Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name:

Allianz Green Bond

Legal entity identifier: 549300JPE1XADGY8YM71

Sustainable investment objective

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

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

Does this financial product have a sustainable investment objective?	
●● ☑ Yes	●○ ☐ No
☑ It will make a minimum of **sustainable investments with an environmental objective: 80.00%**	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __**%** of sustainable investments
☑ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☑ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective** __**%**	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

Allianz Green Bond (the "Sub-Fund") follows the "Green Bond Strategy". The Green Bond Strategy's objective is to mobilize capital markets towards the transition to a low carbon society, natural capital preservation and adaptation to climate change. Green Bonds are designated Debt Securities intended to encourage sustainability and to support climate-related or other types of special environmental projects. The Sub-Fund invests primarily in Green Bonds financing climate change mitigation or adaptation projects or other environmental sustainability projects, notably in the following fields: energy efficiency, renewable energy, raw materials, water and land, waste management, greenhouse gas emissions reduction, biodiversity preservation or circular economy. The Sub- Funds will invest at least 80% of its assets in Sustainable investments.

In addition, Sub-Fund specific exclusion criteria apply.

A reference benchmark has been designated for the purpose of meeting the sustainable investment objective.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

- **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

  To measure the attainment of the sustainable investment objective the following sustainability indicators are used and reported on, at the fiscal year end:

  - The actual percentage of the Sub-Fund's assets invested in Green Bonds.
  - Confirmation that Principal Adverse Impacts (PAIs) of investment decisions on sustainability factors are considered through the application of exclusion criteria.
  - Actual sustainable investment share.
  - Adherence to a minimum SRI Rating of 1 for Green Bonds held in the portfolio (out of a scale from 0- 4; 0 being the worst rating and 4 the best rating).

- **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

  In order to ensure that Sustainable Investments do not significantly harm any other environmental and/or social objective, the Investment Manager is leveraging the PAI indicators, whereby significance thresholds have been defined to identify significantly harmful issuers. Issuers not meeting the significance threshold can be engaged for a limited time period to remediate the adverse impact. Otherwise, if the issuer does not meet the defined significance thresholds 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.

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

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

  All mandatory PAI indicators are considered either as part of the application of the exclusion criteria or through thresholds on a sectorial or absolute basis. Significance thresholds have been defined and they refer to qualitative or quantitative criteria.

  Recognizing the lack of data coverage for some of the 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 case of securities which finance specific projects contributing to environmental or social objectives 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 Sub-Fund specific exclusion list screens out companies based on their involvement in controversial practices against international norms. The core normative framework consists of the Principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. Securities issued by companies having a severe violation of these frameworks will be restricted from the investment universe.

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

☑ Yes

☐ No

The Management Company has joined the Net Zero Asset Manager Initiative and considers PAI indicators through stewardship including engagement, both are relevant to mitigate potential adverse impact as a company.

Due to the commitment to the Net Zero Asset Manager Initiative, the Management Company aims to reduce greenhouse gas emissions in partnership with asset owner clients on decarbonisation goals, consistent with an ambition to reach net zero emission by 2050 or sooner across all assets under management. As part of this objective the Management Company will set an interim target for the proportion of assets to be managed in line with the attainment of net zero emissions by 2050 or sooner.

The Sub-Fund's Investment Manager addresses PAI indicators regarding greenhouse gas emission, biodiversity, water, waste as well as social and employee matters for corporate issuers, and, where relevant, the freedom house index is applied to investments in sovereigns. PAI indicators are considered within the Investment Manager's investment process through the means of exclusions as described in the "binding elements" section of the Sub-Fund.

The data coverage for the data required for the PAI indicators is heterogenous. Additionally, the data coverage related to biodiversity, water and waste is low and the related PAI indicators are considered through exclusion of securities issued by companies having a severe violation / breach of 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 on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues. Therefore, the Investment Manager will strive to increase data coverage for PAI indicators with low data coverage. 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.

Additionally, PAI indicators are considered as part of the requirement of the Sub-Fund to invest more than 80% into Sustainable Investments. PAI indicators are used as part of the DNSH assessment. Investments in securities of issuers who do not pass the DNSH assessment are not counted as sustainable investments.

The following PAI indicators are considered:

Applicable to corporate issuers

- GHG Emissions
- Carbon footprint
- GHG Intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Share of non-renewable energy consumption and production

- Energy consumption intensity per high impact climate sector
- Activities negatively affecting biodiversity-sensitive areas
- Emissions to water
- Hazardous waste ratio
- Violation of UN Global compact principles
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles
- Unadjusted gender pay gap
- Board gender diversity
- Exposure to controversial weapons

Applicable to sovereign and supranational issuers

- GHG Intensity
- Investee countries subject to social violations

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

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

What investment strategy does this financial product follow?

Allianz Green Bond's investment objective is to invest in Investment Grade rated Green Bonds of the global Bond Markets denominated in currencies of OECD countries in accordance with the Green Bond Strategy.

The Green Bond Strategy's aim is to invest into Green Bonds that are a specific asset category where the bond proceeds are specifically earmarked to raise money for climate and environmental projects.

The Investment Manager analyses the bond structure to determine whether it is in line with the Green Bond Principles or not. The respect of those four principles below is a prerequisite for a bond to be considered a Green Bond:

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

In addition, a Sub-Fund's Investment Manager analyses the projects financed by the Green Bond's proceeds. To be eligible, those projects must be part of the green projects list defined internally by Allianz Global Investors based on research from the Climate Bonds Initiative (CBI), a world-class reputation organisation, which provides a science-based evaluation of the climate change mitigation impacts of the different types of projects.

The Investment Manager completes this analysis by also considering the Environment, Social, Governance, Human Rights and Business behaviour factors in the selection process of an issuer. The aforesaid sustainability factors are analysed through SRI Research by the Investment Manager in order to assess how sustainable development and long-term issues are taken into account in the strategy of an issuer. SRI Research means the overall process of identifying potential risks as well as potential opportunities of an investment in securities of an issuer related to the analysis of sustainability factors. SRI Research data combines external research data (which might have some limitations) with internal analyses. Based on a combination of the results of the external and/ or internal analyses of the sustainability factors, an internal rating is derived monthly (SRI Rating) and is afterwards assigned to a corporate or sovereign issuer. In case the sustainability profile of the issuer is poor as measured by the average SRI Rating, the bonds issued by or from this issuer would not be eligible according to the Green Bond Strategy.

The last step of the Investment Manager's analysis is focused on the credibility of the respective issuer's approach regarding its transition to a low carbon model. The Investment Manager's intention is to favour Green Bonds from such issuers which have set up a sound strategy to mitigate the negative environmental impacts of their activities. The Investment Manager tries to identify such issuers which only make use of the Green Bond market solely for communication / marketing purposes and therefore will not invest in bonds issued by such issuers.

The Sub-Fund´s general investment approach (Sub-Fund's applicable General Asset Class Principles in combination with its individual investment restrictions) is described in the prospectus.

- **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

  The investment strategy adheres to the following binding elements to attain the sustainable investment objective:

  Min. 85% of the Sub-Fund's assets are invested in Green Bonds.

  Green Bonds held in the portfolio are adhering to the minimum SRI rating threshold of 1 (out of a rating scale from 0 – 4; 0 being the worst rating and 4 the best rating).

  Commitment to a minimum sustainable investment (SI) share of 80%.

Application of the following Sub-Fund specific exclusion criteria for direct investments:

- securities issued by companies having a severe violation / breach of 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 on the grounds of problematic practices around human rights, labour rights, environment, and corruption issues,
- securities issued by companies involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), and securities issued by companies that derive more than 10% of their revenues from weapons, military equipment, and services,
- securities issued by companies involved in the production of tobacco, and securities of companies involved in the distribution of tobacco with more than 5% of their revenues,
- securities issued by companies that derive more than 30 % of their revenue from thermal coal extraction and securities issued by utility companies that generate more than 30% of their revenues from coal.

Direct investments in sovereign issuers with an insufficient freedom house index score are excluded.

The Sub-Fund specific exclusion criteria are based on information from an external data provider and coded in pre- and post-trade compliance. The review is performed at least half yearly.

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 principles are considered by screening out companies based on their involvement in controversies around international norms corresponding to the four good governance practices: sound management structures, employee relations, remuneration of staff and tax compliance. Companies having a severe violation in either of those areas will not be investible. For certain cases, flagged issuers shall be on a watch list. These companies will appear on this watch list when the Investment Manager believes that engagement may lead to improvements or when the company is assessed to take remedial actions. Companies on the watch list remain investible unless the Investment Manager believes that the engagement or the remedial actions of the company does not lead to the desired remedy of the severe controversy.

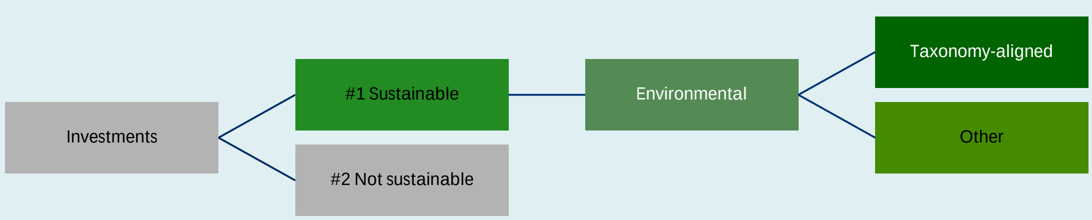
In addition, the Sub-Fund's Investment Manager is committed to actively encourage open dialogues with investee companies on corporate governance, proxy voting and broader sustainability issues in advance of shareholder meetings (regularly for direct investments in shares). The Sub-Fund's Investment Manager's approach to proxy voting and company engagement is set out in the Management Company's Stewardship Statement.

What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

In order to mobilize capital markets towards the transition to a low carbon society, natural capital preservation and adaptation to climate change the Sub-Fund invests primarily in Green Bonds. Min. 80% of the Sub-Funds' assets will be invested in Sustainable Investments.

The minimum percentage of investments with an environmental objective is 80%. The minimum percentage of investments that are aligned with the EU Taxonomy is 0.01%. The Sub-Fund's Investment Manager does not commit to a minimum share of socially sustainable investments.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments

- How does the use of derivatives attain the sustainable investment objective?

Not applicable

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

The Taxonomy-aligned investments include debt and/or equity in environmentally sustainable economic activities aligned with the EU-Taxonomy. The minimum percentage of investments that are aligned with the EU Taxonomy is 0.01%. 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 reflect any data in 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 turnover. Pre-contractual figures use turnover as its financial metric as a default in line with the regulatory requirements and based on the fact that complete, verifiable or up-to date data for CAPEX and/or OPEX as financial metric is even less available.

Taxonomy-aligned data is only in rare cases data reported by companies in accordance with the EU Taxonomy. The data provider has derived Taxonomy-aligned data from other available equivalent public data.

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.

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

☐ Yes

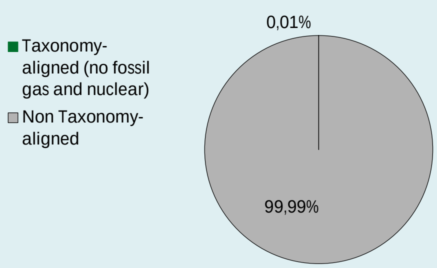
☐ In fossil gas ☐ In nuclear energy

☑ No

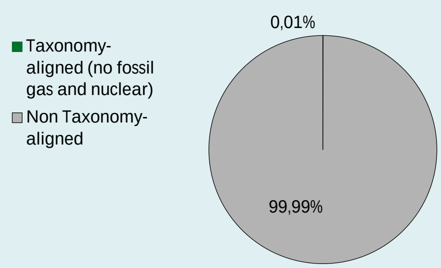
The Sub-Fund does not pursue any investments in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy. Nevertheless, as result of this investment strategy, investments may occur in corporates which are also active in these activities. Further information will be provided as part of the annual reporting, if relevant.

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

1. Taxonomy-alignment of investments including sovereign bonds *



2. Taxonomy-alignment of investments excluding sovereign bonds *



This graph represents X% of the total investments.

It is noted that this Sub-Fund does not provide for a binding minimum quota for investments in sovereign bonds. Therefore, this Sub-Fund may have (but must not have) an exposure to sovereign bonds. In the absence of a binding minimum quota for investments in sovereign bonds, this graph does not generate any additional added value compared to the left-hand graph.

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

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

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

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

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

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

What is the minimum share of sustainable investments with an environmental objective 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 total share of environmentally Sustainable Investments including EU Taxonomy of the Sub-Fund is at least 80%. The overall sustainable investment share may also include investments with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.

are environmentally sustainable investments 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 a social objective?

The Sub-Fund's Investment Manager does not commit to a minimum share of socially sustainable investments.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

Under "#2 Not sustainable" parts of investments are included related to business activities which are not counted as Sustainable Investments. In addition, the Investment Manager might invest into cash, Targets Funds, or derivatives which might be used for efficient portfolio management (including risk hedging) and/or investment purposes, and Target Funds to benefit from a specific strategy. For those investments no environmental or social safeguards are applied.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Yes, the Sub-Fund has assigned the ICE BOFAML GREEN BOND INDEX as a Benchmark.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

  The Sub-Fund uses a Green Bond Benchmark which is however not completely aligned with the sustainable investment objective promoted by the Sub-Fund. ICE BofA Green Bond Index tracks the performance of securities issued for qualified "green" purposes. Qualifying bonds must have a clearly designated use of proceeds that is solely applied toward projects or activities that promote climate change mitigation or adaptation or other environmental sustainability purposes as outlined by the ICMA Green Bond Principles. The specific screening and exclusion criteria might deviate from the Sub-Fund's investment strategy.

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

  The benchmark is not continuously aligned as the screening and exclusion criteria of the benchmark deviate from the Sub-Fund`s investment strategy.

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

  The benchmark tracks the performance of securities issued for qualified "green" purposes.

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

  Details of the Benchmark's methodology may be found at https://www.theice.com/publicdocs/Green_Bond_Index.pdf and at www.theice.com.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://regulatory.allianzgi.com/SFDR