

ALLIANZ ZB d.o.o. društvo za upravljanje obveznim i  
dobrovoljnim mirovinskim fondovima

# STATEMENT ON PRINCIPAL ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS

*Disclosure under Article 4 of the EU Sustainable Finance Disclosure Regulation (Regulation EU 2019/2088 of the European Parliament and of the Council as of 27 November 2019 on sustainability-related disclosures in the financial services sector and Delegated Regulation EU 2022/1288 of 6 April 2022 supplementing Regulation EU 2019/2088)*

June 2026

**Financial market participant:** ALLIANZ ZB d.o.o. društvo za upravljanje obveznim i dobrovoljnim mirovinskim fondovima,  
LEI: 549300GMPWLFNKRGM28

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## Summary

ALLIANZ ZB d.o.o. društvo za upravljanje obveznim i dobrovoljnim mirovinskim fondovima, LEI: 549300GMPWLFNKRGM28 (hereinafter: the Company), considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of the Company and the following pension funds under management:

1. AZ obvezni mirovinski fond kategorije A
2. AZ obvezni mirovinski fond kategorije B
3. AZ obvezni mirovinski fond kategorije C
4. AZ PROFIT otvoreni dobrovoljni mirovinski fond
5. AZ PROFIT otvoreni dobrovoljni mirovinski fond
6. AUTO HRVATSKA zatvoreni dobrovoljni mirovinski fond
7. AZ A1 zatvoreni dobrovoljni mirovinski fond
8. AZ DALEKOVOD zatvoreni dobrovoljni mirovinski fond
9. AZ ZAGREB zatvoreni dobrovoljni mirovinski fond
10. AZ HKZP zatvoreni dobrovoljni mirovinski fond
11. AZ ZABA zatvoreni dobrovoljni mirovinski fond
12. AZ Treći Horizont zatvoreni dobrovoljni mirovinski fond

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January 2025 to 31 December 2025.

### Reporting scope

The following disclosure under Art. 4 of Regulation EU 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (hereinafter: SFDR) refers to the investments of the Company and all of the assets under the Company's management.

The Company considers principle adverse impacts of its investment decisions with respect to investment assets under management of the Company in line with sustainability framework in place to identify and assess those impacts. The principal adverse impact on sustainability factors includes greenhouse gas emissions, loss of biodiversity, water shortages, handling of hazardous waste and toxic emissions, human rights violations, adverse impacts on the community and its security, bribery and corruption. In addition to the mandatory indicators, the Company has also prioritized the following optional indicators: investments in companies without water management policies; investments in companies without workplace accident prevention policies; share of bonds not issued under Union

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*The concept of Principal Adverse Impact (PAI) is described in the EU Regulation on sustainability related disclosures in the financial services sector (SFDR) regulatory technical standards: "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."*

legislation on environmentally sustainable bonds; and non-cooperative tax jurisdictions; share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling .

## Description of the principal adverse impacts on sustainability factors

### General explanatory notes

The reporting values were determined as the average for portfolio valuations on four quarterly surveys (31 March, 30 June, 30 September and 31 December 2025), using the latest data.

The sources of data for the calculations were third party - specialized information providers LSEG Data & Analytics (LEI: 213800QAUUUP6I445N30), Eurostat, European Council (<https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/>), United States Environmental Protection Agency (EPA) (<https://www.epa.gov/>), Fragile States Index (<https://fragilestatesindex.org/>), REGULATION (EC) No 1893/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains, Integrated Biodiversity Assessment Tool (IBAT) (<https://www.ibat-alliance.org/>) and latest publicly available disclosures of the issuer. In cases such as holding companies, where applicable, the Company used its best efforts to assess the effect of an individual business segment relevant to the indicator of adverse effect on sustainability, using data obtained from a third party - specialized information provider LSEG Data & Analytics, and for those issuers for which this information was not available, in order to make a reasonable estimate based on the issuer's public disclosures and/or additional research. When assessing the impact of an individual indicator, the data was not available for some of the issuers through a third party - the specialized information provider LSEG Data & Analytics and the Company made a maximum effort, in accordance with the available resources, to try to obtain the data through the issuer's public disclosures and/or additional research available public information and/or databases. In cases where the data was not available through any of the described activities on the basis of which the Company could reasonably assess the impact, in accordance with the best effort principle, the Company will make additional efforts to increase the availability of data and include the missing data in the following PAI statement.

The calculation of the impact of individual indicators is based on the previously described assessment. Below, under Explanation column, are data on how the impact of a particular indicator was calculated, according to the weight in the total current value of all investments relevant for the calculation of a particular indicator. Also, the reported impact in 2025 was influenced by the increased coverage of indicators.

Indicators applicable to investments in investee companies					
Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions (tons of CO2 equivalent)	664.857	170.905	Indicator represents the issuer's most recently disclosed or estimated greenhouse gas emissions (scope 1) in tons to which the indicator refers. These emissions come from sources owned or controlled by companies. The increase in impact in 2025, compared to the previous period, primarily reflects the broader coverage of available data included in the calculation.
					<u>Actions taken</u> The Company has continued to make additional efforts to increase the coverage of estimated greenhouse gas emissions for assets under management and continued monitoring impact changes on the year-over-year basis. As a result, the share of issuers for which impact data was unavailable, or for which a reasonable impact estimate could not be made, has been reduced. Given the uncertainty and variability in data

					<table border="1"> <tr> <td>77,44%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>20,47%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>2,09%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	77,44%	Third party - the specialized information provider	20,47%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	2,09%	Impact data was not available, nor was the Company able to reasonably assume the impact	<p>coverage, the Company cannot set a reasonable greenhouse gas emission reduction target for the overall portfolio.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to closely monitor greenhouse gas emission disclosures across all sectors and by all issuers in the portfolio in order to further improve the comparability of indicators over time and to prepare for the development of a more systematic approach that supports long-term investment decision making process and engagement with issuers, with the aim of reducing greenhouse gas emissions. In addition, the Company will actively continue to consider investments in securities issued by entities whose funds will, among other purposes, be used to reduce greenhouse gas emissions.</p>
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Scope 2 GHG emissions (tons of CO2 equivalent)	101.307	45.095	<p>The indicator represents the issuer's most recently disclosed or estimated greenhouse gas emissions (scope 2) in tons to which the indicator refers. The increase in impact in 2025, compared to the previous period, primarily reflects the broader coverage of available data included in the calculation.</p> <table border="1"> <tr> <td>77,44%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>20,47%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>2,09%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	77,44%	Third party - the specialized information provider	20,47%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	2,09%	Impact data was not available, nor was the Company able to reasonably assume the impact			
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Scope 3 GHG emissions (tons of CO2 equivalent)	2.695.638	2.749.841	<p>The indicator represents the issuer's most recently disclosed or estimated greenhouse gas emissions (scope 3) in tons to which the indicator refers. These are indirect emissions coming from the activities of an issuer that originate from sources not owned or controlled by it. The reduction in impact in 2025 compared to the previous period is primarily a result of the change in assets under management and the decrease in greenhouse gas emissions (Scope 3) of the investee issuers.</p>									

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	Total GHG emissions (tons of CO2 equivalent)	3.461.802	2.966.184	<p>The indicator represents the total emissions of greenhouse gases (scope 1, 2 and 3) in tons of the issuer to which the indicator refers. The increase in impact in 2025, compared to the previous period, primarily reflects the broader coverage of available data for the emissions of greenhouse gases (scope 1, 2 and 3) included in the calculation.</p> <table border="1"> <tr> <td>77,44%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>20,47%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>2,09%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	77,44%	Third party - the specialized information provider	20,47%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	2,09%	Impact data was not available, nor was the Company able to reasonably assume the impact	
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2. Carbon footprint	Carbon footprint (tons of CO2 equivalent per million euro invested)	0,350	0,335	<p>The indicator represents the latest available total greenhouse gas emissions of issuers (based on scope 1, scope 2 and scope 3 emissions) in tons per million euro invested. The increase in impact in 2025, compared to the previous period, primarily reflects the broader coverage of available data for the emissions of greenhouse gases (scope 1, 2 and 3) included in the calculation.</p> <table border="1"> <tr> <td>77,44%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>20,47%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer</td> </tr> </table>	77,44%	Third party - the specialized information provider	20,47%	Assessment obtained from the last publicly available disclosures of the issuer			
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3. GHG intensity of investee companies	GHG intensity of investee companies (tonnes/million euro of turnover)	327	326	<p>The indicator represents the issuers total emissions of greenhouse gases (scope 1, 2 and 3) to which the indicator refers in tons compared to the issuers last realized turnover in millions of euros. The slight increase in impact in 2025 compared to the previous period is primarily a result of the change in assets under management.</p> <table border="1"> <tr> <td>77,44%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>20,47%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>2,09%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	77,44%	Third party - the specialized information provider	20,47%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	2,09%	Impact data was not available, nor was the Company able to reasonably assume the impact	
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4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector (percentage of investee issuers exposed to fossil fuel related activities)	2,02%	2,14%	<p>The indicator represents exposure to issuers that derive income from the exploration, mining, extraction, production, processing, storage, refining or distribution of fossil fuels, which includes transportation, storage and trade. The decrease in impact in 2025 compared to the previous period primarily reflects a reduction in exposure to the fossil fuel sector within ETF components in the portfolio, as well as an increase in the current value of all investments.</p> <table border="1"> <tr> <td>94,32%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>3,73%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> </table>	94,32%	Third party - the specialized information provider	3,73%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	<p><u>Actions taken</u> The Company has continued to monitor the overall portfolio exposure to issuers active in the fossil fuel sector on the year-over-year basis and has made additional efforts to increase the coverage of estimated exposure to such issuers.</p> <p><u>Targets set for the next reference period</u> The Company will continue to invest additional efforts to improve the coverage and accuracy of issuer data in order to further enhance indicator comparability over time and to prepare for the development of a more systematic approach that supports long-term investment decision-making process and engagement with issuers operating in the fossil fuel sector. The Company will also continue to improve its sustainability related policies and practices, with the aim of assessing alignment with evolving national and international regulations and best market practices.</p>		
94,32%	Third party - the specialized information provider										
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5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (percentage of the investee issuers' energy consumption and/or production from non-renewable sources)	60,86%	60,54%	The indicator represents the percentage of the energy consumption and/or production of the issuers from non-renewable sources as a percentage of the total use and/or production of energy. The slight increase in impact in 2025 compared to the previous period is primarily a result of the change in assets under management.	27,53%	Third party - the specialized information provider	<p><u>Actions taken</u></p> <p>The Company has continued to monitor the share of energy consumption and production from non-renewable sources within the total assets under management and has made additional efforts to increase the coverage for the impact data. This has resulted in a reduction in the share of issuers for which impact data was unavailable or where a reasonable impact assessment could not be made.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to invest additional efforts to increase the coverage and accuracy of issuer data in order to further improve the comparability of this indicator over time and to prepare the development of a more systematic approach that supports investment decision-making process and engagement with issuers, aiming at the gradual reduction of the share of energy consumption and production from non-renewable sources in the long term. The Company will also continue to improve its sustainability related policies and practices, with the aim of assessing alignment with evolving national and international regulations and best market practices.</p>
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector (GWh/million turnover in euros)	0,096	0,068	The indicator represents energy consumption in GWh per million EUR of the issuer's revenue to which the indicator refers, by sectors that have a significant impact on the climate, defined as an economic activity code (i.e. based on the European nomenclature of economic activities - NACE). The increase in impact in 2025, compared to the previous period, primarily reflects the change in assets under management and the broader coverage of available data included in the calculation.	26,69%	Third party - the specialized information provider	<p><u>Actions taken</u></p> <p>The Company has continued to make additional efforts to increase the coverage of the estimated energy consumption in the high impact climate sector for assets under management and continued to monitor impact changes on the year-over-year basis. As a result, the share of issuers for which impact data was unavailable, or for which a reasonable impact estimate could not be made, has been reduced.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to invest additional efforts to increase the coverage and accuracy of issuer data in order to further improve the comparability of this indicator over time and to prepare the development of a more systematic approach that supports investment decision-making process and engagement with issuers in the high impact climate sector over the long term. The Company will also continue to</p>
					67,51%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	
					4,96%	Impact data was not available, nor was the Company able to reasonably assume the impact	
					65,13%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	

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Biodiversity	7. Activities negatively affecting biodiversity- sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas (percentage of investee issuers operating in biodiversity sensitive areas)	2,95%	1,87%	<p>The indicator represents the percentage of issuers to which the indicator refers, and whose activities leads to deterioration of the condition of natural habitats and habitats of species and disturbance of the species for which the protected area is intended, and for which conclusions, mitigation measures or impact assessments adopted in accordance with any of the relevant directives, national regulations or international standards equivalent to these directives are not implemented for these activities. The increase in impact in 2025 compared to the previous period is primarily the result of changes in assets under management.</p> <table border="1"> <tr> <td>28,93%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>68,42%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>2,62%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	28,93%	Third party - the specialized information provider	68,42%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	2,62%	Impact data was not available, nor was the Company able to reasonably assume the impact	<p><u>Actions taken</u></p> <p>The Company continued to monitor the share of total assets under management invested in issuers whose activities negatively affect areas sensitive to biodiversity. The Company has also made additional efforts to increase the coverage of the relevant indicator and to monitor impact changes on the year-over-year basis.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to invest additional efforts to increase the coverage and accuracy of issuer data in order to further improve the comparability of this indicator over time and to prepare the development of a more systematic approach that would support investment decision-making process and engagement with issuers whose activities negatively affect areas sensitive to biodiversity in the long term. The Company will also continue to improve its sustainability related policies and practices, with the aim of assessing alignment with evolving national and international regulations and best market practices.</p>
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Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million euro invested, expressed as a weighted average (tons per million euro invested)	0,063	0,026	<p>The indicator represents the sum of the tons of water emissions generated by the issuers weighted by the value of the investment, expressed in tons per million euro invested. The increase in impact in 2025 compared to the previous period primarily reflects changes in assets under management.</p> <table border="1"> <tr> <td>1,60%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>73,30%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> </table>	1,60%	Third party - the specialized information provider	73,30%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	<p><b>On the Company level</b></p> <p><u>Actions taken</u></p> <p>The Company has continued to monitor emissions to water generated by investee companies on the year-over-year basis and has made additional efforts to increase the coverage for the impact data.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to invest additional effort to increase the coverage and accuracy of issuer data in order to further improve the comparability of this indicator over time and to support the development of a more systematic approach that would support investment decision-making process and engagement with issuers responsible for emissions to water in the long term. The Company will also continue to enhance its sustainability-related policies and practices, with</p>		
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Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average (tons per million euro invested)	0,125	0,103	<p>The indicator represents the sum of tons of hazardous waste generated by the issuers weighted by the value of the investment, expressed in tons per million euro invested. The increase in impact in 2025, compared to the previous period, primarily reflects the broader coverage of available data included in the calculation.</p> <table border="1"> <tr> <td>19,90%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>62,46%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>17,64%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	19,90%	Third party - the specialized information provider	62,46%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	17,64%	Impact data was not available, nor was the Company able to reasonably assume the impact	<p><u>Actions taken</u></p> <p>The Company continued to invest additional effort to increase the coverage of estimated hazardous and radioactive waste generated by issuers in which it invests, and to more transparently monitor the change in the indicator on the year-over-year basis. This has resulted in a significant reduction in the share of issuers for which impact data was unavailable or where a reasonable impact estimate could not be made.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to invest additional effort to increase the coverage and accuracy of issuer data in order to further improve the comparability of this indicator over time and to support the development of a more systematic approach that would support investment decision-making process and engagement with issuers generating hazardous and radioactive waste in the long term. The Company will also continue to enhance its sustainability-related policies and practices, with the aim of assessing alignment with developments in national and international regulation and best market practices.</p>
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INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS												
Social and employee matters	10. Violations of UN Global Compact Principles (UNGC) and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (percentage of investments in investee companies that were involved in violations)	3,37%	2,48%	<p>The indicator represents the portion of investments in issuers involved in violations of the UNGC principles or the OECD Guidelines for Multinational Enterprises. The increase in impact in 2025 compared to the previous period primarily reflects the increased coverage of available data included in the calculation.</p> <table border="1"> <tr> <td>77,44%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>20,78%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> </table>	77,44%	Third party - the specialized information provider	20,78%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	<p><u>Actions taken</u></p> <p>The Company has continued to monitor the compliance of issuers with the UNGC principles and the OECD Guidelines for Multinational Enterprises, and has made additional efforts to increase the coverage of this indicator and track its changes on the year-over-year basis. As a result, the share of issuers for which impact data was unavailable, or for which a reasonable impact estimate could not be made, has been reduced.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to invest additional effort to increase the coverage and accuracy of issuer data in order to further improve the comparability of this indicator over time and to support the development of a more systematic approach that would support investment decision-making process and engagement with issuers that have violated the</p>		
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1,78%	Impact data was not available, nor was the Company able to reasonably assume the impact											
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (percentage in investee companies without policies to monitor compliance with UNGC principles or OECD Guidelines)	1,39%	1,35%	<p>The indicator represents share of investments in issuers that do not have policies to monitor compliance with the UNGC Principles or the OECD Guidelines for Multinational Enterprises or mechanisms to resolve complaints for violations of the UNGC Principles or the OECD Guidelines for Multinational Enterprises. Slight increase in impact in 2025, compared to the previous period, primarily reflects the broader coverage of available data included in the calculation.</p> <p>It needs to be noted that Company does not have direct investments in investee companies without above mentioned policies. Current exposure is due to a passive investment strategy.</p>	<table border="1"> <tr> <td>77,44%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>20,78%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>1,78%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	77,44%	Third party - the specialized information provider	20,78%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	1,78%	Impact data was not available, nor was the Company able to reasonably assume the impact	<p><u>Actions taken</u></p> <p>The Company has continued to monitor the share of investments in issuers that lack procedures and mechanisms for monitoring compliance with the UNGC principles and the OECD Guidelines for Multinational Enterprises, and has made additional efforts to increase the coverage of this indicator and track its changes on the year-over-year basis. This has resulted in a reduction in the share of issuers for which impact data was unavailable or where a reasonable impact estimate could not be made.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to invest additional effort to increase the coverage and accuracy of issuer data in order to further improve the comparability of indicators over time and to support the development of a more systematic approach that would support investment decision-making process and engagement with issuers that lack procedures and mechanisms for monitoring compliance with the UNGC principles and the OECD Guidelines for Multinational Enterprises over the long term. The Company will also continue to enhance its sustainability-related policies and practices, with the aim of assessing alignment with developments in national and international regulation and best market practices.</p>
77,44%	Third party - the specialized information provider											
20,78%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company											
1,78%	Impact data was not available, nor was the Company able to reasonably assume the impact											
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies (average gender pay gap in companies receiving investments)	4,81%	4,05%	<p>The indicator represents the unadjusted average gender pay gap in the investee issuers to which the indicator refers. The increase in impact in 2025, compared to the previous period, primarily reflects the broader coverage of available data included in the calculation.</p>	<table border="1"> <tr> <td>30,73%</td> <td>Third party - the specialized information provider</td> </tr> </table>	30,73%	Third party - the specialized information provider	<p><u>Actions taken</u></p> <p>The Company has continued to make additional efforts to increase the coverage of average unadjusted gender pay gap data of investee companies and continued to monitor impact changes on the year-over-year basis. As a result, the share of issuers for which impact data was unavailable, or for which a reasonable impact estimate could not be made, has been significantly reduced.</p>				
30,73%	Third party - the specialized information provider											

					<table border="1"> <tr> <td>57,11%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>12,16%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	57,11%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	12,16%	Impact data was not available, nor was the Company able to reasonably assume the impact	<p><u>Targets set for the next reference period</u></p> <p>The Company will continue to invest additional effort to increase the coverage and accuracy of issuer data in order to further improve the comparability of indicators over time and to support the development of a more systematic approach that would support investment decision-making process and engagement with issuers with a significant unadjusted gender pay gap over the long term. The Company will also continue to enhance its sustainability-related policies and practices, with the aim of assessing alignment with developments in national and international regulation and best market practices.</p>	
57,11%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company										
12,16%	Impact data was not available, nor was the Company able to reasonably assume the impact										
13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members (average ratio of female board members to all board members)	25,91%	25,57%	<p>The indicator represents the average ratio of women and men in the management of issuers, expressed as percentage of all board members. The increase in impact in 2025, compared to the previous period, primarily reflects the broader coverage of available data included in the calculation.</p> <table border="1"> <tr> <td>28,98%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>68,93%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>2,09%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	28,98%	Third party - the specialized information provider	68,93%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	2,09%	Impact data was not available, nor was the Company able to reasonably assume the impact	<p><u>Actions taken</u></p> <p>The Company continued to monitor gender diversity on the boards of the investee companies and made additional efforts to increase the coverage of this indicator and track its changes on the year-over-year basis. This has resulted in a reduction in the share of issuers for which impact data was unavailable or where a reasonable impact estimate could not be made.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will, based on assessment and on a case-by-case basis, encourage investee companies to increase gender diversity on their boards through participation and voting at general meetings. The Company will continue to invest additional effort to increase the coverage and accuracy of issuer data in order to further improve the comparability of indicators over time and to support the development of a more systematic approach that would support investment decision-making process and engagement with issuers with the aim of increasing gender diversity on boards in the long term. The Company will also continue to enhance its sustainability-related policies and practices, with the aim of assessing alignment with developments in national and international regulation and best market practices.</p>
28,98%	Third party - the specialized information provider										
68,93%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company										
2,09%	Impact data was not available, nor was the Company able to reasonably assume the impact										
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons (percentage of	0%	0,12%	<p>The indicator represents the portion of investments in issuers involved in the production or sale of controversial weapons.</p> <p>It needs to be noted that Company does not have direct investments in investee companies involved in the manufacture or selling of controversial weapons. The exposure in the previous period was a result of a passive investment strategy.</p>	<p><u>Actions taken</u></p> <p>The Company continued to apply exclusion criteria for direct investments in companies involved in the production or sale of controversial weapons. The minor exposure of assets under management to controversial weapons in 2024 was a result of the passive investment strategy.</p> <p><u>Targets set for the next reference period</u></p>						

	and biological weapons)	participating issuers involved in the production or sale of controversial weapons)			<table border="1"> <tr> <td>77,44%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>20,47%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>2,09%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	77,44%	Third party - the specialized information provider	20,47%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	2,09%	Impact data was not available, nor was the Company able to reasonably assume the impact	The Company will continue to apply exclusion criteria for direct investments in issuers involved in the production or sale of controversial weapons and will monitor indirect exposure. The Company will continue to invest additional effort to increase the coverage and accuracy of data in order to further improve the comparability of indicators over the years. The Company will also continue to enhance its sustainability-related policies and practices, with the aim of assessing alignment with developments in national and international regulation and best market practices.
77,44%	Third party - the specialized information provider											
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**Indicators applicable to investments in sovereigns and supranationals**

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period		
Environmental	15. GHG intensity	GHG intensity of investee countries (tonnes of carbon dioxide 'CO2' equivalent per million euro of Gross Domestic Product ('GDP'))	0,541	0,603	<p>The indicator represents the greenhouse gas intensity of the countries in tons per million EUR of Gross Domestic Product (GDP) in which the investment is made. The reduction of the impact in 2025 compared to the previous period primarily reflects a decrease in the greenhouse gas emission intensity of the issuers in the portfolio.</p> <table border="1"> <tr> <td>100%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> </table>	100%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	<p><u>Actions taken</u></p> <p>The Company has continued to monitor the greenhouse gas emission intensity of the countries in which it invests through sovereign bonds, while also making additional efforts to expand the coverage of this indicator and track its year-over-year changes. As of now, there are no issuers for whom data on this indicator is unavailable or for whom a reasonable assessment could not be made.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company conducts due diligence on the ESG aspects of its bond investments and is committed to further developing a comprehensive sustainability framework, including enhanced ESG scoring and refined exclusion criteria.</p>
100%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company							

Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law (number of participating countries subject to social violations)	0	0	<p>The indicator represents the number of countries in which investments are made, and in which violate social rights (absolute number and relative number divided by the total number of countries in which investments are made), as stated in international treaties and conventions, United Nations principles and, depending on the case, national law.</p> <table border="1"> <tr> <td>100%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> </table>	100%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	<p><u>Actions taken</u></p> <p>The Company maintains a firm stance against investing in issuers from countries associated with serious human rights violations. Respect for human rights is a core principle, and any direct investments in issuers linked to severe human rights abuses are subject to enhanced monitoring and rigorous analysis. The Company has no direct business activities in countries with serious or systemic human rights violations. In 2025, exposure monitoring confirmed that there was no investment exposure to countries where social rights are known to be violated. Currently, there are no issuers for whom indicator data is unavailable or for whom a reasonable assessment could not be conducted.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company conducts due diligence on the ESG aspects of its bond investments and is committed to further developing a comprehensive sustainability framework, including enhanced ESG scoring and refined exclusion criteria.</p>
100%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company							

**Indicators applicable to investments in real estate assets**

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through	Share of investments in real estate assets	0%	/	<p>The indicator represents the share of investments in real estate assets involved in the extraction, storage, transport, or manufacture of fossil fuels. During the reference period, no</p> <p><u>Targets set for the next reference period</u></p> <p>In the next reference period, the relevant data related to these indicators will continue to be monitored, including the</p>

	real estate assets	involved in the extraction, storage, transport or manufacture of fossil fuels			exposure to investments in real estate assets involved in the extraction, storage, transport, or manufacture of fossil fuels was identified.	use of the real estate assets and the available information on their energy efficiency. As part of its regular portfolio monitoring and investment procedures, the Company will continue to collect and update the available documentation, in particular energy performance certificates and other information needed for the calculation and monitoring of the indicators.
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	29,82%	/	The indicator represents the share of investments in energy-inefficient real estate assets.	The target for the next reference period is to maintain an adequate level of data monitoring and availability in order to enable consistent reporting on exposure to fossil fuel-related real estate assets and energy-inefficient real estate assets.

**Additional climate and other environment-related indicators**

**Indicators applicable to investments in investee companies**

**CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS**

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period						
Water, waste and material emissions	7. Investments in companies without water management policies	Share of investments in investee companies without water management policies	1,23%	1,41%	<p>The indicator represents the percentage share of investments in investee companies that do not have water management policies. The decrease in impact in 2025, compared to the previous period, primarily reflects the broader coverage of available data included in the calculation. Additionally, this exposure is primarily a result of the passive investment strategy.</p> <table border="1"> <tr> <td>77,44%</td> <td>Third party - the specialized information provider</td> </tr> <tr> <td>20,47%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> <tr> <td>2,09%</td> <td>Impact data was not available, nor was the Company able to reasonably assume the impact</td> </tr> </table>	77,44%	Third party - the specialized information provider	20,47%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	2,09%	Impact data was not available, nor was the Company able to reasonably assume the impact	<p><u>Actions taken</u></p> <p>The Company has continued to monitor investments in issuers that do not have water management policies and has made additional efforts to expand the coverage of this indicator and track its change on the year-over-year basis. This resulted in a significantly reduced share of issuers for which impact data was not available, i.e. where it was not possible to make a reasonable estimate of the impact.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to invest additional effort to increase the coverage and accuracy of issuer data in order to further improve the comparability of indicators over time and to support the development of a more systematic approach that would support investment decision-making process and engagement with companies that do not have water management policies over the long term. The Company will also continue to enhance its sustainability-related policies and practices, with the aim of assessing alignment with developments in national and international regulation and best market practices.</p>
77,44%	Third party - the specialized information provider											
20,47%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company											
2,09%	Impact data was not available, nor was the Company able to reasonably assume the impact											

**Indicators applicable to investments in sovereigns and supranationals**

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period		
Green securities	17. Share of bonds not issued under Union legislation on environmentally sustainable bonds	Share of bonds not issued under Union legislation on environmentally sustainable bonds	100%	100%	<p>The indicator represents a percentage share of bonds invested in, that were not issued in accordance with European Union regulations on environmentally sustainable bonds.</p> <p>There are currently no government bonds labeled as environmentally sustainable within the assets under management.</p> <table border="1" data-bbox="1072 443 1588 587"> <tr> <td>100%</td> <td>Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company</td> </tr> </table>	100%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company	<p><u>Actions taken</u></p> <p>The Company has continued to monitor share of bonds not issued under Union legislation on environmentally sustainable bonds of the countries in which it invests through sovereign bonds, while also making additional efforts to expand the coverage of this indicator and track its year-over-year changes. As of now, there are no issuers for whom data on this indicator is unavailable or for whom a reasonable assessment could not be made.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company conducts due diligence on the ESG aspects of its bond investments and is committed to further developing a comprehensive sustainability framework, including enhanced ESG scoring and refined exclusion criteria.</p>
100%	Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company							

**Indicators applicable to investments in real estate assets**

Adverse sustainability indicator	Adverse impact on sustainability factors (qualitative or quantitative)	Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
Waste	20. Operational waste generation	Share of real estate assets not equipped for waste sorting and not covered by a waste recovery or recycling contract	0%	/	<p>The indicator represents the share of investments in real estate assets that are not equipped for waste sorting and are not covered by a waste recovery or recycling contract. The indicator was determined based on the available information on the existing waste sorting infrastructure in the real estate assets in the portfolio, as well as the available documentation and contractual relationships related to waste management, recovery, or recycling.</p> <p>During the reference period, no exposure to investments in real estate assets that are not equipped for waste sorting and are not covered by a waste recovery or recycling contract was identified.</p>	<p><u>Targets set for the next reference period</u></p> <p>In the next reference period, the relevant data related to this indicator will continue to be monitored, including the availability of equipment and space for waste sorting and the existence of contractual arrangements for waste recovery or recycling. As part of its regular portfolio monitoring, the Company will continue to collect and update the available documentation needed for the calculation and monitoring of the indicator.</p> <p>The target for the next reference period is to maintain an adequate level of data monitoring and availability in order to enable consistent reporting on exposure to real estate assets that are not equipped for waste sorting and are not covered by a waste recovery or recycling contract.</p>

**Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters**

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

**Indicators applicable to investments in investee companies**

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period	
Social and employee matters	1. Investments in companies without workplace accident prevention policies	Share of investments in investee companies without a workplace accident prevention policy	0,08%	0,00%	The indicator represents the percentage share of investments in issuers in which investments are made that do not have policies to prevent accidents at work.	<p><u>Actions taken</u></p> <p>The Company has continued to monitor investments in issuers without workplace accident prevention policies and has made additional efforts to expand the coverage of this indicator and track its change on the year-over-year basis.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to monitor this indicator. Additionally, the Company will continue to dedicate efforts toward developing a more systematic approach to support the investment decision-making process and to engage with companies that lack workplace accident prevention policies over the long term, if such companies exist in the portfolio. The Company will also continue to enhance its sustainability-related policies and practices, with the aim of assessing alignment with developments in national and international regulation and best market practices.</p>	
					77,44%		Third party - the specialized information provider
					21,02%		Assessment obtained from the last publicly available disclosures of the issuer and/or additional research and reasonable assumption by the Company
					1,54%		Impact data was not available, nor was the Company able to reasonably assume the impact

**Indicators applicable to investments in sovereigns and supranationals**

Adverse sustainability indicator		Metric	Impact 2025	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
Governance	22. Non-cooperative tax jurisdictions	Investments in jurisdictions on the EU list of noncooperative jurisdictions for tax purposes	0	0	This indicator represents the percentage share of investments in jurisdictions on the EU's list of non-cooperative jurisdictions into tax jurisdictions purposes.	<p><u>Actions taken</u></p> <p>The Company has continued to apply control processes and mechanisms which, among other things, exclude countries listed on sanctions lists. Additionally, the legal framework does not permit direct investments outside the EU and OECD member states.</p> <p><u>Targets set for the next reference period</u></p> <p>The Company will continue to consistently apply control processes and mechanisms that, among other things, exclude countries listed on sanctions lists from the investment portfolio. The Company will maintain its efforts in conducting due diligence on the ESG aspects of its bond investments and is committed to further developing a comprehensive sustainability framework, including enhanced ESG scoring and refined exclusion criteria.</p>
					100%	

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## Description of policies to identify and prioritise principal adverse impacts on sustainability factors

The Company's Management Board adopted the Sustainability Policy on 27 June 2025, outlining the procedures, policies, and processes the Company has established to integrate sustainability risk into the investment decision-making process. The Policy also sets out how the Company considers the principal adverse impacts of investment decisions on sustainability factors, including the identification and prioritization of such impacts. The identification of the principal adverse impacts of investment choices on sustainability factors, along with the definition of corresponding mitigation measures, forms an integral part of the Company's sustainability approach. The Company considers principal adverse impacts on sustainability factors in connection to its investment decision-making process, including investment strategy, asset management, investment monitoring and risk management. This includes active ownership (through participation and voting) and the exclusion of certain sectors and issuers from the investment portfolio. The Company will pay particular attention when assessing investments in sectors with high exposure to potential sustainability risks and significant adverse impacts on sustainability factors, taking into account international best practices and standards in the evaluation of such impacts.

To ensure more effective implementation of the Sustainability Policy, the Company has established a framework involving the following departments:

- *Compliance Department*: Responsible for ensuring the Company's compliance with the Sustainability Policy and applicable sustainability-related regulations, and for overseeing the effective implementation of controls established by both external and internal rules.
- *Analysis Department*: When analyzing debt securities issued by sovereign and/or local governments, corporate debt securities, equity securities (shares), units and/or shares in UCITS funds or alternative investment funds, as well as deposits and cash held with credit institutions, this department also takes sustainability aspects into account. Furthermore, through participation in and voting at shareholders' meetings of issuers, department employees can promote greater transparency in the consideration of sustainability risk and principal adverse impacts on sustainability factors.
- *MO and Risk Management Department*: Monitors sustainability risk in the investment decision-making process. This department also oversees the alignment of actual risks with the acceptable risk level.
- *Front Office Department*: When applying the Company's Policies and procedures for asset investment decisions, the Front Office also takes sustainability aspects into consideration.

Recognizing the growing importance of investments in projects and activities that support sustainable business practices, the Company acting with the care of a diligent professional in the investment process takes into account environmental, social, and governance (ESG) factors at both issuer and sector levels. Accordingly, identified adverse impacts are integrated into investment decision-making and are considered during the investment analysis and investment decision process. Accordingly, sustainability considerations are taken into account alongside other investment criteria when managing assets. The internal methodology integrates sustainability aspect into the analysis of: debt securities issued by sovereign and/or local governments, corporate debt securities, equity securities (shares), units and/or shares in UCITS funds or alternative investment funds, as well as deposits and cash held with credit institutions. This structured approach enables the Company to proactively consider sustainability factors, support the long-term sustainability of its portfolio and contribute to reducing negative impacts on the environment, society and the economy.

The Company prioritizes its resources to address the principal adverse impacts of its investment decisions based on the greatest impact on social issues and where it believes that efforts, including engagement activities, can drive more significant positive change. Accordingly, in both new investments and ongoing monitoring, the Company gives priority to the following indicators related to the social and employee, respect for human rights, anti-corruption and anti-bribery matters:

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)
- Investee countries subject to social violations.

The Company believes that most economic activities can impact various sustainability indicators, both positively and negatively. These effects may be significant both prior to investing and during the holding period, and require periodic reassessment. To determine the existence of possible negative impacts, the Company evaluates the performance of each indicator in comparison to results from the previous year. If a negative impact is identified, particularly if potentially irreversible, the Company may take actions such as refraining from investment, divesting, reducing exposure, or placing the exposure under strict monitoring. When appropriate, these actions may be complemented by an active ownership approach through engagement measures, such as dialogue and/or exercising voting rights in proportion to its share in the company in which it invests. The Company will continue to improve its sustainability-related policies and practices, with the aim of assessing compliance with evolving regulations at both the national and international level, and aligning with best market practices.

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## Data sources and quality checks

Given stark differences in data availability across the principle adverse impact metrics (as defined by EU regulators) and asset classes, we are in continuous discussions with data providers to address data gaps, broaden our understanding of potential adverse impact and look for new data sources. Our methodologies to assess adverse impacts on sustainability factors are dependent on data availability and quality. Hence, we combine various data sources as described below.

The sources of data for the calculations were third party - specialized information providers LSEG Data & Analytics (LEI: 213800QAUUUP6I445N30), Eurostat, European Council (<https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/>), United States Environmental Protection Agency (EPA) (<https://www.epa.gov/>), Fragile States Index (<https://fragilestatesindex.org/>), REGULATION (EC) No 1893/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains, Integrated Biodiversity Assessment Tool (IBAT) (<https://www.ibat-alliance.org/>) and latest publicly available disclosures of the issuer. In cases such as holding companies, where applicable, the Company tried to assess the effect of an individual business segment relevant to the indicator of adverse effect on sustainability, using data obtained from a third party - specialized information provider LSEG Data & Analytics, and for those issuers for which this information was not available, the Company used its best effort to make a reasonable estimate based on the issuer's public disclosures and/or additional research. When assessing the impact of an individual indicator, the data was not available for some of the issuers through a third party - the specialized information provider LSEG Data & Analytics and the Company made a maximum effort, in accordance with the available resources, to try to obtain the data through the issuer's public disclosures and/or additional research available public information and/or databases. In cases where the data was not available through any of the described activities on the basis of which the Company could reasonably assess the impact, in accordance with the *best effort* principle, the Company will make additional efforts to increase the availability of data and include the missing data in the following PAI statements. Despite best effort, data availability limits the degree of consideration of specific principle adverse impact metrics, so we are continuously working on improving our data quality and consistency across data sources.

Combining and calculating PAI indicators from various data sources requires a highly complex technical implementation. Therefore, data enrichment processes may be subject to technical issues, which in turn could affect the accuracy of our reported impacts on the PAI indicators.

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## Engagement policies

### Brief summary of engagement policies

When exercising voting and other rights for and on behalf of the pension funds under management, in accordance with the Engagement Policy and Corporate Governance Policy, the Company encourages issuers to implement policies and procedures that aims to strengthen the investee company's management of ESG issues and spur improvements of its overall sustainability performance, and opposes proposals that threaten the interests of investors and generally accepted principles of corporate governance and corporate social responsibility. In accordance with the general principles of the Company's corporate management, social and environmental impacts stand out among the particularly important areas of ownership activity. In accordance with the applicable Corporate Governance rules, the Company usually reviews the proposals of shareholders regarding the issue of sustainability. Therefore, special attention is paid to the circumstances of certain environmental, social or governance issues and whether they may have direct or indirect financial impact on the issuer. In circumstances of detecting significant breaches of sustainability factors, the Company enters into dialogue with the issuers. The objective of engagement is to strengthen the commitment of issuers to sustainability matters and to encourage improvements in transparency and overall sustainability performance. The Company is aware of the fact that significant change can take several years, and sees this engagement as an ongoing process that can be both impactful and mutually beneficial. The Company believes that it would not be able to contribute to this positive change if it automatically withdraws its investments. However, if the Company's engagement turns out to be unsuccessful, a potential divestment related to

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certain issuers shall be considered. The Company regularly updates its Engagement Policy and shall adapt it in accordance with potential changes in the profile of pension funds under management. Additional details are available on the Company's website in the section "About Us" under category "[Policies and Processes](#)".

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## References to international standards

The Company is part of the Allianz Group, which is a member of a wide range of sustainability-related initiatives and principles on behalf of its operating entities. Allianz believes collaboration and long-term partnerships are instrumental in delivering positive change. Addressing global challenges like climate change and human rights requires collective action involving business, governments and civil society. Allianz' reporting on progress to these initiatives and principles partially overlaps with the PAI metrics. In particular the GHG emissions related PAI indicators are reflected in a multitude of climate related commitments and disclosures of Allianz. Allianz is committed to the Principles for Responsible Investment (PRI) since 2011. The PRI guide Allianz' approach to responsible investment and drive continuous improvement across its businesses. Allianz reports annually to the PRI as an asset owner. The latest and past PRI Transparency Reports can be found on [Allianz' profile on the PRI website](#). In the next paragraphs, we are highlighting Allianz Group's approach to Human Rights and Climate Change. Information Allianz Group approaches to sustainability is available at the following link: [Allianz Group Sustainability Highlights 2025](#) and within the sustainability statement included in the [Annual Report 2025 Allianz Group](#).

### Human Rights

Allianz is committed to respecting human rights in line with various human rights standards such as the United Nations (UN) Guiding Principles for Human Rights, International Bill of Human Rights and as set out by the Labor Standards of the International Labor Organization (ILO). Allianz recognizes the importance of human rights, as both a value-based issue and a business issue. As such, Allianz has integrated human rights aspects based on the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and has been a participant in the UN Global Compact (UNGC) since 2002. Allianz reports on the implementation of the UNGC's Ten Principles every year in its annual Sustainability Report and the UNGC Communication on Progress. For further details, please see the [Allianz SE profile on the UNGC website](#). Human rights are relevant for Allianz across its various roles – as an insurer and investor, as an employer, as a company (including in its supply chain), and as a corporate citizen. Allianz has different processes in place for each of these dimensions and continuously aims to improve the incorporation of human rights into its business. In 2021, Allianz collaborated with a third-party consulting company to perform a Human Rights Impact Assessment based on UNGP's methodology to identify gaps in its approach and continue to improve human rights integration in its core business and organization. Allianz also strengthened its approach by publishing its Human Rights Approach embedded in the [Allianz Sustainability Integration Framework](#).

#### Integrating human rights into Allianz' core business

As a corporate insurer and investor, Allianz has developed a human rights due diligence process as part of its overall ESG approach, which is integrated into its broader risk management system. Allianz uses a combination of sector- and country-specific approaches to identify human rights risks. Allianz has developed ESG guidelines for sensitive business sectors, which include a sector-specific human rights guideline (see [Allianz Sustainability Integration Framework](#) section 03.4.7). Thus, relevant human rights aspects are reviewed as part of the overall risk assessment for any investments into non-listed asset classes in the respective sector.

In addition, Allianz has developed a watch list for sensitive countries where systematic human rights violations occur. For business transactions located in these countries, Allianz carries out explicit due diligence in accordance with its Human Rights Guideline that covers various human rights violations. Allianz also reviews the Human Rights situation in a country with the Allianz Human Rights Risk Score, which was developed in 2022. Based on the United Nations Universal Declaration of Human Rights (e.g., right to liberty, equality, education, prohibition of torture, etc.), Allianz experts assess countries' human rights risk exposure, using NGO information as well as in-house research. Allianz restricts investments in sovereign bonds from countries associated with severe human rights concerns and significant issues managing those. Also, sovereign issuers below the scoring threshold on the Allianz Human Rights Risk Score are excluded for new investments and a divestment plan is developed for existing investments. In terms of its corporate investments, if Allianz identifies an issuer in its listed investment portfolio that is flagged for human rights issues by its external sustainability data provider,

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it prioritizes this issuer for a systematic engagement (see [Allianz Group Sustainability Highlights 2025](#)). In 2022 Allianz carried out a review of the human rights guideline and sensitive countries approach across all business lines.

## Climate Change

Allianz strategically considers climate criteria in all its business lines. Allianz is an active member of various climate-related industry associations and initiatives, advocating for ambitious decarbonization strategies and financing by industry. As a supporter of Task Force on Climate-related Financial Disclosure (TCFD), Allianz specifically reports on the carbon indicators and strategies for the Group portfolio in its comprehensive TCFD disclosure (see [Allianz Group Sustainability Highlights 2025](#)). As an AOA founding member Allianz SE commits long-term to transitioning its proprietary investment portfolios to net-zero GHG emissions by 2050 consistent with a maximum temperature rise of 1.5°C above pre-industrial temperatures, taking into account the best available scientific knowledge including the findings of the Intergovernmental Panel on Climate Change (IPCC), and regularly reporting on progress, including establishing intermediate targets every five years in line with the Paris Agreement. With climate related policies, targets and a multifaceted engagement approach Allianz SE strives to support those taking action to decarbonise their operations and mitigate climate change in the real economy. Supporting real-world decarbonization is also an imperative for Allianz because climate change poses a real threat to the insurance offerings that Allianz provides to businesses and society.

In line with the [NZAOA Target-Setting Protocol](#), Allianz will assist, incentivize and require its portfolio companies to embark on decarbonization pathways consistent with the 1.5°C objective of the Paris Agreement. In alignment with this commitment, Allianz Investment Management is an active member of CA100+ which aims to engage with the world's largest corporate GHG emitters to set GHG emission reduction targets, strengthen climate-related financial disclosures and improve governance on climate change. Allianz' effort has included introducing the CA100+ Net-Zero Company Benchmark to the companies it engages with and supporting the initiative's broader roll out of this measurement and tracking tool. The Benchmark covers critical indicators to measure company progress against a 1.5°C aligned pathway, and to transparently report on their progress.

Allianz uses leading academic climate scenarios like the ones used for the reports by the Intergovernmental Panel on Climate Change (IPCC) to determine alignment with its goal. Targets are based on IPCC 1.5-degree Celsius "no" or "low" over-shoot climate scenarios. They do not backload emissions reductions by assuming the world can massively remove carbon from the atmosphere using technologies currently unavailable or unproven at scale. For real estate, Allianz' aim is to align with the 1.5°C decarbonization pathways for the global real estate sector published by the Carbon Risk Real Estate Monitor (CRREM).

Among the efforts of the AOA is driving the availability of operationalizable scenarios and pathways by being fully science-based in all that it does and by promoting the OECM model, the IPCCs no/low overshoot scenarios and the IEA's NZE2050. In addition, Allianz is actively contributing to Open-Source Climate, a group of corporates to jointly build a "pre-competitive layer" of modeling and data that is globally shared and accessible. Allianz is also actively contributing to specialized initiatives that focus on decarbonization, including Science Based Targets initiative (SBTi) and Transition Pathway Initiative (TPI). One key effort of these initiatives and Allianz is to develop (forward-looking) climate performance indicators across asset classes and assessment tools to monitor portfolios' alignment with the 1.5°C objective of the Paris Agreement. For further details see [Allianz Group Sustainability Highlights 2025](#).

The Company shall continue to work on its sustainability framework in accordance with the laws and regulations applicable to pension funds management, as well as Allianz Group's guidelines towards achieving the sustainability goals and supporting initiatives, all with the main goal of mitigating climate change and improving corporate governance.

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## Historical comparison

The first PAI statement including quantitative disclosures in the format of Annex I SFDR RTS was published in June 2023, hence historical comparison is possible from June 2024 onwards. The Art. 4 SFDR disclosures can be found on the following links:

- [Statement on principal adverse impacts of investment decisions on sustainability factors June 2023](#)
  - [Statement on principal adverse impacts of investment decisions on sustainability factors June 2024](#)
  - [Statement on principal adverse impacts of investment decisions on sustainability factors June 2025](#)
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