmental objectives of the Fund's underlying sustainable investments include climate change mitigation and climate change adaptation. As such, a sustainable investment seeks to make a positive contribution to the Fund's climate change mitigation and/or climate change adaptation objectives, and this may be achieved in a variety of ways, including by way of example, investment in ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "ESG Fixed Income Securities").

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

The Fund's sustainable investments are assessed to seek to ensure that they do not cause significant harm to any environmental or social sustainable investment objective. This assessment is carried out by the Investment Advisor's application of various adverse sustainability indicators, including but not limited to, exposure to Fossil Fuel related sectors (as described in the Fund Supplement) and greenhouse gas emissions.

***How have the indicators for adverse impacts on sustainability factors been taken into account?***

Securities will be selected according to the Investment Advisor's internal sustainability screening process. This screening process includes consideration of adverse impacts on sustainability factors including, exposure to Fossil Fuel related sectors (as described in the Fund Supplement) and military weapons. The Investment Advisor seeks to mitigate principal adverse impacts including, for example, through its exclusion strategy and issuer engagement.

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

Sustainable investments align with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through the use of UNGC (UN Global Compact) controversies screening along with other tools including ESG scores and research as part of the investment due diligence process.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



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

Yes

Principal adverse impacts are described as those impacts of investment decisions that "result in negative effects on sustainability factors" while sustainability factors are defined as "environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters". The Investment Advisor seeks to consider principal adverse impacts as part of the investment process and uses a combination of methods to help mitigate principal adverse impacts including exclusions and issuer engagement.

The Fund considers the principal adverse impacts of investment decisions on sustainability factors (including but not limited to, exposure to Fossil Fuel related sectors (as described in the Fund Supplement), the military

weapons sector and greenhouse gas emissions).

The Fund's financial statements disclose how principal adverse impacts on sustainability factors have been considered during the relevant reporting period.

No



### What investment strategy does this financial product follow?

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

As part of the Fund's investment strategy, the Fund seeks to invest in a diverse, actively managed portfolio of global fixed-income securities. The investment strategy seeks to deploy the Investment Advisor's total return investment process and philosophy.

This process includes both top-down and bottom-up decision-making inputs to identify multiple sources of value. Top-down strategies focus on macroeconomic considerations and are utilised as part of regional and sector selection. Bottom-up strategies examine the profiles of individual instruments and securities and are key to the Investment Advisor's ability to select undervalued instruments and securities spanning all sectors of the global fixed-income market.

The Investment Advisor will seek to invest in issuers that it believes have strong ESG practices; the exclusion strategy (applied to 100% of the Fund's assets with the exception of index derivatives) may exclude issuers on the basis of the industry in which they participate, including those engaged principally in Fossil Fuel related sectors (as described in the Fund Supplement), the military weapons sector, and the tobacco industry among others. However, ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**") from issuers involved in Fossil Fuel related sectors or electricity generation, as described in the Fund Supplement, may be permitted.

Moreover, under normal market conditions, the Fund will make meaningful allocations to ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**"). In addition, the Fund will seek to reduce the carbon footprint, including intensity and emissions of the portfolio's corporate holdings. The Investment Advisor will actively engage with certain issuers as applicable (examples of such engagement may include material climate and biodiversity related matters), including for example, by encouraging issuers to align to the Paris Agreement, adopt science-based targets for carbon emissions reduction and/or broadly advance their sustainability commitments.

For further details see the Fund Supplement.

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

The binding elements of the Fund's investment strategy are the partial investments in sustainable investments and the exclusion strategy.

Firstly, as outlined in the Fund's Supplement, the Fund will promote environmental characteristics through the use of an exclusion strategy on 100% of its assets, with the exception of index derivatives. This will include the Fund adhering to the ESMA guidelines on funds' names using ESG or sustainability-related terms (the "**Guidelines**"), including the references to the Paris aligned benchmarks exclusion criteria, referred to in Article 12(1)(a) to (g) of Commission Delegated Regulation (EU) 2020/1818, as amended from time to time (the "**PAB Exclusion Criteria**"). The Investment Advisor will seek to invest in issuers that it believes have strong ESG practices and the exclusion strategy applied by the Investment Advisor may exclude issuers on the basis of the industry in which they participate. For example and subject to the Guidelines, the Fund will not invest in the securities of any corporate issuer determined by the Investment Advisor to be engaged principally in Fossil Fuel related sectors (as described in the Fund Supplement). Furthermore, the Fund will not invest in the securities of any corporate issuer that derives revenues (subject to the thresholds set down in the PAB Exclusion Criteria) from electricity generation with a GHG intensity in excess of the level prescribed by the PAB Exclusion Criteria. However, subject to the Guidelines, ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**") from issuers involved in Fossil Fuel related sectors or electricity generation, as described in the Fund Supplement, may be permitted. Moreover, the Fund may invest in index derivatives, such as credit default swap indices, which may provide indirect exposure to excluded issuers as outlined herein.

Secondly, as further outlined in the Fund's Supplement, the Fund will make meaningful allocations to ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "ESG Fixed Income Securities" ). All securities will be selected according to the Investment Advisor's internal sustainability screening process designed to incorporate environmental, social and governance (ESG) factors.

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

Non applicable.

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

The companies in which investments are made follow good governance practices as determined by the Investment Advisor. The Investment Advisor assesses the governance practices of the Fund's investee companies by means of a proprietary and/or third party scoring system which considers how an investee company's governance compares to its peers in the industry. Factors considered by the Investment Advisor, include but are not limited to:

1. Board diversity;
2. Legal or regulatory matters relating to the investee company (such as tax compliance); and
3. Conduct and culture of the investee company

As set out above, the Fund's screening process results in the exclusion of certain sectors, noting that the Investment Advisor refers to globally accepted norms such as the UN Global Compact Principles and the UN Guiding Principles on Business and Human Rights in relation to sound management practices, employee relations, and remuneration of staff.

When the Investment Advisor is applying its policy to assess good governance practices, the Fund has the ability to retain securities from investee companies that the Investment Advisor deems to be in the best interests of the Fund and its Shareholders.

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



**What is the asset allocation planned for this financial product?**

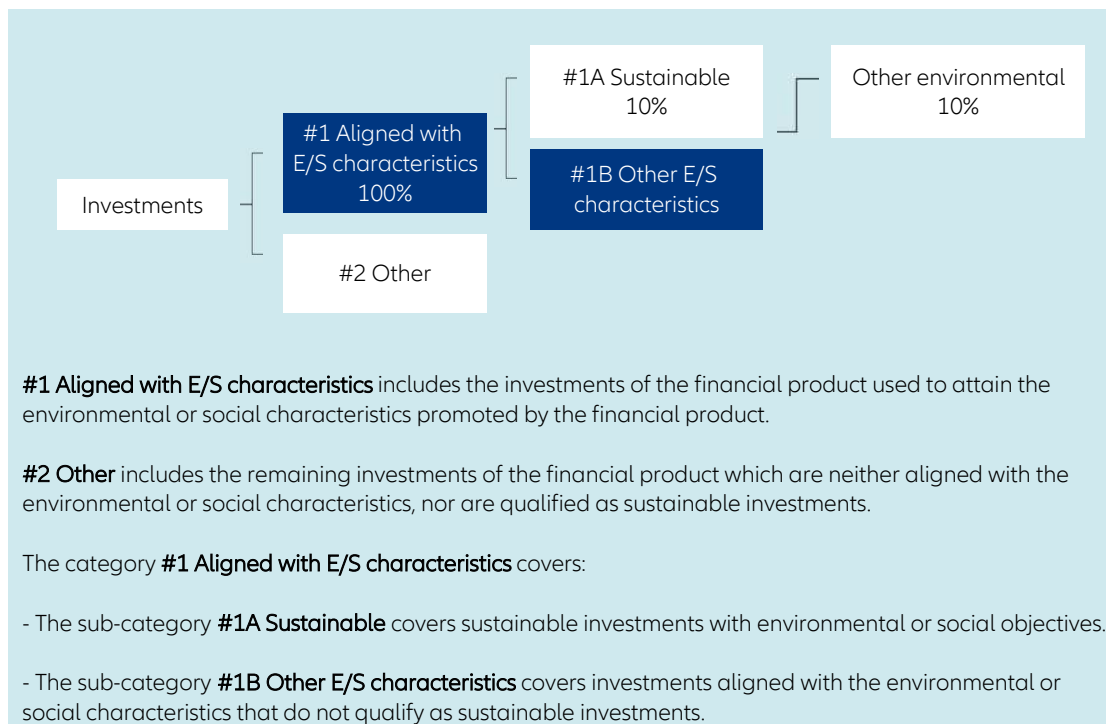
**Asset allocation** describes the share of investments in specific assets.

The Fund's exclusion strategy applies to 100% of its assets, with the exception of index derivatives.

The Fund seeks to invest a minimum of 10% of its net assets in sustainable investments with an environmental objective.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

The derivatives (save for index derivatives) held by the Fund shall be subject to the Fund's exclusion strategy and used to promote the environmental and social characteristics promoted by the Fund.



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

As shown in the graph below, the minimum share of investments in environmentally sustainable economic activities aligned with the EU taxonomy is 0% of the Fund's net assets.

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

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

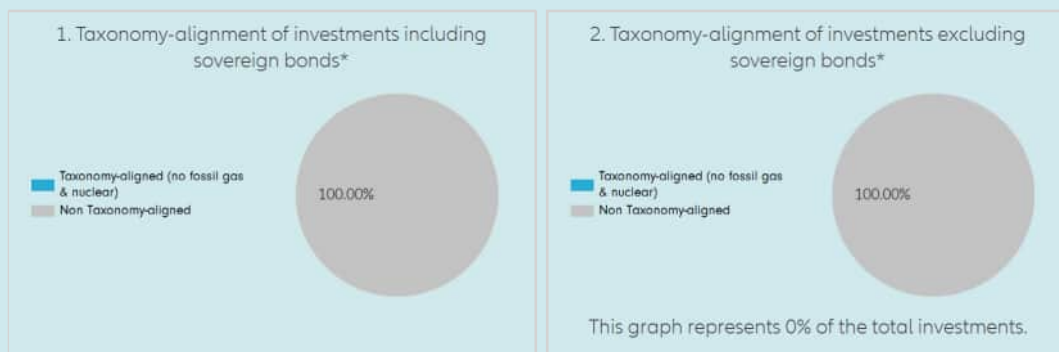
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

### Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes
- In fossil gas       In nuclear energy
- No

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



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

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

The minimum share of investments in transitional and enabling activities is 0%.



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

The Fund does not commit to invest in investments aligned with the EU taxonomy. However, as noted in the asset allocation graph above, the Fund does commit to invest in sustainable investments which contribute to an environmental objective. As such, the minimum share of sustainable investments with an environmental objective which are not aligned with the EU taxonomy is 10% of net assets.



### What is the minimum share of socially sustainable investments?

Non applicable.



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

As set out above, the Fund's exclusion strategy applies to 100% of its assets, with the exception of index derivatives (noting that minimum environmental or social safeguards do not apply to such index derivatives, as outlined above).

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



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

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

Non applicable.

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

Non applicable.

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

Non applicable.

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

Non applicable.

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

Non applicable.



Where can I find more product specific information online?

More product-specific information can be found on the website:

[SFDR Article 10 Disclosure – Global Bond ESG Fund](#) or other product-specific information can be found on the website:

<https://allianz.be/fr/general/investissement-durable.html>

<https://allianz.be/nl/algemeen/duurzaam-beleggen.html>

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

Product name:  
EB Global Equities ESG  
ISIN LU1766616152  
Version 28/01/2026

Legal entity identifier:  
529900W68IN4IJ546R85

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

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

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50% of sustainable investments <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



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

Allianz Global Sustainability (the "Sub-Fund") promotes a broad range of environmental, human rights, governance, and/or business behaviour characteristics (the last characteristic does not apply for financial instruments issued by a sovereign entity). The Sub-Fund does so by:

- As a first step promoting environmental and social characteristics, by excluding direct investments in certain issuers which are involved in controversial environmental or social business activities from the investment universe of the Sub-Fund by applying exclusion criteria. Within this process the Investment Manager excludes investee companies that severely violate good governance practices and principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights.
- In a second step, the Investment Manager selects from the remaining investment universe those corporate issuers that perform better within their sector with respect to sustainability aspects. With respect to sovereign issuers those issuers that generally perform better with respect to sustainability aspects. The issuers are assigned an individual score by the investment manager. The score starts at 0 (lowest) and ends at 4 (highest). The score is based on environmental, social, governance and business behaviour factors (business behaviour does not apply to sovereign issuers) and represents an internal assessment assigned to a corporate or sovereign issuer by the Investment Manager.

- Further, the Investment Manager will adhere to a minimum percentage of 50.00% of Sustainable Investments and a minimum percentage of 0.01% investments that are aligned with the EU taxonomy.

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Details and methods of each step are described within the section “What investment strategy does this financial product follow?”.

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

To measure the attainment of the environmental and/or social characteristics the following sustainability indicators are used and reported on, at the end of the financial year:

- Confirmation that the investment universe has been reduced by excluding at least 20% of the total number of potential issuers compared to the investible issuers according to the Sub-Fund’s general investment strategy as described in the prospectus.
- Confirmation that the exclusion criteria have been adhered to throughout the Sub-Fund’s financial year.
- Percentage of the portfolio with a proprietary score of 2 or more is compared to the percentage of the benchmark. The scoring process is described within the section “What investment strategy does this financial product follow?”. The basis for the calculation is the Sub-Fund’s net asset value except instruments that are not scored by nature, e.g., cash and deposits. Derivatives are generally not scored. Derivatives (other than credit default swaps), whose underlying is a single rated corporate issuer are, however, generally scored. The size of the not scored part of the portfolio varies subject to the Sub-Fund’s general investment strategy described in the prospectus.
- Percentage of Sustainable Investments at the end of the financial year.
- Percentage of taxonomy-aligned investments at the end of the financial year.

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

The objectives of the Sustainable Investments that the financial product partially intends to make include a broad range of environmental and social topics, for which the Investment Manager uses as reference, among others, the UN Sustainable Development Goals (SDGs)<sup>1</sup>, as well as the EU taxonomy objectives which are: Climate Change Mitigation, Climate Change Adaptation, Sustainable Use and Protection of Water and Marine Resources, Transition to a Circular Economy, Pollution Prevention and Control as well as Protection and Restoration of Biodiversity and Ecosystems.

The Investment Manager measures how the Sustainable Investments contribute to the objectives based on a proprietary methodology as follows:

- Business activities of an issuer are broken down into revenues generated by the various business activities based on external data. In cases where the split of business activities received is not granular enough, it is determined by the Investment Manager. The business activities are internally assessed as to whether they contribute positively to an environmental or a social objective. The revenue share of

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

each business activity that contributes positively to an environmental or social objective is allocated to the Sustainable Investment share, provided the issuer passes the Do No Significant Harm (“DNSH”) assessment and is satisfying the Good Governance principles.

- For issuers whose business activities amount to a Sustainable Investment share of at least 20% and who are transitioning or are already aligned with a Net Zero pathway, the Investment Manager increases the calculated Sustainable Investment share allocated to the issuer in question by 20 percentage points. The issuers are considered transitioning to Net Zero if they are (1) achieving Net Zero, (2) aligned to Net Zero or (3) aligning to Net Zero. Issuers (4) committed to Net Zero or (5) not aligned to Net Zero are not considered to be transitioning or aligned with a Net Zero pathway.
- For securities, which finance specific projects (“Project Bonds”) contributing to environmental or social objectives, the overall investment is considered to contribute to environmental and/or social objectives, but also for these a DNSH as well as a Good Governance check for issuers (or in some cases at project level) is performed.
- The Sustainable Investment share of each issuer and each Project Bond is weighted based on the percentage of the portfolio invested in such issuer or Project Bonds, respectively. The individual weighted Sustainable Investment shares of all issuers and Project Bonds are aggregated in order to compute the Sustainable Investment share of the Sub-Fund.

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

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

To assess that Sustainable Investments do not significantly harm any other environmental and/or social objective, the Investment Manager is using the indicators regarding principal adverse impacts (“PAI”) on sustainability factors.

### ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

All mandatory PAI indicators are taken into account as follows:

- Investments in issuers violating the exclusion criteria for controversial weapons, severely violating principles, and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights or sovereign issuer with an insufficient Freedom House Index score are excluded and do not pass the DNSH assessment. The exclusion criteria are described in the section “What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?”.
- Thresholds are determined for all PAI indicators except for the “share of non-renewable energy consumption and production” which is indirectly reflected in other PAI indicators.

In detail, the Investment Manager has taken the following steps:

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Defined significance thresholds to identify significantly harmful issuers. Issuers are measured against the significance thresholds at least bi-annually. Depending on the respective indicator, the thresholds are determined either relative to the sector, absolute or based on events or situations in which companies allegedly have a negative environmental, social or governance impact (controversies). The Investment Manager can engage with issuers not meeting the significance thresholds in order to allow the issuer to remediate the adverse impact.
- Weighing the PAI indicator according to the level of confidence in the quality of data available which are computed to an overall DNSH score relevant for the issuer. The overall DNSH score is determined based on the threshold for each PAI and the confidence weight. A company is considered to not pass the DNSH assessment if the overall DNSH score is one or more. If the issuer does not meet the overall DNSH score twice subsequently or in case of a failed engagement, it does not pass the DNSH assessment. Investments in securities of issuers which do not pass the DNSH assessment are not counted as Sustainable Investments.
- In certain circumstances where backward-looking or forward-looking information is inconsistent with the DNSH assessment, the Investment Manager may override the DNSH assessment. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal.

There is a lack of data coverage for PAI indicators. Equivalent data points are used to assess PAI indicators when applying the DNSH assessment, when relevant, for the following indicators for corporates: share of non-renewable energy consumption and production, activities negatively affecting biodiversity-sensitive areas, emissions to water, lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises; for sovereigns: GHG Intensity and investee countries subject to social violations. In the case of Project Bonds equivalent data at project level might be used to ensure that Sustainable Investments do not significantly harm any other environmental and/or social objective. The Investment Manager will strive to increase data coverage for PAI indicators with low data coverage by engaging with issuers and data providers. The Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.

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

The Investment Manager’s exclusions as described in the section “What investment strategy does this financial product follow?” exclude companies severely violating one of the following frameworks: Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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



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

Yes

The Investment Manager considers PAIs through measures directly impacting the investment strategy such as applying exclusion criteria and indirect measures such as engagement with corporate issuers and joining relevant industry initiatives. Considering PAIs does not mean avoiding PAIs but aiming to mitigate such PAIs. The overall mitigation aim is also dependent on the management of the portfolio according to the general investment strategy.

The following PAI indicators are considered through the direct measures set out in the table below:

PAI indicator applicable to corporate issuers:	Direct measure (as described in the section: "What investment strategy does this financial product follow?")
GHG Emissions	<ul style="list-style-type: none"> <li>- Application of exclusion criteria relating to coal extraction and utility companies generating revenues from coal</li> <li>- Use of information on PAI indicator in internal score</li> </ul>
Carbon footprint	
GHG Intensity of investee companies	
Exposure to companies active in the fossil fuel sector	
Activities negatively affecting biodiversity-sensitive areas	<ul style="list-style-type: none"> <li>- Application of exclusion criteria relating to severe violation of international norms such as the UN Global Compact (UN GC). The following principles of the UN GC are related to the other environmental PAIs:               <ul style="list-style-type: none"> <li>• Principle 7: Businesses should support a precautionary approach to environmental challenges</li> <li>• Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility</li> <li>• Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies</li> </ul> </li> <li>- Use of information on PAI indicator in internal score</li> </ul>
Emissions to water	
Hazardous waste ratio	
Violation of UN Global compact principles	<ul style="list-style-type: none"> <li>- Application of exclusion criteria relating to severe violation of international norms such as the UN Global Compact (UN GC)</li> </ul>
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles	
Board gender diversity	<ul style="list-style-type: none"> <li>- Use of voting rights to promote board gender diversity</li> <li>- Use of information on PAI indicator in internal score</li> </ul>
Exposure to controversial weapons	<ul style="list-style-type: none"> <li>- Application of exclusion criteria relating to controversial weapons</li> </ul>
PAI indicator applicable to sovereign and supranational issuers	
Investee countries subject to social violation	<ul style="list-style-type: none"> <li>- Application of exclusion criteria related to sovereign issuers identified as "not free" from the Freedom House Index</li> </ul>

The data coverage for the data required for the PAI indicators is heterogenous. The Investment Manager will strive to increase data coverage for PAI indicators with low data coverage through engagement with data providers and/or issuers. The Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.

The principal adverse impact indicators are also considered through the following indirect measures:

- The Investment Manager actively encourages and conducts dialogues with investee companies on broader sustainability issues which include PAI indicators such as Gender Diversity, also to prepare voting decisions in advance of shareholder meetings (regularly for direct investments in shares). In deciding how to exercise voting rights, the Investment Manager also considers broader sustainability issues. Further details on the Investment Manager's approach to the exercise of voting rights and company engagement is set out in the Investment Manager's Stewardship Statement.

- The Investment Manager has joined the Net Zero Asset Manager Initiative<sup>1</sup>. This is an international group of asset managers committed to reduce GHG emissions in partnership with institutional investors.

The information on the PAI indicators will be available in the end-year report of the Sub-Fund.

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

No



### What investment strategy does this financial product follow?

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

The Sub-Fund's investment objective is to generate long-term capital growth by investing in global Equity Markets in accordance with the environmental and social characteristics promoted by the Sub-Fund. The Sub-Fund's general investment strategy is described in the prospectus.

With respect to environmental and social characteristics of the Investment Strategy, the following applies:

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

As a first step, the Investment Manager applies the following exclusion criteria, i.e., does not directly invest in securities issued by companies:

- severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights,
- developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons),
- deriving more than 10% of their revenues from (i) weapons, or (ii) military equipment, and military services,
- deriving more than 1% of their revenues from exploration, mining, extraction, distribution or refining of thermal coal,
- active within the utility sector and generating more than 20% of their revenues from coal,
- deriving more than 10% of their revenues from the exploration, extraction, distribution or refining of oil fuels,

- deriving more than 50% of their revenues from the exploration, extraction, manufacturing or distribution of gaseous fuels,
- deriving more than 50% of their revenues from electricity generation with a GHG intensity of more than 100g CO<sub>2</sub> e/kWh,
- involved in the production of tobacco, or deriving more than 5% of their revenues from the distribution of tobacco,
- deriving more than 5% of their revenues in the sectors (i) alcohol, (ii) gambling, or (iii) pornography.

Direct investments in securities issued by sovereign issuers qualified with a score as “not free” by the Freedom House Index<sup>1</sup> are excluded.

The Investment Manager applies the exclusion criteria to a specific issuer based on information provided by external data providers and in certain circumstances internal research. The assessment of issuers against the exclusion criteria is performed at least half yearly. In certain circumstances, the Investment Manager may override the information received. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal. Further information on external data providers and the override process are available on the respective SFDR Website Product Disclosure.

As a second step, the Investment Manager selects from the remaining investment universe those corporate issuers that perform better within their sector based on a score for environmental, social, governance, and business behaviour factors (“Sustainability Factors”). With respect to sovereign issuers, the ones that generally perform better with respect to sustainability aspects. The issuers are assigned an individual score by the investment manager. The score starts at 0 (lowest) and ends at 4 (highest). The score represents an internal assessment assigned to a corporate or sovereign issuer by the Investment Manager. Scores are reviewed at least twice a year.

At least 90% of the Sub-Fund’s portfolio is internally scored on a scale from 0-4. The basis for the calculation of the 90% threshold is the Sub-Fund’s net asset value except instruments that are not scored by nature, e.g., cash and deposits. Derivatives are generally not scored. Derivatives (other than credit default swaps), whose underlying is a single rated corporate issuer are, however, generally scored. The size of the not scored part of the portfolio varies subject to the Sub-Fund’s general investment strategy described in the prospectus.

The scoring process comprises the following:

- The Investment Manager receives quantitative and qualitative information on a regular basis related to indicators on Sustainability Factors for specific issuers from external data providers.
- The Investment Manager supplements information on Sustainability Factors with internal quantitative and qualitative analysis for instance where information from external data providers is not available, incomplete, outdated or does not match the Investment Manager’s assessment.
- The Investment Manager computes a score for each of the Sustainability Factors for each issuer on the basis of a set of indicators. Within this process, the Investment Manager determines a specific weight for Sustainability Factors based on sector materiality. Based on those Sustainability Factors, the Investment Manager determines an overall score for each issuer reflecting its sustainability profile.

- In addition, the score is set at zero if the Investment Manager sets a human rights flag based on a methodology which leverages external data providers and internal research. For corporate issuers, setting of the flag is triggered by the issuer's lack of respect for human rights in its business conduct, including lack of (i) integration of the Universal Declaration of Human Rights principles, (ii) respect for major International Labour Organization conventions and/or (iii) signature of the United Nations Global Compact. This prospective tool both monitors human rights controversies (breaches & violations of human rights) as well as the management of human rights controversies (adequacy between prevention mechanisms like policies, commitments, systems or grievance mechanisms and risk exposure). For sovereigns, the Investment Manager assesses the political rights conferred to citizens (Electoral Process, Political Pluralism and Participation, Functioning of Government), civil liberties (Freedom of Expression and belief, Associational and Organizational Rights, Rule of Law & Personal Autonomy and Individual Rights) and freedom of the press. For this purpose, the Investment Manager also uses the work of Freedom House Organisation which captures the principles defined in 1948's Universal Declaration of Human Rights.
- For certain issuers, the Investment Manager conducts additional qualitative research. Based on such research, the Investment Manager may determine an upward or downward adjustment of the internal score and the human rights flag.

With respect to scored issuers, the Investment Manager will invest min. 75% of the issuers with an internal score of 2 or more and max. 25% of the issuers with an internal score between 1.25 and 2.

The Investment Manager must apply the first and second step so that the Sub-Fund's investment universe is reduced by excluding at least 20% of the total number of potential issuers compared to the investible issuers according to the Sub-Fund's general investment strategy as described in the prospectus.

Further, the Investment Manager commits to a minimum proportion of 50.00% of Sub-Fund's net asset value in Sustainable Investments. It also commits that a minimum proportion 0.01% of Sub-Fund's net asset value is aligned with the EU taxonomy.

[3]The country in question appears in the Freedom House Index\_ (<https://freedomhouse.org/country/scores>) in the "Total Score and Status" column of the "Global Freedom Scores" section.

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

The Investment Manager has committed to reduce the Sub-Fund's investment universe by excluding at least 20% of the total number of potential issuers compared to the investible issuers according to the Sub-Fund's general investment strategy as described in the prospectus.

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

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

Companies are excluded based on verified failure to respect established norms corresponding to four good governance practices: sound management structures, employee relations, remuneration of staff and tax compliance. The excluded companies are based on information provided by external data providers and in certain circumstances internal research. In certain circumstances, the Investment Manager may override the information received. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal.

Further, the Investment Manager actively encourages and conducts dialogues with investee companies on governance issues, also to prepare voting decisions in advance of shareholder meetings (regularly for direct investments in shares). Decisions on how to exercise voting rights also consider broader sustainability issues. Further details on the Investment Manager's approach to the exercise of voting rights and company engagement is set out in the Management Company's Stewardship Statement.



### **What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in specific assets.

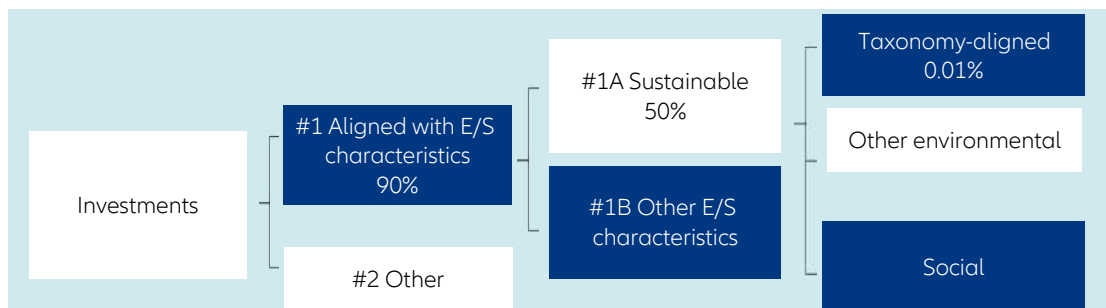
The asset allocation section describes which assets of the portfolio the Investment Manager commits to use to promote environmental or social characteristics:

- The Investment Manager commits to employ the internal score described in the section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" for at least 90% (#1 Aligned with E/S characteristics) of the Sub-Fund's portfolio. The basis for the calculation of the 90% threshold is the Sub-Fund's net asset value except instruments that are not scored by nature as described in the section "What investment strategy does this financial product follow?".
- Min. 50.00% (#1A Sustainable) of Sub-Fund's net asset value will be invested in Sustainable Investments.
- Min. 0.01% of Sub-Fund's net asset value will be invested in investments that are aligned with the EU taxonomy.

The Investment Manager does not commit to a minimum share of environmentally Sustainable Investments that are not aligned with the EU taxonomy. The Investment Manager does not commit to a minimum share of socially Sustainable Investments. Sustainable Investments will be included in the Sustainable Investment proportion the Investment Manager has committed to (min. 50.00%) irrespective of their contribution to environmental and/or social objectives.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

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

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

Derivatives are not used to attain the environmental or social characteristics promoted by the Sub-Fund.



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

The Investment Manager commits to a minimum percentage of 0.01% of investments that are aligned with the EU taxonomy.

Taxonomy-aligned investments include debt and/or equity investments in environmentally sustainable economic activities aligned with the EU-taxonomy. The taxonomy-aligned data is provided by an external data provider. The Investment Manager has assessed the quality of such data. The data will not be subject to an assurance provided by auditors or a review by third parties. The data will not extend to government bonds. As of today, there is no recognized methodology available to determine the proportion of taxonomy-aligned activities when investing in government bonds.

Taxonomy-aligned activities in this disclosure are based on share of revenues. Taxonomy-aligned data is only in some cases data reported by companies in accordance with the EU taxonomy. In case data is not reported by companies, the data provider derives taxonomy-aligned data from other available equivalent public data.

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

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

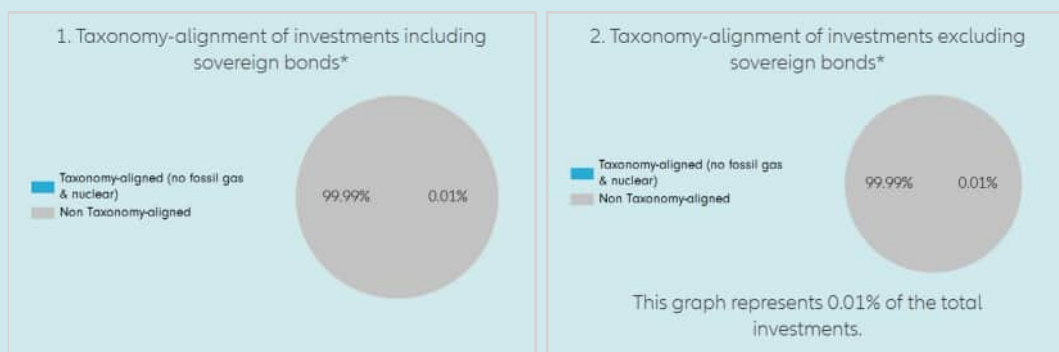
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes
- In fossil gas       In nuclear energy
- No

The Investment Manager does not pursue any investments in fossil gas and/or nuclear energy related activities that comply with the EU taxonomy. Nevertheless, the Investment Manager may invest in corporates which are also active in these activities. Further information will be provided as part of the annual reporting, if relevant.

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



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

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

The Investment Manager does not commit to a split of minimum taxonomy alignment into transitional, enabling activities and own performance.

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



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

The Investment Manager does not commit to a minimum share of environmentally Sustainable Investments that are not aligned with the EU taxonomy. Taxonomy-aligned investments are considered a sub-category of Sustainable Investments. If an investment is not taxonomy-aligned since the activity is not yet covered under the EU taxonomy or the positive contribution is not substantial enough to comply with the taxonomy technical screening criteria, the investment can still be considered an environmentally Sustainable Investment provided it complies with all criteria. The overall Sustainable Investment share (min. 50.00%) may also include investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU taxonomy.



### What is the minimum share of socially sustainable investments?

The Investment Manager does not commit to a minimum share of socially Sustainable Investments. Sustainable Investments may also include investments with a social objective. Any socially Sustainable Investments will be included in the Sustainable Investment proportion the Investment Manager has committed to (min. 50.00%) irrespective of their contribution to environmental and/or social objectives.

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



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

The type of instruments included under “#2 Other” are eligible assets according to the prospectus. They include cash, cash equivalents as well as Target Funds, eligible asset classes and derivatives which do not specifically promote environmental or social characteristics. The Sub-Fund may make use of derivatives, which always fall under category “#2 Other” for hedging liquidity management and efficient portfolio management as well as investment purposes. For those investments no environmental or social safeguards are applied.



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

No, the Investment Manager has not assigned a reference benchmark to determine alignment with the environmental and/or social characteristics that the Sub-Fund promotes.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.



### Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://regulatory.allianzqi.com/SFDR> or other product-specific information can be found on the website:

<https://allianz.be/fr/general/investissement-durable.html>

<https://allianz.be/nl/algemeen/duurzaam-beleggen.html>

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

Product name: EB Target Volatility12  
 ISIN LU0352312853  
 Version 28/01/2026

Legal entity identifier: 529900589OY2G0CVOT53

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

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

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



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

Allianz Strategy 75 (the "Sub-Fund") promotes a broad range of environmental, human rights, governance, and/or business behaviour characteristics (the last characteristic does not apply for financial instruments issued by a sovereign entity). The Sub-Fund does so by:

- As a first step promoting environmental and social characteristics, by excluding direct investments in certain issuers which are involved in controversial environmental or social business activities from the investment universe of the Sub-Fund by applying exclusion criteria. Within this process the Investment Manager excludes investee companies that severely violate good governance practices and principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights.
- In a second step, the Investment Manager selects from the remaining investment universe those corporate issuers that perform better within their sector with respect to sustainability aspects. With respect to sovereign issuers those issuers that generally perform better with respect to sustainability aspects. The issuers are assigned an individual score by the investment manager. The score starts at 0 (lowest) and ends at 4 (highest). The score is based on environmental, social, governance and business behaviour factors (business behaviour does not apply to sovereign issuers) and represents an internal assessment assigned to a corporate or sovereign issuer by the Investment Manager.

- Further, the Investment Manager will adhere to a minimum percentage of 1.00% of Sustainable Investments and a minimum percentage of 0.01% investments that are aligned with the EU taxonomy.

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Details and methods of each step are described within the section "What investment strategy does this financial product follow?".

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

To measure the attainment of the environmental and/or social characteristics the following sustainability indicators are used and reported on, at the end of the financial year:

- Confirmation that the exclusion criteria have been adhered to throughout the Sub-Fund's financial year.
- Percentage of the portfolio with a proprietary score of 1 or more. The scoring process is described within the section "What investment strategy does this financial product follow?". The basis for the calculation is the Sub-Fund's net asset value except instruments that are not scored by nature, e.g., cash and deposits. Derivatives are generally not scored. Derivatives (other than credit default swaps), whose underlying is a single rated corporate issuer are, however, generally scored. The size of the not scored part of the portfolio varies subject to the Sub-Fund's general investment strategy described in the prospectus.
- Percentage of Sustainable Investments at the end of the financial year.
- Percentage of taxonomy-aligned investments at the end of the financial year.

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

The objectives of the Sustainable Investments that the financial product partially intends to make include a broad range of environmental and social topics, for which the Investment Manager uses as reference, among others, the UN Sustainable Development Goals (SDGs)[1], as well as the EU taxonomy objectives which are: Climate Change Mitigation, Climate Change Adaptation, Sustainable Use and Protection of Water and Marine Resources, Transition to a Circular Economy, Pollution Prevention and Control as well as Protection and Restoration of Biodiversity and Ecosystems.

The Investment Manager measures how the Sustainable Investments contribute to the objectives based on a proprietary methodology as follows:

- Business activities of an issuer are broken down into revenues generated by the various business activities based on external data. In cases where the split of business activities received is not granular enough, it is determined by the Investment Manager. The business activities are internally assessed as to whether they contribute positively to an environmental or a social objective. The revenue share of each business activity that contributes positively to an environmental or social objective is allocated to the Sustainable Investment share, provided the issuer passes the Do No Significant Harm ("DNSH") assessment and is satisfying the Good Governance principles.

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

- For issuers whose business activities amount to a Sustainable Investment share of at least 20% and who are transitioning or are already aligned with a Net Zero pathway, the Investment Manager increases the calculated Sustainable Investment share allocated to the issuer in question by 20 percentage points. The issuers are considered transitioning to Net Zero if they are (1) achieving Net Zero, (2) aligned to Net Zero or (3) aligning to Net Zero. Issuers (4) committed to Net Zero or (5) not aligned to Net Zero are not considered to be transitioning or aligned with a Net Zero pathway.
- For securities, which finance specific projects ("Project Bonds") contributing to environmental or social objectives, the overall investment is considered to contribute to environmental and/or social objectives, but also for these a DNSH as well as a Good Governance check for issuers (or in some cases at project level) is performed.
- The Sustainable Investment share of each issuer and each Project Bond is weighted based on the percentage of the portfolio invested in such issuer or Project Bonds, respectively. The individual weighted Sustainable Investment shares of all issuers and Project Bonds are aggregated in order to compute the Sustainable Investment share of the Sub-Fund.

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

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

To assess that Sustainable Investments do not significantly harm any other environmental and/or social objective, the Investment Manager is using the indicators regarding principal adverse impacts ("PAI") on sustainability factors.

### ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

All mandatory PAI indicators are taken into account as follows:

- Investments in issuers violating the exclusion criteria for controversial weapons, severely violating principles, and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights or sovereign issuer with an insufficient freedom house index score are excluded and do not pass the DNSH assessment. The exclusion criteria are described in the section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?".
- Thresholds are determined for all PAI indicators except for the "share of non-renewable energy consumption and production" which is indirectly reflected in other PAI indicators.

In detail, the Investment Manager has taken the following steps:

- Defined significance thresholds to identify significantly harmful issuers. Issuers are measured against the significance thresholds at least bi-annually. Depending on the respective indicator, the thresholds are determined either relative to the sector, absolute or based on events or situations in which companies allegedly have a negative environmental, social or governance impact (controversies). The Investment Manager can engage with issuers not meeting the significance thresholds in order to

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

allow the issuer to remediate the adverse impact.

- Weighing the PAI indicator according to the level of confidence in the quality of data available which are computed to an overall DNSH score relevant for the issuer. The overall DNSH score is determined based on the threshold for each PAI and the confidence weight. A company is considered to not pass the DNSH assessment if the overall DNSH score is one or more. If the issuer does not meet the overall DNSH score twice subsequently or in case of a failed engagement, it does not pass the DNSH assessment. Investments in securities of issuers which do not pass the DNSH assessment are not counted as Sustainable Investments.
- In certain circumstances where backward-looking or forward-looking information is inconsistent with the DNSH assessment, the Investment Manager may override the DNSH assessment. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal.

There is a lack of data coverage for PAI indicators. Equivalent data points are used to assess PAI indicators when applying the DNSH assessment, when relevant, for the following indicators for corporates: share of non-renewable energy consumption and production, activities negatively affecting biodiversity-sensitive areas, emissions to water, lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises; for sovereigns: GHG Intensity and investee countries subject to social violations. In the case of Project Bonds equivalent data at project level might be used to ensure that Sustainable Investments do not significantly harm any other environmental and/or social objective. The Investment Manager will strive to increase data coverage for PAI indicators with low data coverage by engaging with issuers and data providers. The Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.

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

The Investment Manager's exclusions as described in the section "What investment strategy does this financial product follow?" exclude companies severely violating one of the following frameworks: Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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



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

Yes

The Investment Manager considers PAIs through measures directly impacting the investment strategy such as applying exclusion criteria and indirect measures such as engagement with corporate issuers and joining relevant industry initiatives. Considering PAIs does not mean avoiding PAIs but aiming to mitigate such PAIs. The overall mitigation aim is also dependent on the management of the portfolio according to the general investment strategy.

The following PAI indicators are considered through the direct measures set out in the table below:

PAI indicator applicable to corporate issuers:	Direct measure (as described in the section: "What investment strategy does this financial product follow?")
– GHG Emissions	<ul style="list-style-type: none"> <li>– Application of exclusion criteria relating to coal extraction and utility companies generating revenues from coal</li> <li>– Use of information on PAI indicator in internal score</li> </ul>
– Carbon footprint	
– GHG Intensity of investee companies	
– Exposure to companies active in the fossil fuel sector	
– Activities negatively affecting biodiversity-sensitive areas	<ul style="list-style-type: none"> <li>– Application of exclusion criteria relating to severe violation of international norms such as the UN Global Compact (UN GC). The following principles of the UN GC are related to the other environmental PAIs: <ul style="list-style-type: none"> <li>• Principle 7: Businesses should support a precautionary approach to environmental challenges</li> <li>• Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility</li> <li>• Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies</li> </ul> </li> <li>– Use of information on PAI indicator in internal score</li> </ul>
– Emissions to water	
– Hazardous waste ratio	
– Violation of UN Global compact principles	<ul style="list-style-type: none"> <li>– Application of exclusion criteria relating to severe violation of international norms such as the UN Global Compact (UN GC)</li> </ul>
– Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles	
– Board gender diversity	<ul style="list-style-type: none"> <li>– Use of voting rights to promote board gender diversity</li> <li>– Use of information on PAI indicator in internal score</li> </ul>
– Exposure to controversial weapons	<ul style="list-style-type: none"> <li>– Application of exclusion criteria relating to controversial weapons</li> </ul>
PAI indicator applicable to sovereign and supranational issuers	
– Investee countries subject to social violation	<ul style="list-style-type: none"> <li>– Application of exclusion criteria related to sovereign issuers identified as "not free" from the Freedom House Index</li> </ul>

The data coverage for the data required for the PAI indicators is heterogenous. The Investment Manager will strive to increase data coverage for PAI indicators with low data coverage through engagement with data providers and/or issuers. The Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.

The principal adverse impact indicators are also considered through the following indirect measures:

- The Investment Manager actively encourages and conducts dialogues with investee companies on broader sustainability issues which include PAI indicators such as Gender Diversity, also to prepare voting decisions in advance of shareholder meetings (regularly for direct investments in shares). In deciding how to exercise voting rights, the Investment Manager also considers broader sustainability issues. Further details on the Investment Manager's approach to the exercise of voting rights and company engagement is set out in the Investment Manager's Stewardship Statement.

- The Investment Manager has joined the Net Zero Asset Manager Initiative[2]. This is an international group of asset managers committed to reduce GHG emissions in partnership with institutional investors.

The information on the PAI indicators will be available in the end-year report of the Sub-Fund.

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

No



### What investment strategy does this financial product follow?

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

The Sub-Fund's investment objective is geared, in the long term, towards generating mainly capital growth with regard to the portfolio's equity portion by investing in the global Equity Markets and, with regard to the portfolio's Bond / Money Market portion, towards generating a market driven return with reference to the Euro denominated Bond / Money Markets in accordance with the environmental and social characteristics promoted by the Sub-Fund. The Sub-Fund's general investment strategy is described in the prospectus.

With respect to environmental and social characteristics of the Investment Strategy, the following applies:

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

As a first step, the Investment Manager applies the following exclusion criteria, i.e., does not directly invest in securities issued by companies:

- severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights,
- developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons outside of the non-proliferation treaty),
- deriving more than 10% of their revenue from thermal coal extraction,
- active within the utility sector and generating more than 20% of their revenues from coal,
- involved in the production of tobacco, or deriving more than 5% of their revenues from the distribution of tobacco.

Direct investments in securities issued by sovereign issuers qualified with a score as "not free" by the freedom house index[3] are excluded.

The Investment Manager applies the exclusion criteria to a specific issuer based on information provided by external data providers and in certain circumstances internal research. The assessment of issuers against the exclusion criteria is performed at least half yearly. In certain circumstances, the Investment Manager may override the information received. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal. Further information on external data providers and the override process are available on the respective SFDR Website Product Disclosure.

As a second step, the Investment Manager selects from the remaining investment universe those corporate issuers that perform better within their sector based on a score for environmental, social, governance, and business behaviour factors ("Sustainability Factors"). With respect to sovereign issuers, the ones that generally perform better with respect to sustainability aspects. The issuers are assigned an individual score by the investment manager. The score starts at 0 (lowest) and ends at 4 (highest). The score represents an internal assessment assigned to a corporate or sovereign issuer by the Investment Manager. Scores are reviewed at least twice a year.

At least 90% of the Sub-Fund's portfolio is internally scored on a scale from 0-4. The basis for the calculation of the 90% threshold is the Sub-Fund's net asset value except instruments that are not scored by nature, e.g., cash and deposits. Derivatives are generally not scored. Derivatives (other than credit default swaps), whose underlying is a single rated corporate issuer are, however, generally scored. The size of the not scored part of the portfolio varies subject to the Sub-Fund's general investment strategy described in the prospectus.

The scoring process comprises the following:

- The Investment Manager receives quantitative and qualitative information on a regular basis related to indicators on Sustainability Factors for specific issuers from external data providers.
- The Investment Manager supplements information on Sustainability Factors with internal quantitative and qualitative analysis for instance where information from external data providers is not available, incomplete, outdated or does not match the Investment Manager's assessment.
- The Investment Manager computes a score for each of the Sustainability Factors for each issuer on the basis of a set of indicators. Within this process, the Investment Manager determines a specific weigh for Sustainability Factors based on sector materiality. Based on those Sustainability Factors, the Investment Manager determines an overall score for each issuer reflecting its sustainability profile.
- In addition, the score is set at zero if the Investment Manager sets a human rights flag based on a methodology which leverages external data providers and internal research. For corporate issuers, setting of the flag is triggered by the issuer's lack of respect for human rights in its business conduct, including lack of (i) integration of the Universal Declaration of Human Rights principles, (ii) respect for major International Labour Organization conventions and/or (iii) signature of the United Nations Global Compact. This prospective tool both monitors human rights controversies (breaches & violations of human rights) as well as the management of human rights controversies (adequacy between prevention mechanisms like policies, commitments, systems or grievance mechanisms and risk exposure). For sovereigns, the Investment Manager assesses the political rights conferred to citizens (Electoral Process, Political Pluralism and Participation, Functioning of Government), civil liberties (Freedom of Expression and belief, Associational and Organizational Rights, Rule of Law & Personal Autonomy and Individual Rights) and freedom of the press. For this purpose, the Investment Manager also uses the work of Freedom House Organisation which captures the principles defined in 1948's Universal Declaration of Human Rights.

- For certain issuers, the Investment Manager conducts additional qualitative research. Based on such research, the Investment Manager may determine an upward or downward adjustment of the internal score and the human rights flag.

With respect to scored issuers, the Investment Manager will invest only issuers with an internal score of 1 or more.

Further, the Investment Manager commits to a minimum proportion of 1.00% of Sub-Fund's net asset value in Sustainable Investments. It also commits that a minimum proportion 0.01% of Sub-Fund's net asset value is aligned with the EU taxonomy.

[3]The country in question may be found on the Freedom House Index, (<https://freedomhouse.org/country/scores>) in the column "Total Score and Status" of the section "Global Freedom Scores".

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

The Sub-Fund does not commit to reduce the scope of the investments considered prior to the application of the Investment Strategy by a certain minimum rate.

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

Companies are excluded based on verified failure to respect established norms corresponding to four good governance practices: sound management structures, employee relations, remuneration of staff and tax compliance. The excluded companies are based on information provided by external data providers and in certain circumstances internal research. In certain circumstances, the Investment Manager may override the information received. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal.

Further, the Investment Manager actively encourages and conducts dialogues with investee companies on governance issues, also to prepare voting decisions in advance of shareholder meetings (regularly for direct investments in shares). Decisions on how to exercise voting rights also consider broader sustainability issues. Further details on the Investment Manager's approach to the exercise of voting rights and company engagement is set out in the Management Company's Stewardship Statement.

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



## What is the asset allocation planned for this financial product?

**Asset allocation** describes the share of investments in specific assets.

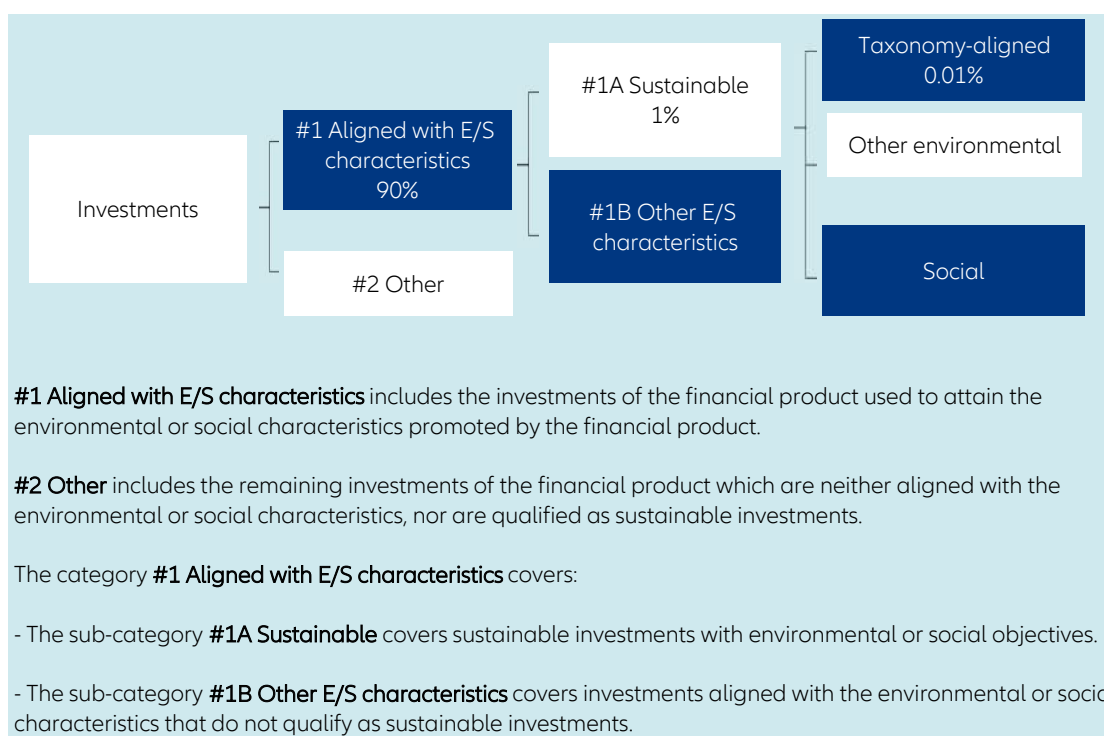
The asset allocation section describes which assets of the portfolio the Investment Manager commits to use to promote environmental or social characteristics:

- The Investment Manager commits to employ the internal score described in the section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" for at least 90% (#1 Aligned with E / S characteristics) of the Sub-Fund's portfolio. The basis for the calculation of the 90% threshold is the Sub-Fund's net asset value except instruments that are not scored by nature as described in the section "What investment strategy does this financial product follow?".
- Min. 1.00% (#1A Sustainable) of Sub-Fund's net asset value will be invested in Sustainable Investments.
- Min. 0.01% of Sub-Fund's net asset value will be invested in investments that are aligned with the EU taxonomy.

The Investment Manager does not commit to a minimum share of environmentally Sustainable Investments that are not aligned with the EU taxonomy. The Investment Manager does not commit to a minimum share of socially Sustainable Investments. Sustainable Investments will be included in the Sustainable Investment proportion the Investment Manager has committed to (min. 1.00%) irrespective of their contribution to environmental and/or social objectives.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

Derivatives are not used to attain the environmental or social characteristics promoted by the Sub-Fund.



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

The Investment Manager commits to a minimum percentage of 0.01% of investments that are aligned with the EU taxonomy.

Taxonomy-aligned investments include debt and/or equity investments in environmentally sustainable economic activities aligned with the EU-taxonomy. The taxonomy-aligned data is provided by an external data provider. The Investment Manager has assessed the quality of such data. The data will not be subject to an assurance provided by auditors or a review by third parties. The data will not extend to government bonds. As of today, there is no recognized methodology available to determine the proportion of taxonomy-aligned activities when investing in government bonds.

Taxonomy-aligned activities in this disclosure are based on share of revenues. Taxonomy-aligned data is only in some cases data reported by companies in accordance with the EU taxonomy. In case data is not reported by companies, the data provider derives taxonomy-aligned data from other available equivalent public data.

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

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

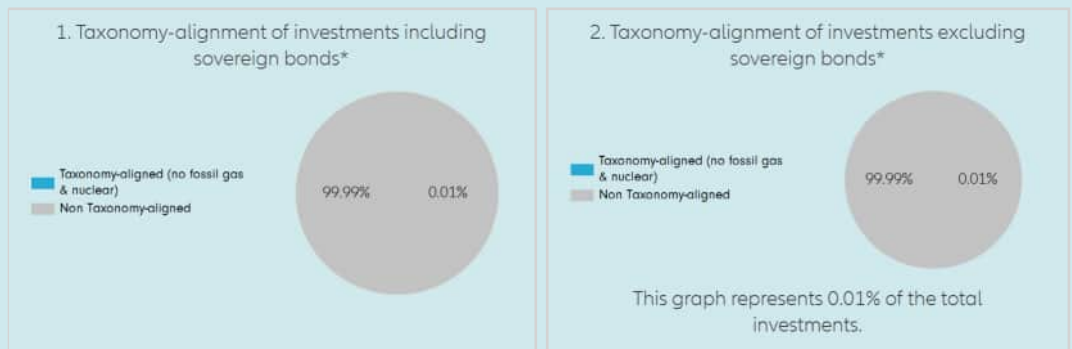
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes
- In fossil gas       In nuclear energy
- No

The Investment Manager does not pursue any investments in fossil gas and/or nuclear energy related activities that comply with the EU taxonomy. Nevertheless, the Investment Manager may invest in corporates which are also active in these activities. Further information will be provided as part of the annual reporting, if relevant.

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



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

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

The Investment Manager does not commit to a split of minimum taxonomy alignment into transitional, enabling activities and own performance.

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



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



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

The Investment Manager does not commit to a minimum share of environmentally Sustainable Investments that are not aligned with the EU taxonomy. Taxonomy-aligned investments are considered a sub-category of Sustainable Investments. If an investment is not taxonomy-aligned since the activity is not yet covered under the EU taxonomy or the positive contribution is not substantial enough to comply with the taxonomy technical screening criteria, the investment can still be considered an environmentally Sustainable Investment provided it complies with all criteria. The overall Sustainable Investment share (min. 1.00%) may also include investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU taxonomy.



### What is the minimum share of socially sustainable investments?

The Investment Manager does not commit to a minimum share of socially Sustainable Investments. Sustainable Investments may also include investments with a social objective. Any socially Sustainable Investments will be included in the Sustainable Investment proportion the Investment Manager has committed to (min. 1.00%) irrespective of their contribution to environmental and/or social objectives.



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

The type of instruments included under "#2 Other" are eligible assets according to the prospectus. They include cash, cash equivalents as well as Target Funds, eligible asset classes and derivatives which do not specifically promote environmental or social characteristics. The Sub-Fund may make use of derivatives, which always fall under category "#2 Other" for hedging liquidity management and efficient portfolio management as well as investment purposes. For those investments no environmental or social safeguards are applied.



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

No, the Investment Manager has not assigned a reference benchmark to determine alignment with the environmental and/or social characteristics that the Sub-Fund promotes.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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



## Where can I find more product specific information online?

More product-specific information can be found on the website: <https://regulatory.allianzgi.com/SFDR> or other product-specific information can be found on the website: <https://allianz.be/fr/general/investissement-durable.html>  
<https://allianz.be/nl/algemeen/duurzaam-beleggen.html>

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

Product name:  
EB Target Volatility4

Legal entity identifier:  
529900BKOXR2P9IPMN85

ISIN LU0398560267

Version 28/01/2026

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

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

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



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

Allianz Strategy 15 (the "Sub-Fund") promotes a broad range of environmental, human rights, governance, and/or business behaviour characteristics (the last characteristic does not apply for financial instruments issued by a sovereign entity). The Sub-Fund does so by:

- As a first step promoting environmental and social characteristics, by excluding direct investments in certain issuers which are involved in controversial environmental or social business activities from the investment universe of the Sub-Fund by applying exclusion criteria. Within this process the Investment Manager excludes investee companies that severely violate good governance practices and principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights.
- In a second step, the Investment Manager selects from the remaining investment universe those corporate issuers that perform better within their sector with respect to sustainability aspects. With respect to sovereign issuers those issuers that generally perform better with respect to sustainability aspects. The issuers are assigned an individual score by the investment manager. The score starts at 0 (lowest) and ends at 4 (highest). The score is based on environmental, social, governance and business behaviour factors (business behaviour does not apply to sovereign issuers) and represents an internal assessment assigned to a corporate or sovereign issuer by the Investment Manager.

- Further, the Investment Manager will adhere to a minimum percentage of 1.00% of Sustainable Investments and a minimum percentage of 0.01% investments that are aligned with the EU taxonomy.

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Details and methods of each step are described within the section "What investment strategy does this financial product follow?".

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

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

To measure the attainment of the environmental and/or social characteristics the following sustainability indicators are used and reported on, at the end of the financial year:

- Confirmation that the exclusion criteria have been adhered to throughout the Sub-Fund's financial year.
- Percentage of the portfolio with a proprietary score of 1 or more. The scoring process is described within the section "What investment strategy does this financial product follow?". The basis for the calculation is the Sub-Fund's net asset value except instruments that are not scored by nature, e.g., cash and deposits. Derivatives are generally not scored. Derivatives (other than credit default swaps), whose underlying is a single rated corporate issuer are, however, generally scored. The size of the not scored part of the portfolio varies subject to the Sub-Fund's general investment strategy described in the prospectus.
- Percentage of Sustainable Investments at the end of the financial year.
- Percentage of taxonomy-aligned investments at the end of the financial year.

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

The objectives of the Sustainable Investments that the financial product partially intends to make include a broad range of environmental and social topics, for which the Investment Manager uses as reference, among others, the UN Sustainable Development Goals (SDGs)[1], as well as the EU taxonomy objectives which are: Climate Change Mitigation, Climate Change Adaptation, Sustainable Use and Protection of Water and Marine Resources, Transition to a Circular Economy, Pollution Prevention and Control as well as Protection and Restoration of Biodiversity and Ecosystems.

The Investment Manager measures how the Sustainable Investments contribute to the objectives based on a proprietary methodology as follows:

- Business activities of an issuer are broken down into revenues generated by the various business activities based on external data. In cases where the split of business activities received is not granular enough, it is determined by the Investment Manager. The business activities are internally assessed as to whether they contribute positively to an environmental or a social objective. The revenue share of each business activity that contributes positively to an environmental or social objective is allocated to the Sustainable Investment share, provided the issuer passes the Do No Significant Harm ("DNSH") assessment and is satisfying the Good Governance principles.
- For issuers whose business activities amount to a Sustainable Investment share of at

least 20% and who are transitioning or are already aligned with a Net Zero pathway, the Investment Manager increases the calculated Sustainable Investment share allocated to the issuer in question by 20 percentage points. The issuers are considered transitioning to Net Zero if they are (1) achieving Net Zero, (2) aligned to Net Zero or (3) aligning to Net Zero. Issuers (4) committed to Net Zero or (5) not aligned to Net Zero are not considered to be transitioning or aligned with a Net Zero pathway.

- For securities, which finance specific projects ("Project Bonds") contributing to environmental or social objectives, the overall investment is considered to contribute to environmental and/or social objectives, but also for these a DNSH as well as a Good Governance check for issuers (or in some cases at project level) is performed.
- The Sustainable Investment share of each issuer and each Project Bond is weighted based on the percentage of the portfolio invested in such issuer or Project Bonds, respectively. The individual weighted Sustainable Investment shares of all issuers and Project Bonds are aggregated in order to compute the Sustainable Investment share of the Sub-Fund.

[1] <https://sdqs.un.org/goals>

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

To assess that Sustainable Investments do not significantly harm any other environmental and/or social objective, the Investment Manager is using the indicators regarding principal adverse impacts ("PAI") on sustainability factors.

### ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

All mandatory PAI indicators are taken into account as follows:

- Investments in issuers violating the exclusion criteria for controversial weapons, severely violating principles, and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights or sovereign issuer with an insufficient freedom house index score are excluded and do not pass the DNSH assessment. The exclusion criteria are described in the section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?".
- Thresholds are determined for all PAI indicators except for the "share of non-renewable energy consumption and production" which is indirectly reflected in other PAI indicators.

In detail, the Investment Manager has taken the following steps:

- Defined significance thresholds to identify significantly harmful issuers. Issuers are measured against the significance thresholds at least bi-annually. Depending on the respective indicator, the thresholds are determined either relative to the sector, absolute or based on events or situations in which companies allegedly have a negative environmental, social or governance impact (controversies). The Investment Manager can engage with issuers not meeting the significance thresholds in order to allow the issuer to remediate the adverse impact.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Weighing the PAI indicator according to the level of confidence in the quality of data available which are computed to an overall DNSH score relevant for the issuer. The overall DNSH score is determined based on the threshold for each PAI and the confidence weight. A company is considered to not pass the DNSH assessment if the overall DNSH score is one or more. If the issuer does not meet the overall DNSH score twice subsequently or in case of a failed engagement, it does not pass the DNSH assessment. Investments in securities of issuers which do not pass the DNSH assessment are not counted as Sustainable Investments.
- In certain circumstances where backward-looking or forward-looking information is inconsistent with the DNSH assessment, the Investment Manager may override the DNSH assessment. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal.

There is a lack of data coverage for PAI indicators. Equivalent data points are used to assess PAI indicators when applying the DNSH assessment, when relevant, for the following indicators for corporates: share of non-renewable energy consumption and production, activities negatively affecting biodiversity-sensitive areas, emissions to water, lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises; for sovereigns: GHG Intensity and investee countries subject to social violations. In the case of Project Bonds equivalent data at project level might be used to ensure that Sustainable Investments do not significantly harm any other environmental and/or social objective. The Investment Manager will strive to increase data coverage for PAI indicators with low data coverage by engaging with issuers and data providers. The Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.

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

The Investment Manager's exclusions as described in the section "What investment strategy does this financial product follow?" exclude companies severely violating one of the following frameworks: Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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



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

Yes

The Investment Manager considers PAIs through measures directly impacting the investment strategy such as applying exclusion criteria and indirect measures such as engagement with corporate issuers and joining relevant industry initiatives. Considering PAIs does not mean avoiding PAIs but aiming to mitigate such PAIs. The overall mitigation aim is also dependent on the management of the portfolio according to the general investment strategy.

The following PAI indicators are considered through the direct measures set out in the table below:

PAI indicator applicable to corporate issuers:	Direct measure (as described in the section: "What investment strategy does this financial product follow?")
- GHG Emissions	<ul style="list-style-type: none"> <li>- Application of exclusion criteria relating to coal extraction and utility companies generating revenues from coal</li> <li>- Use of information on PAI indicator in internal score</li> </ul>
- Carbon footprint	
- GHG Intensity of investee companies	
- Exposure to companies active in the fossil fuel sector	
- Activities negatively affecting biodiversity-sensitive areas	<ul style="list-style-type: none"> <li>- Application of exclusion criteria relating to severe violation of international norms such as the UN Global Compact (UN GC). The following principles of the UN GC are related to the other environmental PAIs: <ul style="list-style-type: none"> <li>• Principle 7: Businesses should support a precautionary approach to environmental challenges</li> <li>• Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility</li> <li>• Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies</li> </ul> </li> <li>- Use of information on PAI indicator in internal score</li> </ul>
- Emissions to water	
- Hazardous waste ratio	
- Violation of UN Global compact principles	<ul style="list-style-type: none"> <li>- Application of exclusion criteria relating to severe violation of international norms such as the UN Global Compact (UN GC)</li> </ul>
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles	
- Board gender diversity	<ul style="list-style-type: none"> <li>- Use of voting rights to promote board gender diversity</li> <li>- Use of information on PAI indicator in internal score</li> </ul>
- Exposure to controversial weapons	<ul style="list-style-type: none"> <li>- Application of exclusion criteria relating to controversial weapons</li> </ul>
PAI indicator applicable to sovereign and supranational issuers	
- Investee countries subject to social violation	<ul style="list-style-type: none"> <li>- Application of exclusion criteria related to sovereign issuers identified as "not free" from the Freedom House Index</li> </ul>

The data coverage for the data required for the PAI indicators is heterogenous. The Investment Manager will strive to increase data coverage for PAI indicators with low data coverage through engagement with data providers and/or issuers. The Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.

The principal adverse impact indicators are also considered through the following indirect measures:

- The Investment Manager actively encourages and conducts dialogues with investee companies on broader sustainability issues which include PAI indicators such as Gender Diversity, also to prepare voting decisions in advance of shareholder meetings (regularly for direct investments in shares). In deciding how to exercise voting rights, the Investment Manager also considers broader sustainability issues. Further details on the Investment Manager's approach to the exercise of voting rights and company engagement is set out in the Investment Manager's Stewardship Statement.
- The Investment Manager has joined the Net Zero Asset Manager Initiative[2]. This is an international group of asset managers committed to reduce GHG emissions in partnership with institutional investors.

The information on the PAI indicators will be available in the end-year report of the Sub-Fund.

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

No



### What investment strategy does this financial product follow?

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

The Sub-Fund's investment objective is geared, in the long term, towards generating mainly capital growth with regard to the portfolio's equity portion by investing in the global Equity Markets and, with regard to the portfolio's Bond / Money Market portion, towards generating a market driven return with reference to the Euro denominated Bond / Money Markets in accordance with the environmental and social characteristics promoted by the Sub-Fund. The Sub-Fund's general investment strategy is described in the prospectus.

With respect to environmental and social characteristics of the Investment Strategy, the following applies:

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

As a first step, the Investment Manager applies the following exclusion criteria, i.e., does not directly invest in securities issued by companies:

- severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights,
- developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons outside of the non-proliferation treaty),
- deriving more than 10% of their revenue from thermal coal extraction,
- active within the utility sector and generating more than 20% of their revenues from coal,
- involved in the production of tobacco, or deriving more than 5% of their revenues from the distribution of tobacco.

Direct investments in securities issued by sovereign issuers qualified with a score as "not free" by the freedom house index[3] are excluded.

The Investment Manager applies the exclusion criteria to a specific issuer based on information provided by external data providers and in certain circumstances internal research. The assessment of

issuers against the exclusion criteria is performed at least half yearly. In certain circumstances, the Investment Manager may override the information received. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal. Further information on external data providers and the override process are available on the respective SFDR Website Product Disclosure.

As a second step, the Investment Manager selects from the remaining investment universe those corporate issuers that perform better within their sector based on a score for environmental, social, governance, and business behaviour factors ("Sustainability Factors"). With respect to sovereign issuers, the ones that generally perform better with respect to sustainability aspects. The issuers are assigned an individual score by the investment manager. The score starts at 0 (lowest) and ends at 4 (highest). The score represents an internal assessment assigned to a corporate or sovereign issuer by the Investment Manager. Scores are reviewed at least twice a year.

At least 90% of the Sub-Fund's portfolio is internally scored on a scale from 0-4. The basis for the calculation of the 90% threshold is the Sub-Fund's net asset value except instruments that are not scored by nature, e.g., cash and deposits. Derivatives are generally not scored. Derivatives (other than credit default swaps), whose underlying is a single rated corporate issuer are, however, generally scored. The size of the not scored part of the portfolio varies subject to the Sub-Fund's general investment strategy described in the prospectus.

The scoring process comprises the following:

- The Investment Manager receives quantitative and qualitative information on a regular basis related to indicators on Sustainability Factors for specific issuers from external data providers.
- The Investment Manager supplements information on Sustainability Factors with internal quantitative and qualitative analysis for instance where information from external data providers is not available, incomplete, outdated or does not match the Investment Manager's assessment.
- The Investment Manager computes a score for each of the Sustainability Factors for each issuer on the basis of a set of indicators. Within this process, the Investment Manager determines a specific weight for Sustainability Factors based on sector materiality. Based on those Sustainability Factors, the Investment Manager determines an overall score for each issuer reflecting its sustainability profile.
- In addition, the score is set at zero if the Investment Manager sets a human rights flag based on a methodology which leverages external data providers and internal research. For corporate issuers, setting of the flag is triggered by the issuer's lack of respect for human rights in its business conduct, including lack of (i) integration of the Universal Declaration of Human Rights principles, (ii) respect for major International Labour Organization conventions and/or (iii) signature of the United Nations Global Compact. This prospective tool both monitors human rights controversies (breaches & violations of human rights) as well as the management of human rights controversies (adequacy between prevention mechanisms like policies, commitments, systems or grievance mechanisms and risk exposure). For sovereigns, the Investment Manager assesses the political rights conferred to citizens (Electoral Process, Political Pluralism and Participation, Functioning of Government), civil liberties (Freedom of Expression and belief, Associational and Organizational Rights, Rule of Law & Personal Autonomy and Individual Rights) and freedom of the press. For this purpose, the Investment Manager also uses the work of Freedom House Organisation which captures the principles defined in 1948's Universal Declaration of Human Rights.
- For certain issuers, the Investment Manager conducts additional qualitative research.

Based on such research, the Investment Manager may determine an upward or downward adjustment of the internal score and the human rights flag.

With respect to scored issuers, the Investment Manager will invest only issuers with an internal score of 1 or more.

Further, the Investment Manager commits to a minimum proportion of 1.00% of Sub-Fund's net asset value in Sustainable Investments. It also commits that a minimum proportion 0.01% of Sub-Fund's net asset value is aligned with the EU taxonomy.

[3]The country in question may be found on the Freedom House Index (<https://freedomhouse.org/countries/freedom-world/scores>) in the column "Total Score and Status" of the section "Global Freedom Scores".

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

The Sub-Fund does not commit to reduce the scope of the investments considered prior to the application of the Investment Strategy by a certain minimum rate.

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

Companies are excluded based on verified failure to respect established norms corresponding to four good governance practices: sound management structures, employee relations, remuneration of staff and tax compliance. The excluded companies are based on information provided by external data providers and in certain circumstances internal research. In certain circumstances, the Investment Manager may override the information received. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal.

Further, the Investment Manager actively encourages and conducts dialogues with investee companies on governance issues, also to prepare voting decisions in advance of shareholder meetings (regularly for direct investments in shares). Decisions on how to exercise voting rights also consider broader sustainability issues. Further details on the Investment Manager's approach to the exercise of voting rights and company engagement is set out in the Management Company's Stewardship Statement.

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



## What is the asset allocation planned for this financial product?

**Asset allocation** describes the share of investments in specific assets.

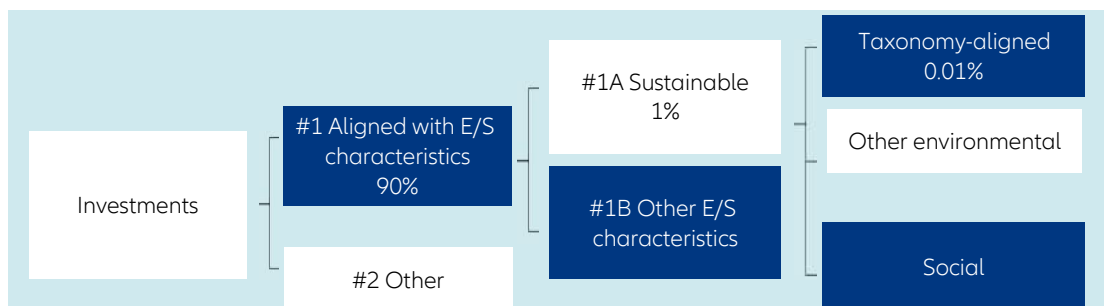
The asset allocation section describes which assets of the portfolio the Investment Manager commits to use to promote environmental or social characteristics:

- The Investment Manager commits to employ the internal score described in the section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" for at least 90% (#1 Aligned with E/S characteristics) of the Sub-Fund's portfolio. The basis for the calculation of the 90% threshold is the Sub-Fund's net asset value except instruments that are not scored by nature as described in the section "What investment strategy does this financial product follow?".
- Min. 1.00% (#1A Sustainable) of Sub-Fund's net asset value will be invested in Sustainable Investments.
- Min. 0.01% of Sub-Fund's net asset value will be invested in investments that are aligned with the EU taxonomy.

The Investment Manager does not commit to a minimum share of environmentally Sustainable Investments that are not aligned with the EU taxonomy. The Investment Manager does not commit to a minimum share of socially Sustainable Investments. Sustainable Investments will be included in the Sustainable Investment proportion the Investment Manager has committed to (min. 1.00%) irrespective of their contribution to environmental and/or social objectives.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

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

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

Derivatives are not used to attain the environmental or social characteristics promoted by the Sub-Fund.



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

The Investment Manager commits to a minimum percentage of 0.01% of investments that are aligned with the EU taxonomy.

Taxonomy-aligned investments include debt and/or equity investments in environmentally sustainable economic activities aligned with the EU-taxonomy. The taxonomy-aligned data is provided by an external data provider. The Investment Manager has assessed the quality of such data. The data will not be subject to an assurance provided by auditors or a review by third parties. The data will not extend to government bonds. As of today, there is no recognized methodology available to determine the proportion of taxonomy-aligned activities when investing in government bonds.

Taxonomy-aligned activities in this disclosure are based on share of revenues. taxonomy-aligned data is only in some cases data reported by companies in accordance with the EU taxonomy. In case data is not reported by companies, the data provider derives taxonomy-aligned data from other available equivalent public data.

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

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

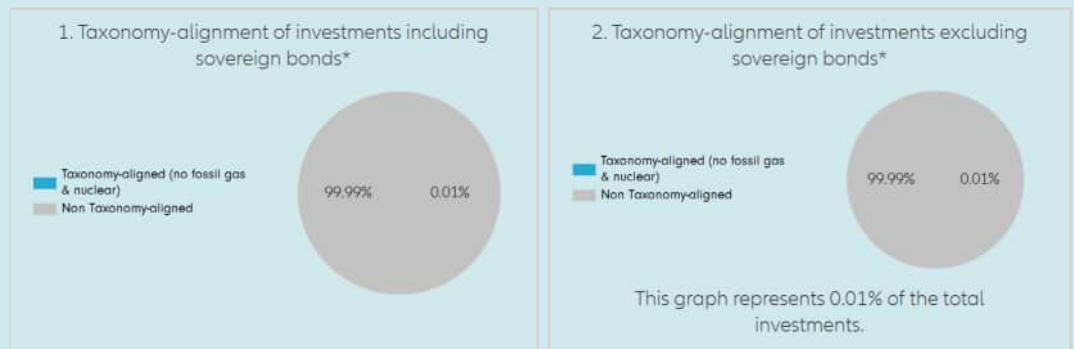
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes
- In fossil gas       In nuclear energy
- No

The Investment Manager does not pursue any investments in fossil gas and/or nuclear energy related activities that comply with the EU taxonomy. Nevertheless, the Investment Manager may invest in corporates which are also active in these activities. Further information will be provided as part of the annual reporting, if relevant.

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



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

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

The Investment Manager does not commit to a split of minimum taxonomy alignment into transitional, enabling activities and own performance.

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



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



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

The Investment Manager does not commit to a minimum share of environmentally Sustainable Investments that are not aligned with the EU taxonomy. Taxonomy-aligned investments are considered a sub-category of Sustainable Investments. If an investment is not taxonomy-aligned since the activity is not yet covered under the EU taxonomy or the positive contribution is not substantial enough to comply with the taxonomy technical screening criteria, the investment can still be considered an environmentally Sustainable Investment provided it complies with all criteria. The overall Sustainable Investment share (min. 1.00%) may also include investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU taxonomy.



### What is the minimum share of socially sustainable investments?

The Investment Manager does not commit to a minimum share of socially Sustainable Investments. Sustainable Investments may also include investments with a social objective. Any socially Sustainable Investments will be included in the Sustainable Investment proportion the Investment Manager has committed to (min. 1.00%) irrespective of their contribution to environmental and/or social objectives.



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

The type of instruments included under "#2 Other" are eligible assets according to the prospectus. They include cash, cash equivalents as well as Target Funds, eligible asset classes and derivatives which do not specifically promote environmental or social characteristics. The Sub-Fund may make use of derivatives, which always fall under category "#2 Other" for hedging liquidity management and efficient portfolio management as well as investment purposes. For those investments no environmental or social safeguards are applied.



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

No, the Investment Manager has not assigned a reference benchmark to determine alignment with the environmental and/or social characteristics that the Sub-Fund promotes.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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



## Where can I find more product specific information online?

More product-specific information can be found on the website: <https://regulatory.allianzgi.com/SFDR> or other product-specific information can be found on the website: <https://allianz.be/fr/general/investissement-durable.html>  
<https://allianz.be/nl/algemeen/duurzaam-beleggen.html>

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

Product name: EB Target Volatility8  
 ISIN LU0352312184  
 Version 28/01/2026

Legal entity identifier: 529900U565TVTIRHJ104

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

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

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b> : ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b> : ___%	<input checked="" type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, <b>but will not make any sustainable investments</b>



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

Allianz Strategy 50 (the "Sub-Fund") promotes a broad range of environmental, human rights, governance, and/or business behaviour characteristics (the last characteristic does not apply for financial instruments issued by a sovereign entity). The Sub-Fund does so by:

- As a first step promoting environmental and social characteristics, by excluding direct investments in certain issuers which are involved in controversial environmental or social business activities from the investment universe of the Sub-Fund by applying exclusion criteria. Within this process the Investment Manager excludes investee companies that severely violate good governance practices and principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights.
- In a second step, the Investment Manager selects from the remaining investment universe those corporate issuers that perform better within their sector with respect to sustainability aspects. With respect to sovereign issuers those issuers that generally perform better with respect to sustainability aspects. The issuers are assigned an individual score by the investment manager. The score starts at 0 (lowest) and ends at 4 (highest). The score is based on environmental, social, governance and business behaviour factors (business behaviour does not apply to sovereign issuers) and represents an internal assessment assigned to a corporate or sovereign issuer by the Investment Manager.

- Further, the Investment Manager will adhere to a minimum percentage of 1.00% of Sustainable Investments and a minimum percentage of 0.01% investments that are aligned with the EU taxonomy.

No reference benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Details and methods of each step are described within the section "What investment strategy does this financial product follow?".

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

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

To measure the attainment of the environmental and/or social characteristics the following sustainability indicators are used and reported on, at the end of the financial year:

- Confirmation that the exclusion criteria have been adhered to throughout the Sub-Fund's financial year.
- Percentage of the portfolio with a proprietary score of 1 or more. The scoring process is described within the section "What investment strategy does this financial product follow?". The basis for the calculation is the Sub-Fund's net asset value except instruments that are not scored by nature, e.g., cash and deposits. Derivatives are generally not scored. Derivatives (other than credit default swaps), whose underlying is a single rated corporate issuer are, however, generally scored. The size of the not scored part of the portfolio varies subject to the Sub-Fund's general investment strategy described in the prospectus.
- Percentage of Sustainable Investments at the end of the financial year.
- Percentage of taxonomy-aligned investments at the end of the financial year.

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

The objectives of the Sustainable Investments that the financial product partially intends to make include a broad range of environmental and social topics, for which the Investment Manager uses as reference, among others, the UN Sustainable Development Goals (SDGs)[1], as well as the EU taxonomy objectives which are: Climate Change Mitigation, Climate Change Adaptation, Sustainable Use and Protection of Water and Marine Resources, Transition to a Circular Economy, Pollution Prevention and Control as well as Protection and Restoration of Biodiversity and Ecosystems.

The Investment Manager measures how the Sustainable Investments contribute to the objectives based on a proprietary methodology as follows:

- Business activities of an issuer are broken down into revenues generated by the various business activities based on external data. In cases where the split of business activities received is not granular enough, it is determined by the Investment Manager. The business activities are internally assessed as to whether they contribute positively to an environmental or a social objective. The revenue share of each business activity that contributes positively to an environmental or social objective is allocated to the Sustainable Investment share, provided the issuer passes the Do No Significant Harm ("DNSH") assessment and is satisfying the Good Governance principles.
- For issuers whose business activities amount to a Sustainable Investment share of at

least 20% and who are transitioning or are already aligned with a Net Zero pathway, the Investment Manager increases the calculated Sustainable Investment share allocated to the issuer in question by 20 percentage points. The issuers are considered transitioning to Net Zero if they are (1) achieving Net Zero, (2) aligned to Net Zero or (3) aligning to Net Zero. Issuers (4) committed to Net Zero or (5) not aligned to Net Zero are not considered to be transitioning or aligned with a Net Zero pathway.

- For securities, which finance specific projects ("Project Bonds") contributing to environmental or social objectives, the overall investment is considered to contribute to environmental and/or social objectives, but also for these a DNSH as well as a Good Governance check for issuers (or in some cases at project level) is performed.
- The Sustainable Investment share of each issuer and each Project Bond is weighted based on the percentage of the portfolio invested in such issuer or Project Bonds, respectively. The individual weighted Sustainable Investment shares of all issuers and Project Bonds are aggregated in order to compute the Sustainable Investment share of the Sub-Fund.

[1] <https://sdqs.un.org/goals>

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

To assess that Sustainable Investments do not significantly harm any other environmental and/or social objective, the Investment Manager is using the indicators regarding principal adverse impacts ("PAI") on sustainability factors.

### ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

All mandatory PAI indicators are taken into account as follows:

- Investments in issuers violating the exclusion criteria for controversial weapons, severely violating principles, and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights or sovereign issuer with an insufficient freedom house index score are excluded and do not pass the DNSH assessment. The exclusion criteria are described in the section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?".
- Thresholds are determined for all PAI indicators except for the "share of non-renewable energy consumption and production" which is indirectly reflected in other PAI indicators.

In detail, the Investment Manager has taken the following steps:

- Defined significance thresholds to identify significantly harmful issuers. Issuers are measured against the significance thresholds at least bi-annually. Depending on the respective indicator, the thresholds are determined either relative to the sector, absolute or based on events or situations in which companies allegedly have a negative environmental, social or governance impact (controversies). The Investment Manager can engage with issuers not meeting the significance thresholds in order to allow the issuer to remediate the adverse impact.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Weighing the PAI indicator according to the level of confidence in the quality of data available which are computed to an overall DNSH score relevant for the issuer. The overall DNSH score is determined based on the threshold for each PAI and the confidence weight. A company is considered to not pass the DNSH assessment if the overall DNSH score is one or more. If the issuer does not meet the overall DNSH score twice subsequently or in case of a failed engagement, it does not pass the DNSH assessment. Investments in securities of issuers which do not pass the DNSH assessment are not counted as Sustainable Investments.
- In certain circumstances where backward-looking or forward-looking information is inconsistent with the DNSH assessment, the Investment Manager may override the DNSH assessment. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal.

There is a lack of data coverage for PAI indicators. Equivalent data points are used to assess PAI indicators when applying the DNSH assessment, when relevant, for the following indicators for corporates: share of non-renewable energy consumption and production, activities negatively affecting biodiversity-sensitive areas, emissions to water, lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises; for sovereigns: GHG Intensity and investee countries subject to social violations. In the case of Project Bonds equivalent data at project level might be used to ensure that Sustainable Investments do not significantly harm any other environmental and/or social objective. The Investment Manager will strive to increase data coverage for PAI indicators with low data coverage by engaging with issuers and data providers. The Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.

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

The Investment Manager's exclusions as described in the section "What investment strategy does this financial product follow?" exclude companies severely violating one of the following frameworks: Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

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



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

Yes

The Investment Manager considers PAIs through measures directly impacting the investment strategy such as applying exclusion criteria and indirect measures such as engagement with corporate issuers and joining relevant industry initiatives. Considering PAIs does not mean avoiding PAIs but aiming to mitigate such PAIs. The overall mitigation aim is also dependent on the management of the portfolio according to the general investment strategy.

The following PAI indicators are considered through the direct measures set out in the table below:

PAI indicator applicable to corporate issuers:	Direct measure (as described in the section: "What investment strategy does this financial product follow?")
– GHG Emissions	<ul style="list-style-type: none"> <li>– Application of exclusion criteria relating to coal extraction and utility companies generating revenues from coal</li> <li>– Use of information on PAI indicator in internal score</li> </ul>
– Carbon footprint	
– GHG Intensity of investee companies	
– Exposure to companies active in the fossil fuel sector	
– Activities negatively affecting biodiversity-sensitive areas	<ul style="list-style-type: none"> <li>– Application of exclusion criteria relating to severe violation of international norms such as the UN Global Compact (UN GC). The following principles of the UN GC are related to the other environmental PAIs: <ul style="list-style-type: none"> <li>• Principle 7: Businesses should support a precautionary approach to environmental challenges</li> <li>• Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility</li> <li>• Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies</li> </ul> </li> <li>– Use of information on PAI indicator in internal score</li> </ul>
– Emissions to water	
– Hazardous waste ratio	
– Violation of UN Global compact principles	<ul style="list-style-type: none"> <li>– Application of exclusion criteria relating to severe violation of international norms such as the UN Global Compact (UN GC)</li> </ul>
– Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles	
– Board gender diversity	<ul style="list-style-type: none"> <li>– Use of voting rights to promote board gender diversity</li> <li>– Use of information on PAI indicator in internal score</li> </ul>
– Exposure to controversial weapons	<ul style="list-style-type: none"> <li>– Application of exclusion criteria relating to controversial weapons</li> </ul>
PAI indicator applicable to sovereign and supranational issuers	
– Investee countries subject to social violation	<ul style="list-style-type: none"> <li>– Application of exclusion criteria related to sovereign issuers identified as "not free" from the Freedom House Index</li> </ul>

The data coverage for the data required for the PAI indicators is heterogenous. The Investment Manager will strive to increase data coverage for PAI indicators with low data coverage through engagement with data providers and/or issuers. The Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.

The principal adverse impact indicators are also considered through the following indirect measures:

- The Investment Manager actively encourages and conducts dialogues with investee companies on broader sustainability issues which include PAI indicators such as Gender Diversity, also to prepare voting decisions in advance of shareholder meetings (regularly for direct investments in shares). In deciding how to exercise voting rights, the Investment Manager also considers broader sustainability issues. Further details on the Investment Manager's approach to the exercise of voting rights and company engagement is set out in the Investment Manager's Stewardship Statement.

- The Investment Manager has joined the Net Zero Asset Manager Initiative[2]. This is an international group of asset managers committed to reduce GHG emissions in partnership with institutional investors.

The information on the PAI indicators will be available in the end-year report of the Sub-Fund.

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

No



### What investment strategy does this financial product follow?

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

The Sub-Fund's investment objective is geared, in the long term, towards generating mainly capital growth with regard to the portfolio's equity portion by investing in the global Equity Markets and, with regard to the portfolio's Bond / Money Market portion, towards generating a market driven return with reference to the Euro denominated Bond / Money Markets in accordance with the environmental and social characteristics promoted by the Sub-Fund. The Sub-Fund's general investment strategy is described in the prospectus.

With respect to environmental and social characteristics of the Investment Strategy, the following applies:

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

As a first step, the Investment Manager applies the following exclusion criteria, i.e., does not directly invest in securities issued by companies:

- severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles for Business and Human Rights,
- developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons outside of the non-proliferation treaty),
- deriving more than 10% of their revenue from thermal coal extraction,
- active within the utility sector and generating more than 20% of their revenues from coal,
- involved in the production of tobacco, or deriving more than 5% of their revenues from the distribution of tobacco.

Direct investments in securities issued by sovereign issuers qualified with a score as "not free" by the freedom house index[3] are excluded.

The Investment Manager applies the exclusion criteria to a specific issuer based on information provided by external data providers and in certain circumstances internal research. The assessment of

issuers against the exclusion criteria is performed at least half yearly. In certain circumstances, the Investment Manager may override the information received. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal. Further information on external data providers and the override process are available on the respective SFDR Website Product Disclosure.

As a second step, the Investment Manager selects from the remaining investment universe those corporate issuers that perform better within their sector based on a score for environmental, social, governance, and business behaviour factors ("Sustainability Factors"). With respect to sovereign issuers, the ones that generally perform better with respect to sustainability aspects. The issuers are assigned an individual score by the investment manager. The score starts at 0 (lowest) and ends at 4 (highest). The score represents an internal assessment assigned to a corporate or sovereign issuer by the Investment Manager. Scores are reviewed at least twice a year.

At least 90% of the Sub-Fund's portfolio is internally scored on a scale from 0-4. The basis for the calculation of the 90% threshold is the Sub-Fund's net asset value except instruments that are not scored by nature, e.g., cash and deposits. Derivatives are generally not scored. Derivatives (other than credit default swaps), whose underlying is a single rated corporate issuer are, however, generally scored. The size of the not scored part of the portfolio varies subject to the Sub-Fund's general investment strategy described in the prospectus.

The scoring process comprises the following:

- The Investment Manager receives quantitative and qualitative information on a regular basis related to indicators on Sustainability Factors for specific issuers from external data providers.
- The Investment Manager supplements information on Sustainability Factors with internal quantitative and qualitative analysis for instance where information from external data providers is not available, incomplete, outdated or does not match the Investment Manager's assessment.
- The Investment Manager computes a score for each of the Sustainability Factors for each issuer on the basis of a set of indicators. Within this process, the Investment Manager determines a specific weight for Sustainability Factors based on sector materiality. Based on those Sustainability Factors, the Investment Manager determines an overall score for each issuer reflecting its sustainability profile.
- In addition, the score is set at zero if the Investment Manager sets a human rights flag based on a methodology which leverages external data providers and internal research. For corporate issuers, setting of the flag is triggered by the issuer's lack of respect for human rights in its business conduct, including lack of (i) integration of the Universal Declaration of Human Rights principles, (ii) respect for major International Labour Organization conventions and/or (iii) signature of the United Nations Global Compact. This prospective tool both monitors human rights controversies (breaches & violations of human rights) as well as the management of human rights controversies (adequacy between prevention mechanisms like policies, commitments, systems or grievance mechanisms and risk exposure). For sovereigns, the Investment Manager assesses the political rights conferred to citizens (Electoral Process, Political Pluralism and Participation, Functioning of Government), civil liberties (Freedom of Expression and belief, Associational and Organizational Rights, Rule of Law & Personal Autonomy and Individual Rights) and freedom of the press. For this purpose, the Investment Manager also uses the work of Freedom House Organisation which captures the principles defined in 1948's Universal Declaration of Human Rights.
- For certain issuers, the Investment Manager conducts additional qualitative research.

Based on such research, the Investment Manager may determine an upward or downward adjustment of the internal score and the human rights flag.

With respect to scored issuers, the Investment Manager will invest only issuers with an internal score of 1 or more.

Further, the Investment Manager commits to a minimum proportion of 1.00% of Sub-Fund's net asset value in Sustainable Investments. It also commits that a minimum proportion 0.01% of Sub-Fund's net asset value is aligned with the EU taxonomy.

[3]The country in question may be found on the Freedom House Index (<https://freedomhouse.org/countries/freedom-world/scores>) in the column "Total Score and Status" of the section "Global Freedom Scores".

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

The Sub-Fund does not commit to reduce the scope of the investments considered prior to the application of the Investment Strategy by a certain minimum rate.

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

Companies are excluded based on verified failure to respect established norms corresponding to four good governance practices: sound management structures, employee relations, remuneration of staff and tax compliance. The excluded companies are based on information provided by external data providers and in certain circumstances internal research. In certain circumstances, the Investment Manager may override the information received. The override decision is made by an internal decision-making body which is composed of functions including Investments, Compliance and Legal.

Further, the Investment Manager actively encourages and conducts dialogues with investee companies on governance issues, also to prepare voting decisions in advance of shareholder meetings (regularly for direct investments in shares). Decisions on how to exercise voting rights also consider broader sustainability issues. Further details on the Investment Manager's approach to the exercise of voting rights and company engagement is set out in the Management Company's Stewardship Statement.

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



## What is the asset allocation planned for this financial product?

**Asset allocation** describes the share of investments in specific assets.

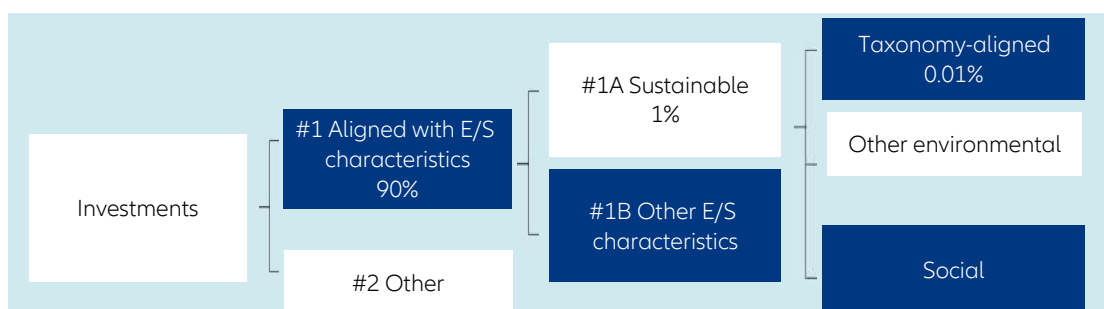
The asset allocation section describes which assets of the portfolio the Investment Manager commits to use to promote environmental or social characteristics:

- The Investment Manager commits to employ the internal score described in the section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?" for at least 90% (#1 Aligned with E/S characteristics) of the Sub-Fund's portfolio. The basis for the calculation of the 90% threshold is the Sub-Fund's net asset value except instruments that are not scored by nature as described in the section "What investment strategy does this financial product follow?".
- Min. 1.00% (#1A Sustainable) of Sub-Fund's net asset value will be invested in Sustainable Investments.
- Min. 0.01% of Sub-Fund's net asset value will be invested in investments that are aligned with the EU taxonomy.

The Investment Manager does not commit to a minimum share of environmentally Sustainable Investments that are not aligned with the EU taxonomy. The Investment Manager does not commit to a minimum share of socially Sustainable Investments. Sustainable Investments will be included in the Sustainable Investment proportion the Investment Manager has committed to (min. 1.00%) irrespective of their contribution to environmental and/or social objectives.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

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

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

Derivatives are not used to attain the environmental or social characteristics promoted by the Sub-Fund.



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

The Investment Manager commits to a minimum percentage of 0.01% of investments that are aligned with the EU taxonomy.

Taxonomy-aligned investments include debt and/or equity investments in environmentally sustainable economic activities aligned with the EU-taxonomy. The taxonomy-aligned data is provided by an external data provider. The Investment Manager has assessed the quality of such data. The data will not be subject to an assurance provided by auditors or a review by third parties. The data will not extend to government bonds. As of today, there is no recognized methodology available to determine the proportion of taxonomy-aligned activities when investing in government bonds.

Taxonomy-aligned activities in this disclosure are based on share of revenues. taxonomy-aligned data is only in some cases data reported by companies in accordance with the EU taxonomy. In case data is not reported by companies, the data provider derives taxonomy-aligned data from other available equivalent public data.

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

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

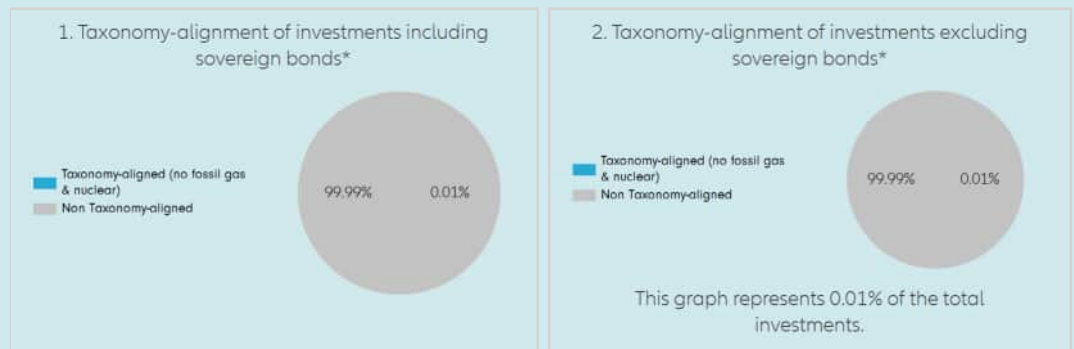
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

### Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes
- In fossil gas       In nuclear energy
- No

The Investment Manager does not pursue any investments in fossil gas and/or nuclear energy related activities that comply with the EU taxonomy. Nevertheless, the Investment Manager may invest in corporates which are also active in these activities. Further information will be provided as part of the annual reporting, if relevant.

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



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

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

The Investment Manager does not commit to a split of minimum taxonomy alignment into transitional, enabling activities and own performance.

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



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



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

The Investment Manager does not commit to a minimum share of environmentally Sustainable Investments that are not aligned with the EU taxonomy. Taxonomy-aligned investments are considered a sub-category of Sustainable Investments. If an investment is not taxonomy-aligned since the activity is not yet covered under the EU taxonomy or the positive contribution is not substantial enough to comply with the taxonomy technical screening criteria, the investment can still be considered an environmentally Sustainable Investment provided it complies with all criteria. The overall Sustainable Investment share (min. 1.00%) may also include investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU taxonomy.



### What is the minimum share of socially sustainable investments?

The Investment Manager does not commit to a minimum share of socially Sustainable Investments. Sustainable Investments may also include investments with a social objective. Any socially Sustainable Investments will be included in the Sustainable Investment proportion the Investment Manager has committed to (min. 1.00%) irrespective of their contribution to environmental and/or social objectives.



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

The type of instruments included under "#2 Other" are eligible assets according to the prospectus. They include cash, cash equivalents as well as Target Funds, eligible asset classes and derivatives which do not specifically promote environmental or social characteristics. The Sub-Fund may make use of derivatives, which always fall under category "#2 Other" for hedging liquidity management and efficient portfolio management as well as investment purposes. For those investments no environmental or social safeguards are applied.



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

No, the Investment Manager has not assigned a reference benchmark to determine alignment with the environmental and/or social characteristics that the Sub-Fund promotes.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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

A reference benchmark is not used to determine alignment with the environmental or social characteristics promoted by the financial product.

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



## Where can I find more product specific information online?

More product-specific information can be found on the website: <https://regulatory.allianzgi.com/SFDR> or other product-specific information can be found on the website: <https://allianz.be/fr/general/investissement-durable.html>  
<https://allianz.be/nl/algemeen/duurzaam-beleggen.html>