

# Allianz Green Bond

- The Fund aims at long-term capital growth by investing in investment grade rated Green Bonds of the global bond markets denominated in currencies of OECD countries in accordance with the Green Bond Strategy.
- The Fund is exposed to significant risks of investment/general market, interest rate, creditworthiness/credit rating, default, valuation, sovereign debt, emerging market, volatility and liquidity, currency (such as exchange controls, in particular RMB), and the adverse impact on RMB share classes due to currency depreciation.
- The Fund is exposed to investment risks relating to Allianz Green Bonds strategy (such as 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 or relying on information and data from third party ESG research data providers and internal analyses which may be subjective, incomplete, inaccurate or unavailable). The Fund focuses on Green Bonds which may reduce risk diversifications and may be more susceptible to fluctuations in value.
- Investing in share class with fixed distribution percentage (Class AMf) is not an alternative to fixed interest paying investment. Investors should note that fixed distribution percentage is not guaranteed. The percentage of distributions paid by these share classes is unrelated to expected or past income or returns of these share classes or the Fund. Distribution will continue even the fund has negative returns and may adversely impact the net asset value of the Fund. Positive distribution yield does not imply positive return.
- The Fund may invest in financial derivative instruments ("FDI") which may expose to higher leverage, counterparty, liquidity, valuation, volatility, market and over the counter transaction risks. The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
- This investment may involve risks that could result in loss of part or entire amount of investors' investment.
- In making investment decisions, investors should not rely solely on this material.

**Note:** Dividend payments may, at the sole discretion of the Investment Manager, be made out of the Fund's capital or effectively out of the Fund's capital which represents a return or withdrawal of part of the amount investors originally invested and/or capital gains attributable to the original investment. This may result in an immediate decrease in the NAV per share and the capital of the Fund available for investment in the future and capital growth may be reduced, in particular for hedged share classes for which the distribution amount and NAV of any hedged share classes (HSC) may be adversely affected by differences in the interests rates of the reference currency of the HSC and the base currency of the Fund.

## Why invest in Allianz Green Bond ("the Fund")?

### 1. Green Bonds are standard bonds with additional 'green' values

- Standard bonds that are dedicated to projects with environmental benefits, for example, climate change mitigation
- Issued by either public or private sector entities
- Currently no clear price difference between green and non-green bonds
- Need to comply with a set of disclosure requirements – "The Green Bond Principles", criteria used to classify a bond as Green. It is a voluntary process guidelines encouraging transparency and disclosure

#### The 4 criteria from the Green Bond Principles (GBP)

##### 1 Use of proceeds

- All Green Projects designated for the bond
- Should provide clear environmentally sustainable benefits proceeds



##### 2 Internal Process

Issuer outlines the selection process to determine the eligibility of projects using Green Bond proceeds

##### 3 Management of proceeds

Green liabilities should match Green assets in the Issuer's balance sheet.

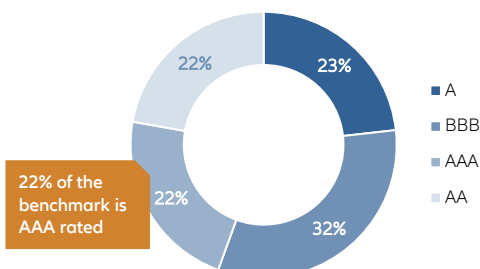
##### 4 Reporting

- On use of proceeds
- On unallocated proceeds
- On progress on projects with their environmental impacts vs. targets

### 2. Focus on issuers with good credit quality

- The Fund is a global multi-currency investment grade aggregate fund which follows a fundamental and active investment approach, exploiting various sources of alpha
- With a focus on corporate issuers, the private sector are encouraged to engage in the energy transition process
- Active management and fundamental analysis taking into consideration both the green and financial perspective are key to delivering performance and avoiding greenwashing

#### Credit Rating Breakdown of the Green Bond Index (%)

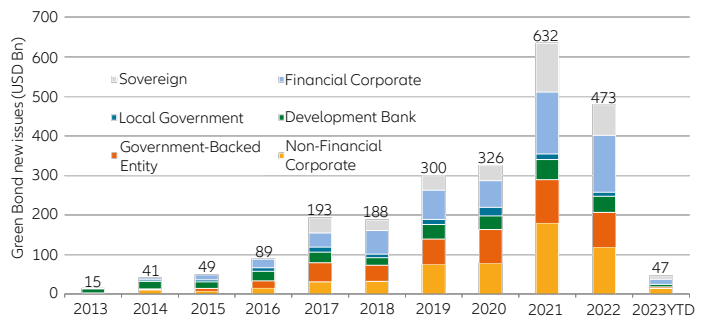


Source: Allianz Global Investors, Bloomberg, The ICE BOFAML Green Bond Index, data as of 16 February 2023.

### 3. Increasing diversity and liquidity of Green Bond market

- 2021 was a record year with more than USD 632 billion of green bonds issued
- The full spectrum of fixed income issues from sovereigns, supranational, agencies, corporates to covered are now available in the market
- The growth of the green bond market is expected to continue in the years to come, potentially driven by significant improvement in regulations and standardization. Trillions of dollars of investments are needed to mitigate global warming and adapt to climate change

#### Labelled green bond issuance (USD bn)



Source: Allianz Global Investors, Climate Bonds Initiative, data as of 10 February 2023.

### 4. Investing with positive environmental impact

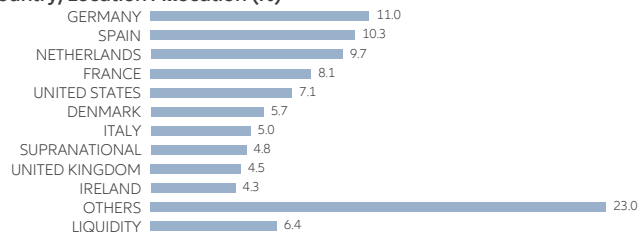
- Investors can channel their money into specific environmental projects with positive impact through green bond investing
- They also take comfort in knowing that they are investing in forward-looking companies that are adapting their business models to a low-carbon world and reducing their carbon footprint

SFC-authorized  
ESG fund\*Dividend History <sup>1</sup>

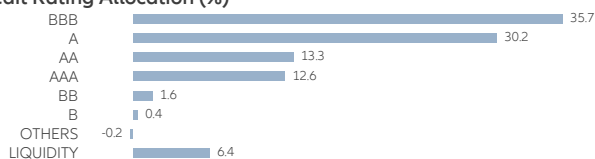
	Dividend / Share	Annualised Dividend Yield <sup>2</sup>	Ex-Dividend Date
Class AM (H2-USD) Dis.	USD 0.01613	2.61%	15/09/2023
	USD 0.01613	2.61%	16/08/2023
	USD 0.01613	2.59%	17/07/2023
	USD 0.01613	2.60%	15/06/2023
	USD 0.01942	3.10%	15/05/2023
	USD 0.01942	3.13%	17/04/2023

## Fund Highlights

## Country/Location Allocation (%)



## Credit Rating Allocation (%)



## Top 10 Holdings

	Country /Location	%
FRANCE (GOVT OF) FIX 1.750% 25.06.39	FRANCE	1.4
NETHERLANDS GOVERNMENT FIX 0.500% 15.01.40	NETHERLANDS	1.1
FRANCE (GOVT OF) FIX 0.500% 25.06.44	FRANCE	1.0
BELGIUM KINGDOM 86 FIX 1.250% 22.04.33	BELGIUM	1.0
IRELAND GOVERNMENT BOND FIX 1.350% 18.03.31	IRELAND	1.0
REPUBLIC OF AUSTRIA FIX 1.850% 23.05.49	AUSTRIA	0.9
SCOTTISH HYDRO ELECTRIC EMTN FIX 1.500% 24.03.28	UNITED KINGDOM	0.8
BONOS Y OBLIG DEL ESTADO FIX 1.000% 30.07.42	SPAIN	0.8
CANADIAN GOVERNMENT FIX 2.250% 01.12.29	CANADA	0.8
KINGDOM OF DENMARK G FIX 2.250% 15.11.33	DENMARK	0.7
<b>Total</b>		<b>9.5</b>

## Fund Details

Share Class <sup>^</sup>	Class AT (EUR) Acc.	Class AT (H2-USD) Acc.	Class AM (H2-USD) Dis.
Benchmark	ICE BOFAML Green Bond		
Fund Manager	Julien Bras, Maeva Ramadier, Laetitia Talavera-Dausse, Carl Pappo		
Fund Size <sup>3</sup>	EUR 926.70m		
Number of Holdings	307		
Sustainability-related Disclosure Regulation <sup>4</sup>	Article 9		
Base Currency	EUR		
Subs. Fee (Sales Charge)	Up to 5%		
Mgmt. Fee (All-in-Fee <sup>5</sup> )	1.09% p.a.	1.09% p.a.	1.09% p.a.
Total Expense Ratio <sup>6</sup>	1.14%	1.13%	1.13%
Unit NAV	EUR 83.26	USD 9.2544	USD 7.4144
Inception Date	11/01/2017	02/11/2018	17/08/2020
Dividend Frequency <sup>1</sup>	N/A	N/A	Monthly
ISIN Code	LU1542252181	LU1896600654	LU2207432506
Bloomberg Ticker	ALGRBAT LX	AGATH2U LX	ALAGBAH LX

Source: All fund data quoted are Allianz Global Investors/IDS GmbH/Morningstar, as at 30/09/2023, unless stated otherwise.

\* The Fund constitutes as an ESG fund pursuant to the SFC's circular issued on 29 June 2021. HK SFC authorization is not a recommendation or endorsement of a product nor does it guarantee the commercial merits of a product or its performance. It does not mean the product is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

<sup>^</sup> The currency-hedged share classes are not recommended for investors whose base currency of investment is not in respective hedged currencies.

- 1) Dividend payments are applicable for Class AM Dis (monthly distribution) and for reference only. Yields are not guaranteed, dividend may be paid out from capital (Class AM). This may result in an immediate decrease in the NAV per share and may reduce the capital available for the Fund for future investment and capital growth. Positive distribution yield does not imply positive return.
- 2) Annualised Dividend Yield =  $[(1 + \text{Dividend Per Share} / \text{Ex-Dividend Date NAV})^{12} - 1] \times 100$ . The annualised dividend yield is calculated based on the latest dividend distribution with dividend reinvested, and may be higher or lower than the actual annual dividend yield. Positive distribution yield does not imply positive return. Dividend is not guaranteed. Historical dividend yield is not indicative of future dividend payouts.
- 3) The Fund Size quoted includes all share classes of the Fund.
- 4) EU Sustainability-related Disclosure Regulation. Information is accurate at time of publishing.
- 5) The All-in-Fee includes the expenses previously called management and administration fees.
- 6) Total Expense Ratio (TER): Total cost (except transaction costs) charged to the Fund during the last financial year (as at 30/09/2022) expressed as a ratio of the Fund's average NAV. For share classes that have been accepted for less than one year as at close of the last financial year (please refer to the Inception Date in the Fund Details table), the TER will be annualised. For share classes accepted after the close of the last financial year, the TER will be reflected as N/A.

Information herein is based on sources we believe to be accurate and reliable as at the date it was made. We reserve the right to revise any information herein at any time without notice. No offer or solicitation to buy or sell securities and no investment advice or recommendation is made herein. In making investment decisions, investors should not rely solely on this material but should seek independent professional advice.

There is no guarantee that actively managed investments will outperform the broader market. Environmental, Social and Governance (ESG) strategies consider factors beyond traditional financial information to select securities or eliminate exposure which could result in relative investment performance deviating from other strategies or broad market benchmarks.

Investing in fixed income instruments (if applicable) may expose investors to various risks, including but not limited to creditworthiness, interest rate, liquidity and restricted flexibility risks. Changes to the economic environment and market conditions may affect these risks, resulting in an adverse effect to the value of the investment. During periods of rising nominal interest rates, the values of fixed income instruments (including short positions with respect to fixed income instruments) are generally expected to decline. Conversely, during periods of declining interest rates, the values are generally expected to rise. Liquidity risk may possibly delay or prevent account withdrawals or redemptions. Investment involves risks, in particular, risks associated with investment in emerging and less developed markets. Past performance is not indicative of future performance. Investors should read the offering documents for further details, including the risk factors, before investing. This material and website have not been reviewed by the Securities and Futures Commission of Hong Kong. Issued by Allianz Global Investors Asia Pacific Limited. Allianz Global Investors Asia Pacific Limited (32/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong) is the Hong Kong Representative and is regulated by the Securities and Futures Commission of Hong Kong. (54/F, One Island East 18 Westlands Road, Quarry Bay, Hong Kong).