

Société d'Investissement à Capital Variable

# Hong Kong Prospectus

Allianz Global Investors Fund

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## IMPORTANT INFORMATION FOR INVESTORS

**Important** – If you are in any doubt about the contents of this HK Prospectus, you should seek independent professional financial advice.

This HK Prospectus comprises information relating to the Company, which is an open-ended investment company with variable share capital incorporated under the laws of the Grand Duchy of Luxembourg as a Société d'Investissement à Capital Variable on 9 August 1999 under the name DRESDNER GLOBAL STRATEGIES FUND, which was changed to Allianz Dresdner Global Strategies Fund with effect from 9 December 2002, and further changed to Allianz Global Investors Fund with effect from 8 December 2004.

The Board has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no further material facts, the omission of which would make misleading any statement herein, whether of fact or opinion, as at the date of publication. The Board accepts responsibility accordingly. However, neither the delivery of this HK Prospectus nor the offer or issue of Shares shall under any circumstances constitute a representation that the information contained in this HK Prospectus is correct as of any time subsequent to such date. This HK Prospectus may from time to time be updated. Intending applicants for Shares should ask the HK Representative if any supplements to this HK Prospectus or any later prospectus have been issued.

**All decisions to subscribe for Shares are deemed to be made on the basis of the information contained in this HK Prospectus and supplementary documentation, and in the latest annual and semi-annual reports of the Company, which are available from the HK Representative. Investors may contact the HK Representative for any queries or complaints in relation to any Sub-Fund. The HK Representative will respond to any enquiry or complaint in writing.**

**HK Representative:**  
**Allianz Global Investors Asia Pacific Limited**  
**32/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong**

**hk.allianzgi.com**

***The value of, and income from, Shares in a Sub-Fund may rise and fall, and investors may not recover the amount originally invested. Before investing in a Sub-Fund, investors should consider the risks involved in such investment (see Section XI, headed "Risk Factors").***

No person is authorised to give any information or to make any representations concerning the Company other than as contained in this HK Prospectus and in the documents referred to herein, and any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this HK Prospectus shall be solely at the risk of the investor. Please note that the website [hk.allianzgi.com](http://hk.allianzgi.com) has not been reviewed by the SFC.

*The Company and the Sub-Funds referred to in this HK Prospectus are authorised by the SFC under Section 104 of the SFO. This HK Prospectus has been authorised by the SFC. Such authorisation is not a recommendation or endorsement of the Company or the Sub-Funds by the SFC, nor does it guarantee their commercial merits or their performance. Neither does it mean the Company or any Sub-Fund is suitable for all investors, nor is it an endorsement of its suitability for any particular investor or class of investors. This HK Prospectus is published in English and Chinese.*

*Prospective investors should inform themselves as to: (a) the possible tax consequences; (b) the legal requirements; and (c) any foreign exchange restrictions or exchange control regulations or requirements (which they might encounter) under the laws of the countries of their respective citizenship, incorporation, residence or domicile and which might be relevant to the subscription, holding or disposal of Shares.*

*This HK Prospectus does not constitute an offer or solicitation by any person in any jurisdiction in which such offer or solicitation is not lawful or in which the person making the offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.*

*Neither the Management Company nor the Company has been, or will be, registered under the U.S. Investment Company Act of 1940, as amended, and investors will not be entitled to the benefits of such registration. The Shares have not been, or will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or qualified under any applicable state statutes and may not be offered, sold or transferred in the United States (including its territories and possessions) or to or for the benefit of, directly or indirectly, any U.S. Person (as that term is defined in Regulation S of the Securities Act), except pursuant to registration or an exemption. The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of these offering materials. Any representation to the contrary is unlawful.*

*The Company, the Nominee and/or the Registrar Agent, for the purpose of FATCA compliance, may be required to disclose personal data relating to certain U.S. persons and/or non-participant foreign financial institutions to the U.S. Internal Revenue Service or local tax authorities.*

*Since the operations of the Sub-Funds are carried in Luxembourg, all investors investing in the Sub-Funds through the HK Representative will have their Shares dealt with via a nominee arrangement (see Section V5.5, headed “**Nominee Service**”). The Nominee, a Cayman Islands entity, will provide nominee services to facilitate investments in the Sub-Funds. In November 2013, the Cayman Islands Government entered into an intergovernmental agreement with the United Kingdom (“**Cayman IGA**”) to which the Nominee is subject. For the purpose of complying with the Cayman IGA, the Nominee may be required to report and disclose personal data of certain United Kingdom (“**U.K.**”) tax residents to the Cayman Islands Government and onwards to the U.K. Government.*

*The Company and/or the Management Company may collect, use and disclose information or personal data of the Shareholders for the purposes described in the relevant application forms. The Company and/or the Management Company may also transfer such information or personal data in relation to any Shareholder to any country or to the other party or to any service provider, including their respective employees, officers, directors and agents and/or their affiliates, whether in Hong Kong or any part of the world, in order to process information on behalf of the Company or the Management Company. For the avoidance of doubt, when disclosing or reporting any personal data, the Company and the Management Company Management Company shall observe and comply with the applicable laws and regulations in relation to the use of personal data and privacy issues including, but not limited to, the Personal Data (Privacy) Ordinance (Cap. 486, Laws of Hong Kong) (as amended from time to time) and all other applicable regulations and rules governing personal data use in Hong Kong from time to time.*

18 October 2024

Date: 14 February 2025

# Allianz Global Investors Fund

## Société d'Investissement à Capital Variable

Registered office: 6 A, route de Trèves, L-2633 Senningerberg  
R.C.S. Luxembourg B 71.182

### Shareholder Notification

**IMPORTANT: This notice is important and requires your immediate attention. If you have any questions about the contents of this notice, you should seek independent professional advice. The Board of Directors of the Company accepts full responsibility for the accuracy of the contents of this notice and confirms, having made all reasonable enquiries that to the best of its knowledge and belief there are no other facts the omission of which would make any statement in this notice misleading as at the date of issuance. Unless otherwise defined in this notice, capitalized terms used in this notice shall have the same meaning as those used in the Company's Hong Kong Prospectus dated 18 October 2024 (the "HK Prospectus").**

Dear Shareholder,

The Board of Directors of Allianz Global Investors Fund (SICAV) (the "**Company**") hereby gives notice of the following changes, which will become effective on 28 March 2025 (the "**Effective Date**"), unless otherwise specified:

#### 1. Changes of investment objective and investment restrictions of Allianz Emerging Asia Equity (to be renamed as "Allianz Asia Ex China Equity")

|                                 | <b>Present Approach</b>   | <b>New Approach</b>  |
|---------------------------------|---|--|
| <b>Renaming of the Sub-Fund</b> | Allianz Emerging Asia Equity  | Allianz Asia Ex China Equity   |
| <b>Investment Objective</b>     | Long-term capital growth by investing in Equities of Asian Emerging Markets (excluding Japan, Hong Kong and Singapore) and/or of countries which are constituents of the MSCI Emerging Frontier Markets Asia. | Long-term capital growth by investing in Equities of Asian Markets (excluding the PRC) in accordance with environmental and social characteristics (" <b>E/S characteristics</b> ").<br><br>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the "Investment Restrictions" below) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (" <b>KPI Strategy (Relative)</b> "). |



|   |   |  |
|---|---|--|
| <b>Investment Restrictions</b>  | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Asian Emerging Markets or in countries which are constituents of the MSCI Emerging Frontier Markets Asia</li> <li>• Max. 30% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI Emerging Frontier Markets Asia Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by the "Weighted Average GHG Intensity (in terms of sales)". Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund's Benchmark within the same period.</li> <li>• Sub-Fund assets may be invested in Asian Emerging Markets (excluding the PRC)</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI Emerging Markets Asia ex China 10/40. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| <b>Key Risk Factors</b>   | <ul style="list-style-type: none"> <li>• Investment risk/general market risk</li> <li>• Emerging market risk</li> <li>• Risks of investing in China A-shares</li> <li>• Country and region risk</li> <li>• Company-specific risk</li> <li>• Currency risk</li> <li>• RMB risk</li> <li>• Derivatives risk</li> <li>• Risk related to distribution out of capital and distribution effectively out of capital</li> <li>• Risks associated with the Stock Connect</li> <li>• Risks associated with investment made through FII Regime</li> <li>• Mainland China tax risk</li> </ul>   | <ul style="list-style-type: none"> <li>• Investment risk/general market risk</li> <li>• Sustainable investment risk associated with KPI Strategy (Relative)</li> <li>• Emerging market risk</li> <li>• Country and region risk</li> <li>• Company-specific risk</li> <li>• Currency risk</li> <li>• Derivatives risk</li> <li>• Risk related to distribution out of capital and distribution effectively out of capital</li> </ul>   |
| <b>Risk Management Process – Reference Portfolio</b>  | The reference portfolio corresponds to the composition of the MSCI Emerging Frontier Markets Asia.  | The reference portfolio corresponds to the composition of the MSCI Emerging Markets Asia ex China 10/40.   |
| <b>Update to Sustainability-related Disclosure Regulation and specific information to be disclosed in accordance with the Taxonomy Regulation (Appendix 7 to the HK Prospectus)</b> | <p>Sub-Fund fulfils only transparency requirements according to SFDR Article 6.</p> <p>Minimum of Sustainable Investments<br/>-</p> <p>Minimum of Taxonomy aligned Investments<br/>-</p> <p>Considerations of principal adverse impacts<br/>NO</p>  | <p>Sub-Fund is managed in accordance with SFDR Article 8(1).</p> <p>Minimum of Sustainable Investments<br/>10.00%</p> <p>Minimum of Taxonomy aligned Investments<br/>0.00%</p> <p>Considerations of principal adverse impacts<br/>YES</p>  |

## Summary of key changes to Allianz Emerging Asia Equity

- Following a regular review of the Company's range of sub-funds to ensure such range remain pertinent for investors as the investment markets evolve, it has been considered that it will be in the best interests of investors to reposition and modify the Sub-Fund as described in this section.
- The investment focus of the Sub-Fund will be changed from equities of Asian emerging markets (excluding Japan, Hong Kong and Singapore) and/or of countries which are constituents of the MSCI Emerging Frontier Markets Asia to equities of Asian markets (excluding the PRC). Following the repositioning, the sub-fund will aim to provide exposure to potential Asian growth but without the risk associated to China.
- Following the repositioning, the Sub-Fund will no longer invest in the China-A-Shares market.
- To align with the change in underlying investments, the Sub-Fund will change its benchmark from MSCI Emerging Frontier Markets Asia Total Return Net to MSCI Emerging Markets Asia ex China 10/40, and also change its fund name to "Allianz Asia Ex China Equity" after repositioning.
- As part of the Management Company's efforts to strengthen the product range towards sustainability, the Sub-Fund will promote environmental and social characteristics by seeking to achieve at least 20% lower greenhouse gas emission (GHG) intensity of its portfolio than the GHG intensity of its benchmark (i.e. MSCI Emerging Markets Asia ex China 10/40) within the same period ("**Sustainability KPI**") with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) ("**KPI Strategy (Relative)**"). The GHG Intensity is measured by Weighted Average GHG Intensity (in terms of sales).
- The Sub-Fund will be repositioned to become an ESG fund in Hong Kong, which fulfils the requirements set out in the SFC's Circular to management companies of SFC-authorized unit trusts and mutual funds - ESG funds dated 29 June 2021 ("**ESG Circular**").
- With the adoption of KPI Strategy (Relative), a minimum 80% of the portfolio of the Sub-Fund, excluding derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits), shall be evaluated by the "Weighted Average GHG Intensity (in terms of sales)". GHG Intensity represents an issuer's annual greenhouse gas emissions. Sales represents an issuer's annual sales. GHG Intensity (in terms of sales) of an issuer is the issuer's annual greenhouse gas emission (in metric tons of carbon dioxide equivalents (tCO<sub>2</sub>e) per millions of annual sales). This ratio of GHG normalised by annual sales of each issuer facilitates comparison between issuers of different sizes. Weighted Average GHG Intensity (in terms of sales) is the average of the GHG Intensity (in terms of sales) of the issuers of the securities composing the portfolio adjusted by their relative weights to the portfolio. This means that the GHG Intensity (in terms of sales) of an issuer of a security is a key consideration of the investment process. In the portfolio construction process, more GHG-efficient issuers in terms of the issuers' sales would be more likely to be selected by the Investment Manager, such that the Sub-Fund could achieve its Sustainability KPI as specified above. Third party data will be used to determine the GHG Intensity (in terms of sales) of an issuer.
- The minimum exclusion criteria applicable to KPI Strategy (Relative) are as follows:
  - (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights,
  - (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons),
  - (iii) securities issued by issuers deriving more than 10% of their revenue from (a) weapons, or (b) military equipment and military services,
  - (iv) securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction,
  - (v) securities issued by utility issuers that are active within the utility sector and generating more than 20% of their revenue from coal, and
  - (vi) securities issued by issuers involved in the production of tobacco, or deriving more than 5% of their revenue from the distribution of tobacco. In respect of issuers violating the aforesaid items (i) – (vi), the securities issued by such issuers will be divested.

## Implication on the features and key risks applicable to the Sub-Fund

- After the repositioning, the Sub-Fund's primary investments may include equities of companies exposed to or connected to non-emerging Asian markets and may have exposure to Japan, Hong Kong and Singapore. However, the Sub-Fund no longer intends to invest in the China A-Shares market. The Sub-Fund will continue to be able to invest up to 100% of its assets in emerging markets.
- It is expected that the overall risk level of the Sub-Fund will remain more or less the same after repositioning. Please note that the below additional key risk factor will apply to the Sub-Fund after repositioning, while the key risk factors of "risks of investing in China A-shares", "RMB risk", "risks associated with the Stock Connect", "risks associated with investment made through FII Regime" and "Mainland China tax risk" arising from the Sub-Fund's current exposure to the China market will no longer apply, and also, the current key risk factors of "country and region risk" and "emerging market risk" will continue to apply, but these key risk factors are updated to reflect the Sub-Fund's new market focus on Asian markets (excluding the PRC) after repositioning.

### *Sustainable Investment Risk associated with KPI Strategy (Relative)*

- ❖ The Sub-Fund applies the Weighted Average GHG Intensity (in terms of sales) analysis, external ESG research and minimum exclusion criteria which may adversely affect its investment performance since the execution of the relevant strategy may result in foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities when it might be disadvantageous to do so.
- ❖ In assessing whether the Sub-Fund has achieved the Sustainability KPI, there is a dependence upon information and data from third party research data providers and internal analyses, which may be subjective, incomplete, inaccurate or unavailable. As a result, there is a risk of incorrectly or subjectively assessing the underlying investments of the Sub-Fund and as such there is a risk that the Sub-Fund may not achieve the Sustainability KPI.
- ❖ The Sub-Fund focuses on the Sustainability KPI which is based on GHG Intensity (in terms of sales). This may reduce risk diversification compared to broadly based funds. As such, the Sub-Fund is likely to be more volatile than a fund that has a more diversified investment strategy. Also, the Sub-Fund may be particularly focusing on the GHG efficiency of the investee companies, rather than their financial performance. This may have an adverse impact on the Sub-Fund's performance and consequently adversely affect an investor's investment in the Sub-Fund.
- ❖ The securities held by the Sub-Fund may be subject to style drift which no longer meet the Sub-Fund's investment criteria after investment. The Investment Manager might need to dispose of such securities when it might be disadvantageous to do so. This may lead to a fall in the net asset value of the Sub-Fund.
- **The repositioning costs (including, amongst other things, brokerage costs, stock exchange levies, other relevant transaction fees on sale of the assets of the portfolio) is expected to be minimal, and will be borne by the Sub-Fund.**

## 2. Change of Valuation Day definition (which results in a corresponding change in Dealing Day) of Allianz Global Hi-Tech Growth and other miscellaneous changes to the Sub-Fund

|   | <b>Present Approach</b>   | <b>New Approach</b>  |
|---|---|--|
| <b>Change of the Valuation Day definition</b>       | Luxembourg, Germany and United States   | Luxembourg, Germany, United Kingdom and United States  |
| <b>Investment Restrictions</b>                      | Benchmark: MSCI World Information Technology Total Return Net. Degree of Freedom: material. Expected Overlap: major | Benchmark: MSCI AC World Information Technology Total Return Net. Degree of Freedom: material. Expected Overlap: major |
| <b>Risk Management Process- Reference Portfolio</b> | The reference portfolio corresponds to the composition of the MSCI World Information Technology.                    | The reference portfolio corresponds to the composition of the MSCI AC World Information Technology.                    |

|   |   |   |
|---|---|---|
| <b>Update to Sustainability-related Disclosure Regulation and specific information to be disclosed in accordance with the Taxonomy Regulation (Appendix 7 to the HK Prospectus)</b> | Sub-Fund is managed in accordance with SFDR Article 8(1). | Sub-Fund is managed in accordance with SFDR Article 8(1). |
|   | Minimum of Sustainable Investments<br>10.00%              | Minimum of Sustainable Investments<br>10.00%              |
|   | Minimum of Taxonomy aligned Investments<br>0.01%          | Minimum of Taxonomy aligned Investments<br>0.00%          |
|   | Considerations of principal adverse impacts<br>YES        | Considerations of principal adverse impacts<br>YES        |

### Summary of key changes to Allianz Global Hi-Tech Growth

- The Management Company applies certain criteria to determine the countries and/or cities that are relevant for the valuation day of a sub-fund. "Valuation Day" refers to each day on which banks and exchanges in the countries and/or cities indicated are open for business. In case that a specific day indicated is not a day on which banks and exchanges in such countries and/or cities are open for business the next day on which banks and exchanges in such countries and/or cities are open for business shall be considered. The criteria for determining the Valuation Day for a Sub-Fund include for example the domicile of the Sub-Fund, the location of the lead portfolio manager, or significant country exposure of the underlying investments. Following an ongoing review of the Company's Sub-Fund range in this regard, United Kingdom will be added to the Valuation Day definition of the Sub-Fund.
- For the purposes of Hong Kong investors, a Dealing Day of a Sub-Fund is a Hong Kong Business Day which is also a Valuation Day. As such, the change in the Valuation Day definition for the Sub-Fund will result in a corresponding change in Dealing Day. It is expected that the number of Valuation Days (and consequentially, the number of Dealing Days) over a calendar year may be reduced as a result of the above change.
- Besides, the reference benchmark of the Sub-Fund will change from MSCI World Information Technology Total Return Net to MSCI AC World Information Technology Total Return Net which better reflects the investment universe of the Sub-Fund.
- The Sub-Fund's minimum exposure of taxonomy aligned Investments will be updated due to a lack of eligible stocks in the investment universe.

### 3. Changes of investment objective and investment restrictions of Allianz Global Sustainability

|                             | <b>Present Approach</b>   | <b>New Approach</b>  |
|-----------------------------|---|--|
| <b>Investment Objective</b> | <p>Long-term capital growth by investing in global Equity Markets of developed countries in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with Sustainable Responsible Investment (Proprietary Scoring) Strategy ("SRI (Proprietary Scoring) Strategy").</p> <p>The Investment Manager may engage in foreign currency overlay and thus assume separate foreign currency risks with regard to currencies of OECD member states, even if the Sub-Fund does not include any assets denominated in these respective currencies.</p> | <p>Long-term capital growth by investing in global Equity Markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with Socially Responsible Investment (Proprietary Scoring) Strategy ("SRI (Proprietary Scoring) Strategy").</p> |

|   |   |  |
|---|---|--|
| <b>Investment Restrictions</b>  | <ul style="list-style-type: none"> <li>Sub-Fund assets may not be invested in Equities of companies that derives more than 5% of its revenues in the sectors of (i) alcohol, (ii) armament, (iii) gambling and (iv) pornography</li> <li>Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>Hong Kong Restriction applies</li> <li>Taiwan Restriction applies</li> <li>VAG Investment Restriction applies</li> <li>GITA Restriction for Equity Sub-Funds applies</li> <li>Benchmark: DOW JONES Sustainability World Total Return Net. Degree of Freedom: material. Expected Overlap: minor</li> </ul> | <ul style="list-style-type: none"> <li>Sub-Fund assets may not be invested in Equities of companies that derives more than 5% of its revenues in the sectors of (i) alcohol, (ii) gambling and (iii) pornography</li> <li>Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>Hong Kong Restriction applies</li> <li>Taiwan Restriction applies</li> <li>VAG Investment Restriction applies</li> <li>GITA Restriction for Equity Sub-Funds applies</li> <li>Benchmark: MSCI AC World (ACWI) Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| <b>Risk Management Process-Reference Portfolio</b>  | <p>The reference portfolio corresponds to the composition of the DOW JONES Sustainability World.</p>  | <p>The reference portfolio corresponds to the composition of the MSCI AC World (ACWI).</p>   |
| <b>Update to Sustainability-related Disclosure Regulation and specific information to be disclosed in accordance with the Taxonomy Regulation (Appendix 7 to the HK Prospectus)</b> | <p>Sub-Fund is managed in accordance with SFDR Article 8(1).</p> <p>Minimum of Sustainable Investments<br/>20.00%</p> <p>Minimum of Taxonomy aligned Investments<br/>0.01%</p> <p>Considerations of principal adverse impacts<br/>YES</p>   | <p>Sub-Fund is managed in accordance with SFDR Article 8(1).</p> <p>Minimum of Sustainable Investments<br/>50.00%</p> <p>Minimum of Taxonomy aligned Investments<br/>0.01%</p> <p>Considerations of principal adverse impacts<br/>YES</p>  |

### Summary of key changes to Allianz Global Sustainability

- With a view to broadening the investment universe of the Sub-Fund to capture more market opportunities, the Sub-Fund will no longer focus on equities of developed countries only, but will invest in broader global Equity Markets. For the avoidance of doubt, the Sub-Fund may continue to invest up to 30% of Sub-Fund assets in emerging markets. In addition, the investment manager will cease to engage in foreign currency overlay in respect of the Sub-Fund.
- After repositioning, the Sub-Fund will change its benchmark from DOW JONES Sustainability World Total Return Net to MSCI AC World (ACWI) Total Return Net. The new benchmark reduces bias to geographics and sectors.
- In addition, the Sub-Fund's minimum share of Sustainable Investments will increase from 20% to 50% to increase its ESG integration.
- The ESG exclusion criteria of the Sub-Fund will be revised as set out in the table above for alignment with the Sub-Fund's new benchmark. In addition, the ESG exclusion criteria for SRI (Proprietary Scoring) Strategy which are applicable to the Sub-Fund will also be revised. Please refer to section headed "Other miscellaneous changes" of this notice for details.
- The Sustainable Responsible Investment (Proprietary Scoring) Strategy will be renamed as "Socially Responsible Investment (Proprietary Scoring) Strategy". For the avoidance of doubt, there is no change in this sustainable investment strategy in practice.

### Implication on the features and key risks applicable to the Sub-Fund

- It is expected that the overall risk level of the Sub-Fund will remain more or less the same after the above changes.

- No rebalancing/repositioning of the portfolio of the Sub-Fund is required as the result of the above changes.

#### 4. Changes of investment objective and investment restrictions of Allianz India Equity

|                                | <b>Present Approach</b>  | <b>New Approach</b>  |
|--------------------------------|--|--|
| <b>Investment Objective</b>    | Long-term capital growth by investing in Equity Markets of the Indian Subcontinent, including India, Pakistan, Sri Lanka and Bangladesh.   | Long-term capital growth by investing in Equity Markets of the Indian Subcontinent, including India, Pakistan, Sri Lanka and Bangladesh in accordance with E/S characteristics.<br><br>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” below) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).   |
| <b>Investment Restrictions</b> | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in Equities as described in the investment objective, wherein max. 30% of Sub-Fund assets may be invested in Equity Markets of Pakistan, Sri Lanka and Bangladesh</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• Benchmark: MSCI India Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund’s Benchmark within the same period.</li> <li>• Min. 70% of Sub-Fund assets are invested in Equities as described in the investment objective, wherein max. 30% of Sub-Fund assets may be invested in Equity Markets of Pakistan, Sri Lanka and Bangladesh</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Hong Kong Restriction applies</li> <li>• Malaysian Investment Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Sub-Fund acts as a registered FPI<br/>Benchmark: MSCI India Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| <b>Key Risk Factors</b>        | <ul style="list-style-type: none"> <li>• Investment risk/general market risk</li> <li>• Country and region risk</li> <li>• Emerging market risk</li> <li>• Company-specific risk</li> <li>• Currency risk</li> <li>• Derivatives risk</li> <li>• Risk related to distribution out of capital</li> </ul>  | <ul style="list-style-type: none"> <li>• Investment risk/general market risk</li> <li>• Sustainable investment risk associated with KPI Strategy (Relative)</li> <li>• Country and region risk</li> <li>• Emerging market risk</li> <li>• Company-specific risk</li> <li>• Currency risk</li> <li>• Derivatives risk</li> <li>• Risk related to distribution out of capital</li> </ul>   |

|   |  |   |
|---|--|---|
| <b>Update to Sustainability-related Disclosure Regulation and specific information to be disclosed in accordance with the Taxonomy Regulation (Appendix 7 to the HK Prospectus)</b> | <p>Sub-Fund fulfils only transparency requirements according to SFDR Article 6.</p> <p>Minimum of Sustainable Investments<br/>-</p> <p>Minimum of Taxonomy aligned Investments<br/>-</p> <p>Considerations of principal adverse impacts<br/>NO</p> | <p>Sub-Fund is managed in accordance with SFDR Article 8(1).</p> <p>Minimum of Sustainable Investments<br/>10.00%</p> <p>Minimum of Taxonomy aligned Investments<br/>0.00%</p> <p>Considerations of principal adverse impacts<br/>YES</p> |
|---|--|---|

### Summary of key changes to Allianz India Equity

- As part of the Management Company's efforts to strengthen the product range towards sustainability, the sub-fund will promote environmental and social characteristics by seeking to achieve at least 20% lower greenhouse gas emission intensity of its portfolio than the GHG intensity of its Benchmark (i.e. MSCI India Total Return Net) within the same period ("**Sustainability KPI**") with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) ("**KPI Strategy (Relative)**"). The GHG Intensity is measured by Weighted Average GHG Intensity (in terms of sales).
- The Sub-Fund will be repositioned to become an ESG fund in Hong Kong, which will fulfil the requirements set out in the ESG Circular.
- With the adoption of KPI Strategy (Relative), a minimum 80% of the portfolio of the Sub-Fund, excluding derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits), shall be evaluated by the "Weighted Average GHG Intensity (in terms of sales)". GHG Intensity represents an issuer's annual greenhouse gas emissions. Sales represents an issuer's annual sales. GHG Intensity (in terms of sales) of an issuer is the issuer's annual greenhouse gas emission (in metric tons of carbon dioxide equivalents (tCO<sub>2</sub>e) per millions of annual sales). This ratio of GHG normalised by annual sales of each issuer facilitates comparison between issuers of different sizes. Weighted Average GHG Intensity (in terms of sales) is the average of the GHG Intensity (in terms of sales) of the issuers of the securities composing the portfolio adjusted by their relative weights to the portfolio. This means that the GHG Intensity (in terms of sales) of an issuer of a security is a key consideration of the investment process. In the portfolio construction process, more GHG-efficient issuers in terms of the issuers' sales would be more likely to be selected by the Investment Manager, such that the Sub-Fund could achieve its Sustainability KPI as specified above. Third party data will be used to determine the GHG Intensity (in terms of sales) of an issuer.
- The minimum exclusion criteria applicable to KPI Strategy (Relative) are as follows:
  - (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights,
  - (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons),
  - (iii) securities issued by issuers deriving more than 10% of their revenue from (a) weapons, or (b) military equipment and military services,
  - (iv) securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction,
  - (v) securities issued by utility issuers that are active within the utility sector and generating more than 20% of their revenue from coal, and

- (vi) securities issued by issuers involved in the production of tobacco, or deriving more than 5% of their revenue from the distribution of tobacco. In respect of issuers violating the aforesaid items (i) – (vi), the securities issued by such issuers will be divested.

#### Implication on the features and key risks applicable to the Sub-Fund

- It is expected that the overall risk level of the Sub-Fund will remain more or less the same after repositioning. Please note that the below additional key risk factor will apply to the Sub-Fund after repositioning:

##### *Sustainable Investment Risk associated with KPI Strategy (Relative)*

- ❖ The Sub-Fund applies the Weighted Average GHG Intensity (in terms of sales) analysis, external ESG research and minimum exclusion criteria which may adversely affect its investment performance since the execution of the relevant strategy may result in foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities when it might be disadvantageous to do so.
- ❖ In assessing whether the Sub-Fund has achieved the Sustainability KPI, there is a dependence upon information and data from third party research data providers and internal analyses, which may be subjective, incomplete, inaccurate or unavailable. As a result, there is a risk of incorrectly or subjectively assessing the underlying investments of the Sub-Fund and as such there is a risk that the Sub-Fund may not achieve the Sustainability KPI.
- ❖ The Sub-Fund focuses on the Sustainability KPI which is based on GHG Intensity (in terms of sales). This may reduce risk diversification compared to broadly based funds. As such, the Sub-Fund is likely to be more volatile than a fund that has a more diversified investment strategy. Also, the Sub-Fund may be particularly focusing on the GHG efficiency of the investee companies, rather than their financial performance. This may have an adverse impact on the Sub-Fund's performance and consequently adversely affect an investor's investment in the Sub-Fund.

The securities held by the Sub-Fund may be subject to style drift which no longer meet the Sub-Fund's investment criteria after investment. The Investment Manager might need to dispose of such securities when it might be disadvantageous to do so. This may lead to a fall in the net asset value of the Sub-Fund.

- No rebalancing/repositioning of the portfolio of the Sub-Fund is required as the result of the above changes.

#### 5. Change of investment objective of Allianz Total Return Asian Equity

|                             | Present Approach   | New Approach   |
|-----------------------------|--|--|
| <b>Investment Objective</b> | <p>Long-term capital growth and income by investing in the Equity Markets of the Republic of Korea, Taiwan, Thailand, Hong Kong, Malaysia, Indonesia, the Philippines, Singapore and/or the PRC in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the "Investment Restrictions") with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) ("KPI Strategy (Relative)").</p> | <p>Long-term capital growth and income by investing in the Asian Equity Markets (excluding Japan) in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the "Investment Restrictions") with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) ("KPI Strategy (Relative)").</p> |

#### Summary of key changes to Allianz Total Return Asian Equity

- With an aim to broadening the investment universe of the Sub-Fund, the Sub-Fund will primarily invest in wider Asian equity markets (excluding Japan), as opposed to focusing on the equity markets of the Republic of Korea, Taiwan, Thailand, Hong Kong, Malaysia, Indonesia, the Philippines, Singapore and/or the PRC.



**Implication on the features and key risks applicable to the Sub-Fund**

- After the above change in investment objective, the Sub-Fund may invest in a boarder range of equity markets. It is expected that the overall risk level of the Sub-Fund will remain more or less the same.
- No rebalancing/repositioning of the portfolio of the Sub-Fund is required as the result of the above change.

**6. Changes of investment objective and investment restrictions of Allianz US Equity Plus (to be renamed as “Allianz AI Income”)**

|   | <b>Present Approach</b>  | <b>New Approach</b>  |
|---|--|--|
| <b>Renaming of the Sub-Fund</b>                   | Allianz US Equity Plus   | Allianz AI Income  |
| <b>Sub-Fund’s specific Asset Class Principles</b> | The specific Asset Class Principles related to Equity Funds apply.     | The specific Asset Class Principles related to Multi Asset Funds apply.  |
| <b>Investment Objective</b>                       | Long-term capital growth and income by investing in US Equity Markets. | Long-term income and capital growth by investing in global Equity and Bond Markets with a focus on companies whose business will benefit from or is currently related to the evolution of artificial intelligence. |

|                                |  |   |
|--------------------------------|--|---|
| <b>Investment Restrictions</b> | <ul style="list-style-type: none"> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% of Sub Fund assets may be held in Deposits and/or invested directly in Money Market Instruments and/or (up to 10% of Sub-Fund assets) in money market funds</li> <li>• Max. 20% non-USD Currency Exposure</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: none</li> </ul> | <ul style="list-style-type: none"> <li>• Companies whose business will benefit from or is currently related to the evolution of artificial intelligence are companies which offer products, processes or services that provide, or benefit from<sup>1</sup>, advances and improvements of and/or in artificial intelligence which may include, but is not limited to, the theory and development of computer systems that can perform tasks typically requiring human intelligence. These tasks include visual perception, speech recognition, decision-making, and language translation.</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Min. 70% of Sub-Fund assets are invested in Equities and/or Debt Securities in accordance with the investment objective, where up to 100% of Sub-Fund assets may be invested in either Equities or Debt Securities respectively</li> <li>• Max. 50% of Sub-Fund assets may be invested in Debt Securities which qualify as convertible Debt Securities</li> <li>• Max. 20% of Sub-Fund assets may be invested in High-Yield Investments Type 1 (Debt Securities which qualify as convertible Debt Securities will not be accounted to this 20%-limit irrespective of their rating), however, Sub-Fund assets may be invested in Debt Securities that are only rated CC (Standard &amp; Poor's) or lower (including max. 10% of Sub-Fund assets in defaulted securities)</li> <li>• Max. 20% of Sub-Fund assets may be invested into the China A-Shares market and/or the China B-Shares market and/or into PRC Bond Markets</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies, however, the investments in High Yield Investments Type 1 shall not exceed 20% of Sub-Fund assets</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min. 25%)</li> <li>• Benchmark: 35% MSCI AC World + 35% MSCI World/Information Tech Total Return Net + 30% ICE BOFAML US Corporate &amp; High Yield (ICE Indices incorporate transaction costs into their calculation). Degree of Freedom: significant. Expected Overlap: major</li> </ul> |
|--------------------------------|--|---|

<sup>1</sup> Companies that benefit from the evolution of artificial intelligence may include, but not limited to, companies that benefit from deployment of artificial intelligence infrastructure (e.g. cloud), development of AI software and applications (e.g. robotics & automation), or adoption of artificial intelligence in key business processes (e.g. e-commerce or business efficiencies).

|  |   |  |
|--|---|--|
| <b>Key Risk Factors</b>  | <ul style="list-style-type: none"> <li>• Investment risk/general market risk</li> <li>• Company-specific risk</li> <li>• Country and region risk</li> <li>• Emerging market risk</li> <li>• Risk associated with small-capitalisation/mid-capitalisation companies</li> <li>• Currency risk</li> <li>• RMB risk</li> <li>• Derivatives risk</li> <li>• Risk related to distribution out of capital and distribution effectively out of capital</li> </ul> | <ul style="list-style-type: none"> <li>• Investment risk/general market risk</li> <li>• Risk relating to artificial intelligence sector</li> <li>• Concentration risk</li> <li>• Company-specific risk</li> <li>• Interest rate risk</li> <li>• Creditworthiness risk/credit rating risk/downgrading risk</li> <li>• Default risk</li> <li>• Valuation risk</li> <li>• Specific risks of investing in convertible bonds</li> <li>• Volatility and liquidity risk</li> <li>• Emerging market risk</li> <li>• Asset allocation risk</li> <li>• Currency risk</li> <li>• RMB risk</li> <li>• Derivatives risk</li> <li>• Risk related to distribution out of capital and distribution effectively out of capital</li> </ul> |
| <b>All-in-Fee (for Share classes A/AM/AMg/AT)(% p.a. of net asset value)</b> | 1.8%  | 1.8% (maximum)<br>1.65% (current)  |

### Summary of key changes to the Allianz US Equity Plus

- Following a regular review of the Company's range of sub-funds to ensure such range remain pertinent for investors as the investment markets evolve, it has been considered that it will be in the best interests of investors to reposition and modify the Sub-Fund as described in this section.
- After repositioning, the Sub-Fund will no longer focus on US equity markets, instead, will invest primarily in broader global markets and broader asset classes of Equities and Debt Securities, but with a sector focus on companies whose business will benefit from or is currently related to the evolution of artificial intelligence.
- The specific Asset Class Principles applicable to the Sub-Fund will also change from Equities Fund to Multi-Asset Fund.
- The Sub-Fund will be renamed as "Allianz AI Income" to reflect the changes in its underlying investments.
- As regards the primary investment, instead of investing at least 70% of Sub-Fund assets in Equities of companies which are exposed or connected to the US, after repositioning, the Sub-Fund will invest at least 70% of Sub-Fund assets in Equities and/or Debt Securities with a focus on companies whose business will benefit from or is currently related to the evolution of artificial intelligence are companies which offer products, processes or services that provide, or benefit from, advances and improvements of and/or in artificial intelligence which may include, but is not limited to, the theory and development of computer systems that can perform tasks typically requiring human intelligence. These tasks include visual perception, speech recognition, decision-making, and language translation.
- At least 70% of Sub-Fund assets are invested in Equities and/or Debt Securities in accordance with the investment objective, where up to 100% of Sub-Fund assets may be invested in either Equities or Debt Securities respectively. The allocation of the Sub-Fund's investments across asset classes may vary substantially from time to time. The Sub-Fund's investments in each asset class are based upon the Investment Manager's assessment of economic conditions and market factors, including equity price levels, interest rate levels and whether the equity price and interest rate are anticipated to rise or fall.
- Currently, the Sub-Fund may invest up to 30% of Sub-Fund assets in emerging markets. After repositioning, such restriction will be removed, and thus, up to 100% of Sub-Fund assets may potentially be invested in emerging markets.
- With respect to the Sub-Fund's investments in Debt Securities after repositioning,

- up to 50% of Sub-Fund assets may be invested in Debt Securities which qualify as convertible Debt Securities. Before repositioning, the Sub-Fund may only invest up to 15% of Sub-Fund's assets in such Debt Securities as part of the Asset Class Principles applicable to Equity Sub-Funds; and
- up to 20% of Sub-Fund assets may be invested in High-Yield Investments Type 1 (Debt Securities which qualify as convertible Debt Securities will not be accounted to this 20%-limit irrespective of their rating), however, Sub-Fund's assets may be invested in Debt Securities that are only rated CC (Standard & Poor's) or lower (including max. 10% of Sub-Fund assets in defaulted securities).
- After repositioning, the Sub-Fund may also invest up to 20% of Sub-Fund assets in China A-Shares, China B-Shares and/or Debt Securities in the PRC either directly (via Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect in the case of China A-Shares and/or China Interbank Bond Market initiative or Bond Connect or qualified foreign institutional investor program in the case of Debt Securities) and/or indirectly through all eligible instruments.
- The Sub-Fund's current maximum 20% limit on non-USD currency exposure will be removed after repositioning.
- The Asset Class Principles applicable to Multi-Asset Sub-Funds will apply to the Sub-Fund after repositioning. In particular:
  - The Sub-Fund may invest less than 30% of Sub-Fund assets in instruments with loss-absorption features (including contingent convertible bonds, senior non-preferred debt securities, instruments issued under the resolution regime for financial institutions and other capital instruments issued by banks or other financial institutions), of which a maximum of 10% of the Sub-Fund assets may be invested in contingent convertible bonds. Before repositioning, the Sub-Fund may only invest up to 10% of Sub-Fund assets in such securities as part of the Hong Kong Restriction applicable to Equity Sub-Funds.
  - Up to 20% of Sub-Fund assets may be invested in mortgage-backed securities and asset-backed securities, while such limit does not apply to the Sub-Fund at present.
  - On a temporary basis for liquidity management and/or defensive purpose and/or any other exceptional circumstances (eg. market crash or major crisis), and if the Investment Manager considers it in the best interest of the Sub-Fund, up to 100% (as opposed to the current maximum of 25%) of Sub-Fund assets may be held in money market instruments and/or time deposits and/or (up to 20% of Sub-Fund assets) in deposits at sight and/or (up to 10% of Sub-Fund assets) in money market funds.
- While the Sub-Fund has not adopted any benchmark at present, after repositioning, the Sub-Fund will adopt 35% MSCI AC World + 35% MSCI World/Information Tech Total Return Net + 30% ICE BOFAML US Corporate & High Yield as its benchmark.
- After the Effective Date, the current rate of All-in-fee will be reduced to 1.65% p.a. of the Net Asset Value of the Sub-Fund.

#### **Implication on the features and key risks applicable to the Sub-Fund**

- It is expected that the overall risk level of the Sub-Fund will slightly decrease after repositioning since the Sub-Fund will generally have a more diversified exposure in global markets and in broader asset classes of Equities and Debt Securities notwithstanding that it will be subject to concentration risks and sectoral focus risks relating to the artificial intelligence sector. While the key risks "country and region risk" from its current focus on the US market and "Risk associated with small-capitalisation/mid-capitalisation companies" will no longer apply, please note that the below additional key risk factors will apply to the Sub-Fund after repositioning:

#### *Risk relating to artificial intelligence sector*

- ❖ The Sub-Fund invests in companies whose business will benefit from or is currently related to artificial intelligence which may be impacted by a number of sector-specific factors and events, including but not limited to, rapid technological advancements, government policies and regulations, taxes, and supply changes. The artificial intelligence sector may be subject to greater influences from governmental policies and regulations than other sectors. Companies in the artificial intelligence sector may face dramatic and often unpredictable changes in growth rates and may be adversely affected by increased competition within the sector as well as the lack of commercial acceptance of a new product or process and obsolescence under rapid technological developments. In addition, such companies are subject to cyber security risks which may cause issues like system breakdown, suspension of offering of products or services, loss or misuse of corporate or personal data, etc., and result in undesirable legal, financial, operational and reputational consequences. Equities of the companies invested by the Sub-Fund may therefore be more

volatile, which may affect the value of the Sub-Fund's investments and this in turn may have an adverse impact on the value of the Sub-Fund.

#### *Concentration Risk*

- ❖ The Sub-Fund focuses its investments on sectors which will benefit from/or are currently related to the artificial intelligence, which may increase the concentration risk. Consequently, the Sub-Fund is particularly susceptible to adverse development and risks in these industries or industries that influence each other or companies of such industries. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.

#### *Interest Rate Risk*

- ❖ To the extent that the Sub-Fund invests in interest-bearing securities (eg. corporate bonds and government bonds), it is exposed to interest rate fluctuations. If market interest rates rise, the value of the interest-bearing assets held by the Sub-Fund may decline substantially. This applies to an even greater degree if the Sub-Fund also holds interest-bearing securities with a longer time to maturity and a lower nominal interest rate. All these factors may adversely impact the net asset value of the Sub-Fund.

#### *Creditworthiness Risk/Credit Rating Risk/Downgrading Risk*

- ❖ The creditworthiness (solvency and willingness to pay) of the issuer of an asset in particular of a debt security or money-market instrument held by the Sub-Fund may subsequently fall. This usually leads to a decrease in the price of the asset greater than that caused by general market fluctuations. All these factors may adversely impact the net asset value of the Sub-Fund.
- ❖ Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
- ❖ The interest-bearing securities held by the Sub-Fund may be downgraded and may fall in value. This will also lead to a fall in the net asset value of the Sub-Fund. The Investment Manager may or may not be able to dispose of the debt instruments that are being downgraded.

#### *Default Risk*

- ❖ The Sub-Fund is exposed to the credit and default risk of issuers of the debt securities that the Sub-Fund may invest in.

#### *Specific Risks of Investing in Convertible Bonds*

- ❖ Investing in convertible bonds are normally associated with increased creditworthiness and downgrading risk, default risk, interest rate risk, general market risk, and liquidity risk (for example, the asset cannot be sold or can only be sold at a significant discount to the purchase price), all of which may adversely impact the net asset value of the Sub-Fund.
- ❖ Convertible bonds are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the bond at a specified future date. As such, convertibles will be exposed to prepayment risk, equity movement and greater volatility than straight bond investments. The value of convertible bonds may be affected by the price movement of the underlying securities, among other things. Convertible bonds may also have call provisions and other features which may give rise to the risk of a call. All these factors may adversely impact the net asset value of the Sub-Fund.

#### *Valuation Risk*

- ❖ Valuation of the Sub-Fund assets may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the NAV calculation of the Sub-Fund.

#### *Volatility and Liquidity Risk*

- ❖ The debt securities in emerging markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the Sub-Fund may incur significant trading costs.

*Asset Allocation Risk*

❖ The performance of the Sub-Fund is partially dependent on the success of the asset allocation strategy employed by the Sub-Fund. There is no assurance that the strategy employed by the Sub-Fund will be successful and therefore the investment objective of the Sub-Fund may not be achieved. The investments of the Sub-Fund may be periodically rebalanced and therefore the Sub-Fund may incur greater transaction costs than a Sub-Fund with static allocation strategy.

- **The repositioning costs (including, amongst other things, brokerage costs, stock exchange levies, other relevant transaction fees on sale of the assets of the portfolio) is expected to be minimal, and will be borne by the Sub-Fund.**

**7. Changes of investment management arrangements for certain Sub-Funds**

| Name of the Sub-Fund  | Change   |  |
|---|--|--|
|   | Present Approach   | New Approach   |
|   | 1) Branch of Management Company carrying out investment management functions and/or<br>2) Investment Manager (or Sub-Investment Manager if so specified) | 1) Branch of Management Company carrying out investment management functions and/or<br>2) Investment Manager (or Sub-Investment Manager if so specified) |
| Allianz Europe Equity Growth  | 1) AllianzGI – Germany<br>2) AllianzGI UK  | 1) AllianzGI – Germany   |
| Allianz Europe Income and Growth                                    | 1) AllianzGI – Germany and AllianzGI – France Branch   | 1) AllianzGI – Germany and AllianzGI – France Branch<br>2) AllianzGI UK  |
| Allianz Global Equity Growth<br>Allianz Global Equity Unconstrained | 1) AllianzGI – Germany   | 1) AllianzGI – Germany<br>2) AllianzGI UK  |
| Allianz Global Multi Asset Sustainability Balanced                  | 1) AllianzGI – Germany<br>2) AllianzGI UK, AllianzGI AP, AllianzGI Japan and AllianzGI Singapore   | 1) AllianzGI – Germany<br>2) AllianzGI AP and AllianzGI Japan  |
| Allianz Total Return Asian Equity                                   | 2) AllianzGI AP  | 2) AllianzGI AP and AllianzGI Singapore  |

- To reflect the changes to the locations of the involved investment management team due to an internal re-allocation of resources within the Allianz Group,
  - AllianzGI UK will cease to be the Investment Manager of Allianz Europe Equity Growth, while the Management Company will continue to carry out the investment management function of this Sub-Fund.
  - AllianzGI UK will be appointed as the Investment Manager of Allianz Europe Income and Growth, Allianz Global Equity Growth and Allianz Global Equity Unconstrained. The Management Company will continue to carry out the investment management function of Allianz Europe Income and Growth. The Management Company will also continue to carry out the investment management function of Allianz Global Equity Growth and Allianz Global Equity Unconstrained, together with its France branch.
  - AllianzGI UK and AllianzGI Singapore will cease to be the Investment Managers of Allianz Global Multi Asset Sustainability Balanced, while this Sub-Fund will continue to be managed by the Management Company, AllianzGI AP and AllianzGI Japan.
  - AllianzGI Singapore will be appointed as the Investment Manager of Allianz Total Return Asian Equity, managing the Sub-Fund alongside with the existing Investment Manager, AllianzGI AP.
- The Management Company, AllianzGI UK, AllianzGI Singapore and AllianzGI AP are companies of the Allianz Group.

**8. Other miscellaneous changes****(a) Changes of Sub-Fund name**

|                                 | Present Approach                                   | New Approach                            |
|---------------------------------|--|---|
| <b>Renaming of the Sub-Fund</b> | Allianz Emerging Markets SRI Corporate Bond        | Allianz Emerging Markets Corporate Bond |
| <b>Renaming of the Sub-Fund</b> | Allianz Global Multi Asset Sustainability Balanced | Allianz Global Multi Asset Balanced     |

- The above Sub-Funds will be renamed to comply with ESMA guidelines on funds' names using ESG or sustainability-related terms.

**(b) Changes of investment restrictions for certain Sub-Funds**

| Name of the Sub-Fund   | Change of Investment Restrictions   |   |
|--|---|---|
|  | Present Approach  | New Approach  |
| Allianz Clean Planet   | Min. 70% of Sub-Fund assets are invested in Equities with a focus on companies with an engagement in a cleaner environment. Companies engaging in the area of enabling a cleaner environment are companies which offer products and/or services with active positive contribution to overcoming challenges related to three key dimensions of a clean environment which include (i) clean land, (ii) energy transition, and (iii) clean water as targeted by the SDGs No. 2, 3, 6, 7, 9, 12, 13, 14 and 15. | Min. 70% of Sub-Fund assets are invested in Equities with a focus on companies with an engagement in a cleaner environment. Companies engaging in the area of enabling a cleaner environment are companies which offer products and/or services with active positive contribution to overcoming challenges related to three key dimensions of a clean environment which include (i) clean land, (ii) energy transition, and (iii) clean water as targeted by the SDGs No. 2, 3, 6, 7, 9, 11, 12, 13, 14 and 15. |
| Allianz Dynamic Multi Asset Strategy SRI 50  | 80% of the rated instruments are adhering to the minimum SRI Rating score of 1 (out of a rating scale from 0 – 4; 0 being the worst rating and 4 the best rating) for Equities, and 100% for Debt Securities  | 80% of the rated instruments are adhering to the minimum SRI Rating score of 1 (out of a rating scale from 0 – 4; 0 being the worst rating and 4 the best rating) for Equities, and 100% for Debt Securities. Overall, minimum 80% of Sub-Fund assets are required to be invested in direct securities with an SRI Rating or SFDR Target Funds  |
| Allianz Emerging Markets Select Bond<br>Allianz Emerging Markets SRI Bond<br>Allianz Emerging Markets SRI Corporate Bond | <i>There is no such restriction.</i>  | Min 50% of Sub-Fund assets are invested in Debt Securities with a rating of at least BB or better (Standard & Poor's and Fitch) or of at least Ba2 or better (Moody's)  |
| Allianz Flexi Asia Bond  | Max 35% may be invested in Debt Securities issued or guaranteed by a single sovereign issuer that is rated below investment grade (i.e. Philippines)<br>Such investments are based on the professional judgment of the Investment Manager whose reasons for investment may include a favorable/positive outlook on the sovereign issuer, potential for ratings upgrade (which may depend on   | The Hong Kong Restrictions will apply, i.e. the Sub-Fund may not invest more than 10% of its NAV in Debt Securities issued by or guaranteed by any single country with a credit rating below Investment Grade or unrated  |

| Name of the Sub-Fund  | Change of Investment Restrictions  |   |
|---|--|---|
|   | Present Approach   | New Approach  |
|   | the economic fundamentals of such sovereign, etc.), expected changes in their value of such investments due to the rating changes, among other things. Please note the ratings of sovereign issuers may change from time to time and the abovementioned sovereign is named only for reference and is subject to change as its rating changes |   |
| Allianz Global Floating Rate Notes Plus   | <i>There is no such restriction.</i>   | Taiwan Restriction applies, except for the respective high-yield limit  |
| Allianz Income and Growth<br>Allianz Thematica  | <i>There is no such restriction.</i>   | The use of techniques and instruments is restricted to the purpose of efficient portfolio management  |
| Allianz Clean Planet<br>Allianz Dynamic Multi Asset Strategy SRI 50<br>Allianz Emerging Markets SRI Bond<br>Allianz Global Sustainability<br>Allianz Global Water<br>Allianz Green Bond | Updates to certain minimum exclusion criteria that are applied:  |   |
|   | <ul style="list-style-type: none"> <li>securities issued by issuers deriving more than 30% of their revenue from thermal coal extraction (for Allianz Green Bond), or securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction (for the rest of the relevant Sub-Funds)</li> </ul>                  | <ul style="list-style-type: none"> <li>securities issued by issuers deriving more than 1% of their revenues from exploration, mining, extraction, distribution or refining of thermal coal</li> <li>securities issued by issuers deriving more than 10% of their revenues from the exploration, extraction, distribution or refining of oil fuels</li> <li>securities issued by issuers deriving more than 50% of their revenues from the exploration, extraction, manufacturing or distribution of gaseous fuels</li> <li>securities issued by issuers deriving more than 50% of their revenues from electricity generation with a GHG Intensity of more than 100g CO<sub>2</sub> e/kWh</li> </ul> |

- In respect of Allianz Clean Planet, the scope of SDG targeted by the Sub-Fund will be expanded to include SDG No. 11 to enhance the Sub-Fund's sustainability feature.
- An overall minimum requirement for SRI Rating is added for Allianz Dynamic Multi Asset Strategy SRI 50.
- In order to comply with an Italian regulatory update for investments from target funds, the investment restriction that at least 50% of the Sub-Fund assets are invested in Debt Securities with a rating of at least BB or better (by Standard & Poor's or Fitch) or of at least Ba2 or better (Moody's) will be added to Allianz Emerging Markets Select Bond, Allianz Emerging Markets SRI Bond and Allianz Emerging Markets SRI Corporate Bond.
- In respect of Allianz Flexi Asia Bond, the investment restriction that up to 35% of Sub-Fund assets may be invested in Debt Securities issued or guaranteed by a single sovereign issuer that is rated below investment grade (i.e. Philippines) will be removed to align with the Hong Kong Restriction for which a lesser limit (i.e. up to 10% of Sub-Fund assets) will apply.
- In respect of Allianz Global Floating Rate Notes Plus, the Sub-Fund will adhere to the Taiwan restriction, except for the respective high-yield limit going forward, due to the intended distribution of this Sub-Fund in Taiwan.
- In respect of Allianz Income and Growth and Allianz Thematica, an additional restriction on use of techniques and instruments shall be added to better reflect the Sub-Funds' derivative usage. For the avoidance of doubt,



these Sub-Funds' expected maximum net derivative exposure remains as up to 50% of their respective net asset value.

- To comply with ESMA guidelines on funds' names using ESG or sustainability-related terms, the minimum exclusion criteria for ESG consideration of Allianz Clean Planet, Allianz Dynamic Multi Asset Strategy SRI 50, Allianz Emerging Markets SRI Bond, Allianz Global Sustainability, Allianz Global Water and Allianz Green Bond are revised.
- For the avoidance of doubt, the miscellaneous changes as set out above do not constitute any actual or material change in the investment objectives and strategies currently adopted by the relevant Sub-Funds in practice.

Save as otherwise disclosed in this notice, the changes detailed in this notice will not (i) result in a material change to the features and risks applicable to the Sub-Funds, (ii) result in other changes in the operation and/or manner in which the Sub-Funds are being managed, or (iii) materially prejudice the existing Shareholders' rights or interests. There will be a reduction in the current rate of All-in-Fee in respect of Allianz US Equity Plus (to be renamed as "Allianz AI Income") as mentioned above. Other than this, there will be no change in the fee structure, fees and expenses of the Sub-Funds, nor the costs in managing the Sub-Funds following the implementation of the changes as set out in this notice. The costs and/or expenses incurred in connection with the changes detailed in this notice (except for the repositioning costs, if any, as mentioned above) will be borne by the Management Company.

**Shareholders, who are not happy with the aforementioned changes, may redeem or convert their Shares free of Redemption Fee or Conversion Fee by submitting a request to the HK Representative by 5:00 p.m. Hong Kong time on or before 27 March 2025 in accordance with the procedures contained in the HK Prospectus. Please note that your distributors or similar agents may impose different deadlines for receiving dealing requests. Also, your distributors or similar agents might charge you transaction fees. You are advised to contact your distributors or similar agents should you have any questions.**

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The Hong Kong offering documents (including the HK Prospectus and product key facts statements of the impacted Sub-Funds) will be updated to reflect the above changes, other miscellaneous, administrative and clarificatory amendments in due course. The updated Hong Kong offering documents will be available from the HK Representative for inspection free of charge and on the website ([hk.allianzgi.com](http://hk.allianzgi.com)) in due course. Please note that the website has not been reviewed by the SFC.

If you have any questions about the contents of this notice or your investment, please consult your financial advisor or you may contact the HK Representative at 32/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong (telephone: +852 2238 8000).

By order of the Board of Directors  
Allianz Global Investors Fund

# I DIRECTORY

## Registered office of the Company

6A, route de Trèves  
LU-2633 Senningerberg  
Grand-Duchy of Luxembourg

## Directors of the Company

- Silvana Pacitti (Chairperson)  
Managing Director  
Allianz Global Investors GmbH,  
Sede Secondaria e Succursale in Italia  
Via Durini 1  
IT-20122 Milan, Italy
- Oliver Drissen  
Director  
Allianz Global Investors GmbH, Luxembourg Branch  
Senningerberg, Luxembourg
- Hanna Duer  
Independent Director  
Writtle, Chelmsford, GB
- Carina Feider  
Director  
Allianz Global Investors GmbH, Luxembourg Branch  
Senningerberg, Luxembourg
- Markus Nilles  
Director  
Allianz Global Investors GmbH, Luxembourg Branch  
Senningerberg, Luxembourg
- Heiko Tilmont  
Director  
Allianz Global Investors GmbH, Luxembourg Branch  
Senningerberg, Luxembourg

## Management Company and UCI Administration

Allianz Global Investors GmbH\*  
Bockenheimer Landstrasse 42 – 44  
DE-60323 Frankfurt/Main  
Germany

Allianz Global Investors GmbH, acting through the Luxembourg Branch\*  
6A, route de Trèves  
LU-2633 Senningerberg

## Supervisory Board

Tobias C. Pross (Chairperson)  
CEO  
Allianz Global Investors Holdings GmbH  
Munich, Germany

Giacomo Campora  
CEO Allianz S.p.A  
Milan, Italy

Klaus-Dieter Herberg  
Allianz Networks Germany  
Allianz Global Investors GmbH  
Munich, Germany

Prof. Dr. Michael Hüther  
Director and Member of the Board  
Institut der deutschen Wirtschaft  
Cologne, Germany

Dr. Kay Müller  
Chair of the Management Board and COO  
Allianz Asset Management GmbH  
Munich, Germany

Laure Poussin  
Head of Enterprise Project Management Office, Paris  
Allianz Global Investors GmbH, France Branch  
Paris, France

#### **Board of Management**

Alexandra Auer (Chairperson)  
Ingo Mainert  
Dr. Thomas Schindler  
Dr. Robert Schmidt  
Petra Trautschold  
Birte Trenkner

#### **Investment Manager/Sub-Investment Manager/Investment Advisor**

Allianz Global Investors GmbH  
Bockenheimer Landstrasse 42 – 44  
60323 Frankfurt/Main  
Germany

Allianz Global Investors GmbH, acting through the Succursale Française (France Branch)\*  
3, Boulevard des Italiens  
75002 Paris  
France

Allianz Global Investors UK Limited\*  
199 Bishopsgate  
London EC2M 3TY  
United Kingdom

Allianz Global Investors Asia Pacific Limited\*  
32/F, Two Pacific Place  
88 Queensway, Admiralty  
Hong Kong

Allianz Global Investors Japan Co., Ltd.\*  
19/F Ark Hills South Tower  
1-4-5 Roppongi, Minato-ku  
Tokyo 106-0032  
Japan

Allianz Global Investors Singapore Limited\*  
79 Robinson Road,  
#09-03  
Singapore 068897

Voya Investment Management Co. LLC  
230 Park Avenue  
New York, NY 10169  
USA

\* Indicates a member of the Allianz Global Investors Group, a company of the Allianz Group.

**Depository, Fund Accounting and NAV Calculation, and Registrar Agent**

State Street Bank International GmbH, Luxembourg Branch  
49, Avenue J.F. Kennedy  
L-1855 Luxembourg

**HK Distributor and HK Representative**

Allianz Global Investors Asia Pacific Limited  
32/F, Two Pacific Place  
88 Queensway, Admiralty  
Hong Kong

**Paying and Information Agent**

State Street Bank International GmbH, Luxembourg Branch  
49, Avenue J.F. Kennedy  
L-1855 Luxembourg

**Independent Auditor**

PricewaterhouseCoopers Société coopérative  
2, rue Gerhard Mercator  
L-1014 Luxembourg

## II DEFINITIONS

### **ABS**

means asset-backed securities which include, but are not limited to, asset-backed commercial papers, collateralised debt obligations, credit-linked notes, and synthetic collateralised debt obligations. The pools of underlying assets of ABS can include loans (e.g. auto loans), leases or receivables (such as credit card debt and whole business), cash flows from aircraft leases, royalty payments and movie revenues.

### **Accumulation Share(s)**

means the Shares in relation to which the income earned thereon is generally not paid out to the Shareholders but remains in the respective Share Class and is reflected in the value of the Accumulation Shares.

### **AllianzGI**

means Allianz Global Investors GmbH.

### **AllianzGI AP**

means Allianz Global Investors Asia Pacific Limited.

### **AllianzGI Japan**

means Allianz Global Investors Japan Co., Ltd.

### **AllianzGI Singapore**

means Allianz Global Investors Singapore Limited.

### **AllianzGI UK**

means Allianz Global Investors UK Limited.

### **Allianz Group**

means Allianz SE including all of its direct and indirect subsidiaries.

### **Appendix**

means an appendix to this HK Prospectus.

### **Articles**

means the articles of incorporation of the Company dated 9 August 1999, as may be amended from time to time.

### **Asia/Asian Countries**

means all countries of the region of East Asia, South Asia, Southeast Asia and Western Asia (including Middle East). Unless otherwise stated in a Sub-Fund's specific Asset Class Principles or in a Sub-Fund's individual Investment Restrictions, Russia and Turkey are not considered Asian countries.

### **Asia Pacific**

means all countries of the region of East Asia, South Asia, Southeast Asia, and Oceania. Unless otherwise stated in a Sub-Fund's specific Asset Class Principles or in a Sub-Fund's individual Investment Restrictions, Russia and Turkey are not considered Asia Pacific countries.

### **AUD**

means the Australian Dollar, the official currency of Australia.

### **Base Currency**

means the currency of denomination of a Sub-Fund as stated in Appendix 2.

### **Benchmark Regulation**

means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (as amended from time to time).

**Board of Directors**

means the board of directors of the Company listed in the Directory.

**Bond Connect**

means the program launched in July 2017 for mutual bond market access between Hong Kong and Mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre (“CFETS”), China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit.

**Bond Market**

includes, but is not limited to, (i) a regulated market within the meaning of the MiFiD Directive, (ii) another market in a Member State of the EU which is regulated, operates regularly and is recognized and open to the public and/or (iii) an exchange in a non-Member State of the EU or (iv) a market in a Non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public.

**Business Day**

means each day on which banks and exchanges in Luxembourg are open for business. For the avoidance of doubt, half-closed bank business days in Luxembourg are considered as being closed for business.

**CAD**

means the Canadian Dollar, the official currency of Canada.

**CHF**

means the Swiss Franc, the official currency of Switzerland.

**China A-Shares**

means shares issued by companies incorporated, and listed on stock exchanges (e.g. the Shanghai Stock Exchange and the Shenzhen Stock Exchange), in the PRC, traded in CNY.

**China B-Shares**

means shares issued by companies incorporated, and listed on stock exchanges (e.g. the Shanghai Stock Exchange and the Shenzhen Stock Exchange), in the PRC, traded in USD or HKD.

**China H-Shares**

means shares issued by companies incorporated in the PRC and listed on the Stock Exchange of Hong Kong, traded in HKD.

**CIBM**

means the China interbank bond market, which is the over-the-counter market for bonds issued and traded in the PRC. A new scheme (the “CIBM Initiative”) was launched in 2016 to open up CIBM to eligible foreign institutional investors to access onshore bonds directly. Under the CIBM Initiative, foreign institutions can trade bonds directly through onshore settlement agents (i.e. banks) in the PRC. There are no specific quota limits imposed on the foreign institutional investor.

**Code**

means the Code on Unit Trusts and Mutual Funds published by the SFC, as amended from time to time.

**Company**

means Allianz Global Investors Fund which is subject to supervision of CSSF.

**Conversion Fee**

means the fee (if any) charged (as set out in Appendix 3) in respect of a conversion of Shares.

**Conversion Price**

means the conversion price Per Share (i.e. the price per Share of a Share Class, which corresponds to the Net Asset Value per Share of the relevant Share Class plus a Conversion Fee, if applicable).

**CSSF**

means the Commission de Surveillance du Secteur Financier, the Luxembourg securities supervisory authority.

**Currency Exposure**

means the maximum percentage of a Sub-Fund's assets denominated in a currency as specified in such Sub-Fund's investment restrictions. Such percentage may only be exceeded if the amount exceeding this percentage is hedged against the aforementioned specified currency. Assets and liabilities in the same currency will be set off or netted for the purpose of calculating this limit. Investment instruments that are not denominated in a currency (i.e. no par shares) are considered to be denominated in the currency of the country in which the registered office of the issuer (i.e. the company, for Equities) is located.

**Dealing Application**

means any or all of an application for subscription, redemption or conversion of Shares, as the context allows.

**Dealing Day**

means a Hong Kong Business Day which is also a Valuation Day, on which Shares may be issued, redeemed, converted or transferred.

**Dealing Deadline**

means the relevant time by which a Dealing Application must be received on a Dealing Day to be effected on a particular Dealing Day as set out in Section V5.1, headed "**Dealing Deadlines and General Dealing Procedures**".

**Debt Securities**

means any security which bears interest, including, but not limited to, government bonds, Money Market Instruments, mortgage bonds and similar foreign asset-backed securities issued by financial institutions, public-sector bonds, floating-rate notes, convertible debt securities (including but not limited to convertible bonds, equity warrant bonds and bonds with warrants), instruments with loss-absorption features (including but not limited to contingent convertible bonds), corporate bonds, ABS and MBS, as well as other collateralised bonds. Debt securities also include index certificates and other certificates with a risk profile that typically correlates with the aforementioned assets or with the investment markets to which these assets can be allocated, as well as non-interest bearing securities, such as zero coupon bonds.

**Deposits**

means time deposits and/or deposits at sight

**Depositary**

means State Street Bank International GmbH, Luxembourg Branch

**Distribution Share(s)**

means Shares which generally distribute net income, or, if applicable, income from disposals or other components.

**Duration**

means the Sub-Fund's average cash-value weighted residual maturity of a Sub-Fund's Debt Securities as well as Deposits and Money Market Instruments which should be adhered to by the Sub-Fund's Investment Manager to the most possible extent.

**EEA**

means the European Economic Area.

**Emerging Markets/Emerging Markets Country**

means a country which is not classified by the World Bank as a high-income economy (high gross national income per capita).

**Equities/Equity**

means all equities and similar securities, including but not limited to, preference shares, convertible preference shares, equity warrants, depositary receipts (e.g. American depositary receipts, global depositary receipts), REIT equities, REIT units, equity linked notes. Equities also include index certificates and other comparable certificates as well as assets whose risk profile correlates with the relevant equity or with the investment markets to which these assets can be allocated.

**Equity Market**

includes, but is not limited to, (i) a regulated market within the meaning of the MiFiD Directive, (ii) another market in a Member State of the EU which is regulated, operates regularly and is recognized and open to the public and/or (iii) a stock exchange in a non-Member State of the EU or (iv) a market in a Non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public.

**Equity Participation**

has the meaning given to it in Art. 2 Section 8 GITA, which includes, but not limited to, (1) shares in a company admitted to trading on an exchange or on an organized market or included in such market, and/or (2) shares in a company other than a real estate company that is (i) resident in the EU/EEA and which is not exempt from income taxation there; or (ii) is a resident of a non-EU country and subject to income taxation of at least 15% and/or (3) units of "equity-funds" or "mixed-funds" according to Art. 2 Section 8 GITA, with their relevant percentage of a permanent physical investment in an Equity Participation as disclosed in the relevant GITA Restriction or otherwise specified in the respective Sub-Fund's investment restrictions.

**ESG**

means Environmental, Social and Governance.

**ESG Score Strategy**

means a strategy which may be adopted by a Sub-Fund so that its assets are invested in accordance with E/S characteristics or in accordance with having Sustainable Investment as its objective (as the case may be). The summary of the investment process and the requirements of the ESG Score Strategy can be found under Appendix 1, Part B (Use of a specific investment strategy).

**EU**

means the European Union.

**EU Member State**

means a member state of the EU; the states that are contracting parties to the agreement creating the EEA other than the member states of the EU, within the limits set forth by this agreement and related acts, are considered as equivalent to member states of the EU.

**EU Savings Directive**

means the Council Directive 2003/48/EC on the taxation of savings income, as amended.

**EU Taxonomy Objectives**

means the environmental objectives of the Taxonomy Regulation, as amended. The EU Taxonomy Objectives currently include the following:

(1) climate change mitigation;



- (2) climate change adaptation;
- (3) sustainable use and protection of water and marine resources;
- (4) transition to a circular economy;
- (5) pollution prevention and control; and
- (6) protection and restoration of biodiversity ecosystems.

**EUR or Euro**

means the Euro, the official currency of the EU Member States that have adopted the Euro as their common currency.

**Europe/European countries**

means all countries of the European continent. Unless otherwise stated in a Sub-Fund's specific Asset Class Principles or in a Sub-Fund's individual restrictions, Russia and Turkey are considered to be European countries.

**Eurozone/Euroland**

means the monetary union of the EU Member States that have adopted the Euro as their common currency.

**FII**

means a qualified foreign institutional investor under the FII Regulations.

**FII Eligible Securities**

means securities and investments permitted to be held or made by a FII under the FII Regulations.

**FII Program/FII Regime**

means the qualified foreign institutional investors regime in the PRC (including QFII program and RQFII program).

**FII Regulations**

means the laws and regulations governing the establishment and operation of the qualified foreign institutional investors regime in the PRC (including the qualified foreign institutional investor program ("QFII program") RMB qualified foreign institutional investor program ("RQFII program")), as may be promulgated and/or amended from time to time.

**FPI / registered FPI**

means Foreign Portfolio Investor / registered Foreign Portfolio Investor pursuant to the FPI Regulations. Only entities and persons that comply with certain statutory conditions and that are registered as FPIs are permitted to make direct investments in exchange-traded and certain other Indian securities. Certain Sub-Funds hold a "foreign portfolio investor" ("FPI") registration in terms of the FPI Regulations. With a view to ensuring compliance with the FPI Regulations, certain investors are not permitted to have holdings in FPI registered Sub-Funds which exceed prescribed thresholds. As a registered FPI, the relevant Sub-Fund can only hold up to 10% of the paid-up capital, or 10% of the paid-up value of each series of convertible debentures or preference shares or share warrants of an Indian company (the "10% Threshold"). In addition to the 10% Threshold, the investment of a registered FPI in Indian companies may not exceed any sectoral cap on ownership by an FPI that applies to a particular company and/or an aggregate cap on FPI investments in a company. Please refer to the sub-section headed "India Investment Risk" under the section headed "Risk Factors" for further information.

**FPI Regulations**

means the laws and regulations concerning foreign portfolio investors issued by the Securities and Exchange Board of India (SEBI).

**GBP**

means the British Pound Sterling, the official currency of the United Kingdom of Great Britain and Northern Ireland.

**GITA**

means the German Investment Tax Act (as may be amended from time to time).

**GITA Restriction for Equity Sub-Funds**

means in respect of an Equity Sub-Fund and irrespective of its specific Asset Class Principles, its individual investment objective and its individual investment restrictions (which will continue to apply), a minimum of 70% of Sub-Fund assets (the amount of Sub-Fund assets according to GITA Restriction is to be determined by the value of Sub-Fund assets without taking into account any liabilities of the Sub-Fund) is permanently physically invested in an Equity Participation according to Art. 2 Section 8 GITA.

**GITA Restriction for Multi Asset Sub-Funds**

means in respect of a Multi Asset Sub-Fund and irrespective of its specific Asset Class Principles, its individual investment objective and its individual investment restrictions (which will continue to apply), a minimum of 25% or 51% (as may be specified in its investment restrictions under Appendix 1, Part B below) of Sub-Funds assets (the amount of Sub-Fund assets according to GITA Restriction is to be determined by the value of Sub-Fund assets without taking into account any liabilities of the Sub-Fund) is permanently physically invested in an Equity Participation according to Art. 2 Section 8 GITA.

**Grand-Ducal Regulation of 2008**

means the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law.

**Green Bonds**

are designated Debt Securities intended to encourage sustainability and to support climate-related or other types of special environmental projects (e.g. renewable energy, water management, clean transportation). Green Bonds shall be aligned with the four core components of the Green Bond Principles.

**Green Bond Principles**

are voluntary process guidelines issued by the International Capital Market Association (ICMA) that recommend transparency and disclosure and promote integrity in the development of the Green Bond market by clarifying the approach for issuance of a Green Bond. The Green Bond Principles have the following four core components: (i) use of proceeds, (ii) process for project evaluation and selection, (iii) management of proceeds, and (iv) reporting. To align with these four core components of the Green Bond Principles, issuers of Green Bonds shall: (i) indicate that proceeds will be used to finance "green"/climate projects; (ii) have process to identify qualifying projects based on sound methodology and clear criteria; (iii) allocate proceeds to the identified projects and not to other general expenses/investments; (iv) report, at least annually, the status of the use of proceeds, the status of projects and the actual environmental impact. The Management Company assesses eligibility of qualifying projects and/or issuers with its proprietary tool based on external research data with internal analyses.

**Hedging Currency**

means a currency different from the Reference Currency of a Share Class against which such Share Class will be hedged.

**High-Yield Investments Type 1**

means an investment in Debt Securities which at the time of acquisition has a rating of BB+ or below (Standard & Poor's and Fitch) or Ba1 or below (Moody's) or the equivalent by another Rating Agency or, if unrated, as determined by the Investment Manager to be of comparable quality. In case of a minimum/maximum (as the case may be) investment limit of High-Yield Investment Type 1 securities according to a Sub-Fund's Investment Restrictions, the lowest/highest available rating of a Debt Security at acquisition day is decisive for the assessment of the possible acquisition of such Debt Security as High-Yield Investment Type 1. Generally, there is no intention to acquire Debt Securities that are rated CC, C or D (Standard & Poor's), C, RD or D (Fitch) or Ca or C (Moody's) unless otherwise specified in a Sub-Fund's investment restriction.

**High-Yield Investments Type 2**

means an investment in Debt Securities which at the time of acquisition has a rating of between BB+ and B- (inclusive) (Standard & Poor's and Fitch) or between Ba1 and B3 (inclusive) (Moody's) or the equivalent by another Rating Agency or, if unrated, as determined by the Investment Manager to be of comparable quality. In case of a minimum/maximum (as the case may be) investment limit of High-Yield Investment Type 2 securities according to a Sub-Fund's Investment Restrictions, the lowest/highest available rating of a Debt Security at acquisition day is decisive for the assessment of the possible acquisition of such Debt Security as High-Yield Investment Type 2.

**HKD**

means the Hong Kong Dollar, the official currency of Hong Kong.

**HK Distributor**

means Allianz Global Investors Asia Pacific Limited.

**HK Prospectus**

means this prospectus, as may be supplemented or amended from time to time.

**HK Representative**

means Allianz Global Investors Asia Pacific Limited.

**Hong Kong**

means Hong Kong Special Administrative Region of the People's Republic of China.

**Hong Kong Business Day**

Means a day (other than a Saturday) on which banks in Hong Kong are open for banking business (which includes a day where banks provide their services under severe weather conditions, including where typhoon number 8 signal or above is hoisted, a black rainstorm warning is issued or extreme conditions is announced by the Government of the Hong Kong).

**Hong Kong Restriction**

means that – irrespective of a Sub-Fund's specific Asset Class Principles, its individual investment objective and its individual restrictions which fully continue to apply, (1) a Sub-Fund's net derivative exposure may be up to 50% of its NAV; and (2) to the extent a Sub-Fund invests in Debt Securities, it may not invest more than 10% of its NAV in Debt Securities issued by or guaranteed by any single country with a credit rating below Investment Grade or unrated; and (3) to the extent a Sub-Fund is deemed to be a Bond Sub-Fund or a Multi-Asset Sub-Fund (as defined pursuant to Appendix 1, Part B of this HK Prospectus) it may invest less than 30% of its assets in instruments with loss-absorption features (including contingent convertible bonds, senior non-preferred Debt Securities, instruments issued under the resolution regime for financial institutions and other capital instruments issued by banks or other financial institutions), of which a maximum of 10% of the respective Sub-Fund's assets may be invested in contingent convertible bonds. A "single country" as referred to in sentence 1 Alternative 2 shall include a country, its government, a public or local authority or nationalized industry of that country.

**Independent Auditor**

means PricewaterhouseCoopers Société coopérative.

**Institutional Investors**

means an institutional investor within the meaning of articles 174,175 and 176 of the Law.

**Interest Rate Differential**

means the difference in interest rates between two currencies (i.e. between (i) Base Currency of a Sub-Fund; and (ii) Reference Currency or Hedging Currency (as the case may be) of a currency hedged Share Class) and represents the economic impact of a foreign exchange transaction e.g., for foreign exchange hedging purposes. Depending on the interest rate levels of both currencies and the hedging direction, the Interest Rate Differential can be positive or negative.

**Investment Advisor**

means each Investment Advisor appointed (i) by the Management Company acting in its function as a Sub-Fund's Investment Manager or (ii) by another legal entity acting in its function as a Sub-Fund's Investment Manager as listed in Appendix 4.

**Investment Currency**

means a currency different from the Base Currency and the Reference Currency of a Share Class against which such Share Class will be hedged. The Investment Currency is relevant only for H3 share classes and will be determined by the naming of the respective H3 share class. Usually, the Investment Currency determines the currency in which the Sub-Fund's assets are predominantly denominated if they are denominated in another currency than Base Currency or Reference Currency.

**Investment Grade**

means an investment in Debt Securities which at the time of acquisition has a rating of at least BBB- (Standard & Poor's and Fitch) or at least Baa3 (Moody's) or the equivalent by another Rating Agency or, if unrated, as determined by the Investment Manager to be of comparable quality. If two different ratings with at least one Investment Grade rating for a Debt Security exist, such Debt Security is considered as Investment Grade (if such Debt Security is not included in an investment limit of High-Yield Investment Type 1 and/or High-Yield Investment Type 2 (as the case may be) according to a Sub-Fund's Investment Restriction).

**Investment Manager/Sub-Investment Manager**

means the Management Company, the Investment Manager and/or the Sub-Investment Manager as listed in Appendix 4.

**JPY**

means the Japanese Yen, the official currency of Japan.

**Law**

means the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended from time to time.

**Malaysian Investment Restriction**

means that a Sub-Fund will – irrespective of a Sub-Fund's specific Asset Class Principles, its individual investment objective and its individual restrictions which fully continue to apply – ensure – (i) if such Sub-Fund invests in internal Target Funds– that there is no crossholding between the Sub-Fund and the respective internal Target Fund, and (ii) only raise short-term loans of up to 10% of Sub-Fund's net assets, provided the Depositary agrees to the borrowing and the terms of the relevant loan, and the relevant loan's maturity does not exceed one month.

**Management Company**

means Allianz Global Investors GmbH, which is subject to the supervision of Bundesanstalt für Finanzdienstleistungsaufsicht, the German Federal Financial Supervisory Authority.

**MBS**

means mortgage-backed securities which include, but are not limited to commercial mortgage-backed securities, collateralised mortgage obligations, real estate mortgage investment conduits and residential mortgage-backed securities. The pools of underlying assets of MBS can include loans (e.g. mortgage loans), leases or receivables (such as commercial and residential mortgages originating from a regulated and authorised financial institution).

**MiFiD**

means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

**Money Market Instruments**

means Debt Securities with short-term maturities (included, but not limited to treasury bills, certificates of deposits, commercial papers and bankers' acceptance etc.) at the time of acquisition.

**Multi Asset Sustainability Strategy**

means a strategy which may be adopted by a Sub-Fund so that its assets are invested in accordance with E/S characteristics or in accordance with having Sustainable Investment as its objective (as the case may be). The summary of the investment process and the requirements of the Multi Asset Sustainability Strategy can be found under Appendix 1, Part B (Use of a specific investment strategy).

**Net Asset Value or NAV**

means the asset value determined pursuant to Section VII.

**Net Asset Value per Share or NAV per Share**

is as defined in Section VII, headed "**Net Asset Value Per Share**".

**Nominee**

means Allianz Global Investors Nominee Services Limited.

**NZD**

means the New Zealand Dollar, the official currency of New Zealand.

**OECD**

means the Organisation for Economic Cooperation and Development.

**PAI Indicator(s)**

are various indicators which intend to show the material or likely to be material impact of investment decisions on Sustainability Factors. PAI Indicators include, but are not limited to, greenhouse gas emissions, biodiversity, water, waste as well as social and employee matters for corporate issuers, and, where relevant, an indicator applicable to investments in securities of sovereign issuers. PAI Indicators are used to measure how issuers negatively impact Sustainability Factors.

**Paying and Information Agent(s)**

means any paying and information agent(s) appointed by the Company.

**PEA (Plan d'Epargne en Actions) Restriction**

means that a Sub-Fund – irrespective of its specific Asset Class Principles, its individual investment objective and its individual investment restrictions which fully continue to apply – is permanently physically invested with a minimum of at least 75% of its Sub-Fund assets in Equities of corporate issuers with their registered office in an EU Member State and/or in the EEA that has signed a tax agreement with France.

**Permitted Investors**

means such investors permitted to invest in a particular Share Class as defined in Section V2, headed "**Permitted Investors**".

**PRC**

means the People's Republic of China, excluding Hong Kong, the Macau Special Administrative Region ("**Macau**") and Taiwan for the purpose of the HK Prospectus.

**PRC Broker**

means brokers in PRC appointed by a FII.

**PRC Depositary**

means depositaries (i.e. local custodians) in PRC appointed by a FII.

**Rating Agencies**

means Standard & Poor's (or S&P), Moody's, Fitch, Bank of America and any other national and/or international recognised statistical rating organisation.

**Redemption Fee**

means the fee (if any) charged (as set out in Appendix 3) when redeeming Shares.

**Redemption Price**

means the redemption price per Share (i.e. the price per Share of a Share Class which corresponds to the Net Asset Value per Share of the relevant Share Class less the Redemption Fee).

**Reference Currency**

means the currency in which the Net Asset Value per Share of a Share Class is calculated.

**Register**

means the register of Shareholders.

**Registrar Agent**

means State Street Bank International GmbH, Luxembourg Branch

**Regulated Market**

means each regulated market or stock exchange in any country that, as defined in Article 41(1) of the Law, operates regularly, is recognised and is open to the public.

**REIT**

means a real estate investment trust, which is a legal entity whose business purpose is oriented toward the ownership of real estate and/or activities related to the ownership of real estate established as a corporation or a fund (although only closed-ended REITS funds may be acquired by a Sub-Fund). A REIT may issue (depending on its legal form of its establishment as a corporation or a fund) either equities ("**REIT equities**") or units ("**REIT units**").

**RMB**

means the Chinese Renminbi, the official currency of the PRC and, unless the context otherwise requires, the term "RMB" refers to offshore Chinese Renminbi ("**CNH**") traded offshore in Hong Kong or markets outside the PRC and not to onshore Chinese Renminbi ("**CNY**").

**SDG or SDGs**

means Sustainable Development Goals which are a collection of various global goals set by the United Nations General Assembly. The seventeen SDGs currently are:

- (No. 1) No Poverty
- (No. 2) Zero Hunger
- (No. 3) Good Health and Well-Being
- (No. 4) Quality Education
- (No. 5) Gender Equality
- (No. 6) Clean Water and Sanitation
- (No. 7) Affordable and Clean Energy
- (No. 8) Decent Work and Economic Growth
- (No. 9) Industry Innovation and Infrastructure
- (No. 10) Reduced Inequalities
- (No. 11) Sustainable Cities and Communities
- (No. 12) Responsible Consumption and Production
- (No. 13) Climate Action
- (No. 14) Life Below Water

- (No. 15) Life on Land
- (No. 16) Peace, Justice and Strong Institutions
- (No. 17) Partnership for the Goals

as stipulated by the United Nations General Assembly under [www.un.org/sustainabledevelopment](http://www.un.org/sustainabledevelopment) from time to time. Please note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.

**SDG-Aligned Strategy**

means a strategy which may be adopted by a Sub-Fund so that its assets are invested in accordance with E/S characteristics or in accordance with having Sustainable Investment as its objective (as the case may be). The summary of the investment process and the requirements of the SDG-Aligned Strategy can be found under Appendix 1, Part B (Use of a specific investment strategy).

**SEBI**

means the Securities and Exchange Board of India.

**Securities Financing Transactions Regulation**

means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

**SFC**

means the Securities and Futures Commission of Hong Kong.

**SFDR or Sustainability-related Disclosure Regulation**

means 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.

**SFDR Target Fund(s)**

means a Target Fund which promotes environmental or social characteristics or having Sustainable Investments as objective pursuant to Article 8 or Article 9 of the SFDR. External SFDR Target Fund(s) might apply additional or other sustainability features and/or exclusion criteria deviating to those applicable for internal SFDR Target Fund(s) as described in this HK Prospectus.

**SFO**

means the Securities and Futures Ordinance of Hong Kong (Chapter 571, Laws of Hong Kong).

**SGD**

means the Singapore Dollar, the official currency of Singapore.

**Share**

means a Share issued by the Company in respect of a Share Class.

**Share Class**

means a class of Shares of a Sub-Fund, which may have different characteristics to other classes of Shares (including, but not limited to, charges, fee structures, use of income, persons authorised to invest, minimum investment amount, Reference Currency, currency hedging, Hedging Currency, subscription and redemption procedures).

**Shareholder**

means a holder of Shares in the Company.

**SRI**

means Sustainable and Responsible Investment.

**SRI Rating**

is an internal rating assessment which is based on SRI Research and assigned to a corporate or a sovereign issuer. Each SRI Rating is therefore based upon the analysis of criteria considering the domains of human rights, social, environmental, business behaviour and governance of the issuers. SRI Ratings may be used to apply negative or positive screens on a Sub-Fund's investment universe in accordance with the objective of a specific investment strategy under Appendix 1, Part B (Use of a specific investment strategy). While most holdings of Sub-Funds will have a corresponding SRI Rating some investments cannot be rated according to the SRI Research methodology. Examples of instruments not attaining to the SRI Rating include, but are not limited to, cash, Deposits, and non-rated investments.

**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 (e.g. incompleteness, inaccuracy or unavailability, etc.)) with internal analyses. The Management Company assesses a combination of the results of the external and/or internal analyses of the Sustainability Factors, and an internal rating (SRI Rating) is assigned to a corporate or sovereign issuer.

**SRI (Proprietary Scoring) Strategy**

means a strategy which may be adopted by a Sub-Fund so that its assets are invested in accordance with E/S characteristics or in accordance with having Sustainable Investment as its objective (as the case may be). The summary of the investment process and the requirements of the SRI (Proprietary Scoring) Strategy can be found under Appendix 1, Part B (Use of a specific investment strategy).

**Stock Connect**

means the program which aims to achieve mutual stock market access between Mainland China and Hong Kong and includes (i) the Shanghai-Hong Kong Stock Connect, a securities trading and clearing links program developed by the Stock Exchange of Hong Kong Limited ("SEHK"), Shanghai Stock Exchange ("SSE"), China Securities Depository and Clearing Corporation Limited ("ChinaClear") and Hong Kong Securities Clearing Company Limited ("HKSCC"); and (ii) the Shenzhen-Hong Kong Stock Connect, a securities trading and clearing links program developed by SEHK, Shenzhen Stock Exchange ("SZSE"), ChinaClear and HKSCC.

**Stock Connect Northbound Trading Day**

means a day on which Stock Connect Northbound Trading is open. A list of Stock Connect Northbound Trading Days is set out in the trading calendar of Stock Connect published by Hong Kong Exchanges and Clearing Limited, at <https://www.hkex.com.hk/Mutual-Market/Stock-Connect/Reference-Materials/Trading-Hour,-Trading-and-Settlement-Calendar> or via other channels as decided by Hong Kong Exchanges and Clearing Limited from time to time.

**Sub-Distributor**

means a sub-distributor of Shares, which has entered into an agreement with the HK Distributor in respect of its sub-distribution of Shares.

**Sub-Fund**

means each sub-fund of the Company.

**Subscription Fee**

means the fee (if any) charged (as set out in Appendix 3) when subscribing for Shares.

**Subscription Price**

means the subscription price Per Share (i.e. the price per Share of a Share Class, which corresponds to the Net Asset Value per Share of the relevant Share Class plus a Subscription Fee, if applicable).

**Sustainability Factors**

means environmental, social and employee matters, respect for human rights, anti-corruption, anti-bribery



matters, and any other governance matters.

### **Sustainable Investment**

means an investment in an economic activity that, as measured, contributes to an environmental and/or social objectives (investing in business activities that foster positive contribution to sustainable objectives), provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. Environmental and social contributions can be defined e.g. along the UN Sustainable Development Goals, as well as the objectives of the Taxonomy Regulation. The computation of the positive contribution for the Sub-Funds is based on a quantitative framework, complemented by qualitative inputs by sustainability research. The methodology applied first breaks down a company into its business activities in order to assess whether these activities are providing a positive contribution to environmental and/or social objectives. Following the mapping of business activities, a percentage share of positive contribution per portfolio is computed by aggregation of the positive contribution by each security on the portfolio with adjustment of its relative weight to the portfolio.

### **Switzerland Restriction**

means the Sub-Fund may raise short-term loans pursuant to Appendix 1, Part A, paragraph 2, second indent of this HK Prospectus, only for the purpose of liquidity management (in particular for redemption requests). Up to 15% of Sub-Fund assets may be invested in alternative assets pursuant to Art. 5 para. 3 BVV3 (Swiss ordinance on the tax deductibility of contributions to recognized forms of benefit schemes) in connection with Art. 55 lit. d) of BVV2 (Swiss ordinance on occupational old-age, survivors' and invalidity insurance). Alternative assets within this meaning are in particular (1) mortgage-backed securities (MBS) and asset-backed securities (ABS), convertible bonds and bonds with warrants, (2) equities other than those listed under Appendix 1, Part A, paragraph 1 of this HK Prospectus, (3) UCITS or UCI which consist predominantly of alternative assets as defined herein, and (4) derivatives if the underlying of the derivative is an alternative asset as defined herein. Deviating to Appendix 1, Part A, paragraph 3.a) of this HK Prospectus, the maximum limit for an issuer of securities and money market instruments shall be 5% of Sub-Fund's net asset value. The use of derivatives is restricted as per Art. 56a BVV2. In order to comply with these restrictions, the Sub-Fund shall only enter into derivative transactions if the Sub-Fund has sufficient liquid assets to cover its potential obligations under the derivative transactions. The Sub-Fund may not enter into securities repurchase agreements and securities lending agreements pursuant to Appendix 1, Part A, paragraph 8 of this HK Prospectus.

### **Taiwan Restriction**

means that

- (1) the exposure of a Sub-Fund's open long positions in financial derivative instruments may not exceed 40% of its assets for the purpose of efficient portfolio management, unless otherwise exempted by the Taiwan Financial Supervisory Commission (the "FSC"); whereas the total amount of its open short positions in financial derivative instruments may not exceed the total market value of the corresponding securities required to be held by the Sub-Fund for hedging purposes, as may be stipulated from time to time by the FSC;
- (2) for a Bond Sub-Fund (as per Appendix 1, Part B of this HK Prospectus),
  - (a) the total amount invested in High-Yield Investments Type 1 or High-Yield Investments Type 2 shall not exceed 20% (Debt Securities which qualify as convertible debt securities will not be accounted to this 20%-limit irrespective of their rating) of such Sub-Fund assets. If a Bond Sub-Fund's investment in Emerging Markets exceeds 60% of its assets, the Bond Sub-Fund's total amount invested in High-Yield Investments Type 1 or High-Yield Investment Type 2 shall not exceed 40% (Debt Securities which qualify as convertible debt securities will not be accounted to this 40%-limit irrespective of their rating) of such Sub-Fund assets;
  - (b) the total amount of investment in convertible corporate bonds, corporate bonds with warrants, and exchangeable corporate bonds may not exceed 10% of Sub-Fund assets;
- (3) for a Multi Asset Fund (as per Appendix 1, Part B of this HK Prospectus),

- (a) the total amount invested in High-Yield Investments Type 1 or High-Yield Investments Type 2 shall not exceed 30% (Debt Securities which qualify as convertible debt securities will not be accounted to this 30%-limit irrespective of their rating) of Sub-Fund assets, or such other percentage of its assets as may be stipulated by the FSC from time to time;
  - (b) the total amount of investments in Equities must be no more than 90% and no less than 10% of Sub-Fund assets;
- (4) the total amount invested directly in China A-Shares and China Interbank Bond Markets shall not exceed 20% of a Sub-Fund's NAV, or such other percentage as may be stipulated by the FSC from time to time; and
- (5) a Sub-Fund's exposure shall not have Taiwan securities as its main focus respectively as its primary investment area (i.e. more than 50% of Sub-Fund assets).

**Target Fund(s)**

means any UCITS and/or UCI which is either managed, directly, or indirectly, by the Management Company itself or by any other company with which the Management Company is linked by a substantial direct or indirect participation (internal Target Fund) or any other third-party company (external Target Fund).

**Taxonomy Regulation**

means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 of the establishment of a framework to facilitate sustainable investment.

**UCI**

means an undertaking for collective investment other than UCITS as defined in the UCITS Directive.

**UCI Administration Agent**

means Allianz Global Investors GmbH, acting through the Luxembourg Branch

**UCITS**

means an undertaking for collective investment in transferable securities authorized pursuant to the UCITS Directive.

**UCITS Directive**

means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended from time to time.

**UCITS Regulation**

means Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries.

**US or United States**

means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

**US Person**

means any person that is a United States Person within the meaning of Rule 902 of Regulation S under the United States Securities Act of 1933, as the definition of such term may be changed from time to time by legislation, rules, regulations or judicial or administrative agency interpretations.

**USD**

means the United States Dollar, the official currency of the United States of America.

**Valuation Day**

means each day on which the Net Asset Value per Share of a Class of Shares is calculated; as stated in Appendix 2.

**VAG Investment Restriction**

means that a Sub-Fund to the extent it invests – irrespective of its specific Asset Class Principles, its individual investment objective and its individual investment restrictions which fully continue to apply – in (1) ABS/MBS may only invest in ABS/MBS which at the time of acquisition have a rating of at least BBB- (Standard & Poor's and Fitch) or of at least Baa3 (Moody's) or the equivalent by another Rating Agency or, if unrated, as determined by the Investment Manager to be of comparable quality, and which are admitted to or included in an official market or if the issuer has its registered offices in a contracting state to the agreement on the EEA or a full member State to the OECD and to the extent it invests in (2) Debt Securities (excluding ABS/MBS) may only invest in Debt Securities which at the time of acquisition have a rating of at least B- (Standard & Poor's and Fitch) or of at least B3 (Moody's) or the equivalent by another Rating Agency or, if unrated, as determined by the Investment Manager to be of comparable quality. In addition, VAG Investment Restriction means that for the case that two different ratings exist the lower rating will be relevant. If three or more different ratings exist the second-highest rating will be relevant. An internal rating by the Investment Manager can only be considered if such internal rating complies with requirements as set out in the BaFin circular 11/2017 (VA). Assets as mentioned in sentence 1 which have been downgraded below the minimum rating as mentioned in sentence 1, must not exceed 3% of Sub-fund assets. If assets as described in the aforementioned sentence exceed 3% of the Sub-Fund assets they must be sold within six months from the day on which the exceeding of the 3% threshold took place, but only to the extent such assets exceed 3% of Sub-Fund assets. Investment restrictions which are related to a specific VAG investor are not covered by the VAG Investment Restriction.

**Voya IM**

means Voya Investment Management Co. LLC.

### **III GENERAL INFORMATION OF THE COMPANY**

#### **1. REPORTS TO SHAREHOLDERS**

The financial year of the Company is from 1 October to 30 September each year. The Company will issue an audited annual report within four months after the end of the financial year and an unaudited semi-annual report within two months after the end of the period to which it refers.

Copies of the financial reports may be obtained free-of-charge from the HK Distributor or the relevant Sub-Distributor and will be published on the HK Representative's website, [hk.allianzgi.com](http://hk.allianzgi.com). (please note that the website has not been reviewed by the SFC). These are made available to registered Shareholders in English only.

#### **2. LIQUIDATION AND MERGER**

##### **2.1 The Company**

###### **Liquidation**

The Company may, at any time, be dissolved by resolution of the general meeting of Shareholders, subject to the quorum and majority requirements set out in the Articles.

If the Company's share capital falls below two-thirds of the minimum capital required by law, the Board must refer the matter of the dissolution to a general meeting of Shareholders, deliberating without any quorum and deciding by a simple majority of the Shares represented at the meeting.

If the Company's share capital is less than a quarter of the minimum capital required by law, the Board must refer the matter of dissolution of the Company to a general meeting of Shareholders, deliberating without any quorum; the dissolution may be decided by Shareholders holding a quarter of the Shares represented at the meeting.

Dissolution will be carried out by one or more liquidators, who may be individuals or legal entities, appointed at the general meeting of Shareholders. The scope of their appointment, along with their fees, shall also be determined at this meeting.

Liquidation proceeds allocated to a Share Class will be paid out to the Shareholders in that Class in proportion to their shareholdings in the respective Share Class.

If the Company is liquidated (for whatever reason), the completion of the liquidation of the Company must, in principle, take place within a period of 9 months from the date of the Board decision authorising the liquidation. Where the liquidation of the Company cannot be fully completed within a period of 9 months, a written request for exemption shall be submitted to the CSSF, detailing the reasons why the liquidation cannot be completed. Any corresponding payment of liquidation proceeds will take place in accordance with the relevant laws. Any funds to which Shareholders are entitled upon the liquidation of the Company and which are not claimed by those entitled thereto prior to the close of the liquidation process shall be deposited for the persons entitled thereto with the Caisse de Consignation in Luxembourg in accordance with the Law.

###### **Merger**

In the case the Company is involved in a merger as the merging fund, and hence ceases to exist, the general meeting of the Shareholders of the Company, rather than the Board, has to approve, and decide on the effective date of, such merger by a resolution adopted with no quorum requirement and at a simple majority of the votes cast at such meeting.

## 2.2 Sub-Funds/Share Classes

### Liquidation

- (1) If the assets of a Sub-Fund fall below the amount that the Board considers to be a minimum amount for the economically efficient management of the Sub-Fund, or if the Sub-Fund does not reach this minimum amount or if a substantial change in the political, economic or monetary situation arises, the Board may force redemption of all Shares in the Sub-Fund affected at the Net Asset Value per Share on the Dealing Day following the day on which this decision by the Board enters into force (while taking into account the actual prices achieved and the necessary costs of disposal of the assets).

The Company must inform the Shareholders in writing of the reasons and the redemption procedure before the mandatory redemption enters into force: Registered Shareholders will be notified in writing; holders of bearer Shares will be informed through publication of a notice in newspapers to be determined by the Board or in electronic media as determined in this HK Prospectus if the Company does not know the names and addresses of the Shareholders. If no other decision is made in the interest of or for purposes of equal treatment of the Shareholders, the Shareholders in the Sub-Fund affected may request the redemption or conversion of their Shares at no charge before the date of the mandatory redemption (while taking into account the actual prices achieved and the necessary costs of disposal of the assets).

Under the same circumstances as provided above, the Board may decide to force redemption of all Shares in any Share Class.

- (2) Notwithstanding the powers conferred upon the Board in paragraph (1) above, the general meeting of Shareholders of one or all Share Classes issued in a Sub-Fund may decide, acting on a proposal of the Board and even for scenarios other than economically efficient management mentioned in paragraph 1 of this Article, to redeem all Shares of one or all Share Classes issued in a Sub-Fund and pay out to the Shareholders the Net Asset Value of the Shares on the Dealing Day following the day on which such decision enters into force (while taking into account the actual prices achieved and the necessary costs of disposal of the assets). At this general meeting, there is no minimum number of Shareholders required to form a quorum. The decision is reached with a simple majority of the Shares present or represented at this meeting.
- (3) Unclaimed proceeds that have not been paid out to the corresponding authorised persons after the redemption is carried out are deposited with the Depository for the duration of the liquidation period. After this time, the unclaimed proceeds are transferred to the Caisse de Consignation on behalf of the authorised persons and, if unclaimed for the period prescribed in the Luxembourg regulations about the Caisse de Consignation, will be forfeited.
- (4) All redeemed Shares will be cancelled.
- (5) The completion of the liquidation of a Sub-Fund or a Share Class must, in principle, take place within a period of 9 months from the date of the Board decision authorising the liquidation. Where the liquidation of Sub-Fund or a Share Class cannot be fully completed within a period of 9 months, a written request for exemption shall be submitted to the CSSF detailing the reasons why the liquidation cannot be completed.

### Merger

- (1) The Board may decide to merge the assets of one or all Share Classes issued in a Sub-Fund (the “**Merging Sub-Fund**”) with any of the following (each a “**Receiving Fund**”):

- (i) another Sub-Fund,
- (ii) another Share Class of the same Sub-Fund,
- (iii) another UCITS, or
- (iv) another sub-fund or share class of another UCITS

and to rename the Shares of the Merging Sub-Fund as shares of the Receiving Fund (if required after a split or a merger and payment to investors for any differences for fractional shares). The shareholders of the Merging Sub-Fund and Receiving Fund will be informed about the decision to merge in accordance with the Law and applicable Luxembourg regulations at least thirty days before the last date for requesting redemption or, as the case may be, conversion of shares free of charge.

- (2) Notwithstanding the powers of the Board described in paragraph (1) above, the general meeting of Shareholders of a Sub-Fund or of the affected Share Class(es) of the respective Sub-Fund may decide to merge the assets and liabilities of this Sub-Fund (or of the respective Share Class(es), as the case may be) (1) with another Sub-Fund of the Company, (2) with another Share Class of the same Sub-Fund, (3) with another UCITS or (4) with another sub-fund or share class of such an UCITS. There are no quorum requirements for this action, and the merger may be decided upon by a simple majority of the Shares present or represented at the meeting. Such decision of the general meeting of Shareholders is binding to all Shareholders who do not make use of their right to redeem or convert their Shares within the period of thirty days mentioned in paragraph (1) above.

### **3. ANTI-MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION**

The following identification procedures must be complied with for (i) direct subscriptions into the Company; and (ii) subscriptions received from intermediaries which are not organised or operating in a Financial Action Task Force on Money Laundering (or FATF) member country. Each completed subscription application form of an investor must be accompanied by the relevant client identification and verification documents stipulated by the applicable anti-money laundering and terrorist financing laws and regulations in Hong Kong and in Luxembourg.

In all cases, any copies submitted must be certified to be a true copy by a competent authority (e.g. an ambassador, consulate, notary or police officer, or their equivalent in the relevant jurisdiction).

The Company and/or the HK Distributor/the HK Representative reserve the right to request and receive from Shareholders/prospective investors additional information and documentation as may be required to comply with applicable laws and regulations. Such information provided to the Company and/or the HK Distributor/HK Representative shall be collected and processed for anti-money laundering and terrorist financing compliance purposes.

### **4. DATA**

Any and all information concerning the investor as an individual or any other data subject (the "Personal Data"), contained in the application form or further collected in the course of the business relationship with the Company will be processed by the Company acting as data controller (the "Controller") in accordance with the provisions of the EU Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "General Data Protection Regulation") and any applicable data protection law or regulation (collectively the "Data Protection Law").

Investors acknowledge that their Personal Data provided or collected in connection with an investment in the Company may also be processed by the Management Company, Investment Manager, the Depository, the UCI Administration Agent, the Distributor, the Paying Agents, the Registrar Agent, the Paying and Information Agent, the Auditor, legal and financial advisers and other service providers of the Company (including its information technology providers) and, any of the foregoing respective agents, delegates, affiliates, subcontractors and/or their successors (collectively the “Service Providers”) and assigns in accordance with their roles as Controller or as Processor (as applicable). Some of the foregoing entities may be established outside the European Economic Area (the “EEA”) in countries which may not ensure an adequate level of protection of personal data in their local legislation. If such transfer occurs, the Controller is required to ensure that such processing of investors’ personal data is in compliance with Data Protection Legislation and, in particular, that appropriate measures are in place such as entering into model contractual clauses (as published by the European Commission).

Insofar as Personal Data provided by the investor concern individuals other than itself, the investor represents that it has authority to provide such Personal Data to the Controller. If the investor is not a natural person, it must undertake to (i) inform any other data subject about the processing of its Personal Data and their related rights and (ii) where necessary and appropriate, obtain in advance any consent that may be required for the processing of such Personal Data.

Such Personal Data will be processed to manage and administer an investor’s holding in the Company and performing the related services. Personal Data will also be processed for the purposes of fraud prevention such as anti-money laundering and counter-terrorist financing identification and reporting, tax identification and reporting (including but not limited to compliance with the CRS Law, FATCA) or similar laws and regulations (e.g. on OECD level).

Given the nature of registered Shares, the Company reserves the right to refuse to issue Shares to investors who do not provide the appropriate information on personal data (including records of their transactions) to the Registrar Agent.

Personal Data will not be held for longer than necessary with regard to the purposes for which it is processed, subject to applicable legal minimum retention periods.

More details regarding the purposes of such processing, the different roles of the recipients of the Investor’s personal data, the affected categories of personal data and the Investors’ rights with regard to such personal data as well as any other information required by Data Protection Law can be found in the privacy notice accessible under the following link: <https://regulatory.allianzgi.com/gdpr>.

## **5. EXCESSIVE TRADING AND MARKET TIMING**

Shares may not be acquired for the purposes of market timing or other similar practices. The Company expressly reserves the right to take necessary measures to protect other investors from market timing or similar practices.

## **6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents may be inspected free of charge or obtained upon payment of a reasonable charge (if applicable) from the office of the HK Representative during usual business hours:

- (i) this HK Prospectus and the full prospectus of the Company that is registered with the Luxembourg regulator;
- (ii) the Articles;
- (iii) the management agreement between the Company and the Management Company;

- (iv) the investment management agreement between the Management Company and each Investment Manager;
- (v) the depositary agreement between the Company and the Depositary;
- (vi) the HK Representative agreement between the Company and the HK Representative; and
- (vii) the latest reports and financial statements (if any).

## **7. BENCHMARK REGULATION**

Under the Benchmark Regulation, European Securities and Markets Authority (“**ESMA**”) publishes and maintains a public register (“**ESMA Register**”) that contains the consolidated list of EU administrators and third country benchmarks, in accordance with Article 36 of the Benchmark Regulation. A Sub-Fund may use a benchmark in the European Union if the EU administrator or if the benchmark appears in the ESMA Register or if it is exempted according to Article 2(2) of the Benchmark Regulation, such as, for example, benchmarks provided by EU and non-EU central banks. Further, certain third country benchmarks are eligible even though they do not appear in the ESMA Register as benefiting from a transitional provision under Article 51.5 of the Benchmark Regulation.

Appendix 6 lists EU administrators and administrators of third country benchmarks if the benchmark is mentioned in Appendix 1 of this HK Prospectus.

The Management Company maintains written plans setting out the actions that will be taken in the event that a benchmark materially changes or ceases to be provided. Such written plans may be obtained, free of charge upon request, at the registered office of the Company or from the Management Company.

## **IV MANAGEMENT OF THE COMPANY**

### **1. MANAGEMENT COMPANY AND UCI ADMINISTRATION AGENT**

The Company has appointed Allianz Global Investors GmbH to act as its management company (the “Management Company”) within the meaning of the Law.

The Management Company is responsible, subject to the supervision of the Directors, for the provision of investment management services, administrative duties and services required by Luxembourg law, in particular for the registration of the Company, for the preparation of documentation, for drawing-up distribution notifications, for processing and dispatching the Prospectus and Key Information Documents, for preparing financial statements and other investor relations documents, for liaising with the administrative authorities, and marketing services to the Company.

The Management Company is an investment management company within the meaning of the German Investment Code and was incorporated as a limited liability company (Gesellschaft mit beschränkter Haftung) under the laws of the Federal Republic of Germany in 1955. As of 31 December 2021, its subscribed and paid-up capital amounted to EUR 49,900,900.00.

From time to time, the Management Company may carry on its activities through one or more of its branches located in jurisdictions across Europe. Please refer to Appendix 4 for details of the delegation of investment management functions.

The Management Company may delegate certain services in connection with currency and duration monitoring as well as trading to third parties.

In addition to depositary services, the Management Company has outsourced to State Street Bank International GmbH, Luxembourg Branch also substantial functions of central administration and other



duties, particularly fund accounting as well as the NAV calculation. It may make use of the services of third parties.

The registrar function (including issuing and redeeming Shares, keeping the register of Shareholders and auxiliary services associated therewith) has been delegated to State Street Bank International GmbH, Luxembourg Branch (the “Registrar Agent”).

The Management Company may delegate all or any of its management and administrative duties to specialist service providers, subject to the restrictions imposed by any applicable laws, rules or regulations.

## **2. DEPOSITARY**

The Company has appointed State Street Bank International GmbH, acting through its Luxembourg Branch as its Depositary within the meaning of the Law pursuant to the depositary agreement.

State Street Bank International GmbH is a limited liability company organized under the laws of Germany, having its registered office at Brienner Str. 59, 80333 München, Germany and registered with the commercial register court, Munich under number HRB 42872. It is a credit institution supervised by the European Central Bank (ECB), the German Federal Financial Services Supervisory Authority (BaFin) and the German Central Bank.

State Street Bank International GmbH, Luxembourg Branch is authorized by the CSSF in Luxembourg to act as depositary and is specialized in depositary, fund administration, and related services. State Street Bank International GmbH, Luxembourg Branch is registered in the Luxembourg Commercial and Companies' Register (RCS) under number B148186.

State Street Bank International GmbH is a member of the State Street group of companies having as their ultimate parent State Street Corporation, a US publicly listed company.

### *Depositary's functions*

The relationship between the Company and Depositary is subject to the terms of the depositary agreement. Under the terms of the depositary agreement, the Depositary is entrusted with following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law and the Articles.
- ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles.
- carrying out the instructions of the Company unless they conflict with applicable law and the Articles.
- ensuring that in transactions involving the assets of the Company any consideration is remitted within the usual time limits.
- ensuring that the income of the Company is applied in accordance with applicable law and the Articles.
- monitoring of the Company's cash and cash flows.
- safe-keeping of the Company's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

### *Depositary's liability*

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Company and its Shareholders.

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in particular Article 18 of the UCITS Regulation, the Depositary shall return financial instruments of identical type or the corresponding amount to the Company on behalf of the relevant Sub-Fund without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary pursuant to the UCITS Directive.

In case of a loss of financial instruments held in custody, the Shareholders may invoke the liability of the Depositary directly or indirectly through the Company provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders.

The Depositary will be liable to the Company for all other losses suffered by the Company as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Directive.

The Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

#### *Delegation*

The Depositary has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the depositary agreement.

The Depositary has delegated those safekeeping duties set out in Article 22(5)(a) of the UCITS Directive to State Street Bank and Trust Company with registered office at One Congress Street, Suite 1, Boston, Massachusetts, USA, whom it has appointed as its global sub-custodian. State Street Bank and Trust Company as global sub-custodian has appointed local sub-custodians within the State Street Global Custody Network. A list of delegates and sub-delegates is published on the Internet at <https://www.statestreet.com/disclosures-and-disclaimers/lu/subcustodians><sup>1</sup>. On request, the information will be made available by the Hong Kong Representative in hard copy without charge.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available at the registered office of the Management Company.

#### *Conflicts of Interest*

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the depositary agreement or under separate contractual or other arrangements. Such activities may include:

- (i) providing nominee, administration, registrar agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Company;

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<sup>1</sup> This website has not been reviewed by the SFC and may contain information of funds which are not authorised by the SFC

- (ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Company either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

- (i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Company, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- (ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- (iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;
- (iv) may provide the same or similar services to other clients including competitors of the Company;
- (v) may be granted creditors' rights by the Company which it may exercise.

The Company may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the relevant Sub-Fund. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Investment Manager, Investment Advisor, or the Management Company may also be a client or counterparty of the Depositary or its affiliates.

Potential conflicts that may arise in the Depositary's use of sub-custodians include four broad categories:

- (i) conflicts from the sub-custodian selection and asset allocation among multiple sub-custodians influenced by (a) cost factors, including lowest fees charged, fee rebates or similar incentives and (b) broad two-way commercial relationships in which the Depositary may act based on the economic value of the broader relationship, in addition to objective evaluation criteria;
- (ii) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests;
- (iii) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depositary as its counterparty, which might create incentive for the Depositary to act in its self-interest, or other clients' interests to the detriment of clients; and
- (iv) sub-custodians may have market-based creditors' rights against client assets that they have an interest in enforcing if not paid for securities transactions.

In carrying out its duties the Depositary shall act honestly, fairly, professionally, independently, and solely in the interests of the Company and its Shareholder.

The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the depositary issues to be properly identified, managed, and monitored.

Additionally, in the context of the Depositary's use of sub-custodians, the Depositary imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians to ensure a high level of client service by those agents. The Depositary further provides frequent reporting on clients' activity and holdings, with the underlying functions subject to internal and external control audits. Finally, the Depositary internally separates the performance of its custodial tasks from its proprietary activity and follows a Standard of Conduct that requires employees to act ethically, fairly, and transparently with clients.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

### **3. INVESTMENT MANAGERS, SUB-INVESTMENT MANAGER AND INVESTMENT ADVISOR**

The Company has appointed the Management Company to carry out investment management functions.

The Management Company may, at its own expense, delegate all or any part of its investment management functions to third parties (such as the Investment Managers or Sub-Investment Managers) for the purpose of efficient management. The Management Company may also consult with third parties such as the Investment Advisors. The Management Company shall retain responsibility, control and coordination of the acts and omissions of any such delegates. Generally, currency hedging for Share Classes is not part of the investment management function in relation to delegation of such services to third parties. Details of the delegation of investment management functions (if any) are set out in Appendix 4.

Under certain conditions (e.g. unavailability of the portfolio manager of the Investment Manager of a Sub-Fund) the Management Company reserves the right to perform the investment management function in respect of the Sub-Fund temporarily from its headquarter or any of its branches.

Allianz Global Investors entered into a long-term strategic partnership with Voya Investment Management LLC under which Voya IM will act as the Investment Manager of certain Sub-Funds of the Company. Voya IM is a limited liability company, which is registered as an investment adviser under the U.S. Investment Advisers Act of 1940 and is authorized to provide investment management services, regulated by the United States Securities and Exchange Commission.

The role of an Investment Advisor is to provide advice, draw-up reports and make recommendations to the Investment Manager or to the Sub-Investment Manager as to the management of a Sub-Fund and advise the Investment Manager or the Sub-Investment Manager in the selection of assets for a portfolio. The Investment Advisor will, at all times, provide its services in accordance with the terms of this HK Prospectus, the Articles and the applicable laws. For the avoidance of doubt, the Investment Advisor has no discretionary investment management function. Investment Advisors whose fees will be paid out of a Sub-Fund's assets will be disclosed in Appendix 4. Other Investment Advisors whose fees will not be paid out of a Sub-Fund's assets will not be disclosed in Appendix 4.

### **4. HK DISTRIBUTOR AND HK REPRESENTATIVE**

Allianz Global Investors Asia Pacific Limited has been appointed by the Company to act as the HK Distributor and the HK Representative in Hong Kong to promote the Shares of the Company.

The HK Distributor may appoint Sub-Distributors to market and place Shares in various countries worldwide (excluding the United States and unless otherwise prohibited). The Company, HK Distributor and the Sub-Distributors will, at all times, comply with all applicable anti-money laundering and terrorist financing laws, rules and regulations (in particular, the CSSF Circular 08/387 of 19 December 2008) and will adopt procedures to ensure, to the extent applicable, such compliance. Please refer to Section III3 above regarding anti-money laundering procedures.

## **V THE SHARES**

### **1. SHARE CLASSES**

The Board may, in its absolute discretion, create additional Sub-Funds and one or more Share Classes within each Sub-Fund. The Company is one single legal entity and no Sub-Fund has a separate legal identity. However, with regard to third parties, in particular towards the Company's creditors, each Sub-Fund is solely responsible for the liabilities attributable to it.

Each Share Class may have different characteristics including, but not limited to, fee structures, dividend policy, Permitted Investors, minimum investment amount, Reference Currency and hedging policies.

"2" to "99" indicates Share Classes which may have different characteristics (including, but not limited to, charges, fee structures, persons authorised to invest, minimum investment amount).

Distribution Shares/Share Classes and Accumulation Shares/Share Classes may be issued for each Sub-Fund. Please see Section VI, headed "**Distribution Policy**" for more details.

Investors may refer to Appendix 3 for more details on each Share Class.

### **2. PERMITTED INVESTORS**

Share Classes I, IT, W, WT may only be acquired by Institutional Investors. Shares of Share Classes I, IT, W, WT may not be acquired by natural persons, nor may they be acquired in situations in which the subscriber of the shares is not a natural person, but is acting as intermediary for a third-party ultimate beneficiary who is a natural person (unless shares are acquired in the own name of the intermediary which itself is an Institutional Investor). A condition may be set on the issue of shares of these types of Share Classes requiring the prior submission by the investor of a written guarantee to that effect.

The HK Representative (whose decision is final) may require investors to submit additional information documentation (at the investor's cost) to (i) substantiate that the investor is a legal entity; or (ii) confirm the investor's domicile or place of residence.

### **3. TYPES OF SHARES**

#### **3.1 General**

All Shares must be fully paid up prior to their issue. Shares have no nominal value or preferential rights.

Fractional Shares are issued to one thousandth of a Share with smaller fractions being rounded. Fractional Shares confer no voting rights, but entitle the Shareholder to participate proportionally in the distribution of net income and in the proceeds of liquidation of the respective Sub-Fund or Share Class.

#### **3.2 Reference Currency**

Shares may be issued with a Reference Currency which is different to their Base Currency. The Reference Currency of a Share Class is indicated in the name of the Share Class (e.g. "Share Class A (USD)" indicates "Class A Shares" with USD as the Reference Currency).

### 3.3 Currency hedged Share Class(es)

If a Sub-Fund directly or indirectly (via derivatives) holds assets denominated in currencies other than its Base Currency or if a Sub-Fund's Share Class is designated in a currency other than the Sub-Fund's Base Currency, it is exposed to a currency risk that if foreign currency positions have not been hedged or if there is any change in the relevant exchange control regulations, the NAV of the Sub-Fund or that of the Share Class may be affected unfavourably ("Currency Risk").

Such Currency Risk may be reduced by currency hedging which is a technique that is used to reduce the impact of changes in exchange rates. Currency hedging is offered for different Sub-Funds through separate Share Classes ("Currency hedged Share Classes").

The Company may enter into currency hedging transactions in relation to one or more Currency hedged Share Classes which offer currency hedging. Profits and losses do arise on the valuation of these currency hedged positions on each Business Day and are attributable to the respective Currency hedged Share Class and therefore included in the performance of such Share Class only. Expenses related to currency hedging transactions will be allocated to the respective Currency hedged Share Class resulting in higher expenses for such Share Class compared to a Share Class not applying currency hedging.

All profits and losses arising from the currency hedging transactions, net of the expenses associated with such hedging transactions, will offset the profits and losses on the foreign currency positions of the relevant Currency hedged Share Class arising from changes in foreign currency exchange rates, adding to/deducting from the assets of the respective Currency hedged Share Class(es).

Currency hedged Share Classes aim to provide investors with a return correlated to the performance of the Sub-Fund's portfolio, or by reducing the effect of exchange rate fluctuations between the different currencies (currencies as determined below for the respective Currency hedged Share Classes).

Please note that a currency hedging transaction aims to reduce, not to eliminate, currency risk and any mismatches between the respective different currencies.

The Company may use either the static forward-based approach (the "Forward Approach") to implement the currency hedging on Share Class level.

The Forward Approach is targeting a constant target hedge ratio at all times. Using the Forward Approach will result in the same hedging effect even in case of smaller currency movements between e.g., Reference Currency versus Base Currency or Reference Currency versus Hedging Currency. Hence, Currency hedged Share Classes using the Forward Approach will have a more precise hedging of the currency risk.

As far as Currency hedged Share Classes are concerned, the Company ensures

- that the exposure to any counterparty of a derivative transaction is in line with the limits laid down in Article 43 of the Law in respect to net asset value of the respective Currency hedged Share Class,
- that over-hedged positions do not exceed 105% of the net asset value of the respective Currency hedged Share Class,
- that under-hedged positions do not fall short of 95% of the net asset value of the respective Currency hedged Share Class,
- to keep hedged positions under review on an ongoing basis, at least at the same valuation frequency as the Sub-Fund, to ensure that any over-hedged or under-hedged positions do not exceed/fall short of the permitted levels stated above, and
- that it has incorporated a procedure to rebalance the hedging arrangement on a regular basis, such that any position stays within the permitted position levels stated above and is not carried

forward from month to month.

There is no guarantee that attempts to hedge currency risk will be successful or that any hedging strategy will eliminate currency risk entirely.

The table below sets out the different hedging policies applicable to different Currency hedged Share Classes:–

| <b>Indicator</b>  | <b>Characteristics</b>  | <b>Example</b>  |
|---|---|---|
| "H" appears before the Reference Currency                           | Currency Risk hedged against the Reference Currency using the Forward Approach.   | Share Class <b>A (H-USD)</b> with USD as the Reference Currency.  |
| "H2" appears before the Reference Currency                          | Base Currency hedged against the Reference Currency using the Forward Approach. Investors still bear the currency risk that may arise from active portfolio management (e.g., specific foreign exchange positions).                                 | Share Class <b>A (H2-USD)</b> with USD as the Reference Currency (which is different to the Base Currency of the Sub-Fund).                                     |
| "H" appears between the Reference Currency and Hedging Currency     | Currency Risk hedged against the Hedging Currency using the Forward Approach.   | Share Class <b>A (USD H-JPY)</b> with USD as the Reference Currency and JPY as the Hedging Currency.  |
| "H2" appears between the Reference Currency and Hedging Currency    | Base Currency hedged against the Hedging Currency using the Forward Approach. Investors still bear the currency risk that may arise from active portfolio management (e.g., specific foreign exchange positions).                                   | Share Class <b>A (USD H2-JPY)</b> with USD as the Reference Currency (which is different to the Base Currency of the Sub-Fund) and JPY as the Hedging Currency. |
| "H3" appears between the Reference Currency and Investment Currency | Investment Currency hedged against the Reference Currency using the Forward Approach. Investors still bear the currency risk that may arise from active portfolio management (e.g., specific foreign exchange positions).                           | Share Class <b>A (USD H3-JPY)</b> with USD as the Reference Currency and JPY as Investment Currency (which is different to the Base Currency of the Sub-Fund).  |
| "H4" appears before the Reference Currency                          | Currency exposure of the respective benchmark hedged against the Reference Currency using the Forward Approach. Investors still bear the currency risk that may arise from active portfolio management (e.g., specific foreign exchange positions). | Share Class <b>A (H4-USD)</b> with USD as the Reference Currency.   |

|  |   |   |
|--|---|---|
| "H5" appears before the Reference Currency | For the value of all assets of the Sub-Fund qualifying as Debt Securities, UCITS, UCI or Deposits, the Base Currency will be hedged against the Reference Currency using the Forward Approach. Investors still bear the currency risk that may arise from assets of the Sub-Fund not qualifying as Debt Securities, UCITS, UCI or Deposits. In addition, Investors bear the currency risk that may arise from assets of the Sub-Fund qualifying as Debt Securities, UCITS, UCI or Deposits and tail currency exposure other than the Base Currency. | Share Class <b>A (H5-USD)</b> with USD as the Reference Currency. |
|--|---|---|

Further details of the available Share Classes and available Share Class Reference Currencies for each Sub-Fund may be obtained from the HK Distributor.

#### 4. MINIMUM INVESTMENT, HOLDING AND CONVERSION AMOUNTS

The Share Classes currently available for investment are listed in the table below, together with the minimum initial and subsequent investment and holding amounts applicable to each Share Class (inclusive of any Subscription Fee).

The minimum amounts for any Share Class below may be waived or varied by the Company or the HK Representative at its absolute discretion.

| Share Classes  |                  | Minimum Initial Investment <sup>1</sup> | Minimum Subsequent Investment <sup>1</sup> | Minimum Holding Amount <sup>2</sup> |
|--|------------------|---|--|-------------------------------------|
| Share Class A, AT, AM, AMg, AMf, AMi, AMgi and AQ Shares | USD <sup>3</sup> | USD5,000                                | USD1,000                                   | USD3,000                            |
|  | EUR              | EUR5,000                                | EUR1,000                                   | EUR3,000                            |
|  | HKD              | HKD50,000                               | HKD10,000                                  | HKD30,000                           |
|  | RMB              | RMB50,000                               | RMB10,000                                  | RMB10,000                           |
| Share Class P, P8, PT and PT8 Shares                     | USD <sup>3</sup> | USD3,000,000                            | USD500,000                                 | USD500,000                          |
|  | EUR              | EUR3,000,000                            | EUR500,000                                 | EUR500,000                          |
|  | HKD              | HKD30,000,000                           | HKD5,000,000                               | HKD5,000,000                        |
|  | RMB              | RMB30,000,000                           | RMB5,000,000                               | RMB5,000,000                        |
| Share Class I and IT Shares                              | USD <sup>3</sup> | USD4,000,000                            | USD500,000                                 | USD1,000,000                        |
|  | EUR              | EUR4,000,000                            | EUR500,000                                 | EUR1,000,000                        |
|  | HKD              | HKD40,000,000                           | HKD5,000,000                               | HKD10,000,000                       |
|  | RMB              | RMB40,000,000                           | RMB5,000,000                               | RMB10,000,000                       |
| Share Class W and WT Shares                              | USD <sup>3</sup> | USD10,000,000                           | USD500,000                                 | USD10,000,000                       |
|  | EUR              | EUR10,000,000                           | EUR500,000                                 | EUR10,000,000                       |
|  | HKD              | HKD100,000,000                          | HKD5,000,000                               | HKD100,000,000                      |

<sup>1</sup> Or such lower amount as permitted by the Management Company in its absolute discretion,



subject to the applicable Minimum Holding Amount.

<sup>2</sup> Such Minimum Holding Amount applies equally to conversion requests.

<sup>3</sup> Or an equivalent amount in any other available currencies.

## 5. DEALING PROCEDURES

### 5.1 Dealing Deadlines and General Dealing Procedures

The following procedures apply to all Dealing Applications, i.e. all applications for the subscription, redemption, conversion or transfer of Shares:

**5.1.1** Dealing Application forms are available from the HK Representative.

**5.1.2** Unless determined otherwise by the HK Representative, completed Dealing Applications (or such other written notification which is acceptable to the HK Representative) for all Sub-Funds except Allianz Emerging Markets Select Bond, Allianz Emerging Markets Short Duration Bond, Allianz Emerging Markets SRI Bond and Allianz Emerging Markets SRI Corporate Bond must be received by the HK Representative before 5:00 p.m. (Hong Kong time) (the “**Dealing Deadline**”) on any Dealing Day, in order to be effected on that Dealing Day. For Allianz Emerging Markets Select Bond, Allianz Emerging Markets Short Duration Bond, Allianz Emerging Markets SRI Bond and Allianz Emerging Markets SRI Corporate Bond, the Dealing Deadline is 11:00 a.m. (Hong Kong time).

Dealing Applications received after the Dealing Deadline will be effected on the next Dealing Day.

Dealing procedures may vary depending upon the Sub-Distributor through whom an investor/a Shareholder chooses to submit its Dealing Application. Please consult your Sub-Distributor before submitting any Dealing Application.

**5.1.3** Dealing Applications will be effected at the relevant Subscription Price or Redemption Price or Conversion Price (as the case may be) of the relevant Share Class(es) as determined on the relevant Valuation Day to which the Dealing Application relates.

**5.1.4** Dealing Applications cannot be withdrawn except when the calculation of the NAV of the relevant Shares is suspended. No Dealing Applications will be dealt with during any such period of suspension. Please refer to Section VII2, headed “**Temporary Suspension of Calculation of NAV and Resulting Suspension of Dealing**”) for details.

**5.1.5** The Company and the HK Representative reserve the right to reject any application for subscription or conversion of Shares for any reason whatsoever, including if the applicable minimum amount is not met. In such circumstances, any monies paid by the applicant, or the balance thereof, will normally be returned to the applicant without interest. The Company also reserves the right to suspend without prior notice the issue of Shares in one or more or all Sub-Funds or in one or more or all Share Classes.

**5.1.6** Neither the Company nor the HK Representative shall be responsible for any loss (direct or indirect) or other consequence arising from (i) any rejection of application for subscription or conversion as described above; or (ii) any Dealing Applications which are not received by them.

### 5.2 Share Prices

#### 5.2.1 Calculation of Share Prices

Subscription Price, Redemption Price and Conversion Price are determined on each Valuation Day, based on the NAV per Share of the relevant Share Class. Please refer to Section VII, headed “**Net Asset Value Per Share**” for details. Subscription Fee, Redemption Fee and Conversion Fee are levied

as a percentage of the NAV per Share of a Share Class and are specified in Appendix 3.

### **5.2.2 Publication of Share Prices**

The NAV per Share of each Share Class available for investment in Hong Kong are published on [hk.allianzgi.com](http://hk.allianzgi.com). Please note that the website has not been reviewed by the SFC.

None of the Company, the Hong Kong Representative, any Paying and Information Agents, the Registrar Agent or the Management Company accepts responsibility for any error in the publication of the NAV per Share.

## **5.3 Subscriptions**

### **5.3.1 Initial Offer of Shares**

The Board and/or the HK Representative may decide to offer Shares during an initial period (the “**Initial Offer Period**”), at a fixed Subscription Price per Share (exclusive of any Subscription Fee). Payment in cleared funds (net of any bank charges) for Shares applied for must be paid before the end of the Initial Offer Period. Any payment received by the HK Representative during the Initial Offer Period will be held by the HK Representative (and not the Management Company) until the end of the Initial Offer Period.

The Board and/or the HK Representative may decide a minimum aggregate subscription amount to be raised before the end of the Initial Offer Period. If such amount is not raised, or if the Board and/or the HK Representative believe that it is not in the interests of investors, or it is not commercially viable, to proceed with the launch of a Sub-Fund, they may exercise their discretion not to accept the subscription applications received. In such case, all subscription monies received will be returned (without interest and subject to the deduction of bank and/or other charges) to the applicants by telegraphic transfer after the end of the Initial Offer Period.

If the Sub-Fund proceeds to launch, Shares will be issued on the last day of the Initial Offer Period in respect of subscription applications which are accepted by the Company.

### **5.3.2 The Subscription Process**

- (a) First-time Share applicants must complete and submit an Investment Account Opening & Application Form (the “**Account Opening Form**”) to the HK Distributor/HK Representative in person.
- (b) The Account Opening Form must be accompanied by all relevant supporting documents.
- (c) Investors are strongly advised to use a nominee service provided by **Allianz Global Investors Nominee Services Limited** (the “**Nominee Service**”) (which is offered at no additional charge) to facilitate their investments. Please refer to Section V5.5, headed “**Nominee Service**” for details.
- (d) Subsequent applications for subscription may be made by submitting a completed subscription application form in person, by post or by fax.
- (e) The HK Representative may choose not to process an application for subscription unless subscription monies have already been received in cleared funds.
- (f) Shares will be issued by the Company on each Dealing Day and registered in non-certificated form in accordance with the details provided by the investors on the Account Opening Form. Confirmation/contract notes will be issued to the Shareholders confirming their investments.
- (g) Subscription monies will be invested net of Subscription Fee (if any) and any bank charges.

## **5.4 Payment of Subscription Monies**

### **5.4.1 Payment Method**

No money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry on Type 1 regulated activity (dealing in securities) under Part V of the SFO. No cash payments or third party payments (by whatever mode) will be accepted.

Payment may be made by telegraphic transfer (net of all bank charges) to the HK Representative's bank accounts (detailed on the Account Opening Form or subscription application form) within 3 Valuation Days following the determination of the Subscription Price in the currency of subscription of the respective Share Class.

Any payment in a currency different to the Base Currency or the currency of issue of the relevant Share Class will, first, be converted into the Base Currency in order to purchase the Shares. The cost of currency conversion and all other bank charges and expenses will be borne by the investor.

### **5.4.2 Late Payment**

Daily interest may be imposed on overdue subscription monies until payment in full is received and/or any provisional allotment of Shares is cancelled. In such a cancellation, the HK Representative shall be entitled to:—

- (a) claim from the investor the amount, if any, by which the original Subscription Price (together with any accrued interest) exceeds the Redemption Price prevailing on the cancellation date; and
- (b) charge the investor a cancellation fee of up to HK\$500 (or its equivalent) as may be determined by the HK Representative from time to time.

Such costs may be deducted from any existing holding of a Shareholder. Any money returnable to the investor will be held without payment of interest pending receipt of the remittance.

## **5.5 Nominee Service**

Investors and Shareholders may be required to use the Nominee Service in order to facilitate investments in the Sub-Funds, since operations of the Sub-Funds are carried out in Luxembourg. There is no charge for this service, whose standard terms and conditions are summarized in the Account Opening Form. The Nominee is a company within the Allianz Group.

Shares will be registered in the name of the Nominee as nominee for investors.

Investment via the Nominee Service is subject to the following risks:

- (i) Legally, the Shares are owned by the Nominee. As such, investors do not have any direct contractual relationship with the Company and, therefore, will not have direct recourse against the Company. Investors can only pursue claims through the Nominee.
- (ii) The Nominee is not licensed or registered with the SFC. As such, the SFC has limited powers to take action against the Nominee.

## **6. REDEMPTIONS**

### **6.1 The Redemption Process**

- (a) Shareholders may redeem Shares by submitting a completed redemption application form (together with all relevant supporting documentation) to the HK Representative, in person, by post or by fax.
- (b) Applications for redemption which will result in the value of shareholding falling below the relevant Minimum Holding Amount may be treated by the Company as a request to redeem the Shareholder's entire shareholding.
- (c) Shares will be redeemed at the Redemption Price referable to the Dealing Day on which the redemption application is processed.
- (d) Redemption proceeds will normally be paid by telegraphic transfer, (at the Shareholder's risk), within six Valuation Days after (i) the calculation of the Redemption Price; or (ii) the receipt of the redemption application by the Company, whichever is the later date. For the avoidance of doubt, the maximum interval between the application for redemption and payment of redemption proceeds shall not exceed one calendar month.
- (e) Where redemptions are made through the HK Representative (and thus held by the Nominee), the Nominee will arrange for the redemption proceeds to be remitted to the redeeming Shareholder on the first Hong Kong Business Day following receipt of the funds.

The redemption proceeds will generally be paid in the currency of issue of the relevant Share Class but Shareholders may request otherwise. Any currency conversion costs and other related administrative expenses (including bank charges) will be borne by the redeeming Shareholder.

## 6.2 Compulsory Redemption of Shares

If (i) the Company considers ownership of Shares by any person to be contrary to the interests of the Company; or (ii) such ownership is in violation of Luxembourg or other law; or (iii) such ownership would subject the Company to any tax or other financial disadvantage that it would not otherwise incur, the Company may instruct such a Shareholder (a "**Restricted Person**") in writing to sell all its Shares within 30 calendar days of the Restricted Person receiving such written notice. If the Restricted Person does not comply with the notice, the Company may compulsorily redeem all Shares held by such a Restricted Person in accordance with the following procedure:

- (a) The Company will issue a second notice (the "**Purchase Notice**") to the relevant Shareholder, which sets out (i) the Shareholder's name, (ii) the Shares to be redeemed, and (iii) the procedure under which the Redemption Price is calculated.

The Purchase Notice will be sent by registered post to the last known address of the investor or to the address listed in the Register.

- (b) The Restricted Person's ownership of the designated Shares shall end upon close of business on the date designated in the Purchase Notice, and he shall have no further claim in relation to the Shares or any part thereof, or against the Company or the Company's assets related to the Shares except for the right to repayment of the purchase price of these Shares (the "**Purchase Price**") without interest. For registered Shares, the name of the Shareholder shall be removed from the Register of Shareholders.
- (c) The Purchase Price shall correspond to an amount determined based on the share value of the corresponding Share Class on a Dealing Day, as determined by the Board, less any Redemption Fees. The Purchase Price is (less any Redemption Fees), the lower of (i) the share value calculated before the date of the Purchase Notice; and (ii) the share value calculated on the day immediately following the relevant Dealing Day by reference to which the Redemption Price is calculated.

- (d) The Purchase Price will be paid in the currency determined by the Board and deposited at a bank stated in the Purchase Notice. All income from redemptions to which the Restricted Person is entitled may not be claimed after five years from the date stated in the Purchase Notice and shall be forfeited as regards the respective Share Class. The Board is authorised to take all necessary steps to return these amounts and to authorise the implementation of corresponding measures for the Company.
- (e) Any compulsory redemption exercised by the Company shall not be questioned or declared invalid on any grounds concerning the ownership of the relevant Shares,

provided always that the Company exercise its compulsory redemption powers in good faith, on reasonable grounds and pursuant to applicable laws and regulations.

## 7. DEFERRAL OF REDEMPTION AND CONVERSION REQUESTS

If the requests for redemption or conversion on any one Dealing Day exceed a particular level (currently fixed at 10% in Hong Kong) of the Shares in issue of a particular Sub-Fund, the Company may declare that such excess requests shall be deferred to the next Valuation Day. On the next Valuation Day, such excess requests so deferred will be dealt with in priority to later requests. For clarity, such deferral shall not exceed two Valuation Days.

## 8. CONVERSIONS

- (a) Shareholders may submit the relevant application form to convert Shares from one Sub-Fund (the “**Original Fund**”) into Shares of another Sub-Fund, or shares of such other fund for which Allianz Global Investors Asia Pacific Limited acts as the HK Representative and which is also authorised by the SFC (the “**Selected Fund**”), on any Hong Kong Business Day. For the purposes of conversion, Shares that differ only in respect of their distribution policy and/or currency of issue shall not be regarded as Shares of different Share Classes.
- (b) A conversion shall be treated as a redemption of Shares from the Original Fund and an application for Shares in the Selected Fund.
- (c) All terms and conditions regarding the redemption and subscription of Shares shall equally apply to the conversion of Shares. The minimum amounts, and any additional requirements, applicable to the Selected Fund must be satisfied.
- (d) Subject to the valuation time of each Sub-Fund and the time required to remit redemption proceeds for conversion between Sub-Funds, the Dealing Day on which the shares are created in the Selected Fund may be later than (or in certain cases, same as) the Dealing Day on which investments in the Original Fund are redeemed or the day on which the applications for conversion are received by the HK Representative. Details can be obtained from the HK Representative.

## 9. TRANSFERS

Applications for transfer of Shares (available from the HK Representative) must be signed by both the transferor and the transferee. The transferor’s signature must be verified by a person acceptable to the HK Representative.

Transfers will not be accepted if, as a result, the Shares will be held by a Restricted Person, (where the transferor is a Permitted Investor,) any person who is not a Permitted Investor or the holdings are less than the relevant minimum holding amounts set out in the Section V4, headed “**Minimum Investment, Holding and Conversion Amounts**”.

## 10. INCOME EQUALISATION

The Company applies an income equalisation procedure for the Share Classes, i.e. an equalisation account is maintained which records the portion of income and realised capital gains/losses accrued during the financial year, and which is treated as being included as part of the Subscription Price/Redemption Price. The expenses incurred are accounted for in the calculation of the income equalisation procedure.

The income equalisation procedure is used to account for the movements between (i) income and realised capital gains/losses; and (ii) assets that are caused by net inflows and outflows due to the sale and redemption of Shares. Otherwise, each net inflow of cash would reduce the share of income and realised capital gains/loss on the NAV of a Sub-Fund, and each outflow would increase it.

## VI DISTRIBUTION POLICY

### 1. DISTRIBUTION SHARES

Distribution Shares may pay distributable income according to the net distribution policy (“**Net Distribution Policy**”), gross distribution policy (“**Gross Distribution Policy**”), fixed percentage policy (“**Fixed Percentage Policy**”) and/or IRD neutral policy (“**IRD Neutral Policy**”), as described below, at the Company’s discretion.

#### 1.1 Net Distribution Policy

Under the Net Distribution Policy, the Company may pay distribution out of (1) net income calculated by deducting all payable charges, fees, taxes, and other expenses from all income while taking into account the corresponding income equalisation, (2) net realised capital gains, (3) net unrealised capital gains, and (4) capital in accordance with Article 31 of the Law. The distribution amount for Currency hedged Share Classes applying the Net Distribution Policy will take into account the Interest Rate Differential arising from share class currency hedging accordingly unless the IRD Neutral Policy is applied.

#### 1.2 Gross Distribution Policy

Under the Gross Distribution Policy, the Company may pay distribution out of (1) the entire available income (i.e. the gross income such that all payable charges, fees, taxes and other expenses will be deducted from the capital in accordance with Article 31 of the Law) (2) net realised capital gains and other income (accounting for income equalisation) (3) net unrealised capital gains and (4) capital in accordance with Article 31 of the Law. Paying dividends out of gross income while charging or paying all or part of their fees and expenses to capital will result in an increase in distributable income for payment as dividends and therefore, these Share Classes may effectively pay dividends out of capital and resulting in an immediate decrease in the NAV per Share. The distribution amount for Currency hedged Share Classes applying the Gross Distribution Policy will take into account the Interest Rate Differential arising from share class currency hedging accordingly unless the IRD Neutral Policy is applied. Share Class which distribute income according to the Gross Distribution Policy are named with the additional letter “g”.

Share Class AMg2 is intended to be a Share Class with a lower distribution rate as compared with Share Classes AM/AMg (if any) in respect of a Sub-Fund.

#### 1.3 Fixed Percentage Policy

The distribution amount may also be calculated according to the Fixed Percentage Policy. Such Distribution Shares intend to pay out variable amount per Share which will be based on a fixed percentage of the Net Asset Value per Share. The distribution amount is calculated based on a fixed

percentage applied on the Net Asset Value of the respective Share Class at the end of the previous month (in case of monthly distributions), the previous financial quarter (in case of quarterly distributions) or the previous fiscal year (in case of annual distributions). While the percentage will be applied consistently, the distribution amount may vary from time to time due to movement in the Net Asset Value per Share. The fixed percentage for calculation of the distribution amount is determined prior to the first distribution of the relevant Share Class of the relevant Sub-Fund but can be subject to adjustment. Although the fixed distribution percentage is intended to be maintained, please note that the fixed distribution percentage may be subject to amendments under exceptional circumstances (including but not limited to, a drastic drop of NAV due to market crash, material market shifts or major crisis) after taking into account various factors, including but not limited to, the portfolio outlook of the relevant Sub-Fund, the risk analysis, the fixed distribution percentage and the NAV per Share of the relevant Share Class of the relevant Sub-Fund. Shareholders will be notified with one month prior notice in case of any change in the fixed distribution percentage. Share Classes which distribute income according to the Fixed Percentage Policy are named with the additional letter “f”. Shareholders should note that a positive fixed distribution percentage does not imply a high or positive return, as the fixed distribution may be paid out of capital or effectively out of capital. Shareholders should note that fixed distribution percentage is not guaranteed.

As at the date of this HK Prospectus, the fixed distribution percentage as are follows:

| <b>Sub-Fund</b>                   | <b>Class</b> | <b>Fixed distribution percentage per annum</b> |
|-----------------------------------|--------------|--|
| Allianz Asian Multi Income Plus   | AMf          | 7%   |
| Allianz Flexi Asia Bond           | AMf          | 6%   |
| Allianz Global Equity Growth      | AMf          | 5%   |
| Allianz Global Opportunistic Bond | AMf          | 6%   |
| Allianz Green Bond                | AMf          | 5%   |

Alternatively, investors may visit <https://regulatory.allianzgi.com> for the list of fixed distribution percentages applied to Share Classes with Fixed Percentage Policy. Note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.

The distribution amount per share is generally calculated as follows: fixed distribution percentage per annum ÷ distribution frequency over a year × NAV per Share on the last Dealing Day of the previous month/financial quarter/fiscal year (depending on the frequency of distribution).

#### **1.4 IRD Neutral Policy**

Certain Currency hedged Share Classes may apply the IRD Neutral Policy. For these Currency hedged Share Classes, the principles of either Net Distribution Policy or Gross Distribution Policy will be applied while not reflecting the Interest Rate Differential with respect to the distribution amount, so that the distribution amount for such Currency hedged Share Classes will not account for the difference in the interest rates between the Base Currency of the relevant Sub-Fund and their Reference Currency or Hedging Currency (as the case may be) of such Currency hedged Share Classes. Depending on the interest rate levels of both currencies and the hedging direction, the Interest Rate Differential can be positive or negative, but this would not affect the distribution amount for such Currency hedged Share Classes. For instance, where the interest rate of the Base Currency of a Sub-Fund is higher than the interest rate of the Reference Currency of a Currency hedged Share Class, the Interest Rate Differential is negative. With the adoption of IRD Neutral Policy, the distribution amount for such Currency hedged Share Class will not be decreased to account for the difference between these interest rates.

Share Classes which distribute income according to the IRD Neutral Policy are named with the

additional letter “I”.

## 1.5 Risk of Capital Erosion

Distribution Shares distributing capital or effectively out of capital have a risk of capital erosion. Payment of distribution out of and/or effectively out of capital, amounts to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment. Any distributions involving payment of distribution out of and/or effectively out of capital may result in immediate reduction of the Net Asset Value per Share of the relevant Share Class. The following Share Classes may have an increased risk of capital erosion:

- Distribution Shares applying the Fixed Percentage Policy may have a significant risk of distributions exceeding net income, realized capital gains and other income. Shareholders should note that the share classes with Fixed Percentage Policy will continue to distribute in periods that the relevant Sub-Fund has negative returns or is making losses, which further reduces the Net Asset Value of the relevant share class and thus the value of the investment may fall more rapidly. Investors may not be able to get back the original investment amount.
- Distribution Shares applying the IRD Neutral Policy have a high likelihood of capital erosion if the Interest Rate Differential is negative. The likelihood of capital erosion can vary significantly, strongly depending on the Interest Rate Differential between the relevant currencies and the hedging direction.
- Distribution Shares applying the Gross Distribution Policy usually are subject to risk of capital erosion because fees and expenses are not reflected in the calculation of distribution amount, i.e., will be taken from the capital.

Investors should refer to the sub-sections “**Distribution out of Capital/Distribution effectively out of Capital Risk**” and “**Risk related to Share Classes with Fixed Percentage Policy**” under “**XI Risk Factors**” in this HK Prospectus.

## 1.6 General Provisions

All Distribution Shares provide for a distribution unless doing so will result in the net assets value of the Company falling below EUR 1,250,000.

The Company may amend the distribution policy subject to the prior approval of SFC and by giving not less than one month’s prior written notice to Shareholders.

Distribution proceeds unclaimed after five years will revert to their respective Share Class. No interest accrues on declared distributions.

Share Classes A, P, I and W are Distribution Shares which will have an annual distribution frequency unless otherwise indicated by the relevant distribution frequency indicators shown in the table below:

| Indicator | Distribution Frequency   |
|-----------|--|
| “M”       | Monthly distribution i.e. normally paid out on 15th day of each month.*                            |
| “Q”       | Quarterly distribution i.e. normally paid out on 15 March, 15 June, 15 September and 15 December.* |

\* If such day is not a Valuation Day, the distribution date shall be the next Valuation Day.

Share Classes with annual distribution shall generally be distributed on 15 December each year or, if such day is not a Valuation Day, the next applicable Valuation Day unless otherwise specified in this HK Prospectus.



The compositions of the distributions (i.e. the relative amounts paid out of (i) net distributable income (i.e. net income and including any net realised capital gains), and (ii) capital (including any net unrealised capital gains and capital in accordance with Article 31 of the Law)) for the preceding 12 months are available on request from the HK Representative, as well as on [hk.allianzgi.com](http://hk.allianzgi.com). Please note that the website has not been reviewed by the SFC.

## **2. ACCUMULATION SHARES**

Share Classes T are Accumulation Shares and retain all income (while accounting for income equalisation) less payable charges, fees, taxes and other expenses and reinvest these amounts. No distributions are expected to be paid to holders of Accumulation Shares. Annual accumulation will generally take place on 30 September each year.

Notwithstanding this, Shareholders may, at a general meeting, determine how income and realised capital gains should be treated and may even decide to distribute capital, or provide for cash payments or the issue of bonus shares, or may authorise the Board to make such a decision.

Under no circumstances may distributions be made if doing so would result in the net assets of the Company falling below EUR 1,250,000.

For clarity, in order to receive distribution on Distribution Shares, Shareholders must be registered as Shareholders of such Distribution Shares on the Register of Shareholders on the record date, which is usually the Valuation Day before the distribution date as set out above.

## **VII NET ASSET VALUE PER SHARE**

### **1. CALCULATION OF NAV PER SHARE**

The NAV per Share of a Share Class is calculated in the Base Currency of the Sub-Fund. If Shares are issued with other Reference Currencies, such NAV will be published in the currency in which that class of Shares is denominated. On each Valuation Day, the NAV per Share is calculated by dividing the net assets of the Sub-Fund by the number of Shares in circulation of the relevant Share Class on the Valuation Day. The net assets of a Share Class are determined by the proportional share of the assets attributable to such a Share Class less the proportional share of the liabilities attributable to a Share Class on the Valuation Day. When distributions are made, the value of the net assets attributable to the Distribution Shares is reduced by the amount of such distributions. The NAV may be rounded up or down to the next applicable currency unit as determined by the Board.

For money-market Sub-Funds, the NAV per Share may be determined plus/less accrued income and expenses expected to be due per Share up to and including the calendar day before the relevant Valuation Day.

If there have been significant changes in the prices on markets in which a significant portion of the assets attributable to a Share Class is traded or listed following the calculation of the NAV, the Company may, in the interests of the Shareholders and the Company, disregard the first valuation and perform a second valuation.

Assets will be valued in accordance with the following principles:

- (a) Cash, term deposits and similar assets are valued at their face value plus interest. If there are significant changes in market conditions, the valuation may be made at the realisation price if the Company can cancel the investment, the cash, or similar assets at any time; the realisation price in this sense corresponds to the sales price or the value that must be paid upon cancellation to the Company.

- (b) Investments that are listed or traded on an exchange will be valued based on the latest available trade price on the stock exchange which constitutes the principal market for this investment.
- (c) Investments traded on another Regulated Market are valued at the latest available trade price.
- (d) Securities and Money Market Instruments whose latest available trade prices do not correspond to appropriate market prices, as well as securities and Money Market Instruments not officially listed or traded on an exchange or on another Regulated Market, and all other assets, are valued on the basis of their probable sales price, determined prudently and in good faith.
- (e) Claims for reimbursement from securities lending are valued at the respective market value of the securities and Money Market Instruments lent.
- (f) The liquidation proceeds of futures, forward or options contracts not traded on exchanges or on other Regulated Markets are valued at their net liquidating value determined, pursuant to the policies established by the Directors, on the basis of calculations consistently applied for all types of contracts. The liquidation proceeds of futures, forward or options contracts traded on exchanges or on other Regulated Markets will be based upon the latest available trade price of these contracts on exchanges and Regulated Markets on which the particular futures, forward or options contracts are traded by the Company. If futures, forward or options contracts cannot be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contracts will be such value as the Directors deems fair and reasonable.
- (g) Interest-rate swaps are valued at their market value by reference to the applicable interest rate curve.
- (h) Index and financial instrument-related swaps will be valued at their market value established by reference to the applicable index or financial instrument. The valuation of the index or financial instrument-related swap agreement is based upon the market value of such swap transaction established in good faith pursuant to procedures established by the Directors.
- (i) Target Fund units in UCITS or UCIs are valued at the latest determined and obtainable redemption price.

Investment Manager may need to accommodate significant purchasing, selling and/or switching activity by investors which result in high transaction costs associated with the Sub-Fund's portfolio trades and as a result, the Sub-Fund may suffer reduction of the NAV per Share ("**dilution**").

Therefore, in order to reduce the dilution impact and to protect existing Shareholders' interests, a swing pricing mechanism ("**Swing Pricing Mechanism**") may be adopted by the Company as part of the general valuation policy.

If on any Valuation Day, the aggregate net investor(s) transactions in Shares of a Sub-Fund exceed a pre-determined threshold, as determined as (i) a percentage of that Sub-Fund's net assets or as (ii) an absolute amount in that Sub-Fund's base currency from time to time by the Company's Board of Directors based on objective criteria, the NAV per Share may be adjusted upwards or downwards to reflect the costs attributable to net inflows and net outflows respectively ("**Adjustment**") if the Board of Directors consider it is in the best interest of the investors. The net inflows and net outflows will be determined by the Company based on the latest available information at the time of calculation of the NAV.

The Swing Pricing Mechanism may be applied across all Sub-Funds. However, the Swing Pricing Mechanism is currently only applied to certain Sub-Funds which are explicitly mentioned on the

webpage <https://regulatory.allianzgi.com>. This website has not been reviewed by the SFC and may contain information of funds which are not authorised by the SFC. The value of the Adjustment will be reset by the Company on a periodic basis to reflect an approximation of current dealing costs. The estimation procedure for the value of the Adjustment captures the main factors causing dealing cost (e.g. bid/ask spreads, transaction related taxes or duties, brokerage fees etc.). Such Adjustment may vary from Sub-Fund to Sub-Fund and will not exceed 3% of the original Net Asset Value per Share. The value of the Adjustment is determined by the Management Companies valuation team and approved by an internal swing pricing committee. On a regular basis (minimally twice a year) the value of the Adjustment is reviewed by the Management Company's valuation team and the review results are approved by the swing pricing committee.

The value of the pre-determined threshold, which triggers the application of the Adjustment and the value of the Adjustment are dependent on the prevailing market conditions as measured by several commonly used metrics (e.g. implied volatility, various indices etc.).

Currently the Swing Pricing Mechanism is applied to all the Sub-Funds as at the date of this HK Prospectus.

Investors are advised that the volatility of the Sub-Fund's NAV might not reflect the true portfolio performance as a consequence of the application of the Swing Pricing Mechanism. Typically, such Adjustment will increase the NAV per Share when there are net inflows into the Sub-Fund and decrease the NAV per Share when there are net outflows. The NAV per Share of each Share Class in a Sub-Fund will be calculated separately but any Adjustment will, in percentage terms, affect the NAV per Share of each Share Class in a Sub-Fund identically.

As this Adjustment is related to the inflows and outflows of money from the Sub-Fund it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently, it is also not possible to accurately predict how frequently the Company will need to make such Adjustments. The Company's Board of Directors will retain the discretion in relation to the circumstances under which to make such an Adjustment.

The price adjustment is available on request from the Hong Kong Representative at (i) its registered office and/or (ii) <https://regulatory.allianzgi.com>. Please note that the website has not been reviewed by the SFC and may contain information of funds which are not authorised by the SFC.

The value of all assets and liabilities not expressed in the Base Currency of the respective Sub-Fund will be converted into such currency at the latest available exchange rates. If such rates are not available, the rate of exchange will be determined in good faith pursuant to procedures established by the Company.

The Sub-Funds which use a fair value pricing model are set out in Appendix 2. A fair value pricing model means that the value of certain assets will be adjusted to more accurately reflect their fair value based upon certain criteria. Such adjustments may occur during monitoring periods (as defined by the Directors from time to time) if (1) a single country or several countries equity risk exposure (excluding equity exposure held via Target Funds) of a Sub-Fund reaches or exceeds a certain trigger level (as defined by the Directors from time to time) on the first Valuation Day of the respective monitoring period and (2), at the respective Sub-Fund's deadline for receipt of applications, the main stock exchange of the respective countries are already closed during normal course of business. If these conditions are fulfilled, the value of the portion of Sub-Fund's assets which form part of the respective single country equity risk exposure based on the closing prices of the relevant country's main stock exchange is compared to their estimated value at the moment when the Sub-Fund's NAV is calculated; the estimation is based on the movement of index orientated instruments since the close of business of the respective country's main stock exchange. If such comparison leads to a deviation in Sub-Fund's estimated portion of the NAV by at least a certain trigger level (as defined by the Directors from time to time), the portion of the Sub-Fund's NAV will be adjusted accordingly to the extent that the unadjusted value would not represent

their actual value.

The process and conduct of fair value adjustment (including any decision to use or not use fair value price) should be done by the Management Company with due care, skill, and diligence and in good faith, in consultation with the Depositary.

The Company, at its absolute discretion, may permit some other method of valuation to be used if it considers such valuation to be a fairer valuation of an asset of the Company.

**The NAV per Share of each Share Class as well as the Subscription Price, Redemption Price and Conversion Price of the individual Sub-Funds are available on request from the registered office of the Hong Kong Representative during normal business hours.**

## **2. TEMPORARY SUSPENSION OF CALCULATION OF NAV AND RESULTING SUSPENSION OF DEALING**

The Company may, after consultation with the Depositary, having regard to the best interests of the Shareholders, temporarily suspend the calculation of the NAV per Share of each Sub-Fund or Share Class as well as any dealing in any Shares upon the occurrence of any of the following:

- (a) during any period (with the exception of regular bank holidays) in which any of the principal stock exchanges or other markets on which a substantial portion of the assets of a Sub-Fund is listed or dealt in is closed, or during any period in which trade on such an exchange or market is restricted or suspended, provided that such closure, restriction or suspension affects the valuation of the assets of the Sub-Fund in question listed on such exchange or market; or
- (b) during any period in which, in the view of the Directors, there is an emergency, the result of which is that the sale or valuation of assets of a certain Sub-Fund or Share Class cannot, for all practical purposes, be carried out; or
- (c) at times when there is a breakdown in the means of communication or calculation normally used on an exchange or other market to determine the price or the value of investments of a Sub-Fund or Share Class or to determine the current price or value of investments of the respective Sub-Fund or Share Class; or
- (d) if, for any other reason, the prices for assets of the Company attributable to the Sub-Fund in question or a Share Class cannot be determined rapidly or precisely; or
- (e) during any period in which it is not possible for the Company to repatriate the necessary funds for the redemption of Shares, or in which the transfer of funds from the sale or for the acquisition of investments or for payments resulting from redemptions of Shares cannot be carried out, in the view of the Board, at normal exchange rates; or
- (f) from the time of the announcement of a call by investors for an extraordinary meeting of Shareholders for the purpose of liquidating the Company or for the purpose of carrying out a merger of the Company, a Sub-Fund or a Share Class, or for the purpose of informing investors of the decision by the Board to liquidate Sub-Funds or Share Classes or for the purpose of merging Sub-Funds or Share Classes; or
- (g) during any period in which the valuation of the currency hedges of Sub-Funds or Share Classes whose respective investment objectives and policies make hedging of currencies at the Share Class or Sub-Fund level desirable cannot be adequately carried out or cannot be carried out at all.

Appropriate notice of any such suspension as considered necessary will be notified to the SFC

immediately and published by the Company immediately after the decision to suspend is made, and at least once a month during the period of such suspension on [hk.allianzgi.com](http://hk.allianzgi.com), unless otherwise agreed with the SFC. Please note that the website has not been reviewed by the SFC.

The Company may notify Shareholders applying to deal in Shares for which the calculation of NAV has been suspended. Any such suspension in a Share Class has no effect on the calculation of the NAV per Share or the dealing of Shares of other Share Classes.

In the case of a suspension of determination of NAV per Share and therefore dealings in Shares, any subscription, redemption, conversion or transfer instructions will be dealt with on the first Dealing Day following the end of such suspension period.

Dealing Applications, once given, cannot be withdrawn except when the calculation of NAV has been suspended.

### **3. Protection of Shareholders in case of a NAV Calculation Error**

The NAV of a Sub-Fund and/or of a Sub-Fund's Share Class will be calculated when the rules laid down by law, the constitutional documents and/or the HK Prospectus of the Sub-Fund are applied consistently and in good faith, based on current and reliable information available at the time of calculation. However, errors in the calculation of the NAV cannot be excluded. This section explains when such errors reach the "Materiality Threshold" (as defined below) and the way these significant NAV calculation errors will be compensated.

For the case that a significant NAV calculation error has occurred and has been determined by the Management Company, the Management Company ensures that the Company, the UCI Administration Agent, and the Depositary are informed accordingly about such significant NAV calculation error without delay. A significant NAV calculation error occurs if the tolerance threshold (applicable for the concrete fund type) specified and referred to in the Circular CSSF 24/856 (the "Materiality Threshold") on the protection of investors at UCI level, repealing the CSSF Circular 02/77, has been exceeded.

It is noted that a compensation is compulsory for dates on which the errors in calculating the NAV were significant in the aforementioned sense. The Management Company has established plans and procedures which ensure to correct and to remedy without delay, a significant NAV calculation error for the concerned Sub-Fund / for a Sub-Fund's concerned Share Class.

Such plans and procedures include the following steps:

- identifying with precision the origin of the error and immediately correcting the source of the error to ensure that the next NAVs are correctly calculated,
- determining the corrected NAV during the error period,
- applying the corrected NAV to any subscriptions and redemptions made during the relevant error period to determine the sums which must be repaid to the concerned Sub-Fund and/or the investors that have suffered a loss because of the error,
- upon terminating the operations consisting in the determination of the corrected NAVs and the computation of the loss resulting from the significant NAV calculation error for the Sub-Fund and/or its investors, proceed, without delay, in the accounting of the concerned Sub-Fund / Sub-Fund's concerned Share Class to the necessary accounting entries to reflect the payments to be received and/or the payments to be made by the Sub-Fund / Sub-Fund's Share Class),
- informing the concerned Sub-Fund's Shareholders of the significant NAV calculation error including the modalities foreseen for the remediation of the loss suffered,
- proceeding to compensate the Sub-Fund / the Sub-Fund's Share Class and its Shareholders, where applicable, and
- deciding and implementing a remedial action plan (where appropriate, adjustment or strengthening of internal controls in place for the Sub-Fund) to avoid such errors occurring in the future.

Compensation will generally accrue to the benefit of concerned investors that were invested in the concerned Sub-Fund / in the Sub-Fund's concerned Share Class at the time the significant NAV error occurred (the "final beneficiaries"). It is noted that final beneficiaries (which might have used the services of financial intermediaries to subscribe for Shares of the concerned Sub-Fund / of the Sub-Fund's concerned Share Class) might not appear in the Register maintained by the UCI Administration Agent. Instead of the name of the final beneficiaries, the financial intermediary in its function as the party which has subscribed to the Shares of the concerned Sub-Fund / to the Sub-Fund's concerned Share Class appears in the Register on behalf of the final beneficiaries.

The Management Company ensures that all relevant information concerning a significant NAV calculation error and the respective remedial action plan (including, but not limited to a potential compensation of concerned investors) will be shared with the UCI Administration Agent in order to ensure that the UCI Administration Agent may inform any financial intermediary known to it which subscribed / redeemed Shares of the concerned Sub-Fund / Sub-Fund's concerned Share Class on behalf of a final beneficiary about such indemnification event.

However, since final beneficiaries do not appear in the Register maintained by the UCI Administration Agent (and are therefore not known to the UCI Administration Agent or to the Management Company), explicit reference is made to the fact that the payment of compensation may depend on the involvement of the relevant financial intermediaries. As a result, the rights of final beneficiaries which have subscribed / redeemed Shares of the concerned Sub-Fund / Sub-Fund's concerned Share Class through a financial intermediary may be affected in the event of a compensation payment which has been initiated by the Management Company due to a significant NAV calculation error.

## **VIII FEES AND CHARGES**

### **1. FEES AND CHARGES PAYABLE BY INVESTORS**

Details of the Subscription Fee and the Conversion Fee are set out in Appendix 3. Subscription Fee and Conversion Fee are levied or calculated as a percentage of the NAV per Share of each Class. No Redemption Fee is currently levied.

### **2. FEES PAYABLE OUT OF THE ASSETS OF THE SUB-FUNDS**

#### **2.1 All-in-Fee Payable to the Management Company**

The Company pays all costs to be borne by a Sub-Fund from its assets. The Company pays a fee (the "All-in-Fee") to the Management Company from the assets of the respective Sub-Funds.

The fees of the Investment Managers appointed by the Management Company are paid by the Management Company from its All-in-Fee and, if necessary, from its performance fee.

The All-in-Fee is accrued daily and charged monthly in arrears on a pro rata basis on the average daily Net Asset Value of the respective Share Class of a Sub-Fund. The amount of the All-in-Fee charged is listed in Appendix 3.

The Management Company shall pay the following expenses out of the All-in-Fee:

- Management Company and UCI Administration Agent fees (except for arranging, preparing and executing of securities lending and/or repurchase/reverse repurchase transactions by the Management Company);
- the Depositary's administration and custody fees;
- Registrar Agent fees;

- Auditor fees;
- Paying and Information Agent(s) fees;
- costs of the preparation (including translation) and dissemination of this HK Prospectus, Product Key Facts Statement, Articles and the annual, semi-annual and, if any, interim reports and other reports and notifications to Shareholders;
- costs of publishing this HK Prospectus, Product Key Facts Statement, Articles, annual, semi-annual and, if any, interim reports, other reports and notifications to Shareholders, tax information, as well as the Subscription Price and Redemption Price, and official announcements made to the Shareholders;
- costs of registering the Shares for public distribution and/or the maintenance of such registration;
- costs of preparing Share certificates and, if any, coupons and coupon renewals;
- costs of assessing the Sub-Funds by nationally and internationally recognised rating agencies;
- expenses in connection with the establishment of the Sub-Funds;
- costs related to the use of index names, in particular, licence fees;
- costs and fees incurred by the Company or by third parties authorised by the Company relating to the acquisition, use and maintenance of in-house or third-party computer systems used by the Investment Managers and the Investment Advisors;
- costs related to the direct investment in assets in a country;
- costs related to acting directly as a contracting partner in a market;
- costs and expenses incurred by the Company, the Depositary and third parties authorised by the Company or the Depositary in connection with monitoring of investment limits and restrictions;
- costs for calculating the risk and performance figures and the calculation of performance fees for the Management Company by third parties appointed to do so;
- costs related to obtaining information about general meetings of Shareholders or other meetings and costs related to direct participation or participation via proxies in such meetings; and
- postage, telephone, fax, and telex fees.

The Management Company, in its absolute discretion, may levy a lower All-in-Fee than that mentioned in Appendix 3.

For so long as the Company and the Sub-Funds are authorised by the SFC for retail distribution in Hong Kong, expenses arising out of any advertising or promotional activities in connection with the authorised Sub-Fund will not be paid out of the assets attributable to that Sub-Fund. For the avoidance of doubt, the Management Company or any person acting on behalf of the Company or the Management Company may not obtain a rebate on any fees or charges levied by an underlying investment scheme or its management company, or any quantifiable monetary benefits in connection with investments in any underlying scheme.

Management expenses and all other regular or recurring expenses may be allocated by the Company to any financial period as may be determined by the Board in its absolute discretion.

## **2.2 HK Representative's Fee**

The HK Representative will not receive any fee in its capacity as such. Shareholders will normally be given one month's prior notice (or such other notice period as the SFC may prescribe) in the event of any change to this arrangement.

The Company, the Management Company and/or their respective delegates/associates may share their fees with third party service providers and/or introducing agents referring investors to the Sub-Funds.

## **2.3 Additional Costs**

All other additional costs are charged to the assets of the relevant Sub-Fund. These costs are separate to those named above and include, but are not limited to:–

- costs for examination, asserting and enforcement of any claims for reduction, offsetting or refund of withholding taxes or other taxes or fiscal duties;
- costs for asserting and enforcing legal rights of the Company which appear to be justifiable and for defending any claims made against the Company which seem unjustified;
- all taxes, fees, public and similar charges which may be incurred in connection with administration and custody; or
- costs in connection with the purchase and sale of assets (including any research and analyst services made available in accordance with market practice, interest charges/fees for Deposits as well as fees resulting out of the provision and drawdown of credit facilities) and the use of securities lending programmes and securities lending brokers as well as interest cost;
- compensation for the Management Company for arranging, preparing and executing securities lending and/or repurchase/reverse repurchase transactions without the use of securities lending programs and securities lending brokers of 30% of any income generated.

Costs for the use of securities lending programmes and securities lending brokers and compensation for the Management Company for arranging, preparing and executing securities lending and repurchase/reverse repurchase transactions can only be applied alternatively but in no case cumulatively for a respective transaction.

The Management Company may, in its absolute discretion, levy a lower compensation for arranging, preparing and executing securities lending and/or repurchase/reverse repurchase transactions than that mentioned above.

## 2.4 Ongoing Charges

The costs incurred by the Sub-Funds (or the respective Share Classes) during the preceding financial year (excluding transaction costs) are disclosed in the annual report and are also expressed as a ratio of the average volume of the Sub-Funds (or of the average volume of the respective Share Classes) ("**Ongoing Charges**"). In addition to the All-in-Fee as well as the Taxe d'Abonnement, all other costs are considered except for the incurred transaction costs. In practice, the Ongoing Charges also excludes the costs for the use of securities lending programmes and securities lending brokers and compensation for arranging, preparing, and executing securities lending and/or repurchase/reverse repurchase transactions by the Management Company and any performance fees.

If a Sub-Fund invests more than 20% of its assets in other UCITS or UCIs that publish their ongoing charges, these ongoing charges are taken into consideration when calculating the Ongoing Charges for the Sub-Fund.

## 2.5 Soft Commissions

Brokerage commissions on portfolio transactions for the Company may be paid by the Management Company and/or the Investment Managers, in consideration of research related services provided to them as well as for services rendered in the execution of orders. The receipt of investment research and information and related services allows the Management Company and/or the Investment Managers to supplement their own research and analysis and makes available to them the views and information of individuals and research staffs of other firms.

In accordance with the Code, the Management Company, Investment Managers, Sub-Investment Managers and/or their connected persons may not retain cash or other rebates from a broker or dealer in consideration of directing transactions in the Company's property to the broker or dealer save that the Management Company, Investment Managers, Sub-Investment Managers and/or their connected persons may receive investment research and information and related services provided that:

- (i) the Management Company, Investment Managers, Sub-Investment Managers (if any) and/or their connected persons act at all times in the best interest of the Company and Shareholders;



- (ii) the goods and services relate directly to the activities of the Management Company, Investment Managers, Sub-Investment Managers (if any) and/or their connected persons and such activities are of demonstrable benefits to the Shareholders;
- (iii) transaction execution is consistent with best execution standards and brokerage rates are not in excess of customary institutional full-service brokerage rates;
- (iv) such brokers/dealers are corporate entities and not individuals; and
- (v) the availability of soft dollar arrangements is not the sole or primary purpose to perform or arrange transaction with such broker or dealer.

Goods and services described above may include, but not limited to: research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services; computer hardware and software incidental to the above goods and services; clearing and custodian services and investment-related publications.

Such soft commissions do not include costs relating to travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payment, which are to be paid by the Management Company and/or the connected persons, as the case may be.

Periodic disclosure in the form of a statement describing such soft commission practices will be made in the Company's annual report.

## **2.6 Commission Sharing Arrangements**

The Management Company and/or its connected persons (as the case may be) may enter into commission sharing arrangements with brokers/dealers in respect of the brokerage commissions paid on portfolio transactions for the Company. Such soft commissions may be used to pay for research and/or research related services provided that the Management Company and/or its connected persons (as the case may be) are satisfied that such transactions are made in good faith, are in strict compliance with applicable regulatory requirements, are in the best interests of the Company and the Shareholders and are commensurate with best market practice.

Periodic disclosure in the form of a statement describing such commission sharing arrangements will be made in the Company's annual report.

## **2.7 Indemnity of Directors and Officers**

The Company may indemnify any director or officer against any expenses reasonably incurred by him in connection with any legal action, suit or proceeding to which this person may be made a party by reason of his being, or having been, a director or officer of the Company, as described in further detail in the Articles. This foregoing right of indemnity does not exclude other rights to which the person may be entitled.

## **2.8 Liabilities of the Sub-Funds**

The Company (including the existing Sub-Funds and future Sub-Funds) shall be considered as one single legal entity. However, with regard to third parties, in particular towards the Company's creditors, each Sub-Fund is solely responsible for the liabilities attributable to it.

## **2.9 Investments in Target Funds**

To the extent that a Sub-Fund invests in units of Target Funds, investors will have to bear not only directly the expenses and costs described in this HK Prospectus, but also indirectly the pro rata expenses and costs charged to the Target Fund. The expenses and costs charged to the Target Fund are determined by their constitutional documents (e.g. management regulations or articles of incorporation) and are therefore impossible to forecast in an abstract way. Typically, however, it is to be expected that the types of fees and expenses charged to the Sub-Fund described in this HK Prospectus are charged to Target Funds as well.

If a Sub-Fund acquires shares of a UCITS or UCI which is directly or indirectly managed by the same company or by another company with which the Company is linked by common management or control, or by a substantial direct or indirect participation according to the Law (including cross Sub-Fund investments between Sub-Funds) then neither the Company nor the associated company may charge fees for the subscription or redemption of units. The management fees of such UCITS or UCI may be charged to the Sub-Fund, though the Management Company, may at its discretion, taking into consideration of factors such as market practice and the competitiveness of the Sub-Fund's fees, reduce its All-In-Fees at the level of the Sub-Fund by an amount equal to the management fees charged by such UCITS or UCI to the Sub-Fund.

If a Sub-Fund invests a substantial portion of its assets in other UCITS and/or other UCI as defined above, a management fee at the level of such UCITS or UCI (excluding any performance fee, if any) of no more than 2.50% per annum of their net asset value may be charged.

The Company indicates in its annual report the maximum proportion of management fees charged both to the Sub-Funds itself and to the UCITS and/or other UCI in which it invests.

### **3. MANAGEMENT COMPANY'S REMUNERATION POLICY**

The primary components of monetary remuneration are the base salary, which typically reflects the scope, responsibilities and experience that are required in a particular role, and an annual discretionary variable compensation award. The variable compensation typically includes both, an annual bonus payment in cash after the end of each performance year and a deferred component for all employees whose variable remuneration exceeds a specified threshold.

The total amount of the variable remuneration payable throughout the Management Company depends on the performance of the business and on the Management Company's risk position. For this reason, it varies from year to year. In this respect the allocation of specific amounts to particular employees is based, inter alia, on the performance of the employee or his department during the period under review.

The level of pay awarded to employees is tied to both quantitative and qualitative performance indicators. Quantitative indicators are aligned around measurable goals. Qualitative indicators take into account actions reflecting the Management Company's core values of excellence, passion, integrity and respect. Such indicators also comprise the absence of significant regulatory breaches or deviations from compliance and risk standards including AllianzGI's sustainability risk management policy.

For investment professionals, whose decisions make a real difference to delivering successful outcomes for our clients, quantitative indicators are aligned around sustainable investment performance. In particular for portfolio managers, the quantitative element is aligned with the benchmarks of the client portfolios they manage or with the client's stated investment outcome objective measured over a multi-year framework.

For client facing professionals, goals include client satisfaction, measured independently.

The amounts ultimately distributed in the framework of the long-term incentive awards depend on the Management Company's business performance or the performance of certain funds over several years.

The remuneration of employees in controlling functions is not directly linked to the business performance of the departments monitored by the controlling function.

In accordance with the applicable rules, certain groups of employees are classified as “Identified Staff”: members of the management, risk takers and employees in controlling positions, as well as all employees whose total remuneration puts them into the same remuneration category as members of the management and risk takers whose activities have a significant effect on the risk profiles of the Management Company and the funds managed by it.

Employees classified as Identified Staff are subject to additional standards relating to performance management, the form of variable compensation and the timing of payments.

Multi-year targets and deferred parts of the variable compensation ensure a longterm performance measuring. In particular, the performance of portfolio managers is measured to a large extent against quantitative return results over a multi-year framework.

For Identified Staff a significant portion of the annual variable remuneration is deferred for three years, starting from a defined variable compensation level. 50% of the variable compensation (deferred and non-deferred) has to consist of units or shares of funds managed by the Management Company or comparable instruments.

An ex-post risk adjustment enables explicit adjustments to previous years’ performance evaluation and related compensation, to prevent the vesting of all or part of the amount of a deferred remuneration award (Malus), or the return of ownership of an amount of remuneration to the Management Company (Clawback).

AllianzGI has a comprehensive risk reporting in place, which covers both current and future risks of the Management Company’s business activities. Risks which significantly exceed the organisation’s risk appetite are presented to the Management Company’s Global Remuneration Committee which will decide, if necessary, on adjustments to the total remuneration pool.

Further details of the Management Company’s current remuneration policy are published on the Internet at <https://regulatory.allianzgi.com><sup>2</sup>. This includes a description of the calculation methods for remuneration and benefits awarded to certain groups of employees, as well as details of the persons responsible for allocation, including members of the remuneration committee. On request, the information will be made available by the Management Company in hard copy without charge.

## **IX TAXATION**

### **1. GENERAL**

The following statements on taxation below are intended to be a general summary of certain tax consequences that may result to the Company and/or the Shareholders in connection with their investment in the Company and are included here solely for information purposes. They are based on the laws and practices in force as at the date of this HK Prospectus. There is no assurance that the tax status of the Company or Shareholders will not be changed as a result of amendments to, or changes in the interpretation of, relevant tax legislation and regulations. This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Prospective investors should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

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<sup>2</sup> This website has not been reviewed by the SFC and may contain information of funds which are not authorised by the SFC.

Shareholders may be resident for tax purposes in many different countries. Dividends, interest payments and other income paid to the Company on its investments may be subject to non-refundable withholding taxes or other taxes in the country of origin. No attempt is made in this HK Prospectus to summarize the taxation consequences for each investor. These consequences will vary depending on the Shareholder's personal circumstances in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile, permanent residence or in which a Shareholder has his shares in custody.

## 2. HONG KONG

Under the existing Hong Kong law and practice, for so long as the Company and such Sub-Funds are authorised by the SFC pursuant to Section 104 of the SFO, the Sub-Funds are exempt from Hong Kong profits tax or other withholding taxes on dividends received, on interest from any source and on profits realized on the sale of securities. In addition, Hong Kong-resident Shareholders generally will not be subject to tax in Hong Kong in respect of their acquisition, holding, redemption or disposal of Shares or on the income from such Shares. Where transactions in the Shares form part of a trade, profession or business carried on in Hong Kong, Hong Kong profits tax may be payable on the gains received. No Hong Kong stamp duty will be payable by Shareholders in respect of their Shares.

### *Automatic Exchange of Financial Account Information/The OECD Common Reporting Standard*

The Inland Revenue (Amendment) (No.3) Ordinance (the "**Ordinance**") came into force on 30 June 2016. This is the legislative framework for the implementation in Hong Kong of the Standard for Automatic Exchange of Financial Account Information ("**AEOI**"). The AEOI requires financial institutions ("**FIs**") in Hong Kong to collect information relating to non-Hong Kong tax residents holding accounts with FIs, and to file such information with the Hong Kong Inland Revenue Department ("**IRD**") who in turn will exchange such information with the jurisdiction(s) in which that account holder is resident. Generally, tax information will be exchanged only with jurisdictions with which Hong Kong has a Competent Authority Agreement ("**CAA**"); however, FIs may further collect information relating to residents of other jurisdictions.

By investing in the Sub-Funds and/or continuing to invest in the Sub-Funds through FIs in Hong Kong, investors acknowledge that they may be required to provide additional information to the relevant FI in order for the relevant FI to comply with AEOI. The investor's information (and information on beneficial owners, beneficiaries, direct or indirect shareholders or other persons associated with such unitholders that are not natural persons), may be communicated by the IRD to authorities in other jurisdictions.

Each shareholder and prospective investor should consult its own professional advisor(s) on the administrative and substantive implications of AEOI on its current or proposed investment in the Sub-Funds through FIs in Hong Kong.

## 3. LUXEMBOURG

### 3.1 Taxation of the Company

The Company is not subject to any Luxembourg tax on profits or income, nor are any distributions from the Sub-Funds subject to any Luxembourg withholding tax.

The Company is liable in Luxembourg for an annual subscription tax ("**Taxe d'abonnement**") which is payable quarterly on the basis of the Net Asset Value of the Company at the end of the relevant calendar quarter.

The rate of the subscription tax is 0.05% per annum of the Net Asset Value of each Share Class which is available to all investors.

The rate of the subscription tax is 0.01% per annum of the Net Asset Value of:

- (a) Sub-Funds whose sole object is collective investment in Money Market Instruments and the placing of Deposits with credit institutions;
- (b) Sub-Funds whose sole object is collective investment in Deposits with credit institutions; and
- (c) Sub-Funds or Share Classes which are reserved to one or more Institutional Investors.

A Sub-Fund that satisfies the following conditions is exempt from the annual subscription tax:

- (i) the securities issued by the Sub-Fund are reserved to Institutional Investors, and
- (ii) the sole object of the Sub-Fund is collective investment in Money Market Instruments and the placing of Deposits with credit institutions, and
- (iii) the weighted residual portfolio maturity of the Sub-Fund does not exceed 90 days, and
- (iv) the Sub-Fund has obtained the highest possible rating from a recognized rating agency.

There is no Luxembourg stamp duty or other tax payable on the issuance of the Shares. Capital gains realised on Company assets are not subject to tax in Luxembourg.

### **3.2 Taxation of Shareholders**

In accordance with the current laws of Luxembourg, Shareholders are neither subject to (1) income tax on income from investment funds, (2) capital gains tax nor (3) withholding tax, subject to the provisions of the following paragraph. However, this does not apply to Shareholders who have their domicile, residence or a permanent establishment in Luxembourg.

#### *Automatic Exchange of Financial Account Information/The OECD Common Reporting Standard*

Luxembourg has implemented the “Standard for Automatic Exchange of Financial Account Information”, also known as the Common Reporting Standard (“CRS”), into Luxembourgish law on 18 December 2015.

The CRS is a new, single global standard on Automatic Exchange of Financial Information (“AEOI”) which was approved by the Council of the Organisation for Economic Cooperation and Development (“OECD”) in July 2014. It draws on earlier work of the OECD and the EU, global anti-money laundering standards and, in particular, the Model FATCA Intergovernmental Agreement. The CRS sets out details of the financial information to be exchanged, the financial institutions required to report, together with common due diligence standards to be subject to the information followed by financial institutions. Under the CRS, participating jurisdictions will be required to exchange certain information held by financial institutions regarding customers with tax residency outside the country. Over 90 jurisdictions have committed to exchanging information under the CRS. On 29 October 2014, Luxembourg (along with 50 other countries) signed such multilateral agreement (Multilateral Competent Authority Agreement on automatic exchange of financial account information “MCAA”) and committed, along with more than 40 other countries, to an early implementation of the CRS. The countries participating in the automatic exchange of financial accounts are those countries that have signed the MCAA. For the early adopters, the first exchange of information took place as of the end of September 2017 with respect to accounts that existed as of 1 January 2016 and high value accounts that existed as of 31 December 2015. Initial information on low-value individual accounts that existed as of 31 December 2015, and legal entity accounts was exchanged at the end of September 2017 or the end of September 2018, depending on when the financial institutions identify them as reportable.

Investors should note that the Company principally will be required to disclose the name, address, jurisdiction(s) of tax residence, date and place of birth, account reference number, tax identification number(s) of each person who is considered to be an account holder for CRS and information relating to each investor's investment (including but not limited to the value of and any payments in respect of the investments) to the Luxembourg tax authorities who may in turn exchange this information with the foreign tax authorities in territories who are participating jurisdictions for the purposes of the CRS. In order to comply with its obligations, the Company may require additional information from investors.

Investors refusing to provide the requisite information to the Company may also be reported to the Luxembourg tax authorities.

The Company will comply with the reporting and due diligence obligations for information on financial accounts and will provide annually the Luxembourg tax authorities with the required information, which will forward this information to the tax authorities of the countries in which the individual and/or legal entity concerned is resident.

Each prospective Investor should consult its own professional advisers on the requirements applicable to it under these arrangements.

Shareholders are advised to inform themselves about the tax consequences of subscription, purchase, holding, redemption or any other disposal of Shares or earning income (e.g. through distributions of a Sub-Fund or any accumulation) in the framework of the laws in a Shareholder's country of citizenship, residence, domicile or in which a Shareholder has his Shares in custody and, if necessary, to seek professional advice.

#### **4. US TAX WITHHOLDING AND REPORTING UNDER FATCA**

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act ("**FATCA**") generally impose a U.S. federal reporting and withholding tax regime with respect to certain U.S. source income earned and gross proceeds from the sale or other disposal of property that can produce such U.S. source income. The rules are designed to require a direct and indirect ownership of certain non-US accounts and non-US entities by certain U.S. persons (e.g., U.S. citizens and U.S. residents or a partnership, corporation or trust organized in the United States or under the laws of the United States or any of its States) to be reported to the U.S. Internal Revenue Service. Pursuant to FATCA, payments of fixed or determinable annual or periodic gains, profits and income, including dividends, interest and gains, from sources within the United States, made after 30 June 2014, payments attributable to gross proceeds from the sale or other disposition of property that could produce U.S. source interest or dividends made after 31 December 2016, and certain payments (or a portion thereof) by a foreign financial institution made after 31 December 2016, to a foreign financial institution or other foreign entity or "passthrough payments" on the individual shareholder (to the extent provided in future regulations which will be subject to further changes, but in no event before 1 January 2017) will be subject to a withholding tax of 30% unless various reporting requirements are satisfied.

Luxembourg has entered into an intergovernmental agreement with the United States of America ("**IGA**"). The Company and its SFC-authorized Sub-Funds are each considered a "deemed-compliant foreign financial institution" under FATCA and will not be subject to FATCA withholding tax if it complies with the IGA, where FATCA compliance will be enforced under new local Luxembourg tax legislation (as transposed into Luxembourg law by the laws of 24 July 2015) and reporting rules and practices.

The Company, Nominee and/or Registrar Agent will likely require additional information from Shareholders in order to comply with these provisions. The Company, Nominee and/or Registrar Agent may disclose the information, certifications or other documentation that they receive from (or concerning) their investors to the U.S. Internal Revenue Service, non-US taxing authorities, or other parties as necessary to comply with FATCA, related intergovernmental agreements or other applicable law or regulation.

Each prospective investor is urged to consult his tax adviser regarding the applicability of FATCA to himself and the Company (and/or the Sub-Funds) and any other reporting requirements with respect to the prospective investor's own situation. If a change in circumstances occurs, the shareholder or intermediary must inform the Company within 30 days.

## 5. PRC

### Corporate Income Tax

If the Company or the relevant Sub-Fund is considered a tax resident enterprise of the PRC, it will be subject to PRC corporate income tax ("CIT") at 25% on its worldwide taxable income. If the Company or the relevant Sub-Fund is considered a non-tax resident enterprise with an establishment or place of establishment of business in the PRC, the profits attributable to that PE would be subject to CIT at 25%.

Under the PRC CIT Law effective from 1 January 2008 and its implementation rules, a non-PRC tax resident enterprise without an establishment in the PRC will generally be subject to withholding income tax ("WIT") of 10% on its PRC sourced income, including but not limited to passive income (e.g. dividends, interest, gains arising from transfer of assets, etc.).

The Management Company, in respect of the Company or the Investment Manager, in respect of the relevant Sub-Fund(s), intends to manage and operate the Company or the relevant Sub-Fund(s) in such a manner that the Company or the relevant Sub-Fund(s) should not be treated as a tax resident enterprise of the PRC or a non-PRC tax resident enterprise with an establishment in the PRC for CIT purposes, although due to uncertainty in tax laws and practices in the PRC, this result cannot be guaranteed.

#### (i) Interest

Unless a specific exemption is applicable, non-PRC tax resident enterprises are subject to PRC WIT on the payment of interests on debt instruments issued by PRC tax resident enterprises, including bonds issued by enterprises established within the PRC. The general WIT rate applicable is 10%, subject to reduction under an applicable double tax treaty and agreement by the PRC tax authorities.

Interest derived from government bonds issued by the in-charge Finance Bureau of the State Council and/or local government bonds approved by the State Council is exempt from PRC CIT under the PRC CIT Law.

According to a tax circular jointly issued by the Ministry of Finance of the PRC ("MoF") and the State Administration of Taxation of the PRC ("STA") on 7 November 2018, i.e. Circular on the Enterprise Income Tax and Value-Added Tax Policies for Foreign Institutions investing in Onshore Bond Markets ("Circular 108"), the foreign institutional investors are temporarily exempt from PRC CIT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. The scope of such PRC CIT exemption has excluded bond interest gained by foreign investors' onshore entities/establishment that are directly connected with such onshore entities/establishment. According to the tax circular published jointly by the MoF and STA on 22 November 2021 ("Circular 34"), such temporary tax exemption is extended until 31 December 2025. However, there is no guarantee that such temporary tax exemption will continue to apply, will not be repealed and re-imposed retrospective, or that no new tax regulations and practice in China specifically relating to the PRC bond market will not be promulgated in the future.

#### (ii) Dividend

Under the current PRC CIT Law and its implementation rules, non-PRC tax resident enterprises are subject to PRC WIT on cash dividends and bonus distributions from PRC tax resident enterprises. The

general WIT rate applicable is 10%, subject to reduction under an applicable double tax treaty and agreement by the PRC tax authorities.

(iii) Capital Gain

Based on the CIT Law and its implementation rules, “income from the transfer of property” sourced from the PRC by non-PRC tax resident enterprises should be subject to 10% PRC WIT unless exempt or reduced under an applicable tax treaty and agreement by the PRC tax authorities.

The MoF, STA and the China Securities Regulatory Commission (“CSRC”) issued joint circulars to clarify the taxation of the Stock Connect, in which capital gain realised from the transfer of China A-Shares is temporarily exempt from PRC WIT. The MoF, STA and CSRC issued Circular Caishui [2014] No. 79 (“Circular 79”) dated 31 October 2014 to clarify the taxation of capital gains on transfer of PRC equity investment assets derived by QFIs and RQFIs. Pursuant to Circular 79, for QFIs and RQFIs without an establishment in the PRC or with an establishment in the PRC but the income so derived in the PRC is not effectively connected with such establishment, capital gain derived from the transfer of PRC equity investment assets such as China A-Shares on or after 17 November 2014 is temporarily exempt from PRC WIT. However, capital gain realised by QFIs and RQFIs prior to 17 November 2014 is subject to PRC WIT in accordance with the provisions of the laws. The MoF, the STA and the CSRC issued joint circulars Caishui [2014] No. 81 and Caishui [2016] No. 127 to clarify the taxation of the Stock Connect, in which capital gain realized from the transfer of China A-Shares via Stock Connect is temporarily exempt from PRC WIT.

Based on verbal comments from the PRC tax authorities, gains realized by foreign investors (including FIs) from investment in PRC debt securities via Bond Connect are non-PRC sourced income and thus should not be subject to PRC WIT. However, there are no written tax regulations issued by the PRC tax authorities to confirm that interpretation. As a matter of practice, the PRC tax authorities have not levied PRC WIT on capital gains realised by FIs from the transfer of debt securities, including those traded via CIBM.

In light of the above and based on professional and independent tax advice, the Management Company and/or the relevant Investment Manager (as the case may be), in respect of the relevant Sub-Funds, intends:

- to provide for WIT at 10% on dividend from China A-Shares and interest received from debt instruments issued by PRC enterprises if such WIT is not withheld at source; and
- not to make provisions for any PRC WIT in respect of gross realised and unrealised capital gains derived from the trading of China A-Shares and non-equity investments such as PRC debt instruments (e.g. via CIBM).

Given the possibility of the tax rules being changed or differently interpreted and the possibility of taxes being applied retrospectively, any provision for taxation made by the Investment Manager in a given point in time may be excessive or inadequate to meet the PRC tax liabilities in connection with investments made by the Company or the relevant Sub-Fund in the PRC. Consequently, investors may be advantaged or disadvantaged depending on how any such gains or income will in fact be calculated or taxed, how the Investment Manager provides for the tax and when investors subscribed and/or redeemed their holdings in/from the Company or the relevant Sub-Fund. If there is a change in the tax requirement or environment which results in an under-provision by the Investment Manager of actual or potential tax liabilities, the then existing investors and new investors will be disadvantaged as the Company or the relevant Sub-Fund will have to pay the difference between the Company or the relevant Sub-Fund's then WIT provision and the taxation liabilities under the new regime. On the contrary, if there is a change in the tax requirement or environment which results in an over-provision by the Investment Manager, the investors who have already redeemed the Shares under the old regime will be disadvantaged as they would have contributed to the over-provision. In this case the then existing investors and



the new investors will benefit as the difference between the Company or the relevant Sub-Fund's then WIT provision and the taxation liabilities will be returned to the Company or the relevant Sub-Fund as assets thereof.

In light of the above-mentioned uncertainty and in order to meet the potential tax liability for gains on disposal of debt securities and interest income derived from debt instruments, the Company reserves the right to vary the provision for WIT on such gains or interest income for the account of the Company or the relevant Sub-Fund in respect of any potential tax on the gross realized and unrealized capital gains and interest income.

Upon any future resolution of the above-mentioned uncertainty or further changes to the tax law or policies, the Company will, as soon as practicable, make relevant adjustments to the amount of tax provision (if any) as they consider necessary. The amount of any such tax provision will be disclosed in the accounts of the Company.

It should also be noted that the actual applicable tax imposed by the PRC tax authorities may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. As such, any provision for taxation made by the Investment Manager for the account of the relevant Sub-Fund may be excessive or inadequate to meet final PRC tax liabilities. Consequently, Shareholders of the Sub-Fund may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Shares in/from the Sub-Fund.

#### Value-added Tax ("VAT") and Other Surcharges (applicable on and after 1 May 2016)

According to the Circular Caishui [2016] 36 ("Circular 36"), VAT at 6% shall be levied on the difference between the selling and buying prices of those marketable securities starting from 1 May 2016.

The gains derived from trading of marketable securities (including China A-Shares and other PRC listed securities) are exempted from VAT in the PRC under Circular 36 and Caishui [2016] No.70. In addition, deposit interest income and interest received from government bonds and local government bonds are also exempt from VAT.

According to Circular 108 and Circular 34, the foreign institutional investors are temporarily exempt from VAT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 31 December 2025. However, there is no guarantee that such temporary tax exemption will continue to apply, will not be repealed and re-imposed retrospective, or that no new tax regulations and practice in China specifically relating to the PRC bond market will not be promulgated in the future. Dividend income or profit distributions on equity investment derived from PRC are not included in the taxable scope of VAT.

In addition, urban maintenance and construction tax (currently at the rate ranging from 1% to 7%), educational surcharge (currently at the rate of 3%) and local educational surcharge (currently at the rate of 2%) are imposed based on the VAT liabilities.

#### Stamp Duty

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC's Provisional Rules on Stamp Duty. Stamp duty is generally imposed on the sale of PRC-listed shares at a rate of 0.1% of the sales consideration. The Company or the relevant Sub-Fund will be subject to this tax on each disposal of PRC listed shares. No stamp duty is expected to be imposed on non-PRC tax resident holders of government and corporate bonds, either upon issuance or upon a subsequent transfer of such bonds.

Non-PRC tax resident Shareholders will not be subject to PRC tax on distributions received from the

Company or the relevant Sub-Fund, or on gains derived from the disposal of Shares. PRC tax resident Shareholders should seek their own tax advice on their tax position with regard to their investment in the Company or the relevant Sub-Fund.

There can be no guarantee that no new tax laws, regulations and practice in the PRC specifically relating to the FII, Stock Connect, Bond Connect or CIBM regime (as the case may be) may be promulgated in the future and may be applied retrospectively. The promulgation of such new laws, regulations and practice may operate to the advantage or disadvantage of the Shareholders due to the Company or the relevant Sub-Fund's investments in the PRC market.

Investors should inform themselves of, and where appropriate consult their professional advisors on, the possible tax consequences of subscribing for, buying, holding, converting, redeeming, or otherwise disposing of Shares under the laws of their country of citizenship, residence, or domicile or incorporation.

## **6. CAYMAN-UNITED KINGDOM AGREEMENT**

In November 2013, the Cayman Islands Government entered into the Cayman IGA with the United Kingdom government with the view to improving international tax compliance to which the Nominee is subject. The agreement seeks to provide the U.K. government with information about certain U.K. tax residents with reportable accounts in the Cayman Islands.

The agreement imposes due diligence as well as reporting obligation on the Sub-Funds among other things. In particular, it requires the identification and disclosure of information about certain U.K. tax residents and their accounts in the Sub-Funds to the Cayman Islands government who may transmit and disclose the same to the U.K. government. It is the intention that the Nominee shall comply with the requirements of this agreement.

For the purpose of complying with the agreement, the Nominee may be required to report and disclose information of certain U.K. tax residents in the Sub-Funds to the Cayman Islands government and onwards to the U.K. government.

Each prospective investor is urged to consult its tax adviser regarding the applicability of the agreement and any other reporting requirements with respect to the prospective investor's own situation and the possible implications and consequences of the agreement.

## **X CONFLICTS OF INTERESTS AND TRANSACTIONS WITH CONNECTED PERSONS**

### **1. CONFLICTS OF INTEREST**

The Company, the Management Company, the Depositary, the Registrar Agent and any of the Investment Managers, Investment Advisors, Paying and Information Agent or HK Distributors may each from time to time act in such capacity in relation to, or be otherwise involved in, other funds which have similar investment objectives to those of the Sub-Funds. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with one or more of the Sub-Funds.

Each party will, at all times, have regard in such event to its obligations under its respective service agreement with the Company and will endeavour to ensure that such conflicts of interest are resolved fairly. The Management Company has adopted a policy designed to ensure that in all transactions a reasonable effort is made to avoid conflicts of interest and, when they cannot be avoided, such conflicts are managed such that the Sub-Funds and their Shareholders are fairly treated.

In addition, any of the foregoing parties may deal, as principal or agent, with any of the Sub-Funds, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an

arm's length basis and in the best interests of Shareholders.

Dealings will be deemed to have been effected on normal commercial terms if: (1) a certified valuation of a transaction by a person approved by the Depositary as independent and competent is obtained; (2) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or (3), where (1) and (2) are not practical, the transaction is executed on terms which the Depositary is satisfied are normal commercial terms negotiated at arm's length.

Conflicts of interest may arise as a result of transactions in derivatives, OTC derivatives and efficient portfolio management techniques and instruments. For example, the counterparties to, or agents, intermediaries or other entities which provide services in respect of, such transactions may be related to the Management Company, any Investment Manager or Investment Advisor or the Depositary. As a result, those entities may generate profits, fees or other income or avoid losses through such transactions. Furthermore, conflicts of interests may also arise where the collateral provided by such entities is subject to a valuation or haircut applied by a related party.

The Management Company has adopted a policy designed to ensure that its service providers act in the Sub-Funds' best interests when executing decisions to deal and placing orders to deal on behalf of those Sub-Funds in the context of managing the Sub-Funds' portfolios. For these purposes, all reasonable steps must be taken to obtain the best possible result for the Sub-Funds, taking into account price, costs, speed, likelihood of execution, order size and nature, research services provided by the broker to the Investment Manager or Investment Advisor, or any other consideration relevant to the execution of the order. Information about the Management Company's execution policy and any material change to the policy are available to Shareholders at no charge upon request.

## **2. TRANSACTIONS WITH CONNECTED PERSONS**

If arrangements for borrowing or making Deposits by any of the Sub-Funds are made with any of the Depositary, Management Company or Investment Managers or any of their connected persons, such person shall be entitled to retain for its own use and benefit any profits which may be derived from such an arrangement. However, the terms for such transactions must be negotiated at arm's length in accordance with ordinary normal course of business and the arrangement shall be in the best interests of the Shareholders. In addition:

- the interest charges on borrowing arrangements with such persons and the fees (if any) for arranging or terminating the arrangement shall be at a rate not higher than is in accordance with normal banking practice, the commercial rate for borrowing arrangements of that similar type, size and nature; and
- the interest received on Deposits placed with such persons shall be at a rate not lower than is in accordance with normal banking practice, the commercial rate for a deposit of that similar type, size and term.

Subject to the prior written consent of the Depositary, the Management Company, any Investment Manager, the Directors or any of their connected persons may deal as principal with any Sub-Fund and shall not be liable to account either to each other or to the relevant Sub-Fund or any of its Shareholders for any profits or benefits made or derived from such transactions provided always that such transactions are transacted and executed at arm's length and in the best interests of the Shareholders. If such transactions are entered into, they shall be disclosed in the annual report of the Company.

Connected brokers may not, in aggregate, account for more than 50% of any Sub-Fund's transactions in value in any financial year unless the SFC otherwise agrees.

## **XI RISK FACTORS**

Investment in a Sub-Fund may be associated with the following risk factors:

### **ABS and MBS Risk**

If a Sub-Fund invests in ABS and MBS, such investments are subject to ABS and MBS risk. The income, performance and/or capital repayment amounts of ABS and MBS are linked to the income, performance, liquidity and credit rating of the underlying or covering pool of reference assets (e.g. receivables, securities and/or credit derivatives), as well as the individual assets included in the pool or their issuers. If the performance of the assets in the pool is unfavourable for investors, depending on the form of the ABS or MBS, those investors may suffer losses up to and including total loss of invested capital.

ABS and MBS may be issued with or without the use of a special-purpose vehicle (“**SPV**”). Such SPVs normally do not engage in any other business aside from issuing ABS or MBS. The pool underlying the ABS or MBS, which also often consists of non-fungible assets, normally represents the only assets of the SPV or the only assets from which the ABS and MBS are to be serviced. If ABS or MBS are issued without the use of a SPV, there is the risk that the liability of the issuer will be limited to the assets included in the pool. The principal risks in respect of the assets included in the pool are concentration risk, liquidity risk, interest rate risk, creditworthiness and downgrading risk, company-specific risk, general market risk, default risk and counterparty risk as well as the general risks of investing in bonds and derivatives, in particular interest rate risk, creditworthiness and downgrading risk, company-specific risk, general market risk, default risk, counterparty risk and liquidity risk.

As a result, ABS and MBS may be highly illiquid and prone to substantial price volatility. These instruments may therefore be subject to greater credit, liquidity and interest-rate risks compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities, the Net Asset Value of the relevant Sub-Fund or investors.

### **Active Currency Positions Risk**

A Sub-Fund may implement active currency financial derivative instruments positions that may not be correlated with the underlying securities positions held by the Sub-Fund. Therefore, such Sub-Fund may suffer a significant or total loss even if there is no loss of the value of the underlying securities positions (e.g. equities, debt securities) held by the Sub-Fund.

### **Asset Allocation Risk**

If a Sub-Fund implements a dynamic asset allocation strategy, the Sub-Fund is subject to asset allocation risk. The performance of the Sub-Fund is partially dependent on the success of the asset allocation strategy employed by that Sub-Fund. There is no assurance that the strategy employed by the Sub-Fund will be successful and therefore the investment objective of the Sub-Fund may not be achieved and the Sub-Fund may achieve a lower return than its reference portfolio (if any). The investments of the Sub-Fund may be periodically rebalanced and therefore that Sub-Fund may incur greater transaction costs than a Sub-Fund with static allocation strategy.

### **Capital Risk**

There is a risk that capital of a Sub-Fund or the capital that can be allocated to a Class will decrease. Excessive redemptions of a Sub-Fund’s Shares or distributions exceeding net income, realized capital gains and other income from investments could have the same effect. Distribution Shares applying the Fixed Percentage Policy may have a significant risk of distributions exceeding net income, realized capital gains and other income. A reduction in the capital of a Sub-Fund or the capital that can be allocated to a Class could make the management of the Company, a Sub-Fund or a Class unprofitable, which could lead to the liquidation of the

Company, a Sub-Fund or a Class and to investor losses.

### **Certificate Investments Risk**

A certificate vests the right, subject to the terms and conditions of the certificate, for the certificate holder to demand payment of a specific amount of money or delivery of certain assets on the settlement date. Whether the certificate holder has a corresponding claim on performance and, if so, to what extent, depends on certain criteria, such as the performance of the underlying asset during the term of the certificate or its price on certain days. As an investment vehicle, certificates are subject to the following risks in relation to the issuer of the certificate: creditworthiness risk, company-specific risk, settlement default risk and counterparty risk. Other risks that should be emphasised are general market risk, liquidity risk and, if applicable, currency risk. Certificates are not hedged through other assets or through third-party guarantees. This applies likewise to any permissible position held through another instrument based on the law of obligations.

### **Changes in Underlying Conditions Risk**

Over time, the underlying conditions (e.g. economic, legal or tax) within which an investment is made may change. This could have a negative effect on the investment and on the treatment of the investment by the investor.

### **Closed-End Fund Risk**

When investing in closed-end funds, the income, performance and/or capital repayment will depend on the income, performance and credit rating of the underlying investments of the closed-end funds. If the performance of the assets of the closed-end-funds are unfavourable for its investors, depending on the form of the closed-end-funds, investors of the relevant Sub-Fund can suffer partial, or even total loss.

Redemptions of investments in closed-end funds may not be possible. Since such funds commonly have a fixed term which makes continuous liquidation/termination of such investments in closed-end funds prior to maturity impossible. In the case of a closed-end fund which maturity is not already determined, the liquidity risk may be even higher. Eventually, investments in closed-end funds might be sold on a secondary market, if any, with the risk of significant bid/offer spreads. Investments in closed-end funds may also be fully or partially repaid prior to maturity, which could lead to a less attractive total investment in the respective close-end fund as well as to a less attractive reinvestment. In addition, the corporate governance mechanisms, the transferability as well as the possibility to rate, to receive adequate information about and to evaluate investments in closed-end-funds may deteriorate before maturity.

The principal risks for investments in closed-end funds are general market risk, concentration risk, liquidity risk, interest rate risk, creditworthiness risk, company-specific risk, settlement default risk and counterparty risk. Specific risks vary depending on the particular type of closed-end fund.

When investing in closed-end funds, costs are regularly incurred both at the level of the funds themselves particularly in respect of service provider fees, as well as at the level of the portfolio making the investment. These may result in increased charges to the investors in the portfolio making the investment in the closed-end fund.

### **Commodities Markets Risk**

A Sub-Fund may invest in commodity futures, precious metals or commodity markets. Positions in commodity futures, precious metals or commodity markets ("**Commodities**") are subject to general market risk. The performance of Commodities depends on the general supply and demand of the respective goods, as well as the expected demand, output, extraction and production. Therefore, the performance of Commodities can be especially volatile.

Certificate Investments will be exposed to Certificate Investments risks. Derivative-based investments are

subject to the general risks associated with investment in derivatives. Investment in funds oriented towards Commodities is also subject to the specific risks of investing in Target Funds. With respect to index-based investments, the Index-based Investments Risk will apply.

In addition to the costs incurred in the acquisition and sale of a certificate, a derivative, or shares in funds oriented towards Commodities, additional costs may be incurred at the level of an index, a certificate, a derivative or the above-mentioned funds, which could affect the value of the investment, possibly to a substantial extent.

### **Company-Specific Risk**

If a Sub-Fund invests in companies, such investments are subject to company-specific risk. The value of a Sub-Fund's assets (in particular of securities and Money Market Instruments directly or indirectly held by such Sub-Fund) may be affected by company-specific factors (e.g. the issuer's business situation). If a company-specific factor deteriorates, the price of the respective asset may drop significantly and for an extended period of time, possibly without regard to an otherwise generally positive market trend. This may have an adverse impact on the Sub-Fund and/or the investor.

### **Risk related to Instruments with Loss-absorption Features**

If a Sub-Fund invests in instruments with loss-absorption features, such investments are subject to the risk related to instruments with loss-absorption features. Instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments typically include terms and conditions specifying that the instrument is subject to being partly or wholly written off, written down, or converted to ordinary shares of the issuer upon the occurrence of a pre-defined trigger event (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level). Trigger events are likely to be outside of the issuer's control and commonly include a reduction in the issuer's capital ratio below a specified level or upon specific government or regulatory action being taken as a result of the issuer's ongoing financial viability. Trigger events are complex and difficult to predict and can result in a significant or total reduction in the value of such instruments, giving rise to consequential loss of a Sub-Fund.

In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.

Contingent convertible bonds are typical instruments with loss-absorption features, please also refer to the risk factor "Contingent Convertible Bonds Risk".

A Sub-Fund may invest in senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

### **Contingent Convertible Bonds Risk**

If a Sub-Fund invests in contingent convertible bonds, such investments are subject to the contingent convertible bonds risk. Under the terms of a contingent convertible bond, certain triggering events, including events under the control of the management of the contingent convertible bond's issuer, could cause the permanent write-down to zero of principal investment and/or accrued interest, or a conversion to equity. Investment in contingent convertible bonds may entail the following risks (non-exhaustive list):

Capital structure inversion risk: contrary to classical capital hierarchy, contingent convertible bonds' investors may suffer a loss of capital when equity shareholders do not.

Trigger level risk: trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Investment Manager of the relevant Sub-Fund

to anticipate the triggering events that would require the debt to convert into equity.

Conversion risk: it might be difficult for the Investment Manager of the relevant Sub-Fund to assess how the securities will behave upon conversion. In case of conversion into equity, the Investment Manager might be forced to sell these new equity shares because the investment objective of the relevant Sub-Fund does not allow equity in its portfolio. This forced sale may itself lead to liquidity issue for these shares.

Coupon cancellation risk: for some contingent convertible bonds, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.

Call extension risk: some contingent convertible bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority.

Industry concentration risk: investment in contingent convertible bonds may lead to an increased industry concentration risk as such securities are currently issued by banking institutions.

Yield/valuation risk: contingent convertible bonds often offer an attractive yield which may, however, also represent a premium to their price in light of the complexity of how they are structured.

Liquidity risk: in certain circumstances finding a ready buyer for contingent convertible bonds may be difficult and the relevant Sub-Fund may have to accept a significant discount to the expected value of the bond in order to sell it.

Unknown risk: the structure of contingent convertible bonds is innovative yet untested.

Subordinated instruments: contingent convertible bonds may be issued in the form of subordinated debt instruments. In the event of liquidation, dissolution or winding-up of an issuer prior to a conversion having occurred, the rights and claims of the holders of the contingent convertible bonds, such as the Sub-Fund, against the issuer in respect of or arising under the terms of the contingent convertible bonds shall generally rank junior to the claims of all holders of unsubordinated obligations of the issuer.

### **Convertible Bonds Investments Risk**

If a Sub-Fund invests in convertible bonds, such investments are subject to the convertible bonds investments risk. Convertible bonds are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the bond at a specified future date. As such, convertibles will be exposed to equity movement and greater volatility than straight bond investments. Investing in convertible bonds are normally associated with increased creditworthiness and downgrading risk, default risk, interest rate risk, prepayment risk, general market risk, and liquidity risk (for example, the asset cannot be sold or can only be sold at a significant discount to the purchase price). All these factors may adversely impact the Net Asset Value of the relevant Sub-Fund.

The value of convertible bonds may be affected by the price movement of the underlying securities (i.e. equities), among other things. Convertible bonds may also have call provisions and other features which may give rise to the risk of a call. All these factors may adversely impact the Net Asset Value of the relevant Sub-Fund.

### **Concentration Risk**

If a Sub-Fund focuses its investments on certain markets, types of investments, particular countries, regions or industries, this may reduce risk diversifications. Consequently, such Sub-Fund may be particularly dependent on the development of these investments, markets or related markets, individual or interdependent countries or regions, industries or industries that influence each other or companies of such markets, countries, regions or industries. As such, the Sub-Fund is likely to be more volatile than a fund that has a more diversified investment strategy. It may be more susceptible to fluctuations in value resulting from a limited number of holdings or the impact of adverse conditions on a particular investment or market. This may have an adverse

impact on the performance of the Sub-Fund and consequently adversely affect an investor's investment in the Sub-Fund.

### **Counterparty Risk**

Transactions not handled through a stock exchange or a Regulated Market (e.g. OTC trades, securities lending or (reverse) repurchase agreement transactions) are exposed to the risk that a counterparty may default or not completely fulfil its obligations in addition to the general risk of settlement default. This is particularly true of OTC financial derivative instruments and other transactions based on techniques and instruments (including securities lending and (reverse) repurchase agreement transactions). Default by a counterparty may result in losses for a Sub-Fund. However, such risk can be significantly reduced, especially with respect to OTC derivative transactions, by receipt of collateral from the counterparty in accordance with the Company's collateral management policy as described in Appendix 1.

### **Country and Region Risk**

If a Sub-Fund focuses its investments on particular countries or regions, this may increase the concentration risk. Consequently, such Sub-Fund is particularly susceptible to the adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events and risks of individual or interdependent countries and regions, or of companies based and/or operating in those countries or regions. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.

Economic or political instability in certain countries in which a Sub-Fund is invested may lead to a situation in which such Sub-Fund does not receive part, or all of the monies owed to it in spite of the solvency of the issuer of the relevant assets. Currency or transfer restrictions or other legal changes may have a significant effect. In addition, Sub-Funds which focus on certain countries or regions have a limited investment universe which results in limited risk diversification compared to broadly investing funds. The smaller the respective country or region is the more limited the investment universe and the more limited the risk diversification of the respective Sub-Fund might be. A limited risk diversification can increase the impact of the development of individual securities acquired for the respective Sub-Fund.

### **Credit Rating Risk**

Credit ratings of Investment Grade debt securities assigned by rating agencies (e.g. Fitch, Moody's and/or Standard & Poor's) are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times. Further, to the extent that a Sub-Fund may invest in unrated debt securities determined by the Investment Manager to be of comparable quality as investment grade, such securities may exhibit quality and behavior (e.g. liquidity, pricing, default probability) that are similar to securities which are below investment grade. Such securities are generally subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated debt securities.

### **Credit Rating Agency Risk (for Sub-Funds investing in Debt Securities in the PRC)**

The credit appraisal system in the PRC and the rating methodologies employed in the PRC may be different from those employed in other markets. Credit ratings given by the PRC rating agencies may therefore not be directly comparable with those given by other international rating agencies.

### **Creditworthiness and Downgrading Risk**

The creditworthiness (ability to pay) of the issuer of an asset (in particular, of a Debt Security or Money Market Instrument directly or indirectly held by the Sub-Fund) may fall. This usually leads to a decrease in the price of the asset greater than that caused by general market fluctuations. Further, there is a risk that the credit rating of certain Debt Securities, or the issuers of debt securities, may be downgraded due to adverse market conditions. The Investment Manager may or may not be able to dispose of the debt securities that are being downgraded. This may lead to a fall in the NAV of the Sub-Fund and the performance of the Sub-Fund will be



adversely affected.

### **Currency Risk**

If a Sub-Fund directly or indirectly (via derivatives) holds assets denominated in currencies other than its Base Currency or if a class of shares of the Sub-Fund is designated in a currency other than the Base Currency of the Sub-Fund (each a “**foreign currency**”), it is exposed to a currency risk that if foreign currency positions have not been hedged or if there is any change in the relevant exchange control regulations, the NAV of the Sub-Fund or that class of shares may be affected unfavourably. Any devaluation of the foreign currency against the Base Currency of the Sub-Fund would cause the value of the assets denominated in the foreign currency to fall, and as a result may have an adverse impact on the Sub-Fund and/or the investors.

### **Custodial Risk**

Sub-custodians may be appointed in local markets for purpose of safekeeping assets in those markets. Where a Sub-Fund invests in markets where custodial and/or settlement systems are not fully developed, the assets of such Sub-Fund may be exposed to custodial risk. A Sub-Fund may be denied access, in whole or in part, to investments held in custody in the event of bankruptcy, negligence, wilful misconduct or fraudulent activity on the part of the Depositary or sub-custodian. In such circumstances, a Sub-Fund may take a longer time or may even be unable to recover some of its assets (in extreme circumstances such as the retroactive application of legislation and fraud or improper registration of title), which may lead to significant losses for the Sub-Fund and consequently adversely affect an investor’s investment in the Sub-Fund. The custodial risk may apply to assets as well as collateral.

### **Default Risk**

The issuer of a security directly or indirectly held by a Sub-Fund or the debtor of a claim belonging to a Sub-Fund may become insolvent causing such assets to become economically worthless and investors’ investments will be adversely affected.

### **Defaulted Securities/Distressed Debt Risk**

In certain cases a Sub-Fund may acquire securities issued from an issuer that has defaulted on their interest/coupon payments (“Defaulted/Distressed Debt Securities”). The purchase of these securities exposes the Sub-Fund to the specific risk of Issuer Default (see Default Risk). In addition, an insolvency administrator is usually appointed to manage the defaulted issuer on behalf of the issuer’s directors. There is a high risk that the insolvency administrator realises the failed company’s assets, pays the liquidation expenses and compensates the creditors as far as the issuer’s remaining assets allow. This causes a long- lasting risk to the Sub-Fund that had acquired defaulted securities that these securities could potentially become completely worthless from an economic view. There is therefore a significant risk that the initial invest in the Defaulted/Distressed Debt could be lost entirely. If a security held becomes defaulted, the Sub-Fund may continue to hold the defaulted security until such time as the Investment Manager determines.

### **Dilution and Swing Pricing Risk**

If a Sub-Fund applies Swing Pricing Mechanism, the Sub-Fund is subject to dilution and swing pricing risk. The actual cost of purchasing or selling the underlying assets of a Sub-Fund may be different from the booking value of these assets in the Sub-Fund’s valuation. The difference may arise due to dealing and other costs (such as taxes) and/or any spread between the buying and selling prices of the underlying assets. These dilution costs can have an adverse effect on the overall value of a Sub-Fund and thus the NAV per Share may be adjusted in order to avoid disadvantaging the value of investments for existing Shareholders. The size of the adjustment impact is determined by factors such as the volume of transactions, the purchase or sale prices of the underlying assets and the valuation method adopted to calculate the value of such underlying assets of the Sub-Fund. The value of Adjustment reflects the estimated dealing cost of a Sub-Fund. If the estimation of costs is not accurate, the application of the Swing Pricing Mechanism may not achieve the desired results.

## **Distribution out of Capital/Distribution effectively out of Capital Risk**

The Company may launch Classes whose distribution policy deviates from the regular distribution policy and which may provide for distributions out of capital/distributions effectively out of capital in accordance with Article 31 of the Law. The payment of distributions out of capital/distributions effectively out of capital represents a return or withdrawal of part of the amount which the investors originally invested and/or capital gains attributable to the original investment. Investors should be aware that any distributions involving payment of distributions out of/effectively out of a Sub-Fund's capital may result in an immediate decrease in the Net Asset Value per Share and may reduce the capital available for such Sub-Fund for future investment and capital growth. As a result, such investors' investment in the Sub-Fund will be adversely affected.

The distribution amount and NAV of any Currency hedged Share Classes of the Sub-Fund may be adversely affected by differences in the interest rates between the Reference Currency or Hedging Currency (as the case may be) of the Currency hedged Share Classes and the Base Currency of the Sub-Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-currency hedged Share Classes.

Distribution Shares applying the Fixed Percentage Policy may have a significant risk of distributions exceeding net income, realized capital gains and other income. Distribution Shares applying the Gross Distribution Policy will usually be subject to distribution out of capital with regard to fees and expenses charged to these Share Classes. This may result in an immediate decrease in the Net Asset Value per Share and may reduce relatively larger portion of capital available for such Sub-Fund for future investment and capital growth, potentially eroding the capital more quickly.

## **Early Liquidation Risk**

As may be determined by the Board, a Sub-Fund may be liquidated under certain circumstances as set out under "**Liquidation and Merger**" of the HK Prospectus. In the event of a Sub-Fund's liquidation, the Sub-Fund would have to distribute to Shareholders their pro rata interest in the assets of the Sub-Fund. It is possible that at the time of a sale or distribution, certain assets held by the relevant Sub-Fund may be worth less than their initial cost, resulting in a loss to shareholders.

## **Emerging Markets Risk**

If a Sub-Fund invests in emerging markets, such investments are subject to emerging markets risk. Investments in Emerging Markets may involve increased risks and special considerations not typically associated with investment in more developed markets, and are subject to greater liquidity risk, currency risks/control, political and economic uncertainties, likelihood of a high degree of volatility and general market risk. Increased risks may arise in connection with the settlement of securities transactions in Emerging Markets, especially as it may not be possible to deliver securities directly when payment is made. In addition, the legal, taxation and regulatory environment, as well as the accounting, auditing, and reporting standards in Emerging Markets may deviate substantially to the detriment of the investors from the levels and standards that are considered standard international practice. Increased custodial risk in Emerging Markets may also arise, which may result from differing disposal methods for acquired assets. Such increased risks may have an adverse impact on the relevant Sub-Fund and/or the investors.

## **European Country Risk**

In light of the fiscal conditions and concerns regarding the sovereign debt of certain European countries, investments of a Sub-Fund in Europe may be subject to a number of risks arising from a potential crisis in Europe. The economic and financial difficulties in Europe may continue to get worse or spread within and outside Europe, and may lead to one or several countries exiting the Eurozone and/or exiting the EU or default of a sovereign within the Eurozone and/or within the EU, potentially resulting in the breakup of the EU, the Eurozone and the Euro.

While the governments of many European countries (including the EU Member States), the European Commission, the European Central Bank, the International Monetary Fund and other authorities are taking measures (such as undertaking economic reforms and imposing austerity measures on citizens) to address the current fiscal conditions and concerns, these measures may not have their desired effect, and the future stability and growth of Europe is therefore uncertain. The impact of such events on the Sub-Funds which are denominated in Euro or which invest in instruments predominantly tied to Europe may be significant and the NAV of such Sub-Funds may be adversely affected by the increased risks (such as increased volatility, liquidity and currency risks associated with investments in Europe).

### **General Market Risk**

To the extent that a Sub-Fund invests directly or indirectly in securities or other assets, it is exposed to various general trends and tendencies in the economic and political situation as well as securities markets and investment sentiment, which are partially attributable to irrational factors. Such factors could lead to substantial and longer-lasting drops in securities prices affecting the entire market and the value of a Sub-Fund's investments may be negatively affected.

### **Allianz Green Bonds Strategy Risk**

The application of the Green Bond Principles and implementation of Allianz Green Bonds Strategy in respect of a Sub-Fund may result in foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities when it might be disadvantageous to do so. This may adversely affect the Sub-Fund's investment performance.

In assessing the eligibility of an issuer, there is a dependence upon information and data from external research data providers and internal analyses, which may be subjective, incomplete, inaccurate or unavailable. As a result, there is a risk of incorrectly or subjectively assessing a security or issuer or there is a risk that the Sub-Fund could have exposure to issuers who do not meet the relevant criteria. In addition, there is a lack of standardized taxonomy of Green Bonds.

In addition, as the relevant Sub-Fund focuses on Green Bonds, this may reduce risk diversifications. Consequently, the Sub-Fund may be particularly dependent on the development of these investments. As such, the Sub-Fund is likely to be more volatile than a fund that has a more diversified investment strategy. It may be more susceptible to fluctuations in value resulting from the impact of adverse conditions on these investments. This may have an adverse impact on the performance of the Sub-Fund and consequently adversely affect an investor's investment in the Sub-Fund.

The securities held by the Sub-Fund may be subject to style drift which no longer meet the Sub-Fund's investment criteria after the Sub-Fund's investments. The management company might need to dispose of such securities when it might be disadvantageous to do so. This may lead to a fall in the Sub-Fund's Net Asset Value.

### **Hedge Fund Risk**

A Sub-Fund's investment in "hedge fund" indices and other hedge fund-related investments is regarded as "Alternative Investments".

It must be noted that a "hedge fund" index does not refer to funds that seek to hedge and neutralise investment risk, but rather to funds that normally pursue purely speculative investment objectives. **Investors who invest directly or indirectly in hedge fund indices or in hedge funds themselves must be able to accept the financial risks of investing in such funds and the associated risk of losing some or all of the invested capital.** For investments related to a hedge fund index, losses at the level of a hedge fund belonging to such an index may have a negative impact.

In addition to the investment risks generally associated with the investment policy and the assets of a hedge fund (e.g. Equities, bonds, high-yield investments, derivatives), performance risk may also be sharply increased.

Hedge funds and their business activities are, generally, not subject to any governmental supervision or control for the protection of their investors and are not bound by investment restrictions or limits nor the principle of risk diversification. Assets of hedge funds are not held in separate custody by any institutions that specifically undertake to protect the investor; for this reason, there is an increased custodial and settlement default risk. In addition, currency risk, the risk of changes in underlying conditions and country and transfer risks may be of relevance.

Such hedge funds underlying an index, operate independently from one another which, on the one hand, may (but not necessarily) result in risk diversification and, on the other hand, may result in a balancing of positions while still incurring additional costs.

Hedge funds may regularly take out loans for the joint account of investors or use corresponding derivatives to increase their level of investment – possibly even without restriction. While such practices increase the opportunities to increase overall returns, they are also subject to the risk of increased or total loss.

Hedge funds may also regularly make short sales, meaning the sale of assets received through securities lending, with an obligation to return them to a third party. If the prices of assets sold in this way subsequently fall, a hedge fund may possibly realise profits, after deduction of expenses; however, subsequent price increases in such assets will result in losses for the hedge fund.

The individual components of an index are generally valued using recognised methods for the assets contained in it. These valuations may initially only have been prepared based on unaudited interim reports. After an audit has been conducted, an adjustment may be made up or down. This could also change the value of an index in which the relevant hedge fund is included. As a result, the published value of the index may deviate from the actual value if there is a subsequent correction of the net asset values of the individual index components. This applies likewise to the valuation of hedge funds, however, if the position is not index-related. With respect to index-based investments, the Index-based Investments risks will apply.

In addition to the costs incurred in the acquisition and sale of a certificate, a derivative, or shares in a hedge fund, additional costs may be incurred at the level of a hedge fund index, a certificate, a derivative or a hedge fund, which could affect the value of the investment, possibly to a substantial extent.

### **High-Yield Investments Risk**

If a Sub-Fund invests in high-yield investments, such investments are subject to high-yield investments risk. High-yield investments are Debt Securities that are either rated non-investment grade by a recognised rating agency or are not rated at all, but that would presumably receive a rating of non-investment grade if they were to be rated. In particular, such investments are normally associated with higher volatility, greater risk of loss of principal and interest, an increased degree of creditworthiness and downgrading risk, interest rate risk, general market risk, company-specific risk and liquidity risk than higher rated, lower yielding securities. Such increased risk may have an adverse impact on the Sub-Fund and/or the investors.

### **Index-based Investments Risk**

If a Sub-Fund invests in index-based investments, such investments are subject to index-based investments risk. The composition of an index and the weighting of individual components may change during the time a position is held. Further, index levels are neither current nor based on current data. These factors may have an adverse impact on such investments and therefore the Sub-Fund. Different currencies are also subject to different levels of inflation risk.

### **India Investment Risk**

Certain Sub-Funds invest in the Equity Markets and/or Debt Securities Markets of India. There are numerous and varied risks associated with such an investment which are referred to as the “India Investment Risk”. If a Sub-Fund invests in the Equity Markets and/or in the Debt Securities Markets of India, the following risks (and thresholds) are generally associated with such an investment in India. Generally, only entities and persons that comply with certain statutory conditions and that are registered FPIs are permitted to make direct investments in exchange-traded and certain other Indian securities. As a registered FPI, the relevant Sub-Fund can only hold up to 10% of the paid-up capital, or 10% of the paid-up value of each series of convertible debentures or preference shares or share warrants of an Indian company (the “**10% Threshold**”). In addition to the 10% Threshold, FPI investment in Indian companies may not exceed any sectoral cap on ownership by an FPI that applies to a particular company and/or an aggregate cap on FPI investments in a company. Compliance with the FPI Regulations may limit a Sub-Fund’s ability to invest in certain Indian securities which may negatively impact the relevant Sub-Funds’ investment performance. Additionally, a Sub-Fund may have to sell portfolio holdings to maintain compliance with the regulatory limits in order to continue to hold those investments as a registered FPI. Investments held in excess of the limits would be reclassified as “Foreign Direct Investment” under applicable regulations, which would restrict further investment and may lead to adverse tax implications for the relevant Sub-Funds.

### **Inflation Risk**

Inflation risk is the risk that assets will lose value because of a decrease in the value of money. Inflation can reduce the purchasing power of income made on an investment in a Sub-Fund as well as the intrinsic value of the investment. This could have a negative effect on an investor’s investment. Different currencies are subject to different levels of inflation risk.

### **Interest Rate Risk**

To the extent that a Sub-Fund invests directly or indirectly in Debt Securities, it is exposed to interest rate risk. If market interest rates rise, the value of the Debt Securities held by the Sub-Fund may decline substantially and negatively affect the performance of such Sub-Fund. This applies to an even greater degree if such Sub-Fund also holds Debt Securities with a longer time to maturity and a lower nominal interest rate.

### **Key Personnel Risk**

Sub-Funds that achieve very positive results in a certain period of time may owe this success to the aptitude of the traders and the correct decisions of their management. If staffing at a fund changes, new decision makers may have less success in managing the Sub-Fund’s assets, which may have a negative impact on the performance of such Sub-Fund.

### **Leverage Risk**

Certain Sub-Funds seek to provide leveraged returns by making use of derivatives such as swaps, options and future-contracts to accomplish the Sub-Fund’s investment objective. Depending on the purpose of derivatives used, the use of leverage (based on derivatives) can cause leveraged Sub-Funds to be more volatile and subject to higher price movements than the same portfolio would have without any derivatives. The use of leverage may result in losses which are caused by leveraged positions. At the same time, the combined investments (including all derivative and non-derivative positions) will result in an overall (economic) exposure that is in line with the Sub-Fund’s investment objective. The applied risk management approach for each Sub-Fund and a Sub-Fund’s expected level of leverage of derivatives is disclosed in section 15. “Risk Management Process” under Appendix 1, Part A (General Investment Principles).

### **Liquidity and Volatility Risk**

Investments in securities (including debt securities and equities) in certain markets may be subject to higher volatility and lower liquidity compared to more developed markets. Even relatively small orders of illiquid

securities can lead to significant price changes. If an asset is illiquid, there is the risk that the asset cannot be sold or can only be sold at a significant discount to the purchase price, or, conversely, its purchase price may increase significantly. Such price changes may adversely impact the NAV of a Sub-Fund. The bid and offer spreads of the price of such securities may be large and the fund may incur significant trading costs.

### **Local Tax Risk**

As a result of local regulations, a Sub-Fund's assets may, from time to time, be subject to taxes, fees, charges and other retentions. This applies in particular to revenues or gains from the sale, redemption or restructuring of the Sub-Fund's assets, cash flow-free restructuring of such assets, and/or changes related to settlement and dividends, interest and other income received by the Sub-Fund. Certain taxes or withholdable payments collected under FATCA may be collected in the form of a withholding tax on the Sub-Fund or in form of a withholding tax on "passthrough payments" on the individual shareholder (to the extent provided in future regulations which will be subject to further changes, but in no event before 1 January 2017). Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. Withholding on passthrough payments by the Company will be permitted under applicable laws and regulations and in which case the Company will act in good faith and on reasonable grounds. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by Shareholders may suffer material losses.

### **Managed Volatility Strategy Risk**

Whilst the Management Company will endeavour to manage a Sub-Fund with target average volatility range such that the volatility may not exceed such target range, there is no guarantee that such target can be achieved under all market conditions. Investors should note that managing the volatility of a Sub-Fund within the target average range does not necessarily mean such Sub-Fund will be subject to lower risk and may still suffer losses. Further, in managing the volatility of a Sub-Fund within the target average range, such Sub-Fund may be precluded from fully capturing the upside in rising markets, and hence, underperform a fund not adopting such a strategy in this circumstance.

Under volatile market conditions, in order to manage the volatility within the target average range, a Sub-Fund may need to adjust its portfolio's asset allocation more frequently, and thus, such Sub-Fund may incur greater transaction costs than a fund not adopting such a strategy.

### **Market Neutral Long/Short Equity Strategy Risk**

A market neutral long/short equity strategy involves entering into long positions on equity-oriented securities while simultaneously reducing, or entirely eliminating, market risk using opposing short positions. This is normally done by opening long and short positions to an approximately equal extent.

The success of a market neutral long/short equity strategy depends primarily on the selection of equity-oriented securities as well as on the degree of accuracy in forecasting the future performance of equity markets. If the prices of securities held as long positions in the portfolio rise, the Sub-Fund participates in this performance, while it takes a loss if these prices fall. Conversely, if the prices of securities held as short positions in the portfolio fall, the Sub-Fund participates in this performance, while it takes a loss if these prices rise. The risk of loss is essentially unlimited.

The use of a pure market neutral long/short equity strategy is intended to limit the overall potential for losses on investments made using a market neutral long/short equity strategy. However, depending on how the market performs, the prices of the long and short positions could perform differently and losses in both positions could result. If one of the two positions is larger than the other, the larger position is subject to the risk described in the previous paragraph without the potential of the risk being mitigated by an offsetting position.

### **New Sub-Fund Launch, Merger or Liquidation Risk**

Certain investment restrictions applicable to a Sub-Fund need not be adhered to during the period following the launch of a Sub-Fund or before a Sub-Fund undergoes a merger or liquidation (for further details, please refer to Appendix 1 Part A). The performance of a Sub-Fund in the above period(s) may be different from what it would otherwise be had the relevant investment restrictions been strictly adhered to by that Sub-Fund during such periods.

### **Non-investment Grade Sovereign Debt Securities Risk**

The Sub-Fund may invest in Debt Securities issued or guaranteed by a non-investment grade sovereign issuer and is therefore subject to higher credit/default risk and concentration risk as well as greater volatility and higher risk profile. In addition, there are no bankruptcy proceedings for such securities on which money to pay the obligations of the securities may be collected in whole or in part. Shareholders may be requested to participate in the rescheduling of such securities and to extend further loans to the issuers. In the event of default of the sovereign issuer, the Sub-Fund may suffer significant losses.

### **Performance Risk**

It cannot be guaranteed that the investment objective of a Sub-Fund or the investment performance desired by the investors will be achieved. The Net Asset Value per Share may fluctuate and may fall, causing investors to incur losses. Investors assume the risk of potentially receiving back a lesser amount of principal than they originally invested. No guarantees are issued by the Company or any third party of any outcome for an investment in any of the Sub-Funds.

### **Private Equity Risk**

While assets/securities that are issued by companies active in the area of private equity may be listed on an exchange, the investments made by such companies in private equity companies ("**PE Investments**") are not regularly traded on any exchange. Such companies may acquire several different assets by investing in PE Investments, include shareholders' equity, hybrid equity or debt. The capital made available may be subordinate to other creditors of the relevant PE Investment. PE Investments may be made for venture capital, buy-out investments or special situation investment purposes.

PE Investments in are normally long-term, not traded on an exchange, illiquid and only fungible to a limited extent. In addition, the process of investing in PE Investments may itself be subject to technical difficulties and risks. PE Investments typically have risks that are greater in scope than those of conventional investments in listed companies, which may correspondingly impact assets, income, liquidity situation and value of the companies operating in the area of private equity. For example, private equity companies may often only exist for a short period of time or find themselves in a restructuring phase or a crisis, have rather limited market experience and penetration, offer new products not yet established on the market and have a rather tight financial position, uncertain planning and substandard levels of organisation. The accounting, auditing and financial reporting standards and the advertising used by a private equity company may be substantially below those of conventional, exchange-traded investments. Private equity companies are often subject to little or no governmental supervision.

In addition to the costs incurred in the acquisition and sale of a certificate, a derivative, or shares in funds oriented towards companies that essentially operate in the private equity sector, additional costs may be incurred at the level of an index, a certificate, a derivative or the above-mentioned funds, which could affect the value of the investment, possibly to a substantial extent.

### **Property-Related Assets Risk**

The Sub-Fund's investments in the real estate industry may be subject to risks of fluctuations in the value of and the rental income received in respect of the underlying property. This risk applies when investments are

made through funds, property companies or other property equity market-related products (in particular, REITs). The following risks should be emphasized:

The underlying REITs which the Sub-Fund may invest may not necessarily be authorized by the SFC and the dividend or pay out policy of the Sub-Fund is not representative of the dividend or pay out policy of the underlying REITs.

In addition to the risks of any changes in the underlying general economic conditions, there are special risks associated with property ownership, such as vacancies, delinquent/defaulted rental payments or charges for use that may depend, among other things, on the quality of the location or the creditworthiness of the tenant/debtor. Leasehold rights may revert ahead of schedule with the result that another use must be found for the property than was originally intended, and such other use may not have the same prospects. This applies analogously for reversion after the expiration of the contract or, if applicable, in similar situations with rights granted to a third party. The attachment of leasehold rights or other rights to a property may restrict its saleability. Actual returns on an investment may deviate from previous calculations. There is also the risk of restricted ability to use a property for other purposes.

The condition of the building or its structure may also require necessary maintenance and restoration expenses that are not always predictable. Buildings may have construction deficiencies and risks from contaminated sites cannot be excluded. There may also be cases of uninsured damages. Properties, especially in metropolitan areas, may be subject to war or terror risks. A property may decrease in economic value if the property market in the affected area is affected over the long term, and it becomes difficult or impossible to find tenants.

In the development of the project, there may also be risks such as changes in construction planning and delays in issuing building permits or other necessary official permissions, or increases in construction costs. The success of the initial letting is particularly dependent on the demand situation at the time the construction is completed, which will be later.

In the case of investing abroad, additional risks to be considered are those that result from the features of the specific property (e.g. different legal and tax systems, differing interpretations of double taxation agreements and, if applicable, changes in exchange rates). Other risks associated with foreign investments to be considered are the increased management risk, any technical difficulties, including transfer risks regarding current income or proceeds of sales, as well as currency risks.

For investments in property companies, the risks to be considered are those that result from the form of the company, risks in connection with the possible default of partners and risks of changes to the tax and corporate law framework. This is especially true if the property companies are headquartered in a foreign country. Moreover, if interests in property companies are acquired, they may have obligations that are difficult to recognise and there may not be a liquid secondary market for an intended disposal of the interest. Changes in the value of properties have an increased effect on equity when outside financing is used. This affects the profit for the investor when prices rise or fall, more than when the project is completely self-financed. When properties are sold, the purchaser or other third parties may have guarantee claims.

In addition to the costs incurred in the acquisition and sale of a certificate, a derivative, or shares in property funds or in funds oriented towards REITs, additional costs may be incurred at the level of an index, a certificate, a derivative or the above-mentioned funds, which could affect the value of the investment, possibly to a substantial extent.

### **Restricted Flexibility Risk**

The redemption of Shares may be subject to restrictions. If the redemption of Shares is suspended or delayed, investors will not be able to redeem their Shares and will be compelled to remain invested in the Sub-Fund for a longer period of time than originally intended or desired and their investments continue to be subject to the risks inherent to such Sub-Fund. If a Sub-Fund or Class is dissolved, or if the Company exercises the right to



compulsorily redeem Shares, investors will no longer be so invested. The same applies if a Sub-Fund or Class held by the investors merges with another fund, Sub-Fund or Class, in which case the investors shall automatically become holders of shares in such other fund, or Shares in another Sub-Fund or Class. The subscription fee levied when Shares are acquired could reduce or even eliminate any gains on an investment, particularly if the investment is held for only a short period of time. If Shares are redeemed in order to invest the proceeds in another type of investment, investors may, in addition to the costs already incurred (e.g. subscription fee), incur other costs such as a redemption fee and/or a disinvestment fee for the Sub-Fund held or extra subscription fees for the purchase of other shares. These events and circumstances could result in losses to the investor.

### **Risks associated with Changes to the Company and/or a Sub-Fund**

The Articles, investment policy and other basic aspects of a Sub-Fund may be changed whenever permitted. In particular, a change to the investment policy within the permitted range may change the risk profile associated with such Sub-Fund. Such changes may have a negative impact on the performance of the Sub-Fund.

### **Risks associated with investment made through FII regime**

A Sub-Fund may invest in securities and investments permitted to be held or made by FII under the relevant FII Regulations through institutions that have obtained FII status in PRC. In addition to the general investment and equity related risks of investments including in particular the Emerging Markets risks, the following risks should be emphasised:

#### Regulatory Risks

The FII regime is governed by FII Regulations. Certain entities of the Allianz Global Investors Group meet the relevant prescribed eligibility requirements under the FII Regulations and have been granted or might be granted a FII license. The relevant Sub-Fund's ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to FII Regulations, which may be amended from time to time and may have potential retrospective effect. It is not possible to predict how such changes would affect the relevant Sub-Fund. The relevant Sub-Fund may suffer substantial losses if the approval of the FII is being revoked/terminated or otherwise invalidated as the relevant Sub-Fund may be prohibited from trading the relevant securities and repatriation of such Sub-Fund's monies.

Rules on investment restrictions and rules on repatriation of principal and profits, imposed by the Chinese government on the FII may be applicable to the latter as a whole and not only to the investments made by the relevant Sub-Fund and may have an adverse effect on the relevant Sub-Fund's liquidity and performance.

#### FII Investments Risks

Investors should be aware that there can be no assurance that a FII will continue to maintain its FII status and/or that redemption requests can be processed in a timely manner due to changes in FII Regulations. Therefore, a Sub-Fund may no longer be able to invest directly in the PRC or may be required to dispose of its investments in the PRC domestic securities market held by the FII, which could have an adverse effect on its performance or result in a significant loss.

Regulatory sanctions may be imposed on the FII if the FII itself or the local custodian breach any provision of the relevant rules and regulations.

Such restriction may result in a rejection of applications or a suspension of dealings of the Sub-Fund. Should the FII lose its FII status or retire or be removed, the relevant Sub-Fund may not be able to invest in FII Eligible Securities, and the relevant Sub-Fund may be required to dispose of its holdings, which would likely have a

material adverse effect on such Sub-Fund.

#### Limits on Redemption

A Sub-Fund may be impacted by the rules and restrictions under the FII regime (including investment restrictions, limitations on foreign ownership or holdings), which may have an adverse impact on its performance and/or its liquidity. Currently, no regulatory prior approval is required for repatriation of funds from the FII. However, the FII Regulations are subject to uncertainty in their application and there is no certainty that no other regulatory restrictions will apply or that repatriation restrictions will be imposed in the future. Although the relevant FII Regulations have recently been revised to relax regulatory restrictions on the onshore capital management by FIIs (including removing investment quota limit and simplifying process for repatriation of investment proceeds), it is a very new development therefore subject to uncertainties as to how well it will be implemented in practice, especially at the early stage.

Any restrictions on repatriation of the invested capital and net profits may impact on the relevant Sub-Fund's ability to meet redemption requests from the Shareholders. In extreme circumstances, the relevant Sub-Fund may incur significant loss due to limited investment capabilities, or may not be able fully to implement or pursue its investment objectives or strategies, due to FII investment restrictions, illiquidity of the PRC's securities market, and delay or disruption in execution of trades or in settlement of trades.

#### PRC Depository Risks under the FII regime

Where a Sub-Fund invests in fixed income securities and/or eligible securities through the FII, such securities will be maintained by a local custodian pursuant to PRC regulations through appropriate securities accounts and such other relevant depositories in such name as may be permitted or required in accordance with PRC law.

The relevant Sub-Fund may incur losses due to the acts or omissions of the PRC Depository in the execution or settlement of any transaction.

The Depository will make arrangements to ensure that the relevant PRC Depository has appropriate procedures to properly safe-keep the assets of the relevant Sub-Fund. The securities accounts are to be maintained and recorded in the joint name of the FII and the relevant Sub-Fund and segregated from the other assets of the same local custodian. However, the FII Regulations are subject to the interpretation of the relevant authorities in the PRC.

Any securities acquired by the relevant Sub-Fund held by the FII will be maintained by the PRC Depository and should be registered in the joint names of the FII and the relevant Sub-Fund and for the sole benefit and use of such Sub-Fund. Providing that the FII will be the party entitled to the securities, the related security may be vulnerable to a claim by a liquidator of the FII and may not be as well protected as if they were registered solely in the name of the respective Sub-Fund.

In addition, investors should note that cash deposited in the cash account of the relevant Sub-Fund with the relevant local custodian will not be segregated but will be a debt owing from the local custodian to the relevant Sub-Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of that local custodian. In the event of bankruptcy or liquidation of the local custodian, the relevant Sub-Fund will not have any proprietary rights to the cash deposited in such cash account, and the relevant Sub-Fund will become an unsecured creditor, ranking equal with all other unsecured creditors, of the local custodian. The relevant Sub-Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the relevant Sub-Fund will suffer losses.

#### PRC Broker Risks under the FII regime

The execution and settlement of transactions may be conducted by PRC Brokers appointed by the FII, as the case may be. There is a risk that a Sub-Fund may suffer losses from the default, bankruptcy or disqualification

of the PRC Brokers. In such event, the relevant Sub-Fund may be adversely affected in the execution or settlement of any transaction.

In selection of PRC Brokers, the FII will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the FII, as the case may be, consider appropriate and if under market or operational constraints, it is possible that a single PRC Broker will be appointed and the relevant Sub-Fund may not necessarily pay the lowest commission or spread available in the market at the relevant time.

The relevant Sub-Fund may suffer substantial losses if any of the key operators or parties (including PRC Depository and Brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

### **Risks of Investing in China A-Shares**

The Sub-Fund assets may be invested in China A-Shares. The securities market in the PRC, including China A-Shares, may be more volatile and unstable (for example, due to the risk of suspension/limitation in trading of a particular stock, or implementation of policies that may affect the financial markets by the government or the regulators) than markets in more developed countries and has potential settlement difficulties. This may result in significant fluctuations in the prices of securities traded in such market and thereby affecting the prices of shares of the Sub-Fund.

Investment in the PRC remains sensitive to any major change in economic, social and political policy in the PRC. The capital growth and thus the performance of these investments may be adversely affected due to such sensitivity.

### **Risks of Investing in China Interbank Bond Markets (“CIBM”)**

#### Overview

##### *Investment in CIBM via CIBM Initiative*

Participation in CIBM by foreign institutional investors (where such is mentioned in the investment restrictions of the relevant Sub-Fund) via a foreign access regime (e.g. FII program, CIBM Initiative and/or Bond Connect) is governed by rules and regulations as promulgated by the Mainland Chinese authorities, i.e., PBOC and the State Administration of Foreign Exchange (“SAFE”). Such rules and regulations may be amended from time to time and include (but are not limited to):

- (i) the “Announcement (2016) No 3” issued by the PBOC on 17 February 2016;
- (ii) the “Implementation Rules for Filing by Foreign Institutional Investors for Investment in Interbank Bond Markets” issued by the Shanghai Head Office of PBOC on 27 May 2016;
- (iii) the “Circular concerning the Foreign Institutional Investors’ Investment in Interbank bond market in relation to foreign currency control” issued by SAFE on 27 May 2016; and
- (iv) any other applicable regulations promulgated by the relevant authorities.

Under the prevailing regulations in the PRC, foreign institutional investors who wish to invest directly in CIBM via CIBM Initiative may do so via an onshore settlement agent, who will be responsible for making the relevant filings and account opening with the relevant authorities. There is no quota limitation.

In terms of fund remittance and repatriation, foreign investors (such as the Company) may remit investment principal in RMB or foreign currency into the PRC for investing in the CIBM. An investor needs to file relevant information about its investments with the Shanghai Head Office of PBOC through the onshore settlement

agent and an updated filing may be required if there is any significant change to the filed information. Where the Company repatriates funds out of the PRC, the ratio of RMB to foreign currency (“Currency Ratio”) should generally match the original Currency Ratio when the investment principal was remitted into the PRC, with a maximum permissible deviation of 10%.

#### *Custody arrangements relating to funds investing via CIBM*

The Depository has put in place proper arrangements to ensure that:

- (i) the Depository takes into its custody or under its control the assets of the Company, including onshore PRC assets which will be deposited in the bond account(s) and cash of the fund deposited in the dedicated cash account(s) or RMB special deposit account with or otherwise held by China Central Depository & Clearing Co., Ltd. (“CCDC”), Shanghai Clearing House (“SHCH”) or the onshore settlement agent, and holds the same in trust for the shareholders;
- (ii) cash and registrable assets of the Company, including assets deposited in the bond account(s) and cash of the fund deposited in the dedicated cash account(s) or RMB special deposit account with or otherwise held by CCDC, SHCH or the onshore settlement agent, are registered in the name of or held to the order of the Depository; and
- (iii) the onshore settlement agent will look to the Depository (directly or indirectly) for instructions and solely act in accordance with the Depository’s instructions, save as otherwise required under applicable regulations.

#### *Investment in CIBM via Bond Connect*

Bond Connect is an initiative launched in July 2017 for mutual bond market access between Hong Kong and Mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre (“CFETS”), China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit.

Bond Connect is governed by rules and regulations as promulgated by the Mainland Chinese authorities. Such rules and regulations may be amended from time to time and include (but are not limited to):

- (i) the “Interim Measures for the Administration of Mutual Bond Market Access between Mainland China and Hong Kong (Decree No.1 [2017])” issued by the People’s Bank of China (“PBOC”) on 21 June 2017,
- (ii) the “Guide on Registration of Overseas Investors for Northbound Trading in Bond Connect” issued by the Shanghai Head Office of PBOC on 22 June 2017; and
- (iii) any other applicable regulations promulgated by the relevant authorities.

Under the prevailing regulations in Mainland China, eligible foreign investors will be allowed to invest in the bonds circulated in the China Interbank Bond Market through the northbound trading of Bond Connect (“Northbound Trading Link”). There will be no investment quota for Northbound Trading Link. Under the Northbound Trading Link, eligible foreign investors are required to appoint the CFETS or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC.

Pursuant to the prevailing regulations in Mainland China, an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit) shall open omnibus nominee accounts with the onshore custody agent recognised by the PBOC (currently, the China Central Depository & Clearing Co., Ltd and/or the Shanghai Clearing House). All debt securities traded by eligible foreign investors will be registered in the name of Central Moneymarkets Unit, which will hold such debt securities as a nominee owner.

#### Risks Associated with China Interbank Bond Market

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the China Interbank Bond Market may result in prices of certain debt securities traded on such market fluctuating significantly. The relevant Sub-Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the relevant Sub-Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

To the extent that a Sub-Fund transacts in the China Interbank Bond Market, the Sub-Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Sub-Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

Although there is no quota limitation regarding investment via the CIBM Initiative, a Sub-Fund is required to make further filings with the PBOC if it wishes to increase its anticipated investment size. There is no guarantee the PBOC will accept such further filings. In the event any further filings for an increase in the anticipated investment size are not accepted by the PBOC, a Sub-Fund's ability to invest in the CIBM will be limited and the performance of the relevant Sub-Fund may be unfavourably affected as a result.

Investing in the CIBM is also subject to certain restrictions imposed by the Mainland Chinese authorities on fund remittance and repatriation which may potentially affect a Sub-Fund's performance and liquidity. Any non-compliance with or failure to meet the fund remittance and repatriation requirements may result in regulatory sanctions which in turn may have an adverse impact on the portion of the relevant Sub-Fund's investment via the CIBM Initiative. Further, there is no assurance that the fund remittance and repatriation requirements in relation to investment in CIBM will not be changed as a result of change in government policies or foreign exchange control policies. The Sub-Fund may incur loss in the event such change in the fund remittance and repatriation requirements in relation to investment in CIBM occurs.

Since the relevant filings, registration with PBOC, and account opening for investment in the CIBM via the CIBM Initiative and/or Bond Connect have to be carried out via an onshore settlement agent, offshore custody agent, registration agent or other third parties (as the case may be), the relevant Sub-Fund is subject to the risks of default or errors on the part of such third parties. The relevant Sub-Fund may also incur losses due to the acts or omissions of the onshore settlement agent in the process of settling any transactions. As a result, the Net Asset Value of the relevant Sub-Fund may be adversely affected.

In addition, investors should note that cash deposited in the cash account of the relevant Sub-Fund with the relevant onshore settlement agent will not be segregated. In the event of the bankruptcy or liquidation of the onshore settlement agent, the relevant Sub-Fund will not have any proprietary rights to the cash deposited in such cash account and may face difficulty and/or encounter delays in recovering such assets, or may not be able to recover it in full or at all, in which case the Sub-Fund will suffer losses.

Investing in the China Interbank Bond Market via a foreign access regime (e.g. FII program, the CIBM Initiative and/or Bond Connect) is also subject to regulatory risks. The relevant rules and regulations on these regimes are subject to change which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend account opening or trading on the China Interbank Bond Market, the Sub-Fund's ability to invest in the China Interbank Bond Market will be limited and, after exhausting other trading alternatives, the Sub-Fund may suffer substantial losses as a result.

Trading through Bond Connect is performed through newly developed trading platforms and operational systems. There is no assurance that such systems will function properly or will continue to be adapted to changes and developments in the market. If the relevant systems fail to function properly, trading through Bond Connect may be disrupted. A Sub-Fund's ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected. In addition, where a Sub-Fund invests in the China Interbank Bond Market through Bond Connect, such Sub-Fund may be subject to risks of delays inherent in the order placing and/or settlement systems.

## Taxation Risk

According to Circular 108, the foreign institutional investors are temporarily exempt from PRC CIT and VAT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2018 to 6 November 2021. However, there is no guarantee that such temporary tax exemption will continue to apply, will not be repealed and re-imposed retrospective, or that no new tax regulations and practice in China specifically relating to the PRC bond market will not be promulgated in the future. For further details on PRC taxation, please refer to sub-section “PRC” under the section titled “Taxation”.

### **Risks of PRC Tax**

There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised via the FII Program or the Stock Connects or CIBM or access products on the Sub-Fund’s investments in the PRC (which may have retrospective effect).

Based on professional and independent tax advice, the Management Company and/or the relevant Investment Manager (as the case may be), in respect of the relevant Sub-Funds intends:

- to provide for WIT at 10% on dividend from China A-Shares and interest received from debt instruments issued by PRC enterprises if such WIT is not withheld at source; and
- not to make provisions for any PRC WIT in respect of gross realised and unrealised capital gains derived from the trading of China A-Shares via Stock Connect and non-equity investments such as PRC debt instruments (e.g. via CIBM).

If no or inadequate provision for potential withholding tax is made and in the event that the Mainland China tax authorities enforce the imposition of such withholding tax, the Net Asset Value of the relevant Sub-Funds may be adversely affected. For any withholding tax made in respect of trading of Mainland China securities, it may reduce the income from, and/or adversely affect the performance of, the relevant Sub-Fund. If any amount is withheld, it will be retained by the Investment Manager for the account of the relevant Sub-Fund until the position with regard to Mainland China taxation has been clarified. In the event that such position is clarified to the advantage of the relevant Sub-Fund, the Company may rebate all or part of the withheld amount (if any) to the Sub-Fund. The withheld amount (if any) so rebated shall be retained by the Sub-Fund and reflected in the value of its Shares. Notwithstanding the foregoing, no Shareholder who redeemed his/her Shares before the rebate of any withheld amounts shall be entitled to claim any part of such rebate.

It should also be noted that the actual applicable tax imposed by the Mainland China tax authorities may be different and may change from time to time. There is a possibility of the rules being changed and taxes being applied retrospectively. Any increased tax liabilities on a Sub-Fund may adversely affect the Sub-Fund’s value. As such, any provision for taxation made by the Investment Manager for the account of the relevant Sub-Fund may be excessive or inadequate to meet final Mainland China tax liabilities. Consequently, Shareholders of the relevant Sub-Fund may be advantaged or disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Shares in/from the relevant Sub-Fund.

If the actual applicable tax levied by the Mainland China tax authorities is higher than that provided for by the Investment Manager so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of the Sub-Fund may suffer more than the tax provision amount as that Sub-Fund will ultimately have to bear the additional tax liabilities. In this case, the then existing and new Shareholders will be disadvantaged. On the other hand, if the actual applicable tax rate levied by the Mainland China tax authorities is lower than that provided for by the Investment Manager so that there is an excess in the tax provision amount, Shareholders who have redeemed Shares in the relevant Sub-Fund before the Mainland China tax authorities’ ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Investment Manager’s over-provision. In this case, the then existing and new Shareholders may benefit if the difference between the tax provision and the actual taxation liability under that lower tax amount can be

returned to the account of the Sub-Fund as assets thereof.

Investors should seek their own tax advice on their own tax position with regard to their investment in the relevant Sub-Fund.

It is possible that the current tax laws, regulations and practice in the Mainland China will change, including the possibility of taxes being applied retrospectively, and that such changes may result in higher taxation on Mainland China investments than is currently contemplated.

#### Risks of Using Stock Connect

If a Sub-Fund invests via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, such investments are subject to risks of using stock connect.

#### Overview

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the relevant Sub-Funds), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible securities listed on the SSE by routing orders to the SSE. Under the Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect, investors in the PRC will be able to trade certain securities listed on the SEHK.

Under the Shanghai-Hong Kong Stock Connect, the relevant Sub-Funds, through their Hong Kong brokers may trade certain eligible securities listed on the SSE ("SSE Securities"). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB;
- SSE-listed shares which are included in the "risk alert board"; and
- SSE-listed shares which are subject to delisting process or the listing of which has been suspended by SSE.

It is expected that the list of eligible securities will be subject to review.

The trading is subject to rules and regulations issued from time to time. Trading under the Shanghai-Hong Kong Stock Connect is subject to a daily quota ("Daily Quota"). Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect will be subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shanghai-Hong Kong Stock Connect each day.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the relevant Sub-Funds), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible securities listed on the SZSE by routing orders to SZSE. Under the Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect investors in the PRC will be able to trade certain securities listed on the SEHK.

Under the Shenzhen-Hong Kong Stock Connect, the relevant Sub-Funds, through their Hong Kong brokers may trade certain eligible securities listed on the SZSE ("SZSE Securities"). These include any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of not less than RMB6 billion and all SZSE-listed China A-Shares which have corresponding H Shares listed on the SEHK except for the following:

- SZSE-listed shares which are not traded in RMB;
- SZSE-listed shares which are included in the “risk alert board”; and
- SZSE-listed shares which are subject to delisting process or the listing of which has been suspended by SZSE.

At the initial stage of the Northbound Shenzhen Trading Link, investors eligible to trade shares that are listed on the ChiNext Board of SZSE under the Northbound Shenzhen Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations.

It is expected that the list of eligible securities will be subject to review.

The trading is subject to rules and regulations issued from time to time. Trading under the Shenzhen-Hong Kong Stock Connect will be subject to a Daily Quota. Northbound Shenzhen Trading Link and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect will be subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shenzhen-Hong Kong Stock Connect each day.

In addition, Hong Kong and overseas investors are able to trade eligible SSE-listed and SZSE-listed exchange-traded funds (“Eligible ETFs”) that satisfy the relevant criteria at a regular review and are accepted as Eligible ETFs for Northbound trading in Stock Connect. Regular reviews will be performed to determine the Eligible ETFs for Northbound trading every six months.

HKSCC, a wholly-owned subsidiary of the Hong Kong Exchanges and Clearing Limited, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and/or investors. The SSE Securities, SZSE Securities and Eligible ETFs traded through Stock Connect are issued in scripless form, and investors will not hold any physical securities.

Although HKSCC does not claim proprietary interests in the SSE Securities, SZSE Securities and Eligible ETFs held in its omnibus stock accounts in ChinaClear, ChinaClear as the share registrar for SSE Securities, SZSE Securities and Eligible ETFs will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such securities.

SSE/SZSE listed companies and Eligible ETFs usually announce information regarding their annual general meetings/extraordinary general meetings about two to three weeks before the meeting date. A poll is called on all resolutions for all votes. HKSCC will inform the Hong Kong Central Clearing and Settlement System (“CCASS”) participants of all general meeting details such as meeting date, time, venue and the number of proposed resolutions.

Under the Stock Connect, Hong Kong and overseas investors will be subject to the fees and levies imposed by SSE, SZSE, ChinaClear, HKSCC or the relevant Mainland Chinese authority when they trade and settle eligible securities. Further information about the trading fees and levies is available online at the website: [http://www.hkex.com.hk/eng/market/sec\\_tradinfra/chinaconnect/chinaconnect.htm](http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm)

In accordance with the UCITS requirements, the Depository shall provide for the safekeeping of the relevant Sub-Fund’s assets in the PRC through its global custody network. Such safekeeping is in accordance with the conditions set down by the CSSF which provides that there must be legal separation of non-cash assets held under custody and that the Depository through its delegates must maintain appropriate internal control systems to ensure that records clearly identify the nature and amount of assets under custody, the ownership of each asset and where documents of title to each asset are located.

A Sub-Fund may invest in SSE Securities, SZSE Securities and Eligible ETFs via the Stock Connect. In addition to the general investment and equity related risks including Emerging Markets risks and RMB risk, the following risks should be emphasised:



### Quota Limitations

The Stock Connect is subject to quota limitations. In particular, the Stock Connect is subject to a daily quota which does not belong to the relevant Sub-Fund and can only be utilised on a first-come-first-serve basis. Once the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the relevant Sub-Fund's ability to invest in the eligible securities through the Stock Connect on a timely basis, and the relevant Sub-Fund may not be able to effectively pursue its investment strategy.

### Participation in Corporate Actions and Shareholders' Meetings

The HKSCC will keep CCASS participants informed of corporate actions of securities traded through the Stock Connect. Where the articles of association of a listed company do not prohibit the appointment of proxy/multiple proxies by its shareholder, HKSCC will make arrangements to appoint one or more investors as its proxies or representatives to attend shareholders' meetings when instructed. Further, investors (with holdings reaching the thresholds required under the PRC regulations and the articles of associations of listed companies) may, through their CCASS participants, pass on proposed resolutions to listed companies via HKSCC under the CCASS rules. HKSCC will pass on such resolutions to the companies as shareholder on record if so permitted under the relevant regulations and requirements. Hong Kong and overseas investors (including the Sub-Fund) are holding securities traded via the Stock Connect through their brokers or custodians, and they will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of securities may be very short. Therefore, it is possible that the Sub-Fund may not be able to participate in some corporate actions in a timely manner.

### Clearing and Settlement Risk

HKSCC and ChinaClear have established the clearing links and each has become a participant of the other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default, HKSCC's liabilities in SSE Securities, SZSE Securities and Eligible ETFs under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding securities and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the relevant Sub-Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear.

### Suspension Risk

Each of the SEHK, SSE and SZSE reserves the right to suspend trading if necessary, for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension is effected, the relevant Sub-Fund's ability to access the PRC market will be adversely affected.

### Differences in Trading Day

The Stock Connect only operates on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the relevant Sub-Funds cannot carry out

any trading via the Stock Connect. The relevant Sub-Funds may be subject to a risk of price fluctuations in the relevant securities during the time when any of the Stock Connect is not trading as a result.

#### Restrictions on Selling Imposed by Front-end Monitoring

PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise the SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on SSE Securities, SZSE Securities and/or Eligible ETFs (as the case may be) sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If a relevant Sub-Fund intends to sell certain SSE Securities, SZSE Securities and/or Eligible ETFs (as the case may be) it holds, it must transfer those securities to the respective accounts of its broker(s) before the market opens on the day of selling (“trading day”). If it fails to meet this deadline, it will not be able to sell those securities on the trading day. Because of this requirement, the relevant Sub-Fund may not be able to dispose of its holdings of SSE Securities, SZSE Securities and/or Eligible ETFs (as the case may be) in a timely manner.

#### Operational Risk

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The relevant Sub-Fund’s ability to access the Mainland China markets (and hence to pursue its investment strategy) may be adversely affected.

#### Regulatory Risk

The current regulations relating to Stock Connect are relatively new and subject to continuous evolution. In addition, the current regulations are subject to change which may have potential retrospective effects and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators/stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. The relevant Sub-Funds may be adversely affected as a result of such changes.

#### Recalling of Eligible Securities

When a security is recalled from the scope of eligible securities for trading via the Stock Connect, such security can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the relevant Sub-Funds, for example, if the Investment Manager wishes to purchase a security which is recalled from the scope of eligible securities.

#### Risks associated with the ChiNext market and/or the Science and Technology Innovation Board (“STAR Board”)

A Sub-Fund may invest in the ChiNext market of the SZSE and / or STAR Board of the SSE. Investments in the ChiNext market and/or STAR Board may result in significant losses for the relevant Sub-Fund and its investors.

The following additional risks apply:

– *Higher Fluctuation on Stock Prices and Liquidity Risk*

Listed companies on the ChiNext market and/or STAR Board are usually of emerging nature with smaller operating scale. Listed companies on ChiNext market and STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the main boards.

– *Valuation/Over-Valuation Risk*

Stocks listed on the ChiNext market and/or STAR Board may be difficult to value and/or overvalued. Exceptionally high valuation resulting from over-valuation may not be sustainable. Also, stock price may be more susceptible to manipulation due to fewer circulating shares.

– *Differences in Regulations*

The rules and regulations regarding companies listed on ChiNext market and STAR Board are less stringent in terms of profitability and share capital than those in the main boards.

– *Delisting Risk*

It may be more common and faster for companies listed on the ChiNext market and/or STAR Board to delist. This may have an adverse impact on the relevant Sub-Fund if the companies that it invests in are delisted.

– *Concentration Risk*

STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in STAR Board may be concentrated in a small number of stocks and subject the relevant Sub-Fund to higher concentration risk.

### Taxation Risk

Investments via the Stock Connect are subject to PRC's tax regime. The PRC State Administration of Taxation has reaffirmed the application of normal Chinese stamp duty and a 10% dividend withholding tax, while the value-added tax and income tax on capital gains are temporarily exempted for an unspecified period. The tax regime may change from time to time and the Sub-Funds are, thus, subject to such uncertainties in their PRC tax liabilities. For further details on PRC taxation, please refer to sub-section "PRC" under the section titled "Taxation" and the risk factor "Risks of PRC Tax".

### **Risks relating to investment in urban investment bonds**

If a Sub-Fund invests in urban investment bonds, such investments are subject to risks relating to investment in urban investment bonds. Urban investment bonds are issued by local government financing vehicles ("LGFVs") in the PRC listed bond and interbank bond markets, such bonds are typically not guaranteed by local governments or the central government of the PRC. LGFVs are separate legal entities established by local governments and/or their affiliates to raise financing for public welfare investment or infrastructure projects. In the event that the LGFVs default on payment of principal or interest of the urban investment bonds, the Sub-Fund could suffer substantial loss and the Net Asset Value of the Sub-Fund could be adversely affected.

### **RMB Debt Securities Risk**

#### "Dim Sum" Bond

Investors should be aware that the availability of RMB-denominated Debt Securities issued or distributed outside Mainland China (“**Dim Sum**” **Bond**) is currently limited and therefore is more susceptible to volatility and illiquidity. The operation of the “Dim Sum” Bond markets as well as new issuances could be disrupted, causing a fall in the NAV of the Sub-Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalization of the CNH market by the relevant regulators.

If there are insufficient “Dim Sum” Bonds for a Sub-Fund to invest in, the Sub-Fund may hold a significant portion of assets in RMB deposit accounts and/or RMB-denominated certificates of deposit issued by financial institutions. These circumstances may have an adverse impact on the performance of such Sub-Fund.

For “Dim Sum” Bonds (e.g. on the Central Moneymarkets Unit in Hong Kong), market depth may be limited, potentially resulting in reduced liquidity or even partial illiquidity of such securities. The Sub-Fund may suffer loss in trading such securities, in particular in circumstances where the Sub-Fund may have to liquidate such investments at a discount in order to meet redemption requests. The Sub-Fund may not be able to sell the securities at the time desired.

In addition, the bid and offer spread of the price of “Dim Sum” Bonds may be large. Therefore, the Sub-Fund may incur significant trading and realisation costs and may suffer significant losses when selling such investments.

Investments in “Dim Sum” Bonds are also subject to the general risks of investing in bonds, including, but not limited to interest rate risk, creditworthiness and downgrading risk, company-specific risk, general market risk, default risk and counterparty risk.

“Dim Sum Bonds” are typically unsecured debt obligations and are not supported by any collateral. Investments in such securities will expose the relevant Sub-Fund to the credit/insolvency risk of its counterparties as an unsecured creditor. “Dim Sum” Bonds may be unrated. In general, debt instruments that have a lower credit rating or that are unrated may be more susceptible to the credit risk of the issuer.

### Onshore bond

Investments in Debt Securities issued by companies or bodies established within Mainland China may be affected by PRC tax policies. Current tax laws and regulations may also be amended or revised at any point in time and without prior notice to investors. Such amendments and revisions may also take effect on a retrospective basis, with a potentially adverse impact on such investments.

Certain Sub-Funds invest in the onshore Debt Securities which may be traded on the SSE or the SZSE or on the CIBM. Investors should note that the securities markets in Mainland China generally and the onshore bond markets in particular are both at a developing stage and the market capitalisation and trading volume may be lower than those in more developed financial markets. Market volatility and potential lack of liquidity due to low trading volumes in Mainland China’s debt markets may result in prices of securities traded on such markets fluctuating significantly, and may result in substantial volatility in the Net Asset Value of the Sub-Fund. The bid and offer spreads of the prices of Debt Securities issued or distributed in Mainland China may be large, so significant trading and realization costs may be incurred. The national regulatory and legal framework for capital markets and debt instruments in Mainland China are still developing when compared with those of developed countries. Currently, Mainland China entities are undergoing reform with the intention of increasing liquidity of debt instruments. However, the effects of any development or reform on the Mainland China debt markets remain to be seen. The Mainland China bond markets are also subject to regulatory risks.

Debt Securities may only be bought from, or sold to, the Sub-Fund from time to time where the relevant Debt Securities may be sold or purchased on the SSE, the SZSE or the CIBM, as appropriate. Given that the bond markets are considered volatile and unstable (with the risk of suspension of a particular stock or government intervention), the subscription and redemption of Sub-Fund’s units may also be disrupted.

## **RMB Risk**

Investors should be aware that the RMB is subject to a managed floating exchange rate based on market supply and demand with reference to a basket of currencies.

Currently, RMB is traded in Mainland China and markets outside Mainland China. RMB traded in Mainland China, CNY, is not freely convertible and is subject to exchange control policies and restrictions imposed by the PRC authorities. On the other hand, the RMB traded outside Mainland China, CNH, is freely tradeable but still subject to controls, limits and availability. In general, the respective daily exchange rate of the RMB against other currencies is allowed to float within a range above or below the central parity rates published by the People's Bank of China ("PBOC") each day. Its exchange rate against other currencies, including e.g. USD or HKD, is therefore susceptible to movements based on external factors. There can be no assurance that such exchange rates will not fluctuate widely.

While CNY and CNH represent the same currency, they are traded on different and separate markets which operate independently. As such, the value of CNH could differ, perhaps significantly from that of CNY and the exchange rate of CNH and CNY may not move in the same direction due to a number of factors including, without limitation, the foreign exchange control policies and repatriation restrictions pursued by the PRC government from time-to-time, as well as other external market forces. Any divergence between CNH and CNY may adversely impact investors.

There is no assurance that RMB will not be subject to devaluation, in which case the value of investors' investments in RMB assets will be adversely affected.

Currently, the PRC government imposes certain restrictions on repatriation of RMB out of the PRC. Investors should note that such restrictions may limit the depth of the RMB market available outside of the PRC and thereby, may reduce the liquidity of the Sub-Fund. The Sub-Fund will be subject to risk of not having sufficient RMB for currency conversion prior to investment.

The PRC government's policies on exchange controls and repatriation restrictions are subject to change, and the Sub-Fund's and its investors' position may be adversely affected by such change.

Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' home currency will not depreciate. Any depreciation of RMB could adversely affect the value of investors' investment in the RMB denominated share classes and the value of investments in Chinese Renminbi assets.

## **Settlement Risk**

There is a risk for investments in unlisted securities that the settlement will not be executed as expected by a transfer system owing to a delayed payment or delivery or payment not being made in accordance with the agreement. This may lead to a fall in the NAV of a Sub-Fund.

## **Share Class Liability Risk**

Classes of a Sub-Fund are not separate legal entities. In relation to third parties, the assets allocated to a certain Class are not liable for just the debts and liabilities that can be allocated to that Class. If the assets of a Class are insufficient to cover the liabilities that can be allocated to such Class, those liabilities may have the effect of reducing the NAV of other Classes of the same Sub-Fund. Any reduction in NAV will have a negative impact on the relevant investor's investment.

## **Share Movements Risk**

The issue of Shares may lead to the investment of the cash inflow. Redemptions of Shares may lead to the disposal of investments to achieve liquidity. Such transactions can give rise to costs that could have a substantial negative effect on the performance of a Sub-Fund if Shares issued and redeemed on a single day do not approximately offset one another.

### **Small-capitalisation/Mid-capitalisation Companies Risk**

If a Sub-Fund invests in small-capitalisation/mid-capitalisation companies, such investments are subject to small-capitalisation/mid-capitalisation companies risk. The stock of small-capitalisation/mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalization companies in general.

### **Sovereign Debt Risk**

If a Sub-Fund invests in sovereign debt, such investments are subject to sovereign debt risk. Debt Securities issued or guaranteed by governments or their agencies ("**Sovereign Debt Securities**") may be exposed to political, social and economic risks. There is a risk that even governments or their agencies may default or not be able or willing to repay the principal and/or interest. In addition, there are no bankruptcy proceedings for Sovereign Debt Securities on which money to pay the obligations of Sovereign Debt Securities may be collected in whole or in part. Holders of Sovereign Debt Securities may therefore be requested to participate in the rescheduling of Sovereign Debt Securities and to extend further loans to the issuers of Sovereign Debt Securities. The Sub-Fund may suffer significant losses when there is a default of the Issuers of Sovereign Debt Securities. A Sub-Fund may invest all, or a significant part, of its assets, in Sovereign Debt Securities issued guaranteed by a single government or from agencies of the same government.

### **Sustainability Risk**

Sustainability risk refers to an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. There is systematic research evidence that sustainability risks may materialize as issuer specific extreme loss-risks. Such issuer specific sustainability risk events typically happen with low frequency and probability but may have high financial impact and may lead to significant financial loss. Sustainability Risks may have the potential to influence the investment performance of portfolios negatively. Allianz Global Investors considers sustainability risks to be potential drivers of financial risk factors in investments such as market price risk, credit risk, liquidity risk and operational risk.

### **Sustainable Strategy Investment Risk**

(This risk is applicable to Sub-Funds which follow the SRI (Proprietary Scoring) Strategy, SDG-Aligned Strategy, KPI Strategy (Absolute Threshold), ESG Score Strategy or Multi Asset Sustainability Strategy as described in Appendix 1, Part B of this HK Prospectus)

Sub-Funds which follow the above strategies may apply certain proprietary models, (internal/external) ESG research and ESG rating assessments, minimum exclusion criteria and/or analysis based on PAI Indicators which may adversely affect a Sub-Fund's investment performance since the execution of the relevant strategy may result in foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities when it might be disadvantageous to do so. Sub-Funds which apply the relevant strategy may use one or more different third party research data providers and/or internal analyses, and the way in which different Sub-Funds will apply certain criteria may vary. In assessing the ESG performance of a Sub-Fund's portfolio against that of the relevant Benchmark for the ESG Score Strategy and/or the eligibility of an issuer based on research, there is a dependence upon information and data from third party research data providers and internal analyses, which may be subjective, incomplete, inaccurate or unavailable. As a result, there is a risk to assess a security or issuer incorrectly or subjectively or there is a risk that the Sub-Fund could have exposure to issuers who do not meet the relevant criteria. With respect to ESG Score Strategy

which assesses the ESG performance of the relevant Sub-Funds' portfolios against that of their respective benchmarks, there is a risk that, in fact, the portfolios of the relevant Sub-Funds may not outperform their respective benchmarks in terms of ESG score, due to the aforementioned limitations on third party research data. It is noted that there is a lack of standardized taxonomy of Sustainable Investments.

In addition, the relevant Sub-Funds may focus on Sustainable Investments, and have a limited / reduced investment universe which results in limited risk diversification compared to broadly investing funds. Consequently, the relevant Sub-Funds may be particularly dependent on the development of these investments. The more specific the respective sector and/or theme a Sub-Fund intends to invest in is (e.g. SDGs) the more limited the Sub-Fund's investment universe and the more limited the risk diversification might be. A limited risk diversification can increase the impact of the development of individual securities acquired for the Sub-Fund. As such, the Sub-Fund is likely to be more volatile than a fund that has a more diversified investment strategy. It may be more susceptible to fluctuations in value resulting from the impact of adverse conditions on these investments.

In addition, Sub-Funds which apply a specific Sustainable Investment strategy may – subject to the requirements of the respective strategy – acquire Equities of companies which are also related to other sectors and/or themes in case of companies being active in various sectors and/or themes. This may include Equities of companies which are – at the time of acquisition – only related to a minor part to the respective SDGs and/or to the respective comparable societal goal if such companies – pursuant to the Management Company's or Investment Manager's discretionary assessment – will likely materially increase the importance of such segment of their business activities. This may have an adverse impact on the performance of the relevant Sub-Funds and consequently adversely affect an investor's investment in the relevant Sub-Funds.

Besides, the performance of Sub-Funds using the above strategies might be impacted and/or influenced by a sustainability risk. Sub-Funds using the above strategies may be particularly focusing on the ESG profile of the issuers of the underlying investments, rather than their financial performance. This may have an adverse impact on the performance of the relevant Sub-Funds and consequently adversely affect an investors' investment in the relevant Sub-Funds.

The securities held by the relevant Sub-Funds may be subject to style drift which no longer meet the respective Sub-Funds' investment criteria after investment. The Investment Manager might need to dispose of such securities when it might be disadvantageous to do so. This may lead to a reduction in the Net Asset Values of the relevant Sub-Funds.

### **Sustainable Investment Risk associated with KPI Strategy (Absolute) and KPI Strategy (Relative)**

(This risk is applicable to Sub-Funds which follow the KPI Strategy (Absolute) and KPI Strategy (Relative) as described in Appendix 1, Part B of this HK Prospectus)

Sub-Funds which follow the above strategies apply the Weighted Average GHG Intensity (in terms of sales) analysis (as described in Appendix 1, Part B of this HK Prospectus), external ESG research and minimum exclusion criteria which may adversely affect their investment performance since the execution of the relevant strategy may result in foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities when it might be disadvantageous to do so.

In assessing whether the relevant Sub-Funds have achieved the Sustainability KPI, there is a dependence upon information and data from third party research data providers and internal analyses, which may be subjective, incomplete, inaccurate or unavailable. As a result, there is a risk of incorrectly or subjectively assessing the underlying investments of the relevant Sub-Funds and as such, there is a risk that the relevant Sub-Funds may not achieve the Sustainability KPI.

The relevant Sub-Funds focus on the Sustainability KPI which is based on GHG Intensity (in terms of sales). This may reduce risk diversifications compared to broadly based funds. As such, the relevant Sub-Funds are likely to be more volatile than a fund that has a more diversified investment strategy. Also, the relevant Sub-

Funds may be particularly focusing on the GHG emission efficiency of the investee companies, rather than their financial performance. This may have an adverse impact on the performance of the relevant Sub-Funds and consequently adversely affect an investor's investment in the relevant Sub-Funds.

The securities held by the relevant Sub-Funds may be subject to style drift which no longer meet the relevant Sub-Funds' investment criteria after investment. The Investment Manager might need to dispose of such securities when it might be disadvantageous to do so. This may lead to a fall in the net asset values of the relevant Sub-Funds.

### **Target Funds Risk**

If a Sub-Fund uses other funds (i.e. **Target Funds**) as an investment vehicle for its assets by acquiring shares in such Target Funds, it assumes, in addition to the risks generally associated with investment policies of the Target Funds, the risks that result from the structure of the "fund" vehicle. As a result, it is itself subject to the capital risk, the settlement risk, the risk of restricted flexibility, the risk of changes to underlying conditions, the risk of changes to terms and conditions, the investment policy and other basic aspects of a fund, the key personnel risk, the risk of transaction costs at the fund level arising from share movements and, in general, performance risk. The Sub-Fund does not have control of the investments of the Target Funds and there is no assurance that the investment objective and strategy of the Target Funds will be successfully achieved which may have a negative impact to the NAV of the Sub-Fund. If the investment policy of a Target Fund makes use of investment strategies that are oriented toward rising markets, the corresponding positions should generally have a positive effect on Target Fund's assets when markets are rising and a negative effect when markets are falling. If the investment policy of a Target Fund makes use of investment strategies that are oriented toward falling markets, the corresponding positions should generally have a positive effect on Target Fund's assets when markets are falling and a negative effect when markets are rising.

The Target Funds' managers of different funds operate independently of one another. This may lead to several Target Funds assuming opportunities and risks in the same or related markets or assets, which concentrates the opportunities and risks of the Sub-Fund holding these Target Funds on the same or related markets or assets. It could also have the effect of cancelling out the economic opportunities and risks assumed by the different Target Funds.

If a Sub-Fund invests in Target Funds, costs are regularly incurred both at the level of the Sub-Fund making the investment and at the level of the Target Funds, in particular, all-in-fees, management fees (fixed and/or performance related), depositary fees and other costs. These may result in increased charges to the investors in the Sub-Fund making the investment.

The Target Funds in which the Sub-Fund may invest may not be regulated by the SFC. There is no guarantee that the underlying Target Funds will always have sufficient liquidity to meet the Sub-Fund's redemption requests as and when made.

### **Risks associated with the Use of Techniques and Instruments**

Subject to the specific investment restrictions of a Sub-Fund, techniques and instruments (as described in Appendix 1 Part A under "**Use of Techniques and Instruments**") may be either (i) used for efficient portfolio management (including hedging) and/or (ii) investment purposes. The use of techniques and instruments may involve entering into market-contrary transactions, which, for example, could lead to gains for the Sub-Fund if the prices of the underlying securities fall, or to losses for the Sub-Fund if the prices rise. They may also be restricted by market conditions or regulatory restrictions and there is no assurance that their implementation will achieve the desired result. In an adverse situation, if the use of techniques and instruments for efficient portfolio management becomes ineffective, the Sub-Funds may suffer significant losses.

Where techniques and instruments are used in this manner the overall risk profile of the Sub-Fund may be increased. Accordingly the Company will employ a risk-management process which enables the Management Company to monitor and measure at any time the risk of the positions and their contribution to the overall risk



profile of the Sub-Fund.

A Sub-Fund's investment in derivatives may expose a Sub-Fund to higher leverage, counterparty, liquidity, valuation, volatility, and market and over the counter transaction risks, all of which may adversely impact the Net Asset Value of the Sub-Fund. The leverage component of a financial derivative instrument can result in a loss significantly greater than the amount invested in the financial derivative instruments by the Sub-Fund. A Sub-Fund's use of financial derivative instruments in hedging and/or efficient portfolio management and/or investment may become ineffective and/or cause the Sub-Fund to suffer significant losses.

## **Derivatives**

The Company may use a wide variety of derivatives, which may also be combined with other assets. The Company may also acquire securities and Money Market Instruments which embed one or more derivatives. Derivatives are based on underlyings. These underlyings may be the admissible instruments listed in Appendix 1 Part B or they may be financial indices, interest rates, exchange rates or currencies. Financial indices here includes, specifically, currency, exchange-rate, interest-rate, price and overall interest-rate return indices, as well as the continued use of bond and equity indices, indices on the additional permissible instruments listed in Appendix 1 Part B, and commodity futures, precious metal and commodity indices.

Set out hereafter are examples of the function of selected derivatives that a Sub-Fund may use depending on its specific investment restrictions:

### Options

The purchase of a call or put option is the right to buy or sell a specific underlying at a fixed price at a future time or within a specific period of time or to enter into or terminate a specific contract. An option premium is paid for this right, which is payable whether or not the option is exercised.

The sale of a call or put option, for which the seller receives an option premium, is the obligation to sell or buy a specific underlying at a fixed price at a future time or within a specific period of time or to enter into or terminate a specific contract.

### Futures-Contracts

Futures-contracts are exchange-traded instruments and their dealing is subject to the rules of the exchanges on which they are dealt. The amounts of the underlying asset cannot be changed nor can the settlement date for the contract. Trades in futures are conducted via brokers who execute for the respective Sub-Fund's portfolio and/or clear the contracts for the Sub-Fund's portfolio on the exchange. Futures-contracts are subject to margin provisions. At the time of purchase or sale, initial margin is posted to the exchange via the clearing broker. As the price of the contract rises or falls with the price of the underlying, variation margin is posted or received by the Sub-Fund's portfolio via a clearing broker.

Futures-Contracts on equity indices (equity index futures) will be used for both, efficient portfolio management and hedging purposes. An equity index future is a futures-contract whose underlying instrument is an equity index. The market value of an index future tends to rise and fall in relation to the underlying index. The price of an index future will generally increase as the level of its underlying increases.

Interest rate and currency futures-contracts are used to increase or reduce interest rate or currency exposure to a particular market. Buying interest rate or currency futures provides the respective Sub-Funds with interest rate exposure to the government bond interest rates in a given country or currency area (e.g. Eurozone). Selling futures-contract reduces interest rate or currency exposure in the same way. Futures-contracts will sometimes be used by the respective Sub-Funds in combination with other securities. For example, by buying corporate bonds and selling a duration-weighted amount of other bond futures-contracts against those purchases, the respective Sub-Funds can take advantage of movements in credit spreads without having exposure to interest rate risk in that market.

Exchange traded bond, currency and interest rate futures may be used as a cost efficient alternative to taking outright positions in underlying securities or for hedging specific risk in relation to a Sub-Fund's portfolio holding.

### Forward Transactions

A forward transaction is a mutual agreement that authorises or obliges the counterparties to accept or to deliver a specific underlying at a fixed price and at a specific time, or to make a corresponding cash settlement available. As a rule, only a fraction of the size of any contract must be paid upfront ("**margin**").

### Contract for Difference

A contract for difference is a contract between the Company and a counterparty. Typically, one party is described as "buyer" and "seller", stipulating that the seller will pay to the buyer the difference between the current value of an asset and its value at contract time (If the difference is negative, then the buyer pays instead to the seller). Contract for differences may be used to take advantage of prices moving up (long positions) or prices moving down (short positions) on underlying financial instruments and are often used to speculate on those markets. For example, when applied to equities, such a contract is an equity derivative that allows the portfolio manager to speculate on share price movements, without the need for ownership of the underlying shares.

### Swaps

A swap is a transaction in which the reference values underlying the transaction are swapped between the counterparties. The Company may, in particular, enter into interest-rate, currency, equity, bond and money-market related swap transactions, as well as credit default swap transactions within the framework of the Sub-Fund's investment strategy. The payments due from the Company to the counterparty and vice versa are calculated by reference to the specific instrument and an agreed upon notional amount.

Credit default swaps are credit derivatives that transfer the economic risk of a credit default to another party. Credit default swaps may be used, among other things, to hedge creditworthiness risks arising from bonds acquired by a Sub-Fund (e.g. government or corporate bonds). As a rule, the counterparty may be obliged to buy the bond at an agreed price or pay a cash settlement upon the occurrence a previously defined event, such as the insolvency of the issuer, occurs. The buyer of the credit default swap pays a premium to the counterparty as consideration for assuming the credit default risk.

### OTC Derivative Transactions

The Company may enter into transactions both in derivatives that are admitted for trading on an exchange or on another Regulated Market, as well as so-called over-the-counter transactions ("**OTC transactions**"). In OTC transactions, the counterparties enter into direct, non-standardised agreements that are individually negotiated and that contain the rights and obligations of the counterparties. OTC derivatives often have only limited liquidity and may be subject to relatively high price fluctuations.

The use of derivatives to hedge an asset of a Sub-Fund is intended to reduce the economic risk inherent in that asset. This also has the effect, however, of eliminating the Sub-Fund's participation in any positive performance, of the hedged asset.

A Sub-Fund incurs additional risks when using derivative instruments to increase returns the pursuit of its the investment objective. These additional risks depend on the characteristics both of the respective derivative and of the "underlying". Derivative investments may be subject to leverage, with the result that even a small investment in derivatives could have a substantial, even negative, effect on the performance of a Sub-Fund.

Any investment in derivatives is associated with investment risks and transaction costs which a Sub-Fund

would not be exposed to were it not to pursue such strategies.

Specific risks are associated with investing in derivatives and there is no guarantee that a specific assumption by the Investment Manager will turn out to be accurate or that an investment strategy using derivatives will be successful. The use of derivatives may be associated with substantial losses which depending from the particular derivative used may even be theoretically unlimited. The risks are primarily those of general market risk, performance risk, liquidity risk, creditworthiness risk, settlement risk, risk of changes in underlying conditions and counterparty risk. The following can be emphasized in connection with this:

- The derivatives used may be misvalued or – due to different valuation methods – may have varying valuations;
- The correlation between the values of the derivatives used and the price fluctuations of the positions hedged on the one hand, and the correlation between different markets/positions hedged by derivatives using underlyings that do not precisely correspond to the positions being hedged may be imperfect, with the result that a complete hedging of risk is sometimes impossible;
- The possible absence of a liquid secondary market for any particular instrument at a certain point in time may result in it not being possible to close out a derivative position even though it would have been sound and desirable to do so from an investment perspective;
- OTC markets may be particularly illiquid and subject to high price fluctuations. When OTC derivatives are used, it may be that it is impossible to sell or close out these derivatives at an appropriate time and/or at an appropriate price;
- There is also the possible risk of not being able to buy or sell the underlyings that serve as reference values for the derivative instruments at a time that would be favourable to do so or being compelled to buy or sell the underlying securities at a disadvantageous time.

### Certificates

For derivative investments through certificates, the Certificate Investments Risk as described above will apply. Further information regarding the risk management and control policy, procedures and methods employed by the Company will be available from the Hong Kong Representative upon request.

### **Valuation Risk**

Valuation of a Sub-Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the NAV calculation of the Sub-Fund.

### **Risk of thematic-based investment strategy**

Investments in specific themes may not achieve the desired results under all circumstances and market conditions. The investments of the Sub-Funds may be adjusted among different themes from time to time depending on the market conditions of the respective themes and therefore the Sub-Funds may incur greater transaction costs than a Fund with static allocation strategy.

### **Risk relating to food security industry**

Where a Sub-Fund focuses its investments on food security industry, such investments may increase the concentration risk. Consequently, the Sub-Fund is particularly susceptible to adverse development and risks in this industry or related industries or companies of such industries. The Net Asset Value of the Sub-Fund may be more volatile than a diversified fund.

Companies engaging in the area of food security are particularly susceptible to national and international fiscal

and monetary policies, such as import and export tariffs on food items, subsidies to the agricultural sector and tax concessions. A change of such fiscal and monetary policies, due to political reasons or otherwise, may adversely impact the Net Asset Value of the Sub-Fund.

### **Sector and Theme Fund Risk**

Sector and theme funds have a limited investment universe which results in risk arising from limited diversification compared to broadly investing funds. The more specific the respective sector and/or theme is the more limited the investment universe and the greater the risk arising from limited diversification is. Risk arising from limited diversification can increase the impact of the development of individual securities acquired for the respective fund. In addition, sector and theme funds may acquire Equities of companies which are also related to other sectors and/or themes in case of companies being active in various sectors and/or themes. This may include Equities of companies which are – at the time of acquisition – only related to a minor part to the respective sector and/or theme if such companies – pursuant to the portfolio manager’s discretionary assessment – will likely materially increase the importance of such segment of their business activities. This may result in deviations of the performance of the respective fund compared to the performance of reference financial indices reflecting the respective sector and/or theme.

### **Risks relating to Industry with an Engagement in the Area of Enabling a Cleaner Environment**

Where a Sub-Fund focuses its investments on industry with an engagement in the area of enabling a cleaner environment, such investments may increase the concentration risk. Consequently, the Sub-Fund is particularly susceptible to adverse development and risks in this industry or related industries or companies of such industries. The Net Asset Value of the Sub-Fund may be more volatile than a diversified fund.

The relevant Sub-Fund may be more susceptible to different factors related to enabling a cleaner environment. Companies engaging in the business of enabling a cleaner environment may suffer from the decrease in subsidies and/or tax concessions which would lower the revenues and returns generated from such operations. Moreover, during budget process, projects related to enabling a cleaner environment may be given a lower priority and be delayed. Political forces may put priorities on projects in different sectors such as healthcare, infrastructure and education. The growth outlook of companies related to enabling a cleaner environment may be reduced. The relevant Sub-Fund’s Net Asset Value may be adversely affected.

### **Risks relating to Innovative Products and Services**

If a Sub-Fund invests in companies related to the development of innovative products and services, such investments are subject to risks relating to investment in innovative products and services. Companies in the areas of innovative products and services may be in their preliminary stage of development with smaller business scale and shorter operating history and are therefore characterised by relatively higher uncertainty and volatility in price performance when compared to other economic sectors or areas. Companies in such areas also face intense competition which may have an adverse effect on profit margins. The Net Asset Value of the Sub-Funds which invest in such companies may therefore be more volatile.

### **Risks relating to Cyber Security**

If a Sub-Fund invests in companies whose business will benefit from or is currently related to cyber security, such investments are subject to risks relating to cyber security. Companies in the sector of cyber security will be subject to the risks, which may include, but not be limited to, rapid obsolescence of technology and sensitivity to regulatory changes. Technological evolution may affect the profitability of companies in such sectors. Companies in such sectors may also face intense competition which may have an adverse effect on profit margins. Equities of the companies invested by the Sub-Fund may therefore be more volatile, which may affect the value of the Sub-Fund’s investments and this in turn may have an adverse impact on the value of the Sub-Fund.

### **Risks relating to Intelligent Cities and Connected Communities**

If a Sub-Fund invests in companies which are exposed or connected to the evolution of intelligent cities and connected communities, such investments are subject to risks relating to intelligent cities and connected communities. Companies in the sector of intelligent cities will also be subject to the risks, which may include, but not be limited to, rapid obsolescence of technology and sensitivity to regulatory changes. Technological evolution may affect the profitability of companies in such sectors. Companies in such sectors may also face intense competition which may have an adverse effect on profit margins. Equities of the companies invested by the Sub-Fund may therefore be more volatile, which may affect the value of the Sub-Fund's investments and this in turn may have an adverse impact on the value of the Sub-Fund.

### **Risks relating to Pet and Animal Wellbeing**

If a Sub-Fund invests in companies which are exposed or connected to the evolution and development of pet and animal wellbeing, such investments are subject to risks relating to pet and animal wellbeing. The demand and trends of evolution and development of pet and animal wellbeing may shift rapidly at any time, including through a surprise downturn of economy for a period of several years. Investing in the sector which will benefit from/or are currently related to pet and animal wellbeing may expose the Sub-Fund's investments to risks such as greater market price volatility and greater vulnerability to fluctuations in the economic cycle. This in turn may have an adverse impact on the value of the Sub-Fund.

### **Risks associated with the Healthcare and Healthy Lifestyle Sector**

A Sub-Fund may invest in companies with an engagement in the area of healthcare and healthy lifestyle which is likely to be affected by rapid technological advancements leading to obsolescence and greater influences from governmental policies and regulations than other sectors. Companies associated with the healthcare and healthy lifestyle sector may be heavily dependent on patent and intellectual property rights and/or licences, the loss or impairment of which may adversely affect profitability. Certain companies may allocate greater than usual financial resources to research and develop products and experience above-average price movements associated with the perceived prospect of success of its research and development programs. Research and development may not necessarily lead to commercially successful products. Such risks may have impact on the business and/or profitability of the companies in the healthcare and healthy lifestyle sector which the relevant Sub-Fund invests and therefore may adversely affect the Net Asset Value of the relevant Sub-Fund.

### **Risks associated with the Future Technology Development Sector**

A Sub-Fund may invest in companies with an engagement in the development of future technologies which may be impacted by a number of sector-specific factors and events, including but not limited to, rapid technological advancements, government policies and regulations, taxes, and supply changes. The future technology development sector may be subject to greater influences from governmental policies and regulations than other sectors. Companies that generate revenues from the future technology development sector are heavily dependent on patent and intellectual property rights and/or licences, the loss or impairment of which may adversely affect profitability. Companies in the future technology development sector may face dramatic and often unpredictable changes in growth rates and may be adversely affected by increased competition within the sector as well as the lack of commercial acceptance of a new product or process and obsolescence under rapid technological developments. In addition, such companies are subject to cyber security risks which may cause issues like system breakdown, suspension of offering of products or services, loss or misuse of corporate or personal data, etc., and result in undesirable legal, financial, operational and reputational consequences. Such risks may cause the value of such investment to fall.

### **Geographical Concentration Risk**

While the Sub-Fund assets may be invested across regions and countries, it may be concentrated in a single region or in a single country, but may be subject to geographical concentration risk in such region or country. During such circumstances, the value of the Sub-Fund may be more volatile than that of a fund having at the relevant times a more diverse portfolio of investments, and may be more susceptible to adverse economic,

political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the relevant countries or regions.

### **Risk related to Share Classes with Fixed Percentage Policy**

Investments in the share classes with Fixed Percentage Policy are not an alternative to a savings account or fixed interest paying investment. Shareholders should note that fixed distribution percentage is not guaranteed. The percentage of distributions paid by the share classes with Fixed Percentage Policy is unrelated to expected or past income or returns of these share classes or the relevant Sub-Fund. The distribution can thus be higher or lower than the income and return that were effectively realised.

Share classes with Fixed Percentage Policy will continue to distribute in periods that the relevant Sub-Fund has negative returns or is making losses, which further reduces the Net Asset Value of the relevant share class and thus the value of the investment may fall more rapidly. Investors may not be able to get back the original investment amount.

Investors should note that a positive distribution yield does not imply a high or positive return. Also, share classes with Fixed Percentage Policy do not distribute a fixed amount and the constant percentage of distribution results in higher absolute distributions when the Net Asset Value of the relevant share class is high, and lower absolute distributions when the Net Asset Value of the relevant share class is low.

### **Risks relating to Water Sector**

If a Sub-Fund invests in companies engaging in the area of water resource management, such investments are subject to risks relating to water sector. Companies invested in markets with regulated water tariffs may suffer from decreasing water tariffs, which would lower the revenues and the returns of listed water operators. Moreover, during budget process, water-related projects may be given a lower priority and be delayed. Political forces may put priorities on projects in different sectors such as healthcare, infrastructure and education. The growth outlook of water-related companies may be reduced. The Sub-Fund's Net Asset Value may be adversely affected.

### **Risks relating to Energy Industry**

If a Sub-Fund invests in companies engaging in the area of smart energy or transition of energy usage, such investments are subject to risks relating to energy industry. Companies in the energy industry are particularly susceptible to fiscal and monetary policies, such as subsidies to the energy sector (including research and development of sustainable or renewable energy infrastructures) and tax concessions. A change of such fiscal and monetary policies, due to political reasons or otherwise, may adversely impact the Net Asset Value of the Sub-Fund.

### **Benchmark risk**

Where a Sub-Fund makes reference to a benchmark in its investment objective, there is no assurance that the Sub-Fund can achieve its investment objective (e.g. to provide long-term returns in excess of the benchmark). The actual returns of the Sub-Fund may be lower than that of the benchmark of the Sub-Fund.

### **Legal risk**

Legal risks can bear the risk of loss because of the unexpected application of a law or regulation or because a contract cannot be enforced. A (reverse) repurchase, or securities lending contract may be invalid or unenforceable. Even if the collateral arrangement has been set up correctly, there is the risk that the relevant insolvency law may impose a stay that prevents the collateral taker from liquidating the collateral.

### **Operational risk**

The Company may be exposed to a risk of loss which can arise, for example, from inadequate internal processes and from human error or system failure at the Company, at the Management Company, at the Investment Manager, at the custodian or at external third parties. These risks can affect the performance of a Sub-Fund, and can thus also adversely affect the net asset value per share and the capital invested by the shareholder.

#### **Risk Associated with the Receipt of Collateral**

The Company may receive collateral for OTC derivatives, securities lending and (reverse) repurchase agreement transactions. Derivatives, as well as securities lent and sold, may increase in value. Therefore, collateral received may no longer be sufficient to fully cover the Company's claim for delivery or redemption of collateral against a counterparty. The Company may deposit cash collateral in blocked accounts or invest it in high quality government bonds or in money market funds with a short-term maturity structure. Though, the credit institution that safe keeps the deposits may default; the performance of government bonds and money market funds may be negative. Upon completion of the transaction, the collateral deposited or invested may no longer be available to the full extent, although the Company is obligated to redeem the collateral at the amount initially granted. Therefore, the Company may be obliged to increase the collateral to the amount granted and thus compensate the losses incurred by the deposit or investment of collateral.

#### **Risk Associated with Collateral Management**

Collateral management requires the use of systems and certain process definitions. Failure of processes as well as human or system errors at the level of the Company, the Management Company or third-parties in relation to collateral management could entail the risk that assets, serving as collateral, lose value and are no longer sufficient to fully cover the Company's claim for delivery or transfer back of collateral against a counterparty.

# **APPENDIX 1**

## **GENERAL INVESTMENT PRINCIPLES, SPECIFIC ASSET CLASS PRINCIPLES AND SUB-FUNDS' INDIVIDUAL INVESTMENT OBJECTIVES AND INDIVIDUAL INVESTMENT RESTRICTIONS**

### **Part A: General Investment Principles applicable to all Sub-Funds ("General Investment Principles")**

Investors can choose from a range of Sub-Funds and Share Classes.

When applying any general investment strategy as explained in Appendix 1, Part A, the Investment Manager considers as part of its due diligence process all relevant financial risks, including all relevant sustainability risks that could have a significant negative impact on the return on an investment, in its investment decision and evaluates them on an ongoing basis. The sustainability risks assessment does not cover cash and Deposits, derivatives and non-rated investments. Sustainability risks are clustered as

- Sustainability macro risks with global relevance for all sub-funds (for example global warming and climate change).
- Sustainability sector risks with relevance for all sub-funds exposed to specific sectors (for example stranded asset risks for Oil & Gas sector).
- Sustainability idiosyncratic risks on the level of individual corporate and sovereign issuers with relevance for all sub-funds exposed to these issuers (for example climate transition risk).
- Sustainability investment risks on portfolio level derived from portfolio exposure on Sustainability macro risk, Sustainability sector risks and in particular invested Sustainability issuers.

Sustainability risks are assessed using external sustainability research data and/or internal research and analysis. Both external and internal research aims at identifying potential financial risks of an investment in securities of an issuer related to sustainability. Issuers can be corporate issuers, sovereign issuers or sub-sovereign agency issuers. Details can be found in the Risk Management Policy Statement available at <https://www.allianzgi.com/en/our-firm/esg>. Please note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.

All Sub-Funds comply with the process described above.

In addition to applying a general investment strategy, a Sub-Fund's Investment Manager may also apply a specific Investment Strategy as explained in detail in Appendix 1, Part B.

Such specific Investment Strategy is generally applied in line with Article 8 and 9 of the Sustainability-related Disclosure Regulation and does have features that to some extent could limit certain risks, in particular reputational risks, e.g. exclusions of certain industries or of the worst rated issuers.

If a Sub-Fund's specific Investment Strategy is carried out in accordance with Art. 9 of the Sustainability-related Disclosure Regulation, all relevant information to be disclosed pursuant to Art. 5 of the Taxonomy Regulation in this regard may be found in Appendix 7. Sub-Funds are managed in accordance with Art. 9 (1), (2) or (3) of the Sustainability-related Disclosure Regulation if they have sustainable investment as its objective.

If a Sub-Fund's specific Investment Strategy is carried out in accordance with Art. 8 of the Sustainability-related Disclosure Regulation, all relevant information to be disclosed pursuant to Art. 6 of the Taxonomy Regulation in this regard may be found in Appendix 7. Sub-Funds are managed in accordance with Art. 8(1) of the Sustainability-related Disclosure Regulation if they promote, amongst other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.



Where a Sub-Fund's investment strategy is neither carried out in accordance with Art. 9 of the Sustainability-related Disclosure Regulation nor in accordance with Art. 8 of the Sustainability-related Disclosure Regulation, such Sub-Fund is not referred to in Appendix 7. All investments which are made by a Sub-Fund not referred to in Appendix 7 do not consider the EU criteria for environmentally sustainable economic activities.

Furthermore, the Management Company considers PAI Indicators on Sustainability Factors in a similar manner as described before during all investment decisions to be taken for a Sub-Fund. Further details are included in the Management Company's Principal Adverse Impact Statement available on the website [www.allianzglobalinvestors.com](http://www.allianzglobalinvestors.com). (Please note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC).

The assets of the Sub-Funds may, subject to a Sub-Fund's specific Asset Class Principles and its individual investment objective and individual investment restrictions as well as market conditions, be either focused on:

- individual asset classes;
- individual currencies;
- individual themes;
- individual sectors;
- individual countries;
- individual regions;
- assets with shorter or longer (residual) maturities; and/or
- assets of issuers/debtors of a specific nature (e.g. government or corporate),

or may be more broadly invested.

The Investment Manager may select securities based on fundamental and/or quantitative analysis. In this process, individual securities are analysed, assessed and selected in accordance with different investment processes and/or different investment strategies. In order to generate sustained alpha, a Sub-Fund's Investment Manager may incorporate the analysis of the ever-growing data universe into the concrete investment process/investment strategy thereby embracing new statistical techniques which may include, but are not limited to, (i) machine learning and/or (ii) natural language processing and/or (iii) artificial intelligence (AI) to analyse the data efficiently for better and deeper exploitation of unrevealed information. The Investment Manager intend to use the latest available technology and techniques to derive investment signals according to the aforesaid possibilities. The allocation of these investment signals is always fully owned by a Sub-Fund's Investment Manager, who is responsible for both, the final implementation as well as the accounting for the performance. In all cases – whether the Investment Manager makes use of the aforementioned new statistical techniques or not – a Sub-Fund's Investment Manager is always and solely responsible for the final decisions made in the context to analyse, to assess and to select individual securities.

A Sub-Fund's Investment Manager may invest in the corresponding securities of companies of all sizes, either directly or indirectly. Depending on the market situation, the Investment Manager may focus either on companies of a certain size or individually determined sizes, or have a broad investment focus. The Sub-Fund may also invest in very small cap stocks, some of which operate in niche markets.

The Investment Manager may, also invest either directly or indirectly in value stocks and growth stocks. Depending on the market situation, the Investment Manager may either concentrate on value stocks or growth stocks, or have a broad investment focus.

Where a theme and/or a sector is referred to in the investment objective (or in the investment restriction), a Sub-Fund will (or if specifically restricted in its investment objective or investment restrictions, will not) make investments which have exposure or connection to such theme and/or sector. Such investments include securities and Money Market Instruments of companies that either (i) are included in publicly available financial indices (if any) or in segments (if any) as defined by the Global Industry Classification Standard – (GICS ®) which refer to such theme and/or sector, (ii) currently generate (either directly or indirectly) a material part of their business activities (sales, profits or expenses) in such theme and/or sector, (iii) currently (either directly

or indirectly) engage in the respective theme and/or sector and will likely – pursuant to the portfolio manager’s discretionary assessment – materially increase the importance of such engagement on short- term or mid-term, or (iv) have substantial direct or indirect participation by way of ownership in the companies as described under (i) to (iii) above. In the aforesaid scenarios the Investment Manager will focus primarily in securities and/or Money Market Instruments of companies whose products or behaviour, in the Investment Manager’s opinion, are part of and/or are enablers of and/or make a positive impact on such theme and/or sector. The scenarios as described under the aforesaid item (iii), and consequently item (iv) in respect of the companies under item (iii), may also include securities of companies with exposure or connection to the respective theme and/or sector on an ancillary basis (i.e. securities of companies which have exposure or connection to themes and/or sectors as not referred to in the investment objective (or in the investment restriction) (“such other themes and/or sectors”) even if the exposure or connection to such other themes and/or sectors are more material than the exposure or connection to the theme and/or sector which is referred to in the investment objective (or in the investment restriction)).

The Investment Manager orients the composition of each Sub-Fund under management depending on its assessment of the market situation and taking into consideration the Sub-Fund’s specific Asset Class Principles, its individual investment objective and investment restrictions, which may result in the complete or partial reorientation of the composition of a Sub-Fund. For this reason, it is possible that such adjustments may be made even more frequently.

The assets of the Sub-Funds are invested according to the principle of risk diversification. The portfolio of each Sub-Fund will comprise eligible assets which have been selected following a thorough analysis of the information available to the Investment Manager and subject to a careful evaluation of the risks and opportunities. The performance of the Shares, however, remains dependent on price changes in the markets. Therefore, no guarantee can be given that the investment objectives of the Sub-Funds will be achieved, unless an explicit guarantee to this effect is mentioned for the respective Sub-Fund.

The Management Company may permit co-management of assets of one or more Sub-Funds with one or more other Sub-Funds and/or with other undertakings for collective investment managed by the Management Company. In such event, assets of the various Sub-Funds with the same Depositary will be managed jointly. The assets under co-management are referred to as a “pool”, whereby such pools are, however, exclusively used for internal management purposes. The pools are not separate entities and are not directly accessible to investors. To each of the co-managed Sub-Funds shall be allocated its relevant specific assets.

When combining assets from more than one Sub-Fund in a pool, the assets attributable to each participating Sub-Fund are initially determined by applying the original allocation of assets of that Sub-Fund to the said pool. The assets change if the Sub-Fund adds or removes assets from the pool.

The entitlement of each participating Sub-Fund to the co-managed assets applies with regard to each individual asset of such a pool.

Additional investments made on behalf of the co-managed Sub-Funds are allocated to such Sub-Fund according to its respective entitlement. Sold assets are charged similarly against the assets attributable to each participating Sub-Fund.

The Investment Manager may, in particular, invest either directly or indirectly in eligible assets by using techniques and instruments for efficient portfolio management (including hedging) and/or investment purposes, if it is ensured by the Investment Manager that the Sub-Fund adheres to its investment limits as set out in (i) the General Investment Principles, (ii) the specific Asset Class Principles and (iii) the individual investment restrictions. The use of such techniques and instruments should not result in a change of the investment objective of or substantially increase the risk profile of a Sub-Fund.

Please refer to the sub-section headed “**Use of Techniques and Instruments**” under this section and “**Risks associated with the Use of Techniques and Instruments**” under the section headed “**Risk Factors**” for the risks associated with the use of techniques and instruments.

If a Sub-Fund's specific Asset Class Principles and/or individual investment restrictions provides that the purpose of holding Deposits and/or investing in Money Market Instruments and/or money-market funds is to ensure the liquidity of the Sub-Fund (i.e. liquidity management), such instruments are not used for purposes of implementing the investment policy of the Sub-Fund. In this case, the purpose of using such instruments is, in particular, to fulfil the obligations of the Sub-Fund (e.g. to meet redemptions requests) and to provide collateral or margin in the framework of the use of techniques and instruments. Please refer to the sub-sections headed "**Liquidity Risk Management**" for details of how the Company manages liquidity risk and "**Collateral Management Policy**" for the liquidity criteria applicable to collateral/margin.

Where the provisions of this Appendix provide that an asset must have a rating by one or more Rating Agencies, such an asset may also have (i) an equivalent rating from another Rating Agency that is not mentioned in the Sub-Fund's specific Asset Class Principles and investment restrictions or (ii) if unrated, a rating of a comparable quality as determined by the Investment Manager's internal credit quality assessment. If an asset loses the minimum rating set out in the Sub-Fund's specific Asset Class Principles and individual investment restrictions, it must be sold within six months. Where a recognized Rating Agency has provided a rating of an ABS/MBS in question and/or a Debt Security (excluding ABS/MBS) in question, the Investment Manager of the Sub-Fund may use such rating and supplementary information and analysis within its internal credit quality assessment, while not solely or mechanically relying on the Rating Agency's provided rating.

In the case of a non-rated Debt Security, the Investment Manager may take a credit rating of the respective Debt Security's issuer into account. For the case that neither the concrete Debt Security nor the Debt Security's issuer is rated, the Investment Manager will assess the Debt Security's credit risk based on its internal credit quality assessment. The Investment Manager ensures that its internal credit quality assessment procedure includes, but is not limited to, the following general principles: (i) an effective process to obtain and update relevant information on the issuer and the respective instrument's characteristics (including, but not limited to quantitative and qualitative fundamentals which may include issuer's leverage, operating margin, return on capital, interest coverage, operating cash flows, industry outlook, firm's competitive position, and corporate governance issue); (ii) adequate measures to ensure that the internal credit quality assessment is based on a thorough analysis of the information that is available and pertinent, and includes all relevant driving factors that influence the creditworthiness of the issuer and the credit quality of the instrument in question.

The Investment Manager may invest in securities from developed countries. Nevertheless, securities from Emerging Markets may also be acquired to a substantial extent or even fully. The weighting between investments in developed countries and Emerging Markets may fluctuate depending on the evaluation of the market situation and will be mentioned in the Sub-Fund's specific Asset Class Principles and its individual investment objective. In addition, a Sub-Fund's exposure in Emerging Markets is explicitly mentioned in its investment restrictions (if any).

The Investment Manager may invest in securities which are rated Investment Grade. Nevertheless, the Investment Manager may also acquire either High-Yield Investments Type 1 and/or High-Yield Investments Type 2 to a substantial extent or even fully. The weighting between investments in Investment Grade rated and/or High-Yield Investments Type 1 and/or High-Yield Investments Type 2 may fluctuate depending on the evaluation of the market situation and will be mentioned in the Sub-Fund's specific Asset Class Principles and/or its individual investment restrictions.

Where it is stated in a Sub-Fund's specific investment restrictions that the Investment Manager may invest in the China A-Shares market, the Investment Manager may invest in China A-Shares either directly through Stock Connect or via other foreign access regimes (e.g., FII Program), and/or via other means as may be permitted by the relevant regulations from time to time, or indirectly through eligible instruments as specified in Appendix 1 Part B and/or in China B-Shares either directly or indirectly through eligible instruments as specified in Appendix 1 Part B.

Where it is stated in a Sub-Fund's specific investment restrictions that the Investment Manager may invest in the PRC bond markets, as specified in Appendix 1 Part B, the Investment Manager may invest in Debt

Securities which are traded and/or admitted on the CIBM either directly or indirectly through the CIBM Initiative or via Bond Connect or via FII Program, and/or via other means as may be permitted by the relevant regulations from time to time.

Investors assume the risk of receiving a lesser amount than they originally invested. In so far as there are no other relevant provisions contained in the Sub-Fund's specific Asset Class Principles and/or its individual investment restrictions, the following shall apply to all Sub-Funds:

**1. Each Sub-Fund may invest in the following assets:**

- a) Securities and Money Market Instruments that,
- are traded on a stock exchange or another Regulated Market of an EU Member State or of a third country, which operates regularly and is recognised and open to the public, or
  - are offered within the scope of initial public offerings, the issuing terms of which include the obligation to apply for admission to official listing on a stock exchange or in another Regulated Market (as detailed above), and the admission of which is obtained no later than one year after the issue.

Money Market Instruments are investments that are normally traded on the money market that are liquid and whose value can be determined precisely at any time.

Securities referring to indices may only be acquired if the respective index is compliant with Article 44 of the Law and Article 9 of the Grand-Ducal Regulation of 2008.

- b) Units of UCITS or other UCIs established in an EU Member State or in a third country, if:
- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
  - the level of protection for the unitholders of the UCIs is equivalent to the level of protection for the unitholders of a UCITS, and in particular the provisions for separate safekeeping of fund assets, borrowing, lending, and short sales of securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;
  - the business operations of the UCIs are the subject of annual and semi-annual reports that make it possible to form a judgement concerning the assets and liabilities, the income and transactions in the reporting period;
  - no more than 10% of the assets of the UCITS or of the other UCIs whose acquisition is contemplated, can, according to their management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCI.

A Sub-Fund may also invest in Shares issued by another Sub-Fund (the "**Target Sub-Fund**") provided that:

- the Target Sub-Fund does not invest in the Sub-Fund invested in the Target Sub-Fund; and
- no more than 10% of the assets of the Target Sub-Fund may, pursuant to its investment policy, be invested in aggregate in Shares of other Sub-Funds; and
- voting rights, if any, attaching to the relevant Shares are suspended for as long as they are held by the Sub-Fund invested in the Target Sub-Fund and without prejudice to the appropriate processing in the accounts and the periodic reports;
- in any event, for as long as these shares are held by the Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the Law; and
- there is no duplication of Subscription Fees or Redemption Fees between those at the level

of the Sub-Fund invested in the Target Sub-Fund and those at the level of the Target Sub-Fund.

- c) Deposits with a credit institution which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in an EU Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law. Time deposits are generally held in interest-bearing bank accounts that have a pre-set date of maturity. Deposits at sight are limited to cash held in current accounts with a bank accessible at any time to cover current or exceptional payments. The Deposits may in principle be denominated in all currencies permitted by the investment policy of the Sub-Fund.
- d) Financial derivative instruments ("**derivatives**"), e.g. in particular futures-contracts, forward contracts, options and swaps including equivalent instruments settled in cash, which are traded on Regulated Markets described in letter a) above, and/or derivative financial instruments that are not traded on Regulated Markets ("**OTC derivatives**"), if the underlying securities are instruments as defined under letter a) and b) and in which a Sub-Fund may invest in accordance with its investment objective, or financial indices, interest rates, exchange rates or currencies. Financial indices for this purpose include, specifically, currency, exchange-rate, interest-rate, price and overall interest-rate return indices, as well as, in particular, bond, equity, commodity futures, precious metal and commodity indices and indices on additional permissible instruments listed under this number. For the avoidance of doubt, no derivative transaction will be entered into which provides for a physical delivery of any component of an underlying commodity futures, precious metal and commodity indices.

In addition, the following conditions must also be fulfilled for OTC derivatives:

- The counterparties must be top-rated financial institutions, specialised in such transactions and which has been rated by a recognized rating agency (e.g. Moody's, S&P or Fitch) with at least Baa3 (Moody's), BBB- (S&P or Fitch), and be institutions subject to prudential supervision, and belonging to the categories approved by the CSSF. There are no further restrictions with regard to legal status or country of origin of the counterparty.
  - The OTC derivatives must be subject to a reliable and verifiable valuation on a daily basis and may be sold, liquidated or closed out by an offsetting transaction at any time at a reasonable price.
  - The transactions must be effected on the basis of standardised contracts.
  - The transactions shall be subject to the Company's collateral management policy as described in section headed "**Collateral Management Policy**" below.
  - The Company must deem the purchase or sale of such instruments, instead of instruments traded on a stock exchange or in a Regulated Market, to be advantageous to Shareholders. The use of OTC derivatives is particularly advantageous if it facilitates a hedging of assets at matching maturities, thus being less expensive.
- e) Money Market Instruments that are not traded on a Regulated Market and do not fall under the definition under paragraph 1.a) above, provided that the issue or issuer of these instruments is itself subject to regulations concerning deposit and investor protection. The requirements for deposit and investor protection are fulfilled for Money Market Instruments if these instruments are rated investment grade by at least one recognised rating agency or the Company considers that the credit rating of the issuer corresponds to a rating of investment grade. These Money Market Instruments must also be
- issued or guaranteed by a central governmental, regional, or local body or the central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a third country or if a federal state, a state of this federal state, or by an international organisation under public law, to which at least one EU Member State belongs; or

- issued by a company whose securities are traded on the Regulated Markets described under paragraph 1.a) above; or
- issued or guaranteed by an institution that is subject to official supervision in accordance with criteria set down in European Community law, or an institution that is subject to regulatory provisions, which in the opinion of the CSSF, are equivalent to European Community law; or
- issued by other issuers who belong to a category that was admitted by the CSSF, provided that regulations for investor protection apply to investors in these instruments, which are equivalent to those of the first, second or third bullet points and provided the issuer is either a company having a share capital of at least EUR 10 million, which prepares and publishes its annual financial statements according to the requirements of the Fourth Directive 78/660/EEC, or is a legal entity, which within a group of one or several listed companies, is responsible for the financing of this group, or is a legal entity, which is intended to finance the securitisation of debt by utilising a credit line granted by a financial institution.

**2. Each Sub-Fund may also conduct the following transactions:**

- invest of up to 10% of the assets of a Sub-Fund in securities and Money Market Instruments other than those listed under paragraph 1. above – subject to the provisions of the relevant Sub-Fund-specific investment restrictions;
- raise short-term loans of up to 10% of the Sub-Fund's net assets, provided the Depositary agrees to the borrowing and the terms of the relevant loan; the Sub-Fund-specific investment restrictions or in the applicable specific Asset Class Principles will give an only declarative indication. Not included in this 10% limit, but permissible without the approval of the Depositary, are foreign currency loans in the form of back-to-back loans.

**3. In investing the assets of the Company, each Sub-Fund must observe the following restrictions:**

- a) On behalf of a Sub-Fund, the Company may purchase securities or Money Market Instruments of an issuer, provided that the aggregate value of such securities and the value of securities issued by the same issuer which are already contained in a Sub-Fund does not exceed 10% of the Sub-Fund's net assets at the time of purchase. A Sub-Fund may invest a maximum of 20% of its net assets in Deposits at one institution. The default risk of the counterparties in OTC derivatives may not exceed 10% of a Sub-Fund's net assets if the counterparty is a credit institution within the meaning of paragraph 1.c) above; for other cases, the maximum limit is 5% of a Sub-Fund's net assets. The aggregate value in a Sub-Fund's net assets of securities and Money Market Instruments of issuers where a Sub-Fund has invested more than 5% of its net assets in securities and Money Market Instruments of the same issuer may not exceed 40% of a Sub-Fund's net assets. This restriction does not apply to Deposits and to transactions with OTC derivatives that are effected with financial institutions that are subject to official supervision.

A Sub-Fund may invest in ancillary liquid assets which are limited to deposits at sight, such as cash held in current accounts with a bank accessible at any time to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets according to Appendix 1, Part A, paragraph 1 above or for a period strictly necessary in case of unfavorable market conditions. The holding of such ancillary liquid assets is limited to 20% of a Sub-Fund's net assets. Such 20% limit shall only be temporarily breached for a period strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require and where such breach is justified by the interests of a Sub-Fund's Shareholders.

Irrespective of the individual investment limits cited above, a Sub-Fund may not invest more than 20% of its net assets in aggregate in:

- the securities or Money Market Instruments issued by a single body,
- Deposits with that body and/or

- exposures arising under OTC derivatives entered into with that body.
- b) If the purchased securities or Money Market Instruments are issued or guaranteed by an EU Member State or its central, regional or local authorities, a third country, or by international organisations under public law to which one or more EU Member States belong, the restriction under the first sentence of paragraph 3a above is increased from 10% to 35% of the Sub-Fund's net assets.
- c) In the case of bonds issued by credit institutions domiciled in an EU Member State, where the respective issuers are subject to a special official supervision due to statutory provisions protecting bondholders, the restrictions under the first and fourth sentences under paragraph 3.a) above are increased from 10% to 25% and 40% to 80%, respectively, provided that these credit institutions invest the issuing proceeds, pursuant to the respective statutory provisions, in assets which sufficiently cover the liabilities from bonds for their whole term to maturity, and which, as a matter of priority, are intended for capital and interest repayments becoming due on the issuer's default.
- d) The securities and Money Market Instruments cited under paragraphs 3.b) and 3.c) above will not be considered when applying the 40% investment limit provided under the fourth sentence under paragraph 3.a) above. The restrictions under paragraphs 3.a) to 3.c) above do not apply on a cumulative basis. Therefore, investments in securities or Money Market Instruments of the same issuer or in Deposits with this issuer or in derivatives of the same may not exceed 35% of the Sub-Fund's net assets. Companies that, with respect to the preparation of their consolidated financial statements in accordance with Directive 83/349/EEC or according to accepted international accounting standards, belong to the same group of companies, are regarded as one issuer when calculating the investment limits listed under paragraphs 3.a) to 3.d) above. A Sub-Fund may invest up to 20% of its net assets in securities and Money Market Instruments of one group of companies.
- e) Investments in derivatives are included in the limits of the numbers listed above.
- f) In derogation of the limits listed under paragraphs 3.a) to 3.d) above, each Sub-Fund may invest in accordance with the principle of risk diversification, up to 100% of a Sub-Fund's assets may be invested in securities and Money Market Instruments of different issues being offered or guaranteed by the EU, the European Central Bank, an EU Member State or its local authorities, by a member state of the OECD, by international organisations under public law to which one or more member states of the EU belong, or by any other non-EU Member State which is officially accepted by the CSSF from time to time (as at the date of this HK Prospectus, the following non-EU Member States are accepted by the CSSF: The special administrative region of Hong Kong, the PRC, the Federal Republic of Brazil, the Republic of India, the Republic of Indonesia, the Russian Federation, the Republic of South Africa, the Republic of Singapore), provided that such securities and Money Market Instruments have been offered within the framework of at least six different issues, with the securities and Money Market Instruments of one and the same issue not to exceed 30% of the Sub-Fund's net assets.
- g) A Sub-Fund may purchase units of other UCITS or UCIs as defined under paragraph 1.b) above up to a total of 10% of its net Sub-Fund assets. In derogation of this, the Board may decide that a higher percentage or all of a Sub-Fund's net assets may be invested in units of other UCITS or UCIs as defined under paragraph 1.b) above, which will be explicitly mentioned in the Sub-Fund-specific investment restrictions or in the applicable Asset Class Principles. In this case a Sub-Fund may not invest more than 20% of its net Sub-Fund assets in a single UCITS or UCI. When this investment limit is applied, each sub-fund of an umbrella fund as defined under Article 181 of the Law must be considered to be an independent investment fund if the principle of separate liability with regards to third parties is applied to each sub-fund. Similarly, in this case investments in units of other UCIs than UCITS may not exceed a total of 30% of a Sub-Fund's net assets.

Moreover, a Sub-Fund may decide to allow the investment in units of a master fund qualifying as a UCITS provided that the relevant Sub-Fund (the “**Feeder Sub-Fund**”) invests at least 85% of its Net Asset Value in units of such master fund and that such master fund shall neither itself be a feeder fund nor hold units of a feeder fund, which will be explicitly mentioned in the Sub-Fund-specific investment restrictions or in the applicable Asset Class Principles.

A Feeder Sub-Fund may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with Article 41 paragraph 2 second sub-paragraph of the Law;
- Derivatives, which may be used only for hedging purposes, in accordance with Article 41 paragraph 1, letter g) and Article 42 paragraphs 2 and 3 of the Law;
- movable and immovable property which is essential for the direct pursuit of the Company’s business.

If a Sub-Fund has acquired units of a UCITS or a UCI, the investment values of the relevant UCITS or UCIs are not considered with regard to the investment limits stated under paragraphs 3.a) to 3.d) above.

If a Sub-Fund acquires shares of a UCITS or UCI which is directly or indirectly managed by the same company or by another company with which the Company is linked by common management or control, or by a substantial direct or indirect participation according to the Law (including instances where a Sub-Fund makes investments in another Sub-Fund of the Company) then fees for the subscription or redemption of such shares of UCITS or UCI shall not be charged to the Sub-Fund. The management fees of such UCITS or UCI may be charged to the Sub-Fund, though the Management Company, may at its discretion, taking into consideration of factors such as market practice and the competitiveness of the Sub-Fund’s fees, reduce its All-In-Fees at the level of the Sub-Fund by an amount equal to the management fees charged by such UCITS or UCI to the Sub-Fund.

If a Sub-Fund invests a substantial portion of its assets in other UCITS and/or other UCI as defined above, a management fee at the level of such UCITS or UCI (excluding any performance fee, if any) of no more than 2.50% per annum of their net asset value may be charged.

- h) Irrespective of the investment limits set down in paragraph 3.i) below, the Board may determine that the upper limits stated in paragraphs 3.a) to 3.d) above for investments in equities and/or debt instruments of a single issuer amount to 20% if the objective of the Sub-Fund’s investment strategy is to replicate a specific equity or bond index recognised by the CSSF, provided that
- the composition of the index is adequately diversified;
  - the index represents an adequate benchmark for the market to which it refers;
  - the index is published in an appropriate manner.

The limit of 20% is raised to 35% provided this is justified based on exceptional market conditions, and in particular in Regulated Markets where certain securities or Money Market Instruments are in a strongly dominant position. An investment up to this limit is only possible with a single issuer. The limit in accordance with paragraph 3.a) above does not apply.

- i) Each Sub-Fund may acquire securities as defined under 1 a) above referring to
- (i) Equities (including assets of companies operating in the private equity sector),
  - (ii) Debt Securities,
  - (iii) UCITS and UCI as defined under paragraph 1b) above,
  - (iv) indices, including bond, equity (including assets of companies operating in the private



- equity sector), hedge funds indices and indices on commodity futures, precious metals, or commodities as well as indices that refer to companies active in the area of private equity; securities referring to indices other than financial indices are only to be acquired if they are geared towards a 1:1 replication of the underlying index/indices,
- (v) single hedge funds and funds of hedge funds,
  - (vi) commodities,
  - (vii) precious metals (but only if this security is a certificate referring to precious metals),
  - (viii) commodity forward contracts,
  - (ix) real estate property funds, and/or
  - (x) baskets of the aforementioned underlying assets.

The aforementioned securities may be acquired regardless of whether the underlying asset can be replaced or modified under the respective terms and conditions of the security, as long as the replaced or modified underlying asset is one that is admissible for securities as defined in this letter.

Securities referring to an underlying asset as defined under this letter i) No. (v) to No. (ix) may only be acquired if they are geared towards a 1:1 replication of the respective underlying asset. This applies accordingly to securities as defined under letter i) No. (x), insofar as they have underlying assets as defined under letter i) No. (v) to No. (viii).

Securities with an underlying asset as defined under letter i) No. (vi) to No. (viii) may not provide for any mandatory physical delivery or grant the issuer the right to make physical delivery of the relevant underlying asset. This applies accordingly to securities as defined under letter i) No. (x), insofar as they have underlying assets as defined under letter i) No. (vi) to No. (viii).

- j) The Company may not acquire voting shares carrying a voting right for any of its investment funds to an extent to which it would be permitted to exercise a significant influence over the management of the issuer. A Sub-Fund may acquire a maximum of 10% of the non-voting shares, bonds and Money Market Instruments of any one and a maximum of 25% of the shares or units of a UCITS or a UCI. This limit does not apply to the acquisition of bonds, Money Market Instruments and Target Fund units if the total amount issued or the net amount of the shares issued cannot be calculated. It also does not apply inasmuch as these securities and Money Market Instruments are issued or guaranteed by an EU Member State or its central, regional or local authorities or by a third country, or are issued by international organisations under public law to which one or more EU Member States belong.

The restrictions stated under the first bullet point of 2 and 3 above refer to the time the assets are acquired. If the limits set are subsequently exceeded because of price movements or due to reasons beyond the control of the Company, the Company will adopt as its primary objective the remedying of such situation, taking due account of the interests of its Shareholders.

#### **4. Derogation from investment restrictions**

- a) The Company does not need to comply with the limits set forth under paragraphs 1, 2 and 3 above when exercising subscription rights attaching to transferable securities or Money Market Instruments which form part of its assets.

While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from paragraphs 1, 2 and 3 above for a period of no more than six months following the date of their launch.

- b) If the limits referred to in the preceding paragraph are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the

interests of the Shareholders.

- c) While ensuring observance of the principle of risk spreading, Sub-Funds may derogate from the applicable investment restrictions and limits set out in the Sub-Fund's specific Asset Class Principles and its investment restrictions during the first six months after the Sub-Fund's launch and during the last two months prior to the Sub-Fund's liquidation or merger.
- d) Derogation from investment restrictions described above will be exercised in the best interests of the Shareholders.

**5. The Company is not permitted to enter into the following transactions:**

- a) No Sub-Fund may assume liabilities in connection with the purchase of partly paid securities, the aggregate of which including loans as stipulated in 2 second indent exceeds 10% of the Sub-Fund's net assets.
- b) No Sub-Fund may grant loans, or act as guarantor on behalf of third parties.
- c) No Sub-Fund may acquire securities the disposal of which is subject to any kinds of restrictions due to contractual provisions.
- d) No Sub-Fund may invest in real estate, although real-estate-backed securities or Money Market Instruments or interests in such investments, or investments in securities or Money Market Instruments issued by companies which invest in real estate (such as REITs), and interests in such investments are permitted.
- e) No Sub-Fund may acquire precious metals or certificates on precious metals.
- f) No Sub-Fund may pledge or charge assets, transfer them as collateral, or assign them as collateral, unless this is required within the framework of a transaction permitted under the HK Prospectus. Such collateral agreements are applicable in particular to OTC trades in accordance with paragraph 1 d).
- g) No Sub-Fund may conduct short sales of securities, Money Market Instruments or Target Fund shares.
- h) Pursuant to the investment restrictions applicable under Hong Kong requirements, the total aggregate investments by the Company in any ordinary shares issued by any single issuer may not exceed 10%.

**6. Passive violation of limits**

Exceeding or falling below limitations contained in the investment policy is permitted if this occurs through changes in the value of assets held in the Sub-Fund, through the exercise of subscription or option rights and/or through change in the value of the Sub-Fund as a whole, in connection with the issue or redemption of share certificates and/or due to changes to the list of excluded issuers analysed by data providers based on the exclusion criteria applicable for a specific investment strategy (so-called "**passive violation of limits**"). In such cases, the Investment Manager will seek to re-adhere to those limits within an appropriate time frame.

**7. Use of Techniques and Instruments**

Subject to the specific investment objective and investment restrictions of a Sub-Fund, the General Investment Principles and the applicable Asset Class Principles may be achieved through the use of techniques and instruments as described below.

Techniques and instruments refer to the purchase of listed and non-listed (OTC) derivatives, including, without limitation, futures, options, forward transactions, financial instruments with embedded derivatives (structured products), credit default swaps, other swaps and instruments which provides returns based on other investments, securities, Money Market Instruments, funds, other derivatives, financial indices, basket of securities, currencies, exchanges rates, interest rates, commodities, and other eligible so called “underlyings” etc.

In the case of credit default swaps, the respective counterparties of such credit default swaps must be top-rated financial institutions specialising in such transactions. Both the underlying and the counterparties to the credit default swap must be taken into account with regard to the investment limits set out in No. 3 above. Credit default swaps are valued on a regular basis using clear and transparent methods, which will be monitored by the Company and the Independent Auditor. If the monitoring should reveal irregularities, the Company will arrange for these to be resolved and eliminated.

Subject to specific investment restrictions of a Sub-Fund, techniques and instruments may be either (i) used for efficient portfolio management (including hedging) and/or (ii) investment purposes.

The use of techniques and instruments may involve entering into market-contrary transactions, which, for example, could lead to gains for the Sub-Fund if prices of the underlying securities fall, or to losses for the Sub-Fund if the prices rise. They may also be restricted by market conditions or regulatory restrictions and there is no assurance that their implementation will achieve the desired result.

Where applicable, (1) certain techniques and instruments are accounted for based on their delta-weighted values, (2) market-contrary transactions are considered to reduce risk even where underlyings and the Sub-Fund assets are not matched.

The Investment Manager may, in particular, invest either directly or indirectly in eligible assets by using techniques and instruments for efficient portfolio management (including hedging) and/or investment purposes, if it is ensured by the Investment Manager that the Sub-Fund adheres to its investment limits as set out in (i) the General Investment Principles, (ii) the specific Asset Class Principles and (iii) the investment restrictions.

For this purpose, the techniques and instruments are taken into account with the delta-weighted value of the respective underlyings in the manner prescribed. Market-contrary techniques and instruments are considered to reduce risk even when their underlyings and the assets of the Sub-Funds are not precisely matched.

For the case that techniques and instruments are exclusively used for the purpose of the management and/or hedging of a Sub-Fund’s Duration, certain government bond forwards and government bond futures (using e.g. US Treasuries, gilts, Bundesanleihen as underlying) are excluded from the respective exposure calculation as follows:

- For the calculation of minimum exposure limits, long government bond forwards and long government bond futures shall be included into and short government bond forwards and short government bond futures shall be excluded from the respective exposure calculation.
- For the calculation of maximum exposure limits, long government bond forwards and long government bond futures shall be excluded from and short government bond forwards and short government bond futures shall be included into the respective exposure calculation.

In the case of efficient portfolio management, techniques and instruments are used where:

- (a) they are cost-effective;

- (b) they are entered into to reduce risk or cost or to generate additional capital or income with risk levels which is consistent with the risk profile of the Sub-Fund and applicable risk diversification rules;
- (c) their risks are adequately captured by the risk management process of the Company.

The use of techniques and instruments may not

- (a) result in a change of the Sub-Fund's investment objective;
- (b) add substantial risks to the risk profile of the Sub-Fund.

The Investment Managers follows a risk controlled approach in the use of techniques and instruments. In order to limit the exposure of the Company to the counterparty risk under securities lendings, repurchase or reverse repurchase transactions, the Company will receive cash or other assets in collateral, as further specified in the section headed "**Collateral Management Policy**" below.

Please refer to the sub-section headed "**Risks associated with the Use of Techniques and Instruments**" under the section headed "**Risk Factors**" for the risks associated with the use of techniques and instruments.

#### **8. Securities (Reverse) Repurchase Agreements, Securities Lending Transactions**

The Company may not enter into (reverse) securities repurchase agreements and securities lending transactions at present.

#### **9. Buy-Sell Back Transactions/Sell-Buy Back Transactions, Margin Lending Transactions**

A Sub-Fund may not enter into buy-sell back transactions or sell-buy back transactions. A Sub-Fund may not enter into margin lending transactions.

#### **10. Total Return Swaps (TRS) and financial instruments with similar characteristics**

A Sub-Fund may enter into Total Return Swaps ("**TRS**") in accordance with the requirements as set out in the Securities Financing Transactions Regulation. Total return swaps are derivatives that transfer the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another party. Total return swaps may be used, among other things, to exchange the performance of two different portfolios, e.g. the performance of certain assets of a Sub-Fund towards the performance of an index or an external portfolio which may be managed pursuant to a particular strategy as more detailed described in the Sub-Fund's investment restrictions. If Total Return Swaps are used, the counterparties have no influence on the composition or administration of the respective underlying. The selected counterparties comply with the requirements of Article 3 of the Securities Financing Transactions Regulation.

In addition, a Sub-Fund may enter into financial instruments with similar characteristics to a total return swap (so called "contract for differences" or "**CFD**"). CFDs are derivatives that allow traders to take advantage of prices moving up (long positions) or prices moving down (short positions) on all underlying financial instruments. A CFD is a tool of leverage with its own potential profits and losses. By using CFDs a Sub-Fund may enter the global markets without directly dealing with shares, indices, commodities or currency pairs.

#### **11. Securities Financing Transactions Regulation**

A Sub-Fund may enter into TRS/CFDs as set out in "**10. Total Return Swaps (TRS) and financial instruments with similar characteristics**" above.

A Sub-Fund may enter into TRS/CFDs for investment purposes and for efficient portfolio management purposes.

In this context, efficient portfolio management purposes include: the reduction of risk, the reduction of cost and the generation of additional capital or income for the Sub-Fund with a level of risk that is consistent with the risk profile of the Sub-Fund.

If a Sub-Fund invests in TRS and/or CFDs, the relevant asset or index may be comprised of Equity or Debt Securities, Money Market Instruments or other eligible investments which are consistent with a Sub-Fund's specific Asset Class Principles, individual investment objective and investment restrictions.

### **Proportions of a Sub-Fund's Net Asset Value subject to TRS/CFDs**

Both the maximum and the expected proportion of the Net Asset Value of a Sub-Fund that can be subject to TRS/CFDs are disclosed in Appendix 5.

According to the requirements of the Securities Financing Transaction Regulation the expected proportion as pointed out in Appendix 5 is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions.

The maximum figure as pointed out in Appendix 5 is a limit.

A Sub-Fund shall only enter into TRS/CFDs with counterparties provided that the counterparty is a top-rated financial institution specialising in such transactions which has been rated by a recognized rating agency (e.g. Moody's, S&P or Fitch) with at least Baa3 (Moody's), BBB- (S&P or Fitch). There are no further restrictions with regard to the legal status or country of origin of the counterparty.

The underlyings of TRS/CFDs are securities which may be acquired for the Sub-Fund or financial indices within the meaning of Article 9 (1) of Directive 2007/16/EC, interest rates, foreign exchange rates or currencies into which the Sub-Fund may invest in accordance with its investment restrictions.

The categories of collateral which may be received by a Sub-Funds are set out in "**Collateral Management Policy**" below and includes cash and non-cash assets such as equities, debt securities and money market instruments. Collateral received by the Sub-Funds will be valued in accordance with the valuation methodology set out under Section VII.1., headed "**Calculation of NAV per Share**".

Where a Sub-Fund receives collateral as a result of entering into TRS/CFDs, there is a risk that the collateral held by a Sub-Fund may decline in value or become illiquid. In addition, there can also be no assurance that the liquidation of any collateral provided to a Sub-Fund to secure a counterparty's obligations under a TRS/CFD would satisfy the counterparty's obligations in the event of a default by the counterparty. Where a Sub-Fund provides collateral as a result of entering into TRS/CFDs, it is exposed to the risk that the counterparty will be unable or unwilling to honour its obligations to return the collateral provided.

For a summary of certain other risks applicable to TRS/CFDs, see "**Risks associated with the Use of Techniques and Instruments**" above.

A Sub-Fund may provide certain of its assets as collateral to counterparties in connection with TRS/CFDs. If a Sub-Fund has over-collateralised (i.e. provided excess collateral to the counterparty) in respect of such transactions, it may be an unsecured creditor in respect of such excess collateral in the event of the counterparty's insolvency. If the Depositary or its sub-custodian or a third party holds collateral on behalf of a Sub-Fund, the Sub-Fund may be an unsecured creditor in the event of the insolvency of such entity.

There are legal risks involved in entering into TRS/CFDs which may result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Subject to the restrictions laid down in “**Collateral Management Policy**” below, a Sub-Fund may re-invest cash collateral that it receives. If cash collateral received by a Sub-Fund is re-invested, the Sub-Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and the Sub-Fund will have less protection if the counterparty defaults. The risks associated with the re-investment of cash collateral are substantially the same as the risks which apply to the other investments of the Sub-Fund.

## **12. Potential impact of the use of techniques and instruments on the performance of each Sub-Fund**

The use of techniques and instruments might have a positive and a negative impact on the performance of each Sub-Fund.

The Sub-Funds may use derivatives for hedging purposes. This may lead to correspondingly lower opportunities and risks in the general Sub-Fund profile. Hedging can be used in particular to reflect the different currency-/duration-hedged Share Classes and thus to mark the profile of the respective Share Class.

The Sub-Funds may also employ derivatives in a speculative sense in order to increase returns in pursuing the investment objective, in particular, to represent the general Sub-Funds’ profiles and to increase the level of investment above the level of investment of a fund that is fully invested in securities. In reflecting the general Sub-Funds’ profiles through derivatives, the general Sub-Funds’ profiles will be implemented through the replacement of direct investments in securities, for example, by investments in derivatives or also, in shaping the general Sub-Funds’ profiles, specific components of the Sub-Funds’ investment objectives and principles may be derivative based, for example reflecting currency positions through investments in derivatives, which normally will not have a substantial effect on the general Sub-Funds’ profiles. In particular, if a Sub-Fund’s investment objective states that, with the objective of achieving additional returns, the Investment Managers may also assume separate foreign currency risks with regard to certain currencies and/or separate risks with regard to equities, bonds and/or commodity futures indices and/or precious metals indices and/or commodity indices these components of the investment objectives and investment restrictions are predominantly derivative based.

If the Sub-Funds employ derivatives to increase the level of investment, they do so in order to achieve a medium to long-term risk profile that offers potentially much greater market risk than that of a fund with a similar profile that does not invest in derivatives.

The Investment Managers follow a risk controlled approach in the use of derivatives.

## **13. Policy regarding direct and indirect operational costs/fees on the Use of Techniques and Instruments**

Direct and indirect operational costs and fees arising from the efficient portfolio management techniques including TRS/CFD may be deducted from the revenue delivered to the Sub-Funds. All the revenues arising from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the relevant Sub-Fund. The entities to which direct and indirect costs and fees may be paid include banks, investment firms, broker-dealers or other financial institutions or intermediaries and may be related parties to the Management Company or the Investment Manager. The revenues arising from such efficient portfolio management techniques for the relevant reporting period, together with the direct and indirect operational costs and fees incurred and the identity of the counterparty(ies) to these efficient portfolio management techniques, will be disclosed in the annual and semi-annual

reports of the Sub-Funds.

#### **14. Collateral Management Policy**

When entering into OTC derivatives transactions or efficient portfolio management techniques (including but not limited to securities lending and (reverse) repurchase agreement transactions), the Company will observe the criteria laid down below in accordance with Circular 14/592 dated 30 September 2014 when using collateral to mitigate counterparty risk. As long as collateralization of OTC derivatives transactions is not legally binding the level of collateral required is in the discretion of the portfolio manager of each Sub Fund.

The risk exposure to a counterparty arising from OTC derivatives and efficient portfolio management techniques should be combined when calculating the counterparty risk limits of paragraph 3. a) to 3.d) above.

All assets received by the Sub-Funds in the context of efficient portfolio management techniques should be considered as collateral and should comply with the criteria laid down below:

- a) Liquidity: any collateral other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral received should also comply with the provisions set out in paragraph 3. i) above. If the market value of the collateral exceeds or fall short of the contractually agreed threshold with the counterparties, the collateral will be adjusted on a daily basis as to maintain the agreed threshold in order to minimise the counterparty risk. This monitoring process is on a daily basis. Any collateral or margins provided are not included in any specific liquidity limit in regard to a Sub-Fund's investments in Deposits, Money Market Instruments and/or money market funds in accordance with its investment policy.
- b) Valuation: collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
- c) Issuer credit quality: collateral should be of high quality.
- d) Duration: Debt Securities received as collateral should have a maturity equivalent to the maturity of the Debt Securities which may be acquired for the respective Sub-Fund according to its investment restrictions.
- e) Correlation: collateral received must be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- f) Collateral diversification (asset concentration): collateral must be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Sub-Fund receives from a counterparty of efficient portfolio management and OTC derivatives a basket of collateral with a maximum exposure to a given issuer of 20% of the Fund's Net Asset Value. When a Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, a Sub-Fund may be fully collateralised in different transferable securities and Money Market Instruments issued or guaranteed by an EU Member State, one or more of its local authorities, a third country, or a public international body to which one or more EU Member States belong. Such a Sub-Fund should receive securities from at least six different issues, but securities from any single issue

should not account for more than 30% of the Sub-Fund's Net Asset Value. A Sub-Fund's investment restrictions will mention whether such Sub-Fund intends to be fully collateralised in securities issued or guaranteed by an EU Member State.

- g) Enforceable: collateral received should be capable of being fully enforced by the Sub-Fund at any time without reference to or approval from the counterparty.
- h) Non-cash collateral cannot be sold, pledged or re-invested.
- i) Cash collateral received should only be
  - held in accordance with paragraph 1. c); or
  - invested in high-quality government bonds; or
  - may be used for the purpose of reverse repo transactions provided that transactions are with credit institutions subject to prudential supervision and the Sub-Fund is able to recall at any time the full amount of cash on accrued basis; or
  - short term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral. Re-investment of cash collateral does not release the Sub-Fund from repayment of full cash collateral received, i.e. potential losses incurring from the re-investment have to be borne by the Sub-Fund.

Risks linked to the management of collateral, such as loss in value or illiquidity of received collateral operational and legal risks, should be identified, managed and mitigated by the risk management process. The re-investment of cash collateral exposes the Sub-Fund to a potential loss of the re-invested assets whereas the full nominal amount (plus interest if applicable) has to be repaid to the counterparty.

Where there is a title transfer, the collateral received should be held by the Depository. For other types of collateral arrangement, the collateral can be held by a third party depository which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

If a Sub-Fund receives collateral for at least 30% of its Net Asset Value an appropriate stress testing policy will be applied to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Sub-Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

- a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;
- b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- c) reporting frequency and limit/loss tolerance threshold(s); and
- d) mitigation actions to reduce loss including haircut policy and gap risk protection.

The Company has a clear haircut policy adapted for each class of assets received as collateral. The haircut is a percentage by which the market value of the collateral will be reduced. The Company typically deducts the haircuts from the market value in order to protect against credit, interest rate, foreign exchange and liquidity risk during the period between collateral calls. The haircut generally is contingent on factors such as price volatility of the relevant asset class, the prospective time to liquidate the asset, the maturity of the asset, and the creditworthiness of the issuer. The following minimum haircut levels are applied for the respective each asset class:



Cash (no haircut); Debt Securities issued by governments, central bank and/or supranationals with Investment Grade rating (minimum haircut of 0.5% of the market value); other Debt Securities issued by corporates with Investment Grade rating (minimum haircut of 2% of the market value); Debt Securities as High Yield Investment Type 2 (minimum haircut of 10% of the market value); Equities (minimum haircut of 6% of the market value).

A more volatile (whether because of longer duration or other factors), less liquid asset typically carries a higher haircut. Haircuts are defined with the approval of the risk management function and may be subject to changes depending on changing market conditions. Haircuts may differ depending on the underlying transaction type, e.g. haircuts applied for OTC derivatives may differ from haircuts applied for securities lending transactions. Generally, Equities will only be accepted as collateral if they are included in major stock indices. Additional (additive) haircuts apply for Debt Securities with a remaining maturity of more than ten years. Additional (additive) haircuts apply for cash or securities received as collateral in which their currency differ from the base currency of the Sub-Fund.

## 15. Risk Management Process

The Management Company will calculate the global exposure of each Sub-Fund. The Management Company will use for each Sub-Fund either the commitment approach, the relative Value-at-Risk approach or the absolute Value-at-Risk approach. The applied risk management approach for each Sub-Fund is set out in the chart below.

The Management Company may adopt the commitment approach to limit market risk in respect of certain Sub-Funds. The commitment approach measures the global exposure related solely to positions on financial derivative instruments which are converted into equivalent positions on the underlying assets with the Management Company's total commitment to financial derivative instruments being limited to 100% of the portfolio's total net value after taking into account the possible effects of netting and coverage.

For those Sub-Funds for which the relative Value-at-Risk approach is used, the respective reference portfolio is additionally outlined in the chart below. Furthermore, for Sub-Funds which either use the relative Value-at-Risk approach or the absolute Value-at-Risk approach, the expected level of leverage of the Sub-Fund (in terms of gross derivative exposure of a Sub-Fund's Net Asset Value) is disclosed in the chart below.

The expected level of leverage of the Sub-Fund is expressed as a ratio between the aggregate of the notional values of all derivatives (excluding non-derivatives investments) entered into by the Sub-Fund and the NAV calculated based on the fair market value of all investments (including derivatives).

The actual level of leverage of the Sub-Fund might change over time and might temporarily exceed the expected level of leverage of the Sub-Fund. Derivatives might be used for different purposes including hedging and/or investment purposes. The calculation of the expected level of leverage does not distinguish between the different purposes of a derivative. Therefore this figure delivers no indication regarding the true riskiness of the Sub-Fund.

| Sub-Fund Name            | Approach               | Expected Level of Leverage | Reference Portfolio  |
|--------------------------|------------------------|----------------------------|--|
| Allianz All China Equity | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the MSCI China All Shares. |
| Allianz American Income  | Commitment Approach    | –                          | –  |
| Allianz Asia             | Commitment             | –                          | –  |

| Sub-Fund Name                               | Approach               | Expected Level of Leverage | Reference Portfolio   |
|---|------------------------|----------------------------|---|
| Pacific Income                              | Approach               |                            |   |
| Allianz Asian Multi Income Plus             | Commitment Approach    | –                          | –   |
| Allianz Best Styles Euroland Equity         | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the MSCI EMU.                                     |
| Allianz Best Styles Global Equity           | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the MSCI World.                                   |
| Allianz China A Opportunities               | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the MSCI China A.                                 |
| Allianz China Equity                        | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the MSCI China 10/40.                             |
| Allianz China A-Shares                      | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the MSCI China A Onshore.                         |
| Allianz China Future Technologies           | Commitment Approach    | -                          | -   |
| Allianz China Healthy Living                | Commitment Approach    | -                          | -   |
| Allianz China Strategic Bond                | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the J.P. MORGAN Asia Credit China.                |
| Allianz Clean Planet                        | Commitment Approach    | -                          | -   |
| Allianz Cyber Security                      | Commitment Approach    | –                          | –   |
| Allianz Dynamic Asian High Yield Bond       | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the J.P. MORGAN JACI Non-Investment Grade Custom. |
| Allianz Dynamic Multi Asset Strategy SRI 15 | Commitment Approach    | –                          | –   |
| Allianz Dynamic Multi Asset Strategy SRI 50 | Commitment Approach    | –                          | –   |
| Allianz Dynamic Multi Asset Strategy SRI 75 | Commitment Approach    | –                          | –   |
| Allianz Emerging Asia Equity                | Relative Value-at-Risk | 0-0.5                      | The reference portfolio corresponds to the composition of the MSCI Emerging Frontier Markets Asia.          |

| <b>Sub-Fund Name</b>  | <b>Approach</b>        | <b>Expected Level of Leverage</b> | <b>Reference Portfolio</b>   |
|---|------------------------|-----------------------------------|--|
| Allianz Emerging Markets Select Bond                              | Relative Value-at-Risk | 0-5                               | The reference portfolio corresponds to the composition of the J.P. MORGAN Emerging Markets Equal Weight.                                 |
| Allianz Emerging Markets Short Duration Bond                      | Relative Value-at-Risk | 0-5                               | The reference portfolio corresponds to the composition of the J.P. MORGAN Corporate Emerging Markets Bond Broad Diversified.             |
| Allianz Emerging Markets SRI Bond                                 | Relative Value-at-Risk | 0-2                               | The reference portfolio corresponds to the composition of the J.P. MORGAN ESG Emerging Market Bond (EMBI) Global Diversified.            |
| Allianz Emerging Markets SRI Corporate Bond                       | Relative Value-at-Risk | 0-2                               | The reference portfolio corresponds to the composition of the J.P. MORGAN ESG Corporate Emerging Markets Bond (CEMBI) Broad Diversified. |
| Allianz Euro High Yield Bond                                      | Relative Value-at-Risk | 0-2                               | The reference portfolio corresponds to the composition of the ICE BOFAML Euro High Yield BB-B.   |
| Allianz Euroland Equity Growth                                    | Relative Value-at-Risk | 0-0.5                             | The reference portfolio corresponds to the composition of the S&P Eurozone Large Mid Cap Growth.   |
| Allianz Europe Equity Growth                                      | Relative Value-at-Risk | 0-0.5                             | The reference portfolio corresponds to the composition of the S&P Europe Large Mid Cap Growth.   |
| Allianz Europe Equity Growth Select                               | Relative Value-at-Risk | 0-0.5                             | The reference portfolio corresponds to the composition of the S&P Europe Large Cap Growth.   |
| Allianz Europe Income and Growth                                  | Absolute Value-at-Risk | 0-2                               | –  |
| Allianz European Equity Dividend                                  | Relative Value-at-Risk | 0-0.5                             | The reference portfolio corresponds to the composition of the MSCI Europe.   |
| Allianz Flexi Asia Bond   | Commitment Approach    | –                                 | –  |
| Allianz Food Security   | Commitment Approach    | –                                 | –  |
| Allianz GEM Equity High Dividend                                  | Relative Value-at-Risk | 0-0.5                             | The reference portfolio corresponds to the composition of the MSCI Emerging Markets.   |
| Allianz Global Artificial Intelligence                            | Commitment Approach    | –                                 | –  |
| Allianz Global Credit SRI (This is not classified as an ESG fund) | Relative Value-at-Risk | 0-2                               | The reference portfolio corresponds to the composition of the BLOOMBERG Global Aggregate Credit.   |

| Sub-Fund Name   | Approach               | Expected Level of Leverage | Reference Portfolio  |
|---|------------------------|----------------------------|--|
| in Hong Kong.)*<br><br>* The Sub-Fund is not classified as an ESG fund in Hong Kong pursuant to the Circular to management companies of SFC-authorized unit trusts and mutual funds – ESG funds issued by the SFC on 29 June 2021 (as amended from time to time). |                        |                            |  |
| Allianz Global Equity Growth  | Relative Value-at-Risk | 0-0.5                      | The reference portfolio corresponds to the composition of the MSCI AC World (ACWI).  |
| Allianz Global Equity Unconstrained   | Relative Value-at-Risk | 0-0.5                      | The reference portfolio corresponds to the composition of the MSCI AC World (ACWI).  |
| Allianz Global Floating Rate Notes Plus   | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the 50% ICE BOFAML Global Floating Rate High Yield + 25% BLOOMBERG EUR Floating Rate Notes + 25% BLOOMBERG US Floating Rate Notes. |
| Allianz Global Hi-Tech Growth   | Relative Value-at-Risk | 0-0.5                      | The reference portfolio corresponds to the composition of the MSCI World Information Technology.   |
| Allianz Global High Yield   | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the ICE BOFAML Global High Yield Constrained.  |
| Allianz Global Income   | Commitment Approach    | –                          | –  |
| Allianz Global Intelligent Cities Income  | Commitment Approach    | –                          | –  |
| Allianz Global Metals and Mining  | Relative Value-at-Risk | 0-0.5                      | The reference portfolio corresponds to the composition of MSCI ACWI Metals & Mining 30% Buffer 10/40.  |
| Allianz Global Multi-Asset Credit# <i>This is a fixed income fund.</i>  | Absolute Value-at-Risk | 0-2                        | –  |

| <b>Sub-Fund Name</b>                               | <b>Approach</b>        | <b>Expected Level of Leverage</b> | <b>Reference Portfolio</b>  |
|--|------------------------|-----------------------------------|---|
| Allianz Global Multi Asset Sustainability Balanced | Absolute Value-at-Risk | 0-2                               | –   |
| Allianz Global Opportunistic Bond                  | Relative Value-at-Risk | 0-5                               | The reference portfolio corresponds to the composition of the BLOOMBERG Global Aggregate Bond.  |
| Allianz Global Small Cap Equity                    | Relative Value-at-Risk | 0-0.5                             | The reference portfolio corresponds to the composition of the MSCI World Small Cap.             |
| Allianz Global Sustainability                      | Relative Value-at-Risk | 0-0.5                             | The reference portfolio corresponds to the composition of the DOW JONES Sustainability World.   |
| Allianz Global Water                               | Commitment Approach    | –                                 | –   |
| Allianz Green Bond                                 | Relative Value-at-Risk | 0-2                               | The reference portfolio corresponds to the composition of the ICE BOFAML Green Bond.            |
| Allianz High Dividend Asia Pacific Equity          | Relative Value-at-Risk | 0-2                               | The reference portfolio corresponds to the composition of the MSCI AC Asia Pacific Excl. Japan. |
| Allianz HKD Income                                 | Commitment Approach    | –                                 | –   |
| Allianz Hong Kong Equity                           | Relative Value-at-Risk | 0-2                               | The reference portfolio corresponds to the composition of the FTSE MPF Hong Kong.               |
| Allianz Income and Growth                          | Commitment Approach    | –                                 | –   |
| Allianz India Equity                               | Commitment Approach    | –                                 | –   |
| Allianz Japan Equity                               | Relative Value-at-Risk | 0-0.5                             | The reference portfolio corresponds to the composition of the TOPIX.                            |
| Allianz Little Dragons                             | Commitment Approach    | –                                 | –   |
| Allianz Oriental Income                            | Commitment Approach    | –                                 | –   |
| Allianz Pet and Animal Wellbeing                   | Commitment Approach    | –                                 | –   |
| Allianz Positive Change                            | Commitment Approach    | –                                 | –   |
| Allianz Renminbi Fixed Income                      | Commitment Approach    | –                                 | –   |
| Allianz Select Income and Growth                   | Commitment Approach    | -                                 | -   |

| Sub-Fund Name                              | Approach               | Expected Level of Leverage | Reference Portfolio   |
|--|------------------------|----------------------------|---|
| Allianz Smart Energy                       | Commitment Approach    | –                          | –   |
| Allianz Thematica                          | Commitment Approach    | –                          | –   |
| Allianz Total Return Asian Equity          | Commitment Approach    | –                          | –   |
| Allianz US Equity Fund                     | Relative Value-at-Risk | 0-0.5                      | The reference portfolio corresponds to the composition of the S&P 500.                |
| Allianz US Equity Plus                     | Commitment Approach    | –                          | –   |
| Allianz US High Yield                      | Commitment Approach    | –                          | –   |
| Allianz US Investment Grade Credit         | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the Bloomberg US Corporate. |
| Allianz US Large Cap Value                 | Relative Value-at-Risk | 0-2                        | The reference portfolio corresponds to the composition of the Russell 1000 Value.     |
| Allianz US Short Duration High Income Bond | Commitment Approach    | –                          | –   |

## 16. Transactions with Affiliated Companies

The Company, on behalf of a Sub-Fund, may also enter into transactions and invest in currencies and other instruments for which affiliated companies act as broker or acts on its own account or for account of the customers. This also applies for cases in which affiliated companies or their customers execute transactions in line with those of the Company. The Company may also enter into mutual transactions, on behalf of a Sub-Fund, in which affiliated companies act both in the name of the Company and simultaneously in the name of the participating counterparty. In such cases, the affiliated companies have a special responsibility towards both parties. The affiliated companies may also develop or issue derivative instruments for which the underlying securities, currencies or instruments can be the investments in which the Company invests or that are based on the performance of a Sub-Fund. The Company may acquire investments that were either issued by affiliated companies or that are the object of an offer for subscription or other sale of these shares. The commissions and subscription fees charged by the affiliated companies should be appropriate.

The Board may impose additional investment restrictions if these are necessary to comply with the legal and administrative provisions in countries in which the Shares of the Company are offered for sale or sold.

## 17. Securities pursuant to Rule 144A of the United States Securities Act of 1933

To the extent permitted under the laws and regulations of Luxembourg, (and subject to the investment objectives and investment policy of the Sub-Funds), a Sub-Fund may invest in securities which are not registered pursuant to the United States Securities Act of 1933 and amendments thereto (hereinafter called “**the 1933 Act**”), but which may be sold according to Rule 144A of the 1933 Act to qualified

institutional buyers (“**securities pursuant to Rule 144A**”) that qualify as securities as defined under paragraph 1. a) above. A Sub-Fund may invest up to 10% of its net assets in securities pursuant to Rule 144A that do not qualify as securities as defined under paragraph 1. a) above provided that the total value of such assets together with other such securities and Money Market Instruments that do not fall under paragraph 1, does not exceed 10%.

## 18. Direct Investments in Russian Securities

If the investment objective and investment policy of a Sub-Fund allow investment in Russian securities, direct investments in traded Russian securities may be made on the “MICEX-RTS” (Moscow Interbank Currency Exchange – Russian Trade System”) which is a Regulated Market for the purposes of Article 41 Paragraph 1 of the Law.

## 19. General Exclusion of certain issuers

All Sub-Funds refrain from directly investing in securities of issuers which, in the opinion of the Board, engage in undesirable business activities. Undesirable business activities comprise particularly of the following:

- Certain controversial weapons: The type of controversial weapons which are in the scope of the exclusion policy may be updated from time to time and can be consulted on the website [https://regulatory.allianzgi.com/ESG/Exclusion\\_Policy](https://regulatory.allianzgi.com/ESG/Exclusion_Policy). Note that the website has not been reviewed by the SFC and may contain information of funds not authorized by the SFC.
- Coal: Issuers engaged in business activities related to coal will only be in scope of the exclusion policy if they meet certain quantitative criteria. Such criteria may be updated from time to time and can be consulted on the website [https://regulatory.allianzgi.com/ESG/Exclusion\\_Policy](https://regulatory.allianzgi.com/ESG/Exclusion_Policy). Note that the website has not been reviewed by the SFC and may contain information of funds not authorized by the SFC.

The exclusion policy applies to corporate issuers only. The Sub-Funds might invest in securities baskets such as indices which can contain securities falling under aforementioned exclusion criteria. To undertake this exclusion, various external data and research providers are used. Debt Securities of issuers which are in scope of the exclusion policy may be kept until the earlier of either maturity of the respective instrument or 30 June 2022 provided such instrument has been acquired on behalf of the respective Sub-Fund prior the enforcement of the exclusion policy.

## 20. Liquidity Risk Management

The Management Company has established a liquidity risk management policy which enables it to identify, monitor and manage the liquidity risks of the Sub-Funds and to ensure that the liquidity profile of the investments of the Sub-Funds will facilitate compliance with the Sub-Fund’s obligation to meet redemption requests. Such policy, combined with the liquidity management tools available, also seeks to achieve fair treatment of Shareholders and safeguard the interests of remaining Shareholders in case of sizeable redemptions.

The Management Company’s liquidity risk management policy takes into account the investment strategy, the liquidity profile, the redemption policy, the dealing frequency.

The liquidity risk management policy involves monitoring the profile of investments held by the Sub-Funds on an on-going basis to ensure that such investments are appropriate to the redemption policy as stated under the section headed “**REDEMPTION OF SHARES**”, and will facilitate compliance with the Sub-Fund’s obligation to meet redemption requests. Further, the liquidity risk management policy includes details on periodic stress testing carried out by the Management Company to manage the liquidity risk of the Sub-Funds under normal and exceptional market conditions.

The following tool(s) may be employed by the Management Company to manage liquidity risks:

- The Company may limit the redemption and conversion of Shares on any dealing day to 10% of the Shares of a Sub-Fund in issue. For details, please refer to the section headed “**DEFERRAL OF REDEMPTION AND CONVERSION REQUESTS**”.
- The Company may adjust the Net Asset Value per Share for a Sub-Fund in order to reduce the effect of “dilution” when the aggregate net investor transactions (e.g. subscriptions and redemptions) in a Sub-Fund exceed a pre-determined threshold. For details, please refer to the “Swing Pricing Mechanism” under the section headed “**NET ASSET VALUE PER SHARE**”.
- The Company may suspend the calculation of the Net Asset Value per Share of any Share Class of a Sub-Fund as well as the issue, redemption and conversion of Shares in certain circumstances. For details, please refer to the section headed “**TEMPORARY SUSPENSION OF CALCULATION OF NAV AND RESULTING SUSPENSION OF DEALING**”.

The Management Company will consult the Depositary before the use of the above liquidity risk management tools.

## **21. Sub-Fund Investments in other Funds**

If a Sub-Fund’s specific Asset Class Principles and individual Investment restrictions provide for investments in other funds, the following shall apply:

- Equity funds in which investments are made may either be broadly diversified equity funds or funds specialising in particular countries, regions or sectors. Any UCITS or UCI is an equity fund if its risk profile typically correlates with that of one or more equity markets.
- Bond funds in which investments are made may either be broadly diversified bond funds or funds specialising in particular countries, regions or sectors, or oriented towards specific maturities or currencies. Any UCITS or UCI is a bond fund if its risk profile typically correlates with that of one or more bond markets.
- Money-market funds in which investments are made may either be broadly diversified money-market funds or money-market funds focused on specific groups of issuers or oriented towards specific maturities or currencies. Any UCITS or UCI is a money-market fund as defined above if its risk profile correlates with that of one or more money markets.

In so far as a Sub-Fund’s specific Asset Class Principles and individual investment restrictions contain no provisions to the contrary, in principle shares shall preferably be acquired in funds that are managed, directly or indirectly, by the Management Company itself or by any other company with which the Management Company is linked by a substantial direct or indirect participation. Nevertheless, each Sub-Fund is generally allowed to invest a substantial proportion of its assets in UCITS and/or UCI from other companies besides the Management Company.

## **22. Management Approach and reference to a Benchmark**

Sub-Funds may or may not be managed by the Investment Manager in reference to a benchmark or an index (the “Benchmark”) pursuant to Article 7 Section 1 letter d) of Commission Regulation (EU) No. 583/2010. A Sub-Fund which is managed in reference to a Benchmark makes reference to the relevant Benchmark in its individual investment restrictions in Appendix 1, Part B of this HK Prospectus.

### **Active Management approach**



A Sub-Fund managed in reference to a Benchmark is a Sub-Fund where a Benchmark plays either a role (i) as reference for formulating a Sub-Fund's portfolio composition, and/or (ii) for measurement and comparison of a Sub-Fund's performance.

A Sub-Fund's Benchmark which is used as reference for formulating a Sub-Fund's portfolio composition (the "Portfolio Composition") may include the following cases:

- A Sub-Fund uses a Benchmark as a universe from which to select securities. This applies even if only a minority of securities which are constituents of the Benchmark are held in a Sub-Fund's portfolio and the weightings of a Sub-Fund's portfolio holdings diverge from their equivalent weighting in the Benchmark.
- A Sub-Fund's holdings are based upon the holdings of the Benchmark. For example:
  - The individual holdings of the Sub-Fund's portfolio do not deviate materially from those of the Benchmark.
  - Monitoring systems are in place to limit the extent to which portfolio holdings and/or weightings diverge from the composition of the Benchmark.
- A Sub-Fund invests in units of other UCITS or UCI in order to achieve similar performance to a Benchmark.

A Sub-Fund's Benchmark which is used for measurement and comparison of a Sub-Fund's performance (the "Performance Measures") may include the following cases:

- A Sub-Fund has an internal or external target to outperform a Benchmark.
- Contracts between the Management Company and third parties, such as the Investment Managers or Investment Advisors, or between the Management Company and its directors and employees, state that the portfolio manager must seek to outperform a benchmark.
- The individual portfolio manager(s) receive(s) an element of performance-related remuneration based on the Sub-Fund's performance relative to a Benchmark.
- A Sub-Fund is constrained by internal or external risk indicators that refer to a Benchmark (e.g. tracking error limit, relative VaR for global exposure calculation).
- Marketing issued by the Management Company to one or more investors or potential investors shows the performance of a Sub-Fund compared with a Benchmark.

In both cases – a Benchmark is used for Portfolio Composition or a Benchmark is used for Performance Measures – the Sub-Fund's Investment Managers always follow, unless otherwise stated in a Sub-Fund's Investment Restrictions (Appendix 1, Part B of this HK Prospectus), an active management approach, i.e. the composition of a Benchmark is neither replicated nor reproduced.

Due to the active management approach, a Sub-Fund's Investment Manager may on its sole discretion decide not to acquire certain securities as included in the Benchmark or to acquire securities other than those included in the Benchmark. The composition and weighting of Sub-Fund's assets is neither based on the Benchmark nor on any other benchmark.

Due to the active management approach, the individual performance of a Sub-Fund and the performance of the Sub-Fund's respective Benchmark are expected to differ.

### **Degree of Freedom**

The extent to which an Investment Manager may deviate from the composition of the Benchmark by considering both qualitative and quantitative aspects is referred to as "Degree of Freedom". A Sub-Fund's Degree of Freedom is referred to in a Sub-Fund's individual investment restrictions in Appendix

1, Part B of this HK Prospectus.

The Degree of Freedom describes the grade of activity of the active management approach as used by a Sub-Fund's investment manager. The Degree of Freedom therefore defines the portfolio management's scope of action to deviate from the Benchmark and is classified in the following three categories which reflect the grade of deviation:

- (i) limited,
- (ii) material and
- (iii) significant.

The Degree of Freedom is based on a methodology which is based on a qualitative assessment of the investment strategy as well as various indicators for the grade of activity of the portfolio manager such as active share, tracking error or condensation factor for the equity portion of portfolios or the active factor exposure or deviation in risk contribution from active selection for the fixed income portion of portfolios. Where possible, the indicators are determined on an ex-post basis. As an example, a high tracking error is reflected in the methodology as an indicator for a higher grade of active management.

Sub-Funds with a limited Degree of Freedom have – compared to other actively managed Sub-Funds – a relatively low freedom to deviate from the Benchmark. The deviation of the Sub-Fund's portfolio and the Benchmark composition is usually lower than for Sub-Funds with a material or significant Degree of Freedom. Limited Degree of Freedom can be caused by a Benchmark which is well reflecting the investment strategy of the respective Sub-Fund, e.g. by significant similarity of investment universe of the Sub-Fund and its respective Benchmark. Limited Degree of Freedom can also be caused by a Sub-Fund's Investment Manager being subject to certain requirements and/or restrictions regarding the possible deviation of the composition of the portfolio from the Sub-Fund's Benchmark. As a consequence, the performance of such Sub-Fund and the performance of such Sub-Fund's Benchmark usually differ less significantly compared to Sub-Funds with a material or significant Degree of Freedom.

Sub-Funds with a material Degree of Freedom have – compared to other actively managed Sub-Funds with limited Degree of Freedom – a relatively high discretion of the portfolio manager to deviate from the benchmark e.g. through active security selection, active asset allocation and/or active risk management. The deviation of the Sub-Fund's portfolio and the Benchmark composition is usually higher than for Sub-Funds with a limited Degree of Freedom but lower than for Sub-Funds with a significant Degree of Freedom. As a consequence, the performance of such Sub-Fund and the performance of the Benchmark may usually differ more compared to Sub-Funds with a limited Degree of Freedom but may usually differ less compared to Sub-Funds with a significant Degree of Freedom.

Sub-Funds with a significant Degree of Freedom have – compared to other actively managed Sub-Funds with limited or material Degree of Freedom – the relatively highest discretion of the portfolio manager to deviate from the benchmark e.g. unconstrained portfolios with widely defined investment guidelines, including but not limited to higher degrees of leverage, highly concentrated portfolios or thematic funds. The deviation of the Sub-Fund's portfolio and the Benchmark composition is usually higher than for Sub-Funds with a limited or material Degree of Freedom. As a consequence, the performance of such Sub-Fund and the performance of the Benchmark may usually differ more compared to Sub-Funds with a limited or material Degree of Freedom.

The classification of the Degree of Freedom as well as investment restrictions restricting the Degree of Freedom (if any) are referred to in a Sub-Fund's individual investment restrictions in Appendix 1, Part B of this HK Prospectus.

The broadness of the Benchmark's universe can have an influence on the deviation between the Sub-Fund's portfolio and the Benchmark composition. For the various Sub-Funds a variety of Benchmarks is used which range from benchmarks with a narrow investment universe such as country or sector specific benchmarks (e.g. the DAX which consists of only 30 constituents) with a very broad investment

universe without a specification on certain countries or sectors (e.g. the MSCI World All Countries which usually consists of more than 3,000 constituents. Usually, Sub-Funds with a narrower benchmark may deviate less from its benchmark compared to Sub-Funds with a wider benchmark.

The majority of securities held by a Sub-Fund may or may not consist of constituents of the respective Benchmark. It is referred to in a Sub-Fund's individual investment restrictions in Appendix 1, Part B of this HK Prospectus if a Sub-Fund's securities usually have a majority of constituents of the respective Benchmark (mentioned as "Expected Overlap: major") or not (mentioned as "Expected Overlap: minor").

The Degree of Freedom to deviate from the Benchmark is likely to limit the extent to which a Sub-Fund can outperform or underperform the Benchmark.

The Degree of Freedom as well as the Expected Overlap will be reviewed by the Management Company on a regular basis. Amendments of the Degree of Freedom or the Expected Overlap will be only updated in the next available version of the HK Prospectus. There is no further obligation to inform the shareholders about amendments of the Degree of Freedom or the Expected Overlap except the amendments of the Degree of Freedom or the Expected Overlap are caused by a repositioning of a Sub-Fund.

In case a Sub-Fund's Share Class is hedged against a certain currency, the respective Benchmark is also hedged in the respective currency. In case a Sub-Fund's Benchmark is an interest rate (e.g. EURO SHORT-TERM RATE (€STR)) a hedged Share Class of such Sub-Fund may use another comparable interest rate of the hedging currency with a comparable tenure.

**Part B:**  
**Sub-Fund’s specific Asset Class Principles and Sub-Funds’  
individual Investment Objectives and individual Investment  
Restrictions**

## **Introduction**

To understand the investment policy of each Sub-Fund, investors are advised to read Appendix 1, Part A “**General Investment Principles**” which are generally applicable to all Sub-Funds (unless otherwise specified) in conjunction with this Part B, which sets out the specific Asset Class Principles according to the asset class of the Sub-Funds as well as the individual investment objective and individual investments restrictions of each Sub-Fund.

All Sub-Funds are listed in alphabetical order according to their respective asset class under this Part B, namely (i) Equity Sub-Funds, (ii) Bond Sub-Funds and (iii) Multi-Asset Sub-Funds.

The investments of a Sub-Fund therefore may consist of such assets and/or instruments as mentioned in the General Investment Principles in accordance with the applicable investment restrictions stated therein, whereby additional restrictions and/or any deviations can be found in the specific Asset Class Principles applicable to the Sub-Fund and/or its individual investment restrictions set out under this Part B.

## **Use of a specific Investment Strategy**

As explained under Appendix 1, Part A (General Investment Principles) a Sub-Fund’s Investment Manager may select securities based on fundamental and/or quantitative analysis (including, but not limited to, new statistical techniques such as machine learning, natural language processing, and/or artificial intelligence (AI) as described under Appendix 1, Part A). In this process, individual securities are analysed, assessed and selected in accordance with different investment processes and/or different specific Investment Strategy.

In addition, a Sub-Fund may either:

- (i) promote environmental and social characteristics (referred to as “**E/S characteristics**”); or
- (ii) does have sustainable investment as its objective (referred to as “**Sustainable Investment**”)

In both cases, Sub-Fund assets will be managed by the Investment Manager (i) in accordance with the E/S characteristics’ scope, details, requirements, and applicable exclusion criteria, or (ii) in accordance with the Sustainable Investment’s scope, details, requirements, and applicable exclusion criteria.

For all processes and/or additional specific Investment Strategies applied, however, it remains the case that the Management Company or Investment Manager is solely responsible for the final decisions made in the context to analyse, to assess and to select individual securities.

A Sub-Fund’s Investment Manager may use one or more of the following individual investment strategies (“**Sustainable Investment Strategy**”) in making investment decisions for a Sub-Fund so that its assets are invested in accordance with E/S characteristics (including certain exclusion criteria), or it has Sustainable Investment (including certain exclusion criteria) as its objective:

1. ESG Score Strategy
2. Green Bond Strategy
3. Multi Asset Sustainability Strategy – MAS Strategy
4. SDG-Aligned Strategy
5. Sustainability Key Performance Indicator Strategy (Absolute Threshold) – KPI Strategy (Absolute Threshold)
6. Sustainability Key Performance Indicator Strategy (Absolute) – KPI Strategy (Absolute)
7. Sustainability Key Performance Indicator Strategy (Relative) – KPI Strategy (Relative)

## 8. Sustainable and Responsible Investment (Proprietary Scoring) Strategy – SRI (Proprietary Scoring) Strategy

It is possible that additional Sustainable Investment Strategies may be developed overtime and such strategies may not be listed above.

In addition, a Sub-Fund's individual pre-contractual template details the content of the disclosures required under the SFDR, including any taxonomy-related information needed for Sub-Funds pursuant to Article 8 and Article 9 SFDR. Please refer to <https://regulatory.allianzgi.com/> for the pre-contractual template (available in English only). Note that the website has not been reviewed by the SFC and may contain information of funds not authorized by the SFC.

Insofar as the use of derivatives is concerned, Appendix 1, Part A (General Investment Principles) No. 7 (Use of Techniques and Instruments) fully applies. This includes transactions with derivatives for efficient portfolio management (including hedging) and/or investment purposes.

For the case that a Sustainable Investment Strategy is explicitly applied by a Sub-Fund's Investment Manager, relevant information will be disclosed in a Sub-Fund's individual investment restrictions.

If a Sub-Fund promotes E/S characteristics, then this circumstance is referred to in the Sub-Fund's individual investment restrictions by stating that "*Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria)*".

If a Sub-Fund has a Sustainable Investment as its objective, then this circumstance is referred to in the Sub-Fund's individual investment restrictions by stating that "*Sub-Fund has Sustainable Investment (including certain exclusion criteria) as its objective*".

A Sub-Fund's Investment Manager which applies an individual investment strategy as listed below considers (e.g., address, avoid or mitigate) PAI Indicators regarding greenhouse gas emission, biodiversity, water, waste as well as social and employee matters for corporate issuers, and, where relevant, sovereign issuers. The PAI Indicators are considered within the Investment Manager's investment process as described in the relevant specific Investment Strategy through, including but not limited to, the means of direct exclusions of investee companies in portfolio construction and/or engagement.

The data coverage for the data required for the PAI Indicators is heterogeneous. Due to lack of data, a Sub-Fund's Investment Manager cannot yet evaluate the unadjusted gender pay gap of investee companies. Additionally, the data coverage related to biodiversity, water and waste is low and the related PAI Indicators are considered through exclusion of investee companies which are exposed to severe controversies on non-compliance with UN Global Compact principles and guidelines. Therefore, a Sub-Fund's Investment Manager will strive to increase data coverage for PAI Indicators with low data coverage. A Sub-Fund's Investment Manager will regularly evaluate whether the availability of data has increased sufficiently to potentially include assessment of such data in the investment process.

If a Sub-Fund is managed in reference to a Benchmark, such Benchmark is generally not consistent with the environmental or social characteristics promoted by the Sub-Fund or aligned with the Sub-Fund's Sustainable Investment objective, unless specified in the Sub-Fund's individual investment restrictions or pre-contractual template (via the website stated above). Where applicable, the Sub-Fund's individual investment restrictions or pre-contractual template explains to what extent the Benchmark is consistent with the environmental or social characteristics promoted by the Sub-Fund or is aligned with the Sub-Fund's Sustainable Investment objective.

### 1. ESG Score Strategy

A Sub-Fund managed according to ESG Score Strategy constructs its portfolio with reference to the overall resilience of the issuers of the Sub-Fund's underlying investments to the long-term risks with respect to the

three pillars of Environment, Social and Governance based on weighted average ESG score. The weighted average ESG score of a Sub-Fund is calculated by the average ESG score of the issuers of the securities composing such Sub-Fund's portfolio adjusted by their relative weights to the portfolio. A Sub-Fund seeks to outperform its Benchmark in terms of weighted average ESG score, where such outperformance is determined as the excess of the weighted average ESG score of the Sub-Fund over the weighted average ESG score of its Benchmark. With the adoption of ESG Score Strategy, a minimum 80% of a Sub-Fund's portfolio, excluding derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits), shall be assessed with respect to ESG characteristics using ESG ratings provided from an external data provider ("**ESG Ratings**") for calculation of the Sub-Fund's and its Benchmark's weighted average ESG scores.

A Sub-Fund managed according to the ESG Score Strategy applies minimum exclusion criteria for (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), (iii) securities issued by issuers deriving more than 10% of their revenues from (a) weapons, or (b) military equipment and military services, (iv) securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction, (v) securities issued by utility issuers that are active within the utility sector and generating more than 20% of their revenues from coal, and (vi) securities issued by issuers involved in the production of tobacco, or deriving more than 5% of their revenue from the distribution of tobacco, and (vii) securities issued by sovereign issuers qualified with a score as "not free" by the Freedom House Index (unless otherwise stated in a Sub-Fund's individual investment restrictions). The Freedom House Index is collated by Freedom House, an American research institute, which measures political rights and civil liberties, and evaluates countries according to a wide range of criteria relating to democratic performance and the functioning of government. In respect of issuers violating the aforesaid items (i) – (vii), the securities issued by such issuers will be divested.

## 2. *Green Bond Strategy*

The Sustainable Investment objective of the Green Bond Strategy is climate change mitigation and climate change adaptation.

A Sub-Fund which is managed in accordance with the Green Bond Strategy 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.

In addition, a Sub-Fund managed according to the Green Bond Strategy applies exclusion criteria for (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), or issuers deriving more than 10% of their revenues from (a) weapons, or (b) military equipment, and military services, (iii) securities issued by issuers involved in the production of tobacco, (iv) securities issued by issuers deriving more than 5% of their revenue from the distribution of tobacco, (v) securities issued by issuers deriving more than 30% of their revenue from thermal coal extraction, (vi) securities issued by utility issuers that are active within the utility sector and generating more than 30% of their revenues from coal and (vii) securities issued by sovereign issuers qualified with a score as "not free" by the Freedom House Index (unless otherwise stated in a Sub-Fund's individual investment restrictions). The Freedom House Index is collated by Freedom House, an American research institute, which measures political rights and civil liberties, and evaluates countries according to a wide range of criteria relating to democratic performance and the functioning of government. In respect of issuers violating the aforesaid items (i) – (vii), the securities issued by such issuers will be divested. The current exclusion criteria may be updated from time to time. To undertake

this exclusion, various external data and research providers are used.

A Sub-Fund managed in accordance with the Green Bond Strategy invests at least 85% of Sub-Fund assets 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 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 questions stating that the proceeds will be used to finance “green”/climate projects.
- Internal process by the issuer to identify qualifying projects based on sound methodology and clear criteria.
- Management of the proceeds to make sure that they will be allocated to the identified projects and not to other general expenses/investments.
- Reporting, at least annually, of the status of the use of proceeds, the status of projects and the actual environmental impact.

The Investment Manager analyses the projects financed by the Green Bond’s proceeds. To be eligible, they 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 domains in the selection process of an issuer. A Sub-Fund’s Investment Manager monitors the sustainability profile of issuers. In case this sustainability profile is poor as measured by the average SRI Rating of the issuer, the bonds from this issuer would not be eligible 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.

### 3. *Multi Asset Sustainability Strategy*

A Sub-Fund managed according to the Multi Asset Sustainability Strategy (“MAS Strategy”) invests in (i) Equities and/or Debt Securities of companies in accordance with the requirements of multiple strategies as set out in the Product Key Facts Statement of the relevant Sub-Fund that promote either environmental and/or social characteristics and/or have Sustainable Investments as objective (subject to certain modifications such as the non-applicability of certain exclusion criteria) and/or (ii) Green Bonds.

The respective exclusion criteria of the aforesaid investment strategies do not apply. A Sub-Fund which is managed in accordance with the MAS Strategy applies minimum exclusion criteria for (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), (iii) securities issued by issuers deriving more than 10% of their revenues from (a) weapons, or (b) military equipment, and military services, (iv) securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction, (v) securities issued by utility issuers that are active within the utility

sector and generating more than 20% of their revenues from coal, (vi) securities issued by issuers involved in the production of tobacco, (vii) securities issued by issuers deriving more than 5% of their revenue from the distribution of tobacco, and (viii) securities issued by sovereign issuers qualified with a score as “not free” by the Freedom House Index (unless otherwise stated in a Sub-Fund’s individual investment restrictions). The Freedom House Index is collated by Freedom House, an American research institute, which measures political rights and civil liberties, and evaluates countries according to a wide range of criteria relating to democratic performance and the functioning of government. In respect of issuers violating the aforesaid items (i) – (viii), the securities issued by such issuers will be divested. The Sub-Fund might invest in securities baskets such as indices which can contain securities falling under aforementioned exclusion criteria.

The current exclusion criteria of the MAS Strategy may be updated from time to time and can be consulted on the website [https://regulatory.allianzgi.com/ESG/Exclusion\\_Specific\\_Sustainable](https://regulatory.allianzgi.com/ESG/Exclusion_Specific_Sustainable). Please note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC. To undertake this exclusion, various external data and research providers are used.

#### 4. *SDG-Aligned Strategy*

A Sub-Fund managed according to the SDG-Aligned Strategy invests in Equities and/or Debt Securities of companies providing products and/or services suitable to facilitate positive environmental and social contributions which include a broad range of topics, for which the Investment Manager uses as reference frameworks, among others, the UN Sustainable Development Goals, as well as EU Taxonomy objectives (“**SDG-Aligned Strategy**”).

A Sub-Fund which is managed in accordance with the SDG-Aligned Strategy invests in Equities and/or Debt Securities of companies facilitating the achievement of one or more of the SDGs and/or the EU Taxonomy Objectives. While the primary investments of a Sub-Fund will follow the investment requirements, some of the investments in such Sub-Fund’s portfolio may temporarily not fulfil these criteria. Examples of investments not fulfilling the aforementioned criteria are cash and Deposits, some Target Funds, and investments with temporarily divergent or absent environmental, social or good governance qualifications.

The Investment Manager of a Sub-Fund managed in accordance with SDG-Aligned Strategy does so by first identifying sustainable investment themes and topics that enable and/or facilitate achievement of one or more of the SDGs and/or the EU Taxonomy Objectives which are also related to the relevant SDGs.

The seventeen SDGs currently are:

1. No Poverty (e.g. end poverty in all its forms everywhere)
2. Zero Hunger (e.g. end hunger, achieve food security and improved nutrition and promote sustainable agriculture)
3. Good Health and Well-Being (e.g. ensure healthy lives and promote well-being for all at all ages)
4. Quality Education (e.g. ensure inclusive and equitable quality education and promote lifelong learning opportunities for all)
5. Gender Equality (e.g. achieve gender equality and empower all women and girls)
6. Clean Water and Sanitation (e.g. access to clean water and proper sanitation)
7. Affordable and Clean Energy (e.g. ensure access to affordable, reliable, sustainable and modern energy for all)
8. Decent Work and Economic Growth (e.g. promote inclusive and sustainable economic growth, employment and decent work for all)
9. Industry, Innovation and Infrastructure (e.g. build resilient infrastructure, promote sustainable industrialization and foster innovation)
10. Reduced Inequalities (e.g. reduce inequality within and among countries)
11. Sustainable Cities and Communities (e.g. make cities and human settlements inclusive, safe, resilient and sustainable)
12. Responsible Consumption and Production (e.g. ensure sustainable consumption and production patterns)



13. Climate Action (e.g. take urgent action to combat climate change and its impacts)
14. Life Below Water (e.g. conserve and sustainably use the oceans, seas and marine resources)
15. Life on Land (e.g. sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss)
16. Peace, Justice and Strong Institutions (e.g. promote justice for all and build effective, accountable and inclusive institutions at all levels)
17. Partnership for the Goals (e.g. strengthen the means of implementation and revitalize the global partnership for sustainable development)

The EU Taxonomy Objectives currently include the following:

- (1) climate change mitigation;
- (2) climate change adaptation;
- (3) sustainable use and protection of water and marine resources;
- (4) transition to a circular economy;
- (5) pollution prevention and control; and
- (6) protection and restoration of biodiversity ecosystems.

Investment themes aimed to achieve the SDGs and/or EU Taxonomy Objectives are expected to change over time, as new products and/or services may emerge and/or become investable for the strategy.

The selection of SDG aligned themes and topics is an active component of the SDG-Aligned Strategy, where a Sub-Fund's Investment Manager will invest in different themes and sub-themes (topics) within the Sub-Fund's investment objective and investment restrictions at own discretion. As a result, the Sub-Fund's exposure to specific environmental and social objectives will vary over time.

Secondly, the Investment Manager identifies and invests in companies that operate within the identified themes and topics, and that deliver outputs in the form of product and/or service that, as judged by the Investment Manager, based on both quantitative and qualitative analysis, facilitate the achievement of relevant SDG targets set by the United Nations General Assembly and/or the EU Taxonomy Objectives.

In any event, save for the Allianz Global Multi Asset Sustainability Balanced, a minimum of 80% of the relevant Sub-Fund's net asset value will be invested in securities of companies facilitating the achievement of one or more of the SDGs and/or the EU Taxonomy Objectives, and thus, meet the environmental or social characteristics promoted by the relevant Sub-Fund.

For quantitative assessment, at least 50% of the weighted average revenue of all investee companies invested by the relevant Sub-Fund are generated from the identified themes and topics that facilitate the achievement of one or more SDG targets and/or the EU Taxonomy Objectives. In addition, for at least 80% of the relevant Sub-Fund's underlying investments (excluding cash, Deposits and derivatives), each investee company shall have a minimum 20% of revenue generated from sustainable economic activities pursuant to SFDR (i.e. Sustainable Investment) of such investee company.

For qualitative assessment, the Investment Manager may consider, amongst other things, whether the investee company's business activities do not significantly harm the environment or social objectives, whether the investee company follows good governance practices and the investee company's PAI Indicator(s).

The Investment Manager makes use of a range of tools (including a proprietary tool) and data sources, including but not limited to proprietary and external fundamental research and external ESG ratings for consideration in the selection process of a security or issuer and/or engagement with the issuer (whether before or after investment).

In addition, in the first instance, minimum exclusion criteria are applied for (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and

Human Rights, (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), (iii) securities issued by issuers deriving more than 10% of their revenues from (a) weapons, or (b) military equipment and military services, (iv) securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction, (v) securities issued by utility issuers that are active within the utility sector and generating more than 20% of their revenues from coal, (vi) securities issued by issuers involved in the production of tobacco, (vii) securities issued by issuers deriving more than 5% of their revenue from the distribution of tobacco and (viii) securities issued by sovereign issuers qualified with a score as “not free” by the Freedom House Index (unless otherwise stated in a Sub-Fund’s individual investment restrictions). The Freedom House Index is collated by Freedom House, an American research institute, which measures political rights and civil liberties, and evaluates countries according to a wide range of criteria relating to democratic performance and the functioning of government. In respect of issuers violating the aforesaid items (i) – (viii), the securities issued by such issuers will be divested.

The current exclusion criteria may be updated from time to time and can be consulted on the website [https://regulatory.allianzgi.com/ESG/Exclusion\\_Specific\\_Sustainable](https://regulatory.allianzgi.com/ESG/Exclusion_Specific_Sustainable). Please note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC. To undertake this exclusion, various external data and research providers are used.

As far as the use of derivatives is concerned, Appendix 1 Part A (“General Investment Principles”) No. 7 (“Use of Techniques and Instruments”) of this HK Prospectus fully applies. This includes transactions with derivatives for efficient portfolio management (including hedging) and/or investment purposes. A Sub-Fund’s Investment Manager will, if possible, give preference to transactions with derivatives that serve to fulfil the advertised environmental or social characteristics of a Sub-Fund managed in accordance with the SDG-Aligned Strategy.

#### 5. *Sustainability Key Performance Indicator Strategy (Absolute Threshold)*

A Sub-Fund managed according to the Sustainability Key Performance Indicator Strategy (Absolute Threshold) (“**KPI Strategy (Absolute Threshold)**”) aims to target a specific minimum allocation of its assets into Sustainable Investments to achieve its investment objective. The objectives of the Sustainable Investments include a broad range of environmental and social topics, for which the Investment Manager uses as reference, among others, the UN Sustainable Development Goals, as well as the EU Taxonomy Objectives. Business activities of an issuer are broken down into revenues generated by the various business activities based on external data. In cases where the split of business activities received is not granular enough, it is determined by the Investment Manager. The business activities are internally assessed as to whether they contribute positively to an environmental or a social objective. The revenue share of each business activity that contributes positively to an environmental or social objective is allocated to the Sustainable Investment share, provided the issuer is assessed as doing no significant harm to any reference environmental and/or social objectives and satisfying the good governance principles (i.e. following good governance practices, such as sound management structures, employee relations, remuneration of staff and tax compliance, etc.). For securities which finance specific projects (“**Project Bonds**”) contributing to environmental or social objectives, the overall investment is considered and the assessment on issuers may in some cases be performed on project level. The Sustainable Investment share of each issuer and each Project Bond is weighted based on the percentage of the Sub-Fund’s portfolio invested in such issuer or Project Bonds, respectively. The individual weighted Sustainable Investment shares of all issuers and Project Bonds are aggregated in order to compute the Sustainable Investment share of the Sub-Fund.

A Sub-Fund managed according to the KPI Strategy (Absolute Threshold) applies minimum exclusion criteria for (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), (iii) securities issued by issuers deriving more than 10% of their revenues from (a) weapons,

or (b) military equipment and military services, (iv) securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction, (v) securities issued by utility issuers that are active within the utility sector and generating more than 20% of their revenues from coal, and (vi) securities issued by issuers involved in the production of tobacco, and securities issued by issuers deriving more than 5% of their revenue from the distribution of tobacco, and (vii) securities issued by sovereign issuers qualified with a score as “not free” by the Freedom House Index (unless otherwise stated in a Sub-Fund’s individual investment restrictions). The Freedom House Index is collated by Freedom House, an American research institute, which measures political rights and civil liberties, and evaluates countries according to a wide range of criteria relating to democratic performance and the functioning of government. In respect of issuers violating the aforesaid items (i) – (vii) the securities issued by such issuers will be divested.

#### 6. *Sustainability Key Performance Indicator Strategy (Absolute)*

A Sub-Fund managed according to the Sustainability Key Performance Indicator Strategy (Absolute) (“KPI Strategy (Absolute)”) seeks to achieve at least 5% year-on-year reduction in its portfolio’s weighted average of the investee companies’ annual greenhouse gas emissions intensity in terms of annual sales on an improvement pathway (“Sustainability KPI”). Greenhouse gas emissions (“GHG”) for the purpose of KPI Strategy (Absolute) includes both Scope 1 and Scope 2 emissions data. Scope 1 aims to measure all direct emissions from the activities of a corporate. Scope 2 aims to measure all indirect emissions from electricity purchased.

The Sub-Fund invests a minimum percentage of its portfolio, excluding derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits), evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. GHG intensity (“GHG Intensity”) represents an issuer’s annual greenhouse gas emissions. Sales represents an issuer’s annual sales. GHG Intensity (in terms of sales) of an issuer is the issuer’s annual greenhouse gas emission (in metric tons of carbon dioxide equivalents (tCO<sub>2</sub>e) per millions of annual sales). This ratio of annual GHG normalised by annual sales of each issuer facilitates comparison between issuers of different sizes. Weighted Average GHG Intensity (in terms of sales) is the average of the GHG Intensity (in terms of sales) of the issuers of the securities composing the Sub-Fund’s portfolio adjusted by their relative weights to the portfolio.

In the portfolio construction process, more GHG-efficient issuers in terms of the issuers’ sales would be more likely to be selected by the Investment Manager, such that the relevant Sub-Fund could achieve its Sustainability KPI. Third party data will be used to determine the GHG Intensity (in terms of sales) of an issuer.

The Investment Manager would perform yearly check to ensure that the actual reduction in Weighted Average GHG Intensity (in terms of sales) of the relevant Sub-Fund will at least achieve the Sustainability KPI calculated on a time series basis. The time series will be established on the first date of adoption of KPI Strategy (Absolute) (the “Reference Date”). As at each fiscal year end of the time series, the reduction in Weighted Average GHG Intensity (in terms of sales) of the relevant Sub-Fund’s portfolio from the preceding fiscal year end is measured to ascertain whether the Sustainability KPI has been achieved. For the period between the Reference Date and the first fiscal year end of adoption of KPI Strategy (Absolute), a pro rata temporis rate of the Sustainability KPI will be applied.

A Sub-Fund which is managed in accordance with the KPI Strategy (Absolute) applies minimum exclusion criteria for (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), (iii) securities issued by issuers deriving more than 10% of their revenues from (a) weapons, or (b) military equipment and military services, (iv) securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction, (v) securities issued by utility issuers that are active within the utility sector and generating more than 20% of their revenues from coal, and (vi) securities issued by issuers involved in the production of tobacco, or deriving more than 5% of their revenue from the

distribution of tobacco, and (vii) securities issued by sovereign issuers qualified with a score as “not free” by the Freedom House Index (unless otherwise stated in a Sub-Fund’s individual investment restrictions). The Freedom House Index is collated by Freedom House, an American research institute, which measures political rights and civil liberties, and evaluates countries according to a wide range of criteria relating to democratic performance and the functioning of government. In respect of issuers violating the aforesaid items (i) – (vii), the securities issued by such issuers will be divested. The Sub-Fund might invest in securities baskets such as indices which can contain securities falling under aforementioned exclusion criteria.

The current exclusion criteria of the KPI Strategy (Absolute) may be updated from time to time and can be consulted on the website [https://regulatory.allianzgi.com/ESG/Exclusion\\_Specific\\_Sustainable](https://regulatory.allianzgi.com/ESG/Exclusion_Specific_Sustainable). Please note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC. To undertake this exclusion, various external data and research providers are used.

#### *7. Sustainability Key Performance Indicator Strategy (Relative)*

A Sub-Fund managed according to the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”) seeks to achieve the reduction in GHG (measured by the weighted average GHG Intensity (in terms of sales) of the relevant Sub-Fund’s portfolio which shall be at least lower than that of the relevant Sub-Fund’s benchmark (where applicable, as adjusted) by a specified percentage within the same period (“Sustainability KPI”). GHG for the purposes of KPI Strategy (Relative) includes both Scope 1 and Scope 2 emissions data. Scope 1 aims to measure all direct emissions from the activities of a corporate. Scope 2 aims to measure all indirect emissions from electricity purchased and used by the corporate.

A specified minimum percentage of the relevant Sub-Funds’ portfolio, excluding derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits), is evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. GHG Intensity represents an issuer’s annual greenhouse gas emissions. Sales represents an issuer’s annual sales. GHG Intensity (in terms of sales) of an issuer is the issuer’s annual greenhouse gas emission (in metric tons of carbon dioxide equivalents (tCO<sub>2</sub>e) per millions of annual sales). This ratio of annual GHG normalised by annual sales of each issuer facilitates comparison between issuers of different sizes. Weighted Average GHG Intensity (in terms of sales) is the average of the GHG Intensity (in terms of sales) of the issuers of the securities composing the portfolio adjusted by their relative weights to the portfolio. This means that the GHG Intensity (in terms of sales) of the issuer is a key consideration of the investment process.

In the portfolio construction process, more GHG-efficient issuers in terms of the issuers’ sales would be more likely to be selected by the Investment Manager, such that the relevant Sub-Funds could achieve their respective Sustainability KPI. For certain Sub-Fund(s), a specified minimum percentage of the investment universe of the relevant Sub-Fund with the highest GHG Intensity (in terms of sales) is considered to be non-investable (i.e. will be excluded). Third party data will be used to determine the GHG Intensity (in terms of sales) of an issuer.

A Sub-Fund managed according to the KPI Strategy (Relative) applies minimum exclusion criteria for (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), (iii) securities issued by issuers deriving more than 10% of their revenues from (a) weapons, or (b) military equipment and military services, (iv) securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction, (v) securities issued by utility issuers that are active within the utility sector and generating more than 20% of their revenues from coal, (vi) securities issued by issuers involved in the production of tobacco, or deriving more than 5% of their revenue from the distribution of tobacco, and (vii) securities issued by sovereign issuers qualified with a score as “not free” by the Freedom House Index (unless otherwise stated in a Sub-Fund’s individual investment restrictions). The Freedom House Index is collated by Freedom House, an American research institute, which measures political rights and civil liberties, and

evaluates countries according to a wide range of criteria relating to democratic performance and the functioning of government. In respect of issuers violating the aforesaid items (i) – (vii), the securities issued by such issuers will be divested. The Sub-Fund might invest in securities baskets such as indices which can contain securities falling under aforementioned exclusion criteria.

The current exclusion criteria of the KPI Strategy (Relative) may be updated from time to time and can be consulted on the website [https://regulatory.allianzgi.com/ESG/Exclusion\\_Specific\\_Sustainable](https://regulatory.allianzgi.com/ESG/Exclusion_Specific_Sustainable). Please note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC. To undertake this exclusion, various external data and research providers are used.

#### **8. Sustainable and Responsible Investment (Proprietary Scoring) Strategy – SRI (Proprietary Scoring) Strategy**

A Sub-Fund managed according to the Sustainable and Responsible Investment (Proprietary Scoring) Strategy (“SRI (Proprietary Scoring) Strategy”) takes into account Sustainability Factors based on United Nations Global Compact Principles and is consistent with the principles of “sustainable and responsible investments”. The SRI Strategy’s responsible portion aspect includes engagement and proxy voting. The SRI Strategy’s sustainable portion aspect includes the following aspects:

- (i) Environmental characteristics assess securities based on the issuer’s environmental management.
- (ii) Social characteristics assess securities based on the issuer’s social responsibility.
- (iii) Human rights characteristics assess securities based on the issuer’s respect of human rights in its business conduct.
- (iv) Governance characteristics assess securities based on the issuer’s system of rules, practices, and processes by which it is directed and controlled.
- (v) Business Behavior assess securities based on the issuer’s trade relationships and their product safety (This Domain does not apply for securities issued by a Sovereign Entity). The aforesaid Environment, Social, Human Rights, Governance, and Business behavior domains are analyzed by the Sub-Fund’s Investment Manager in order to assess how sustainable development is taken into account in the strategy of an issuer.

Furthermore, the aforementioned domains (including any sub-categories) are set by a Sub-Fund’s Investment Manager and define a Sub-Fund’s investment universe which may be used within the framework of the implementation of the SRI (Proprietary Scoring) Strategy. SRI (Proprietary Scoring) Strategy will be based on SRI Ratings to apply negative or positive screens on a Sub-Fund’s investment universe by excluding or including issuers whose SRI Ratings are below or above prescribed threshold as determined by the Management Company from time to time.

A Sub-Fund which is managed according to the SRI (Proprietary Scoring) Strategy invests in Equities and/or Debt Securities as described in the Sub-Fund’s investment objective in accordance with the SRI (Proprietary Scoring) Strategy. The majority of a Sub-Fund’s assets shall be evaluated by an SRI Rating. The proportion of assets which do not have an SRI Rating is expected to be low. Examples of instruments not attaining to the SRI Rating are cash and Deposits, some Target Funds and investments with temporarily divergent or absent environmental, social or good Governance qualifications. Specific limits, which are considered by a Sub-Fund’s Investment Manager in the context of the application of the SRI (Proprietary Scoring) Strategy, can be found in a Sub-Fund’s individual investment restrictions as described in Appendix 1, Part B.

In addition, minimum exclusion criteria are applied for (i) securities issued by issuers severely violating principles and guidelines such as the Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights, (ii) securities issued by issuers developing, producing, using, maintaining, offering for sale, distributing, storing, or transporting controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), (iii) securities issued by issuers deriving more than 10% of their revenues from (a) weapons, or (b) military equipment, and military services, (iv) securities issued by issuers deriving more than 10% of their revenue from thermal coal extraction, (v) securities issued by utility issuers that are active within the utility sector and generating more than 20% of their

revenues from coal, (vi) securities issued by issuers involved in the production of tobacco, (vii) securities issued by issuers deriving more than 5% of their revenue from the distribution of tobacco, and (viii) securities issued by sovereign issuers qualified with a score as “not free” by the Freedom House Index (unless otherwise stated in a Sub-Fund’s individual investment restrictions). The Freedom House Index is collated by Freedom House, an American research institute, which measures political rights and civil liberties, and evaluates countries according to a wide range of criteria relating to democratic performance and the functioning of government. In respect of issuers violating the aforesaid items (i) – (viii), the securities issued by such issuers will be divested. The current exclusion criteria may be updated from time to time and can be consulted on the website <https://regulatory.allianzgi.com/ESG/SRI-exclusions>. Please note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC. To undertake this exclusion, various external data and research providers are used.

As far as the use of derivatives is concerned, Appendix 1 Part A (“General Investment Principles”) No. 7 (“Use of Techniques and Instruments”) fully applies. This includes transactions with derivatives for efficient portfolio management (including hedging) and/or investment purposes. A Sub-Fund’s Investment Manager will, if possible, give preference to transactions with derivatives that serve to fulfil the advertised environmental or social characteristics of a Sub-Fund managed in accordance with the SRI (Proprietary Scoring) Strategy.

Additional information on Sustainable Investment by Allianz Global Investors in respect of relevant investment strategies as described above is available at <https://www.allianzgi.com/en/our-firm/esg/documents#keypolicydocumentsandreports>. Please note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.

## 1. Equity Sub-Funds

The General Investment Principles are supplemented by the following Asset Class Principles and limits which exclusively apply to all Equity Sub-Funds unless otherwise stated in an Equity Sub-Fund's individual Investment Restrictions:

- A Sub-Fund's Investment Manager follows, unless otherwise stated in a Sub-Fund's investment objective (or in the investment restrictions), always an active management approach (as mentioned in Appendix 1, Part A of the HK Prospectus).
- Min. 70% of Sub-Fund assets are invested in Equities as described in the investment objective.
- Less than 30% of Sub-Fund assets may be invested in Equities other than described in the investment objective.
- Max. 15% of Sub-Fund assets may be invested in convertible Debt Securities, of which max. 10% of Sub-Fund assets may be invested in instruments with loss-absorption features (i.e. contingent convertible bonds).
- Max. 25% of Sub Fund assets may be invested in Money Market Instruments and/or held in time deposits and/or (up to 20% of Sub-Fund assets) in deposits at sight and/or (up to 10% of Sub-Fund assets) in money market funds for liquidity management.
- Max. 10% of Sub-Fund assets may be invested in UCITS and/or UCI.
- Where a country and/or region is referred to in the investment objective (or in the investment restriction), a Sub-Fund will (or if specifically restricted in its investment objective or investment restrictions, will not) make investments which have exposure or connection to such country and/or region. Such investments include Equities of companies listed on a Regulated Market or incorporated, with a registered office or principal place of business, or that generate a material share of sales or profits in such country and/or region, as well as companies under common management or control of, or have substantial direct or indirect participation in, the foregoing companies.

## EQUITY SUB-FUNDS

| Sub-Fund                            | Investment Objective  | Investment Restrictions   |
|-------------------------------------|---|---|
| Allianz All China Equity            | <p>Long-term capital growth by investing in onshore and offshore Equity Markets of the PRC, Hong Kong and Macau in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve an outperformance of the Sub-Fund's weighted average ESG score compared to the weighted average ESG score of Sub-Fund's Benchmark by the adoption of the ESG Score Strategy.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 100% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• Max. 69% of Sub-Fund assets may be invested via FII Program</li> <li>• ESG Score Strategy (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by MSCI's ESG scores. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• Sub-Fund's investment objective shall be achieved in accordance with the ESG Score Strategy by an outperformance (i.e. higher ESG score) of Sub-Fund's weighted average ESG score compared to the weighted average ESG score of Sub-Fund's Benchmark.</li> <li>• Hong Kong Restriction applies</li> <li>• Malaysian Investment Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI China All Shares Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| Allianz Best Styles Euroland Equity | <p>Long-term capital growth by investing in developed Eurozone Equity Markets. The Investment Manager may engage in foreign currency overlay and thus assume separate foreign currency risks with regard to currencies of OECD member states, even if the Sub-Fund does not include any assets denominated in these respective currencies.</p>  | <ul style="list-style-type: none"> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI EMU Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul>   |
| Allianz Best Styles Global Equity   | <p>Long-term capital growth by investing in global Equity Markets.</p>  | <ul style="list-style-type: none"> <li>• Max. 5% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds</li> </ul>  |



| Sub-Fund                      | Investment Objective  | Investment Restrictions  |
|-------------------------------|---|--|
|                               |   | <p>applies</p> <ul style="list-style-type: none"> <li>• Benchmark: MSCI World Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> <p>The term “Best Styles” used in the name of the Sub-Fund refers to the description of the Sub-Fund’s investment strategy whereby the selection of securities is based on a combination of fundamental analysis and quantitative risk management and securities are analysed and selected in accordance with a diversified blend of five different investment style orientations. Each investment style is formulated by a combination of various bottom-up stock selection parameters. For the avoidance of doubt, the term “Best Styles” is the brand name for this proprietary investment strategy and is not indicative of the Sub-Fund’s performance or returns.</p>   |
| Allianz China A Opportunities | <p>Long-term capital growth by investing in China A-Shares Equity Markets of the PRC with a focus on large capitalization companies in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve an outperformance of the Sub-Fund’s weighted average ESG score compared to weighted average ESG score of Sub-Fund’s Benchmark by the adoption of the ESG Score Strategy.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Large capitalization companies mean companies whose market capitalization is at least RMB 30 billion at the time of acquisition</li> <li>• Max. 69% of Sub-Fund assets may be invested via FII Program</li> <li>• Max. 20% of Sub-Fund assets may be invested in Equities of PRC Equity Markets other than China A-Shares market (e.g. China B-Shares)</li> <li>• Max. 10% of Sub-Fund assets may be invested in Equities outside PRC Equity Markets (e.g. China H-Shares)</li> <li>• Sub-Fund assets may not be invested in convertible Debt Securities including contingent convertible bonds</li> <li>• Max. 10% of Sub-Fund assets may be invested in closed-end funds listed on the Shanghai Stock Exchange or Shenzhen Stock Exchange</li> <li>• ESG Score Strategy (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by MSCI’s ESG scores. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• Sub-Fund’s investment objective shall be</li> </ul> |

| Sub-Fund               | Investment Objective   | Investment Restrictions  |
|------------------------|--|--|
|                        |  | <p>achieved in accordance with the ESG Score Strategy by an outperformance (i.e. higher ESG Score) of Sub-Fund's weighted average ESG score compared to the weighted average ESG score of Sub-Fund's Benchmark.</p> <ul style="list-style-type: none"> <li>• Hong Kong Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• VAG Investment Restriction applies</li> <li>• Benchmark: MSCI China A Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul>   |
| Allianz China A-Shares | <p>Long-term capital growth by investing in China A-Shares Equity Markets of the PRC in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve an outperformance of the Sub-Fund's weighted average ESG score compared to the weighted average ESG score of Sub-Fund's Benchmark by the adoption of the ESG Score Strategy.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 69% of Sub-Fund assets may be invested via FII Program</li> <li>• Max. 20% of Sub-Fund assets may be invested in Equities of PRC markets other than China A-Shares market (e.g. China B-Shares and China H-Shares)</li> <li>• Max. 10% of Sub-Fund assets may be invested in Equities outside PRC</li> <li>• Sub-Fund assets may not be invested in convertible Debt Securities including contingent convertible bonds</li> <li>• Max. 10% of Sub-Fund assets may be invested in closed end funds listed on the Shanghai Stock Exchange or Shenzhen Stock Exchange</li> <li>• ESG Score Strategy (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by MSCI's ESG scores. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• Sub-Fund's investment objective shall be achieved in accordance with the ESG Score Strategy by an outperformance (i.e. higher ESG score) of Sub-Fund's weighted average ESG score compared to the weighted average ESG score of Sub-Fund's Benchmark.</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI China A Onshore Total</li> </ul> |

| Sub-Fund                          | Investment Objective  | Investment Restrictions  |
|-----------------------------------|---|--|
|                                   |   | Return Net. Degree of Freedom: material. Expected Overlap: major   |
| Allianz China Equity              | <p>Long-term capital growth by investing in PRC, Hong Kong and Macau Equity Markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve an outperformance of the Sub-Fund's weighted average ESG score compared to the weighted average ESG score of Sub-Fund's Benchmark by the adoption of the ESG Score Strategy.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 50% of Sub-Fund assets may be invested in the China A-Shares market</li> <li>• ESG Score Strategy (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by MSCI's ESG scores. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• Sub-Fund's investment objective shall be achieved in accordance with the ESG Score Strategy by an outperformance (i.e. higher ESG score) of Sub-Fund's weighted average ESG score compared to the weighted average ESG score of Sub-Fund's Benchmark.</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI China 10/40 Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| Allianz China Future Technologies | <p>Long-term capital growth by investing in Equities of companies of the PRC (equities of PRC companies listed onshore and/or those listed offshore), Hong Kong and Macau with a focus on companies with an engagement in the development of future technologies.</p>   | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Companies with an engagement in the development of future technologies are companies which offer products, processes or services that provide, or benefit from<sup>3</sup>, advances and improvements in future technologies which may include, but are not limited to, artificial intelligence, communications technology, smart transportation, e-commerce, automation, biotech, green technology, semiconductors, software and financial technology.</li> <li>• Max. 100% of Sub-Fund assets may be invested into the China A-Shares market (including China A-Shares traded in the</li> </ul>  |

<sup>3</sup> Companies that benefit from the future technologies typically include, but not limited to, companies with innovation infrastructure (e.g. 5G, cloud, data center, etc.), companies with innovative applications of technologies (e.g. artificial intelligence, robotics & automation, etc.) and companies in innovation-enabled companies (e.g. e-commerce, FinTech, etc.). The demand from these companies is important driving force for the development of future technologies.

| Sub-Fund                     | Investment Objective  | Investment Restrictions   |
|------------------------------|---|---|
|                              |   | <p>ChiNext market of the SZSE and the STAR Board of the SSE)</p> <ul style="list-style-type: none"> <li>• Max. 69% of Sub-Fund assets may be invested via FII Program</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI China All Shares Total Return Net. Degree of Freedom: significant. Expected Overlap: major</li> </ul>  |
| Allianz China Healthy Living | <p>Long-term capital growth by investing in Equities of companies of the PRC (equities of PRC companies listed onshore and/or those listed offshore), Hong Kong and Macau with a focus on companies with an engagement in the area of healthcare and a healthy lifestyle.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Companies with an engagement in the areas of healthcare and a healthy lifestyle are companies offering products or solutions that (i) develop medical treatments (including, but not limited to, clinical research, medical devices, hospital services, medicine, to help lessen the symptoms and effects of a disease), (ii) prevent illness (e.g., positive diet, improved environment and lifestyle changes to help reduce the risk of disease), (iii) prolong life / lengthen life span and/or (iv) ensure healthy lives and promote well-being for all ages</li> <li>• Max. 100% of Sub-Fund assets may be invested in the China A-Shares market (including China A-Shares traded in the ChiNext market of the SZSE and the STAR Board of the SSE)</li> <li>• Max. 69% of Sub-Fund assets may be invested via FII Program</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI China All Shares Total Return Net. Degree of Freedom: significant. Expected Overlap: major</li> </ul> |
| Allianz Clean Planet         | <p>Long-term capital growth by investing in global Equity Markets with a focus on companies with an engagement in the area of enabling a cleaner environment in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with</p>      | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 70% of Sub-Fund assets are invested in Equities with a focus on companies with an engagement in the area of enabling a cleaner environment</li> <li>• Companies engaging in the area of enabling a cleaner environment are companies which offer products and/or services with active positive contribution to overcoming challenges related to three key dimensions of a clean environment which include (i) clean</li> </ul>   |

| Sub-Fund               | Investment Objective   | Investment Restrictions   |
|------------------------|--|---|
|                        | the SDG-Aligned Strategy.  | <p>land, (ii) energy transition, and (iii) clean water as targeted by the SDGs No.2<sup>4</sup>, 3, 6, 7, 9, 12, 13, 14 and 15</p> <ul style="list-style-type: none"> <li>• Max. 10% of Sub-Fund assets may be invested in convertible Debt Securities, including contingent convertible bonds</li> <li>• Max. 50% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• SDG-Aligned Strategy (including exclusion criteria) applies</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC World (ACWI) Total Return Net (for measurement and comparison of the Sub-Fund's performance only)</li> </ul>   |
| Allianz Cyber Security | <p>Long-term capital growth by investing in the global Equity Markets with a focus on companies whose business will benefit from or is currently related to cyber security in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the "Investment Restrictions" on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) ("KPI Strategy (Relative)").</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Cyber security means practices defending computers, servers, mobile devices, electronic systems, networks and data against malicious attacks. It also includes the security of information technologies and electronic information. Cyber security includes everything from computer security and disaster recovery to end user training.</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by the "Weighted Average GHG Intensity (in terms of sales)". Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund's Benchmark within the same period.</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% of Sub-Fund assets may be invested in the China A-Shares market</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> </ul> |

<sup>4</sup> The Sub-Fund's investment focus on companies engaging in the area of enabling a cleaner environment would increase the availability of clean land with sustainable agriculture and aquaculture, resulting in an abundant food supply from sustainable sources and achieving the SDG of zero hunger.

| Sub-Fund                       | Investment Objective   | Investment Restrictions   |
|--------------------------------|--|---|
|                                |  | <ul style="list-style-type: none"> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Benchmark: MSCI AC World (ACWI) Information Technology Total Return Net. Degree of Freedom: significant. Expected Overlap: major</li> </ul>   |
| Allianz Emerging Asia Equity   | <p>Long-term capital growth by investing in Equities of Asian Emerging Markets (excluding Japan, Hong Kong and Singapore) and/or of countries which are constituents of the MSCI Emerging Frontier Markets Asia.</p>   | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Asian Emerging Markets or in countries which are constituents of the MSCI Emerging Frontier Markets Asia</li> <li>• Max. 30% of Sub-Fund assets may be invested in the China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI Emerging Frontier Markets Asia Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul>   |
| Allianz Euroland Equity Growth | <p>Long-term capital growth by investing in the Equity Markets of the Eurozone with a focus on growth stocks in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund’s Benchmark within the same period.</li> <li>• PEA (Plan d’Epargne en Actions) Restriction applies</li> <li>• Max. 25% of Sub-Fund assets may be invested in Equities other than described in the investment objective</li> <li>• Max. 20% of Sub-Fund assets may be invested in Equities of companies whose registered offices are in countries participating in the Exchange Rate Mechanism II</li> <li>• Max. 10% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds</li> </ul> |

| Sub-Fund                            | Investment Objective   | Investment Restrictions  |
|-------------------------------------|--|--|
|                                     |  | <ul style="list-style-type: none"> <li>applies</li> <li>• VAG Investment Restriction applies</li> <li>• Benchmark: S&amp;P Eurozone Large Mid Cap Growth Total Return Net. Degree of Freedom: material. Expected Overlap: minor</li> </ul>   |
| Allianz Europe Equity Growth        | <p>Long-term capital growth by investing in European Equity Markets with a focus on growth stocks in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p>  | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund’s Benchmark within the same period.</li> <li>• Max. 20% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: S&amp;P Europe Large Mid Cap Growth Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| Allianz Europe Equity Growth Select | <p>Long-term capital growth by investing in European Equity Markets with a focus on growth stocks of large market capitalization companies in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Large market capitalization companies means companies whose market capitalization is at least EUR 5 billion as determined at the time of acquisition</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund’s Benchmark within the same period.</li> <li>• Max. 20% of Sub-Fund assets may be invested in Emerging Markets</li> </ul>  |

| Sub-Fund                         | Investment Objective   | Investment Restrictions  |
|----------------------------------|--|--|
|                                  |  | <ul style="list-style-type: none"> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: S&amp;P Europe Large Cap Growth Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul>  |
| Allianz European Equity Dividend | <p>Long-term capital growth by investing in companies of European Equity Markets that are expected to achieve permanent dividend returns in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Absolute) (“KPI Strategy (Absolute)”).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Max. 20% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% of Sub Fund assets may be held directly in Money Market Instruments and/or Deposits and/or (up to 10% of Sub-Fund assets) in money market funds for liquidity management</li> <li>• KPI Strategy (Absolute) (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits)</li> <li>• The Sustainability KPI is at least a 5% year-on-year reduction in the Weighted Average GHG Intensity (in terms of sales) on an improvement pathway starting at the Reference Date (i.e. first date of adoption of the KPI Strategy (Absolute)) on 29 December 2022. For the period between Reference Date and the first fiscal year end of strategy adoption, a pro rata temporis rate of the Sustainability KPI will be applied.</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI Europe Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| Allianz Food Security            | <p>Long-term capital growth by investing in global Equity Markets with a focus on companies engaging in the area of food security in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with</p>  | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Companies engaging in the core theme of food security are companies which offer products and/or services that improve food management practices across the entire supply chain with the purpose of improving sustainability of the agricultural practices, natural resource efficiency, and affordability</li> </ul>   |



| Sub-Fund                               | Investment Objective  | Investment Restrictions   |
|--|---|---|
|  | the SDG- Aligned Strategy.  | <p>and quality of food as targeted by SDGs No. 2, 3, 6, 13, 14 and 15.</p> <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in Equities of companies engaging in the area of food security.</li> <li>• Max. 50% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 10% of Sub-Fund assets may be invested in convertible Debt Securities, and/or in contingent convertible bonds</li> <li>• Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• SDG-Aligned Strategy (including exclusion criteria) applies.</li> <li>• Benchmark: MSCI AC World (ACWI) Total Return Net (for measurement and comparison of the Sub- Fund's performance only).</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> </ul> |
| Allianz GEM Equity High Dividend       | Long-term capital growth by investing in global emerging Equity Markets, with a focus on Equities which will result in a portfolio of investments with a potential dividend yield above the market average when the portfolio is considered as a whole.   | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in Emerging Markets or in countries which are constituents of the MSCI Emerging Markets Index</li> <li>• Max. 30% of Sub-Fund assets may be invested in China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI Emerging Markets Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul>  |
| Allianz Global Artificial Intelligence | <p>Long-term capital growth by investing in the global Equity Markets with a focus on the evolution of artificial intelligence in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the "Investment Restrictions" on the right-hand column) with the adoption of the Sustainability</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by the "Weighted Average GHG Intensity (in terms of sales)". Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than</li> </ul>   |

| Sub-Fund                                   | Investment Objective  | Investment Restrictions  |
|--|---|--|
|  | <p>Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p>   | <p>that of the Sub-Fund’s Benchmark within the same period.</p> <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Malaysian Investment Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• Benchmark: 50% MSCI AC World (ACWI) Total Return Net + 50% MSCI World Information Technology Total Return Net. Degree of Freedom: significant. Expected Overlap: major</li> </ul>  |
| <p>Allianz Global Equity Growth</p>        | <p>Long-term capital growth by investing in global Equity Markets with a focus on growth stocks in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• “Growth stocks” means equities of companies with potential above market average earnings growth</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund’s Benchmark within the same period.</li> <li>• Max. 20% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC World (ACWI) Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| <p>Allianz Global Equity Unconstrained</p> | <p>Long-term capital growth by investing in global Equity Markets to achieve a concentrated equity portfolio with a focus on stock selection in accordance with</p>   | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be</li> </ul>   |

| Sub-Fund                      | Investment Objective  | Investment Restrictions   |
|-------------------------------|---|---|
|                               | <p>E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p>   | <p>evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</p> <ul style="list-style-type: none"> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund’s Benchmark within the same period.</li> <li>• Max. 50% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 15% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC World (ACWI) Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul>  |
| Allianz Global Hi-Tech Growth | <p>Long-term capital growth by investing in global Equity Markets with a focus on the information technology sector or on an industry which forms part of this sector in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Absolute) (“KPI Strategy (Absolute)”).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Information technology sector means companies that have, or will, develop products, processes or services that will provide, or will benefit significantly from advances and improvements in the information technology sector which includes, but is not limited to, software &amp; related services, including primarily development of software in various fields such as the internet, applications, systems, databases management and/or home entertainment; consulting and services, as well as data processing and outsourced services; technology hardware &amp; equipment, including manufacturers and distributors of communications equipment, computers &amp; peripherals, electronic equipment and related instruments; interactive media &amp; services, internet, internet infrastructure and services; and semiconductors &amp; semiconductor equipment manufacturers.</li> <li>• KPI Strategy (Absolute) (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature</li> </ul> |

| Sub-Fund                         | Investment Objective   | Investment Restrictions   |
|----------------------------------|--|---|
|                                  |  | <p>(e.g. cash and Deposits).</p> <ul style="list-style-type: none"> <li>• The Sustainability KPI is at least a 5% year-on-year reduction in the Weighted Average GHG Intensity (in terms of sales) on an improvement pathway starting at the Reference Date (i.e. first date of adoption of the KPI Strategy (Absolute) on 29 September 2023). For the period between Reference Date and the first fiscal year end of strategy adoption, a pro rata temporis rate of the Sustainability KPI will be applied.</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI World Information Technology Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| Allianz Global Metals and Mining | Long-term capital growth by investing in global Equity Markets with a focus on natural resources. Natural resources may comprise of nonferrous metals, iron and other ores, steel, coal, precious metals, diamonds or industrial salts and minerals. | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI ACWI Metals &amp; Mining 30% Buffer 10/40. Degree of Freedom: material. Expected Overlap: major</li> </ul>   |
| Allianz Global Small Cap Equity  | Long-term capital growth by investing in global Equity Markets with a focus on small-sized companies.  | <ul style="list-style-type: none"> <li>• “Small-sized companies” (“small caps”) means companies whose market capitalisation are a maximum of 1.3 times the market capitalization of the largest security in terms of market capitalisation in the MSCI World Small Cap. Under normal market situations the Investment Manager expects to maintain a weighted average market capitalization of the portfolio of the Sub-Fund between 50% and 200% of the weighted-average market capitalization of the securities in the MSCI World Small Cap.</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets, limited to max. 10% for each single Emerging Markets Country</li> <li>• Max. 10% of Sub-Fund assets may be invested in the China A-Shares market</li> <li>• Max. 15% of Sub-Fund assets may be</li> </ul>   |

| Sub-Fund                      | Investment Objective  | Investment Restrictions  |
|-------------------------------|---|--|
|                               |   | <p>invested in convertible Debt Securities, and (up to 10% of Sub-Fund assets) may be invested in contingent convertible bonds, of which max. 10% may be High- Yield Investments Type I at the time of acquisition</p> <ul style="list-style-type: none"> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI World Small Cap Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul>   |
| Allianz Global Sustainability | <p>Long-term capital growth by investing in global Equity Markets of developed countries in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the Sustainable and Responsible Investment (Proprietary Scoring) Strategy (SRI (Proprietary Scoring) Strategy).</p> <p>The Investment Manager may engage in foreign currency overlay and thus assume separate foreign currency risks with regard to currencies of OECD member states, even if the Sub-Fund does not include any assets denominated in these respective currencies.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• SRI (Proprietary Scoring) Strategy (including exclusion criteria) applies</li> <li>• Min. 90% of Sub-Fund portfolio shall be evaluated by an SRI Rating. Portfolio in this respect does not comprise non-rated derivatives and instruments that are non-rated by nature (e.g. cash and Deposits).</li> <li>• 75% of issuers shall have a minimum SRI Rating score of 2 (from a rating scale of 0 – 4; 0 being the worst rating and 4 being the best rating); and 25% of issuers shall have a minimum SRI Rating score between 1.25 and 2.</li> <li>• Min. 20% of Sub-Fund’s investment universe is considered to be non-investable (i.e. will be excluded) based on SRI Rating</li> <li>• Sub-Fund assets may not be invested in Equities of companies that derives more than 5% of its revenues in the sectors of (i) alcohol, (ii) armament, (iii) gambling and (iv) pornography</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: DOW JONES Sustainability World Total Return Net. Degree of Freedom: material. Expected Overlap: minor<br/>Benchmark is not completely consistent with the environmental or social characteristics</li> </ul> |

| Sub-Fund             | Investment Objective  | Investment Restrictions  |
|----------------------|---|--|
|                      |   | <p>promoted by the Sub-Fund. Both, the Sub-Fund and Benchmark use a combination of SRI screening and exclusion of controversial sectors and violations of UN Global Compact. Benchmark's specific screening and exclusion criteria deviate from the Sub-Fund's investment strategy. Details of the Benchmark's methodology may be found at <a href="http://www.spglobal.com">www.spglobal.com</a>. Note that the website has not been reviewed by the SFC.</p>   |
| Allianz Global Water | <p>Long-term capital growth by investing in global Equity Markets with a focus on companies with an engagement in the area of water resource management in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the SDG-Aligned Strategy.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 70% of Sub-Fund assets are invested in Equities with a focus on companies with an engagement in the area of water resource management</li> <li>• Companies which engage in the area of water resource management are companies which offer products and/or services that create positive environmental and social outcomes along water scarcity and quality issues, and helps to improve the sustainability of global water resources, as targeted by the SDGs No. 2 (e.g. access to quality water to improve nutrition and promote sustainable agriculture), 3 (e.g. access to clean water to ensure healthy lives and promote well-being), 6 (e.g. access to clean water and proper sanitation), 11 (e.g. reduce the adverse effects of natural disasters and environmental impact of cities in terms of solutions to purify and recycle water) and 13 (e.g. promote healthy aquatic ecosystem and improve water management in order to mitigate the impact of climate-related hazards such as drought).</li> <li>• Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• Max. 10% of Sub-Fund assets may be invested in convertible Debt Securities and/or in contingent convertible bonds</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• SDG-Aligned Strategy (including exclusion criteria) applies</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC World (ACWI) Total</li> </ul> |

| Sub-Fund                                  | Investment Objective  | Investment Restrictions   |
|---|---|---|
|   |   | Return Net (for measurement and comparison of the Sub-Fund's performance only)  |
| Allianz High Dividend Asia Pacific Equity | <p>Long-term capital growth by investing in a portfolio of Asia Pacific (excluding Japan) Equity Markets securities, with a potential dividend yield above the market average in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the "Investment Restrictions" on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) ("KPI Strategy (Relative)").</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by the "Weighted Average GHG Intensity (in terms of sales)". Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund's Benchmark within the same period.</li> <li>• Max. 80% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 30% of Sub-Fund assets may be invested into the China A-Shares and/or China B-Shares markets</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC Asia Pacific Excl. Japan Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| Allianz Hong Kong Equity                  | Long-term capital growth by investing in Hong Kong Equity Markets.  | <ul style="list-style-type: none"> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 30% of Sub-Fund assets may be invested in the China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: FTSE MPF Hong Kong Index Total Return Net. Degree of Freedom: material. Expected Overlap: minor</li> </ul>   |
| Allianz India Equity                      | Long-term capital growth by investing in Equity Markets of the Indian Subcontinent, including India, Pakistan, Sri Lanka and Bangladesh.  | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in Equities as described in the investment objective, wherein max. 30% of Sub-Fund assets may be invested in Equity Markets of Pakistan, Sri Lanka and Bangladesh</li> <li>• Sub-Fund assets may be invested in</li> </ul>  |

| Sub-Fund               | Investment Objective  | Investment Restrictions   |
|------------------------|---|---|
|                        |   | <p>Emerging Markets</p> <ul style="list-style-type: none"> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• Benchmark: MSCI India Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul>   |
| Allianz Japan Equity   | <p>Long-term capital growth by investing in Japanese Equity Markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund’s Benchmark within the same period.</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: TOPIX Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| Allianz Little Dragons | <p>Long-term capital growth by investing in Asian Equity Markets excluding Japan with a focus on small-sized and mid-sized companies.</p>   | <ul style="list-style-type: none"> <li>• “Small-sized and mid-sized companies” (“<b>small caps</b>” and “<b>mid caps</b>”) mean companies whose market capitalization are a maximum of 1.3 times of the market capitalization of the largest security in terms of market capitalisation in the MSCI AC Asia Excl. Japan Mid Cap.</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 30% of Sub-Fund assets may be invested in the China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC Asia Excl. Japan Mid</li> </ul>  |



| Sub-Fund                                | Investment Objective  | Investment Restrictions   |
|---|---|---|
|   |   | <p>Cap Total Return Net. Degree of Freedom: material. Expected Overlap: minor</p>   |
| <p>Allianz Pet and Animal Wellbeing</p> | <p>Long-term capital growth by investing in global Equity Markets with a focus on the evolution and development of pet and animal wellbeing in accordance with E/S characteristics.</p> <p>In seeking to achieve its objective, the Sub-Fund adopts the Sustainability Key Performance Indicator Strategy (Absolute Threshold) (“KPI Strategy (Absolute Threshold)”) with a specific minimum allocation to Sustainable Investments.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Companies related to evolution and development of pet and animal wellbeing are mainly, but not exclusively, companies that provide products or services for pets and other animals (e.g. pet food or pet insurance)</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• KPI Strategy (Absolute Threshold) (including exclusion criteria) applies.</li> <li>• Min. 20% of Sub-Fund assets are invested in Sustainable Investments.</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC World (ACWI) Total Return Net (for measurement and comparison of the Sub-Fund’s performance only)</li> </ul>  |
| <p>Allianz Positive Change</p>          | <p>Long-term capital growth by investing in global Equity Markets in accordance with E/S characteristics with a focus on companies engaging in activities facilitating the achievement of one or more United Nations’ SDGs, and hence create positive outcomes for environment and society by investing in such companies.</p> <p>In this context, the Sub-Fund invests in accordance with the SDG-Aligned Strategy.</p>                | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 70% of Sub-Fund assets are invested in Equities of companies engaging in activities facilitating the achievement of one or more United Nations’ SDGs.</li> <li>• Companies engaging in activities facilitating the achievement of one or more SDGs are companies which offer products and/or services across the themes of Food Security (meeting the growing food demand for affordable and nutritious food whilst improving the sustainability of the food system), Healthcare (affordable healthcare), Energy Transition (de-carbonizing the energy system by transitioning away from fossil fuels towards clean energy), Water (water and waste management), Circular Economy (achieving a circular economy in which waste and pollution do not exist or is minimised by design, and promoting sustainable use of natural resources) and Social Inclusion (improving the ability of and availability of opportunities to those disadvantaged in society) as targeted by the SDGs No. 1 to 17.</li> </ul> |

| Sub-Fund             | Investment Objective   | Investment Restrictions  |
|----------------------|--|--|
|                      |  | <ul style="list-style-type: none"> <li>• Max. 10% of Sub-Fund assets may be invested in convertible Debt Securities and/or in contingent convertible bonds</li> <li>• Max. 50% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• SDG-Aligned Strategy (including exclusion criteria) applies</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC World (ACWI) Total Return Net (for measurement and comparison of the Sub-Fund's performance only)</li> </ul>   |
| Allianz Smart Energy | <p>Long-term capital growth by investing in global Equity Markets with a focus on companies with an engagement in the area of smart energy or transition of energy usage in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the SDG-Aligned Strategy.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 70% of Sub-Fund assets are invested in Equities of companies with an engagement in the area of smart energy or transition of energy usage.</li> <li>• Companies which engage in the area of smart energy or transition of energy usage are companies which, using technology, offer products and/or services with active positive contribution to the shift away from fossil fuels, enhancing resilience of the sustainable energy infrastructure, creating renewable sources of energy generation, developing or manufacturing energy storage systems and improving energy efficiency and access to sustainable energy consumption, as targeted by the SDGs No. 7, 9, 11, 12 and 13.</li> <li>• Max. 10% of Sub-Fund assets may be invested in convertible Debt Securities and/or in contingent convertible bonds</li> <li>• Max. 10% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• Sub-Fund assets must not be invested in companies that generate more than 30% of their revenue from upstream oil or power generation from this fuel</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• SDG-Aligned Strategy (including exclusion criteria) applies</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> </ul> |

| Sub-Fund                          | Investment Objective  | Investment Restrictions  |
|-----------------------------------|---|--|
|                                   |   | <ul style="list-style-type: none"> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC World (ACWI) Total Return Net. (for measurement and comparison of the Sub-Fund's performance only)</li> </ul>   |
| Allianz Thematica                 | <p>Long-term capital growth by investing in global Equity Markets with a focus on theme and stock selection in accordance with E/S characteristics.</p> <p>In seeking to achieve its objective, the Sub-Fund adopts the Sustainability Key Performance Indicator Strategy (Absolute Threshold) (“KPI Strategy (Absolute Threshold)”) with a specific minimum allocation to Sustainable Investments.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• The Sub-Fund aims to invest in a range of 5 to 10 themes with medium to long term trends (e.g. health tech, safety and security, digital life, etc. depending on market conditions). The themes may change over time. The investment process is based on an approach which combines a top-down active theme investment process and a bottom-up stock selection process.</li> <li>• Max. 50% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 10% of Sub-Fund assets may be invested in China A-Shares market</li> <li>• KPI Strategy (Absolute Threshold) (including exclusion criteria) applies.</li> <li>• Min. 30% of Sub-Fund assets are invested in Sustainable Investments.</li> <li>• Hong Kong Restriction applies</li> <li>• Malaysian Investment Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC World (ACWI) Total Return Net (for measurement and comparison of the Sub-Fund's performance only)</li> </ul> |
| Allianz Total Return Asian Equity | <p>Long-term capital growth and income by investing in the Equity Markets of the Republic of Korea, Taiwan, Thailand, Hong Kong, Malaysia Indonesia, the Philippines, Singapore and/or the PRC in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-</p>                       | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund's Benchmark within the same period.</li> </ul>   |

| Sub-Fund                   | Investment Objective   | Investment Restrictions   |
|----------------------------|--|---|
|                            | hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).  | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 30% of Sub-Fund assets may be invested in the China A-Shares market</li> <li>• Max. 30% of Sub-Fund assets may be held in Money Market Instruments and/or Deposits and/or (up to 10% of Sub-Fund assets) in money market funds</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: MSCI AC Asia Excl. Japan Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |
| Allianz US Equity Fund     | Long-term capital growth by investing in companies of US Equity Markets with a minimum market capitalisation of USD500 million.  | <ul style="list-style-type: none"> <li>• Max. 30% Sub-Fund assets may be invested in Emerging Markets</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: S&amp;P 500 Total Return. Degree of Freedom: material. Expected Overlap: major</li> </ul>   |
| Allianz US Equity Plus     | Long-term capital growth and income by investing in the US Equity Markets.   | <ul style="list-style-type: none"> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% of Sub Fund assets may be held in Deposits and/or invested directly in Money Market Instruments and/or (up to 10% of Sub-Fund assets) in money market funds</li> <li>• Max. 20% non-USD Currency Exposure</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: none</li> </ul>  |
| Allianz US Large Cap Value | <p>Long-term capital growth by investing in the US Equity Markets with a focus on value stocks in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Value stock means Equity whose current share price is trading - for whatever reason - below its intrinsic value</li> <li>• Min. 70% of Sub-Fund assets are invested in large capitalization companies whose market capitalization is at least the same as the smallest component in the Sub-Fund’s Benchmark (as set out in the last bullet point)</li> <li>• Max. 20% non-USD Currency Exposure</li> </ul>   |

| Sub-Fund | Investment Objective   | Investment Restrictions  |
|----------|--|--|
|          | <p>adoption of the Sustainability Key Performance Indicator Strategy (Absolute) (“KPI Strategy (Absolute)”).</p> | <ul style="list-style-type: none"> <li>• Max. 20% of Sub-Fund assets may be invested in REITs</li> <li>• Max. 10% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• KPI Strategy (Absolute) (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits)</li> <li>• The Sustainability KPI is at least a 5% year-on-year reduction in the Weighted Average GHG Intensity (in terms of sales) on an improvement pathway starting at the Reference Date (i.e. first date of adoption of the KPI Strategy (Absolute)) on 2 February 2024. For the period between Reference Date and the first fiscal year end of strategy adoption, a pro rata temporis rate of the Sustainability KPI will be applied.</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• GITA Restriction for Equity Sub-Funds applies</li> <li>• Benchmark: Russell 1000 Value Total Return Net. Degree of Freedom: material. Expected Overlap: major</li> </ul> |

## 2. Bond Sub-Funds

The principles set out in the General Investment Principles are supplemented by the following Asset Class Principles and limits which exclusively apply to all Bond Sub-Funds unless otherwise stated in a Bond Sub-Fund's individual Investment Restrictions:

- A Sub-Fund's Investment Manager follows, unless otherwise stated in a Sub-Fund's investment objective (or in the investment restrictions), always an active management approach (as mentioned in Appendix 1, Part A of the HK Prospectus).
- Sub-Fund assets are primarily invested in Debt Securities as described in the investment objective.
- Less than 30% of Sub-Fund assets may be invested in Debt Securities other than described in the investment objective.
- Max. 20% of Sub-Fund assets may be invested in ABS and/or MBS.
- Max. 10% of Sub-Fund assets may be invested in contingent convertible bonds (or "CoCos").
- Max. 10% of Sub-Fund assets may be invested in preference shares.
- Max. 10% of Sub-Fund assets may be invested in UCITS and/or UCI.
- Max. 100% of Sub-Fund assets may be invested in Money Market Instruments and/or held in time deposits and/or (up to 20% of Sub-Fund assets) in deposits at sight and/or (up to 10% of Sub-Fund assets) in money market funds on a temporary basis for liquidity management and/or defensive purpose and/or any other exceptional circumstances, and if the investment manager considers it in the best interest of the Sub-Fund.
- Where a country, region and/or market is referred to in the investment objective (or in the investment restrictions), a Sub-Fund will (or if specifically restricted in its investment objective or investment restrictions, will not) make investments which have exposure or connection to such country, region and/or markets. Such investments include Debt Securities that are issued or guaranteed by governments, municipalities, agencies, supra-nationals, central, regional, or local authority and companies of (including those that generate a predominant share of their sales or their profits in) such country, region and/or market as well as companies that are under common management or control of, or have substantial direct or indirect participation in the foregoing companies.
- Sub-Fund assets may be invested in Equities and comparable securities or rights in the exercise of subscription, conversion and option rights on investments such as convertible bonds, contingent convertible bonds and bonds with warrants, but they must be sold within 12 months from the date of acquisition. Up to 5% of Sub-Fund assets as described in the aforementioned may be invested longer than 12 months if the Investment Manager considers it to be in the best interest of the Sub-Fund.

## BOND SUB-FUNDS

| Sub-Fund                              | Investment Objective  | Investment Restrictions  |
|---------------------------------------|---|--|
| Allianz American Income               | <p>Long-term capital growth and income by investing in Debt Securities of American Bond Markets with a focus on the US Bond Markets.</p> <p>“American bond markets” includes bond markets in North America (e.g. the US) and South America (e.g. Brazil).</p> | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in Debt Securities from the US</li> <li>• Max. 60% of Sub-Fund assets may be invested in High-Yield Investment Type 2</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 30% of Sub-Fund assets may be invested in convertible Debt Securities</li> <li>• Max. 20% of Sub-Fund assets may be invested in ABS and/or MBS with Investment Grade rating</li> <li>• Max. 20% non-USD Currency Exposure</li> <li>• Benchmark: none</li> <li>• Duration: between 3 and 9 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies, except for the relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> </ul> |
| Allianz China Strategic Bond          | <p>Long-term capital growth and income by investing in the PRC, Hong Kong, Taiwan and Macau Bond Markets.</p>   | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in accordance with the investment objective</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 100% of Sub-Fund assets may be invested in High-Yield Investments Type 1</li> <li>• Max. 100% of Sub-Fund assets may be invested in PRC Bond Markets</li> <li>• Max. 100% of Sub-Fund assets may be invested in urban investment bonds in onshore or offshore Chinese bond markets</li> <li>• Max. 69% of Sub-Fund assets may be invested via FII Program</li> <li>• Hong Kong Restriction applies</li> <li>• Duration: between zero and 10 years</li> <li>• Benchmark: J.P. MORGAN Asia Credit China Index.<br/>Degree of Freedom: significant. Expected Overlap: minor</li> </ul>           |
| Allianz Dynamic Asian High Yield Bond | <p>Long-term capital growth and income by investing in high yield rated Debt Securities of Asian Bond Markets.</p>  | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Min. 70% of Sub-Fund assets are invested in High-Yield Investments Type 1 in accordance with the investment objective, within this limit max. 10% of Sub-Fund assets may be invested in Debt Securities that are rated CC or lower (including defaulted securities) (Standard and Poor’s)</li> <li>• Max. 10% of Sub-Fund assets may be invested in convertible Debt Securities</li> <li>• Max. 20% RMB Currency Exposure</li> </ul>   |

| Sub-Fund                                     | Investment Objective  | Investment Restrictions   |
|--|---|---|
|  |   | <ul style="list-style-type: none"> <li>• Max. 30% non USD Currency Exposure</li> <li>• Max. 20% of Sub-Fund assets may be invested in the PRC Bond Markets</li> <li>• Benchmark: J.P. MORGAN JACI Non-Investment Grade Custom Index. Degree of Freedom: material. Expected Overlap: major</li> <li>• Duration: between zero and 10 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies, except for the relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> </ul>  |
| Allianz Emerging Markets Select Bond         | Superior risks adjusted returns through a complete market cycle by investing in emerging Bond Markets.                          | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in Debt Securities of Emerging Markets or of countries which are constituents of the J.P. MORGAN Emerging Market Bond (EMBI) Global Diversified or the J.P. MORGAN Corporate Emerging Market Bond or the J.P. MORGAN Government Bond - Emerging Markets (GBI-EM) Global</li> <li>• Sub-Fund assets may be invested in High-Yield Investments Type 1 and Debt Securities that are rated CC or lower (including max. 10% in defaulted securities) (Standard &amp; Poor's or equivalent by other rating agencies)</li> <li>• Max. 15% of Sub-Fund assets may be invested in the PRC Bond Markets</li> <li>• Benchmark: J.P. MORGAN Emerging Markets Blended (JEMB) Equal Weighted Total Return. Degree of Freedom: material. Expected Overlap: major</li> <li>• Duration: between minus 4 and 8 years</li> <li>• Hong Kong Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> </ul> |
| Allianz Emerging Markets Short Duration Bond | Long-term capital growth and income by investing in short duration Debt Securities of emerging Bond Markets denominated in USD. | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in Debt Securities with a rating of B- (Standard &amp; Poor's) or better of Emerging Markets or of countries which are constituents of the J.P. MORGAN Emerging Market Bond (EMBI) Global Diversified or the J.P. MORGAN Corporate Emerging Market Bond and which are denominated in USD</li> <li>• Sub-Fund assets may be invested in High-Yield Investments Type 2</li> <li>• Sub-Fund assets may not be invested in ABS and/or MBS</li> <li>• Max. 15% of Sub-Fund assets may be invested in the PRC Bond Markets</li> <li>• Max. 10% of Sub-Fund assets may be invested in preference shares issued by corporates of an Emerging Market country or</li> </ul>   |



| Sub-Fund                                 | Investment Objective   | Investment Restrictions   |
|--|--|---|
|  |  | <p>of countries which are constituents of the J.P. MORGAN Emerging Market Bond (EMBI) Global Diversified or the J.P. MORGAN Corporate Emerging Market Bond or the J.P. MORGAN Government Bond - Emerging Markets (GBI-EM) Global</p> <ul style="list-style-type: none"> <li>• Benchmark: SECURED OVERNIGHT FINANCING RATE (SOFR) (for measurement and comparison of the Sub-Fund's performance only)</li> <li>• Duration: between 1 and 3 Years</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> </ul>   |
| <p>Allianz Emerging Markets SRI Bond</p> | <p>Long term capital growth by investing in sovereign and quasi-sovereign Debt Securities of Global Emerging Markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the Sustainable and Responsible Investment (Proprietary Scoring) Strategy (SRI (Proprietary Scoring) Strategy).</p> <p>“Global Emerging Markets” are (a) Emerging Markets or (b) countries that are constituents of the J.P. MORGAN ESG Emerging Market Bond (EMBI) Global Diversified.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 70% of Sub-Fund assets are invested in sovereign and quasi-sovereign Debt Securities of a country of Global Emerging Markets. Quasi-sovereign Debt Securities are Debt Securities that are owned more than 50% or guaranteed by the national government of a country of Global Emerging Markets.</li> <li>• Max. 30% of Sub-Fund assets may be invested in Debt Securities other than those described in the investment objective</li> <li>• Max. 15% of Sub-Fund assets may be invested in the PRC bond markets</li> <li>• Sub-Fund assets may be invested in High-Yield Investments Type 2</li> <li>• Max. 20% non-USD Currency Exposure</li> <li>• SRI (Proprietary Scoring) Strategy (including exclusion criteria) applies. In addition, the following exclusion criteria apply: <ul style="list-style-type: none"> <li>• For sovereign issuers an internal scoring model weighting various environmental, social and governance factors is applied for which Freedom House Index is considered as one criterion amongst further criteria. Securities issued by sovereign issuers with an insufficient internal score will be divested.</li> </ul> </li> <li>• Min. 90% of Sub-Fund portfolio shall be evaluated by an SRI Rating. Portfolio in this respect does not comprise non-rated derivatives and instruments that are non-rated by nature (e.g. cash and Deposits).</li> <li>• Min. 20% of Sub-Fund's investment universe is considered to be non-investable (i.e. will be excluded) based on SRI Rating</li> <li>• Duration: between 1 and 10 Years</li> </ul> |

| Sub-Fund   | Investment Objective   | Investment Restrictions   |
|--|--|---|
|  |  | <ul style="list-style-type: none"> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• Benchmark: J.P. MORGAN ESG Emerging Market Bond (EMBI) Global Diversified Total Return. Degree of Freedom: material. Expected Overlap: major<br/>Benchmark is not completely consistent with the environmental or social characteristics promoted by the Sub- Fund. Both the Sub-Fund and Benchmark use a combination of SRI screening and exclusion of controversial sectors and violations of UN Global Compact. Benchmark’s specific screening and exclusion criteria deviate from the Sub-Fund’s investment strategy. Details of the Benchmark’s methodology may be found at <a href="http://jpmorganindices.com">jpmorganindices.com</a>. Note that the website has not been reviewed by the SFC.</li> </ul>   |
| <p>Allianz Emerging Markets SRI Corporate Bond</p> | <p>Long term capital growth by investing in corporate Debt Securities of Global Emerging Markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the Sustainable and Responsible Investment (Proprietary Scoring) Strategy (SRI (Proprietary Scoring) Strategy).</p> <p>“Global Emerging Markets” are (a) Emerging Markets or (b) countries that are constituents of the J.P. MORGAN ESG Corporate Emerging Market Bond (CEMBI) Broad Diversified.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 70% of Sub-Fund assets are invested in Debt Securities of corporate issuers with a registered office in Global Emerging Markets</li> <li>• Max. 30% of Sub-Fund assets may be invested in Debt Securities other than those described in the investment objective</li> <li>• Max. 15% of Sub-Fund assets may be invested in the PRC bond markets</li> <li>• Sub-Fund assets may be invested in High-Yield Investments Type 2</li> <li>• Max. 20% non-USD Currency Exposure</li> <li>• SRI (Proprietary Scoring) Strategy (including exclusion criteria) applies and is modified as following: <ul style="list-style-type: none"> <li>• For sovereign issuers an internal scoring model weighting various environmental, social and governance factors is applied for which Freedom House Index is considered as one criterion amongst further criteria. Securities issued by sovereign issuers with an insufficient internal score will be divested. Debt Securities of issuers other than sovereign issuers may not be acquired if the respective issuer’s country does not meet the requirements of the aforesaid internal scoring model.</li> </ul> </li> <li>• Min. 90% of Sub-Fund portfolio shall be evaluated by an SRI Rating. Portfolio in this respect does not comprise non-rated derivatives and instruments that are non-</li> </ul> |

| Sub-Fund                     | Investment Objective  | Investment Restrictions   |
|------------------------------|---|---|
|                              |   | <p>rated by nature (e.g. cash and Deposits).</p> <ul style="list-style-type: none"> <li>• Issuers with SRI Rating score of below 1.50 (from a rating scale of 0 – 4; 0 being the worst rating and 4 being the best rating) is considered non-investable (i.e. will be excluded) based on SRI Rating.</li> <li>• Min. 20% of Sub-Fund’s investment universe is considered to be non-investable (i.e. will be excluded) based on SRI Rating</li> <li>• Duration: between 1 and 10 years</li> <li>• Hong Kong Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• Benchmark: J.P. MORGAN ESG Corporate Emerging Market Bond (CEMBI) Broad Diversified Total Return. Degree of Freedom: material. Expected Overlap: major</li> <li>• Benchmark is not completely consistent with the environmental or social characteristics promoted by the Sub-Fund. Both the Sub-Fund and Benchmark use a combination of SRI screening and exclusion of controversial sectors and violations of UN Global Compact. Benchmark’s specific screening and exclusion criteria deviate from the Sub-Fund’s investment strategy. Details of the Benchmark’s methodology may be found at <a href="http://jpmorganindices.com">jpmorganindices.com</a>. Note that the website has not been reviewed by the SFC.</li> </ul> |
| Allianz Euro High Yield Bond | <p>Long-term capital growth by investing in high yield rated Debt Securities denominated in EUR in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies.</li> <li>• Min. 70% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund’s Benchmark within the same period.</li> <li>• Min. 70% of Sub-Fund assets are invested in High-Yield Investments Type 2</li> <li>• Max. 15% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 10% non-EUR Currency Exposure</li> <li>• Sub-Fund assets may not be invested in ABS and/or MBS</li> <li>• Benchmark: ICE BOFAML Euro High Yield</li> </ul>  |

| Sub-Fund                | Investment Objective   | Investment Restrictions   |
|-------------------------|--|---|
|                         |  | <p>BB-B Constrained (ICE indices incorporate transaction costs into their calculation).<br/>Degree of Freedom: material. Expected Overlap: major</p> <ul style="list-style-type: none"> <li>• Duration: between 1 and 9 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies, except for the relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> </ul>   |
| Allianz Flexi Asia Bond | <p>Long-term capital growth and income by investing in Debt Securities of Asian Bond Markets denominated in EUR, USD, GBP, JPY, AUD, NZD or any Asian currency in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 60% of Sub-Fund assets may be invested in High-Yield Investments Type 1; within this limit max. 10% of Sub-Fund assets may be invested in Debt Securities that are rated CC or lower (including defaulted securities) (Standard and Poor’s)</li> <li>• Max. 10% of Sub-Fund assets may be invested in the PRC Bond Markets</li> <li>• Max 35% may be invested in Debt Securities issued or guaranteed by a single sovereign issuer that is rated below investment grade (i.e. Philippines)<br/>Such investments are based on the professional judgment of the Investment Manager whose reasons for investment may include a favorable/positive outlook on the sovereign issuer, potential for ratings upgrade (which may depend on the economic fundamentals of such sovereign, etc.), expected changes in their value of such investments due to the ratings changes, among other things. Please note the ratings of sovereign issuers may change from time to time and the abovementioned sovereign is named only for reference and is subject to change as its ratings changes</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits)</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than</li> </ul> |

| Sub-Fund  | Investment Objective  | Investment Restrictions  |
|---|---|--|
|   |   | <p>that of the Sub-Fund's Benchmark within the same period.</p> <ul style="list-style-type: none"> <li>• Max. 35% RMB Currency Exposure</li> <li>• Max. 20% non-EUR, non-USD, non-GBP, non-JPY, non-AUD, non-NZD or any non-Asian Currency Exposure</li> <li>• Duration: between zero and 10 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies, except for the relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> <li>• Benchmark: J.P. MORGAN JACI Composite Total Return. Degree of Freedom: material. Expected Overlap: major</li> </ul>   |
| <p>Allianz Global Credit SRI (This is not classified as an ESG fund in Hong Kong. *)</p> <p>* The Sub-Fund is not classified as an ESG fund in Hong Kong pursuant to the Circular to management companies of SFC- authorised unit trusts and mutual funds – ESG funds issued by the SFC on 29 June 2021 (as amended from time to time).</p> | <p>Long-term capital growth by investing in global bond markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the Sustainable and Responsible Investment (Proprietary Scoring) Strategy (SRI (Proprietary Scoring) Strategy).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 70% of Sub-Fund assets are invested in Debt Securities with Investment Grade</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 30% of Sub-Fund assets may be invested in High Yield Investments Type 1</li> <li>• Max. 15% of Sub-Fund assets may be invested in the PRC Bond Markets</li> <li>• At least 80% of issuers shall have a minimum SRI Rating score of 1.75 (from a rating scale of 0 – 4; 0 being the worst and 4 being the best rating); and a maximum 20% of issuers shall have a minimum SRI Rating score between 1 and 1.75.</li> <li>• Sub-Fund assets may not be invested in Debt Securities of issuers deriving more than 10% of their revenues from providing services in relation to tobacco</li> <li>• Sub-Fund assets may not be invested in Debt Securities of issuers which are involved in the production of gambling or pornography, or deriving more than 10% of their revenues from the sum of (i) distribution/sales of and (ii) providing services in relation to gambling or pornography</li> <li>• Sub-Fund assets may not be invested in Debt Securities of issuers which are involved in the production of non-conventional oil and gas, or deriving more than 10% of their revenues from providing services in relation to non-conventional oil and gas</li> <li>• Sub-Fund assets may not be invested in Debt Securities of issuers which are involved</li> </ul> |

| Sub-Fund                                | Investment Objective   | Investment Restrictions  |
|---|--|--|
|   |  | <p>in the production of alcohol, or deriving more than 10% of their revenues from distribution/sales of alcohol or deriving more than 20% of their revenues from providing services in relation to alcohol</p> <ul style="list-style-type: none"> <li>• SRI (Proprietary Scoring) Strategy (including exclusion criteria) applies</li> <li>• Min. 70% of Sub-Fund portfolio shall be evaluated by an SRI Rating. Portfolio in this respect does not comprise non-rated derivatives and instruments that are non-rated by nature (e.g. cash and Deposits)</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Benchmark: BLOOMBERG Global Aggregate Credit Total Return. Degree of Freedom: material. Expected Overlap: major</li> </ul>  |
| Allianz Global Floating Rate Notes Plus | <p>The Sub-Fund aims to capture income from a global universe of floating-rate notes and seek potential for long-term capital growth in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the Sustainable and Responsible Investment (Proprietary Scoring) Strategy (SRI (Proprietary Scoring) Strategy).</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 51% of Sub-Fund assets are invested in global floating-rate notes in accordance with the investment objective</li> <li>• Max. 49% of Sub-Fund assets may be invested in Debt Securities other than described in the investment objective</li> <li>• Max. 30% of Sub-Fund Assets may be invested in High Yield Investments Type 1</li> <li>• Max. 25% of Sub-Fund assets may be invested in ABS and/or MBS. The underlying assets of the ABS and/or MBS may include loans, leases, or receivables (such as credit card debt and whole business in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS)</li> <li>• Max. 25% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 5% of Sub-Fund assets may be invested in Debt Securities which do not have a rating by one or more Rating Agencies</li> <li>• SRI (Proprietary Scoring) Strategy (including exclusion criteria) applies.</li> <li>• Min. 80% of Sub-Fund portfolio shall be evaluated by an SRI Rating. Portfolio in this respect does not comprise non-rated derivatives and instruments that are non-rated by nature (e.g. cash and Deposits).</li> <li>• Issuers with SRI Rating score of below 1 (from a rating scale of 0 - 4; 0 being the worst</li> </ul> |

| Sub-Fund                  | Investment Objective  | Investment Restrictions  |
|---------------------------|---|--|
|                           |   | <p>rating and 4 being the best rating) is considered non-investable (i.e. will be excluded) based on SRI Rating.</p> <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in derivatives for both efficient portfolio management and hedging purposes. The gross exposure (long positions plus short positions) resulting from the use of derivatives (excluding the use of currency forward transactions) may be max. 100% of the Sub-Fund's Net Asset Value.</li> <li>• Benchmark: SECURED OVERNIGHT FINANCING RATE (SOFR) (for measurement and comparison of the Sub-Fund's performance only).</li> <li>• Duration: between: 0 and 1 year</li> <li>• Hong Kong Restriction applies</li> </ul>   |
| Allianz Global High Yield | <p>Long-term capital growth by investing in high yield rated Debt Securities of global bond markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the "Investment Restrictions" on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) ("KPI Strategy (Relative)").</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Min. 70% of Sub-Fund assets are invested in High-Yield investments Type 1 and Debt Securities that are rated CC (Standard &amp; Poor's) or lower (including max. 10% in defaulted securities)</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by the "Weighted Average GHG Intensity (in terms of sales). Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund's Benchmark within the same period.</li> <li>• Max. 10% non-USD Currency Exposure</li> <li>• Benchmark: ICE BOFAML Global High Yield Constrained (hedged) (ICE Indices incorporate transaction costs into their calculation). Degree of Freedom: material. Expected Overlap: major</li> <li>• Hong Kong Restriction applies</li> <li>• Sub-Fund may be invested in future-contracts on global equity indices (equity index futures) for efficient portfolio management (including for hedging). Sub-Fund assets must not at any time own a long</li> </ul> |

| Sub-Fund  | Investment Objective  | Investment Restrictions   |
|---|---|---|
| <p>Allianz Global Multi-Asset Credit#<br/># <i>This is a fixed income fund.</i></p> | <p>Long-term returns in excess of SECURED OVERNIGHT FINANCING RATE (SOFR) by investing in global Bond Markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the Sustainable and Responsible Investment (Proprietary Scoring) Strategy (SRI (Proprietary Scoring) Strategy).</p> | <p>position in any equity index futures</p> <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Min. 70% of Sub-Fund assets are invested in Debt Securities in accordance with the investment objective</li> <li>• Min. 25% of Sub-Fund assets are invested in Debt Securities with Investment Grade in accordance with the investment objective</li> <li>• Max. 60% of Sub-Fund assets may be invested in High Yield Investments Type 1 and within this limit, (i) max. 10% of Sub-Fund assets may be invested in Debt Securities that are rated CCC+ (Standard &amp; Poor's) or lower (including defaulted securities) and (ii) max. 10% of Sub-Fund assets may be invested in unrated Debt Securities with a rating determined by the Investment Manager to be of comparable quality. The highest rating at acquisition day is decisive for the assessment of the possible acquisition of a Debt Security</li> <li>• Max. 40% of Sub-Fund assets may be invested in ABS and/or MBS. The underlying assets of the ABS and/or MBS may include loans, leases or receivables (such as credit card debt and whole business in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS)</li> <li>• Max. 10% non-USD Currency Exposure</li> <li>• SRI (Proprietary Scoring) Strategy (including exclusion criteria) applies.</li> <li>• Min. 70% of Sub-Fund portfolio shall be evaluated by an SRI Rating. Portfolio in this respect does not comprise non-rated derivatives and instruments that are non-rated by nature (e.g., cash and Deposits).</li> <li>• 80% of issuers shall have a minimum SRI Rating score of 1.75 (from a rating scale of 0 – 4; 0 being the worst rating and 4 being the best rating).</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies except for the relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> <li>• Sub-Fund assets may be invested in future-</li> </ul> |



| Sub-Fund                          | Investment Objective  | Investment Restrictions  |
|-----------------------------------|---|--|
|                                   |   | <p>contracts on global equity indices (equity index futures) for efficient portfolio management (including for hedging). Sub-Fund assets must not at any time own a long position in any equity index futures</p> <ul style="list-style-type: none"> <li>• Benchmark: SECURED OVERNIGHT FINANCING RATE (SOFR) (for measurement and comparison of the Sub-Fund's performance and long-term returns against SECURED OVERNIGHT FINANCING RATE (SOFR) as provided in the investment objective)</li> </ul>  |
| Allianz Global Opportunistic Bond | <p>Long-term capital growth and income by investing in global Bond Markets. As part of the investment process, the Investment Manager applies an opportunistic approach, which provides in particular that a spectrum of macro and credit opportunities are accessed.</p> | <ul style="list-style-type: none"> <li>• Max. 30 % of Sub-Fund assets may be invested in High-Yield Investments Type 1</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% of Sub-Fund assets may be invested in the PRC Bond Markets</li> <li>• Sub-Fund assets may be invested in options and/or future-contracts on global equity indices for both, efficient portfolio management and hedging purposes. Sub-Fund assets must not at any time own a synthetic net long position on any equity indices</li> <li>• Benchmark: SECURED OVERNIGHT FINANCING RATE (SOFR) (for measurement and comparison of the Sub-Fund's performance only)</li> <li>• Duration: between 0 and 9 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> </ul>               |
| Allianz Green Bond                | <p>Long-term capital growth by investing in Investment Grade rated Green Bonds of the global Bond Markets denominated in currencies of OECD countries.</p> <p>In seeking to achieve its investment objective, the Sub-Fund adopts the Green Bond Strategy.</p>            | <ul style="list-style-type: none"> <li>• Sub-Fund has Sustainable Investment (including certain exclusion criteria) as its objective.</li> <li>• Min. 85% of Sub-Fund assets are invested in Green Bonds in accordance with the investment objective</li> <li>• Min. 80% of Sub-Fund assets are invested in Debt Securities with Investment Grade</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 25% of Sub-Fund assets may be held in Money Market Instruments and/or Deposits and/or (up to 10% of Sub-Fund assets) in money market funds on a temporary basis for liquidity management.</li> <li>• Max. 10% of Sub-Fund assets may be invested in ABS and/or MBS with Investment Grade</li> <li>• Max. 10% of Sub-Fund assets may be invested in High-Yield Investments Type 2</li> </ul> |

| Sub-Fund                      | Investment Objective  | Investment Restrictions  |
|-------------------------------|---|--|
|                               |   | <ul style="list-style-type: none"> <li>• Max. 10% non-EUR Currency Exposure</li> <li>• Green Bond Strategy (including exclusion criteria) applies</li> <li>• Duration: between zero and 13 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Benchmark: ICE BOFAML Green Bond (hedged into EUR) (ICE Indices incorporate transaction costs into their calculation). Degree of Freedom: material. Expected Overlap: major</li> <li>• Benchmark is not completely aligned with the Sub-Fund's Sustainable Investment objective. Both, Sub-Fund and Benchmark use a combination of SRI screening and exclusion of controversial sectors and violations of UN Global Compact. Benchmark's specific screening and exclusion criteria deviate from the Sub-Fund's investment strategy. Details of the Benchmark's methodology may be found at <a href="http://www.theice.com">www.theice.com</a>. Note that the website has not been reviewed by the SFC.</li> </ul> |
| Allianz HKD Income            | Long-term income by investing in Debt Securities denominated in Hong Kong Dollar.     | <ul style="list-style-type: none"> <li>• Max 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Min. 70% of Sub-Fund assets are denominated in Hong Kong Dollar</li> <li>• Max. 30% of Sub-Fund assets may be invested in High-Yield Investments Type 2</li> <li>• Max. 30% of Sub-Fund assets may be denominated in RMB and/or other currencies</li> <li>• Sub-Fund assets may not be invested in ABS and/or MBS</li> <li>• Benchmark: none</li> <li>• Duration: below 10 years</li> <li>• Hong Kong Restriction applies</li> </ul>  |
| Allianz Renminbi Fixed Income | Long-term capital growth by investing in Bond Markets of the PRC, denominated in CNY. | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in accordance with the investment objective</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 100% of Sub-Fund assets may be invested in the PRC Bond Markets</li> <li>• Max. 100% of Sub-Fund assets may be invested in urban investment bonds in onshore or offshore Chinese bond markets</li> <li>• Max. 69% of Sub-Fund assets may be invested via FII Program</li> <li>• Max. 30% of Sub-Fund assets may be invested in High-Yield Investments Type 1</li> <li>• For the purpose of the Sub-Fund, if a Debt Security is unrated, then reference will be made to the credit rating of the issuer of the</li> </ul>  |

| Sub-Fund                           | Investment Objective  | Investment Restrictions  |
|------------------------------------|---|--|
|                                    |   | <p>Debt Security. If both the Debt Security and its issuer are not rated, the Investment Manager will assess the credit risks of the Debt Security based on quantitative and qualitative fundamentals, including without limitation to the issuer's leverage, operating margin, return on capital, interest coverage, operating cash flows, industry outlook, firm's competitive position and corporate governance issue to ensure that the Debt Security is of comparable quality to rated Debt Securities carrying the relevant credit rating.</p> <ul style="list-style-type: none"> <li>• Hong Kong Restriction applies</li> <li>• Duration: below 10 years</li> <li>• Benchmark: J.P. MORGAN Government Bond – Emerging Markets (GBI-EM) Broad China 1-10 Year Total Return. Degree of Freedom: significant. Expected Overlap: minor</li> </ul> |
| Allianz US High Yield              | Long-term capital growth and income by investing in high yield rated corporate bonds of US Bond Markets.  | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in corporate bonds from the US</li> <li>• Min. 70% of Sub-Fund assets are invested in High-Yield Investments Type 1, however, within this limit Sub-Fund assets may be invested in Debt Securities that are rated CC or lower (including max. 10% of defaulted securities) (Standard &amp; Poor's)</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% non-USD Currency Exposure</li> <li>• Benchmark: none</li> <li>• Duration: between zero and 9 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies, except for the relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> </ul>   |
| Allianz US Investment Grade Credit | <p>Long-term capital growth and income by investing in Investment Grade rated corporate Debt Securities of US Bond Market denominated in USD in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the "Investment Restrictions" on the right-</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund's portfolio shall be evaluated by the "Weighted Average GHG Intensity (in terms of sales)". Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g., cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the Sub-Fund's portfolio shall be at least 20%</li> </ul>   |

| Sub-Fund  | Investment Objective   | Investment Restrictions  |
|---|--|--|
|   | <p>hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p>   | <p>lower than that of the Sub-Fund’s Benchmark within the same period.</p> <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested in corporate Debt Securities of US Bond Market denominated in USD</li> <li>• Min. 80% of Sub-Fund assets are invested in Debt Securities with Investment Grade</li> <li>• Max. 20% of Sub-Fund assets may be invested in US sovereign Debt Securities issued or guaranteed by the US government or its local authorities (e.g. US treasury securities)</li> <li>• Max. 10% of Sub-Fund assets may be invested in High-Yield Investments Type 2</li> <li>• Max. 10% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 10% of the Sub-Fund assets may be invested in the PRC bond market</li> <li>• Duration: between -2 and +2 years from the duration of the Benchmark</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• Benchmark: Bloomberg US Corporate Total Return</li> <li>• Degree of Freedom: material. Expected overlap: major</li> </ul> |
| <p>Allianz US Short Duration High Income Bond</p> | <p>Long-term income and lower volatility by investing in short duration high yield rated corporate Debt Securities of US bond markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Absolute) (“KPI Strategy (Absolute)”)</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 70% of Sub-Fund assets are invested in corporate bonds from the US</li> <li>• Min. 70% of Sub-Fund assets are invested in High-Yield Investments Type 1</li> <li>• Max. 20% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% non-USD Currency Exposure</li> <li>• KPI Strategy (Absolute) (including exclusion criteria) applies.</li> <li>• Min. 70% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</li> <li>• The Sustainability KPI is at least a 5% year-on-year reduction in the Weighted Average GHG Intensity (in terms of sales) on an improvement pathway starting at the Reference Date (i.e. first date of adoption of the KPI Strategy (Absolute) on 30 May 2023). For the period between Reference</li> </ul>      |

| Sub-Fund | Investment Objective | Investment Restrictions   |
|----------|----------------------|---|
|          |                      | <p>Date and the first fiscal year end of strategy adoption, a pro rata temporis rate of the Sustainability KPI will be applied</p> <ul style="list-style-type: none"> <li>• Benchmark: none</li> <li>• Duration: between zero and 3 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies, except for the relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> </ul> |

### 3. Multi-Asset Sub-Funds

The General Investment Principles are supplemented by the following Asset Class Principles and limits which exclusively apply to all Multi Asset Sub-Funds unless otherwise stated in a Multi Asset Sub-Fund's individual Investment Restrictions:

- A Sub-Fund's Investment Manager follows, unless otherwise stated in a Sub-Fund's investment objective (or in the investment restrictions), always an active management approach (as mentioned in Appendix 1, Part A of the HK Prospectus).
- Min. 70% of Sub-Fund assets are invested in Equities and/or Debt Securities and/or other asset classes in accordance with the investment objective.
- Less than 30% of Sub-Fund assets may be invested in Equities and/or Debt Securities and/or other asset classes other than described in the investment objective.
- Max. 20% of Sub-Fund assets may be invested in ABS and/or MBS.
- Max. 10% of Sub-Fund assets may be invested in contingent convertible bonds ("CoCos").
- Max. 10% of Sub-Fund assets may be invested in UCITS and/or UCI.
- Max. 100% of Sub-Fund assets may be invested in Money Market Instruments and/or held in time deposits and/or (up to 20% of Sub-Fund assets) in deposits at sight and/or (up to 10% of Sub-Fund assets) in money market funds on a temporary basis for liquidity management and/or defensive purpose and/or any other exceptional circumstances, and if the investment manager considers it in the best interest of the Sub-Fund.
- Where a country, region and/or market is referred to in the investment objective (or in the investment restrictions), a Sub-Fund will (or if specifically restricted in its investment objective or investment restrictions, will not) make investments which have exposure or connection to such country, region and/or markets. Such investments include Debt Securities that are issued or guaranteed by governments, municipalities, agencies, supra-nationals, central, regional or local authority and companies of (including those that generate a predominant share of their sales or their profits in) such country, region and/or market as well as companies that are under common management or control of, or have substantial direct or indirect participation in the foregoing companies.
- Where a country, region and/or market is referred to in the investment objective (or in the investment restrictions), a Sub-Fund will (or if specifically restricted in its investment objective or investment restrictions, will not) make investments which have exposure or connection to such country, region and/or markets. Such investments include Equities of companies listed on a Regulated Market or incorporated, with a registered office or principal place of business, or that generate a predominant share of sales or profits in such country, region, or market, as well as companies under common management or control of, or have substantial direct or indirect participation in, the foregoing companies.
- The allocation of the Sub-Fund's investments across asset classes may vary substantially from time to time. The Sub-Fund's investments in each asset class are based upon the Investment Managers' assessment of economic conditions and market factors, including equity price levels, interest rate levels and whether the equity price and interest rate are anticipated to rise or fall.

## MULTI-ASSET SUB-FUNDS

| Sub-Fund                        | Investment Objective  | Investment Restrictions  |
|---------------------------------|---|--|
| Allianz Asia Pacific Income     | Long-term capital growth and income by investing in Asia-Pacific Equity and Bond Markets. | <ul style="list-style-type: none"> <li>• Min. 70% of Sub-Fund assets are invested directly in accordance with the investment objective</li> <li>• Max. 70% of Sub-Fund assets may be invested in Equities in accordance with the investment objective</li> <li>• Max. 70% of Sub-Fund assets may be invested in Debt Securities in accordance with the investment objective</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 30% of Sub-Fund assets may be invested in High Yield Investments Type 1</li> <li>• Max. 10% of Sub-Fund assets may be invested in onshore or offshore PRC Equities and/or Debt Securities</li> <li>• Duration: below 10 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min. 25%)</li> <li>• Benchmark: none</li> </ul>  |
| Allianz Asian Multi Income Plus | Long-term capital growth and income by investing in Asia Pacific Equity and Bond Markets. | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Min. 70% of Sub-Fund assets are invested directly in accordance with the investment objective</li> <li>• Max. 85% of Sub-Fund assets may be invested in Equities in accordance with the investment objective</li> <li>• Max. 85% of Sub-Fund assets may be invested in Debt Securities in accordance with the investment objective</li> <li>• Max. 85% Sub-Fund assets may be held in Deposits and/or invested directly in Money Market Instruments and/or (up to 10% of Sub-Fund assets) in money market funds on a temporary basis for liquidity management and/or defensive purpose and/or any other exceptional circumstances, and if the investment manager considers it in the best interest of the Sub-Fund</li> <li>• Max. 60% of Sub-Fund assets may be invested in High Yield Investments Type 1</li> <li>• Max. 30% of Sub-Fund assets may be invested in the China A-Shares market</li> <li>• Max. 10% of Sub-Fund assets may be invested in the China B-Shares market</li> <li>• Max. 30% of Sub-Fund assets may be held</li> </ul> |

| Sub-Fund   | Investment Objective   | Investment Restrictions  |
|--|--|--|
|  |  | <p>in Deposits and/or invested directly in Money Market Instruments and (up to 10% of Sub-Fund assets) in money market funds</p> <ul style="list-style-type: none"> <li>• Duration: below 10 years</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies, except for the relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min. 51%)</li> <li>• Benchmark: none</li> </ul>  |
| <p>Allianz Dynamic Multi Asset Strategy SRI 15</p> | <p>Long-term capital growth by investing in a broad range of asset classes with a focus on global Equity Markets and Bond Markets, in order to achieve over a medium-to-long term a performance within a volatility range of 3% to 7% per annum, in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the SRI (Proprietary Scoring) Strategy.</p> <p>The assessment of the volatility of the capital markets by the Management Company is an important factor in the investment process, with the aim of achieving a performance typically not falling below or exceeding a volatility within an average range of 3% to 7% per annum over a medium-to-long term, similar to a portfolio consisting of 85% global Debt Securities (hedged to EUR) and 15% global Equities.</p> <p>For the avoidance of doubt, the Sub-Fund may invest in a broad range of asset classes, and not necessarily maintain a portfolio mix of</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Max. 35% of Sub-Fund assets may be invested directly in Equities, while max. 50% of Sub-Fund assets may be invested directly in Equities and indirectly through comparable securities (e.g., equity certificates, equity funds) in aggregate.</li> <li>• SRI (Proprietary Scoring) Strategy (including exclusion criteria) applies</li> <li>• Min. 70% of Sub-Fund portfolio shall be evaluated by an SRI Rating. Portfolio in this respect does not comprise non-rated derivatives and instruments that are non-rated by nature (e.g., cash and Deposits)</li> <li>• 80% of the rated instruments are adhering to the minimum SRI Rating score of 1 (out of a rating scale from 0 – 4; 0 being the worst rating and 4 the best rating) for Equities, and 100% for Debt Securities.</li> <li>• Min. 20% of Sub-Fund's investment universe is considered to be non-investable (i.e. will be excluded) based on SRI Rating</li> <li>• Max. 25% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 15% of Sub-Fund assets may be invested in high yield Debt Securities which, at the time of acquisition, carry a rating between BB+ and CCC- (Standard &amp; Poor's) or the equivalent by another Rating Agency, or if unrated, as determined by the Management Company to be of comparable quality. If two different ratings exist, the Management Company will adopt the lower of the two ratings. In case of three or more different ratings, the Management Company will adopt the lower of the two best ratings</li> <li>• Max. 30% of Sub-Fund assets may be</li> </ul> |



| Sub-Fund   | Investment Objective   | Investment Restrictions  |
|--|--|--|
|  | <p>85% global Debt Securities and 15% global Equities.</p>   | <p>invested in UCITS and/or UCI</p> <ul style="list-style-type: none"> <li>• Max. 10% of Sub-Fund assets may be invested in ABS and/or MBS</li> <li>• Duration on NAV level: between minus 2 and 10 years</li> <li>• Hong Kong Restriction applies</li> <li>• Switzerland Restriction applies</li> <li>• VAG Investment Restriction applies</li> <li>• The Management Company uses total return swaps to gain long or short exposure to respective asset classes (further information are disclosed in Appendix 5)</li> <li>• Benchmark: none</li> </ul>   |
| <p>Allianz Dynamic Multi Asset Strategy SRI 50</p> | <p>Long-term capital growth by investing in a broad range of asset classes with a focus on global Equity Markets and Bond Markets in order to achieve over a medium-to-long term a performance within a volatility range of 6% to 12% per annum in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the SRI (Proprietary Scoring) Strategy.</p> <p>The assessment of the volatility of the capital markets by the Management Company is an important factor in the investment process, with the aim of achieving a performance typically not falling below or exceeding a volatility within an average range of 6% to 12% per annum over a medium-to-long term, similar to a portfolio consisting of 50% global Debt Securities (hedged to EUR) and 50% global Equities.</p> <p>For the avoidance of doubt, the Sub-Fund may invest in a broad range of asset classes, and not necessarily maintain a portfolio mix of</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• There is no specific limit on the exposure to each of Equities and Debt Securities.</li> <li>• SRI (Proprietary Scoring) Strategy (including exclusion criteria) applies</li> <li>• Min. 70% of Sub-Fund portfolio shall be evaluated by an SRI Rating. Portfolio in this respect does not comprise non-rated derivatives and instruments that are non-rated by nature (e.g., cash and Deposits)</li> <li>• 80% of the rated instruments are adhering to the minimum SRI Rating score of 1 (out of a rating scale from 0 – 4; 0 being the worst rating and 4 the best rating) for Equities, and 100% for Debt Securities.</li> <li>• Min. 20% of Sub-Fund’s investment universe is considered to be non-investable (i.e. will be excluded) based on SRI Rating</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% of Sub-Fund assets may be invested in High-Yield Investments Type 1</li> <li>• Max. 30% of Sub-Fund assets may be invested in UCITS and/or UCI</li> <li>• Duration on NAV level: between minus 2 and 10 years</li> <li>• Hong Kong Restriction applies</li> <li>• GITA Restriction for Multi Asset Sub-Funds applies (min. 25%)</li> <li>• VAG Investment Restriction applies</li> <li>• The Management Company uses total return swaps to gain long or short exposure to respective asset classes (further information are disclosed in Appendix 5)</li> <li>• Benchmark: none</li> </ul> |

| Sub-Fund                                    | Investment Objective  | Investment Restrictions   |
|---|---|---|
|   | 50% global Debt Securities and 50% global Equities.   |   |
| Allianz Dynamic Multi Asset Strategy SRI 75 | <p>Long-term capital growth by investing in a broad range of asset classes with a focus on global Equity Markets and Bond Markets, in order to achieve over a medium-to-long term a performance within a volatility range of 10% to 16% per annum in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the SRI (Proprietary Scoring) Strategy.</p> <p>The assessment of the volatility of the capital markets by the Management Company is an important factor in the investment process, with the aim of achieving a performance typically not falling below or exceeding a volatility within an average range of 10% to 16% per annum over a medium-to-long term, similar to a portfolio consisting of 25% global Debt Securities (hedged to EUR) and 75% global Equities.</p> <p>For the avoidance of doubt, the Sub-Fund may invest in a broad range of asset classes, and not necessarily maintain a portfolio mix of 25% global Debt Securities and 75% global Equities.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• There is no specific limit on the exposure to each of Equities and Debt Securities.</li> <li>• SRI (Proprietary Scoring) Strategy (including exclusion criteria) applies</li> <li>• Min. 70% of Sub-Fund portfolio shall be evaluated by an SRI Rating. Portfolio in this respect does not comprise non-rated derivatives and instruments that are non-rated by nature (e.g., cash and Deposits)</li> <li>• 80% of the rated instruments are adhering to the minimum SRI Rating score of 1 (out of a rating scale from 0 – 4; 0 being the worst rating and 4 the best rating) for Equities, and 100% for Debt Securities</li> <li>• Min. 20% of Sub-Fund’s investment universe is considered to be non-investable (i.e. will be excluded) based on SRI Rating</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% of Sub-Fund assets may be invested in High-Yield Investments Type 1</li> <li>• Max. 30% of Sub-Fund assets may be invested in UCITS and/or UCI</li> <li>• Duration on NAV level: between minus 2 and 10 years</li> <li>• Hong Kong Restriction applies</li> <li>• GITA Restriction for Multi Asset Sub-Funds applies (min. 25%)</li> <li>• VAG Investment Restriction applies</li> <li>• The Management Company uses total return swaps to gain long or short exposure to respective asset classes (further information are disclosed in Appendix 5)</li> <li>• Benchmark: none</li> </ul> |
| Allianz Europe Income and Growth            | Long-term capital growth and income by investing in European corporate Debt Securities and Equities.  | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Min. 70% of Sub-Fund assets are invested directly in accordance with the investment objective</li> <li>• Max. 80% of Sub-Fund assets may be invested in Debt Securities in accordance with the investment objective</li> <li>• Max. 80% of Sub-Fund assets may be</li> </ul>  |

| Sub-Fund  | Investment Objective   | Investment Restrictions  |
|---|--|--|
|   |  | <p>invested in Equities in accordance with the investment objective</p> <ul style="list-style-type: none"> <li>• Max. 70% of Sub-Fund assets may be invested in convertible Debt Securities in accordance with the investment objective</li> <li>• Max. 70% of Sub-Fund assets may be invested in High-Yield Investments Type 1 in accordance with the investment objective</li> <li>• Max. 25% of Sub-Fund assets may be held in Deposits and/or invested directly in Money Market Instruments and (up to 10% of Sub-Fund assets) in money market funds</li> <li>• Hong Kong Restriction applies</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min. 25%)</li> <li>• Benchmark: none</li> </ul>   |
| <p>Allianz Global Multi Asset Sustainability Balanced</p> | <p>Long term capital growth by investing in a broad range of asset classes, with a focus on global Equity, Bond and Money Markets in order to achieve over the medium-term a performance comparable to a balanced portfolio consisting of 50% global Equity Markets and 50% global Bond Markets in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund invests in accordance with the Multi Asset Sustainability Strategy.</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Min. 70% of Sub-Fund assets are invested in Equities and/or Debt Securities in accordance with the Multi Asset Sustainability Strategy and/or (up to 10% of Sub-Fund assets) in internal SFDR Target Funds.</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets. Included in this limit are Target Fund investments if the respective acquired Target Funds are deemed to be “Emerging Market Funds” according to the Morningstar classification</li> <li>• Max. 20% of Sub-Fund assets may be invested in High-Yield Investments Type 1</li> <li>• Max. 10% of Sub-Fund assets may be invested into China A-Shares market</li> <li>• Max. 10% of Sub-Fund assets may be invested in the PRC Bond Markets</li> <li>• Max. 10% of Sub-Fund assets may be invested in UCITS and/or UCI, thereof max. 10% of Sub-Fund assets may be invested in UCITS and/or UCI which are ETFs and max. 5% of Sub-Fund asset may be invested in UCITS and/or UCI which are not ETFs</li> <li>• Benchmark: none</li> <li>• Duration: between minus 2 and 10 years</li> <li>• Hong Kong Restriction applies</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min 25%)</li> <li>• The Investment Manager uses total return swaps to gain long or short exposure to respective asset classes (further information</li> </ul> |

| Sub-Fund                                 | Investment Objective   | Investment Restrictions  |
|--|--|--|
|  |  | are disclosed in Appendix 5)   |
| Allianz Global Income                    | <p>Long term income and capital growth by investing in a broad range of asset classes, in particular in global Equity and global Bond Markets.</p>   | <ul style="list-style-type: none"> <li>• Max. 70% of Sub-Fund assets may be invested in Equities in accordance with the investment objective</li> <li>• Max. 30% of Sub-Fund assets may be invested in High-Yield investments Type 1, (Debt Securities which qualify as convertible Debt Securities will not be accounted to this 30%-limit irrespective of their rating), within this limit Sub-Fund assets may be invested in Debt Securities that are only rated CC (Standard &amp; Poor's or equivalent by other rating agencies) or lower (including max. 10% of Sub-Fund assets invested in defaulted securities)</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 20% of Sub-Fund assets may be invested in Debt Securities which qualify as convertible Debt Securities irrespective of their rating</li> <li>• Max. 50% of Sub-Fund assets in aggregate may be invested in Debt Securities which are rated below Investment Grade</li> <li>• Max. 25% of Sub-Fund assets may be held in Deposits and/or may be invested directly in Money Market Instruments and/or (up to 10% of Sub-Fund assets) in money market funds</li> <li>• Max. 20% of Sub-Fund assets may be invested into the China A-Shares market and/or into the China B-Shares market and/or PRC Bond Markets</li> <li>• Max. 20% non-USD Currency Exposure</li> <li>• Hong Kong Restrictions applies</li> <li>• Taiwan Restriction applies</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min. 25%)</li> <li>• Benchmark: none</li> </ul> |
| Allianz Global Intelligent Cities Income | <p>Long-term income and capital growth by investing in global Equity and Bond Markets with a focus on companies whose business will benefit from or is currently related to evolution of intelligent cities and connected communities in accordance with E/S characteristics.</p> <p>In this context, the Sub-Fund aims to achieve the</p> | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in accordance with E/S characteristics (including certain exclusion criteria).</li> <li>• Companies which will benefit from evolution of intelligent cities and connected communities are companies which (i) currently generate (either directly or indirectly) a material part of their business activities (sales, profits or expenses) in the evolution of intelligent cities and connected communities, or (ii) currently (either directly or indirectly) engage in, and will likely materially increase the importance of engagement in the evolution of intelligent</li> </ul>  |

| Sub-Fund | Investment Objective  | Investment Restrictions  |
|----------|---|--|
|          | <p>Sustainability KPI (as defined in the “Investment Restrictions” on the right-hand column) with the adoption of the Sustainability Key Performance Indicator Strategy (Relative) (“KPI Strategy (Relative)”).</p> | <p>cities and connect communities on short-term or mid-term pursuant to the portfolio manager’s discretionary assessment.</p> <ul style="list-style-type: none"> <li>• Companies currently related to evolution of intelligent cities and connected communities are companies which aim to improve quality of living or enhance performance or interactivity of urban services through the use of technology and/or a sharing-economy business model, and are mainly, but not exclusively, engaged in the following areas: infrastructure, building, mobility, home, safety and security, renewable energy, and healthcare.</li> <li>• KPI Strategy (Relative) (including exclusion criteria) applies</li> <li>• Min. 80% of Sub-Fund’s portfolio shall be evaluated by the “Weighted Average GHG Intensity (in terms of sales)”. Portfolio in this respect does not comprise derivatives and instruments that are non-evaluated by nature (e.g. cash and Deposits).</li> <li>• The Sustainability KPI is that the Weighted Average GHG Intensity (in terms of sales) of the portfolio shall be at least 20% lower than that of the Sub-Fund’s Benchmark within the same period.</li> <li>• Min. 70% of Sub-Fund assets are invested in Equities and/or Debt Securities in accordance with the investment objective, where up to 100% of Sub-Fund assets may be invested in either Equities or Debt Securities respectively</li> <li>• Max. 35% of Sub-Fund assets may be invested in Debt Securities which qualify as convertible Debt Securities irrespective of their rating</li> <li>• Max. 20% of Sub-Fund assets may be invested in High-Yield Investments Type 1 (Debt Securities which qualify as convertible Debt Securities will not be accounted to this 20%-limit irrespective of their rating), however, within this limit, Sub-Fund assets may be invested in Debt Securities that are only rated CC (Standard &amp; Poor’s or equivalent by other rating agencies) or lower (including max. 10% of Sub-Fund assets may be invested in defaulted securities)</li> <li>• Max. 55% of Sub-Fund assets in aggregate may be invested in Debt Securities which are rated below Investment Grade</li> <li>• Sub-Fund assets may be invested in Emerging Markets</li> </ul> |

| Sub-Fund                  | Investment Objective   | Investment Restrictions   |
|---------------------------|--|---|
|                           |  | <ul style="list-style-type: none"> <li>• Max 20% of Sub-Fund assets may be invested into the China A-Shares market</li> <li>• Hong Kong Restriction applies</li> <li>• Malaysian Investment Restriction applies</li> <li>• Taiwan Restriction applies, however the investment in High Yield Investments Type 1 shall not exceed 20% of Sub-Fund assets</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min. 25%)</li> <li>• Benchmark: 70% MSCI AC World (ACWI) Total Return Net + 30% ICE BOFAML US Corporate &amp; High Yield Index (ICE Indices incorporate transaction costs into their calculation) (for measurement and comparison of the Sub-Fund's performance only)</li> </ul>  |
| Allianz Income and Growth | Long-term capital growth and income by investing in US and/or Canadian corporate Debt Securities and Equities. | <ul style="list-style-type: none"> <li>• Max. 70% of Sub-Fund assets may be invested in Equities in accordance with the investment objective</li> <li>• Max. 70% of Sub-Fund assets may be invested in convertible Debt Securities in accordance with the investment objective</li> <li>• Max. 70% of Sub-Fund assets may be invested in High-Yield Investments Type 1, however within this limit, Sub-Fund assets may be invested in Debt Securities that are rated CC or lower (including max. 10% of defaulted securities) (Standard &amp; Poor's)</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• Max. 25% of Sub-Fund assets may be held in Deposits and/or invested directly in Money Market Instruments and (up to 10% of Sub-Fund assets) in money market funds</li> <li>• Max. 20% non-USD Currency Exposure</li> <li>• Hong Kong Restriction applies</li> <li>• Taiwan Restriction applies, except for the relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min. 25%)</li> <li>• Benchmark: none</li> </ul> |
| Allianz Oriental Income   | Long-term capital growth by investing in Asia Pacific Equity and Bond Markets.                                 | <ul style="list-style-type: none"> <li>• Sub-Fund assets may be invested in Emerging Markets</li> <li>• Min 50% of Sub-Fund assets are invested in Equities</li> <li>• Min. 40% of Sub-Fund assets are invested in Equities in accordance with the investment objective</li> <li>• Max. 50% of Sub-Fund assets may be invested in Debt Securities</li> </ul>  |

| Sub-Fund                         | Investment Objective   | Investment Restrictions  |
|----------------------------------|--|--|
|                                  |  | <ul style="list-style-type: none"> <li>• Max. 50% Sub-Fund assets may be held in Deposits and/or invested directly in Money Market Instruments and/or (up to 10% of Sub-Fund assets) in money market funds on a temporary basis for liquidity management and/or defensive purpose and/or any other exceptional circumstances, and if the investment manager considers it in the best interest of the Sub-Fund</li> <li>• Max. 30% of Sub-Fund assets may be invested in the China A-Shares market</li> <li>• Sub-Fund assets may not be invested in High Yield Investments Type 1</li> <li>• Hong Kong Restriction applies</li> <li>• Malaysian Investment Restriction applies</li> <li>• Taiwan Restriction applies, except for relevant restriction specified for High-Yield Investments Type 1/High-Yield Investment Type 2</li> <li>• Sub-Fund acts as a registered FPI</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min. 51%)</li> <li>• VAG Investment Restriction applies</li> <li>• Benchmark: MSCI AC Asia Pacific Total Return Net. Degree of Freedom: significant. Expected Overlap: minor</li> </ul> |
| Allianz Select Income and Growth | Long term capital growth and income by investing in US and/or Canadian corporate Debt Securities and Equities. | <ul style="list-style-type: none"> <li>• Sub-Fund assets are invested in Debt Securities in accordance with the investment objective, however max. 70% of Sub-Fund assets may be invested in convertible Debt Securities in accordance with the investment objective</li> <li>• Max. 70 % of Sub-Fund assets may be invested in Equities in accordance with the investment objective</li> <li>• Max. 30% of Sub-Fund assets may be invested in High-Yield Investments Type 1, however within this limit Sub-Fund assets may be invested in Debt Securities that are only rated CC or lower (including max. 10% of defaulted securities) (Standard &amp; Poor's)</li> <li>• Max. 30% of Sub-Fund assets may be invested in Emerging Markets</li> <li>• GITA Restriction for Multi-Asset Sub-Funds applies (min. 25%)</li> <li>• Hong Kong Restriction applies</li> <li>• Malaysian Investment Restriction applies</li> <li>• Benchmark: none</li> </ul>   |

## APPENDIX 2 DEALING DETAILS

Please note that:–

- “Valuation Day” refers to each day on which banks and exchanges in the countries and/or cities indicated are open for business. In case that a specific day indicated is not a day on which banks and exchanges in such countries and/or cities are open for business the next day on which banks and exchanges in such countries and/or cities are open for business shall be considered.

| Sub-Fund                            | Base Currency | Valuation Day  | Use of Fair Value Pricing Model |
|-------------------------------------|---------------|--|---------------------------------|
| Allianz All China Equity            | USD           | Luxembourg, Hong Kong and PRC, provided that it is also a Stock Connect Northbound Trading Day | √                               |
| Allianz American Income             | USD           | Luxembourg and the United States   | X                               |
| Allianz Asia Pacific Income         | USD           | Luxembourg, Hong Kong and Singapore  | √                               |
| Allianz Asian Multi Income Plus     | USD           | Luxembourg, Hong Kong and Singapore  | √                               |
| Allianz Best Styles Euroland Equity | EUR           | Luxembourg and Germany   | X                               |
| Allianz Best Styles Global Equity   | EUR           | Luxembourg, Germany and United States  | √                               |
| Allianz China A Opportunities       | USD           | Luxembourg, Hong Kong and PRC, provided that it is also a Stock Connect Northbound Trading Day | √                               |
| Allianz China A-Shares              | USD           | Luxembourg, Hong Kong and PRC, provided that it is also a Stock Connect Northbound Trading Day | √                               |
| Allianz China Equity                | USD           | Luxembourg and Hong Kong   | √                               |
| Allianz China Future Technologies   | USD           | Luxembourg, Hong Kong, PRC, provided that it is also a Stock Connect Northbound Trading Day    | √                               |
| Allianz China Healthy Living        | USD           | Luxembourg, Hong Kong, PRC, provided that it is also a Stock Connect Northbound Trading Day    | √                               |
| Allianz China Strategic Bond        | USD           | Luxembourg and Singapore   | X                               |
| Allianz Clean Planet                | USD           | Luxembourg, Germany and  | √                               |



| Sub-Fund                                     | Base Currency | Valuation Day                                    | Use of Fair Value Pricing Model |
|--|---------------|--|---------------------------------|
|  |               | United States                                    |                                 |
| Allianz Cyber Security                       | USD           | Luxembourg and United States                     | √                               |
| Allianz Dynamic Asian High Yield Bond        | USD           | Luxembourg and Singapore                         | X                               |
| Allianz Dynamic Multi Asset Strategy SRI 15  | EUR           | Luxembourg, Germany and United States            | √                               |
| Allianz Dynamic Multi Asset Strategy SRI 50  | EUR           | Luxembourg, Germany and United States            | √                               |
| Allianz Dynamic Multi Asset Strategy SRI 75  | EUR           | Luxembourg, Germany and United States            | √                               |
| Allianz Emerging Asia Equity                 | USD           | Luxembourg and Hong Kong                         | √                               |
| Allianz Emerging Markets Select Bond         | USD           | Luxembourg, United Kingdom and United States     | X                               |
| Allianz Emerging Markets Short Duration Bond | USD           | Luxembourg, and United Kingdom and United States | X                               |
| Allianz Emerging Markets SRI Bond            | USD           | Luxembourg, United Kingdom and United States     | X                               |
| Allianz Emerging Markets SRI Corporate Bond  | USD           | Luxembourg, United Kingdom and United States     | X                               |
| Allianz Euro High Yield Bond                 | EUR           | Luxembourg, United Kingdom and France            | X                               |
| Allianz Euroland Equity Growth               | EUR           | Luxembourg and Germany                           | X                               |
| Allianz Europe Equity Growth                 | EUR           | Luxembourg and Germany                           | X                               |
| Allianz Europe Equity Growth Select          | EUR           | Luxembourg and Germany                           | X                               |
| Allianz Europe Income and Growth             | EUR           | Luxembourg, Germany, United Kingdom and France   | X                               |
| Allianz European Equity Dividend             | EUR           | Luxembourg, Germany and United Kingdom           | X                               |
| Allianz Flexi Asia Bond                      | USD           | Luxembourg and Singapore                         | X                               |
| Allianz Food Security                        | USD           | Luxembourg, United Kingdom and United States     | √                               |
| Allianz GEM Equity High Dividend             | EUR           | Luxembourg, Germany, Hong Kong and United States | √                               |
| Allianz Global Artificial Intelligence       | USD           | Luxembourg and United States                     | √                               |
| Allianz Global Credit SRI                    | USD           | Luxembourg, United Kingdom and United States     | X                               |

| Sub-Fund   | Base Currency | Valuation Day   | Use of Fair Value Pricing Model |
|--|---------------|---|---------------------------------|
| Allianz Global Equity Growth                       | USD           | Luxembourg, Germany and United States                   | √                               |
| Allianz Global Equity Unconstrained                | EUR           | Luxembourg, Germany and United States                   | √                               |
| Allianz Global Floating Rate Notes Plus            | USD           | Luxembourg, United Kingdom and United States            | X                               |
| Allianz Global Hi-Tech Growth                      | USD           | Luxembourg, Germany and United States                   | √                               |
| Allianz Global High Yield                          | USD           | Luxembourg, United Kingdom and United States            | X                               |
| Allianz Global Income                              | USD           | Luxembourg and the United States                        | X                               |
| Allianz Global Intelligent Cities Income           | USD           | Luxembourg and United States                            | X                               |
| Allianz Global Metals and Mining                   | EUR           | Luxembourg and Germany                                  | √                               |
| Allianz Global Multi-Asset Credit                  | USD           | Luxembourg, United Kingdom and United States            | X                               |
| Allianz Global Multi Asset Sustainability Balanced | USD           | Luxembourg, Germany, Hong Kong, Japan and United States | √                               |
| Allianz Global Opportunistic Bond                  | USD           | Luxembourg, United Kingdom and United States            | X                               |
| Allianz Global Small Cap Equity                    | USD           | Luxembourg, United Kingdom and United States            | √                               |
| Allianz Global Sustainability                      | EUR           | Luxembourg and United Kingdom                           | √                               |
| Allianz Global Water                               | USD           | Luxembourg, Germany and United States                   | √                               |
| Allianz Green Bond                                 | EUR           | Luxembourg, France and United Kingdom                   | X                               |
| Allianz High Dividend Asia Pacific Equity          | USD           | Luxembourg and Hong Kong                                | √                               |
| Allianz HKD Income                                 | HKD           | Luxembourg, Hong Kong and the United States             | X                               |
| Allianz Hong Kong Equity                           | HKD           | Luxembourg and Hong Kong                                | √                               |
| Allianz Income and Growth                          | USD           | Luxembourg and the United States                        | X                               |
| Allianz India Equity                               | USD           | Luxembourg and India                                    | √                               |
| Allianz Japan Equity                               | USD           | Luxembourg, Germany and                                 | √                               |

| Sub-Fund                                   | Base Currency | Valuation Day                                | Use of Fair Value Pricing Model |
|--|---------------|--|---------------------------------|
|  |               | Japan  |                                 |
| Allianz Little Dragons                     | USD           | Luxembourg and Hong Kong                     | √                               |
| Allianz Oriental Income                    | USD           | Luxembourg                                   | √                               |
| Allianz Pet and Animal Wellbeing           | USD           | Luxembourg, Germany and the United States    | √                               |
| Allianz Positive Change                    | USD           | Luxembourg, United Kingdom and United States | √                               |
| Allianz Renminbi Fixed Income              | RMB           | Luxembourg, PRC and Singapore                | X                               |
| Allianz Select Income and Growth           | USD           | Luxembourg and United States                 | X                               |
| Allianz Smart Energy                       | USD           | Luxembourg and Germany                       | √                               |
| Allianz Thematica                          | USD           | Luxembourg, Germany and United States        | √                               |
| Allianz Total Return Asian Equity          | USD           | Luxembourg                                   | √                               |
| Allianz US Equity Fund                     | USD           | Luxembourg and the United States             | √                               |
| Allianz US Equity Plus                     | USD           | Luxembourg and the United States             | X                               |
| Allianz US High Yield                      | USD           | Luxembourg and the United States             | X                               |
| Allianz US Investment Grade Credit         | USD           | Luxembourg and the United States             | X                               |
| Allianz US Large Cap Value                 | USD           | Luxembourg and the United States             | √                               |
| Allianz US Short Duration High Income Bond | USD           | Luxembourg and United States                 | X                               |

## APPENDIX 3 FEES AND CHARGES

Note: A dash “–” indicates no charge or fee is currently levied. At least one month’s notice will be given to Shareholders of any increase in the rates of fees and charges specified in this HK Prospectus.

| Sub-Fund                            | Share Class <sup>1</sup> | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d’Abonnement |
|-------------------------------------|--------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
| Allianz All China Equity            | A/AM/AMg/AMi/AMgi/AT     | 5.00%                         | 5.00%                       | –                           | 2.25% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.28% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | 2.00%                         | 2.00%                       | –                           | 1.28% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 1.00% p.a.              | 0.01% p.a.        |
| Allianz American Income             | A/AM/AMg/AMi/AMgi/AT     | 5.00%                         | 5.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 0.75% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | 2.00%                         | 2.00%                       | –                           | 0.75% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 0.60% p.a.              | 0.01% p.a.        |
| Allianz Asia Pacific Income         | A/AM/AMg/AMi/AMgi/AT     | 5.00%                         | 5.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.15% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | 2.00%                         | 2.00%                       | –                           | 0.89% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 1.15% p.a.              | 0.01% p.a.        |
| Allianz Asian Multi Income Plus     | A/AM/AMg/AMi/AMgi/AMf/AT | 5.00%                         | 5.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.15% p.a.              | 0.05% p.a.        |
|                                     | P8/PT8                   | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | 2.00%                         | 2.00%                       | –                           | 0.89% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 1.15% p.a.              | 0.01% p.a.        |
| Allianz Best Styles Euroland Equity | A/AM/AMg/AMi/AMgi/AT     | 5.00%                         | 5.00%                       | –                           | 1.30% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.08% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | 2.00%                         | 2.00%                       | –                           | 0.70% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 1.08% p.a.              | 0.01% p.a.        |
| Allianz Best Styles Global          | A/AM/AMg/AMi/AMgi        | 5.00%                         | 5.00%                       | –                           | 1.30% p.a.              | 0.05% p.a.        |

| Sub-Fund                          | Share Class <sup>1</sup> | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|-----------------------------------|--------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
| Equity                            | /AT                      |                               |                             |                             |                         |                   |
|                                   | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.20% p.a.              | 0.05% p.a.        |
|                                   | I/IT                     | 2.00%                         | 2.00%                       | –                           | 1.20% p.a.              | 0.01% p.a.        |
|                                   | W/WT                     | –                             | –                           | –                           | 0.50% p.a.              | 0.01% p.a.        |
| Allianz China A Opportunities     | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 2.25% p.a.              | 0.05% p.a.        |
|                                   | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.85% p.a.              | 0.05% p.a.        |
|                                   | I/IT                     | 2.00%                         | 2.00%                       | –                           | 1.40% p.a.              | 0.01% p.a.        |
|                                   | W/WT                     | –                             | –                           | –                           | 1.85% p.a.              | 0.01% p.a.        |
| Allianz China A-Shares            | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 2.25% p.a.              | 0.05% p.a.        |
|                                   | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.85% p.a.              | 0.05% p.a.        |
|                                   | I/IT                     | 2.00%                         | 2.00%                       | –                           | 1.40% p.a.              | 0.01% p.a.        |
|                                   | W/WT                     | –                             | –                           | –                           | 1.85% p.a.              | 0.01% p.a.        |
| Allianz China Equity              | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 2.25% p.a.              | 0.05% p.a.        |
|                                   | AT (SGD)                 | 5.00%                         | 5.00%                       | –                           | 1.85% p.a.              | 0.05% p.a.        |
|                                   | P/PT                     | –                             | –                           | –                           | 1.28% p.a.              | 0.05% p.a.        |
|                                   | P2/PT2                   | –                             | –                           | –                           | 0.93% p.a.              | 0.05% p.a.        |
|                                   | I/IT                     | –                             | –                           | –                           | 1.28% p.a.              | 0.01% p.a.        |
|                                   | W/WT                     | –                             | –                           | –                           | 0.93% p.a.              | 0.01% p.a.        |
| Allianz China Future Technologies | A/AM /AMg/AMi/AMgi /AT   | 5.00 %                        | 5.00 %                      | -                           | 2.25% p.a.              | 0.05% p.a.        |
|                                   | P/PT                     | 2.00 %                        | 2.00 %                      | -                           | 1.85% p.a.              | 0.05% p.a.        |
|                                   | I/IT                     | 2.00 %                        | 2.00 %                      | -                           | 1.40%p.a.               | 0.01% p.a.        |
|                                   | W/WT                     | -                             | -                           | -                           | 1.85%p.a.               | 0.01% p.a.        |
| Allianz China Healthy Living      | A/AM /AMg/AMi/AMgi /AT   | 5.00 %                        | 5.00 %                      | -                           | 2.25% p.a.              | 0.05% p.a.        |
|                                   | P/PT                     | 2.00 %                        | 2.00 %                      | -                           | 1.85% p.a.              | 0.05% p.a.        |
|                                   | I/IT                     | 2.00 %                        | 2.00 %                      | -                           | 1.40% p.a.              | 0.01% p.a.        |
|                                   | W/WT                     | -                             | -                           | -                           | 1.85% p.a.              | 0.01% p.a.        |

| Sub-Fund                                    | Share Class <sup>1</sup>     | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|---|------------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
| Allianz China Strategic Bond                | A/AM<br>/AMg/AMi/AMgi<br>/AT | 3.00%                         | 3.00%                       | –                           | 0.65% p.a.              | 0.05% p.a.        |
|   | P/PT                         | –                             | –                           | –                           | 0.51% p.a.              | 0.05% p.a.        |
|   | I/IT                         | –                             | –                           | –                           | 0.51% p.a.              | 0.01% p.a.        |
|   | W/WT                         | –                             | –                           | –                           | 0.54% p.a.              | 0.01% p.a.        |
| Allianz Clean Planet                        | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00 %                        | 5.00 %                      | -                           | 2.35% p.a.              | 0.05% p.a.        |
|   | P/PT                         | -                             | -                           | -                           | 1.38% p.a.              | 0.05% p.a.        |
|   | I/IT                         | 2.00 %                        | 2.00 %                      | -                           | 1.38% p.a.              | 0.01% p.a.        |
|   | W/WT                         | -                             | -                           | -                           | 1.03% p.a.              | 0.01% p.a.        |
| Allianz Cyber Security                      | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 2.35% p.a.              | 0.05% p.a.        |
|   | P/PT                         | –                             | –                           | –                           | 1.38% p.a.              | 0.05% p.a.        |
|   | I/IT                         | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.01% p.a.        |
|   | W/WT                         | –                             | –                           | –                           | 1.03% p.a.              | 0.01% p.a.        |
| Allianz Dynamic Asian High Yield Bond       | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|   | P/PT                         | 2.00%                         | 2.00%                       | –                           | 0.82% p.a.              | 0.05% p.a.        |
|   | P8/PT8                       | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.05% p.a.        |
|   | I/IT                         | 2.00%                         | 2.00%                       | –                           | 0.82% p.a.              | 0.01% p.a.        |
|   | W/WT                         | –                             | –                           | –                           | 0.57% p.a.              | 0.01% p.a.        |
| Allianz Dynamic Multi Asset Strategy SRI 15 | A/AM<br>/AMg/AMi/AMgi<br>/AT | 3.00%                         | 3.00%                       | –                           | 1.45% p.a.              | 0.05% p.a.        |
|   | P/PT                         | 2.00%                         | 2.00%                       | –                           | 1.45% p.a.              | 0.05% p.a.        |
|   | I/IT                         | 2.00%                         | 2.00%                       | –                           | 0.74% p.a.              | 0.01% p.a.        |
|   | W/WT                         | –                             | –                           | –                           | 0.52% p.a.              | 0.01% p.a.        |
| Allianz Dynamic Multi Asset Strategy SRI 50 | A/AM<br>/AMg/AMi/AMgi<br>/AT | 4.00%                         | 4.00%                       | –                           | 1.65% p.a.              | 0.05% p.a.        |
|   | P/PT                         | 2.00%                         | 2.00%                       | –                           | 1.15% p.a.              | 0.05% p.a.        |
|   | I/IT                         | 2.00%                         | 2.00%                       | –                           | 0.79% p.a.              | 0.01% p.a.        |
|   | W/WT                         | –                             | –                           | –                           | 0.55% p.a.              | 0.01% p.a.        |

| Sub-Fund                                     | Share Class <sup>1</sup> | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|--|--------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
| Allianz Dynamic Multi Asset Strategy SRI 75  | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 1.85% p.a.              | 0.05% p.a.        |
|  | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.70% p.a.              | 0.05% p.a.        |
|  | I/IT                     | 2.00%                         | 2.00%                       | –                           | 0.87% p.a.              | 0.01% p.a.        |
|  | W/WT                     | –                             | –                           | –                           | 0.60% p.a.              | 0.01% p.a.        |
| Allianz Emerging Asia Equity                 | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 2.25% p.a.              | 0.05% p.a.        |
|  | P/PT                     | –                             | –                           | –                           | 1.85% p.a.              | 0.05% p.a.        |
|  | I/IT                     | –                             | –                           | –                           | 1.28% p.a.              | 0.01% p.a.        |
|  | W/WT                     | –                             | –                           | –                           | 1.85% p.a.              | 0.01% p.a.        |
| Allianz Emerging Markets Select Bond         | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 2.00% p.a.              | 0.05% p.a.        |
|  | P/PT                     | –                             | –                           | –                           | 1.45% p.a.              | 0.05% p.a.        |
|  | I/IT                     | –                             | –                           | –                           | 1.45% p.a.              | 0.01% p.a.        |
|  | W/WT                     | –                             | –                           | –                           | 1.45% p.a.              | 0.01% p.a.        |
| Allianz Emerging Markets Short Duration Bond | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 0.99% p.a.              | 0.05% p.a.        |
|  | P/PT                     | –                             | –                           | –                           | 0.55% p.a.              | 0.05% p.a.        |
|  | I/IT                     | –                             | –                           | –                           | 0.55% p.a.              | 0.01% p.a.        |
|  | W/WT                     | –                             | –                           | –                           | 1.45% p.a.              | 0.01% p.a.        |
| Allianz Emerging Markets SRI Bond            | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 1.70% p.a.              | 0.05% p.a.        |
|  | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.07% p.a.              | 0.05% p.a.        |
|  | I/IT                     | 2.00%                         | 2.00%                       | –                           | 1.07% p.a.              | 0.01% p.a.        |
|  | W/WT                     | –                             | –                           | –                           | 0.82% p.a.              | 0.01% p.a.        |
| Allianz Emerging Markets SRI Corporate Bond  | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 1.75% p.a.              | 0.05% p.a.        |
|  | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.07% p.a.              | 0.05% p.a.        |
|  | I/IT                     | 2.00%                         | 2.00%                       | –                           | 1.07% p.a.              | 0.01% p.a.        |
|  | W/WT                     | –                             | –                           | –                           | 0.82% p.a.              | 0.01% p.a.        |
| Allianz Euro                                 | A/AM                     | 3.00%                         | 3.00%                       | –                           | 1.35% p.a.              | 0.05% p.a.        |

| Sub-Fund                            | Share Class <sup>1</sup> | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|-------------------------------------|--------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
| High Yield Bond                     | /AMg/AMi/AMgi /AT        |                               |                             |                             |                         |                   |
|                                     | P/PT                     | –                             | –                           | –                           | 0.79% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | –                             | –                           | –                           | 0.79% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 0.49% p.a.              | 0.01% p.a.        |
| Allianz Euroland Equity Growth      | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 0.65% p.a.              | 0.01% p.a.        |
| Allianz Europe Equity Growth        | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.05% p.a.        |
|                                     | P8/PT8                   | 2.00%                         | 2.00%                       | –                           | 1.10% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 0.65% p.a.              | 0.01% p.a.        |
| Allianz Europe Equity Growth Select | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.05% p.a.        |
|                                     | P8/PT8                   | 2.00%                         | 2.00%                       | –                           | 1.10% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 0.65% p.a.              | 0.01% p.a.        |
| Allianz Europe Income and Growth    | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 0.84% p.a.              | 0.05% p.a.        |
|                                     | I/IT                     | 2.00%                         | 2.00%                       | –                           | 0.84% p.a.              | 0.01% p.a.        |
|                                     | W/WT                     | –                             | –                           | –                           | 1.15% p.a.              | 0.01% p.a.        |
| Allianz European Equity Dividend    | A/AM /AMg/AMi/AMgi /AT   | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|                                     | P/PT                     | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.05% p.a.        |
|                                     | P8/PT8                   | 2.00%                         | 2.00%                       | –                           | 1.10% p.a.              | 0.05% p.a.        |



| Sub-Fund                               | Share Class <sup>1</sup>          | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|--|-----------------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
|  | I/IT                              | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.01% p.a.        |
|  | W/WT                              | –                             | –                           | –                           | 0.65% p.a.              | 0.01% p.a.        |
| Allianz Flexi Asia Bond                | A/AM<br>/AMg/AMi/AMgi<br>/AMf /AT | 5.00%                         | 5.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|  | P/PT                              | 2.00%                         | 2.00%                       | –                           | 0.82% p.a.              | 0.05% p.a.        |
|  | P8/PT8                            | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.05% p.a.        |
|  | I/IT                              | 2.00%                         | 2.00%                       | –                           | 0.82% p.a.              | 0.01% p.a.        |
|  | W/WT                              | –                             | –                           | –                           | 1.15% p.a.              | 0.01% p.a.        |
| Allianz Food Security                  | A/AM<br>/AMg/AMi/AMgi<br>/AT      | 5.00%                         | 5.00%                       | –                           | 2.35% p.a.              | 0.05% p.a.        |
|  | P/PT                              | –                             | –                           | –                           | 1.38% p.a.              | 0.05% p.a.        |
|  | I/IT                              | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.01% p.a.        |
|  | W/WT                              | –                             | –                           | –                           | 1.03% p.a.              | 0.01% p.a.        |
| Allianz GEM Equity High Dividend       | A/AM<br>/AMg/AMi/AMgi<br>/AT      | 5.00%                         | 5.00%                       | –                           | 2.25% p.a.              | 0.05% p.a.        |
|  | P/PT                              | 2.00%                         | 2.00%                       | –                           | 1.85% p.a.              | 0.05% p.a.        |
|  | I/IT                              | 2.00%                         | 2.00%                       | –                           | 1.28% p.a.              | 0.01% p.a.        |
|  | W/WT                              | –                             | –                           | –                           | 1.85% p.a.              | 0.01% p.a.        |
| Allianz Global Artificial Intelligence | A/AM<br>/AMg/AMi/AMgi<br>/AT      | 5.00%                         | 5.00%                       | –                           | 2.05% p.a.              | 0.05% p.a.        |
|  | P/PT                              | 2.00%                         | 2.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|  | I/IT                              | 2.00%                         | 2.00%                       | –                           | 1.50% p.a.              | 0.01% p.a.        |
|  | W/WT                              | –                             | –                           | –                           | 1.50% p.a.              | 0.01% p.a.        |
| Allianz Global Credit SRI              | A/AM<br>/AMg/AMi/AMgi<br>/AT      | 3.00%                         | 3.00%                       | –                           | 1.15% p.a.              | 0.05% p.a.        |
|  | P/PT                              | –                             | –                           | –                           | 0.75% p.a.              | 0.05% p.a.        |
|  | I/IT                              | 2.00%                         | 2.00%                       | –                           | 0.75% p.a.              | 0.01% p.a.        |
|  | W/WT                              | –                             | –                           | –                           | 0.75% p.a.              | 0.01% p.a.        |
| Allianz Global Equity Growth           | A/AM<br>/AMg/AMi/AMgi<br>/AMf/AT  | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|  | P/PT                              | –                             | –                           | –                           | 0.95% p.a.              | 0.05% p.a.        |

| Sub-Fund                                 | Share Class <sup>1</sup>  | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|--|---------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
|  | I/IT                      | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.01% p.a.        |
|  | W/WT                      | –                             | –                           | –                           | 0.65% p.a.              | 0.01% p.a.        |
| Allianz Global Equity Unconstrained      | A/AM /AMg/AMi/AMgi /AT    | 5.00%                         | 5.00%                       | –                           | 2.05% p.a.              | 0.05% p.a.        |
|  | P/PT                      | 2.00%                         | 2.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|  | I/IT                      | 2.00%                         | 2.00%                       | –                           | 1.50% p.a.              | 0.01% p.a.        |
|  | W/WT                      | –                             | –                           | –                           | 0.73% p.a.              | 0.01% p.a.        |
| Allianz Global Floating Rate Notes Plus  | A/AM /AMg/AMi/AMgi /AQ/AT | 5.00%                         | 5.00%                       | –                           | 0.90% p.a.              | 0.05% p.a.        |
|  | P/PT                      | 2.00%                         | 2.00%                       | –                           | 0.60% p.a.              | 0.05% p.a.        |
|  | I/IT                      | 2.00%                         | 2.00%                       | –                           | 0.60% p.a.              | 0.01% p.a.        |
|  | W/WT                      | –                             | –                           | –                           | 0.50% p.a.              | 0.01% p.a.        |
| Allianz Global Hi-Tech Growth            | A/AM /AMg/AMi/AMgi /AT    | 5.00%                         | 5.00%                       | –                           | 2.05% p.a.              | 0.05% p.a.        |
|  | P/PT                      | –                             | –                           | –                           | 1.53% p.a.              | 0.05% p.a.        |
|  | I/IT                      | –                             | –                           | –                           | 1.53% p.a.              | 0.01% p.a.        |
|  | W/WT                      | –                             | –                           | –                           | 1.53% p.a.              | 0.01% p.a.        |
| Allianz Global High Yield                | A/AM /AMg/AMi/AMgi /AT    | 3.00%                         | 3.00%                       | –                           | 1.45% p.a.              | 0.05% p.a.        |
|  | P/PT                      | –                             | –                           | –                           | 1.10% p.a.              | 0.05% p.a.        |
|  | I/IT                      | 2.00%                         | 2.00%                       | –                           | 1.10% p.a.              | 0.01% p.a.        |
|  | W/WT                      | –                             | –                           | –                           | 1.10% p.a.              | 0.01% p.a.        |
| Allianz Global Income                    | A/AM /AMg/AMi/AMgi /AT    | 5.00%                         | 5.00%                       | –                           | 1.90% p.a.              | 0.05% p.a.        |
|  | P/PT                      | 2.00%                         | 2.00%                       | –                           | 1.14% p.a.              | 0.05% p.a.        |
|  | I/IT                      | 2.00%                         | 2.00%                       | –                           | 1.14% p.a.              | 0.01% p.a.        |
|  | W/WT                      | –                             | –                           | –                           | 0.86% p.a.              | 0.01% p.a.        |
| Allianz Global Intelligent Cities Income | A/AM /AMg/AMi/AMgi /AT    | 5.00%                         | 5.00%                       | –                           | 1.90% p.a.              | 0.05% p.a.        |
|  | P/PT                      | –                             | –                           | –                           | 1.14% p.a.              | 0.05% p.a.        |
|  | I/IT                      | 2.00%                         | 2.00%                       | –                           | 1.14% p.a.              | 0.01% p.a.        |

| Sub-Fund   | Share Class <sup>1</sup>   | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|--|----------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
|  | W/WT                       | –                             | –                           | –                           | 0.86% p.a.              | 0.01% p.a.        |
| Allianz Global Metals and Mining                   | A/AM /AMg/AMi/AMgi /AT     | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|  | P/PT                       | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.05% p.a.        |
|  | I/IT                       | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.01% p.a.        |
|  | W/WT                       | –                             | –                           | –                           | 1.38% p.a.              | 0.01% p.a.        |
| Allianz Global Multi-Asset Credit                  | A/AM /AMg/AMi/AMgi /AT     | 3.00%                         | 3.00%                       | –                           | 1.30% p.a.              | 0.05% p.a.        |
|  | I/IT                       | 2.00%                         | 2.00%                       | –                           | 0.90% p.a.              | 0.01% p.a.        |
|  | W/WT                       | –                             | –                           | –                           | 0.90% p.a.              | 0.01% p.a.        |
| Allianz Global Multi Asset Sustainability Balanced | A/AM /AMg/AMi/AMgi /AT     | 5.00%                         | 5.00%                       | –                           | 1.65% p.a.              | 0.05% p.a.        |
|  | P/PT                       | 2.00%                         | 2.00%                       | –                           | 0.89% p.a.              | 0.05% p.a.        |
|  | I/IT                       | 2.00%                         | 2.00%                       | –                           | 0.89% p.a.              | 0.01% p.a.        |
|  | W/WT                       | –                             | –                           | –                           | 0.61% p.a.              | 0.01% p.a.        |
| Allianz Global Opportunistic Bond                  | A/AM /AMg/AMi/AMgi /AMf/AT | 3.00%                         | 3.00%                       | –                           | 1.14% p.a.              | 0.05% p.a.        |
|  | P/PT                       | –                             | –                           | –                           | 0.63% p.a.              | 0.05% p.a.        |
|  | I/IT                       | –                             | –                           | –                           | 0.63% p.a.              | 0.01% p.a.        |
|  | W/WT                       | –                             | –                           | –                           | 0.44% p.a.              | 0.01% p.a.        |
| Allianz Global Small Cap Equity                    | A/AM /AMg/AMi/AMgi /AT     | 5.00%                         | 5.00%                       | –                           | 2.05% p.a.              | 0.05% p.a.        |
|  | P/PT                       | 2.00%                         | 2.00%                       | –                           | 1.08% p.a.              | 0.05% p.a.        |
|  | I/IT                       | 2.00%                         | 2.00%                       | –                           | 1.08% p.a.              | 0.01% p.a.        |
|  | W/WT                       | –                             | –                           | –                           | 1.50% p.a.              | 0.01% p.a.        |
| Allianz Global Sustainability                      | A/AM /AMg/AMi/AMgi /AT     | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|  | P/PT                       | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.05% p.a.        |
|  | I/IT                       | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.01% p.a.        |
|  | W/WT                       | –                             | –                           | –                           | 1.38% p.a.              | 0.01% p.a.        |
| Allianz Global                                     | A/AM                       | 5.00%                         | 5.00%                       | –                           | 2.35% p.a.              | 0.05% p.a.        |

| Sub-Fund                                  | Share Class <sup>1</sup>         | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|---|----------------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
| Water                                     | /AMg/AMi/AMgi<br>/AT             |                               |                             |                             |                         |                   |
|   | P/PT                             | –                             | –                           | –                           | 1.38% p.a.              | 0.05% p.a.        |
|   | I/IT                             | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.01% p.a.        |
|   | W/WT                             | –                             | –                           | –                           | 1.03% p.a.              | 0.01% p.a.        |
| Allianz Green Bond                        | A/AM<br>/AMg/AMi/AMgi<br>/AMf/AT | 5.00%                         | 5.00%                       | –                           | 1.09% p.a.              | 0.05% p.a.        |
|   | P/PT                             | 2.00%                         | 2.00%                       | –                           | 0.60% p.a.              | 0.05% p.a.        |
|   | I/IT                             | 2.00%                         | 2.00%                       | –                           | 0.60% p.a.              | 0.01% p.a.        |
|   | W/WT                             | –                             | –                           | –                           | 0.42% p.a.              | 0.01% p.a.        |
| Allianz High Dividend Asia Pacific Equity | A/AM<br>/AMg/AMi/AMgi<br>/AT     | 5.00%                         | 5.00%                       | –                           | 2.05% p.a.              | 0.05% p.a.        |
|   | P/PT                             | –                             | –                           | –                           | 1.50% p.a.              | 0.05% p.a.        |
|   | I/IT                             | –                             | –                           | –                           | 0.90% p.a.              | 0.01% p.a.        |
|   | W/WT                             | –                             | –                           | –                           | 0.70% p.a.              | 0.01% p.a.        |
| Allianz HKD Income                        | A/AM<br>/AMg/AMi/AMgi<br>/AT     | 5.00%                         | 5.00%                       | –                           | 1.00% p.a.              | 0.05% p.a.        |
|   | P/PT                             | –                             | –                           | –                           | 0.85% p.a.              | 0.05% p.a.        |
|   | P8/PT8                           | 2.00%                         | 2.00%                       | –                           | 0.65% p.a.              | 0.05% p.a.        |
|   | I/IT                             | 2.00%                         | 2.00%                       | –                           | 0.57% p.a.              | 0.01% p.a.        |
|   | W/WT                             | –                             | –                           | –                           | 0.85% p.a.              | 0.01% p.a.        |
| Allianz Hong Kong Equity                  | A/AM<br>/AMg/AMi/AMgi<br>/AT     | 5.00%                         | 5.00%                       | –                           | 2.05% p.a.              | 0.05% p.a.        |
|   | AT (SGD)                         | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|   | P/PT                             | –                             | –                           | –                           | 1.53% p.a.              | 0.05% p.a.        |
|   | I/IT                             | –                             | –                           | –                           | 1.08% p.a.              | 0.01% p.a.        |
|   | W/WT                             | –                             | –                           | –                           | 1.53% p.a.              | 0.01% p.a.        |
| Allianz Income and Growth                 | A/AM<br>/AMg/AMi/AMgi<br>/AT     | 5.00%                         | 5.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|   | P/PT                             | 2.00%                         | 2.00%                       | –                           | 0.84% p.a.              | 0.05% p.a.        |
|   | P8/PT8                           | 2.00%                         | 2.00%                       | –                           | 0.97% p.a.              | 0.05% p.a.        |

| Sub-Fund                         | Share Class <sup>1</sup>           | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|----------------------------------|------------------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
|                                  | I/IT                               | 2.00%                         | 2.00%                       | –                           | 0.84% p.a.              | 0.01% p.a.        |
|                                  | W/WT                               | –                             | –                           | –                           | 1.15% p.a.              | 0.01% p.a.        |
| Allianz India Equity             | A/AM<br>/AMg/AMi/AMgi<br>/AT       | 5.00%                         | 5.00%                       | –                           | 2.50% p.a.              | 0.05% p.a.        |
|                                  | P/PT                               | –                             | –                           | –                           | 2.00% p.a.              | 0.05% p.a.        |
|                                  | I/IT                               | –                             | –                           | –                           | 1.28% p.a.              | 0.01% p.a.        |
|                                  | W/WT                               | –                             | –                           | –                           | 2.00% p.a.              | 0.01% p.a.        |
| Allianz Japan Equity             | A/AM<br>/AMg/AMi/AMgi<br>/AT       | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|                                  | P/PT                               | –                             | –                           | –                           | 1.38% p.a.              | 0.05% p.a.        |
|                                  | I/IT                               | –                             | –                           | –                           | 0.95% p.a.              | 0.01% p.a.        |
|                                  | W/WT                               | –                             | –                           | –                           | 0.65% p.a.              | 0.01% p.a.        |
| Allianz Little Dragons           | A /<br>AT/<br>/AM/AMg/AMi/<br>AMgi | 5.00%                         | 5.00%                       | –                           | 3.25% p.a.              | 0.05% p.a.        |
|                                  | P/PT                               | –                             | –                           | –                           | 2.00% p.a.              | 0.05% p.a.        |
|                                  | I/IT                               | –                             | –                           | –                           | 2.00% p.a.              | 0.01% p.a.        |
|                                  | W/WT                               | –                             | –                           | –                           | 2.00% p.a.              | 0.01% p.a.        |
| Allianz Oriental Income          | A/AM<br>/AMg/AMi/AMgi<br>/AT       | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|                                  | P/PT                               | –                             | –                           | –                           | 0.95% p.a.              | 0.05% p.a.        |
|                                  | I/IT                               | –                             | –                           | –                           | 0.95% p.a.              | 0.01% p.a.        |
|                                  | W/WT                               | –                             | –                           | –                           | 1.38% p.a.              | 0.01% p.a.        |
| Allianz Pet and Animal Wellbeing | A/AM<br>/AMg/AMi/AMgi<br>/AT       | 5.00%                         | 5.00%                       | –                           | 2.35% p.a.              | 0.05% p.a.        |
|                                  | P/PT                               | –                             | –                           | –                           | 1.38% p.a.              | 0.05% p.a.        |
|                                  | I/IT                               | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.01% p.a.        |
|                                  | W/WT                               | –                             | –                           | –                           | 1.03% p.a.              | 0.01% p.a.        |
| Allianz Positive Change          | A/AM<br>/AMg/AMi/AMgi<br>/AT       | 5.00%                         | 5.00%                       | –                           | 2.35% p.a.              | 0.05% p.a.        |
|                                  | P/PT                               | –                             | –                           | –                           | 1.38% p.a.              | 0.05% p.a.        |

| Sub-Fund                          | Share Class <sup>1</sup>     | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|-----------------------------------|------------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
|                                   | I/IT                         | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.01% p.a.        |
|                                   | W/WT                         | –                             | –                           | –                           | 1.03% p.a.              | 0.01% p.a.        |
| Allianz Renminbi Fixed Income     | A/AM<br>/AMg/AMi/AMgi<br>/AT | 3.00%                         | 3.00%                       | –                           | 0.99% p.a.              | 0.05% p.a.        |
|                                   | P/PT                         | –                             | –                           | –                           | 0.55% p.a.              | 0.05% p.a.        |
|                                   | I/IT                         | –                             | –                           | –                           | 0.55% p.a.              | 0.01% p.a.        |
|                                   | W/WT                         | –                             | –                           | –                           | 0.78% p.a.              | 0.01% p.a.        |
| Allianz Select Income and Growth  | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00 %                        | 5.00 %                      | -                           | 1.50% p.a.              | 0.05% p.a.        |
|                                   | P/PT                         | 2.00 %                        | 2.00 %                      | -                           | 0.84% p.a.              | 0.05% p.a.        |
|                                   | I/IT                         | 2.00 %                        | 2.00 %                      | -                           | 0.84% p.a.              | 0.01% p.a.        |
|                                   | W/WT                         | -                             | -                           | -                           | 1.15% p.a.              | 0.01% p.a.        |
| Allianz Smart Energy              | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 2.35% p.a.              | 0.05% p.a.        |
|                                   | P/PT                         | –                             | –                           | –                           | 1.38% p.a.              | 0.05% p.a.        |
|                                   | I/IT                         | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.01% p.a.        |
|                                   | W/WT                         | –                             | –                           | –                           | 1.03% p.a.              | 0.01% p.a.        |
| Allianz Thematica                 | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 2.05% p.a.              | 0.05% p.a.        |
|                                   | P/PT                         | 2.00%                         | 2.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|                                   | I/IT                         | 2.00%                         | 2.00%                       | –                           | 1.50% p.a.              | 0.01% p.a.        |
|                                   | W/WT                         | –                             | –                           | –                           | 1.50% p.a.              | 0.01% p.a.        |
| Allianz Total Return Asian Equity | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 2.05% p.a.              | 0.05% p.a.        |
|                                   | P/PT                         | –                             | –                           | –                           | 1.08% p.a.              | 0.05% p.a.        |
|                                   | P8/PT8                       | 2.00%                         | 2.00%                       | –                           | 1.26% p.a.              | 0.05% p.a.        |
|                                   | I/IT                         | –                             | –                           | –                           | 1.53% p.a.              | 0.01% p.a.        |
|                                   | W/WT                         | –                             | –                           | –                           | 1.53% p.a.              | 0.01% p.a.        |
| Allianz US Equity Fund            | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|                                   | P/PT                         | 2.00%                         | 2.00%                       | –                           | 0.95% p.a.              | 0.05% p.a.        |

| Sub-Fund                                   | Share Class <sup>1</sup>     | Subscription Fee <sup>2</sup> | Conversion Fee <sup>3</sup> | Redemption Fee <sup>4</sup> | All-in-Fee <sup>4</sup> | Taxe d'Abonnement |
|--|------------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------|-------------------|
|  | P2/PT2                       | –                             | –                           | –                           | 0.65% p.a.              | 0.05% p.a.        |
|  | I/IT                         | 2.00%                         | 2.00%                       | –                           | 1.38% p.a.              | 0.01% p.a.        |
|  | W/WT                         | –                             | –                           | –                           | 0.65% p.a.              | 0.01% p.a.        |
| Allianz US Equity Plus                     | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 1.80% p.a.              | 0.05% p.a.        |
|  | P/PT                         | 2.00%                         | 2.00%                       | –                           | 1.50% p.a.              | 0.05% p.a.        |
|  | I/IT                         | 2.00%                         | 2.00%                       | –                           | 1.50% p.a.              | 0.01% p.a.        |
|  | W/WT                         | –                             | –                           | –                           | 1.50% p.a.              | 0.01% p.a.        |
| Allianz US High Yield                      | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 1.39% p.a.              | 0.05% p.a.        |
|  | P/PT                         | 2.00%                         | 2.00%                       | –                           | 0.75% p.a.              | 0.05% p.a.        |
|  | P8/PT8                       | 2.00%                         | 2.00%                       | –                           | 0.87% p.a.              | 0.05% p.a.        |
|  | I/IT                         | 2.00%                         | 2.00%                       | –                           | 0.75% p.a.              | 0.01% p.a.        |
|  | W/WT                         | –                             | –                           | –                           | 0.55% p.a.              | 0.01% p.a.        |
| Allianz US Investment Grade Credit         | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 1.10% p.a.              | 0.05% p.a.        |
|  | P/PT                         | 2.00%                         | 2.00%                       | –                           | 0.71% p.a.              | 0.05% p.a.        |
|  | I/IT                         | 2.00%                         | 2.00%                       | –                           | 0.71% p.a.              | 0.01% p.a.        |
|  | W/WT                         | –                             | –                           | –                           | 0.56% p.a.              | 0.01% p.a.        |
| Allianz US Large Cap Value                 | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 2.10% p.a.              | 0.05% p.a.        |
|  | P/PT                         | 2.00%                         | 2.00%                       | –                           | 1.25% p.a.              | 0.05% p.a.        |
|  | I/IT                         | 2.00%                         | 2.00%                       | –                           | 1.25% p.a.              | 0.01% p.a.        |
|  | W/WT                         | –                             | –                           | –                           | 0.95% p.a.              | 0.01% p.a.        |
| Allianz US Short Duration High Income Bond | A/AM<br>/AMg/AMi/AMgi<br>/AT | 5.00%                         | 5.00%                       | –                           | 1.29% p.a.              | 0.05% p.a.        |
|  | P/PT                         | 2.00%                         | 2.00%                       | –                           | 1.45% p.a.              | 0.05% p.a.        |
|  | I/IT                         | 2.00%                         | 2.00%                       | –                           | 0.70% p.a.              | 0.01% p.a.        |
|  | W/WT                         | –                             | –                           | –                           | 1.45% p.a.              | 0.01% p.a.        |

1) Includes all Shares within all respective Share Classes.

2) When issuing Shares, the Management Company has discretion to levy a lower Subscription Fee.

- 3) The Conversion Fee refers to a conversion into the mentioned Share Class of a Sub-Fund. When converting Shares, the Management Company has discretion to levy a lower Conversion Fee.
- 4) The Management Company has discretion to levy a lower Redemption Fee/All-in-Fee/Performance Fee/Additional Costs/Fees.



## APPENDIX 4

### INVESTMENT MANAGER/SUB-INVESTMENT MANAGER/INVESTMENT ADVISOR DIRECTORY

Remarks:

- a) If the Management Company is carrying out its investment management functions internally (i.e. no Investment Manager in this case), the name of the respective branch of the Management Company will be disclosed under 1) *Branch of Management Company carrying out investment management functions* in the table below.
- b) If the Management Company has delegated the investment management functions to one or more Investment Manager(s), and (if applicable) the respective Investment Manager(s) has sub-delegated some of its functions to one or more Sub-Investment Manager(s), the name(s) of the respective Investment Manager(s) and/or Sub-Investment Manager(s) will be disclosed under 2) *Investment Manager (or Sub-Investment Manager if so specified)* in the table below.
- c) If the Management Company has partially delegated its investment management functions to one or more Sub-Investment Manager(s) and (if applicable) the Sub-Investment Manager(s) has sub-delegated some of its functions to other Sub-Investment Manager(s), the name of the respective branch of the Management Company will be disclosed under 1) *Branch of Management Company carrying out investment management functions* and the Sub-Investment Manager(s) will be disclosed under 2) *Investment Manager (or Sub-Investment Manager if so specified)* in the table below.
- d) If the Management Company has appointed an Investment Advisor whose fees are paid out of a Sub-Fund's assets, the name of the respective Investment Advisor(s) will be disclosed under 3) *Investment Advisor* in the table below.
- e) If the Management Company has partially delegated its investment management functions to one or more Investment Manager(s), the name of the respective branch of the Management Company will be disclosed under 1) *Branch of Management Company carrying out investment management functions*, the Investment Manager(s) will be disclosed under 2) *Investment Manager (or Sub-Investment Manager if so specified)* in the table below.

| Sub-Fund                            | 1) Branch of Management Company carrying out investment management functions and/or<br>2) Investment Manager (or Sub-Investment Manager if so specified) and/or<br>3) Investment Advisor |
|-------------------------------------|--|
| Allianz All China Equity            | 2) AllianzGI AP  |
| Allianz American Income             | 2) Voya IM   |
| Allianz Asia Pacific Income         | 2) AllianzGI AP and AllianzGI Singapore  |
| Allianz Asian Multi Income Plus     | 2) AllianzGI AP<br>2) AllianzGI Singapore, acting as Sub-Investment Manager  |
| Allianz Best Styles Euroland Equity | 1) AllianzGI – Germany   |
| Allianz Best Styles Global Equity   | 1) AllianzGI – Germany   |
| Allianz China A Opportunities       | 2) AllianzGI AP  |
| Allianz China A-Shares              | 2) AllianzGI AP  |
| Allianz China Equity                | 2) AllianzGI AP  |
| Allianz China Future Technologies   | 2) AllianzGI AP  |
| Allianz China Healthy Living        | 2) AllianzGI AP  |

| <b>Sub-Fund</b>                              | <b>1) Branch of Management Company carrying out investment management functions and/or<br/>2) Investment Manager (or Sub-Investment Manager if so specified) and/or<br/>3) Investment Advisor</b> |
|--|---|
| Allianz China Strategic Bond                 | 2) AllianzGI AP and AllianzGI Singapore   |
| Allianz Clean Planet                         | 1) AllianzGI – Germany<br>2) AllianzGI AP   |
| Allianz Cyber Security                       | 2) Voya IM  |
| Allianz Dynamic Asian High Yield Bond        | 2) AllianzGI AP and AllianzGI Singapore   |
| Allianz Dynamic Multi Asset Strategy SRI 15  | 1) AllianzGI – Germany  |
| Allianz Dynamic Multi Asset Strategy SRI 50  | 1) AllianzGI – Germany  |
| Allianz Dynamic Multi Asset Strategy SRI 75  | 1) AllianzGI – Germany  |
| Allianz Emerging Asia Equity                 | 2) AllianzGI AP   |
| Allianz Emerging Markets Select Bond         | 2) AllianzGI AP and AllianzGI UK  |
| Allianz Emerging Markets Short Duration Bond | 2) AllianzGI AP and AllianzGI UK  |
| Allianz Emerging Markets SRI Bond            | 2) AllianzGI UK   |
| Allianz Emerging Markets SRI Corporate Bond  | 2) AllianzGI AP and AllianzGI UK  |
| Allianz Euro High Yield Bond                 | 1) AllianzGI – France Branch  |
| Allianz Euroland Equity Growth               | 1) AllianzGI – Germany  |
| Allianz Europe Equity Growth                 | 1) AllianzGI – Germany<br>2) AllianzGI UK   |
| Allianz Europe Equity Growth Select          | 1) AllianzGI – Germany  |
| Allianz Europe Income and Growth             | 1) AllianzGI – Germany and AllianzGI – France Branch  |
| Allianz European Equity Dividend             | 1) AllianzGI – Germany<br>2) AllianzGI UK   |
| Allianz Flexi Asia Bond                      | 2) AllianzGI AP and AllianzGI Singapore   |
| Allianz Food Security                        | 1) AllianzGI – Germany<br>2) AllianzGI UK   |
| Allianz GEM Equity High Dividend             | 1) AllianzGI – Germany  |
| Allianz Global Artificial Intelligence       | 2) Voya IM  |
| Allianz Global Credit SRI                    | 1) AllianzGI – Germany<br>2) AllianzGI UK   |
| Allianz Global Equity Growth                 | 1) AllianzGI – Germany  |

| <b>Sub-Fund</b>                                    | <b>1) Branch of Management Company carrying out investment management functions and/or<br/>2) Investment Manager (or Sub-Investment Manager if so specified) and/or<br/>3) Investment Advisor</b> |
|--|---|
| Allianz Global Equity Unconstrained                | 1) AllianzGI – Germany  |
| Allianz Global Floating Rate Notes Plus            | 1) AllianzGI – Germany<br>2) AllianzGI UK   |
| Allianz Global Hi-Tech Growth                      | 2) AllianzGI UK   |
| Allianz Global High Yield                          | 2) AllianzGI UK   |
| Allianz Global Income                              | 2) Voya IM  |
| Allianz Global Intelligent Cities Income           | 2) Voya IM  |
| Allianz Global Metals and Mining                   | 1) AllianzGI – Germany<br>2) AllianzGI AP   |
| Allianz Global Multi-Asset Credit                  | 2) AllianzGI UK   |
| Allianz Global Multi Asset Sustainability Balanced | 1) AllianzGI – Germany<br>2) AllianzGI UK, AllianzGI AP, AllianzGI Japan and AllianzGI Singapore  |
| Allianz Global Opportunistic Bond                  | 2) AllianzGI UK   |
| Allianz Global Small Cap Equity                    | 1) AllianzGI – Germany<br>2) AllianzGI UK (acting as Investment Manager), AllianzGI AP (acting as Sub-Investment Manager) and AllianzGI Japan (acting as Sub-Investment Manager)                  |
| Allianz Global Sustainability                      | 2) AllianzGI UK   |
| Allianz Global Water                               | 1) AllianzGI – Germany  |
| Allianz Green Bond                                 | 1) AllianzGI – German and AllianzGI – France Branch<br>2) AllianzGI UK  |
| Allianz High Dividend Asia Pacific Equity          | 2) AllianzGI AP   |
| Allianz HKD Income                                 | 2) AllianzGI AP   |
| Allianz Hong Kong Equity                           | 2) AllianzGI AP   |
| Allianz Income and Growth                          | 2) Voya IM  |
| Allianz India Equity                               | 2) AllianzGI AP<br>2) AllianzGI Singapore   |
| Allianz Japan Equity                               | 2) AllianzGI AP<br>2) AllianzGI Japan, acting as Sub-Investment Manager   |
| Allianz Little Dragons                             | 2) AllianzGI AP   |
| Allianz Oriental Income                            | 2) AllianzGI AP   |
| Allianz Pet and Animal Wellbeing                   | 1) AllianzGI – Germany  |
| Allianz Positive Change                            | 2) AllianzGI UK   |

| <b>Sub-Fund</b>                            | <b>1) Branch of Management Company carrying out investment management functions and/or<br/>2) Investment Manager (or Sub-Investment Manager if so specified) and/or<br/>3) Investment Advisor</b> |
|--|---|
| Allianz Renminbi Fixed Income              | 2) AllianzGI AP and AllianzGI Singapore   |
| Allianz Select Income and Growth           | 2) Voya IM  |
| Allianz Smart Energy                       | 1) AllianzGI – Germany<br>2) AllianzGI AP   |
| Allianz Thematica                          | 1) AllianzGI – Germany  |
| Allianz Total Return Asian Equity          | 2) AllianzGI AP   |
| Allianz US Equity Fund                     | 2) Voya IM  |
| Allianz US Equity Plus                     | 2) Voya IM  |
| Allianz US High Yield                      | 2) Voya IM  |
| Allianz US Investment Grade Credit         | 2) Voya IM  |
| Allianz US Large Cap Value                 | 2) Voya IM  |
| Allianz US Short Duration High Income Bond | 2) Voya IM  |

## APPENDIX 5

### PROPORTIONS OF A SUB-FUND'S NET ASSET VALUE SUBJECT TO TRS/CFDs

The following maximum and expected proportion of the Net Asset Value apply to all Sub-Funds that can be subject to TRS/CFDs. Sub-Funds not listed below are at current not subject to TRS/CFDs and do not intend to make use of such transactions.

| Sub-Fund Name   | TRS and CFDs<br>(summed up)<br>Expected/Maximum<br>Proportion of NAV<br>(%) | Rationale for usage  |
|---|---|--|
| Allianz Dynamic Multi Asset Strategy<br>SRI 15        | 10/30   | The Sub-Fund uses TRS mainly to gain long or short exposure to certain asset classes in various situations e.g., where exposure to the asset is core meeting the stated investment objectives. In addition, TRS might also be used in e.g., situations where access to specific opportunistic and/or thematic investments via securities is either not possible or not possible to a sufficient extent and therefore TRS are used for gaining more efficient exposure. |
| Allianz Dynamic Multi Asset Strategy<br>SRI 50        | 10/30   | The Sub-Fund uses TRS mainly to gain long or short exposure to certain asset classes in various situations e.g., where exposure to the asset is core meeting the stated investment objectives. In addition, TRS might also be used in e.g., situations where access to specific opportunistic and/or thematic investments via securities is either not possible or not possible to a sufficient extent and therefore TRS are used for gaining more efficient exposure. |
| Allianz Dynamic Multi Asset Strategy<br>SRI 75        | 10/30   | The Sub-Fund uses TRS mainly to gain long or short exposure to certain asset classes in various situations e.g., where exposure to the asset is core meeting the stated investment objectives. In addition, TRS might also be used in e.g., situations where access to specific opportunistic and/or thematic investments via securities is either not possible or not possible to a sufficient extent and therefore TRS are used for gaining more efficient exposure. |
| Allianz Global Multi Asset Sustainability<br>Balanced | 50/120  | The Sub-Fund uses TRS to gain long or short exposure to certain asset classes in an efficient manner with aim of enhancing the return profile or managing risk. In addition, TRS might also be used in e.g., situations where access to the underlyings via securities is either not possible or not   |

| Sub-Fund Name | TRS and CFDs<br>(summed up)<br>Expected/Maximum<br>Proportion of NAV<br>(%) | Rationale for usage              |
|---------------|---|----------------------------------|
|               |   | possible to a sufficient extent. |

## APPENDIX 6 BENCHMARK REGULATION & ESMA REGISTER

EU administrators and administrators of third country benchmarks if the benchmark is mentioned in Appendix 1 of this HK Prospectus are listed in the overview below.

| Benchmark Administrator                     | EU / European Economic Area Status (as at the date of this HK Prospectus) |
|---|---|
| Bank of England                             | Exempted according to Article 2 (2) of the Benchmark Regulation           |
| Bloomberg Index Services Limited            | Authorisation under Article 34 of the Benchmark Regulation                |
| European Central Bank (ECB)                 | Exempted according to Article 2 (2) of the Benchmark Regulation           |
| European Money Markets Institute            | Authorisation under Article 34 of the Benchmark Regulation                |
| FTSE International Limited                  | Authorisation under Article 34 of the Benchmark Regulation                |
| ICE Benchmark Administration Limited        | Authorisation under Article 34 of the Benchmark Regulation                |
| IHS Markit Benchmark Administration Limited | Authorisation under Article 34 of the Benchmark Regulation                |
| J.P. Morgan Securities PLC                  | Registration under Article 34 of the Benchmark Regulation                 |
| JPX Market Innovation & Research, Inc.      | Recognition under Article 32 of the Benchmark Regulation                  |
| MSCI Limited                                | Authorisation under Article 34 of the Benchmark Regulation                |
| Nasdaq Copenhagen A/S                       | Registration under Article 34 of the Benchmark Regulation                 |
| Refinitiv Benchmark Services (UK) Limited   | Registration under Article 34 of the Benchmark Regulation                 |
| S&P Dow Jones Indices LLC                   | Endorsement under Article 33 of the Benchmark Regulation                  |
| STOXX Ltd.                                  | Recognition under Article 32 of the Benchmark Regulation                  |
| US Federal Reserve Bank                     | Exempted according to Article 2 (2) of the Benchmark Regulation           |

The Management Company will monitor the ESMA Register and, if there are any changes, this information will be updated in this HK Prospectus at the next opportunity.

**APPENDIX 7**  
**SUB-FUNDS MANAGED IN ACCORDANCE WITH THE SUSTAINABILITY-RELATED**  
**DISCLOSURE REGULATION AND SPECIFIC INFORMATION**  
**TO BE DISCLOSED IN ACCORDANCE**  
**WITH THE TAXONOMY REGULATION**

| <b>Sub-Fund Name</b>                  | <b>Sub-Fund fulfils only transparency requirements according to SFDR Article 6</b> | <b>Sub-Fund is managed in accordance with SFDR Article 8 (1)</b> | <b>Sub-Fund is managed in accordance with SFDR Article 9 (1)</b> | <b>Minimum of Sustainable Investments</b> | <b>Minimum of Taxonomy aligned Investments</b> | <b>Considerations of principal adverse impacts</b> |
|---------------------------------------|--|--|--|---|--|--|
| Allianz All China Equity              | -  | ✓  | -  | 5.00%                                     | 0.00%  | ✓  |
| Allianz American Income               | ✓  | -  | -  | -   | -  | -  |
| Allianz Asia Pacific Income           | ✓  | -  | -  | -   | -  | -  |
| Allianz Asian Multi Income Plus       | ✓  | -  | -  | -   | -  | -  |
| Allianz Best Styles Euroland Equity   | ✓  | -  | -  | -   | -  | -  |
| Allianz Best Styles Global Equity     | ✓  | -  | -  | -   | -  | -  |
| Allianz China A Opportunities         | -  | ✓  | -  | 5.00%                                     | 0.00%  | ✓  |
| Allianz China A-Shares                | -  | ✓  | -  | 5.00%                                     | 0.00%  | ✓  |
| Allianz China Equity                  | -  | ✓  | -  | 2.00%                                     | 0.00%  | ✓  |
| Allianz China Future Technologies     | ✓  | -  | -  | -   | -  | -  |
| Allianz China Healthy Living          | ✓  | -  | -  | -   | -  | -  |
| Allianz China Strategic Bond          | ✓  | -  | -  | -   | -  | -  |
| Allianz Clean Planet                  | -  | ✓  | -  | > 50%                                     | 0.00%  | ✓  |
| Allianz Cyber Security                | -  | ✓  | -  | 2.00%                                     | 0.00%  | ✓  |
| Allianz Dynamic Asian High Yield Bond | ✓  | -  | -  | -   | -  | -  |



| Sub-Fund Name                                | Sub-Fund fulfils only transparency requirements according to SFDR Article 6 | Sub-Fund is managed in accordance with SFDR Article 8 (1) | Sub-Fund is managed in accordance with SFDR Article 9 (1) | Minimum of Sustainable Investments | Minimum of Taxonomy aligned Investments | Considerations of principal adverse impacts |
|--|---|---|---|------------------------------------|---|---|
| Allianz Dynamic Multi Asset Strategy SRI 15  | -   | ✓   | -   | 10.00%                             | 0.01%                                   | ✓   |
| Allianz Dynamic Multi Asset Strategy SRI 50  | -   | ✓   | -   | 15.00%                             | 0.01%                                   | ✓   |
| Allianz Dynamic Multi Asset Strategy SRI 75  | -   | ✓   | -   | 20.00%                             | 0.01%                                   | ✓   |
| Allianz Emerging Asia Equity                 | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Emerging Markets Select Bond         | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Emerging Markets Short Duration Bond | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Emerging Markets SRI Bond            | -   | ✓   | -   | 5.00%                              | 0.01%                                   | ✓   |
| Allianz Emerging Markets SRI Corporate Bond  | -   | ✓   | -   | 5.00%                              | 0.01%                                   | ✓   |
| Allianz Euro High Yield Bond                 | -   | ✓   | -   | 5.00%                              | 0.01%                                   | ✓   |
| Allianz Euroland Equity Growth               | -   | ✓   | -   | 0.00%                              | 0.00%                                   | ✓   |
| Allianz Europe Equity Growth                 | -   | ✓   | -   | 0.00%                              | 0.00%                                   | ✓   |
| Allianz Europe Equity Growth Select          | -   | ✓   | -   | 0.00%                              | 0.00%                                   | ✓   |
| Allianz Europe Income and Growth             | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz European Equity Dividend             | -   | ✓   | -   | 10.00%                             | 0.01%                                   | ✓   |
| Allianz Flexi Asia Bond                      | -   | ✓   | -   | 2.50%                              | 0.01%                                   | ✓   |
| Allianz Food Security                        | -   | ✓   | -   | > 50%                              | 0.00%                                   | ✓   |

| Sub-Fund Name                                      | Sub-Fund fulfils only transparency requirements according to SFDR Article 6 | Sub-Fund is managed in accordance with SFDR Article 8 (1) | Sub-Fund is managed in accordance with SFDR Article 9 (1) | Minimum of Sustainable Investments | Minimum of Taxonomy aligned Investments | Considerations of principal adverse impacts |
|--|---|---|---|------------------------------------|---|---|
| Allianz GEM Equity High Dividend                   | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Global Artificial Intelligence             | -   | ✓   | -   | 10.00%                             | 0.01%                                   | ✓   |
| Allianz Global Credit SRI                          | -   | ✓   | -   | 10.00%                             | 0.01%                                   | ✓   |
| Allianz Global Equity Growth                       | -   | ✓   | -   | 0.00%                              | 0.00%                                   | ✓   |
| Allianz Global Equity Unconstrained                | -   | ✓   | -   | 0.00%                              | 0.00%                                   | ✓   |
| Allianz Global Floating Rate Notes Plus            | -   | ✓   | -   | 5.00%                              | 0.01%                                   | ✓   |
| Allianz Global High Yield                          | -   | ✓   | -   | 5.00%                              | 0.01%                                   | ✓   |
| Allianz Global Hi-Tech Growth                      | -   | ✓   | -   | 10.00%                             | 0.01%                                   | ✓   |
| Allianz Global Income                              | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Global Intelligent Cities Income           | -   | ✓   | -   | 10.00%                             | 0.01%                                   | ✓   |
| Allianz Global Metals and Mining                   | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Global Multi-Asset Credit                  | -   | ✓   | -   | 10.00%                             | 0.01%                                   | ✓   |
| Allianz Global Multi Asset Sustainability Balanced | -   | ✓   | -   | 3.00%                              | 0.01%                                   | ✓   |
| Allianz Global Opportunistic Bond                  | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Global Small Cap Equity                    | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Global Sustainability                      | -   | ✓   | -   | 20.00%                             | 0.01%                                   | ✓   |
| Allianz Global Water                               | -   | ✓   | -   | > 50%                              | 0.00%                                   | ✓   |

| Sub-Fund Name                             | Sub-Fund fulfils only transparency requirements according to SFDR Article 6 | Sub-Fund is managed in accordance with SFDR Article 8 (1) | Sub-Fund is managed in accordance with SFDR Article 9 (1) | Minimum of Sustainable Investments | Minimum of Taxonomy aligned Investments | Considerations of principal adverse impacts |
|---|---|---|---|------------------------------------|---|---|
| Allianz Green Bond                        | -   | -   | ✓   | 80%                                | 0.01%                                   | ✓   |
| Allianz High Dividend Asia Pacific Equity | -   | ✓   | -   | 2.00%                              | 0.00%                                   | ✓   |
| Allianz HKD Income                        | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Hong Kong Equity                  | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Income and Growth                 | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz India Equity                      | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Japan Equity                      | -   | ✓   | -   | 5.00%                              | 0.00%                                   | ✓   |
| Allianz Little Dragons                    | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Oriental Income                   | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Pet and Animal Wellbeing          | -   | ✓   | -   | 20.00%                             | 0.00%                                   | ✓   |
| Allianz Positive Change                   | -   | ✓   | -   | > 50%                              | 0.01%                                   | ✓   |
| Allianz Renminbi Fixed Income             | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Select Income and Growth          | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz Smart Energy                      | -   | ✓   | -   | > 50%                              | 0.00%                                   | ✓   |
| Allianz Thematica                         | -   | ✓   | -   | 30.00%                             | 0.00%                                   | ✓   |
| Allianz Total Return Asian Equity         | -   | ✓   | -   | 2.00%                              | 0.00%                                   | ✓   |
| Allianz US Equity Fund                    | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz US Equity Plus                    | ✓   | -   | -   | -                                  | -                                       | -   |
| Allianz US High Yield                     | ✓   | -   | -   | -                                  | -                                       | -   |

| Sub-Fund Name                              | Sub-Fund fulfils only transparency requirements according to SFDR Article 6 | Sub-Fund is managed in accordance with SFDR Article 8 (1) | Sub-Fund is managed in accordance with SFDR Article 9 (1) | Minimum of Sustainable Investments | Minimum of Taxonomy aligned Investments | Considerations of principal adverse impacts |
|--|---|---|---|------------------------------------|---|---|
| Allianz US Investment Grade Credit         | -   | ✓   | -   | 10.00%                             | 0.01%                                   | ✓   |
| Allianz US Large Cap Value                 | -   | ✓   | -   | 10.00%                             | 0.01%                                   | ✓   |
| Allianz US Short Duration High Income Bond | -   | ✓   | -   | 3.00%                              | 0.00%                                   | ✓   |

The Sub-Fund committing to a minimum percentage of investments that take into account the EU criteria for environmentally sustainable economic activities (i.e. Taxonomy-aligned) contributes through its investments to the following environmental objectives: (i) mitigation of climate change, and/or (ii) adaptation to climate change. The Technical Screening Criteria (“TSC”) for environmentally sustainable economic activities have not yet been fully developed (in particular for the other four environmental objectives determined by the Taxonomy Regulation). These detailed criteria will require the availability of multiple, specific data points regarding each investment, mainly relying on Company reported data. As at the date hereof, there is only limited reliable, timely and verifiable data available to be able to assess investments using the TSC. In this context, the Management Company has selected an external Data and Research provider for determining the committed Taxonomy shares. The external Data and Research provider assesses corporate disclosures to evaluate if business activities of corporates meet the TSCs defined by the EU Commission. An additional Do No Significant Harm assessment on issuer is performed by the Management Company to evaluate the eligibility of the Taxonomy-aligned.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Any other Sustainable Investments must also not significantly harm any environmental or social objectives.

SFDR Article 8 and 9 products, which have a high proportion of third-party target funds, do not mitigate PAI indicators, as the third-party target investment manager’s approach to exclusion criteria will likely be different than the Investment Managers’ for instance regarding calculation methodology, underlying data and thresholds. Sub-Funds which are not managed in accordance with SFDR Article 8 and Article 9 do not mitigate PAI indicators as they do not apply the sustainable minimum exclusion criteria.

## APPENDIX 8 IMPORTANT INFORMATION FOR INVESTORS

**Warning:** In relation to the Sub-Funds as set out in this Appendix, only the following Sub-Funds are authorised by the SFC as of the date of this HK Prospectus pursuant to section 104 of the Securities and Futures Ordinance and hence may be offered to the public of Hong Kong:

1. Allianz All China Equity
2. Allianz American Income
3. Allianz Asia Pacific Income
4. Allianz Asian Multi Income Plus
5. Allianz Best Styles Euroland Equity
6. Allianz Best Styles Global Equity
7. Allianz China A Opportunities
8. Allianz China A-Shares
9. Allianz China Equity
10. Allianz China Future Technologies
11. Allianz China Healthy Living
12. Allianz China Strategic Bond
13. Allianz Clean Planet
14. Allianz Cyber Security
15. Allianz Dynamic Asian High Yield Bond
16. Allianz Dynamic Multi Asset Strategy SRI 15
17. Allianz Dynamic Multi Asset Strategy SRI 50
18. Allianz Dynamic Multi Asset Strategy SRI 75
19. Allianz Emerging Asia Equity
20. Allianz Emerging Markets Select Bond
21. Allianz Emerging Markets Short Duration Bond
22. Allianz Emerging Markets SRI Bond
23. Allianz Emerging Markets SRI Corporate Bond
24. Allianz Euro High Yield Bond
25. Allianz Euroland Equity Growth
26. Allianz Europe Equity Growth
27. Allianz Europe Equity Growth Select
28. Allianz Europe Income and Growth
29. Allianz European Equity Dividend
30. Allianz Flexi Asia Bond
31. Allianz Food Security
32. Allianz GEM Equity High Dividend
33. Allianz Global Artificial Intelligence
34. Allianz Global Credit SRI
35. Allianz Global Equity Growth
36. Allianz Global Equity Unconstrained
37. Allianz Global Floating Rate Notes Plus
38. Allianz Global High Yield
39. Allianz Global Hi-Tech Growth
40. Allianz Global Income
41. Allianz Global Intelligent Cities Income
42. Allianz Global Metals and Mining
43. Allianz Global Multi-Asset Credit
44. Allianz Global Multi Asset Sustainability Balanced
45. Allianz Global Opportunistic Bond
46. Allianz Global Small Cap Equity
47. Allianz Global Sustainability
48. Allianz Global Water
49. Allianz Green Bond
50. Allianz High Dividend Asia Pacific Equity
51. Allianz HKD Income
52. Allianz Hong Kong Equity
53. Allianz Income and Growth
54. Allianz India Equity
55. Allianz Japan Equity
56. Allianz Little Dragons
57. Allianz Oriental Income
58. Allianz Pet and Animal Wellbeing
59. Allianz Positive Change
60. Allianz Renminbi Fixed Income
61. Allianz Select Income and Growth
62. Allianz Smart Energy
63. Allianz Thematica
64. Allianz Total Return Asian Equity
65. Allianz US Equity Fund
66. Allianz US Equity Plus
67. Allianz US High Yield
68. Allianz US Investment Grade Credit
69. Allianz US Large Cap Value
70. Allianz US Short Duration High Income Bond

The issue of this HK Prospectus was authorised by the SFC only in relation to the offer of the above SFC-authorised Sub-Funds to the public of Hong Kong. Intermediaries should take note of this restriction.

Please note that Sub-Funds marked with “^” in this Appendix are **not** authorised by the SFC as of the date of this HK Prospectus. No offer shall be made to the public of Hong Kong in respect of these unauthorised Sub-Funds.

| Country   | Note for Investors   |
|-----------|--|
| Australia | <p>This Prospectus is not a prospectus or product disclosure statement under the Corporations Act 2001 (Cth) (Corporations Act) and does not constitute a recommendation to acquire, an invitation to apply for, an offer to apply for or buy, an offer to arrange the issue or sale of, or an offer for issue or sale of, any securities in Australia except as set out below. The Company has not authorised nor taken any action to prepare or lodge with the Australian Securities &amp; Investments Commission an Australian law compliant prospectus or product disclosure statement.</p> <p>Accordingly, this Prospectus may not be issued or distributed in Australia and the Shares may not be offered, issued, sold or distributed in Australia by any person, under this Prospectus other than by way of or pursuant to an offer or invitation that does not need disclosure to investors under Part 6D.2 or Part 7.9 of the Corporations Act or otherwise.</p> <p>This Prospectus does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of Shares to a 'retail client' (as defined in section 761G of the Corporations Act and applicable regulations) in Australia.</p>   |
| Austria   | <p><u>Note for Investors in the Republic of Austria</u></p> <p>The sale of Shares of the Sub-Funds Allianz Advanced Fixed Income Global<sup>^</sup>, Allianz Advanced Fixed Income Global Aggregate<sup>^</sup>, Allianz Advanced Fixed Income Short Duration<sup>^</sup>, Allianz All China Equity, Allianz Asian Small Cap Equity<sup>^</sup>, Allianz Best Styles Europe Equity<sup>^</sup>, Allianz Best Styles Global Equity, Allianz Best Styles US Equity<sup>^</sup>, Allianz China A Opportunities, Allianz China A-Shares, Allianz China Equity, Allianz China Strategic Bond, Allianz Clean Planet, Allianz Convertible Bond<sup>^</sup>, Allianz Credit Opportunities<sup>^</sup>, Allianz Credit Opportunities Plus<sup>^</sup>, Allianz Cyber Security, Allianz Dynamic Multi Asset Strategy SRI 15, Allianz Dynamic Multi Asset Strategy SRI 50, Allianz Dynamic Multi Asset Strategy SRI 75, Allianz Emerging Asia Equity, Allianz Emerging Europe Equity<sup>^</sup>, Allianz Emerging Markets Equity<sup>^</sup>, Allianz Emerging Markets Equity Opportunities<sup>^</sup>, Allianz Emerging Markets Short Duration Bond, Allianz Emerging Markets Sovereign Bond<sup>^</sup>, Allianz Enhanced Short Term Euro<sup>^</sup>, Allianz Euro Bond<sup>^</sup>, Allianz Euro Credit SRI<sup>^</sup>, Allianz Euro High Yield Bond, Allianz Euro High Yield Defensive<sup>^</sup>, Allianz Euro Inflation-linked Bond<sup>^</sup>, Allianz Euroland Equity Growth, Allianz Europe Equity Growth, Allianz Europe Equity Growth Select, Allianz Europe Equity SRI<sup>^</sup>, Allianz Europe Equity Value<sup>^</sup>, Allianz Europe Small Cap Equity<sup>^</sup>, Allianz European Equity Dividend, Allianz Flexi Asia Bond, Allianz Floating Rate Notes Plus<sup>^</sup>, Allianz Food Security, Allianz GEM Equity High Dividend, Allianz German Equity<sup>^</sup>, Allianz Global Artificial Intelligence, Allianz Global Credit SRI, Allianz Global Diversified Dividend<sup>^</sup>, Allianz Global Dividend<sup>^</sup>, Allianz Global Emerging Markets Equity Dividend<sup>^</sup>, Allianz Global Equity Insights<sup>^</sup>, Allianz Global Equity Unconstrained, Allianz Global Floating Rate Notes Plus, Allianz Global Hi-Tech Growth, Allianz Global High Yield, Allianz Global Income, Allianz Global Metals and Mining, Allianz Global Multi-Asset Credit, Allianz Global Small Cap Equity, Allianz Global Sustainability, Allianz Global Water, Allianz Green Bond, Allianz Hong Kong Equity, Allianz Income and Growth, Allianz Japan Equity, Allianz Japan Smaller Companies Equity<sup>^</sup>, Allianz Multi Asset Long/Short<sup>^</sup>, , Allianz Oriental Income, Allianz Pet and Animal Wellbeing, Allianz Positive Change, Allianz Renminbi Fixed Income, Allianz SDG Euro Credit<sup>^</sup>, Allianz Selective Global High Income<sup>^</sup>, Allianz Smart Energy, Allianz Strategic Bond<sup>^</sup>, Allianz Sustainable Health Evolution<sup>^</sup>, Allianz Thematica, Allianz Total Return Asian Equity, Allianz Treasury Short Term Plus Euro<sup>^</sup>, Allianz Unconstrained Multi Asset Strategy<sup>^</sup>, Allianz US Equity Fund, Allianz US High Yield, Allianz US Investment Grade Credit and Allianz US Short Duration High Income Bond in the Republic of Austria has been registered with the Finanzmarktaufsicht (Vienna) pursuant to section 140 InvFG. It is</p> |

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|         | <p>recommended to the investors to check before the acquisition of shares of the Sub-Funds if for the respective share class the required fiscal data are published via Oesterreichische Kontrollbank AG.</p>   |
| Brunei  | <p>This Prospectus relates to a foreign collective investment scheme which is not subject to any form of domestic regulation by the Autoriti Monetary Brunei Darussalam (the “Authority”). The Authority is not responsible for reviewing or verifying any prospectus or other documents in connection with this collective investment scheme. The Authority has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus and is not responsible for it.</p> <p>This Prospectus is addressed to a specific and selected class of investors who are an accredited investor, an expert investor or an institutional investor as defined in section 20 of the Securities Market Order, 2013, only, at their request so that they may consider an investment and subscription in the Shares. If you are not such a person, you may not receive, use or rely on this Prospectus. This Prospectus is not issued to the public or any class or section of the public in Brunei.</p> <p>The Shares to which this Prospectus relates may be illiquid or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Shares.</p> <p>If you do not understand the contents of this Prospectus you should consult a licensed financial adviser.</p>  |
| Denmark | <p><u>Taxation of Danish Investors in Denmark</u><br/>The description below is based on Danish tax law as in place on 2 December 2011.</p> <p>The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the shares, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of the shares.</p> <p>The Company makes no representations regarding the tax consequences of purchase, holding or disposal of the shares.</p> <p>The Company is an investment company with variable capital under Luxembourg law and governed by the UCITS Directive and is, thus perceived as an investment company governed by Section 19 of the Danish Capital Gain Tax Act.</p> <p><u>Individuals</u><br/>Individuals investing in an investment company will be subject to tax on capital gains and losses on an unrealised basis (according to the mark-to-market principle).</p> <p>Gains and losses are calculated as the annual increase or decrease in the value of the investor’s shares in the investment company. The annual period used is the investment company’s income year. If the Danish investor has only owned the shares for a part of the investment company’s income year, the increase or decrease in the value of the shares in this partial period will be included in the Danish investor’s income. For shares acquired by the investor during the income year, the purchase price will thus replace the value of the shares at the beginning of the investment company’s income year, and</p> |

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|         | <p>for shares sold by the investor during the income year, the sales price will replace the value of the shares at the end of the investment company's income year.</p> <p>If the Danish investor has not sold the shares in the investment company during the investment company's income year, the Danish investor shall include the gains or losses in his taxable income in the income year comprising the last day of the investment company's income year. If the Danish investor disposes the shares during the investment company's income year, the Danish investor must include the gains or losses in the taxable income in the year of disposal.</p> <p>Gains and losses will normally be taxed as capital income at a rate of up to 47.5% in 2011 (the rate will be lowered to 45.5% in 2012, 43.5% in 2013 and 42% in 2014). If the individual is considered a professional dealer of shares in investment companies, gains and losses will normally be taxed as personal income at a rate of up to 56%.</p> <p>Dividends are taxed as capital income at the rates described above.</p> <p><u>Companies</u></p> <p>Companies investing in an investment company will be subject to tax on capital gains and losses on an unrealised basis (according to the mark-to-market principle).</p> <p>Gains and losses are calculated as the annual increase or decrease in the value of the investor's shares in the investment company. The annual period used is the investment company's income year. If the Danish investor has only owned the shares for a part of the investment company's income year, the increase or decrease in the value of the shares in this partial period will be included in the Danish investor's income. For shares acquired by the investor during the income year, the purchase price will thus replace the value of the shares at the beginning of the investment company's income year, and for shares sold by the investor during the income year, the sales price will replace the value of the shares at the end of the investment company's income year.</p> <p>If the Danish investor has not sold the shares in the investment company during the investment company's income year, the Danish investor shall include the gains or losses in his taxable income in the income year comprising the last day of the investment company's income year. If the Danish investor disposes the shares during the investment company's income year, the Danish investor must include the gains or losses in the taxable income in the year of disposal.</p> <p>Gains, losses and dividends will be taxed as ordinary corporate income at a rate of 25%.</p> <p><u>Life Insurance Companies, Pension Funds and Deposits in Pension Accounts</u></p> <p>Gains and losses are taxed on an unrealised basis (according to the mark-to-market principle). Under the Pension Savings Tax Regime gains, losses and dividends are taxed at a flat rate of 15%. The tax liability is imposed on the individual. Life insurance companies, pension funds etc. are, however, subject to taxation in certain situations as described in the Danish Act on Taxation of Pension Yield.</p> <p>Life insurance companies are also liable to corporate tax and as such also subject to the tax rules described above under the heading "Companies".</p> <p>The taxation under the corporate tax rules covers the part of the income, which is not related to pure life insurance activity. The Pension Savings Tax Regime, on the other</p> |



| Country | Note for Investors  |
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|         | <p>hand, aims at taxing the yield paid out to the insured. Special rules ensure that the life insurance companies are not subject to double taxation.</p> <p><u>Banks</u><br/>Banks investing in investment companies are taxed on gains and losses on an unrealised basis (according to the mark-to-market principle) at a rate of 25%.</p> <p>Dividends are taxable at a rate of 25%.</p> <p><u>Information the Company must publish</u><br/>The Management Company is required to publish prices, major changes to the Company's Articles of Incorporation, key information documents and Prospectus as well as information regarding mergers and closure in the appropriate durable medium in Luxembourg. This information will be made public in Denmark in the same way. The net asset value per Share of each share class as well as the subscription, redemption and conversion price per Share of each share class of the individual Sub-Funds may also be requested at the registered office of the Company and at the Management Company, the Paying and Information Agents, and the Distributors during business hours. The Share prices of each share class may also be obtained over the Internet at <a href="https://regulatory.allianzgi.com">https://regulatory.allianzgi.com</a> and Reuters. Note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.</p> <p><u>Information the Company must provide to its investors</u><br/>The Management Company is required to make the following information available to investors in Luxembourg: the Prospectus, key information documents and annual and semi-annual reports for the Company. This information will always be available in English to individual investors by request to the Company, the Management Company, the Distributors and the Paying and Information Agents. The key information documents will be available in Danish by request to the Management Company.</p> <p><u>Procedure in the event of Termination of a Fund</u><br/>Should the Fund cease to be marketed in Denmark the investors will be informed thereof. In connection therewith the investors will be informed that any information and documents available upon written request to the Company, the Management Company, the Paying and Information Agents, and the Distributors will still be available to the investors in the same way. However, in connection therewith it will be stressed that information and documents will no longer be available in Danish. Furthermore, it will be ensured that the procedure for the payment of dividend and redemption proceeds will continue unchanged for the Danish investors unless the general procedure of the Fund is changed.</p> <p><u>Taxation of Danish Investors</u><br/>Local tax requirements for investors are subject to constant change and Investors under all circumstances are strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment into, holding and disposal of any shares in Denmark.</p> |
| France  | <p><u>Note for Investors Subject to Taxes in France</u><br/>The investment policies for the Sub-Funds Allianz Euroland Equity Growth, Allianz German Equity<sup>^</sup>, and Allianz German Small and Micro Cap<sup>^</sup> are worded to ensure eligibility for the French Plan d'Epargne en Actions (PEA). Please refer to the specific information sheets for these Sub-Funds for further details.</p> <p>The investment policies for the Sub-Fund Allianz Europe Small and Micro Cap Equity<sup>^</sup></p>   |

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|         | <p>is worded to ensure eligibility for the French Plan d'Épargne en Actions destiné au financement des PME-ETI (PEA-PME). Please refer to the specific information sheets for this Sub-Fund for further details.</p>   |
| Germany | <p><b><u>Note for Investors in the Federal Republic of Germany</u></b></p> <p>No notification of public distribution in the Federal Republic of Germany in accordance with § 310 of the German Investment Code (KAGB) has been issued for the Allianz ActiveInvest Balanced<sup>^</sup>, Allianz ActiveInvest Defensive<sup>^</sup>, Allianz ActiveInvest Dynamic<sup>^</sup>, Allianz American Income, Allianz Best Ideas 2025<sup>^</sup>, Allianz China Healthy Living, Allianz Coupon Select Plus VI<sup>^</sup>, Allianz Emerging Markets Multi Asset Income<sup>^</sup>, Allianz Euro Balanced<sup>^</sup>, Allianz Euro Government Bond<sup>^</sup>, Allianz Europe Small and Micro Cap Equity<sup>^</sup>, Allianz Global Capital Plus<sup>^</sup>, Allianz Green Future<sup>^</sup>, Allianz Select Income and Growth, Allianz Selection Fixed Income<sup>^</sup>, Allianz Selection Alternative<sup>^</sup>, Allianz Selection Small and Mid Cap Equity<sup>^</sup>, Allianz SGD Income<sup>^</sup>, Allianz Strategy Select 30<sup>^</sup>, Allianz Sustainable Multi Asset 75<sup>^</sup>, Allianz Target Maturity Euro Bond V<sup>^</sup>, Allianz Trend and Brands<sup>^</sup> and Allianz UK Government Bond<sup>^</sup>. Therefore, Shares of these Sub-Funds may not be publicly distributed to investors in the Federal Republic of Germany.</p> <p>All payments to Shareholders (proceeds from redemption, any distributions and other payments) can be made through the German Paying Agent listed in the “Directory”. Applications for redemption and conversion may be submitted through the German Paying Agent.</p> <p>With respect to sales in the Federal Republic of Germany, subscription prices, redemption prices and, if applicable, conversion prices are published on the website <a href="https://de.allianzgi.com">https://de.allianzgi.com</a>. For selected Share Classes (e.g. Share Classes intended exclusively for institutional investors, the information may be published on one of the following websites:<br/><a href="https://regulatory.allianzgi.com">https://regulatory.allianzgi.com</a> or <a href="https://lu.allianzgi.com">https://lu.allianzgi.com</a>.</p> <p>Any announcements to investors are published in the Börsen-Zeitung (published in Frankfurt/Main) and online at the website <a href="https://regulatory.allianzgi.com">https://regulatory.allianzgi.com</a> or – if permitted by the Company’s Articles of Incorporation, the Law and applicable Luxembourg and German regulations – solely online at the website <a href="https://regulatory.allianzgi.com">https://regulatory.allianzgi.com</a>. Note that the websites have not been reviewed by the SFC and may contain information of funds not authorised by the SFC.</p> <p>In addition, in accordance with § 298 paragraph 2 of the German Investment Code a durable medium within the meaning of § 167 of the German Investment Code is used to inform investors in the Federal Republic of Germany in the following cases:</p> <ul style="list-style-type: none"> <li>– Suspension of share redemption for a Sub-Fund,</li> <li>– Termination of management of the Company or a Sub-Fund or dissolution of the Company or a Sub-Fund,</li> <li>– Amendments to the terms and conditions that are not reconcilable with previous investment principles, affect important investor rights, or concern fees or expense reimbursements that can be taken from a Sub-Fund, including background information on the amendments and the rights of investors,</li> <li>– In the event of a merger of a Sub-Fund with another Fund, the merger information required under Art. 43 of Council Directive 2009/65/EC,</li> <li>– In the event of conversion of a Sub-Fund into a feeder fund or, if applicable, the changes to a master fund in the form of information required under Art. 64 of Council Directive 2009/65/EC.</li> </ul> |

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|           | <p>The Prospectus, key information documents, Articles of Incorporation, current annual and semi-annual reports, subscription, redemption and, if applicable, conversion prices, and the additional documentation listed under “Available Documentation” may be obtained in hard copy without charge from the Information Agent listed in the “Directory” and on the website <a href="https://de.allianzgi.com">https://de.allianzgi.com</a>. For selected Share Classes (e.g. Share Classes intended exclusively for institutional investors), the information may be published on one of the following websites: <a href="https://regulatory.allianzgi.com">https://regulatory.allianzgi.com</a> or <a href="https://lu.allianzgi.com">https://lu.allianzgi.com</a>. Note that the websites have not been reviewed by the SFC and may contain information of funds not authorised by the SFC. The depositary agreement is available for inspection without charge at the offices of the Information Agent.</p> <p>Neither the Management Company, the Depositary, the Registrar Agent, the Distributor nor the Paying and Information Agents are liable for errors or omissions in the published prices.</p>   |
| Hong Kong | <p>The Company is authorised as a collective investment scheme by the SFC. The SFC’s authorisation is not a recommendation or endorsement of the Company or the Sub-Funds nor does it guarantee their commercial merits or performance. It does not mean the Company is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. Hong Kong offering documents of the Company are available for Hong Kong residents in both English and Chinese. Please note that not all of the Sub-Funds are available for distribution to the public in Hong Kong and investors should read the Hong Kong offering documents, which contain information for Hong Kong residents.</p> <p>The Company’s representative in Hong Kong is AllianzGI AP.</p>  |
| India     | <p>The Shares are not being offered to the Indian public for sale or subscription. The Shares are not registered and/or approved by the Securities and Exchange Board of India, the Reserve Bank of India or any other governmental/regulatory authority in India. This Prospectus is not and should not be deemed to be a ‘prospectus’ as defined under the provisions of the companies act, 2013 (18 of 2013) and the same shall not be filed with any regulatory authority in India. the Company does not guarantee or promise to return any portion of the money invested towards the Shares by an investor and an investment in the Shares is subject to applicable risks associated with an investment in the Shares and shall not constitute a deposit within the meaning of the Banning of Unregulated Deposits Schemes Act, 2019. Pursuant to the Foreign Exchange Management Act, 1999 and the regulations issued there under, any investor resident in India may be required to obtain prior special permission of the Reserve Bank of India before making investments outside of India, including any investment in the Company. The Company has neither obtained any approval from the Reserve Bank of India or any other regulatory authority in India nor does it intend to do so. Certain Sub-Funds hold a “foreign portfolio investor” (“FPI”) registration in terms of the FPI Regulations. Only entities and persons that comply with certain statutory conditions and that are registered as FPIs are permitted to make direct investments in exchange-traded and certain other Indian securities. If a Sub-Fund holds a FPI registrations, such fact is mentioned in a Sub-Fund’s individual Investment Restrictions by stating “Sub-Fund acts as a registered FPI”. Consequence hereof is that with a view to ensuring compliance with FPI Regulations, investors are not permitted to have a holding in FPI registered Sub-Funds exceeding certain prescribed threshold. As a registered FPI, the relevant Sub-Fund can only hold up to 10% of the paid-up capital, or 10% of the paid-up value of each series of convertible debentures or preference shares or share warrants of an Indian company (the “<b>10% Threshold</b>”). In addition to the 10%</p> |

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|               | Threshold, the investment of a registered FPI in Indian companies may not exceed any sectoral cap on ownership by an FPI that applies to a particular company and/or an aggregate cap on FPI investments in a company. Please refer to the sub-section headed “India Investment Risk” under the section headed “Risk Factors” for further information.  |
| Indonesia     | This Prospectus does not constitute an offer to sell nor a solicitation to buy securities by the public in Indonesia.   |
| Ireland       | <p><u>Taxation in Ireland</u></p> <p>The following statements are provided in accordance with the requirements of Irish law and do not constitute tax advice. Any prospective investors and shareholders should consult their own independent tax advisers regarding their tax position in relation to the Company. The following statements are made on the basis of current Irish tax law and practice of the Revenue Commissioners in Ireland applicable to the holding and disposal of Shares in the Company where the shareholder regarded as holding a material interest in an offshore fund and is resident or ordinarily resident in Ireland or carrying on a trade in Ireland through a branch or agency in Ireland. Shareholders should note that this summary reflects the law and practice in force at the date of this document and may change in the future.</p> <p><u>Scope of Irish Tax</u></p> <p>Shareholders in the Company who are resident or ordinarily resident in Ireland or carrying on a trade in Ireland through a branch or agency in Ireland will be liable to tax in respect of income and gains arising on their Shares in accordance with the provisions of Chapter 4 Part 27 of the Taxes Consolidation Act, 1997. Accordingly, such shareholders will be obliged to comply with the requirements set out therein, together with any other provisions of Irish tax law which may apply to them.</p> <p><u>Encashment Tax</u></p> <p>Shareholders in the Company should note that any distributions made by a paying agent in Ireland on behalf of the Company or which are presented to, collected by, received by or otherwise realised by a bank or other person acting on behalf of the Shareholder in Ireland may be subject to encashment tax at the standard rate of income tax in Ireland. Encashment tax is creditable against the shareholder’s final income tax liability.</p> |
| Italy         | <p>In particular in Italy, the Shares may also be offered under Savings Plans by local distributors who offer this service in accordance with the terms and conditions which will be detailed in the Italian Subscription Form and relevant annex.</p> <p>With regard to the SICAV’s distributing share classes, either upon subscription or at a later date, the investor may request that part or all of the proceeds of the dividends distributed be allocated to a non-commercial entity or a non-profit organisation that is deemed ‘socially useful’ (“organizzazione non lucrativa di utilita’ sociale”) pursuant to Italian Legislative Decree no. 460 of 4 December 1997, as amended.</p>  |
| Liechtenstein | <p><u>Note for Investors in Liechtenstein</u></p> <ol style="list-style-type: none"> <li>1. Paying Agent in Liechtenstein<br/>LGT Bank AG, Herrengasse 12, FL-9490 Vaduz, is Paying Agent in Liechtenstein for the shares distributed in Liechtenstein.</li> <li>2. Place where the relevant documents may be obtained<br/>The Prospectus, the key information documents, the Articles of Incorporation as well as the annual and semi-annual reports may be obtained without charge from</li> </ol>  |

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|             | <p>the Paying Agent in Liechtenstein.</p> <p>3. Publications<br/>The Net Asset Value of the Shares is published on <a href="https://regulatory.allianzgi.com">https://regulatory.allianzgi.com</a>. Note that the website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC.</p> <p>4. Place of performance and jurisdiction<br/>The place of performance and jurisdiction for Shares distributed in and from Liechtenstein is at the registered office of the Paying Agent in Liechtenstein.</p>   |
| Malaysia    | <p>No action has been, or will be, taken to comply with Malaysian laws for making available, offering for subscription or purchase, or issuing any invitation to subscribe for or purchase or sale of the Shares within Malaysia or to persons within Malaysia as the Shares are not intended by the issuer to be made available, or made the subject of any offer or invitation to subscribe or purchase, within Malaysia. Neither this Prospectus nor any document or other material in connection with the Shares should be distributed, caused to be distributed or circulated within Malaysia. No person should make available or make any invitation or offer or invitation to sell or purchase the Shares within Malaysia unless such person takes the necessary action to comply with Malaysian laws.</p>   |
| New Zealand | <p>This Prospectus is not a product disclosure statement for the purposes of the Financial Markets Conduct Act 2013 (the FMCA) and does not contain all the information typically included in such offering documentation.</p> <p>This offer of Shares does not constitute “regulated offer” for the purposes of the FMCA and, accordingly, there is neither a product disclosure statement nor a register entry available in respect of the offer. Shares may only be offered to “wholesale investors” in New Zealand in accordance with the laws of New Zealand, the FMCA or in other circumstances where there is no contravention of the Financial Markets Conduct Regulations 2013</p>   |
| Philippines | <p>Any person claiming an exemption under Section 10.1 of the Securities Regulation Code (“SRC”) (or the exempt transactions) must provide to any party to whom it offers or sells securities in reliance on such exemption a written disclosure containing the following information:</p> <p>(1) The specific provision of Section 10.1 of the SRC on which the exemption from registration is claimed; and</p> <p>(2) The following statement must be made in bold face, prominent type:</p> <p><b>THE SECURITIES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES REGULATION CODE OF THE PHILIPPINES. ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.</b></p> <p>Where an offer or sale is not made pursuant to an exempt transaction under the SRC, by a purchase of the Shares, the investor will be deemed to acknowledge that the issue of, offer for subscription or purchase of, or invitation to subscribe for or purchase, such Shares was made outside the Philippines.</p> |
| Poland      | <p>The Management Company has decided to cease distribution of Shares in the territory</p>  |

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|             | <p>of the Republic of Poland to new individual investors, i.e. individual investors who were not Shareholders at the time as the subscription order was placed.</p> <p>On the base of the Management Company's right to reject, wholly or in part, any subscription application on any grounds, subscription applications for Shares of the Sub-Funds submitted by new individual investors (who were not Shareholders at the time the application was placed) will not be considered for execution.</p> <p>Existing individual Shareholders and all potential Institutional Investors still have the possibility to purchase Shares in accordance with this HK Prospectus.</p> <p>Notwithstanding the foregoing, redemption applications for Shares of the Sub-Funds have not been restricted and the rules applicable to redemption of Shares as described in this HK Prospectus apply.</p> <p>Starting from 1 June 2022, orders for redemption of Shares may be submitted by sending the redemption form available on the website <a href="https://regulatory.allianzgi.com/pl-PL/B2C/Poland-PL/Zawiadomienia-dla-Inwestorow">https://regulatory.allianzgi.com/pl-PL/B2C/Poland-PL/Zawiadomienia-dla-Inwestorow</a>. Note that the websites have not been reviewed by the SFC and may contain information of funds not authorised by the SFC. Applications for redemption may be submitted by post at the address:</p> <p>International Financial Data Services S.A. (IFDS)<br/> DMC &amp; Wire Room<br/> Att.: AGI/AZZ Dealing Desk<br/> 49, avenue J.F. Kennedy<br/> L-1855 Luxembourg<br/> InvestorServicesAllianzGI@StateStreet.com</p> |
| PRC         | <p>This Prospectus does not constitute a public offer of the Company, whether by sale or subscription, in the PRC. The Company is not being offered or sold directly or indirectly in the PRC to or for the benefit of, legal or natural persons of the PRC within the PRC.</p> <p>Further, no legal or natural persons of the PRC within the PRC may directly or indirectly purchase any of the Company or any beneficial interest therein without obtaining all prior PRC's governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of this document are required by the issuer and its representatives to observe these restrictions.</p>  |
| Singapore   | <p>Certain Sub-Funds are recognised schemes under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Certain Sub-Funds are restricted schemes under the Sixth Schedule to the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations, as may be amended from time to time. Please note that not all of the Sub-Funds are registered as recognised schemes and/or restricted schemes in Singapore and investors should read the offering documents of the respective schemes in Singapore for details.</p> <p>The Singapore representative of the Company is AllianzGI Singapore.</p>  |
| Switzerland | <p><u>Information for Investors in Switzerland</u></p> <ol style="list-style-type: none"> <li>1. Representative and Paying Agent in Switzerland<br/> BNP Paribas, Paris, Zurich Branch, Selnaustrasse 16, CH-8002 Zurich, is Representative and Paying Agent in Switzerland for the shares offered in Switzerland.</li> <li>2. Place where the relevant documents may be obtained</li> </ol>   |

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|         | <p>The Prospectus, the key information documents, the Articles of Incorporation as well as the annual and semi-annual reports may be obtained without charge from the Representative in Switzerland.</p> <p>3. Publications<br/>Publications in Switzerland are made on www.fundinfo.com. In Switzerland, Subscription and Redemption Prices together and/or the Net Asset Value (with the indication “commissions excluded”) of the Shares are published daily on www.fundinfo.com. Note that the website has not been reviewed by the SFC.</p> <p>4. Payment of retrocessions and rebates<br/><u>Retrocessions:</u><br/>The Management Company and its agents may pay retrocessions as remuneration for distribution activity in respect of Shares in Switzerland. This remuneration may be deemed payment for the following services in particular:</p> <ul style="list-style-type: none"> <li>– Setting up processes for subscribing, holding and safe custody of the units;</li> <li>– Keeping a supply of marketing and legal documents, and issuing the said;</li> <li>– Forwarding or providing access to legally required publications and other publications;</li> <li>– Performing due diligence delegated by the Management Company in areas such as money laundering, ascertaining client needs and distribution restrictions;</li> <li>– Operating and maintaining an electronic distribution and/or information platform;</li> <li>– Clarifying and answering specific questions from investors pertaining to the investment product or the Management Company or the Sub-Investment manager;</li> <li>– Drawing up fund research material;</li> <li>– Central relationship management;</li> <li>– Subscribing units/shares as a “nominee” for several clients as mandated by the Management Company;</li> <li>– Training client advisors in collective investment schemes;</li> <li>– Mandating and monitoring additional distributors;</li> </ul> <p>Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.</p> <p>Disclosure of the receipt of retrocessions is based on the applicable provisions of FinSA</p> <p><u>Rebates:</u><br/>In the case of distribution activity in Switzerland, the Management Company and its agents may, upon request, pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that</p> <ul style="list-style-type: none"> <li>– they are paid from fees received by the Management Company and therefore do not represent an additional charge on the fund assets;</li> <li>– they are granted on the basis of objective criteria;</li> <li>– all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.</li> </ul> <p>The objective criteria for the granting of rebates by the Management Company are:</p> |

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|                            | <ul style="list-style-type: none"> <li>– the volume subscribed by the investor or the total volume they hold in the collective in-vestment scheme or, where applicable, in the product range of the promoter;</li> <li>– the amount of the fees generated by the investor;</li> <li>– the investment behaviour shown by the investor (e.g. expected investment period);</li> <li>– the investor’s willingness to provide support in the launch phase of a collective investment scheme.</li> </ul> <p>At the request of the investor, the Management Company must disclose the amounts of such rebates free of charge.</p> <p>5. Place of performance and jurisdiction<br/> In respect of the Shares offered in Switzerland, the place of performance is at the registered office of the Representative in Switzerland. The place of jurisdiction is at the registered office of the Representative in Switzerland or at the registered office or place of residence of the investor.</p>   |
| Taiwan                     | <p>Certain Sub-Funds of the Company have been approved by the Financial Supervisory Commission (the “FSC”), or effectively registered with FSC, for public offering and sale through Allianz Global Investors Taiwan Limited (“AllianzGI Taiwan”), as the master agent in Taiwan and other distribution channels which have entered into the distribution agreements with AllianzGI Taiwan, in accordance with the Securities Investment Trust and Consulting Act, Regulations Governing the Offshore Funds, and other applicable laws and regulations. Full details of the Sub-Funds that are available for investment in Taiwan are set out in the offering documents for Taiwan (which is available in Chinese only).</p> <p>With respect to certain Sub-Funds of the Company that have not been approved by the FSC, such Sub-Funds may not be offered in Taiwan, except to (i) outside Taiwan for purchase outside Taiwan by Taiwan resident investors, or (ii) to the offshore banking units (as defined in the Taiwan Offshore Banking Act) of Taiwan banks, the offshore securities units (as defined in the Taiwan Offshore Banking Act) of Taiwan securities firms or the offshore insurance units (as defined in the Taiwan Offshore Banking Act) of Taiwan insurance companies purchasing the sub-funds either for their proprietary account or for the accounts of their non-Taiwan clients or (iii) or to other investors in Taiwan to the extent permitted under relevant Taiwan laws and regulations.</p> |
| Thailand                   | <p>The Prospectus has not been approved by the Securities and Exchange Commission which takes no responsibility for its contents. No offer to the public to purchase the Shares will be made in Thailand and this Prospectus is intended to be read by the addressee only and must not be passed to, issued to, or shown to the public generally.</p>   |
| United Arab Emirates (UAE) | <p><u>For Unregistered Funds – for use in respect of unsolicited requests only for United Arab Emirates (excluding Dubai International Financial Centre and Abu Dhabi Global Market) residents only:</u></p> <p>This Prospectus, and the information contained herein, does not constitute, and is not intended to constitute, a public offer of securities in the United Arab Emirates and accordingly should not be construed as such. The Shares are only being offered to a limited number of investors in the UAE who (a) are willing and able to conduct an independent investigation of the risks involved in an investment in such Shares, and (b) upon their specific request. The Shares have not been approved by or licensed or registered with the UAE Central Bank, the Securities and Commodities Authority or any other relevant licensing authorities or governmental agencies in the UAE. The</p>   |



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|                | <p>Prospectus is for the use of the named addressee only, who has specifically requested it without a promotion effected by the Management Company, its promoters or the distributors of its units, and should not be given or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof). No transaction will be concluded in the UAE and any enquiries regarding the Shares should be made to the Management Company.</p> <p><u>For Unregistered Funds – for use in respect of the Qualified Investor Exemption only for United Arab Emirates (excluding Dubai International Financial Centre and Abu Dhabi Global Market) residents only:</u></p> <p>This Prospectus, and the information contained herein, does not constitute, and is not intended to constitute, a public offer of securities in the United Arab Emirates (“UAE”) and accordingly should not be construed as such. The Shares are only being offered to a limited number of exempt investors in the UAE who fall under one of the following categories of Exempt Qualified Investors unless the provisions of the Directors’ Chairman Decision No. 9/R.M. of 2016 concerning the regulations on mutual funds and exemptions to the SCA Resolution No. 3 R.M. of 2017 regulating promotions and introductions do not apply: (1) an investor which is able to manage its investments on its own (unless such person wishes to be classified as a retail investor), namely: (a) the federal government, local governments, and governmental entities, institutions and authorities, or companies wholly-owned by any such entities; (b) foreign governments, their respective entities, institutions and authorities or companies wholly owned by any such entities; (c) international entities and organisations; (d) entities licensed by the Securities and Commodities Authority (the “SCA”) or a regulatory authority that is an ordinary or associate member of the International Organisation of Securities Commissions (a “Counterpart Authority”); or (e) any legal person that meets, as at the date of its most recent financial statements, at least two of the following conditions: (i) it has a total assets or balance sheet of AED 75 million; (ii) it has a net revenues of AED 150 million; (iii) it has total net equities or paid capital of AED 7 million; or (2) a natural person licensed by the SCA or a Counterpart Authority to carry out any of the functions related to financial activities or services, (each an “Exempt Qualified Investor”).</p> <p>The Shares have not been approved by or licensed or registered with the UAE Central Bank, the SCA, the Dubai Financial Services Authority, the Financial Services Regulatory Authority or any other relevant licensing authorities or governmental agencies in the UAE (the “Authorities”). The Authorities assume no liability for any investment that the named addressee makes as an Exempt Qualified Investor. The Prospectus is for the use of the named addressee only and should not be given or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof).</p> |
| United Kingdom | <p><u>Note for Investors in the United Kingdom</u></p> <p>The names and addresses of the UK Distributor(s) and Facilities Agent in the United Kingdom are listed in the Directory.</p> <p>Any purchaser and any Shareholder may partially or completely sell Shares by providing written instructions to the Facilities Agent in the United Kingdom.</p> <p>The Subscription and Redemption Prices may be obtained from the Facilities Agent in the United Kingdom.</p> <p>Complaints may be submitted to the Facilities Agent in the United Kingdom.</p> <p><u>UK Reporting Status Shares</u></p>  |

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|         | <p>For United Kingdom tax purposes, the Board of Directors currently intends to apply in respect of each accounting period for certification of certain of its Share Classes in line with the reporting status regime. However, no guarantee can be given that such certification will be obtained.</p> <p><u>The UK Retail Distribution Review (RDR)</u><br/> Intermediaries that are regulated by the UK's Financial Conduct Authority (FCA) or are a UK branch of a regulated entity in a member state of the European Economic Area (EEA) are from 31 December 2012 subject to the FCA's RDR rules in relation to investment advice that they provide to retail clients.</p> <p>In accordance with the RDR rules, any intermediary distributing funds who (i) is subject to these rules and (ii) who provides personal recommendations or advice to retail clients located in the UK, shall not be entitled to receive any commission from the fund provider in respect of any investment made after 31 December 2012 on behalf of, or related services provided to, such retail clients.</p> <p>Any potential investor who is subject to the RDR rules and who provides personal recommendations or advice to retail clients located in the UK is therefore obliged to ensure that it only invests in appropriate share classes on behalf of its clients.</p> <p>All variations of the Share Class P (GBP) do not pay an adviser commission.</p> <p>The above summary does not purport to be a comprehensive description of all the considerations that may be relevant to an investor with regard to RDR. Potential investors are strongly recommended to contact their own legal advisers in this respect.</p> <p><u>Available Documentation</u><br/> The following documents are available at no charge at the UK Distributor and Facilities Agent during normal business hours on each Business Day:</p> <ul style="list-style-type: none"> <li>a) Articles of Incorporation of the Fund and any amendments thereto;</li> <li>b) the latest Prospectus;</li> <li>c) the latest key information documents</li> <li>d) the latest annual and semi-annual reports</li> </ul> <p><u>Temporary Marketing Permissions Regime / Overseas Fund Regime</u><br/> The Company and the following Sub-Funds Allianz Advanced Fixed Income Short Duration<sup>^</sup>, Allianz All China Equity, Allianz American Income, Allianz Asia Pacific Income, Allianz Asian Multi Income Plus, Allianz Asian Small Cap Equity<sup>^</sup>, Allianz Best Styles Euroland Equity, Allianz Best Styles Global Equity, Allianz Best Styles US Equity<sup>^</sup>, Allianz China A-Shares, Allianz China Equity, Allianz China Future Technologies, Allianz China Strategic Bond, Allianz Climate Transition<sup>^</sup>, Allianz Convertible Bond<sup>^</sup>, Allianz Credit Opportunities<sup>^</sup>, Allianz Dynamic Asian High Yield Bond, Allianz Dynamic Commodities<sup>^</sup>, Allianz Emerging Asia Equity, Allianz Emerging Europe Equity<sup>^</sup>, Allianz Emerging Markets Equity<sup>^</sup>, Allianz Emerging Markets Equity Opportunities<sup>^</sup>, Allianz Emerging Markets Select Bond, Allianz Emerging Markets Short Duration Bond, Allianz Emerging Markets Sovereign Bond<sup>^</sup>, Allianz Emerging Markets SRI Bond, Allianz Emerging Markets SRI Corporate Bond, Allianz Euro Bond<sup>^</sup>, Allianz Euro Credit SRI<sup>^</sup>, Allianz Euro High Yield Bond, Allianz Euroland Equity Growth, Allianz Europe Equity Growth, Allianz Europe Equity Growth Select, Allianz Europe Equity SRI<sup>^</sup>, Allianz Europe Mid Cap Equity<sup>^</sup>, Allianz Europe Small Cap Equity<sup>^</sup>, Allianz European Equity Dividend, Allianz Flexi Asia Bond, Allianz Food</p> |

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|         | <p>Security, Allianz GEM Equity High Dividend, Allianz German Equity<sup>^</sup>, Allianz Global Allocation Opportunities<sup>^</sup>, Allianz Global Artificial Intelligence, Allianz Global Credit SRI, Allianz Global Equity Insights<sup>^</sup>, Allianz Global Equity Unconstrained, Allianz Global Floating Rate Notes Plus, Allianz Global High Yield, Allianz Global Hi-Tech Growth, Allianz Global Multi-Asset Credit, Allianz Global Opportunistic Bond, Allianz Global Small Cap Equity, Allianz Global Sustainability, Allianz Global Water, Allianz Green Bond, Allianz High Dividend Asia Pacific Equity, Allianz Hong Kong Equity, Allianz Income and Growth, Allianz India Equity, Allianz Japan Equity, Allianz Japan Smaller Companies Equity<sup>^</sup>, Allianz Little Dragons, Allianz Multi Asset Long/Short<sup>^</sup>, Allianz Multi Asset Risk Premia<sup>^</sup>, Allianz Oriental Income, Allianz Pet and Animal Wellbeing, Allianz Renminbi Fixed Income, Allianz Selective Global High Income<sup>^</sup>, Allianz Short Duration Global Bond SRI<sup>^</sup>, Allianz Strategic Bond<sup>^</sup>, Allianz Thematica, Allianz Total Return Asian Equity, Allianz Treasury Short Term Plus Euro<sup>^</sup>, Allianz Unconstrained Multi Asset Strategy<sup>^</sup>, Allianz US Equity Fund, Allianz UK Government Bond<sup>^</sup>, Allianz US High Yield, Allianz US Investment Grade Credit, Allianz US Large Cap Value, Allianz US Short Duration High Income Bond, and Allianz Volatility Strategy Fund<sup>^</sup> (together “the Funds”) have been established and are authorised as an EEA UCITS (in accordance with the EU UCITS Directive) in Luxembourg. The Funds have been notified to the Financial Conduct Authority of the UK (the “FCA”) for the purposes of the temporary marketing permissions regime in the United Kingdom and therefore are considered to be a recognised collective investment scheme for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom (“FSMA”).</p> <p>The Management Company is evaluating the effects of the Overseas Fund Regime (the “OFR”) that the FCA expects to go live in 2024. The OFR offers a new gateway to allow, amongst others, EEA UCITS to be promoted in the United Kingdom, subject to prior confirmation as “recognised scheme” by the FCA. The Management Company intends to apply for the status of “recognised scheme” for certain of the Sub-Funds under the OFR. However, even if certain of the Sub-Funds qualify as “recognised schemes” under the OFR, they remain authorised (only) overseas. Although they can be promoted in the United Kingdom, the relevant Sub-Funds themselves are not authorised in the United Kingdom. To that effect, the Management Company informs purchasers and Shareholders of the Sub-Funds and/or the recognised schemes in the United Kingdom that:</p> <ul style="list-style-type: none"> <li>- Investors in the United Kingdom can submit a complaint about any of the Sub-Funds, the Management Company, or the Depository to the Facilities Agent. A copy of the Management Company’s complaints process leaflet is available on request from the Facilities Agent.</li> <li>- The activities of the Management Company and the Depository are not covered by the Financial Ombudsman Service (FOS) or the Financial Services Compensation Scheme (FSCS) established under the Financial Services Act in the United Kingdom, as the Management Company and the Depository are not FCA-authorised firms carrying on regulated activities from establishments in the United Kingdom.</li> </ul> <p><b>As a result, Investors based in the United Kingdom may not be able to seek redress under the United Kingdom’s regulatory system for a complaint, or compensation for a financial loss suffered as a result of the Management Company or Depository being unable to meet their liabilities to Investors. The FOS will not be able to consider complaints about the Management Company or Depository of any Sub-Fund that is confirmed as a “recognised scheme”. Any</b></p> |

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|         | <p><b>claims against the Management Company of the relevant Sub-Funds are unlikely to be covered by the FSCS.</b></p> <p>Investors, including investors based in the United Kingdom, can access alternative dispute resolution in the home jurisdiction of the recognised schemes, of the Management Company and/or of the Depositary, as applicable.</p> <ul style="list-style-type: none"> <li>- Information (in English) on the alternative dispute resolution schemes in Germany where the Management Company is domiciled can be accessed at the following website: <a href="https://www.bafin.de/EN/Verbraucher/BeschwerdenStreitschlichtung/StreitSchlichtungsstellen/StreitSchlichtungsstellen_node_en.html">https://www.bafin.de/EN/Verbraucher/BeschwerdenStreitschlichtung/StreitSchlichtungsstellen/StreitSchlichtungsstellen_node_en.html</a>.</li> <li>- Information (in English) on the alternative dispute resolution schemes in <b>Luxembourg</b> where the recognised schemes are domiciled and the Depositary operates through a branch, can be accessed at the following website: <a href="https://www.cssf.lu/en/customer-complaints/">https://www.cssf.lu/en/customer-complaints/</a>.</li> </ul> <p>Neither the Management Company nor any of the recognised schemes participates in a compensation scheme. The Depositary participates in compensation schemes and Investors may potentially be able to claim compensation if the Depositary was unable to meet its obligations to return money to the Investor. Information on such compensation schemes can be accessed at the following website: <a href="https://www.bafin.de/EN/Verbraucher/Bank/Einlagensicherung/einlagensicherung_node_en.html">https://www.bafin.de/EN/Verbraucher/Bank/Einlagensicherung/einlagensicherung_node_en.html</a>.</p> <p>The distribution of this Prospectus and the offering of Shares in the United Kingdom may be restricted. Persons into whose possession this Prospectus comes are required by the Management Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation to any person to whom it is unlawful to make such offer or solicitation.</p> <p><u>National Private Placement Regime</u></p> <p>Allianz China A Opportunities, Allianz Clean Planet, Allianz Cyber Security, Allianz Global Dividend<sup>^</sup>, Allianz Global Intelligent Cities Income, Allianz Green Transition Bond<sup>^</sup>, Allianz Positive Change, Allianz Smart Energy and Allianz Sustainable Health Evolution<sup>^</sup> (“the Sub-funds”)</p> <p>This Prospectus may only be distributed and the Shares of these Sub-Funds may only be offered or placed in the United Kingdom to the extent that (1) these Sub-Funds are permitted to be marketed to professional investors in the United Kingdom in accordance with Alternative Investment Fund Managers Directive (Directive (2011/61/EU) (the “AIFMD”) (including the delegated and implementing acts adopted under it) as implemented, retained, amended, extended, re-enacted or otherwise given effect in the United Kingdom at the end of the transitional period agreed between the European Union and the United Kingdom pursuant to the European Union (Withdrawal) Act 2018 and as amended or supplemented in the United Kingdom thereafter. This Prospectus is being issued in the United Kingdom by the Management Company to and/or is directed only at persons who are professional investors for the purposes of the Alternative Investment Fund Managers Regulations 2013, as amended, and is accordingly exempt from the financial promotion restriction in Section 21 of the Financial Services and Markets Act 2000 (“FSMA”) in accordance with article 29(3) of the FSMA (Financial Promotions) Order 2005. The opportunity to invest in these Sub-Funds is only available to such persons in the United Kingdom and this</p> |

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|         | Prospectus must not be relied or acted upon by any other persons in the United Kingdom. |

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