

# Allianz European Pension Investments

Société d'Investissement à Capital Variable

Prospectus 16 January 2020

Allianz Global Investors GmbH

# Important Notice

The Board of Directors of Allianz European Pension Investments SICAV (hereinafter the “Company”) has made every reasonable effort to ensure that the information contained in this prospectus is true and accurate. The Board of Directors assumes responsibility for this.

If anything regarding the contents of this prospectus (hereinafter the “prospectus”) is unclear, you should consult with your broker, the customer service representative at your bank, your lawyer, tax advisor, auditor or another financial advisor.

Certain terms used in this prospectus are explained in the Glossary (see “Supplement I”).

The value of the shares of a Subfund and their income may both rise and fall, and as an investor, you may not recover the amount invested in a Subfund. Before investing in a Subfund, you must therefore take into account the risks associated with the investment (see “General Risk Factors”).

The Company was established in accordance with the amended UCITS Directive in the form of an Undertaking for Collective Investment in Transferable Securities (“UCITS”) and falls within the scope of application of Part I of the Luxembourg Law on Undertakings for Collective Investment of 17 December 2010 (the “Law”). The Board of Directors recommends that shares be distributed in certain member states of the European Union in accordance with this modified UCITS Directive. The Company is registered pursuant to Part I of the Law. This registration does not, however, obligate the Luxembourg Supervisory Authority to approve or reject the adequacy and accuracy of the prospectus or of the assets contained in the various Subfunds. Any representation to the contrary is not permitted and is in contravention of the Law.

In particular, the respective annual and semi-annual reports as well as the respective prospectus and the Key Investor Information, the Articles of Incorporation of the Company, and the issue, redemption and conversion prices can be obtained without charge at the registered office of the Company or from the Luxembourg Branch of the Management Company, Management Company, the Distributors and the Information Agents.

It is assumed that the information contained in this prospectus and in the additional documentation, including the information sheets and the current annual and semi-annual reports, in which the previous performance of the Subfunds/share classes can be found, is to be used as the basis for the acquisition of the shares in the Company. Investors should inform themselves about the applicable legal regulations and foreign-exchange restrictions as well as the tax regulations of the countries of which they are citizens or in which they have their permanent residence or are domiciled. No one is authorised to provide information about the Company other than that which is contained in this prospectus or in the documents mentioned therein. If shares are acquired on the basis of statements or representations that are neither in this prospectus nor in accordance with the information and representations provided in the prospectus, the investor alone bears any risks arising therefrom.

This prospectus does not constitute an offer or an invitation to subscribe shares for a person in a jurisdiction in which this offer or invitation to subscribe is not lawful or in which the person so invited does not fulfil the requirements for such purchase. This prospectus also does not constitute an offer or an invitation to subscribe for persons to whom it is unlawful to distribute this offer or submit this invitation.

The Company has an umbrella structure pursuant to Art. 181 of the Law and consists of one or more Subfunds (“Subfunds”). In accordance with the Articles of Incorporation, the Company may issue shares in each Subfund. An investment fund is formed for each Subfund and investments are made in accordance with the investment objective of the respective Subfund. Investors may select those Subfunds that correspond to their desired investment policy, specific tolerance for risk, expected yield and their requirements for diversification of investment.

The shares issued in accordance with this prospectus refer to each Subfund of the Company and to each share class of

each Subfund of the Company. Shares in the various Subfunds and share classes of a Subfund are issued, redeemed and converted on the basis of the Articles of Incorporation at a price calculated on the basis of the net asset value per share of the respective share class of the respective Subfund, taking into account the charges and fees incurred.

The Board of Directors may at any time launch additional Subfunds whose investment objectives deviate from those of the existing Subfunds. Additional share classes may also be opened whose characteristics differ from those of the existing share classes. When new Subfunds are launched, the prospectus is supplemented accordingly with information sheets.

This prospectus may be translated into other languages. Such translations may only contain the same information and have the same meaning as the English language version of the prospectus. If there are contradictions or ambiguities in the interpretation of the respective translation, the original English version is binding provided that it does not violate applicable local laws.

## **Investment Restrictions applying to US Person**

The Company is not and will not be registered in the United States of America under the Investment Company Act of 1940 as amended. The Shares of the Company have not been and will not be registered in the United States of America under the Securities Act of 1933 as amended (the "Securities Act") or under the securities laws of any state of the United States of America. The Shares made available under this offer may not be directly or indirectly offered or sold in the United States of America or to or for the benefit of any US Person as defined in Rule 902 of Regulation S under the Securities Act. Applicants may be required to declare that they are not a US Person and are not applying for Shares on behalf of any US Person nor acquiring Shares with the intent to sell them to a US Person. Should a shareholder become a US Person, they may be subject to US withholding taxes and tax reporting.

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# Overview

## Structure

Allianz European Pension Investments was established under the laws of the Grand Duchy of Luxembourg as an open-ended investment company with variable share capital (Société d'Investissement à Capital Variable – SICAV).

The Company is an umbrella fund, and as such offers investors the opportunity to invest in a selection of different Subfunds. Each of these Subfunds has an independent portfolio of transferable securities and other legally admissible assets which are managed in accordance with specific investment objectives. Each Subfund is treated as a separate entity in relation to the shareholders. In derogation of Article 2093 of the Luxembourg Civil Code, the assets of a specific Subfund only cover the debts and obligations of that Subfund, even those that exist in relation to third parties.

## Selection of Investments

Investors may choose from the following funds:

Subfund Name	Fund Manager	Investment Objective <sup>1)</sup>	Investment Focuses <sup>1)</sup>
Allianz Neo ISR 2019	AllianzGI France Branch	Generate an annual return of 5.35 % p.a. on the initial subscription price at fund launch which will, however, only be achieved if the performance of the underlying equity basket is exceeding predefined thresholds on predefined dates.	Investing in an equity basket of stocks having their registered office in Europe and selected in accordance with the SRI Strategy which considers various criteria regarding social and environmental policy, human rights and corporate governance.
Allianz Neo ISR 2020	AllianzGI France Branch	Generate an annual return of 6.20 % p.a. on the initial subscription price at fund launch which will, however, only be achieved if the performance of the underlying equity basket is exceeding predefined thresholds on predefined dates.	Investing in an equity basket of stocks having their registered office in Europe and selected in accordance with the SRI Strategy which considers various criteria regarding social and environmental policy, human rights and corporate governance.
Allianz Strategy 15	AllianzGI (Headquarter)	Long-term capital growth	Investing in the global equity markets and, with regard to the portfolio's bond portion, towards generating a market driven return with reference to the Euro bond markets within the scope of the investment policy
Allianz Strategy 50	AllianzGI (Headquarter)	Long-term capital growth	Investing in the global equity markets and, with regard to the portfolio's bond portion, towards generating a market driven return with reference to the Euro bond markets within the scope of the investment policy
Allianz Strategy 75	AllianzGI (Headquarter)	Long-term capital growth	Investing in the global equity markets and, with regard to the portfolio's bond portion, towards generating a market driven return with reference to the Euro bond markets within the scope of the investment policy

<sup>1)</sup> The above description of the investment objectives and investment focuses does not include all relevant information. It is intended only to provide an initial overview.

A detailed presentation of the investment objectives and investment focuses can be found in the information sheets of the individual Subfunds.

## Investment Objectives and Investment Policy

The investment objectives and investment policy are defined in the information sheets of the individual Subfunds, including Supplements II and III.

The investments of a Subfund may basically consist of such assets as are listed in Supplement II, whereby there may also be an additional restriction in the information sheets of the respective Subfunds.

The investment restrictions for Subfunds may also be found in Supplement II. There may also be additional restrictions in the information sheets of the respective Subfunds, or – if permitted by law – there may be exceptions to the investment restrictions set forth in Supplement II. In addition, the ability of a Subfund to borrow is limited in accordance with Supplement II.

The Subfunds may use techniques and instruments in accordance with Supplement III.

Fund management orients the composition of each Subfund under management depending on its assessment of the market situation and taking into consideration the respective investment objectives and policies, which may result in the complete or partial reorientation of the composition of a Subfund. For this reason, it is possible that such adjustments may be made, even frequently.

**The Company will invest the assets of each Subfund after a thorough analysis of all the information available, subject to a careful evaluation of risks and opportunities, in admissible assets. The performance of the shares of a Subfund, however, remains dependent on price changes in the corresponding markets. Therefore, no warranty can be given that the objectives of the respective investment policy will be achieved, unless an explicit guarantee is made in the information sheet of a Subfund.**

## Calculation and Use of Income

Distributing and accumulating shares may be issued for each Subfund.

Income that can be used for distributions is calculated by subtracting payable charges, fees, taxes and other expenses from accrued interest, dividends and income from target fund shares and compensation for securities lending and securities repurchase agreements, while taking into account the corresponding income equalisation.

The current distribution policy for distributing shares provides for the distribution of essentially all income, less costs, that can be distributed as defined above for a corresponding time period. Nevertheless, it may be decided to distribute realised capital gains and other income – taking into account the corresponding income equalisation – and unrealised capital gains and capital in accordance with Article 31 of the Law. Provided that the general meeting of shareholders does not make a contrary resolution, the Company may establish interim distributions, which would normally be paid out annually on 15 December; additional interim distributions may also be made. If that day is not a business day, the payout date would be delayed until the next business day. The use of income, and in particular any final distribution made, will be decided for each share class by the income, and in particular any final distribution made, will be decided for each share class by the general meeting of shareholders of the Company; this may deviate from the distribution rule.

Any claim to distributions expires, and they will revert to their respective share class, if the claim is not asserted within five years of their due date. No interest accrues on distributions declared by the Company and made available to the investor.

Accumulating shares retain all income (interest, dividends, income from target fund shares, compensation for securities lending and securities repurchase agreements, other income and realised capital gains, while taking into account the corresponding income equalisation) less payable charges, fees, taxes and other expenses and reinvests these amounts. For this reason, it should not be expected that distributions will be paid out to shareholders.

Notwithstanding the above, the respective general meeting of shareholders of the Company may decide, upon proposal

from the Board of Directors, how the income and realised capital gains – taking into account the corresponding income equalisation and perhaps in derogation of the rule on accumulation – are to be used, that the capital may be distributed in accordance with Article 31 of the Law, and that distributions in the form of cash payments or bonus shares may be made, or it may authorise the Board of Directors 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.–.

## Income Equalisation Procedure

The Company applies a so-called income equalisation procedure for the share classes of the Subfunds. This means that the proportional income and realised capital gains/losses accruing during the financial year which the acquirer of shares must pay as part of the subscription price and which the seller of shares receives as payment as part of the redemption price is continuously netted. The expenses incurred are accounted for in the calculation of the income equalisation procedure. The income equalisation procedure serves to adjust fluctuations in the relationship between income and realised capital gains/losses on the one hand, and other assets on the other hand that are caused through net inflows or outflows due to the sale or redemption of shares. Otherwise, every net inflow of cash would reduce the share of income and realised capital gains/loss on the asset value of a Subfund and each outflow would increase it.

## General Risk Factors

Investment in a Subfund may be associated with the following risk factors in particular.

### Company-Specific Risk

The price development of the securities and money-market instruments directly or indirectly held by a Subfund is also dependent on company-specific factors, for example, the issuer's business situation. If the company-specific factors deteriorate, the price of the respective security may drop significantly and for an extended period of time, possibly even without regard to an otherwise generally positive market trend.

### Concentration Risk

If a Subfund focuses its investments on certain markets or types of investment, by definition this concentration does not allow the same scope of diversification of risks across different markets as would be possible if investments were not as concentrated. Consequently, a Subfund is particularly dependent on the development of these investments or of individual or related markets or of companies included in those markets.

### Counterparty Risk

To the extent transactions are not handled through a stock exchange or a regulated market (OTC trades), there is the risk – in excess of the general risk of settlement default – that the counterparty of the trade may default or not completely fulfil its obligations in addition to the general risk of settlement default. This is particularly true of transactions based on techniques and instruments. A default of the counterparty might result in losses for the respective Sub Fund. However, in particular with regard to OTC derivatives transactions such risk can be significantly reduced by receipt of collateral from the counterparty in accordance with the Company's collateral management policy as described in Supplement III. No. 6.

### Country and Region Risk

If a Subfund focuses its investments on certain countries or regions, this also reduces risk diversification. Consequently, the Subfund is particularly dependent on the development of individual or interdependent countries and regions, or of companies based and/or operating in those countries or regions.

### Country and Transfer Risks

Economic or political instability in countries in which a Subfund is invested may lead to a situation in which a Subfund does not receive part or all of the monies owed to it in spite of the solvency of the issuer of the respective security or other assets. Currency or transfer restrictions or other legal changes, for example, may be of significance in this regard.

### **Creditworthiness Risk**

The creditworthiness (solvency and willingness to pay) of the issuer of a security or money-market instrument directly or indirectly held by a Subfund may subsequently fall. This usually leads to drops in the price of the security which surpass those caused by general market fluctuations.

### **Currency Risk**

If a Subfund directly or indirectly holds assets denominated in foreign currencies, it is exposed to a currency risk if foreign currency positions have not been hedged. Any devaluation of the foreign currency against the base currency of the Subfund would cause the value of the assets denominated in the foreign currency to fall.

### **Custodial Risk**

Custodial risk is the risk arising from the possibility that to the detriment of the Subfund, the Subfund could be denied access, in whole or in part, to investments held in custody in case of bankruptcy, negligence, wilful misconduct or fraudulent activity on the part of the depositary or sub-custodian.

### **Emerging Markets Risks**

Investing in Emerging Markets means investing in countries not classified by the World Bank as "high gross national income per capital" (i. e. not "developed"). In addition to the specific risks of the particular investment class, investments in these countries are subject to greater liquidity risk and general market risk. Additionally, increased risks may arise in connection with the settlement of transactions in securities in these countries, especially as it may not be general practice or may not even be possible to deliver securities directly when payment is made in such countries. In addition, the legal and regulatory environment, as well as the accounting, auditing and reporting standards there may deviate substantially to the detriment of the investors from the levels and standards that are considered standard international practice. Increased custodial risk in such countries, may also arise, which may, in particular, also result from differing disposal methods for acquired assets.

### **General Market Risk**

To the extent that a Subfund invests directly or indirectly in securities or other assets, it is exposed to various general trends and tendencies in the economic situation as well as in the markets, especially in the securities markets, which are partially attributable to irrational factors, and to general economic performance. Such factors could lead to substantial and longer-lasting drops in prices affecting the entire market. Securities from top-rated issuers are subject to essentially the same general market risk as other securities and assets.

### **Industry Risk**

If a Subfund focuses its investments on certain industries, this also reduces risk diversification. Consequently, the Subfund is particularly dependent both on the general development and the development of corporate profits of individual industries or industries that influence each other.

### **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 Subfund as well as the intrinsic value of the investment. Different currencies are subject to different levels of inflation risk.

### **Key Personnel Risk**

Subfunds that achieve very positive results in a certain period of time owe this success to the aptitude of the traders and thus to the correct decisions of their management. However, the staffing at a fund may change. New decision makers may have less success in managing assets.

### **Liquidity Risk**

Even relatively small orders for purchases or sales of illiquid securities (securities that cannot be sold readily) in particular can lead to significant price changes. If an asset is not liquid, there is the risk that the asset cannot be sold or can only be sold at a significant discount to the purchase price. The lack of liquidity of an asset may cause its purchase price to increase significantly.

### Performance Risk

It cannot be guaranteed that the investment objectives of a Subfund or the investment performance desired by the investor will be achieved. The net asset value per share may also fluctuate, and in particular, may fall, causing investors to incur losses, especially in consideration of risks that individual assets acquired at the Subfund level are subject to in general and the risks that are entered into in the selection of individual assets in particular. Investors assume the risk of receiving a lesser amount than they originally invested. No guarantees are issued by the Company or third parties regarding a certain investment outcome for the Subfunds unless there is an explicit guarantee in the respective information sheet of the Subfund in question.

### Risk of Changes in Underlying Conditions

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.

### Risk of Changes to the Articles of Incorporation, to the Investment Policy and to the other Basic Aspects of a (Sub)Fund

The attention of the shareholder is drawn to the fact that the Articles of Incorporation, the investment policy of a (sub)fund and the other basic aspects of a (sub)fund may be changed whenever permitted. In particular, a change to the investment policy within the range of investments permitted for Directive-compliant (sub)funds may change the content of the risk associated with the respective (sub)fund.

### Risk of interest being charged on deposits

The Company invests the liquid asset of the Subfunds at the Depository or other banks for account of the Subfunds. Depending on the market development, in particular the development of the interest policy of the European Central Bank, short-, medium- and long-term bank deposits may have negative interest rates which will be charged to the Subfunds. Such interest charges may adversely impact the net asset value of the Subfunds.

### Risk of Interest Rate Changes

To the extent a Subfund invests directly or indirectly in interest-bearing securities, it is exposed to interest rate risk. If market interest rates rise, the value of the interest-bearing assets held by the Subfund may decline substantially. This applies to an even greater degree if a Subfund also holds interest-bearing securities with a longer time to maturity and a lower nominal interest rate.

### Risk of Restricted Flexibility

The redemption of Subfund shares may be subject to restrictions. If redemption of shares is suspended or delayed, investors cannot redeem their shares and are compelled to remain invested in the Subfund for a longer period of time than originally intended or desired, and their investments continue to be subject to the risks inherent to the Subfund. If a fund, a Subfund or a share class is dissolved or if the Company exercises the right to force redemption of shares, investors no longer have the opportunity to remain invested. The same applies if the Subfund or share class held by the investors merges with another fund, Subfund or share class, in which case the investors automatically become holders of shares in another fund, Subfund or share class. The sales charge 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. sales charge for the purchase of shares), incur other costs, such as a redemption fee for the Subfund held or extra sales charges for the purchase of other shares. These events and circumstances could result in investor losses.

### Risk of Settlement Default

The issuer of a security directly or indirectly held by a Subfund or the debtor of a claim belonging to a Subfund may become insolvent. This could cause those assets of the Subfund becoming economically worthless.

### Risk of taxation or other charges as a result of local provisions related to the assets held by the (Sub-)Fund

As a result of local provisions, assets held by the (Sub-)Fund may be subject now or in the future 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, cashflow-free restructuring of the (Sub-)Fund's assets, changes related to settlement and dividends, interest and other income received by the (Sub-)Fund. Certain taxes or charges, for example all charges collected under the FATCA,

may be collected in the form of a withholding tax or a retention when paying out or forwarding payments.

#### **Risk of the Liabilities of Individual Share Classes affecting other Share Classes**

Share classes of a Subfund are not treated as separate entities for purposes of liability law. In relation to third parties, the assets allocated to a certain share class are not liable for just the debts and liabilities that can be allocated to that share class. If the assets of a certain share class should not be sufficient to cover the liabilities (e. g. for any existing currency-hedged unit classes, liabilities arising from the unit class specific currency hedging transactions) that can be allocated to this share class, those liabilities may have the effect of reducing the value of other share classes of the same Subfund.

#### **Risk of Transaction Costs at the (Sub)Fund Level arising from Share Movements**

The issue of shares may lead, at the (sub)fund level, to the investment of the cash inflow; redemptions of shares may lead, at the (sub)fund level, to the disposal of investments to achieve liquidity. Such transactions give rise to costs that could have a substantial negative effect on the performance of the (sub)fund if shares issued and redeemed on a single day do not approximately offset one another.

#### **Settlement Risk**

Particularly when investing in unlisted securities, there is the risk 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.

#### **Specific Risks of (Indirect) Investment in Commodity Futures, Precious Metal and Commodity Indices**

If investments are made in interest-bearing securities whose income, performance and/or capital redemption amounts are linked to the performance of commodity futures, precious metals or commodity indices, or that are linked to the performance of commodity futures, precious metals or commodity indices through techniques and instruments in accordance with Supplement III (in particular through swaps and futures on indices in commodity futures, precious metals and commodities) than in addition to the general risks of the respective investment vehicle, risks associated with investments in commodity futures, precious metals and commodities also arise. A particular risk in this regard is the general market risk. The performance of commodities, precious metals and commodity futures also depends on the general supply situation of the respective goods, the demand for them, the expected output, extraction and production as well as the expected demand, and can for this reason be especially volatile.

In addition, it is also possible that the composition of an index and the weighting of individual components may change during the time a position is held and that index levels are not current or are not based on current data and this could have a disadvantageous effect on a Subfund.

#### **Specific Risks of Investing in High-Yield Investments**

High-Yield Investments means interest-bearing investments 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 rated. Such investments are subject to the same general risks of this investment class, but the level of risk is greater. In particular, such investments are normally associated, in particular, with increased creditworthiness risk, risk of interest rate changes, general market risk, company-specific risk and liquidity risk.

#### **(Sub)Fund Capital Risk**

Because of the risks described here to which the valuation of the assets held in the (sub)fund/share class is subject, there is the risk that the (sub)fund capital or the capital that can be allocated to a share class will decrease. Excessive redemption of Subfund shares or an excessive distribution of returns on investments could have the same effect. A reduction in the capital of the (sub)fund or the capital that can be allocated to a share class could make the management of the Fund, a Subfund or a share class unprofitable, which could lead to the liquidation of the Fund, a Subfund or a share class and to investor losses.

#### **Specific Risks of Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS)**

The income, performance, and/or capital repayment amounts of ABS and MBS are linked to the income, performance, liquidity and credit rating of the respective economically or legally 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 turns out unfavourably 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 either by a company formed for this purpose (special-purpose vehicle) or without the use of such a special-purpose vehicle. Special-purpose vehicles used to issue ABS or MBS 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 special-purpose vehicle 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 special-purpose vehicle, there is the risk that the liability of the issuer will be limited to the assets included in the pool. The principal risks to be mentioned in respect of the assets included in the pool are concentration risk, liquidity risk, interest-rate risk, creditworthiness risk, company-specific risk, general market risk, risk of default and counterparty risk.

Whether issued with or without the use of a special-purpose vehicle, the ABS and MBS investment instrument further entails the general risks of an investment in bonds and derivatives, in particular interest-rate risk, creditworthiness risk, company-specific risk, general market risk, risk of default, counterparty risk and liquidity risk.

### Specific Risks of Investing in Target Funds

If a Subfund uses other funds (target funds) as an investment vehicle for its assets by acquiring shares in such other funds, it assumes, in addition to the risks generally associated with investment policies of the other funds, the risks that result from the structure of the "fund" vehicle. As a result it is itself subject to the fund 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, the performance risk. 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 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 assets when markets are falling and a negative effect when markets are rising.

The target fund 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 Subfund 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 Subfund invests in target funds, costs are regularly incurred both at the level of the Subfund 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 result in increased charges to the investors in the Subfund making the investment.

### Tax risks from hedging transactions for major investors

It cannot be excluded that capital gains tax on German dividends and income from domestic equity-like profit participation rights that the investor originally obtains may not be creditable or refundable in whole or in part. The capital gains tax shall be fully credited or refunded if the investor (i) holds German equities and German equity-like profit participation rights for 45 days without interruption within a period of 45 days before and after the maturity date of the investment income (91 days in total) and (ii) bears at least 70% of the risk of a decline in value of the units or profit-participation rights without interruption throughout that entire day period (so-called "45-day rule"). Furthermore, there should be no obligation to pay, directly or indirectly, the capital gains tax to another person (e.g. through swaps, securities lending transactions, repurchase agreements) for the purpose of offsetting capital gains tax. As a result, hedging or forward transactions that directly or indirectly hedge the risk arising from German equities or German equity-like profit participation rights may be detrimental. Hedging transactions on value and price indices are considered to be indirect hedges. To the extent that the fund is to be considered a related party of the investor and enters into hedging transactions, such transactions may result in these being attributed to the investor, and the investor therefore failing to comply with the 45-day rule.

In the event of non-retention of capital gains tax on the corresponding income originally realized by the investor, hedging

transactions of the fund may result in being attributed to the investor and in the investor having to pay the capital gains tax to the tax office.

## Conflicts of Interest

The Company, the Management Company, the Depositary, the Registrar and Transfer Agent and any of the Investment Managers, Investment Advisors, Paying and Information Agent or Distributors may each from time to time act as manager, trustee, investment manager, administrator, registrar and transfer agent or distributor respectively in relation to, or be otherwise involved in, other funds which have similar investment objectives to those of the Subfunds. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with the Subfunds.

Each party will, at all times, have regard in such event to its obligations under the management agreement, central administration agreement, depositary agreement, paying and information agreement, any investment management agreement, any registrar and transfer agent agreement and any distribution agreement respectively 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 Funds and their Shareholders are fairly treated.

In addition, any of the foregoing may deal, as principal or agent, with the Subfunds, 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 Subfunds' best interests when executing decisions to deal and placing orders to deal on behalf of those Subfunds in the context of managing the Funds' portfolios. For these purposes, all reasonable steps must be taken to obtain the best possible result for the 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.

## The Use of Techniques and Instruments and Special Risks associated with such Use

The Company may use techniques and instruments as defined in Supplement III, in particular security repurchase and securities lending agreements and derivatives, in accordance with the Subfunds' investment restrictions for the purpose of efficient portfolio management (including for hedging purposes). The Company may also, in particular, enter into market-contrary transactions, which could lead to gains for the Subfund if the prices of the underlying securities fall, or to losses for the Subfund if the prices rise.

Use of such investment strategies may be restricted by market conditions or as a result of regulatory restrictions and there is no assurance that the pursuit of such strategies will in fact achieve the desired aim.

## Derivatives

The Company may use a very wide range of derivative types, which may also be combined with other assets. The Company may also acquire securities and money-market instruments in which one or more derivatives are embedded. Derivatives have underlyings to which they refer. These underlyings may be the admissible instruments listed in Supplement II No. 1 or they may be financial indices, interest rates, exchange rates or currencies. The financial indices within this meaning include, specifically, currency, exchange-rate, interest-rate, price and overall interest-rate return indices, as well as bond, equity, commodity futures, precious metal and commodity indices and indices on the additional permissible instruments listed in Supplement II No. 1.

Examples of the function of selected derivatives which the Subfunds and, if applicable, their share classes can use depending on investment policy:

### 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 a specific contract or close it. An option premium is payable for this right and is charged regardless of whether 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 a specific contract or close it.

### 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 Subfund's portfolio and/or clear the contracts for the subfund'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 subfund'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 Subfund 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 Subfund 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 Subfund can take advantage of movements in credit spreads without having exposure to interest rate risk in that market.

### Forward transactions

A forward transaction is a reciprocal contract which entitles or obliges the contracting parties to receive or deliver a specific underlying at a fixed price at a specified time, or to provide an equivalent cash settlement. Generally only a fraction of the contract volume is payable immediately (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 an exchange transaction in which the reference values underlying the transaction are exchanged between the contracting parties. The Company may in particular enter into swap transactions on interest rates, currencies, equities, bonds and money-market-related instruments and also credit default swap transactions on behalf of Subfunds, within the scope of the investment principles. The payments due from the Company to the counterparty and vice versa are calculated by reference to the specific instrument and an agreed upon nominal value.

Credit default swaps are credit derivatives that enable the transfer of 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 Subfund (e.g. government or corporate bonds). The contracting partner is usually obliged to buy the bond at an agreed price or pay a cash settlement when a previously defined event, such as the insolvency of the issuer, occurs. In return for assuming the credit default risk, the seller of the credit default swap pays a premium to the contracting partner.

### OTC derivative transactions

The Company may conduct both derivative transactions that are admitted for trading on a stock exchange or are included in another regulated market, and over-the-counter (OTC) transactions. In the case of OTC transactions the counterparties conclude direct non-standardised agreements, which are negotiated individually and in which the rights and obligations of the contracting partners are defined. OTC derivatives often have only limited liquidity and may be subject to relatively high price fluctuations.

The use of derivatives to hedge the assets of a Subfund attempts to reduce the economic risk inherent in an asset of a Subfund to the greatest extent possible for that Subfund (hedging). At the same time, however, there is a possible risk that the Subfund will no longer be able to participate in a positive development of the hedged asset.

A Subfund incurs additional risks when using derivatives to increase returns in pursuing the investment objective. These risks depend on the characteristics both of the particular derivative and of the underlying. Investing in derivatives may involve a leverage effect, such that even a small investment in derivatives may have substantial, even negative, effects on the performance of a Subfund.

Any investment in derivatives is associated with investment risks and transaction costs to which a Subfund would not be exposed were such strategies not to be pursued.

Investing in derivatives involves particular risks and there is no guarantee that a certain assumption by fund management will prove to be right or that an investment strategy will be successful with the aid of derivatives. The use of derivatives can cause substantial losses which, depending on the derivative in question, may even be theoretically unlimited. Risks are chiefly related to the general market risk, the performance risk, the liquidity risk, the creditworthiness risk, the settlement risk, the risk of changes in underlying conditions and the counterparty risk. In this respect, special mention can be given to the following:

- The derivatives used may be incorrectly valued or, due to different valuation methods, may have inconsistent valuations.
- The correlation between the value of the derivatives used on the one hand, and the price fluctuations of the hedged positions on the other, or the correlation between the various markets/positions that are hedged using derivatives, whose underlying do not correspond exactly to the hedged positions, may be incomplete, such that full hedging of risk is not actually achieved in certain circumstances.
- The possible absence of a liquid secondary market for a specific instrument at a predefined time may have the result that a derivative position cannot be neutralised (closed) even though it would have been sound and desirable to do so from an investment perspective.
- OTC markets can be particularly illiquid and subject to high price fluctuations. As a result, when OTC derivatives are used, it may be the case that these derivatives cannot be sold or closed out at an appropriate time and/or at an appropriate price.

- There may be the risk of not being able to buy or sell the underlyings that serve as reference values for the derivative instrument at a time that would be favourable to do so, or being compelled to buy or sell the underlying securities at a disadvantageous time.

#### Security repurchase agreements, securities lending transactions

The Company may enter into repurchase agreements and into securities lending transactions in accordance with the requirements as set out in the Securities Financing Transactions Regulation and in accordance with the requirements as set out in the Circulars 08/356 dated 4 June 2008 and 14/592 dated 30 September 2014 of the CSSF.

In security repurchase agreements, the borrower sells securities and money-market instruments to the lender, and either

- the lender and the borrower are already under the obligation to resell and repurchase, respectively, the securities or money-market instruments at a price fixed and within a period of time agreed to when the agreement was entered into, or
- the lender or the borrower retains the right to resell to the other party to the agreement or require the other party to the agreement to resell the securities or money-market instruments at a price fixed and within a period of time agreed to when the agreement was entered into.

Such securities and money-market instruments may not be sold during the life of the securities repurchase agreement and the Subfund must at all times be in a position to be able to comply with its repurchase obligations.

In securities lending agreements, securities and money-market instruments are lent to a third party against payment of a fee for a pre-defined period or “until further notice”, under the condition that the third party must return an asset of the same type and value when the securities lending agreement expires.

Security repurchase agreements and securities lending agreements, which a Subfund can enter into in accordance with the provisions in Supplement III No. 1 and 2, essentially involve the following risks:

- If a Subfund lends securities or money-market instruments, it cannot sell these assets during the term of the lending agreement. It participates fully in the performance of the asset, without being able to end participation in market performance by selling the asset.

This applies likewise, due to the Subfund’s repurchase obligation, with regard to securities or money-market instruments that it has made subject to a repurchase agreement.

- If in the framework of securities lending, collateral granted in the form of cash is invested in other assets, this generally does not absolve the Subfund from the obligation of paying at least the amount of the deposited cash collateral to the party providing the securities, on expiration of the securities lending agreement, even if the investment had made losses in the meantime.

This applies likewise to the liquidity received by a Subfund and subsequently invested, if it has made securities and money-market instruments subject to a repurchase agreement.

- If a security or money-market instrument is lent, a Subfund receives collateral in return, the value of which, at the time of arranging the transaction, corresponds to at least the value of the lent securities. Depending on its structure, however, this collateral may lose so much value that it is not possible for sale of the collateral to compensate in full for losses incurred if the borrower does not fulfil its obligation to return the borrowed security, or does not fulfil this obligation properly.

This applies likewise to securities and money-market instruments subject to a repurchase agreement with regard to the repurchase price payable by the counterparty in the event of these securities and money-market instruments losing value.

- If a Subfund lends securities and money-market instruments, the borrower will normally resell them promptly or will have already done so. In doing so, the borrower is generally speculating that the prices of the asset type lent by the

Subfund will fall. As a consequence, a securities lending agreement may have such a negative impact on the price performance of the security, and therefore on the Subfund's share price, that this can no longer be offset by the securities lending income obtained from this transaction.

## Issue of Shares and Related Costs

Shares are available for subscription through the respective account keeping entities, the Registrar and Transfer Agent, the Distributors and the Paying Agents of the Company.

Shares are available in different share classes, which may differ in their charges, fee structure, use of income, persons authorised to invest, minimum investment amount, reference currency, the possibility of a currency hedge in a share class, the determination of the settlement date after orders are issued, the determination of the settlement procedure after settlement of an order or other characteristics. Details on this can be found in the information sheet of the respective Subfund and in Supplement IV.

Shares in the individual Subfunds may be issued by the Company on any valuation day. Shares are issued at the subscription price of the respective share class, including any corresponding sales charge as set forth in the information sheet of the respective Subfund. The Management Company may levy a lower sales charge at its own discretion. The sales charge accrues to the Distributors. Sales charges are levied as a percentage of the net asset value per share of a share class.

Buy orders for shares received at the respective account keeping entities, the Distributors, the Paying Agents or at the Registrar and Transfer Agent on a valuation day by 7.00 a. m. CET or CEST are settled at the subscription price determined on such valuation day but not yet published. Buy orders for shares received after this time are charged at the unknown subscription price of the next valuation day.

Different deadlines for receipt of such buy orders may be established for individual Subfunds. Any such deviation can then be found in the information sheet of the respective Subfund, whereby the settlement date may be no later than the second valuation day following receipt of the order at the respective account keeping entities, the Distributors, the Paying Agents or at the Registrar and Transfer Agent and the order must always be settled at a subscription price not yet published at the time the order is issued.

If shareholders subscribe shares through certain Distributors, they may open an account in their own name and have the shares registered exclusively in their own name or in the name of an agent named by them. Correspondingly, all subsequent buy orders and applications for redemption and conversion and other instructions must also be made through these Distributors.

The Company stipulates that the acquisition of shares of particular Share Classes whose acquisition is subject to certain conditions (e.g. status as institutional investor, etc.) requires that the end investor, or whoever is acquiring the shares for the account of, or in the name of and for the account of the end investor, shall sign a declaration in advance to the effect that these requirements have been met by the end investor. The wording of the relevant declaration may be obtained from [distributionoperations@allianzgi.com](mailto:distributionoperations@allianzgi.com) and from the appropriate Distributors and Paying Agents. This declaration must be sent to the address indicated in the wording before any shares are acquired and must also have been received at that address before shares are acquired.

The purchase price of the shares must currently be paid into the bank accounts indicated by the Company

- normally within three business days for share classes with reference currencies PLN, CZK, HKD, HUF and SGD;
- normally within two business days for all other share classes;

however, no later than five business days after the determination of the subscription price in the currency of subscription of the respective share class. The shareholders bear any bank fees which may be charged. Any other method of payment requires the prior approval of the Company. If subscription amounts are not directly received or if the Company does not have the full right of disposal of them, the settlement of the subscription will be delayed until such time as the subscription

amounts are freely available to the Company unless some other agreement is entered into with the Company or its duly authorised representative.

The purchase price is normally paid in the currency of the share class in question. Upon request of the shareholder, the purchase price may be paid in any other freely convertible currency. All conversion fees due are borne by the shareholder.

The subscription process may vary depending on which account keeping entity, Distributor or Paying Agent the shareholder has selected for subscribing shares. For this reason, there may be a delay in receipt of the subscription application by the Company. Investors should consult with their Distributor before they issue buy orders. When acquiring shares through Distributors and Paying Agents in Italy, there may also be transaction fees of up to EUR 75.– per transaction in addition to a sales charge. If the period of investment is short, these charges may reduce or even eliminate any returns on an investment in shares of a Subfund; a longer investment horizon is therefore recommended. If shares are acquired other than through the Registrar and Transfer Agent or the Paying Agents, additional costs may be incurred.

The Company may, upon application from a subscriber, issue shares in return for a contribution in kind of securities or other assets, provided that such securities or other assets comply with the investment objectives and investment principles of a Subfund. The Auditor of the Company generates a valuation report. The costs of such contribution in kind are borne by the subscriber in question

In accordance with the laws of Luxembourg, the Company reserves the right to reject, wholly or in part, any subscription application (e. g. if it is suspected that the subscription application is based on market timing). In this case, any subscription amounts already paid or the remaining balance is normally refunded within five business days after the rejection, provided that the investment amounts had already been received. Shares may not be acquired for purposes of market timing or similar practices. The Company expressly reserves the right to take the necessary measures to protect other investors from market timing or similar practices.

The Company also reserves the right to suspend without prior notice the issue of shares in one or more or all Subfunds or in one or more or all share classes.

In the time in which the calculation of the net asset value of a Subfund is suspended in accordance with Article 12 of the Articles of Incorporation of the Company, no shares will be issued in any class of that Subfund. For more information on this, please see the section on “Temporary Suspension of Calculation of Net Asset Value”.

Applications for the issue of shares are irrevocable except in the case of the suspension of the calculation of the net asset value of the respective shares during such suspensions. If the issue of shares has been suspended, subscription applications are settled on the first valuation day after termination of the suspension unless they have since been revoked in a permitted manner.

### **Authority to cancel a buy order in the event of failed settlement**

If timely payment of the purchase price is not made, a subscription application may lapse and be cancelled at the cost of the investors or their Distributors. Failure to make good settlement by the settlement date may result in the Company bringing an action against the defaulting investor or their Distributor, or deducting any costs or losses incurred by the Company or Management Company against any existing holding of the investor in the Company. In all cases, any confirmation of transaction and any money returnable to the investor will be held by the Management Company without payment of interest pending receipt of the remittance.

### **Redemption of Shares and Related Costs**

Shareholders may at any time request that the Company redeem all or part of the shares they hold in a share class of a Subfund on any valuation day. Shares will be redeemed at the redemption price of the respective share class, taking into account any corresponding redemption fee, the amount of which is listed in the Subfund information sheet. The Management Company may levy a lower redemption fee at its own discretion. The redemption price may be higher or

lower than the price paid at the time of subscription.

The redemption fee accrues to the Distributors. Redemption fees are calculated as a percentage of the net asset value per share of a share class.

Shareholders who wish to redeem some or all of their shares must submit a completely filled out written redemption application or other written application to the respective account keeping entities, the Registrar and Transfer Agent, a Distributor or a Paying and Information Agent.

Redemption applications submitted to the respective account keeping entities, the Distributors and Paying and Information Agents to the Registrar and Transfer Agent in the name of the shareholder.

Redemption applications received at the respective account keeping entities, the Distributors, the Paying Agent or at the Registrar and Transfer Agent, on a valuation day by 7.00 a. m. CET or CEST are settled at the redemption price determined on that valuation day, but not yet published at the time the redemption application was submitted. Redemption applications received after this time are settled at the unknown redemption price of the next valuation day.

Different deadlines for receipt of a redemption application at the respective account keeping entities, the Distributors, the Paying Agent or at the Registrar and Transfer Agent may be established for individual Subfunds. Any such deviation can then be found in the information sheet of the respective Subfund, whereby the settlement date may be no later than the second valuation day following receipt of the order at the respective account keeping entities, the Distributors, the Paying Agent or at the Registrar and Transfer Agent. The order must always be settled at a redemption price not published at the time the order is issued.

The redemption price is to be paid out

- normally within three business days for share classes with reference currencies PLN, CZK, HKD, HUF and SGD;
- normally within two business days for all other share classes;

but at the latest within five business days after its calculation or after receipt of the redemption application by the respective account keeping entities, the Distributors, the Paying Agent or at the Registrar and Transfer Agent. The Registrar and Transfer Agent is only obliged to make payment if there are no legal provisions such as exchange control regulations, or other circumstances beyond the Registrar and Transfer Agent's control, forming an obstacle to the transfer of the redemption price.

Payment of the redemption price is made by electronic bank transfer to the account indicated by the shareholder. The Company normally does not charge a transfer fee for bank transfers. However, the shareholder's bank may charge such a fee for accepting the payment. The redemption proceeds are normally paid out in the currency of the share class in question. Upon request of the shareholder, the redemption proceeds may be paid out in any other freely convertible currency. All conversion fees due are borne by the shareholder.

The redemption process may vary depending on which account keeping entity, Distributor, or Paying Agent the shareholder uses for settlement of his shares. For this reason, there may be a delay in receipt of the redemption application by the Company. Investors should consult with their Distributor before they issue orders for Subfunds. When redeeming shares through Distributors and Paying Agents in Italy, there may also be transaction fees of up to EUR 75.– per transaction in addition to a redemption fee.

If the period of investment is short, these charges may reduce or even eliminate any returns on an investment in shares of a Subfund; a longer investment horizon is therefore recommended. If shares are redeemed other than through the Distributors, the Registrar and Transfer Agent or the Paying Agents, additional costs may be incurred.

At its own discretion, the Company may with the consent of the shareholder, redeem shares of a Subfund in return for the transfer of securities or other assets from the assets of the Subfund. The value of the assets to be transferred must be

equivalent to the value of the shares to be redeemed on the valuation day. The scope and nature of the securities or other assets to be transferred are determined on a reasonable basis without impairing the interests of other investors. Such valuation must be confirmed in a separate report by the Auditor. The costs of such transfers are borne by the Shareholder in question.

Shares of a share class of a Subfund will not be redeemed if the calculation of the net asset value of such Subfund has been suspended by the Company in accordance with Article 12 of the Articles of Incorporation. For more information on this, please see the section on “Temporary Suspension of Calculation of Net Asset Value per Share”.

If redemption applications and conversion applications (with reference to their redemption portion) exceed 10% of the shares in circulation of the Subfund in question on a valuation day, the Company may also decide to suspend some or all of the redemption applications and conversion applications for a period of time that the Company considers to be in the best interest of that Subfund. However, this suspension should not exceed two valuation days. On the valuation day following this period, these redemption and conversion applications will be given priority and settled ahead of later applications received after this period.

Applications for the redemption of shares are irrevocable except in the case of the suspension of the calculation of the net asset value of the respective shares and in the case of suspension of the redemption as provided for in the previous paragraph during such suspensions.

## Compulsory Redemption of Shares

If the Company considers ownership of shares by an investor to be contrary to the interests of the Company, if such ownership is in violation of Luxembourg Law or other law, or if as a result of this share ownership, the Company would be subject to tax or other financial disadvantages that it would not otherwise incur (Art. 10 of the Articles of Incorporation), the Company may instruct a shareholder (“restricted person”) to sell its shares and to demonstrate to the Company that this sale was made within thirty days of notification if the Company determines that a restricted person is the sole economic owner or is the economic owner together with other persons. If the investor does not comply with the notification, the Company may compulsorily redeem, in accordance with the procedure described below, all shares held by such a shareholder, or may have this redemption carried out:

1. The Company will provide a second notification (“notification of purchase”) to the investor or the owner of the shares to be redeemed, in accordance with the entry in the register of shareholders; this notification designates the shares to be redeemed, the procedure under which the redemption price is calculated and the name of the holder. Such notification will be sent by registered post to the last known address of the investor or to the address listed in the Company’s books. This notification obligates the investor in question to send the share certificate or share certificates that represent the shares to the Company in accordance with the information in the purchase notification. Immediately upon close of business on the date designated in the purchase notification, the shareholder’s ownership of the shares which are designated in the purchase notification ends. For registered shares, the name of the shareholder is stricken from the register of shareholders; for bearer shares, the certificate or certificates that represent the shares are cancelled.
2. The price at which these shares are acquired (“purchase price”) corresponds to an amount determined on the basis of the share value of the corresponding share class on a valuation day, or at some time during a valuation day, as determined by the Board of Directors, less any redemption fees incurred if applicable. The purchase price is, less any redemption fees incurred if applicable, the lesser of the share value calculated before the date of the purchase notification and the share value calculated on the day immediately following submission of the share certificate(s).
3. The purchase price will be made available to the previous owner of these shares in the currency determined by the Board of Directors for the payment of the redemption price of the corresponding share class and deposited by the Company at a bank Luxembourg or elsewhere (corresponding to the information in the purchase notification) after the final determination of the purchase price following redemption of the share certificate(s) as designated in the purchase notification and their corresponding coupons that have not yet matured. After the purchase notification has

been provided and in accordance with the procedure outlined above, the previous owner has no further claim in relation to these shares or a part thereof, and the previous owner no longer has any claim against the Company or the Company's assets related to these shares, with the exception of the right to repayment of the purchase price without interest from the named bank after actual delivery of the share certificate(s). All income from redemptions to which the investor is entitled in accordance with the provisions of this paragraph may no longer be claimed and is forfeited as regards the respective share class unless such income is claimed within a period of five years after the date indicated in the purchase notification. The Board of Directors is authorised to take all necessary steps to return these amounts and to authorise the implementation of corresponding measures for the Company.

4. The exercise of the above-named powers by the Company may in no way be called into question or declared invalid on the grounds that the ownership of shares was not sufficiently proven or that the actual ownership of shares did not correspond to the assumptions made by the Company as at the date of the purchase notification provided that the Company exercised the above-named powers in good faith.

## Conversion of Shares and Related Costs

Against payment of a conversion fee, a shareholder may convert shares of a particular share class of a Subfund held in whole or in part into shares of the corresponding share class of another Subfund if the applicable minimum investment amount of the new share class is met. Shares may not be converted from one share class to another in the same Subfund or in another Subfund.

An application for conversion of shares of one Subfund for shares of another Subfund will be treated in the same way as an application for redemption of the shares of one Subfund and the simultaneous application for the acquisition of shares of the other Subfund. All conditions, information and procedures with regard to the acquisition and redemption of shares, in particular also the rules on settlement times, also apply correspondingly to the conversion of shares, with the exception of the rules on the sales charge and redemption fee. A conversion fee is charged for conversions. This fee corresponds to the sales charge of the new share class to be acquired or the redemption fee of the share class being converted and is calculated as a percentage of the net asset value per share of a share class; the amount of the respective sales charge or redemption fee is listed in the respective Subfund information sheet. The Management Company may levy a lower conversion fee at its own discretion. Balances of less than EUR 10.– or the equivalent in other currencies resulting from conversions will not be paid out to the shareholders.

As a rule, both the redemption and the acquisition parts of the conversion application are calculated on the basis of the values of a single valuation day. If there are different order acceptance deadlines and/or different deadlines for the payment of purchase and redemption prices for the Subfunds in question, the calculation may deviate from this, in particular depending on the sales channel. In particular either

- the sales part may be calculated in accordance with the general rules of the share redemption (which may be older than the general rules of the issue of shares), while the purchase part would be calculated in accordance with the general (newer) rules of the issue of shares or
- the sales part is not calculated until a later time in relation to the general rules of the share redemption together with the purchase part in accordance with the newer (in relation to the sales part) rules of the issue of shares or
- redemption prices are not paid until a later time in relation to the general rules of share redemption in accordance with the rules for the payment of the purchase price affecting the purchase part.

When converting shares through account keeping entity, Distributors and Paying and Information Agents in Italy, there may also be transaction fees of up to EUR 75.– per transaction in addition to a conversion fee. If the period of investment is short, these charges may reduce or even eliminate any returns on an investment in shares of a Subfund; a longer investment horizon is therefore recommended. If shares are converted other than through the Distributors, the Registrar and Transfer Agent or the Paying Agents, additional costs may be incurred.

Conversions may only be effected if at this time both the redemption of the shares to be converted and the issue of the shares to be acquired (for more on this, see the sections “Issue of Shares and Related Costs” and “Redemption of Shares and Related Costs”) are simultaneously possible; there will be no partial execution of the application unless there is no possibility of issuing the shares to be acquired until after the shares to be converted have been redeemed.

Each application for conversion of shares is irrevocable, except during the period of a suspension of the calculation of the net asset value of the shares to be redeemed in accordance with Article 12 of the Articles of Incorporation and during the period of a suspension of the redemption of shares to be redeemed in accordance with Article 8 of the Articles of Incorporation. If the calculation of the net asset value of the shares to be acquired is suspended after the shares to be converted have already been redeemed, only the acquisition part of the conversion application can be revoked during this suspension.

In observance of the above provisions, shares are converted in application of the following formula:

$$N = \frac{A * B * C}{D}$$

N = the number of the new shares to be issued (as a result of the conversion).

A = the number of shares to be converted.

B = the redemption price of the shares to be converted on the respective valuation day (taking into consideration any redemption fees due).

C = the currency conversion factor based on the applicable exchange rate.

D = the subscription price of the shares to be issued on the respective valuation day (taking into consideration any sales charges due).

Any shareholder who undertakes a conversion of shares realises a taxable profit or loss, depending on the legal provisions of the country of which he is a citizen or in which he is domiciled or of which he is a permanent resident.

The conversion process may vary depending on which account keeping entity, Distributor or Paying Agent the shareholder uses to convert his shares.

If redemption applications and conversion applications (with reference to their redemption portion) exceed 10% of the shares in circulation of the Subfund in question on a valuation day, the Company may also decide to suspend some or all of the redemption applications and conversion applications for a period of time that the Company considers to be in the best interest of that Subfund. However, this suspension should not exceed two valuation days. On the valuation day following this period, these redemption and conversion applications will be given priority and settled ahead of applications received after this period.

## Exchange Listing

The Board of Directors may authorise the shares of each Subfund for listing on the Luxembourg Stock Exchange or on other exchanges or for trading on organised markets; the Board of Directors has to date not made use of this possibility. In addition to this, the Company is not aware that – without its approval – shares in Subfunds were being traded on certain markets at the time of the printing of this prospectus. It cannot be ruled out that shares in Subfunds will be introduced onto other markets (possibly even in the short term) or are already being traded there.

The market price underlying exchange trading or trading on other markets is not determined exclusively by the value of the assets held in the assets of the Subfund; the price is also determined by supply and demand. For this reason, this market price may deviate from the share price per share determined for a share class.

## Calculation of Net Asset Value per Share

The net asset value per share of a class of shares will be calculated in the base currency of the Subfund and, if share classes are issued with other reference currencies in a Subfund, such net asset value will be published in the currency in which that class of shares is denominated, unless there is a suspension of the calculation of the net asset value. On each valuation day or at some time during a valuation day, the net asset value per share is calculated by dividing the net assets of the Company attributable to the respective share class, that is, 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 this valuation day or this time during this valuation day, by the number of shares in circulation of the relevant share class. Net asset value may be rounded up or down to the next applicable currency unit in accordance with the decision of the Board of Directors.

For money-market Subfunds, the net asset value per share of a share class may be determined plus/less accrued income and expenses expected to be due per share up to and including the calendar day before the value date.

If since the determination of the share value there have been significant changes in the prices on markets in which a significant portion of the assets attributable to a share class are traded or listed, the Company may, in the interest of the shareholders and the Company, cancel the first valuation and perform a second valuation.

The value of the assets is determined as follows:

- 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 in principle 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 means their net liquidating value determined, pursuant to the policies established by the Board of 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 Board of 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 Board of Directors.

- i) Target fund units in undertakings for collective investment in transferable securities (“UCITS”) or undertakings for collective investment (“UCI”) are valued at the latest redemption price determined and obtainable.

The value of all assets and liabilities not expressed in the base currency of the respective Subfund 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 Company, at its sole discretion, may permit some other method of valuation to be used if it considers such valuation to be a more fair valuation of an asset of the Company.

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 Subfunds may be requested at the registered office of the Company and at the Luxembourg Branch of the Management Company, the Management Company, the Paying and Information Agents, and the Distributors during business hours.

The share prices of each share class are – if required – published for each Subfund in one or more newspapers in the countries in which the shares are distributed. They may also as the case may be obtained over the Internet, Reuters and other media as stated in the information sheets. Neither the Company, its Distributors, Paying and Information Agents nor the Management Company are liable for any errors or omissions in the published prices.

## Temporary Suspension of the Calculation of Net Asset Value

The Company may temporarily suspend the calculation of the net asset value per share of each Subfund or of an individual share class as well as the issue and redemption of shares and the conversion of shares in each individual Subfund or of an individual share class:

- 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 Subfund are 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 Subfund in question of the Company listed in such exchange or market; or
- b) during any period in which, in the view of the Board of Directors, there is an emergency, the result of which is that the sale or valuation of assets of a certain Subfund or of certain share classes of the Company 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 Subfund or of a share class or to determine the current price or value of investments of the respective Subfund or of the respective share class; or
- d) if for other reasons the prices for assets of the Company attributable to the Subfund in question or to a certain share class cannot be determined rapidly or precisely; or
- e) during a period in which it is not possible for the Company to repatriate the necessary funds for the redemptions 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 of Directors, 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, a Subfund or a share class, or for the purpose of carrying out a merger of the Company, a Subfund or a share class or for the purpose of informing investors of the decision by the Board of Directors to liquidate Subfunds or share classes or for the purpose of merging Subfunds or share classes; or
- g) during any period in which the valuation of the currency hedges of Subfunds or share classes whose respective

investment objectives and policies make hedging of currencies at the share class or Subfund level desirable cannot be adequately carried out or cannot be carried out at all.

Appropriate notice of any such suspension considered necessary will be published by the Company. The Company may notify shareholders applying for subscription, redemption or conversions of shares for which the calculation of net asset value has been suspended. Any such suspension in a share class has no effect on the calculation of the net asset value per share or, the issue, redemption or conversion of shares of other share classes.

Applications for subscriptions, redemptions or conversions are irrevocable, except when the calculation of net asset value has been suspended.

## Determination of the Subscription, Redemption and Conversion Prices

Subscription, redemption and conversion prices are determined on each valuation day.

The share subscription price for shares of a particular share class of a Subfund corresponds to the net asset value per share of the respective share class plus sales charge, if applicable. The subscription price may be rounded up or down to the nearest unit of the corresponding currency.

The share redemption price for shares of a particular share class of a Subfund corresponds to the net asset value per share of the respective share class less redemption fee, if applicable. The redemption price may be rounded up or down to the nearest unit of the corresponding currency.

An application for conversion of shares of one Subfund for shares of another Subfund will be treated in the same way as an application for redemption of the shares of one Subfund and the simultaneous application for the acquisition of shares of the other Subfund. This conversion is calculated on the basis of the net asset value per share of the respective share class, whereby a conversion fee may be due, which when incurred corresponds to the sales charge of the share class to be acquired or the redemption fee of the share class to be converted. The prices underlying the conversion may be rounded up or down to the nearest unit of the corresponding currency.

Sales charges, redemption fees and conversion fees are levied as a percentage of the net asset value per share of a share class. The amount of any sales charge, redemption fee or conversion fee levied for a share class of a Subfund can be found in the information sheet for the respective Subfund.

## Money Laundering and Terrorist Financing Prevention

Obligations have been imposed on all professionals of the financial sector to prevent the use of investment funds for money laundering and terrorist financing purposes, pursuant to the Luxembourg law of 5 April 1993 relating to the financial sector (as amended) and 12 November 2004 relating to money laundering (as amended), and to the Circulars of the CSSF (in particular Circular 12/02, CSSF Circular 13/556 and any CSSF regulation or circular amending, supplementing or replacing them).

Within this context a procedure for the identification of investors has been imposed. The application form of an investor must typically be accompanied, in the case of individuals, by a copy of the individual's passport or identity card (or other generally accepted identification documents, such as driving licence or residence permit) and, in the case of legal entities, by a copy of the articles of incorporation (or other generally accepted constitutive document), an extract from the commercial register and a list of authorised signatories.

In addition, where legal entities are not listed on a recognised stock exchange, identification of Shareholders owning more than 25 % of the Shares issued or of the voting rights, as well as the persons having a significant influence on the management of the relevant entity, may be required.

In the case of a trust, the application form must be accompanied by a copy of the trust instrument, a copy of articles of

incorporation or other constitutive documents of the trustee(s) and a list of authorised signatories. In addition, the identification of the trustee, the settlor, the ultimate beneficiary and the protector may be required.

Any copy 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 jurisdiction concerned).

Such identification procedure must be complied with in the following circumstances:

- a) in the case of direct subscriptions to the Company; and
- b) in the case of subscriptions received by the Company from intermediaries resident in countries which do not impose an obligation to identify investors equivalent to that required under the laws of Luxembourg for the prevention of money laundering and terrorist financing. It is generally accepted that professionals of the financial sector resident in the majority of the countries which have ratified the findings of the Financial Action Task Force are deemed to be intermediaries having an identification obligation equivalent to that required under the laws of Luxembourg (as per the provisions of the Grand Ducal Regulation of 29 July 2008).

The Company reserves the right to ask for additional information and documentation as may be required to comply with any applicable laws and regulations. Such information provided to the Company is collected and processed for anti money laundering and terrorist financing compliance purposes.

## Fees and Costs borne by the Company, the Subfunds and the Share Classes

The Company pays all costs to be borne by the respective Subfund from the assets of that Subfund:

The Company pays a fee ("all-in-fee") to the Management Company from the assets of the respective Subfunds, unless this fee is charged directly to the Shareholder under the terms of a particular Share Class.

Fees for the Investment Managers used by the Management Company are paid by the Management Company from its all-in-fee and, if applicable, from its performance related fee.

Provided that it is not charged directly to the Shareholder under the terms of a particular Share Class, the all-in-fee is charged monthly in arrears on a pro rata basis on the average daily Net Asset Value of the respective Share Class of the Subfunds. The amount of the all-in-fee charged is listed in the information sheet of the individual Subfund.

In return for the payment of the all-in-fee the Management Company releases the Company from the following, conclusive enumerated commissions and expenditures:

- Management and central administration agent fees except for arranging, preparing and executing of securities lending and/or repurchase/reverse repurchase transactions by the Management Company;
- Distribution fees;
- the administration and custody fee of the Depositary;
- the fee of the Registrar and Transfer Agent;
- costs of the preparation (including translation) and dissemination of the Prospectus, Key Investor Information, Articles of Incorporation as well as annual, semi-annual and, if any, interim reports and other reports and notifications to Shareholders;
- costs of publishing the Prospectus, Key Investor Information, Articles of Incorporation, annual, semi-annual and, if any, interim reports, other reports and notifications to Shareholders, tax information, as well as Subscription and Redemption Prices, and official announcements made to the Shareholders;
- costs of auditing the Company and its Subfunds by the auditor;
- 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;
- paying agent and information agent fees;
- costs of assessing the Subfunds by nationally and internationally recognised rating agencies;

- expenses in connection with the establishment of a Subfund;
- costs related to the use of index names, in particular licence fees;
- costs and fees incurred by the Company and by third parties authorised by the Company relating to the acquisition, use and maintenance of in-house or third-party computer systems used by Investment Managers and Investment Advisors;
- costs related to obtaining and maintaining a status authorising the direct investment in assets in a country or to act directly as a contracting partner in markets in a country;
- costs and expenses 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-related fees for the Management Company by third parties appointed to do so;
- costs related to obtaining information about general Shareholders' meetings of companies or about other meetings of the owners of assets as well as costs related to direct participation or participation through authorised third parties in such meetings;
- postage, telephone, fax and telex fees.

The Management Company may levy a lower all-in-fee than those mentioned the information sheet on the individual Subfund.

In addition, the Management Company may charge a performance-related fee to Subfund assets for selected Subfunds for their management, provided that this fee is not charged directly to the shareholder in the framework of a special share class. The respective Subfund information sheets indicate whether a performance-related fee is levied. Any such performance-related fee amounts to one quarter of the positive amount by which the total of the holdings of a share class exceeds

- a) the return on investment of the Subfund,
- b) the amounts of the daily all-in-fee, allocated to each unit class, whereas any reduction of charge in cases of investments in certain target funds shall not be taken into consideration, and
- d) the amounts of any distributions made during the current financial year

the performance of a reference index to be determined. The Management Company may levy a lower fee at its own discretion.

Such prices are used in the valuation of a Subfund required in the framework of calculating the investment results that are most closely related in time to the prices underlying the calculation of the index. This may cause such valuation of a Subfund to deviate from the valuation for purposes of determining share price on the same day. Depending on the time used as a basis for calculating the index, there may be a delay in taking into account the performance fee in the share value of the share class in question. The performance fee will be calculated each valuation day from the beginning of each financial year, taking into account the current value of the respective share class of the Subfund in question and the entire amount will be carried forward on a continuous basis. The total amount carried forward will be set aside and paid from the Subfund through a charge to the share class in question at the end of the financial year. The total amount carried forward and set aside in accordance with the method described above is reduced on valuation days on which according to the above measure the adjusted investment results of a share class of the Subfund is exceed by the relevant reference index. Negative amounts are carried forward during a financial year, but not into the subsequent years. If a selected reference index lapses, the Company will replace it with another comparable index.

Investors are advised that a performance-related fee may also be paid if the absolute performance of the Subfund is negative but the net asset value per share of the Subfund outperforms the reference index.

Sales commissions and trail commissions may be paid to sales partners and reimbursements may be granted to investors from the management and central administration fee as well as the performance fee of the Management Company.

All other additional costs borne by a Subfund are charged to the assets of the respective Subfund; these costs are separate to those named above and include, but are not restricted 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, Subfund or Share Class which appear to be justifiable and for defending any claims made against the Company, Subfund or Share Class which seem unjustified;
- all taxes, fees, public and similar charges which may be incurred in connection with administration and custody (including, but not limited to the Taxe d'Abonnement);
- costs arising in connection with the purchase and sale of assets (including any research and analyst services made available in accordance with market practice, interest/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;
- remuneration 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 remuneration 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 remuneration for arranging, preparing and executing securities lending and/or repurchase/reverse repurchase transactions than that mentioned above.

The Company is allowed to confine management expenses and other regular or recurring expenses and may allocate the confined amount to one year or any other time period.

The Management Company and/or the Investment Managers, as the case may be, may enter into commission sharing arrangements only where there is demonstrable benefit to the Company and where the Management Company and/or the Investment Managers, as the case may be, are satisfied that the transactions generating the shared commissions are made in good faith, in strict compliance with applicable regulatory requirements and are in the best interests of the Company and the Shareholders.

Any such arrangements must be made by the Management Company and/or the Investment Managers, as the case may be, on terms commensurate with best market practice and brokerage rates should not be in excess of customary institutional full-service brokerage rates. Subject to their local regulatory rights, the Management Company and/or the Investment Managers, as the case may be, may make use of soft commissions to pay for research and/or other goods and services. Other jurisdictions may have other arrangements in place to pay for such services in accordance with local regulatory obligations.

If the investor is advised by third parties when acquiring shares or if such parties act as broker to the acquisition, they may quote costs or expense ratios that are not identical to the costs disclosed in this prospectus and in the key investor information. The expense ratio may also exceed the total expense ratio as described in the prospectus. The reason for this may be specifically that the third party additionally takes into account the cost of its own operations (e.g. brokerage, advice or securities account maintenance). In addition, the third party may also take into account non-recurring costs, such as sales loads, and generally uses different calculation methods or estimates for the expenses incurred at Subfund level, which include the Subfund's transaction costs in particular. Divergences in the cost quotation may arise both in the case of information provided prior to conclusion of a contract and for regular cost information about the Subfund investment held within a long-term client relationship.

In accordance with Art. 20 of the Articles of Incorporation, the Company may indemnify any director or officer and his heirs, executors and administrators, against 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 or on his request of any other company of which the Company is a shareholder or a creditor and from which he is not entitled to be indemnified, except in relation to actions, suits or proceedings in which the person is found legally liable for gross negligence or misconduct. In the event of a settlement, indemnification will be provided only in connection

with such matters covered by the settlement and as to which the Company is advised by counsel that the person to be indemnified was not in breach of duty. The foregoing right of indemnification does not exclude other rights to which the person may be entitled.

To the extent that a Subfund invests in shares of target funds, investors will have to bear not only directly the expenses and costs described in this 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 constituting documents (e.g. management regulations or articles) and are therefore impossible to forecast in an abstract way. Typically, however, it is to be expected that the fees and expenses charged to the fund described in this prospectus are charged to target funds as well.

If a Subfund 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 Subfund investments between Subfunds) then neither the Company nor the associated company may charge fees for the subscription or redemption of units.

If a Subfund 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. In respect of the target funds that are subject to techniques and instruments as defined in Supplement III, account must also be taken of costs arising at the level of these target funds, in particular of their management companies charging a management fee, which will have an effect on the redemption prices of these target funds.

The costs incurred by the Subfunds (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 Subfunds (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, the costs the use of securities lending programmes and securities lending brokers and remuneration for arranging, preparing and executing securities lending and/or repurchase/reverse repurchase transactions by the Management Company and any performance-related fees. Costs incurred will not be subject to cost compensation. If a Subfund invests more than 20% of its assets in other UCITS or UCI that publish Ongoing Charges, the Ongoing Charges of these other UCITS or UCI are taken into consideration when calculating Ongoing Charges for the Subfund; however, if these UCITS or UCI do not publish their own Ongoing Charges, then it is not possible to take the Ongoing Charges of the other UCITS or UCI into consideration when calculating Ongoing Charges. If a Subfund does not invest more than 20% of its assets in other UCITS or UCI, any costs that may be incurred at the level of these UCITS or UCI are not taken into consideration.

## 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 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. For all employees, a 360 degree feedback evaluation forms part of the qualitative input.

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 long-term 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>. 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.

## Co-Management of Assets

For purposes of efficient management, the Board of Directors of the Management Company may permit co-management of assets of certain (sub)funds managed by the Management Company within Allianz European Pension Investments and/or other undertakings for collective investment of the Management Company under Luxembourg law. 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 the (sub)fund to the said pool. They 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)funds according to their respective entitlements. Sold assets are charged similarly against the assets attributable to each participating (sub)fund.

## Taxation

The following summary is based on the current laws and customs in the Grand Duchy of Luxembourg and may be subject to change.

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. It should be assumed that the shareholders of the Company are domiciled in different countries for tax purposes. For this reason, no attempt is made in this prospectus to summarise the tax consequences for all investors. 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.

The Company is not subject to any Luxembourg tax on profits or income, nor are any distributions from the Subfunds of the Company subject to any Luxembourg withholding tax. However, the Company is subject to a tax (Taxe d'Abonnement) of 0.05 % p. a. of the net assets per Subfund of the equity, balanced and bond Subfunds or of 0.01 % p. a. on money-market Subfunds and institutional share classes (I, IT, X, XT, W and WT) of equity, balanced and bond funds under Article 174 Paragraph 2 c) of the Law, unless they are invested in Luxembourg investment funds that are themselves subject to the Taxe d'Abonnement. The Management Company ensures that shares of share classes I, IT, X, XT, W and WT are only acquired by legal entities. This tax is payable quarterly on the basis of the net asset value of the Subfund or the corresponding share class at the end of the relevant calendar quarter. 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.

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

### EU Savings Directive

The Council of the EU has adopted on 3 June 2003 a Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "Savings Directive"). Under the Savings Directive, EU member states (the "Member States") are required to provide the tax authorities of another Member State with information on payments of interest or other similar income (within the meaning of the Savings Directive) paid by a paying agent (within the meaning of the Savings Directive) to an individual beneficial owner who is a resident, or to certain residual entities (within the meaning of the Savings Directive) established, in that other Member State.

Under the Luxembourg law dated 21 June 2005 (the "2005 Law"), implementing the Savings Directive, as amended by the Law of 25 November 2014, and several agreements concluded between Luxembourg and certain dependent or associated territories of the EU ("Territories"), a Luxembourg based paying agent is required as from 1 January 2015 to report to the Luxembourg tax authorities ("LTA") the payment of interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual or certain residual entities resident or established in another Member State or in the Territories, and certain personal details on the beneficial owner. Such details will be provided by the Luxembourg tax authorities to the competent foreign tax authorities of the state of residence of the beneficial owner (within the meaning of the Savings Directive).

Under Council Directive 2015/2060 repealing Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments of 3 June 2003, as amended by Council Directive 2014/48/EU the Savings Directive has been repealed and will no longer apply once all the reporting obligation concerning year 2015 will have been complied with.

### 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 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 followed by financial institutions.

Under the CRS, participating jurisdictions will be required to exchange certain information held by financial institutions regarding their non-resident customers. Over 90 jurisdictions have committed to exchanging information under the CRS and a group of over 40 countries, including Luxembourg, have committed to the early adoption of the CRS. For these early adopters, the first exchange of information in relation to accounts coming into existence from 1 January 2016 and individual high value accounts in existence at 31 December 2015 is expected take place by the end of September 2017, with information about individual low value accounts in existence at 31 December 2015 and entity accounts is expected to first be exchanged either by the end of September 2017 or September 2018 depending on when financial institutions identify them as reportable accounts.

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 LTA who may in turn exchange this information with the 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 LTA.

The above description is based in part on draft regulations, guidance from the OECD and the CRS, all of which are subject to change or may be adopted in a materially different form. 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 Subfund 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.

### 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 US federal reporting and withholding tax regime with respect to certain US source income earned (including, among other types of income, dividends and interest) and gross proceeds from the sale or other disposal of property. The rules are designed to require certain US persons’ direct and indirect ownership of certain non-US accounts and non-US entities to be reported to the US Internal Revenue Service. The Company may be required to withhold tax in respect of non-compliant Shareholders at the rate of 30%, if there is a failure to provide certain required information. These rules generally apply to certain payments made after 1 July 2014.

Luxembourg has entered into an intergovernmental agreement with the United States of America (“IGA”). Under the IGA, FATCA compliance will be enforced under new local Luxembourg tax legislation and reporting rules and practices.

The Company will likely require additional information from Unitholders in order to comply with these provisions. Each prospective Unitholder should consult its own tax advisers on the requirements under FATCA applicable to it. The Company may disclose the information, certifications or other documentation that they receive from (or concerning) their investors to the US 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 its tax adviser regarding the applicability of FATCA and any other reporting requirements with respect to the prospective investor's own situation.

## Note for Investors in the Federal Republic of Germany

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.

With respect to the distribution in the Federal Republic of Germany, the Subscription, Redemption and, if applicable, Conversion prices are published on the Internet on the website <https://de.allianzgi.com>. Any announcements to investors are published on the Internet on the website <https://de.allianzgi.com>. For selected share classes (e.g. share classes exclusively for institutional investors or share classes whose bases of taxation are not published in the Federal Republic of Germany) publication can be performed on one of the websites <https://regulatory.allianzgi.com> or <https://lu.allianzgi.com>.

In addition, in accordance with § 298 paragraph 2 of the German Capital Investment Code a durable medium within the meaning of § 167 of the German Capital Investment Code is used to inform investors in the Federal Republic of Germany in the following cases:

- Suspension of the redemption of shares in a Subfund,
- Termination of the management of the Company/a Subfund or liquidation of the Company/a Subfund,
- Changes to terms and conditions that are not compatible with the previous investment principles, that relate to material investor rights or that refer to fees and expense reimbursements payable from a Subfund, including the background to the changes and the rights of the investors,
- In the event of a merger of a Subfund with another fund, the merger information required under Article 43 of Council Directive 2009/65/EC
- In the event of conversion of a Subfund into a feeder fund or, if applicable, the changes to a master fund in the form of information required under Article 64 of Council Directive 2009/65/EC.

The prospectus, the Key Investor Information, the Articles of Incorporation, the current annual and semi-annual reports, the subscription, redemption and, if applicable, conversion prices as well as the additional documentation listed under "Available Documentation" may be obtained in hard copy without charge at the Information Agent listed in the "Directory" and without charge on the website <https://de.allianzgi.com>. For selected share classes (e.g. share classes exclusively for institutional investors or share classes whose bases of taxation are not published in the Federal Republic of Germany) publication can be performed on one of the websites <https://regulatory.allianzgi.com> or <https://lu.allianzgi.com>. The depositary agreement is available for inspection without charge at the offices of the Information Agent.

Neither the Management Company nor the Depositary, the Registrar and Transfer Agent, the Distributors or the Paying and Information Agents are liable for any errors or omissions in the published prices.

### **Risk of Change to Announced Bases of Taxation for Investors Subject to Taxes in the Federal Republic of Germany and Risk of Fiscal Classification as Investment Trust**

A change to incorrectly announced bases of taxation in relation to the Fund for previous financial years may have as a consequence, in the case of a correction that has tax disadvantages for the investor, that the investor is responsible for the tax burden arising from the correction for previous financial years, although he might not have been invested in the Fund at that time. Similarly, the consequence may also arise for the investor that a correction that has tax advantages for the current and for previous financial years in which he was invested in the fund may not benefit him because he redeemed or sold his shares before the correction in question was implemented. In addition, a correction of tax information may result

in income that is subject to taxation or tax advantages actually being assessed in a different tax assessment period from the appropriate period, and this could have a negative impact on the individual investor. In addition, a correction of the tax information may have as a result that the tax measurement basis for an investor corresponds to or even exceeds the performance of the Fund. There may be changes in announced bases of taxation in particular when the German tax authorities or tax jurisdictions have different interpretations of the relevant tax regulations.

### **Investment tax reform**

The Investment Tax Reform Act was published on 26 July 2016 in Germany. One of its stipulations is that, starting from 2018, certain German sources of fund income (dividends / rent / capital gains from the sale of property) shall be taxed at fund level. The only exception is if particular tax-privileged institutions are investors, or the shares are held within the framework of retirement provision or base pension agreements (Riester/Rürup). Until now the "transparency principle" has generally applied, i.e. taxes are first levied at the level of the investor.

In order to adjust for this, the new legislation provides that, if certain requirements are met, investors shall receive a flat-rate portion of the income generated by the fund, free of tax (partial exemption), as compensation for the tax liability at fund level. This mechanism nevertheless does not ensure that a full adjustment is made in each particular case.

## **Note for Investors in the Republic of Austria**

The public sale of shares of the Subfund Allianz Strategy 50 in the Republic of Austria has been registered with the Finanzmarktaufsicht (Vienna) pursuant to section 140 InvFG. Allianz Investmentbank AG acts as Paying and Information Agent in Austria in accordance with section 141 paragraph 1 InvFG. Redemption applications for shares of the aforementioned Subfund can be submitted to the Austrian Paying and Information Agent.

All necessary information for investors is also available at the Austrian Paying and Information Agent free of charge, including: the Prospectus, the Articles of Incorporation, the Key Investor Information, the annual and semi-annual reports and the subscription and redemption prices.

It is recommended to the investors to check before the acquisition of shares of the Subfunds if for the respective share class the required fiscal data are published via Oesterreichische Kontrollbank AG.

## **Notice for Investors in Switzerland**

### **1. Representative and Paying Agent in Switzerland**

BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich, is Representative and Paying Agent in Switzerland for the shares distributed in Switzerland.

### **2. Place where the relevant documents may be obtained**

The Prospectus, the Key Investor Information, the Articles of Incorporation as well as the annual and semi-annual reports may be obtained without charge from the Representative in Switzerland.

### **3. Publications**

Publications in Switzerland are made on [www.fundinfo.com](http://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](http://www.fundinfo.com).

### **4. Payment of retrocessions and rebates**

#### **Retrocessions:**

The Management Company and its agents may pay retrocessions as remuneration for distribution activity in respect of shares in or from Switzerland. This remuneration may be deemed payment for the following services in particular:

- Setting up processes for subscribing, holding and safe custody of the units;
- Keeping a supply of marketing and legal documents, and issuing the said;
- Forwarding or providing access to legally required publications and other publications;
- Performing due diligence delegated by the Management Company in areas such as money laundering, ascertaining client needs and distribution restrictions;
- Mandating an authorized auditor to check compliance with certain duties of the Distributor, in particular with the Guidelines on the Distribution of Collective Investment Schemes issued by the Swiss Funds & Asset Management Association SFAMA;
- Operating and maintaining an electronic distribution and/or information platform;
- Clarifying and answering specific questions from investors pertaining to the investment product or the Management Company or the Sub-Investmentmanager;
- Drawing up fund research material;
- Central relationship management;
- Subscribing shares as a "nominee" for several clients as mandated by the Management Company;
- Training client advisors in collective investment schemes;
- Mandating and monitoring additional distributors;

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the investors concerned.

#### **Rebates:**

In the case of distribution activity in or from 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

- they are paid from fees received by the Management Company and therefore do not represent an additional charge on the fund assets;
- they are granted on the basis of objective criteria;
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the Management Company are:

- the volume subscribed by the investor or the total volume they hold in the collective investment scheme or, where applicable, in the product range of the promoter;
- the amount of the fees generated by the investor;
- the investment behaviour shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of the investor, the Management Company must disclose the amounts of such rebates free of charge.

#### **5. Place of performance and jurisdiction**

The place of performance and jurisdiction for shares distributed in and from Switzerland is at the registered office of the Representative in Switzerland.

## Note for Investors in the United Kingdom

The names and addresses of the UK Distributor(s) and Facilities Agent in the United Kingdom are listed in the Directory.

Any purchaser and any Shareholder may partially or completely sell Shares by providing written instructions to the Facilities Agent in the United Kingdom.

The Subscription and Redemption Prices may be obtained from the Facilities Agent in the United Kingdom.

Complaints may be submitted to the Facilities Agent in the United Kingdom.

### UK Reporting Status Shares

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.

### The UK Retail Distribution Review (RDR)

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.

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.

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.

All variations of the Share Class P (GBP) do not pay an adviser commission.

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.

### Available Documentation

The following documents are available at no charge at the UK Distributor and Facilities Agent during normal business hours on each Business Day:

- a) Articles of Incorporation of the Fund and any amendments thereto;
- b) the latest Prospectus;
- c) the latest Key Investor Information documents
- f) the latest annual and semi-annual reports

# Management of the Company

## Members of the Board of Directors:

### Chairman:

- Sven Schäfer  
Head of Products Europe  
Allianz Global Investors GmbH,  
Frankfurt/Main

### Additional Directors:

- Carina Feider  
Vice President – Head of Fund Setup  
Allianz Global Investors GmbH, Luxembourg Branch,  
Senningerberg
- Heiko Tilmont  
Vice President - Head of Shareholder and Distribution Services  
Allianz Global Investors GmbH, Luxembourg Branch,  
Senningerberg

## Management Company:

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

## Supervisory Board of the Management Company:

- Alexandra Auer (Chairman)  
Business Division Head  
Asset Management and US Life Insurance  
Allianz Asset Management GmbH  
Munich
- Stefan Baumjohann  
Member of the works council  
Allianz Global Investors GmbH  
Frankfurt/Main
- Giacomo Campora  
Chief Executive Officer  
Allianz S.p.A.  
Milan
- Prof. Dr. Michael Hüther  
Director and Member of the Board  
Institut der deutschen Wirtschaft  
Cologne

- Laure Poussin  
Member of the works council  
Allianz Global Investors  
GmbH, Succursale Française  
Paris
- Renate Wagner  
Regional CFO and Head of Life, Asia Pacific  
Singapore

#### Members of the Board of Management:

William Lucken  
Ingo Mainert  
Dr. Thomas Schindler  
Dr. Wolfram Peters  
Tobias C. Pross  
Karen Prooth  
Petra Trautschold  
Birte Trenkner

The Board of Directors is responsible for monitoring the daily business activities of the Company. The Company has appointed Allianz Global Investors GmbH to act as Management Company, with responsibility for day-to-day operations and investment management.

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. Its registered office is located at Bockenheimer Landstrasse 42-44, D-60323 Frankfurt/Main, Germany (Headquarter). The Management Company is consistently organized by function and has a branch, inter alia, in London, United Kingdom and in Luxembourg. Its Luxembourg Branch is located at 6A, route de Trèves, L-2633 Senningerberg. As at 31 December 2018 its subscribed and paid in capital amounted to EUR 49,900,900.00. Within the Luxembourg Branch in particular employees of the following functions are currently active: Risk Management, Product Administration as well as Provider Management (operational and process-related support of fund products).

The rights and duties of the Management Company are governed by an agreement which may be terminated by the Company or the Management Company on three months' notice.

At its own expense, the Management Company may, while maintaining its own responsibility, control and coordination, transfer fund management to third parties (fund managers) for the purpose of efficient management or to consult with third parties (investment advisors).

The duty of the fund manager is the daily implementation of the investment policy of the Subfunds in accordance with the respective investment objectives, management of day-to-day business of the portfolio management under the supervision, control and responsibility of the Management Company, and the provision of other related services. The fulfilment of these duties is carried out in observance of the principles of the investment objectives and policy set forth in the prospectus for each Subfund, the investment restrictions, the Articles of Incorporation and legal restrictions.

A fund manager makes investment decisions and issues orders at its own discretion. A fund manager is authorised to select brokers to settle transactions for the Subfund. The fund manager has the right, at its own expense and responsibility, to consult with third parties as well as to transfer part of its duties to third parties. If the task of making investment decisions is transferred to third parties, the information sheet of the respective Subfund will indicate the name of the company to which such function of the fund manager has been delegated. A fund manager bears all expenses it incurs in connection with the services it provides for a Subfund. Brokerage commissions, transaction fees and other transaction costs incurred in connection with the acquisition and disposal of assets of a Subfund are borne by that Subfund in

accordance with the rules set forth under “Fees and Costs Borne by the Company, the Subfunds and the Share Classes”.

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

In observance of the principles of the investment objectives and policy set forth in the prospectus for a Subfund, the investment restrictions of the Articles of Incorporation and legal provisions, an investment advisor will provide advice and make reports and recommendations to the Management Company in connection with the management of a Subfund and act as advisor to the Management Company in the selection of assets that are to be held in the portfolio of a Subfund.

At its own expense, the Management Company has transferred the determination of risk figures, performance figures and Subfund structural data to IDS GmbH – Analysis and Reporting Services, Munich, Federal Republic of Germany, as outsourcing company, which may use as assistance from third parties.

In addition, other duties of the Management Company have been transferred to State Street Bank International GmbH, Luxembourg Branch as outsourcing company, which is also the Depositary and which may use assistance from third parties (for more on this, see under “Depositary” and under “Fees and Costs borne by the Company, the Subfunds and the Share Classes”).

The Management Company has transferred the function of the Registrar and Transfer Agent to State Street Bank International GmbH, Luxembourg Branch (the “Registrar and Transfer Agent”). This includes the issuance and redemption of shares, keeping the register of shareholders and auxiliary services associated therewith.

## Central Administration

The Company has appointed the Management Company acting through its Luxembourg Branch as its Central Administration Agent. In such capacity, the Management Company is responsible for all administrative duties required by Luxembourg law, in particular for the registration of the Company, the preparation of documentation, the drawing-up of the distribution notifications, for the processing and shipment of the prospectuses, the Key Investor Information, the financial statements and all other documents which are designed for the investors, for liaising with the administrative authorities, the investors and all other parties involved. The responsibilities of the Management Company also include bookkeeping and calculation of the net asset value of the shares, the processing of applications for subscription, redemption and conversion of shares, accepting payments, the safekeeping of the register of shareholders of the Company, and preparation and supervision of the mailing of statements, reports, notices and other documents to the shareholders.

The rights and duties of the Central Administration Agent are governed by an agreement which may be terminated by the Company or the Central Administration Agent on three months' notice.

The Management Company, in its capacity as Management Company and Central Administration Agent, is entitled to receive a fee out of the assets of each Subfund (see under “Fees and Costs Borne by the Company, the Subfunds and the Share Classes” and in the framework of the representations in Supplement V and in the information sheets of the respective Subfunds) which is to be paid monthly in arrears. In addition, the Management Company is entitled to reimbursement of reasonable expenses from the Company.

The Management Company may in accordance with the applicable law, rules or regulations delegate, under its responsibility, supervision and coordination, its management and administrative duties to organisations specialised in these services. In this framework, certain duties of central administration have been transferred to the Depositary and the Registrar and Transfer Agent, who may make use of the services of third parties (for more on this, see under “Depositary,” and under “Fees and Costs borne by the Company, the Subfunds and the Share Classes”).

## Supervisory Authority

The Company is subject to the supervision of the CSSF, 283, route d'Arlon, L-1150 Luxembourg.

The Management Company is subject to the supervision of Bundesanstalt für Finanzdienstleistungsaufsicht, Marie-Curie-Str. 24-28, 60439 Frankfurt/Main, Germany.

## Depository

The Company has appointed State Street Bank International GmbH, Luxembourg Branch, whose business activities include Global Custody and Fund Services, to be Depository of its assets.

State Street Bank International GmbH was established on 19 January 1970 under German law as "Gesellschaft mit beschränkter Haftung". Its registered office is located at Brienner Str. 59, 80333 Munich. As at 31 December 2018 its Shareholders' equity amounted to EUR 109,3 million. State Street Bank International GmbH, Luxembourg Branch, was incorporated on 1 October 2009.

State Street Bank International GmbH is a limited liability company established under German law with its registered office located at Brienner Str. 59, 80333 Munich. State Street Bank International GmbH is registered at the Munich register court under the register number HRB 42872. It is a regulated banking entity which is supervised by the European Central Bank, the German Federal Financial Services Supervisory Authority (BaFin) and the German Central Bank. State Street Bank International GmbH, Luxembourg Branch, has been approved by the Commission de Surveillance du Secteur Financier (CSSF) as Depository and is specialized among others in the areas of Depository, Fund Administration and related services.

State Street Bank International GmbH is part of the State Street business group with its listed mother company State Street Corporation.

### Depository's functions

The Depository has been 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 of Incorporation.
- ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles of Incorporation.
- carrying out the instructions of the Management Company unless they conflict with applicable law and the Articles of Incorporation.
- 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 of Incorporation.
- 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.

### Depository's liability

In carrying out its duties the Depository 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 Subfund 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 Copley Place 100, Huntington Avenue, Boston, Massachusetts 02116, 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 <http://www.statestreet.com/about/office-locations/luxembourg/subcustodians.html>.

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 and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Company;
- (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 Subfund. 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 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.

In addition to acting as Depositary, State Street Bank International GmbH, Luxembourg Branch, as an outsourcing company to the Management Company, also assumes substantial functions of central administration and other duties, particularly fund accounting and NAV calculation as well as the function of Registrar and Transfer Agent. For fulfilling these additional duties the Depositary is entitled to make use of the services of third parties.

## Distributors

The Company may enter into agreements with Distributors to market and place shares of each of the Subfunds in different countries worldwide, with the exception of the US, its territories and possessions and any areas subject to its laws (with a few exceptions) and with the exception of other countries and territories in which this is also prohibited.

The Company and the Distributors will ensure at all times that they fulfil all obligations imposed on them by the current versions of all valid laws, regulations and directives on combating money laundering, and in particular to the provisions of the current version of Circular no. 12/02 of the Luxembourg Supervisory Authority dated 14 December 2012, and take steps that ensure that these obligations are adhered to.

At the time this prospectus was prepared, the Distributors were the companies listed under “Directory” at the end of the prospectus. The Company may appoint additional Distributors at its own discretion.

## Paying and Information Agents

The Company may appoint a Paying and Information Agent in each country in which shares of the Company are publicly distributed and in which a local Paying and Information Agent must be appointed in accordance with the law. At the time this prospectus was prepared, the Paying and Information Agents were the companies listed under “Directory” at the end of the prospectus. Additional Paying and Information Agents may be appointed. These are named in the annual and semi-annual reports.

## General Information about the Company

The Company was founded on 21 July 2006 under the name Allianz European Pension Investments. It is subject to the provisions of the law relating to Commercial Companies of 10 August 1915 and the Law. It is an open-ended investment company with a variable share capital under the laws of Luxembourg (Société d’Investissement à Capital Variable – SICAV). Its registered office is located at 6A, route de Trèves, L-2633 Senningerberg.

The Articles of Incorporation were published in the Mémorial of 9 August 2006 and deposited with the Commercial Register of Luxembourg together with the “Notice Légale” on the issue and redemption of shares. These documents are available for inspection at the Commercial Register of Luxembourg. Copies may be obtained upon request at the registered office of the Company.

The legal minimum capital of the Company is EUR 1,250,000.–. The share capital is represented by fully paid-in shares without nominal value.

The Company may offer fully paid-in shares to shareholders on an ongoing basis. It is an open ended Company, which means that the Articles of Incorporation grant the shareholders the right to redeem their shares at any time in accordance with the Articles of Incorporation and the prospectus.

The Board of Directors of the Company may decide at any time to launch new Subfunds or create additional share classes.

The prospectuses will then be supplemented with new information sheets that contain detailed information on the new Subfunds or share classes. The Key Investor Information will be created accordingly.

The Company constitutes a single legal entity. Each Subfund is only responsible towards third parties, particularly to creditors of the Company, and in derogation of Article 2093 of the Luxembourg Civil Code, for those liabilities allocated to it.

The share capital is indicated in EUR, the reporting currency of the Company, and corresponds at all times to the total value of the net assets of all of the Subfunds together.

## Shareholders' Meetings and Reports to Shareholders

General meetings of shareholders (including meetings held to decide on changes to the Articles of Incorporation, dissolution and liquidation of the Company, a Subfund or a share class) are called in accordance with the Articles of Incorporation and Luxembourg Law.

If the Articles of Incorporation are amended, this amendment is placed on deposit with the District Court of Luxembourg and published in the RESA, Recueil électronique des sociétés et associations („RESA“).

The Company publishes a detailed, audited report each year on its business operations and asset management. This report includes, among other items, a combined financial report of all Subfunds, a precise presentation of the assets of each Subfund, the requirements as set out Circular 14/592 of the CSSF dated 30 September 2014 and the independent auditor's report. The Company also publishes unaudited semi-annual reports, which, among other items, include a description of the investment portfolio of each Subfund and the number of shares issued and redeemed since the last publication.

The reports are sent to registered shareholders upon request within four months after the date of the report (for annual reports) or within two months after the date of the report (for semi-annual reports). Additional copies can be obtained at no charge at the registered office of the Company, at the Distributors or the Paying and Information Agents.

The financial year of the Company begins on 1 October of each year and ends on 30 September.

The annual general meeting will be held in accordance with Luxembourg Law at the registered office of the Company in Luxembourg, on the third Friday of January at 11.15 a. m. If this day is a legal or banking holiday in Luxembourg, the annual general meeting will take place on the next following business day.

In accordance with the provisions of the Company, shareholders of a Subfund or of a share class may at any time call a general meeting at which they may only make decisions for such Subfund or such share class.

The Board of Directors may define in the convening notice a date 5 days before the general meeting (referred to as "record date") by which the quorum and majority requirements shall be determined in accordance to the shares outstanding on such record date. The voting rights of the Shareholders shall be determined by the number of shares held at the record date.

The consolidated financial statements of the Company are prepared in the currency of the Company's share capital, the Euro. The financial statements of the Subfunds are presented in the base currency of the Subfunds.

## Special Information about the Company

The Company may issue multiple share classes for each Subfund, which may differ in their charges, fee structure, use of income, persons authorised to invest, minimum investment amount, reference currency, the possibility of a currency hedge in a share class, the determination of the settlement date after orders are issued, the determination of the settlement procedure after settlement of an order or other characteristics. Details on this can be found in the information sheet of the respective Subfund and in Supplement IV.

The shares are issued as registered certificates and /or bearer certificates. Global certificates may also be issued. Shareholders are not entitled to receive delivery of physical securities / physical shares.

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 compliance with (i) Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (the "Data Protection Directive") as transposed in applicable local laws, (ii) the Regulation (EU) 2016/679 of 27 April 2016 (the "General Data Protection Regulation") as well as any applicable law or regulation relating to the protection of personal data (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 Depositary, the Central Administration Agent, the Distributor, the Paying Agents, the Registrar and Transfer 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 (the "Processors") 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) or ensuring that the recipient is "Privacy Shield" certified, if appropriate.

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 and Transfer 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>.

The Company and/or the Transfer Agent, for the purpose of FATCA compliance, may be required to disclose personal data relating to certain US persons and/or non-participant FFIs to the US Internal Revenue Service or local tax authorities.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general meetings of Shareholders, if the investor is registered himself and in his own name in the register of Shareholders of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in its own name but on behalf of the investor, it may

not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

There is a required minimum investment amount for the acquisition of shares in share classes N, NT, P, PT, I, IT, W and WT (after deduction of any sales charge) as indicated in Supplement IV (“Current Structure of the Share Classes”) or in the information sheets. In individual cases, the Management Company may permit a lower minimum investment at its own discretion. Additional investments at lesser amounts are allowed, if the total of the current value of the shares in the same share class already held by the investor at the time of the additional investment and the amount of the additional investment (after deduction of any sales charge) corresponds to at least the minimum investment amount of the share class in question. This calculation only considers holdings of the investor held at the same location at which the additional investment is to be made. If the investor is acting as intermediary for third-party final beneficiaries, then the shares of the share classes may only be acquired if the conditions listed above are separately fulfilled for each of the third-party final beneficiaries. A condition may be set on the issue of shares of these share classes requiring the prior submission by the investor of a written guarantee to that effect.

Shares of classes I, IT, X, XT, W and WT may only be acquired by Institutional Investors. Shares of Share Classes I, IT, W, WT, X and XT 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.

Shares of share classes R and RT may only be acquired with the consent of the Management Company and in addition only by such distributors which according to regulatory requirements (such as discretionary portfolio management and/or independent advice under MIFID II) or based on individual fee arrangements with their clients are not allowed to accept and keep trail commissions. No trail commissions may be paid to any sales partners in relation to any of the available varieties of share classes R and RT.

For shares of share classes X and XT, neither a management fee, a central administration fee nor a performance fee for the activity of the Management Company is charged at the share class level; instead each corresponding shareholder is directly charged a fee by the Management Company. Shares of these share classes may only be issued with the approval of the Management Company and after conclusion of a special individual agreement between the shareholder and the Management Company. The Management Company may, at its own discretion, decide whether to approve the issue of shares, whether it is prepared to conclude a special individual agreement and how any special individual agreement is to be structured.

The Company may issue share classes whose reference currency is not the base currency of the Subfund. In such cases, share classes may be issued that seek to hedge against the reference currency as well as share classes that do not seek to do so. The costs of the currency hedge transactions are borne by the corresponding share class. The respective reference currency of a share class can be found in parentheses after the share class type (A, AT, C, CT, N, NT, P, PT, R, RT, I, IT, X, XT, W and WT) [e. g. for share class type A and reference currency USD: A (USD)]. If a share class seeks to hedge against the reference currency, an “H” is placed ahead of the denomination of the reference currency [e. g. for share class type A, reference currency USD and a currency hedge against such reference currency: A (H-USD)]. References in this prospectus to share classes A, AT, C, CT, N, NT, P, PT, R, RT, I, IT, X, XT, W and WT with no additional indicators refer to the respective share class type.

Share classes A, C, N, P, R, I, X and W are basically distributing share classes, and share classes AT, CT, NT, PT, RT, IT, XT and WT are basically accumulating share classes (for more on this, see also the section “Calculation and Use of Income” and Supplement IV).

The above-mentioned Share Class types may contain the additional denomination from “2” to “99” and reference to the effect of this will be included in the information sheet of the corresponding Subfund.

Share Classes "20" or "21" are created within the meaning of Section 10 of the German Investment Tax Act (InvStG) ("tax-free Share Classes"), which differ with regard to the investors who may acquire and hold shares, among other differences, may only be acquired and held by

- a) German corporations, associations of persons or asset pools which, under the articles of incorporation, the foundation deed or other constitution and on the basis of the actual management, solely and directly serve non-profit, charitable or church purposes within the meaning of Sections 51 to 68 of the German Fiscal Code (AO) and which do not hold the shares in a business operation;
- b) German foundations under public law, which solely and directly serve non-profit or charitable purposes;
- c) German legal entities under public law, which solely and directly serve church purposes, and
- d) non-German investors comparable with the entities described in letters a) to c), with domicile and management in a foreign state providing administrative and debt enforcement assistance.

As proof that the aforementioned conditions have been met, the investor must provide the Management Management Company with a valid certificate as specified in Section 9 (1) No. 1 or 2 of the German Investment Tax Act. If the aforementioned conditions are no longer met by an investor, the entity is required to notify this to the Management Company within one month of the conditions no longer being met. Tax exemption amounts that the Company receives in connection with management of the respective Subfund and which are attributable to income from tax-free Share Classes are generally payable to the investors in these tax-free Share Classes. In derogation of this procedure, the Management Company is entitled to allocate the exemption amounts directly to the respective Subfund, in favour of the investors in these tax-free Share Classes; no new shares are issued as a result of this allocation.

Shares in tax-free share classes may not be transferred. If the investor nevertheless transfers shares, the investor is required to notify the Management Company of this within one month of the transfer. This right to redeem the shares exclusively through the Management Company on behalf of the Subfund, in accordance with article 8 of the Articles of Incorporation, shall remain unaffected.

Shares in tax-free Share Classes may also be acquired and held within the framework of retirement provision or base pension agreements, provided they are certified in accordance with Sections 5 or 5a of the Pension Provision Agreements Certification Act (AltZertG). As proof that the aforementioned condition has been met, the provider of the retirement provision or base pension agreement must notify the Management Company that it is acquiring the relevant shares of the tax-free Share Class solely within the framework of retirement provision or base pension agreements. If the aforementioned condition is no longer met, the investor is required to notify this to the Management Company within one month of the conditions no longer being met. Tax exemption amounts that the Management Company receives in connection with management of the respective Subfund and which are attributable to income from the tax-free Share Class are generally payable to the provider of the retirement provision or base pension agreement. The provider must reinvest the amounts in favour of the persons who are entitled under the respective retirement provision or base pension agreement. In derogation of this procedure, the Management Company is entitled to allocate the exemption amounts directly to the fund, in favour of the investors in the tax-free Share Class; no new shares are issued as a result of this allocation. The procedure used is also explained in the prospectus.

All shares participate equally in the income and liquidation proceeds of their share class.

The net asset value is calculated for each class of shares by dividing the value of the assets to be attributed to a share class by the number of shares of that class in circulation on the valuation day. When distributions are made, the value of the net assets attributable to the shares of the distributing share classes is reduced by the amount of such distributions.

If a Subfund issues shares of a share class, the value of the net assets attributable to the respective share class of that Subfund is increased by the proceeds raised from the issue, less any sales charge levied. If a Subfund redeems shares, the value of the net assets attributable to the respective share class of that Subfund is reduced by the net asset value of the

shares redeemed.

All shares must be fully paid in. They have no nominal value and confer no preferential rights in case of sale or any other prerogatives. In accordance with the provisions of Luxembourg Law and the Articles of Incorporation, each share in the Company entitles the shareholder to one vote at all general meetings of shareholders, independent of the underlying Subfund or share class.

Fractional shares are issued down to one thousandth of a share. Such fractional shares confer no voting right, but do entitle the shareholder to participate in the distribution of net income and to the proceeds of liquidation of the respective Subfund or the share class of the respective Subfund on a pro rata basis. However, the exercise of voting rights associated with shares held by restricted persons may in relation to those shares be refused by the Company at general meetings of shareholders (Art. 10 of the Articles of Incorporation).

Any shareholder communication for each Subfund – if permitted under the laws and regulations of any jurisdiction in which Subfunds of the Company are registered for public distribution – are made on <https://regulatory.allianzgi.com>. In particular, this does not apply to liquidation and merger of Subfunds/Share Classes according to the Law or any other measure the Articles and / or Luxembourg law are referring to or any other measure as instructed by the CSSF.

## Dissolution and Liquidation of the Company

The Company may at any time be dissolved on the resolution of the general meeting of shareholders, subject to the quorum and majority requirements applicable to amendments to the Articles of Incorporation.

If the share capital falls below two-thirds of the minimum capital indicated in Article 5 of the Articles of Incorporation, the question of the dissolution of the Company will be referred to the general meeting by the Board of Directors. The general meeting, for which no quorum is required, will decide by simple majority of the votes of the shares present or represented at the general meeting.

The question of the dissolution of the Company will further be referred to the general meeting whenever the share capital falls below one-quarter of the minimum capital set by Article 5 of the Articles of Incorporation; in such event, the general meeting will be held without any quorum requirements and the dissolution may be decided by shareholders holding one-quarter of the shares represented at the meeting.

The meeting must be convened so that it is held within a period of forty days from ascertainment that the net assets of the Company have fallen below two-thirds or one-quarter of the legal minimum, as the case may be.

Dissolution will be carried out by one or more liquidators, who may be individuals or legal entities, appointed by the general meeting of shareholders, which will also determine their powers and their compensation.

The net proceeds of the liquidation that can be allocated to the share class of a Subfund will be paid out by the liquidators to the shareholders of the share class of the corresponding Subfund in proportion to their shareholdings in the respective share class.

If the Company should be voluntarily liquidated or liquidated because of a legal requirement, its liquidation will take place in accordance with the relevant legal provisions. The corresponding law specifies the measures required to enable the shareholders to participate in the payout of the proceeds of liquidation and provides for the amounts not yet claimed by a shareholder after the liquidation is concluded to be deposited at the "Caisse de Consignation". Under Luxembourg Law, any sums that are not claimed from the "Caisse de Consignation" within the legally prescribed period are subject to forfeiture.

## Dissolution and Merger of Subfunds/Share Classes

### Liquidation

1. If the assets of a Subfund fall below the amount that the Board of Directors considers to be a minimum amount for the economically efficient management of the Subfund, or if the Subfund does not reach this minimum amount or if a substantial change in the political, economic or monetary situation arises, the Board of Directors may force redemption of all shares of the Subfund affected at the net asset value per share on the valuation day on which this decision by the Board of Directors enters into force (while taking into account the actual prices achieved and the necessary costs of disposal of the assets).

In accordance with the Law, the Company must inform the shareholders in writing of the reasons and the redemption procedure before the mandatory redemption enters into force. If the Subfund is liquidated, such notice will be published in the RESA and, if required, in at least two daily newspapers (to be specified at that time) of one of which must be at least a Luxembourg newspaper. On the day of the resolution being adopted with regard to the Subfund's liquidation, shares will no longer be issued. If no other decision is made in the interest of or for purposes of equal treatment of the shareholders, the shareholders in the Subfund 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).

In accordance with the Law the issue of shares will be suspended as soon as the decision is taken to liquidate the Subfund.

Under the same circumstances as provided above, the Board of Directors may decide to force redemption of all shares in any share class.

2. Notwithstanding the powers conferred upon the Board of Directors in paragraph 1, the general meeting of shareholders may decide, acting on a proposal of the Board of Directors and even for scenarios other than economically efficient management mentioned in paragraph 1, to redeem all shares of one or all share classes issued in a Subfund and pay out to the shareholders the net asset value of the shares on the valuation 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 necessary 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 Depositary 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.

### Merger

1. The Board of Directors may decide to merge the assets of one or all share classes issued in a Subfund (the "Merging Subfund") (1) with another Subfund of the Company, (2) with another Share Class of the same Subfund of the Company, (3) with another UCITS, or (4) with another subfund or share class of such UCITS (the "Receiving Fund") and to rename the shares of the Merging Subfund 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 Subfund 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.

In the case the Company involved in a merger is the merging fund, and hence ceases to exist, the general meeting of

the Shareholders of the Company, rather than the Board of Directors 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 vote cast at such meeting.

2. Notwithstanding the powers of the Board of Directors described in paragraph 1, the general meeting of Shareholders of a Subfund or the affected Share Class(es) of the respective Subfund may decide to merge the assets and liabilities of this Subfund (or of the respective Share Class(es), as the case may be) (1) with another Subfund of the Company, (2) with another Share Class of the same Subfund of the Company, (3) with another UCITS or (4) with another subfund 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 such 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 above in paragraph 1.

## Available Documentation

Copies of the following documents are available at no charge at the registered office of the Company, at the Luxembourg Branch of the Management Company, the Management Company or at the Distributors and Paying and Information Agents during normal business hours on each business day:

- a) Articles of Incorporation of the Company;
- b) the management agreement between the Company and the Management Company;
- c) the management agreement between the Company and the Central Administration Agent;
- d) the depositary agreement between the Company and the Depositary;
- e) the paying and information agent agreements between the Company or the Management Company and the paying and information agents;
- f) current reports and financial statements in accordance with the chapter entitled "General Meetings of Shareholders and Reports to Shareholders";
- g) the currently valid versions of the Luxembourg law of 17 December 2010 on undertakings for collective investment and the law relating to commercial companies of 10 August 1915;
- h) the prospectus and Key Investor Information.

## Benchmark Regulation

Benchmark administrators that are included in the register maintained by European Securities and Markets Authority ("ESMA") under the Benchmark Regulation are listed in the information sheet on the individual Subfund (where applicable). The Management Company maintains written plans setting out the actions that will be taken in the event that an index or 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.

# Supplement I: Glossary

## **Accumulating shares:**

The income earned with accumulating shares is as a rule not paid out to the shareholders. Instead, it remains in the Subfund or in the respective share class and is accounted for in the value of the accumulating shares.

## **Articles of Incorporation:**

The Articles of Incorporation of the Company of 29 May 2015 as supplemented and amended.

## **Base currency:**

Currency of the respective Subfund.

## **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:**

The Directors listed in the “Management of the Company” section.

## **Business day:**

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

## **CAD or Canadian Dollar:**

CAD or Canadian Dollar refers in this prospectus to the official currency of Canada.

## **Central Administration:**

Allianz Global Investors GmbH, acting through its Luxembourg Branch  
6A, route de Trèves  
L-2633 Senningerberg

## **CET:**

Central European Time.

## **CEST:**

Central European Summer Time.

## **CHF or Swiss Francs:**

CHF or Swiss Francs refers in this prospectus to the official currency of Switzerland.

## **Conversion fee:**

The fee that is charged when Subfund shares are converted as provided for in the information sheet.

## **CZK or Czech Crown:**

CZK or Czech Crown refers in this prospectus to the official currency of the Czech Republic.

## **Depository:**

State Street Bank International GmbH, Luxembourg Branch

49, Avenue J.F. Kennedy  
L-1855 Luxembourg

**Distributing shares:**

Distributing shares normally make distributions from a net income, or, if applicable, from income from disposals and other components.

**Distributors:**

Each Distributor appointed by the Company.

**DKK or Danish Crowns:**

DKK or Danish Crowns refers in this prospectus to the official currency of Denmark.

**Emerging Market/Markets:**

An Emerging Market is a country which is not classified by the World Bank as a high gross national income per capita country.

**ESG:**

Environmental, Social and Governance.

**ESG Factors:**

means the three central factors in measuring the sustainability and ethical impact of an investment in securities of an issuer and which are environmental factors, social factors, and governance factors. Environmental factors include, but are not limited to, themes such as climate change, pollution, water management, waste management, biodiversity, and energy efficiency. Social factors include, but are not limited to, themes such as human rights, labour relations, health & safety, community relations, human capital management, and data privacy & security. Governance factors include, but are not limited to, themes such as encompassing items such as board structure, executive pay, board accountability, shareholder rights, bribery & corruption, and diversity.

**ESG Research:**

means the overall process of identifying potential risks as well as potential opportunities of an investment in securities of an issuer related to ESG Factors. ESG Research data may be created and made available by both, external ESG data providers as well as internal analyses. Based on an aggregation of the results of the external and/or internal analyses of the ESG Factors, an internal rating (ESG Rating) is given on ESG strength of a corporate or sovereign issuer.

**EUR or Euro:**

EUR or Euro refers in this prospectus to the official currency of the member countries of the European Monetary Union.

**Fund Manager:**

Each of the fund managers appointed by the Company and listed in the Directory at the end of this prospectus.

**GBP or Pound Sterling:**

GBP or Pound Sterling refers in this prospectus to the official currency of the United Kingdom.

**HKD or Hong Kong Dollar:**

HKD or Hong Kong Dollar refers to the official currency of Hong Kong.

**HUF or Hungarian Forint:**

HUF or Hungarian Forint refers in this prospectus to the official currency of Hungary.

**Independent Auditor:**

PricewaterhouseCoopers Société coopérative  
2, rue Gerhard Mercator

L-1014 Luxembourg

**Information Agent:**

Each Information Agent appointed by the Company.

**Institutional Investors:**

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

**JPY or Japanese Yen:**

JPY or Japanese Yen refers in this prospectus to the official currency of Japan.

**Key Investor Information:**

A short standardised document summarising key information for investors according to the Law.

**Management Company:**

Allianz Global Investors GmbH  
Bockenheimer Landstrasse 42 - 44  
D-60323 Frankfurt/Main

**Net asset value:**

The asset value in accordance with the definition in the section "Determination of Net Asset Value".

**NOK or Norwegian Crowns:**

NOK or Norwegian Crowns refers in this prospectus to the official currency of Norway.

**Paying and Information Agent:**

Each Paying and Information Agent appointed by the Company.

**PEA (Plan d'Épargne en Actions):**

means that a Subfund - irrespective of 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 Subfund 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 (and/or in Equities of corporate issuers with their registered office in the UK which have been subscribed or acquired before the withdrawal of the United Kingdom from the European Union without an agreement concluded in accordance with Article 50 of the EU Treaty which shall remain eligible for a period defined by order of the French Minister for Economic Affairs and which may not exceed three years) and is therefore PEA (Plan d'Épargne en Actions) eligible in France.

**PLN or Polish Zloty:**

PLN or Polish Zloty refers in this prospectus to the official currency of Poland.

**Prospectus:**

The prospectus of the Company in the currently valid version including all amendments and supplements.

**Redemption price:**

The share redemption price for shares of a share class of a Subfund corresponds to the net asset value per share of the respective share class less redemption fee, if applicable.

**Reference currency:**

Currency in which the net asset value per share of a share class is calculated.

**Registered office of the Company:**

6A, route de Trèves  
L-2633 Senningerberg

**Registrar and Transfer Agent:**

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

**Regulated market:**

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

**Reporting currency:**

Reporting currency of the Company.

**Representative:**

Each representative appointed by the Company.

**Reverse Leverage:**

With regard to index-tracking leveraged UCITS Reverse Leverage means a market-contrary replication of the underlying index with a participation rate of more than 100%.

**Securities depository:**

Clearstream, Euroclear, National Securities Clearing Corporation (NSCC) and other settlement systems through which shares are issued. The shares held in safekeeping at the securities depositories are vested in global certificates. Investors should note that Euroclear only issues whole shares.

**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.

**SGD or Singapore Dollar:**

SGD or Singapore Dollar refers in this prospectus to the official currency of Singapore.

**SEK or Swedish Crowns:**

SEK or Swedish Crowns refers in this prospectus to the official currency of Sweden.

**Share:**

Each share of a share class within a Subfund of the Company.

**Share class:**

Each share class within a Subfund, which may differ from another share class in its charges, fee structure, use of income, persons authorised to invest, minimum investment amount, reference currency, the possibility of a currency hedge in a share class, the determination of the settlement date after orders are issued, the determination of the settlement procedure after settlement of an order or other characteristics.

**Shareholder:**

Each person in possession of shares of the Company.

**Sales charge:**

The fee outlined in the information sheets that is charged when shares of a Subfund are subscribed.

**SICAV:**

Société d'Investissement à Capital Variable (investment company with variable share capital).

**SRI:**

Socially Responsible Investing.

**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 ESG Factors. SRI Research data combines external ESG Research data with internal analyses. Based on an aggregation of the results of the external and/or internal analyses of the ESG Factors, an internal rating (SRI Rating) is assigned to a corporate or sovereign issuer.

**SRI Strategy:**

means a Sub-Fund's investment strategy which is consistent with the principles of "sustainable, and responsible investment", which are the two central factors which aim to address the sustainability risk and return of an investment in securities of an issuer. The term "sustainable" includes, but is not limited to, themes such as resource management, climate risks and natural resources scarcity (environmental factors), distribution of wealth, healthcare & welfare, labour and gender rights, level of democracy (social factors), government effectiveness, fiscal transparency, business independence and level of corruption (governance factors). The term "responsible" includes, but is not limited to, stewardship, engagement and active ownership. ESG Factors and the aforementioned two central SRI factors (including the aforementioned sub-categories) are set by a Sub-Fund's investment manager in a certain relationship to each other and define a Sub-Fund's investment universe which may be used within the framework of the implementation of the SRI Strategy. SRI Strategy may also be based on SRI Ratings to apply negative or positive screens on a Sub-Fund's investment universe.

In addition, minimum exclusion criteria are applied for United Nations Global Compact Violators (Divestment of companies that are unwilling to change after active engagement), controversial weapons or companies that derive more than a certain percentage of their revenues from weapons, companies that derive more than a certain percentage of their revenue from thermal coal extraction and utility companies that generate more than a certain percentage of their revenues from coal, companies involved in the production of tobacco, and companies involved in the distribution of tobacco in excess of a certain percentage of their revenues. The current exclusion criteria may be updated from time to time and can be consulted on the website <https://lu.allianzgi.com/SRI-exclusions>. To undertake this exclusion, various external ESG data and research providers are used.

**Subfund:**

Each Subfund of the Company.

**Subscription price:**

The share subscription price for shares of a share class of a Subfund corresponds to the net asset value per share of the respective share class plus sales charge, if applicable.

**Supervisory Authority:**

The Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier).

**The Company:**

Allianz European Pension Investments including all current and future Subfunds.

**The Law:**

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

**UCITS or other UCI:**

Undertakings for collective investment in transferable securities or other undertakings for collective investment as defined in the Law.

**UCITS Directive:**

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:**

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.

**United States:**

The United States of America, its territories and possessions, any State of the United States and the District of Columbia.

**US Person:**

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 (the "Securities Act"), as the definition of such term may be changed from time to time by legislation, rules, regulations or judicial or administrative agency interpretations.

A United States Person includes, but is not limited to: i. any natural person resident in the United States; ii. any partnership or corporation organized or incorporated under the laws of the United States; iii. any estate of which any executor or administrator is a US Person; iv. any trust of which any trustee is a US Person; v. any agency or branch of a foreign entity located in the United States; vi. any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; vii. any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and viii. any partnership or corporation if: (1) organized or incorporated under the laws of any foreign jurisdiction; and (2) formed by a US person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts.

**USD or US Dollar:**

USD or US Dollar refers in this prospectus to the official currency of the United States of America.

**VAG Investment Restriction:**

means that a Subfund to the extent it invests - irrespective of its individual investment objective and its individual investment principles 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) Interest-bearing Securities (excluding ABS/MBS) may only invest in Interest-bearing 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 taken into account 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 down-graded below the minimum rating as mentioned in sentence 1, must not exceed 3% of Subfund's assets. If assets as described in the aforementioned sentence exceed 3% of the Subfund's 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 Subfund's assets. Investment restrictions which are related to a specific VAG investor are not covered by the VAG Investment Restriction.

**Valuation day:**

As set forth by the Board of Directors, each business day is a valuation day.

**WKN:**

German Securities Identification Number

# Supplement II: Investment Opportunities and Restrictions

The investments of a Subfund may basically consist of such assets as are listed in this Supplement, whereby there may also be an additional restriction in the information sheets of the respective Subfunds.

The investment restrictions for Subfunds may also be found in this Supplement, whereby there may also be additional restrictions in the information sheets of the respective Subfunds, or – if permitted by law – there may be exceptions to the investment restrictions set forth in this Supplement. In addition, the ability of a Subfund to borrow is limited in accordance with this Supplement. This Supplement also contains additional regulations.

Subfunds which are managed by the Investment Manager in reference to a benchmark (“Benchmark Index”) pursuant to Article 7 Section 1 letter d) of Commission Regulation (EU) No. 583/2010 are identified in the information sheets of the individual Subfunds.

A Subfund managed in reference to a Benchmark Index is a Subfund where a Benchmark Index plays a role for (i) the explicit or implicit definition of a Subfund’s portfolio composition and/or is used for (ii) a Subfund’s performance objectives and measures.

In both cases - a Benchmark Index is used for the explicit or implicit definition of a Subfund’s portfolio composition or a Benchmark Index is used for a Subfund’s performance objectives and measures - the Subfund’s Investment Managers always follows, unless otherwise stated in a Subfund’s Investment Principles (Information Sheets on the Individual Subfunds), an active management approach, i.e. a Benchmark Index is neither replicated nor reproduced. In both cases, the Investment Manager’s aim is to outperform the Benchmark Index. A Subfund’s Investment Manager may decide not to acquire certain securities of the Benchmark Index or to acquire securities other than those included in the Benchmark Index. The composition and weighting of Subfund’s assets is neither based on the Benchmark Index nor on any other benchmark.

Due to the active management approach, the performance of a Subfund and the performance of the respective Benchmark Index may differ.

The extent to which an Investment Manager may deviate from the Benchmark Index is described in a Subfund’s Investment Principles. The degree of freedom to deviate from the Benchmark Index is classified as either limited, material or significant. In the case of a Benchmark Index that – due to its nature – cannot be mapped to the portfolio of a Subfund (e.g. the respective Benchmark Index is an interest rate or a fixed percentage), the deviation is described as “not applicable”. The degree of freedom to deviate from the Benchmark Index is likely to limit the extent to which a Subfund can outperform or underperform the Benchmark Index.

In case a Subfund’s Share Class is hedged against a certain currency, the respective Benchmark-Index is also hedged in the respective currency. In case the Benchmark Index of a Subfund is an interest rate (e.g. Euro OverNight Index Average) a hedged Share Class of such Subfund may use an adequate other interest rate of the hedging currency with an adequate tenure.

## **1. Each Subfund may invest in the following assets unless there is a restriction in the Subfund information sheet:**

In addition, the acquisition of the following assets must be executed (including but not limited to the requirements regarding regulated markets) in accordance with the requirements of Art. 41 of the Law.

- 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 defined in the first bullet point, 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 Art. 44 of the Law and Art. 9 of the Directive of the Grand Duchy of 8 February 2008.

- b) Units of UCITS or other UCIs (as defined in the UCITS Directive) established in a member state of the European Union or in a third country, if:
- such other UCI are subject to official supervision, which in the opinion of the Commission de Surveillance du Secteur Financier (“CSSF”) is equivalent to that of the European Community law, and adequate assurance of the co-operation between the relevant government agencies exists:
  - the level of protection for the unitholders of the UCI 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 UCI 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;
  - the UCITS or the UCI, the units of which are to be acquired, may according to its formation documents, invest a maximum of 10 % of its assets in units of other UCITS or UCI.

A Subfund may also invest in Shares issued by another Subfund of the Company (the “Target Subfund”) provided that:

- the Target Subfund does not invest in the Subfund invested in the Target Subfund; and
  - no more than 10% of the assets of the Target Subfund may, pursuant to its investment policy, be invested in aggregate in Shares of other Subfunds of the Company; and
  - voting rights, if any, attaching to the relevant Shares are suspended for as long as they are held by the Subfund invested in the Target Subfund 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 Subfund, 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 Sales Charges or redemption fees between those at the level of the Subfund invested in the Target Subfund and those at the level of the Target Subfund.
- c) Demand deposits or deposits subject to call with a maximum term of 12 months at credit institutions, provided the credit institution in question has its registered office in a member state of the European Union or, if the registered office of the credit institution is located in a third country, is subject to regulatory provisions, which in the opinion of the CSSF are equivalent to those of European Community law. The deposits may in principle be denominated in all currencies permitted by the investment policy of the Subfund.
- d) Financial derivative instruments (“derivatives”), i. e. 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),

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 Subfund may invest in accordance with its investment objective or financial indices, interest rates, exchange rates or currencies. The financial indices within this meaning 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 in transactions must be top-rated financial institutions and specialised in such transactions, which have 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 a form of supervision of the categories admitted 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 evaluation 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 Supplement III, No. 6.
  - 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 no. 1 a), provided that the issuer 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 a member state of the EU, the European Central Bank, the European Union or the European Investment Bank, a third country or if a federal state, a state of this federal state, or by an international organization under public law, to which at least one member states belongs; or
  - issued by a company whose securities are traded on the regulated markets described under no. 1 a); 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. Furthermore a Subfund may conduct the following transactions, unless explicitly excluded in the respective information sheet:**

- the investment of up to 10 % of the assets of a Subfund in securities and money-market instruments other than those listed under no. 1 – subject to the provisions of the respective Information sheet – ;
- for the joint account of the shareholders of a Subfund, raise short-term loans of up to 10 % of the Subfund’s net

assets, provided that the Depositary agrees to the borrowing and the terms of the respective loan; the information sheet of the respective Subfund will give a 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 as well as securities repurchase agreements and securities lending.

### 3. In investing the assets of the Company, the following restrictions must be observed; the information sheet of a Subfund may provide for additional restrictions in accordance with the letters below but also wider restrictions:

- a) On behalf of a Subfund, 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 the Subfund does not exceed 10 % of the Subfund's net assets at the time of purchase. A Subfund 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 Subfund's net assets if the counterparty is a credit institution within the meaning of no. 1 c); for other cases, the maximum limit is 5 % of the Subfund's net assets. The aggregate value in the Subfund's net assets of securities and money-market instruments of issuers where the Subfund has invested more than 5 % of its net assets in securities and money-market instruments of the same issuer may not exceed 40 % of the Subfund'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.

Irrespective of the individual investment limits cited above, a Subfund may invest a maximum of 20 % of its net assets with one and the same institution in a combination consisting of:

- securities or money-market instruments issued by that institution,
  - deposits with that institution and/or
  - enter into risks in OTC derivatives that exist with reference to the institution,
- b) If the purchased securities or money-market instruments are issued or guaranteed by a member state of the EU or its central, regional or local authorities, a third country, or by international organisations under public law to which one or more member states of the EU belong, the restriction under no. 3 a) sentence 1 is increased from 10 % to 35 % of the Subfund'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 no. 3 a) sentence 1 and 4 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 no. 3. b) and c) will not be considered when applying the 40 % investment limit provided under no. 3. a) sentence 4. The restrictions under no. 3. a) to c) 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 Subfund'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 no. 3 a) to d). A Subfund 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 no. 3 a) to d), the Board of Directors may decide that in accordance with the principle of risk diversification, up to 100 % of a Subfund's assets may be invested in securities and money-market

instruments of different issues being offered or guaranteed by the European Union, the European Central Bank, a member state of the EU or its local authorities, by a member state of the OECD, or 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 (currently the following states are accepted by CSSF: The special administrative region of Hong Kong, 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 Subfund's net assets.

- g) A Subfund may purchase units of other UCITS or UCI as defined under no. 1. b) up to a total of 10 % of its net Subfund assets. In derogation of this, the Board of Directors may decide that a higher percentage or all of a Subfund's net assets may be invested in units of other UCITS or UCI as defined under no. 1 b), which will be explicitly mentioned in the prospectus for the Subfund in question. In this case a Subfund may not invest more than 20 % of its net Subfund assets in a single UCITS or UCI. When this investment limit is applied, each subfund 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 subfund. Similarly, in this case investments in units of other UCI than UCITS may not exceed a total of 30 % of a Subfund's net assets.

Moreover, the Board of Directors may decide to allow the investment in units of a master fund qualifying as a UCITS provided that the relevant Subfund (the "Feeder Subfund") 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 Information Sheet of the Subfund in question.

A Feeder Subfund 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 Subfund has acquired units of a UCITS or a UCI, the investment values of the relevant UCITS or UCI are not considered with regard to the investment limits stated under no. 3. a) to d).

If a Subfund 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 (at least 10% of the capital or the votes) then neither the Company nor the associated company may charge fees for the subscription or redemption of units.

If a Subfund 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 letter i) below, the Board of Directors may determine that the upper limits stated in letters a) to d) for investments in equities and/or debt instruments of a single issuer amount to 20 % if the objective of the Subfund'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 set down in sentence 1 is 35 % provided this is justified based on exceptional market conditions, and in particular on regulated markets on which 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 a) sentence 4 does not apply.

- i) The Company may not acquire voting shares carrying a voting right through which it would be permitted to exert a significant influence on the issuer's business policy for any of its investment funds under management. On behalf of a Subfund, it may acquire a maximum of 10 % of the nonvoting shares, bonds and money-market instruments issued by the issuer and a maximum of 25 % of the shares 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 a member state of the EU 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 member states of the EU belong.

The restrictions stated under the first bullet point of no. 2 and no. 3 refer to the time the assets are acquired. If the percentages are subsequently exceeded as a result of price developments or due to reasons other than additional purchases, the Company will immediately strive to normalise this situation as a priority objective, taking into account the interests of the shareholders.

#### **4. The Company is not permitted to enter into the following transactions:**

- a) No Subfund may assume liabilities in connection with the purchase of partly paid securities, the aggregate of which including loans as stipulated in No. 2 second indent exceeds 10 % of the Subfund's net assets.
- b) No Subfund may grant loans, or act as guarantor on behalf of third parties.
- c) No Subfund may acquire securities the disposal of which is subject to any kinds of restrictions due to contractual provisions.
- d) No Subfund may invest in real estate, whereby real-estate-backed securities or money-market instruments or interest on such investments or investments in securities or money-market instruments issued by companies which invest in real estate (such as REITS), and interest on such investments are permitted.
- e) No Subfund may acquire precious metals or certificates on precious metals.
- f) No Subfund 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 this prospectus. Such collateral agreements are applicable in particular to OTC trades in accordance with No. 1 d) ("Collateral Management").
- g) No Subfund may conduct short sales of securities, money market instruments or target fund shares.

#### **5. Transactions with affiliated Companies**

On behalf of a Subfund, the Company may also enter into transactions and invest in currencies and other instruments for which affiliated companies act as broker or acting 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. On behalf of a Subfund, the Company may also enter into mutual transactions 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 Subfund. 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 sales charges charged by the affiliated companies should be appropriate.

The Board of Directors is authorised to issue 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.

## 6. Securities pursuant to Rule 144A of the United States Securities Act of 1933

To the extent permitted according to the laws and regulations of Luxembourg – subject to being otherwise compatible with the investment objectives and investment policy of a Subfund set forth in the respective information sheet – a Subfund 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 144 A”). The term “qualified institutional buyer” is defined in the 1933 Act and includes those companies whose net assets exceed USD 100 million. Securities pursuant to Rule 144A qualify as securities as set out in Article 41 Paragraph 1 of the Law if the bonds in question contain a registration right as prescribed in the 1933 Securities Act, which states that there is a conversion right for securities registered and freely negotiable on the US OTC fixed-income market. Such conversion must be completed within one year of the purchase of 144A bonds because otherwise the investment limits set out in Article 41 Paragraph 2 a) of the Law are applicable. A Subfund may invest up to 10 % of its net assets in securities pursuant to Rule 144A that do not qualify as securities as defined in Article 41 Paragraph 1, provided that the total value of such assets together with other such securities and money-market instruments that do not fall under No. 1, does not exceed 10 %.

## 7. Direct Investments in Russian Securities

If the investment objective and investment policy of a Subfund allow investment in Russian securities, direct investments in traded Russian securities may be made within such framework on the MICEX-RTS (“Moscow Interbank Currency Exchange-Russian Trade System”), which is a regulated market as defined in Article 41 Paragraph 1 of the Law.

## 8. Ottawa and Oslo convention

The Subfunds refrain from investing in securities of issuers which, in the opinion of the Board of Directors, engage in business activities prohibited by the Ottawa convention on antipersonnel mines and the Oslo convention on cluster munition. In determining whether a company engages in such business activities, the Board of Directors may rely on assessments that are based on

- a) research analysis from institutions specialized in screening compliance with said conventions,
- b) responses received from the Company in the course of shareholder engagement activities, as well as
- c) publicly available information.

Such assessments may either be made by the Board of Directors itself or obtained from third parties, including other Allianz Group companies.

# Supplement III: Use of Techniques and Instruments

## 1. Use of Techniques and Instruments:

The Company may use techniques and instruments, in particular security repurchase and securities lending agreements and derivatives as defined in Supplement II 1. d), in accordance with the investment restrictions of the Subfund with a view to efficient portfolio management (including for hedging purposes). The Company may also, in particular, use market-contrary techniques and instruments.

In particular, the Company may enter into any type of swap transactions, such as credit default swaps. In particular, the Company may enter into swap transactions in which the Company and the counterparty agree to swap the returns generated by investments, a security, a money-market instrument, a share of a fund, a derivative, a financial index, or a basket of securities or indices for returns from another security, money-market instrument, share of a fund, derivative, financial index, basket of securities or indices or other investments. The Company is also authorised to use such credit default swaps with objectives other than hedging.

The contracting partner of credit default swaps must be a top-rated financial institution which specialises in such transactions. Both the underlyings of the credit default swap and the respective counterparty of the credit default swap must be taken into account with regard to the investment limits set out in Supplement II No. 3. Credit default swaps are valued on a regular basis using clear and transparent methods. The Company and the independent auditor will monitor the clarity and transparency of the valuation methods and their application. If the monitoring should reveal any differences, the Company will arrange for these to be resolved and eliminated.

The Company may also acquire securities and money-market instruments in which one or more derivatives are embedded (structured products). Derivatives are based on "underlyings". These "underlyings" may be the admissible instruments listed in No. 1 of Supplement II 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 No. 1 of Supplement II, and commodity futures, precious metal and commodity indices.

The techniques and instruments must be used for the purpose of efficient portfolio management, which supposes that they must fulfil the following criteria:

- (a) they are economically appropriate in that they are realised in a cost-effective way;
- (b) they are entered into for one or more of the following specific aims:
  - (i) reduction of risk;
  - (ii) reduction of cost;
  - (iii) generation of additional capital or income for the Subfund with a level of risk which is consistent with the risk profile of the Sub/Fund and the risk diversification rules laid down in Supplement II, No. 3 letters a) to d);
- (c) their risks are adequately captured by the risk management process of the Company.

The use of techniques and instruments should not

- (a) result in a change of declared investment objective of the Subfund; or

(b) add substantial supplementary risks in comparison to the Risk Profile as described in the Subfund's information sheet.

A Subfund entering into efficient portfolio management transactions should take into account these operations when developing its liquidity risk management process in order to ensure it is able to comply with its redemption obligations.

## 2. Securities Repurchase Agreements, Securities Lending Transactions

The Company may enter into repurchase agreements and into securities lending transactions in accordance with the requirements as set out in the Securities Financing Transactions Regulation and in accordance with the requirements as set out in the Circulars 08/356 dated 4 June 2008 and 14/592 dated 30 September 2014 of the CSSF.

Pursuant to the investment principles of a Subfund and taking into consideration its obligation to redeem Shares on each Valuation Day, the Company may enter into securities repurchase agreements and securities lending transactions without limit.

a) A Subfund may enter into **repurchase agreements** for securities and money-market instruments both as borrower and lender, 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. Borrowed securities and money-market instruments may only be sold during the term of the repurchase agreement if the Subfund has other means available for hedging. With regard to securities and money-market instruments lent out, a Subfund must be in a position upon maturity of the repurchase agreement to comply with its repurchase obligations.

Any liquidity in the Subfund arising from a repurchase agreement with a subsequent repurchase obligation arising is not counted towards the 10 % limit for temporary loans in accordance with Supplement II No. 2 second indent and thus is not subject to any limit. The relevant Subfund may fully invest the liquidity generated elsewhere pursuant to its investment policies, independent of the existence of the repurchase obligation.

A Subfund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Subfund's Net Asset Value. A Subfund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase agreements and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Subfund.

b) A Subfund may enter into **securities lending transactions** in which it lends the securities and money-market instruments it holds, 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. A Subfund should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered. It is a requirement that the Company be granted sufficient collateral for a Subfund through the transfer of cash, securities or money-market instruments, the value of which during the lifetime of the lending agreement corresponds to at least the value of 90 % of the global valuation (interests, dividends and other eventual rights included) of the securities and money-market instruments lent. Securities and money-market instruments may be accepted as collateral if they take the form of:

(i) liquid assets,  
liquid assets include not only cash and short term bank certificates, but also money market instruments. A letter of credit or a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty are considered as equivalent to liquid assets;

- (ii) bonds issued or guaranteed by a member state of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
- (iii) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
- (iv) shares or units issued by UCITS investing mainly in bonds/shares mentioned in (v) and (vi) below;
- (v) bonds issued or guaranteed by first class issuers offering an adequate liquidity, or
- (vi) shares admitted to or dealt in on a Regulated Market of a member state of the European Union or on a stock exchange of a member state of the OECD, on the condition that these shares are included in a main index.

The guarantee given under any form other than cash or shares/units of a UCI/UCITS may not be issued by an entity affiliated to the counterparty.

The Company may – unless otherwise prevented by the securities lending agreement and the investment principles of the respective Subfund – fully invest the collateral granted in the form of cash during the term of the securities lending agreement in:

- shares or units of money-market UCIs that calculate a net asset value daily and that have a rating of AAA or the equivalent;
- time deposits;
- money-market instruments as defined in Directive 2007/16/EC of 19 March 2007;
- short-term bonds issued or guaranteed by a member state of the European Union, Switzerland, Canada, Japan or the United States or public central, regional or local authorities and supranational institutions and organisations under community, regional or global law;
- bonds issued or guaranteed by top-rated issuers that have sufficient liquidity; and
- repurchase agreements as lender, as described in this Supplement

should such an action be deemed reasonable and customary after careful analysis. In executing such transactions, the Company may either use the Management Company or recognised clearing organisations or top-rated financial institutions which specialise in such transactions (securities lending programmes). The Management Company may receive a remuneration for arranging, preparing and executing securities lending and/or repurchase/reverse repurchase transactions of up to 30% of the generated income and other institutions may receive of up to 50% of the generated income from the transactions as compensation for their services.

- c) With respect to both securities repurchase and securities lending agreements if the counterparty to these agreements is an affiliate, then the maximum amount available for such securities repurchase or securities lending transaction is limited to 50 % of the net asset value of the relevant Subfund unless such transaction can be terminated or recalled daily. The risk exposure to a single counterparty arising from one or more securities lending transactions, sale with right of repurchase transactions and/or reverse repurchase/repurchase transactions may not exceed 10 % of the net asset value of the relevant Subfund when the counterparty is a credit institution referred to in Article 41 Paragraph 1 f) of the Law; in all other cases it may not exceed 5 % of its net asset value.

### **3. Buy-Sell Back Transactions / Sell-Buy Back Transactions, Margin Lending Transactions**

A Subfund may not enter into buy-sell back transactions or sell-buy back transactions.

A Subfund may not enter into margin lending transactions.

### **4. 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.

## 5. Securities Financing Transactions Regulation

A Subfund may enter into the following transactions:

- (i) Repurchase agreements, securities or commodities lending and/or securities or commodities borrowing agreements, (the "Securities Financing Transactions") as set out in this section and section No. 2 above; and
- (ii) Total Return Swaps / CFDs as set out in this section and section No. 4 above.

A Subfund may enter into TRS / CFDs for investment purposes and for efficient portfolio management purposes, and may enter into Securities Financing Transactions for efficient portfolio management purposes only.

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 a Subfund with a level of risk that is consistent with the risk profile of a Subfund.

If a Subfund invests in TRS and/or CFDs and/or Securities Financing Transactions, 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 Subfund's investment objective and investment principles.

### Proportions of a Subfund's Net asset value subject to Securities Financing Transactions

Both, the maximum and the expected proportion of the Net Asset Value of a Subfund that can be subject to TRS / CFDs and or Securities Financing Transactions are disclosed in the respective Subfund's Information Sheet.

According to the requirements of the Securities Financing Transaction Regulation the expected proportion for single Securities Financing Transactions as pointed out in a Subfund's Information Sheet is not a limit and the actual percentage therefore may vary over time depending on factors including, but not limited to, market conditions.

The maximum figure for single Securities Financing Transactions as pointed out in a Subfund's Information Sheet is a limit.

A Subfund shall only enter into TRS / CFDs and Securities Financing Transactions with counterparties that satisfy the criteria (including those relating to legal status, country of origin and minimum credit rating) as set out in in **Supplement II: Investment Opportunities and Restrictions** and in **Supplement III: Use of Techniques and Instruments, Section No. 2 "Securities Repurchase Agreements, Securities Lending Transactions"**.

The underlyings of TRS / CFDs are securities which may be acquired for a Subfund 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 Subfund may invest in accordance with its Investment policy.

The categories of collateral which may be received by a Subfund are set out in this **Supplement III: Use of Techniques and Instruments**, Section No. 8 “Collateral Management Policy” and includes cash and non-cash assets such as equities, interest-bearing securities and money market instruments. Collateral received by a Subfund will be valued in accordance with the valuation methodology set out under the section entitled “Calculation of Net Asset Value per Share”.

In the event that a Subfund enters into securities lending transactions as a borrower, only securities shall be borrowed which may be acquired in accordance with the Subfund’s investment policy.

Where a Subfund receives collateral as a result of entering into TRS / CFDs or Securities Financing Transactions, there is a risk that the collateral held by a Subfund may decline in value or become illiquid. In addition, there can also be no assurance that the liquidation of any collateral provided to a Subfund to secure a counterparty’s obligations under a total return swap or Securities Financing Transaction would satisfy the counterparty’s obligations in the event of a default by the counterparty. Where a Subfund provides collateral as a result of entering into TRS / CFDs or Securities Financing Transactions, 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 and Securities Financing Transactions, see the section entitled “Use of Techniques and Instruments and Special Risks associated with such Use”.

A Subfund may provide certain of its assets as collateral to counterparties in connection with TRS / CFDs and Securities Financing Transactions. If a Subfund 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 Subfund, the Subfund may be an unsecured creditor in the event of the insolvency of such entity.

There are legal risks involved in entering into TRS / CFDs or Securities Financing Transactions 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 the section entitled “Collateral Management Policy”, a Subfund may re-invest cash collateral that it receives. If cash collateral received by a Subfund is re-invested, the Subfund 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 Subfund 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 Subfund.

## 6. Potential impact of the Use of Techniques and Instruments on the performance of each Subfund

The use of Techniques and Instruments might have a positive and a negative impact on the performance of each Subfund.

The Subfunds may use derivatives for hedging purposes. This may lead to correspondingly lower opportunities and risks in the general Subfund 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 Subfunds may also employ derivatives in a speculative sense in order to increase returns in pursuing the investment objective, in particular, to represent the general Subfunds’ 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 Subfunds’ profiles through derivatives, the general Subfunds’ profiles will be implemented through the replacement of direct investments in securities, for example, by investments in derivatives or also, in shaping the general Subfunds’ profiles, specific components of the Subfunds’ 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 Subfunds’ profiles. In particular, if a Subfund’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 principles are predominantly derivative based. If the Subfunds 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.

The use of securities repurchase agreements and securities lending transactions shall result in additional income for the fund by obtaining the lending fee from the respective counterparty. However, the use of securities lending transactions also imposes certain risks on the respective Subfund which might also result in losses of the fund, i.e. in the case of a default of the counterparty of the securities lending transactions.

Securities repurchase agreements are used to either invest or obtain liquidity on behalf of the Subfund, usually on a short term basis. If the Subfund is entering into securities repurchase agreements as lender it obtains additional liquidity which may be fully invested pursuant to the Subfund's investment policies. In such scenario, the Subfund has to comply with its repurchase obligation irrespective of whether the use of liquidity obtained through the securities repurchase agreements has resulted in losses or gains for the Subfund. If the Subfund is entering into securities repurchase agreements as borrower it reduces its liquidity which cannot be used for other investments.

## **7. 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 total return swaps and Securities Financing Transactions may be deducted from the revenue delivered to the Subfunds (e.g., as a result of revenue sharing arrangements). These costs and fees should not include hidden revenue with the exception of remuneration for arranging, preparing and executing securities lending and/or repurchase/reverse repurchase transactions by the Management Company without the use of securities lending programmes and securities lending brokers. All the revenues arising from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the relevant Subfund. The entities to which direct and indirect costs and fees may be paid include banks, investment firms, broker-dealers, securities lending agents or other financial institutions or intermediaries and may be related parties to the Management Company or the Investment Manager and the Management Company itself for arranging, preparing and executing securities lending and/or repurchase/reverse repurchase transactions. 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 Subfunds.

## **8. Collateral Management Policy**

When entering into OTC derivatives transactions or efficient portfolio management techniques the Company will observe the criteria laid down below in accordance with Circular 14/592 of the CSSF 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 Supplement II, No. 3 letters a) to d).

All assets received by the Subfunds 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 Supplement II No. 3, letter i). If the market value of

the collateral exceeds or falls short of the contractually agreed threshold, the collateral will be adjusted on a daily basis as to maintain the agreed threshold. This monitoring process is on a daily basis.

- 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: Interest-bearing securities received as collateral should have a maturity equivalent to the maturity of the interest-bearing securities which may be acquired for the respective Subfund according to its investment policy
- 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 Subfund 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.
- g) Enforceable: collateral received should be capable of being fully enforced by the Subfund 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 Supplement II, No. 1 letter 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 Subfund 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 Subfund from repayment of full cash collateral received, i.e. potential losses incurring from the re-investment have to be borne by the Subfund.

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 to the Subfund 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 Subfund 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 Subfund 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 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 supnationals 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 Subfund.

## 9. Risk Management Process

The Management Company will calculate the global exposure of each Subfund. The Management Company will use for each Subfund either the commitment approach, the relative Value-at-Risk approach or the absolute Value-at-Risk approach. The applied risk management approach for each Subfund is displayed in the table below. For those Subfunds for which the relative Value-at-Risk approach is used, the respective reference portfolio is additionally outlined below. Furthermore, for those Subfunds which either use the relative Value-at-Risk approach or the absolute Value-at-Risk approach, the expected level of leverage of derivatives is disclosed.

The expected level of leverage of derivatives is calculated as the expected average sum of notionals of derivatives (not including the investment portfolio). Please note that the actual sum of notionals of derivatives might change over time and might temporarily exceed the expected level of leverage of derivatives. Shareholders should be aware that derivatives might be used for different purposes including hedging 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 Subfund.

Subfund Name	Approach	Expected Level of Leverage in terms of gross derivative exposure of a Sub-Fund's Net Asset Value	Reference Portfolio
Allianz Neo ISR 2019	Commitment Approach	-	-
Allianz Neo ISR 2020	Commitment Approach	-	-
Allianz Strategy 15	Relative Value-at-Risk	0-2	The comparable portfolio does not include derivatives and consists of a portfolio in line with the composition of 85 % JPMorgan Economic and Monetary Union Government Bond Investment Grade Index and 15 % MSCI World Index Local.
Allianz Strategy 50	Relative Value-at-Risk	0-2	The comparable portfolio does not include derivatives and consists of a portfolio in line with the composition of 50% MSCI World Index Local and 50% JPMorgan Economic and Monetary Union Government Bond Investment Grade Index.
Allianz Strategy 75	Relative Value-at-Risk	0-2	The comparable portfolio does not include derivatives and consists of a portfolio in line with the composition of 75% MSCI World Index Local and 25% JPMorgan Economic and Monetary Union Government Bond Investment Grade Index.

# Supplement IV: Structure of the Share Classes

Information on the share classes that have already been launched for the individual Subfunds can be found in the respective information sheets. The Board of Directors may decide at any time to create additional share classes for the respective Subfunds. In this case, the information sheet of the corresponding Subfund will be supplemented to include the information on the new share classes.

Share Classes	N/NT	P/PT	I/IT	W/WT
Minimum investment <sup>1)</sup>	CHF 400,000	CHF 3,000,000	CHF 8 million	CHF 20 million
	CZK 6 million	CZK 90,000,000	CZK 120 million	CZK 300 million
	DKK 2 million	DKK 30,000,000	DKK 40 million	DKK 100 million
	EUR 200,000	EUR 3,000,000	EUR 4 million	EUR 10 million
	GBP 200,000	GBP 3,000,000	GBP 4 million	GBP 10 million
	HKD 2 million	HKD 30,000,000	HKD 40 million	HKD 100 million
	HUF 50 million	HUF 750,000,000	HUF 1 billion	HUF 2.5 billion
	JPY 40 million	JPY 600,000,000	JPY 800 million	JPY 2 billion
	NOK 1.6 million	NOK 24,000,000	NOK 32 million	NOK 80 million
	PLN 800,000	PLN 12,000,000	PLN 16 million	PLN 40 million
	SEK 2 million	SEK 30,000,000	SEK 40 million	SEK 100 million
	SGD 400,000	SGD 6,000,000	SGD 8 million	SGD 20 million
	USD 200,000	USD 3,000,000	USD 4 million	USD 10 million

<sup>1)</sup> In certain cases, the Management Company has discretion to permit lower minimum investments.

# Supplement V: Other Investment Funds Managed by the Management Company under Luxembourg Law

At the time of printing this prospectus the Management Company managed undertakings for collective investment in transferable securities (UCITS) or other undertakings for collective investment (UCI) established in Luxembourg either in the legal form as “fonds communs de placement en valeurs mobilières” (FCP) or as Société d’Investissement à Capital Variable (SICAV) as defined in the Law.

The Management Company managed as well undertakings for collective investment situated in Luxembourg as specialised investment fund according to the Luxembourg Law of 13 February 2007 relating to specialised investment funds, as amended from time to time.

The Management Company managed as well undertakings for collective investment in transferable securities (UCITS) or other undertakings for collective investment (UCI) established in France, Germany, Italy, Ireland and the United Kingdom according to the corresponding domestic jurisdiction.

A list of all Funds and Share Classes which are available for public distribution in your home country may be obtained, free of charge upon request, at the registered office of the Company, from the Management Company or from the website <https://regulatory.allianzgi.com>.

# Information Sheets on the Individual Subfunds

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# Allianz Neo ISR 2019

## Information Sheet

### Investment Objective

The objective of the investment policy is to generate the Annual Coupon on the Initial NAV of the Subfund which will, however, only be achieved if the underlying equity basket as described below is exceeding predefined thresholds on predefined Observation Dates.

The following terms will be used in this Information Sheet:

### Annual Observation Date

Date on which the occurrence of an Early Maturity Event will be evaluated. The First Annual Observation Date is the fifth Business day after the second anniversary of the Subfund launch date, the Second Annual Observation Date is the fifth Business day after the third anniversary of the Subfund launch date, the Third Annual Observation Date is the fifth Business day after the fourth anniversary of the Subfund launch date, the Fourth Annual Observation Date is the fifth Business day after the fifth anniversary of the Subfund launch date, the Fifth Annual Observation Date is the fifth Business day after the sixth anniversary of the Subfund launch date, the Sixth Annual Observation Date is the fifth Business day after the seventh anniversary of the Subfund launch date.

### Annual Coupon

5.35 % per annum

### Business day

Deviating to the definition as mentioned in Supplement I (Glossary) a Business day is – with regard to this Subfund - each day on which banks and exchanges in Luxembourg, Paris, Milan, Madrid and Frankfurt are open for business

### Calculation Agent

The Guarantor

### Early Maturity Date

Date on which the Subfund will be liquidated in case of an Early Maturity Event. The First Early Maturity Date is ten Business days after the First Annual Observation Date, the Second Early Maturity Date is ten Business days after the Second Annual Observation Date, the Third Early Maturity Date is ten Business days after the Third Annual Observation Date, the Fourth Early Maturity Date is ten Business days after the Fourth Annual Observation Date, the Fifth Early Maturity Date is ten Business days after the Fifth Annual Observation Date, the Sixth Early Maturity Date is ten Business days after the Sixth Annual Observation Date. If the Observation Date Price cannot be determined on Observation Date because the main stock exchange of any stock is not open for trading or if trading of the respective stock is disrupted but can only be determined on one or more business days after the Observation Date, the Observation Date Price shall be determined separately in respect of each stock the main stock exchange of which is open for trading and the trading of which is not disrupted. The period between an Observation Date and a Maturity Date will be prolonged by same number of business days by which the determination of Observation Date Price had been delayed for the last stock, if any, the main stock exchange of which is open for trading and the trading of which is not disrupted.

### Early Maturity Event

An Early Maturity Event happens if the Equity Basket Level on any Annual Observation Date is equal or higher than the Initial Level. In such a scenario, the Formula expires on the respective Annual Observation Date. The Subfund is dissolved on the respective Early Maturity Date. During the interim period between the Annual Observation Date and the Early Maturity Date, the Subfund can invest in cash or in the money markets instruments, e.g. through UCIs with the Short-term Money Market or Money Market classifications. The Subfund will be dissolved and then liquidated at the end of this period. The Subfund will receive no guarantee for the Formula during this interim period (except on the second Business day after the

respective Annual Observation Date), when it will be managed on the money market, with all the risks that entails.

- If the Equity Basket Level on the First Annual Observation Date is equal to or greater than the Initial Level, the Formula provides for a NAV of the Subfund on the second Business day after the First Annual Observation Date which equals to the Initial NAV plus 5.35 % of the Initial NAV (110.70 % of the Initial NAV).
- If the Equity Basket Level on the Second Annual Observation Date is equal to or greater than Initial Level the Formula provides for a NAV of the Subfund on the second Business day after the Second Annual Observation Date which equals to the Initial NAV plus 5.35 % of the Initial NAV (116.05 % of the Initial NAV).
- If the Equity Basket Level on the Third Annual Observation Date is equal to or greater than the Initial Level, the Formula provides for a NAV of the Subfund on the second Business day after the Third Annual Observation Date which equals to the Initial NAV plus 5.35 % of the Initial NAV (121.40 % of the Initial NAV).
- If the Equity Basket Level on the Fourth Annual Observation Date is equal to or greater than the Initial Level the Formula provides for a NAV of the Subfund on the second Business day after the Fourth Annual Observation Date which equals to the Initial NAV plus 5.35 % of the Initial NAV (126.75 % of the Initial NAV).
- If the Equity Basket Level on the Fifth Annual Observation Date is equal to or greater than the Initial Level, the Formula provides for a NAV of the Subfund on the second Business day after the Fifth Annual Observation Date which equals to the Initial NAV plus 5.35 % of the Initial NAV (132.10 % of the Initial NAV).
- If the Equity Basket Level on the Sixth Annual Observation Date is equal to or greater than the Initial Level, the Formula provides for a NAV of the Subfund on the second Business day after the Sixth Annual Observation Date which equals to the Initial NAV plus 5.35 % of the Initial NAV (137.45 % of the Initial NAV).

If the Observation Date Price cannot be determined on Observation Date because the main stock exchange of any stock is not open for trading or if trading of the respective stock is disrupted but can only be determined on one or more business days after the Observation Date, the Observation Date Price shall be determined separately in respect of each stock the main stock exchange of which is open for trading and the trading of which is not disrupted. The Formula will be applied not on the second Business day after the respective Observation Date but delayed by the same number of business days by which the determination of Observation Date Price had been delayed for the last stock, if any, the main stock exchange of which is open for trading and the trading of which is not disrupted.

### Equity Basket

The Equity Basket consists initially of 20 equally weighted stocks selected by the Investment Manager. The Investment Manager will only select stocks in accordance with the Sustainable and Responsible Investment Strategy (“SRI Strategy”) which considers various criteria regarding social and environmental policy, human rights and corporate governance and having its registered office in Europe. In addition, such stocks must comply with the criteria as set out in Supplement II, No. 1 a) of this prospectus.

Any dividend paid for stocks of the Equity Basket will not be taken into calculation for the valuation of the Equity Basket.

In case of an extraordinary event related to any stock as defined in standardised agreements widely used within the financial industry for OTC derivatives transactions, e.g. change in law, an insolvency event, a merger, a delisting or similar events affecting significantly the creditworthiness of a stock or in case any does – in the opinion of the Investment Manager – no longer comply with the SRI Strategy (the “Affected Stock”), the Affected Stock will be replaced by another stock as determined by the Investment Manager at its sole discretion (the “Substitute Stock”). The Substitute Stock must have its registered office in Europe, must satisfy the SRI Strategy and must comply with the criteria as set out in Supplement II, No. 1 a) of this prospectus. A Substitute Stock may become an Affected Stock if an extraordinary event as described above may happen to the Substitute Stock.

### Equity Basket Level

As of an Annual or Final Observation Date, the Equity Basket Level is measured by comparing the Observation Date Price(i) as defined below of each stock of the Equity Basket on the respective Observation Date to the Initial Price(i) as defined below:

The Equity Basket Level on each Observation Date is calculated as follows:

$$\sum_{i=1}^{20} W(i) \times P(\text{stock } i) = \frac{1}{20} P(\text{stock } 1) + \frac{1}{20} P(\text{stock } 2) + \frac{1}{20} P(\text{stock } 3) + \frac{1}{20} P(\text{stock } 4) + \frac{1}{20} P(\text{stock } 5) + \frac{1}{20} P(\text{stock } 6) + \frac{1}{20} P(\text{stock } 7) + \frac{1}{20} P(\text{stock } 8) + \frac{1}{20} P(\text{stock } 9) + \frac{1}{20} P(\text{stock } 10) + \frac{1}{20} P(\text{stock } 11) + \frac{1}{20} P(\text{stock } 12) + \frac{1}{20} P(\text{stock } 13) + \frac{1}{20} P(\text{stock } 14) + \frac{1}{20} P(\text{stock } 15) + \frac{1}{20} P(\text{stock } 16) + \frac{1}{20} P(\text{stock } 17) + \frac{1}{20} P(\text{stock } 18) + \frac{1}{20} P(\text{stock } 19) + \frac{1}{20} P(\text{stock } 20)$$

Where  $P(\text{stock } i)$  means in respect of any stock  $i$  a rate determined by the Calculation Agent in accordance with the following formula:

$$P(\text{stock } i) = \frac{\text{Observation Date Price}(i)}{\text{Initial Price}(i)}$$

With:

$i = 1$  to  $20$

$W(i)$  is the weight of each stock in the basket, means  $1/20$

Initial Price( $i$ ) is the official closing price of the stock  $i$  on the Initial Observation Date if the stock is not a Substitute Stock. If the stock is a Substitute Stock, the Initial Price( $i$ ) will be calculated by the Calculation Agent on the date of the substitution of the Affected Stock by the Substitute Stock (the "Substitution Date"): The official closing price of the Substitute Stock will be adjusted by the performance of the Affected Stock between Initial Observation Date and Substitution Date. The Initial Price of the Substitute Stock will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price (Substitute Stock)} = \left( \frac{\text{Price Substitute Stock (at Substitution Date)}}{\text{Price Affected Stock (at Substitution Date)}} \times \text{Initial Price (Affected Stock)} \right) \pm C$$

$C$  is an adjustment calculated by the Calculation Agent to reflect differences between the Affected Stock and the Substitute Stock with regard to factors such as volatility, dividend yield and correlation to each other of Affected Stock and Substitute Stock. Such adjustment can either increase or decrease the Initial Price of the Substitute Stock but such adjustment is always made to ensure that the substitution of the Affected Stock shall not impact the expected performance of the Subfund on Substitution Date.

Observation Date Price( $i$ ) is the official closing price of the stock  $i$  on the Observation Date considered. If the Observation Date is not a Business day on which the main stock exchange of the respective stock is open for trading or if trading of the respective stock is disrupted the official closing price of the stock  $i$  on the next available Business day on which the main stock exchange of the respective stock is open for trading without disruption will be taken.

### Final Equity Basket Level

The Equity Basket Level on the Final Observation Date

### Final Maturity Date

The Final Maturity Date is ten Business days after the Final Observation Date.

### Final Maturity Event

Where the Equity Basket Level on all Annual Observation Dates was lower than its Initial Level the following shall apply:

- If the Final Equity Basket Level is less than 50% of its Initial Level, the formula provides for a NAV on the second Business day after the Final Observation Date which equals to 50% of the Initial NAV.
- If the Final Equity Basket Level has fallen below 70% of its Initial Level but is greater than 50% of its Initial Level, the Formula provides for no additional payment to the Subfund. Pursuant to the Formula the NAV on the second Business day after the Final Observation Date is expected to be the same percentage in relation to the Initial NAV which the Final Equity Basket Level is in relation to the Initial Level, i.e. if the Final Equity Basket Level is 65% from its Initial Level, the NAV on the second Business day after the Final Observation Date is expected to be 65% of the Initial NAV.
- If the Final Equity Basket Level is lower than its Initial Level but has not fallen below 70% from the Initial Level, the

Formula provides for a NAV of the Subfund on the second Business day after the Final Observation Date which equals to the Initial NAV.

- If the Final Equity Basket Level is equal to or greater than the Initial Level, the Formula provides for a NAV on the second Business day after the Final Observation Date which equals to the Initial NAV plus 5.35 % of the Initial NAV (142.80 % of the Initial NAV).

If the Observation Date Price cannot be determined on Observation Date because the main stock exchange of any stock is not open for trading or if trading of the respective stock is disrupted but can only be determined on one or more business days after the Observation Date, the Observation Date Price shall be determined separately in respect of each stock the main stock exchange of which is open for trading and the trading of which is not disrupted. The Formula will not be applied on the second Business day after the respective Observation Date but delayed by the same number of business days by which the determination of Observation Date Price had been delayed for the last stock, if any, the main stock exchange of which is open for trading and the trading of which is not disrupted.

The Subfund is automatically redeemed and dissolved and then liquidated on Final Maturity Date. During the interim period between the Final Observation Date and the Final Maturity Date, the Subfund is invested in cash or in the money markets instruments, e.g. through UCIs with the Short-term Money Market or Money Market classifications. The Subfund will receive no guarantee for the Formula during this interim period (except on the second Business day after the respective Final Observation Date), when it will be managed on the money market, with all the risks that entails.

#### Final NAV

The Net Asset Value of the Subfund on an Early Maturity Date or the Final Maturity Date (as applicable).

#### Final Observation Date

The Final Observation Date is the fifth Business day after the eight anniversary of the Subfund launch date.

#### Formula

The Subfund's payout is based on the Equity Basket Level between the Initial Observation Date and the Annual Observation Dates or the Final Observation Date.

The Subfund may have a term of about two, three, four, five, six, seven or eight years (plus 15 Business days respectively) depending on the Equity Basket Level on any Observation Date, and there is a risk of capital loss if the term stretches to eight years or will be redeemed before its liquidation.

Depending on the Equity Basket Level, the Fund has six Early Maturity Dates, each associated with an Annual Observation Date, and a Final Maturity Date associated with a Final Observation Date.

#### 1 - Description of the Formula

The Formula is based on the performance of the Equity Basket with dividends not reinvested.

The Formula links the Subfund's performance to the performance of stocks of the Equity Basket only on an Annual Observation Date or the Final Observation Date. Indeed, owing to the contracts established to guarantee the Formula upon maturity, the changes in NAV over the lifetime of the Formula may not reflect the changes in the Equity Basket.

#### 2 - Implementation of the Formula

The Subfund assets are invested in a portfolio of equities, money market instruments, interest-bearing securities or instruments whose risk profile typically correlate with equities or interest-bearing securities. The Subfund's performance depends on the performance of the stocks of the Equity Basket. The Subfund will use a derivative structure, in particular swaps. Swaps will be used on the positive or negative performance of the portfolio of equities held by the Subfund and a cash component. Further swaps will be used on a cash component (minus costs and fees) against a payment depending on the performance of the stocks of the Equity Basket to ensure the payout of the Formula of the Subfund (both swaps being "Total Return Swaps"). The Portfolio of equities underlying the two Total Return Swaps might be different.

Given the complexity of the Total Return Swaps, the counterparty's ability to handle such complex swaps will be of significant importance within this process. The Total Return Swaps will be implemented with only one counterparty which shall be the Guarantor. The Investment Manager has ensured that the Guarantor complies with the general requirements of the Investment Manager for counterparty selection.

The counterparty assumes no discretion over the composition or management of either the portfolio of equities held by the Subfund or of the Equity Basket.

In case of event affecting the pricing of one or more stocks of the Equity Basket e.g. market malfunction, market disruption event or additional disruption event, the valuation of the relevant stock(s) will be adjusted in accordance with rules and procedures as defined in standardised agreements widely used within the industry for OTC derivative transactions.

### Guarantor

BNP Paribas (France)

### Initial Level

1

### Initial NAV

The Net Asset Value of the Subfund at Subfund launch date.

### Initial Observation Date

Subfund launch date plus five Business days

### Observation Date

An Annual Observation Date or the Final Observation Date

### Advantages and disadvantages of the Subfund for Shareholders:

Advantages of the Subfund (relevant for Shareholders who hold the Shares until maturity of the Subfund)	Disadvantages of the Subfund (relevant for Shareholders who hold the Shares until maturity of the Subfund)
<ul style="list-style-type: none"> <li>- If the Equity Basked Level is greater than or equal to the Initial Level on one of the Annual Observation Dates, starting in the second anniversary of the launch date year, the Subfund's NAV on the second Business day after this Annual Observation Date, equals to the Initial NAV plus 5.35 % per elapsed annum.</li> <li>- If on the Final Observation Date there has been no Early Maturity Event and the Equity Basket Level has not fallen below 70% of its Initial Level, the Subfund's NAV on the second Business day after the Final Observation Date equals to the Initial NAV.</li> <li>- If on the Final Observation Date there has been no Early Maturity Event and the Final Equity Basket Level is equal to or greater than the Initial Level, the Subfund's NAV on second Business day after the Final Observation Date equals the Initial NAV plus 5.35%per annum.</li> <li>- If on one of the Annual Observation Dates or the Final Observation Date the Equity Basket Level has risen marginally, the Formula may provide a gain in excess of the one delivered by a direct investment in the Equity Basket.</li> <li>- If on the Final Observation Date there has been no Early Maturity Event and the Equity Basket Level has dropped by over 50% from the Initial Level, the Subfund's NAV on the second Business day after the Final Observation Date equals to 50% of the Initial NAV.</li> </ul>	<ul style="list-style-type: none"> <li>- Capital is not guaranteed. Shareholders may therefore lose some of their invested capital.</li> <li>- The shareholder receives no distributions throughout the lifetime of the Fund. They receive the Annual Coupon per annum starting at the earliest in the second year only if the Equity Basket Level on the Annual Observation Dates or the Final Observation Date is equal to or greater than the Initial Level.</li> <li>- If on the Final Observation Date there has been no Early Maturity Event and the Equity Basket Level is less than 70% of the Initial Level, the shareholder suffers a capital loss -</li> <li>- Shareholders do not know the exact duration of their investment in advance; it can range from about two to eight years depending on the performance of the Equity Basket.</li> <li>- Because of the cap set be Annual Coupon on gains per year elapsed, shareholders will benefit only partially from a rise of the Equity Basket by more than the Annual Coupon.</li> <li>- The Subfund's volatility as at any Annual Observation Date will be hugely sensitive to a slight variation in the Equity Basket Level around the threshold of 100% of the Initial Level.</li> <li>- The Subfund's volatility as at the Final Observation Date will be hugely sensitive to a slight variation in the Equity Basket Level around the thresholds of 70%, and 100% of the Initial Level.</li> <li>- Shareholders do not benefit from dividends on the individual shares that make up the Equity Basket.</li> <li>- No Guarantee of the Formula:               <ul style="list-style-type: none"> <li>- for any redemption less than 2 years after the launch date of the Subfund,</li> </ul> </li> </ul>

-	for any redemption based on a NAV other than NAV calculated on the second Business day after an Observation Date.
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### Examples using different market scenarios:

These scenarios are purely for illustrative purposes; they should not be used to predict performance

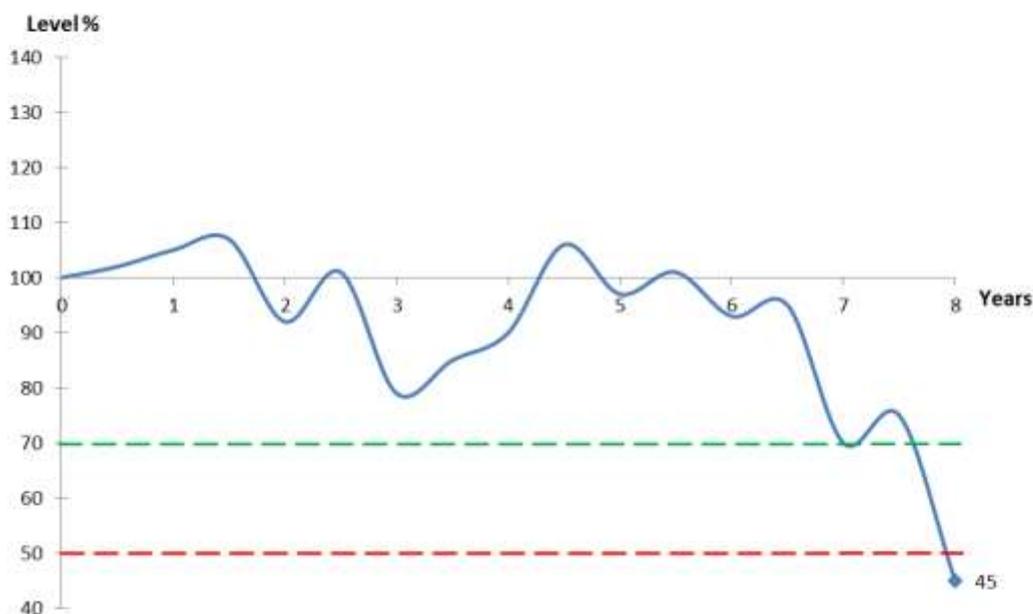
For a shareholder who has subscribed to a share for an amount corresponding to the Initial NAV (set at EUR 100 for the purpose of these examples), the following scenarios provide details of:

- The calculation of the Equity Basket Level on the Final Observation Date or on Annual Observation Date (when there has been Early Maturity Event).
- The value of the investment on the second Business day after the Final Observation Date or on the second Business day after the Annual Observation Date (when there has been Early Maturity Event) under the precondition that the counterparty of the Total Return Swaps and the Guarantor will not become insolvent.

The scenarios that feature in the tables below are purely examples used to illustrate how the Formula works. They give no indication as to past, present or future performance of the Equity Basket or the Subfund.

Each example provided below indicates the annual return or loss of the investment in the Subfund throughout the duration of the Formula.

**Very negative Scenario:** the Equity Basket Level decreased more than 50% of the Initial Level at the Final Observation Date, no Early Maturity Event occurred until then, the Annual Coupon will not influence the payout.



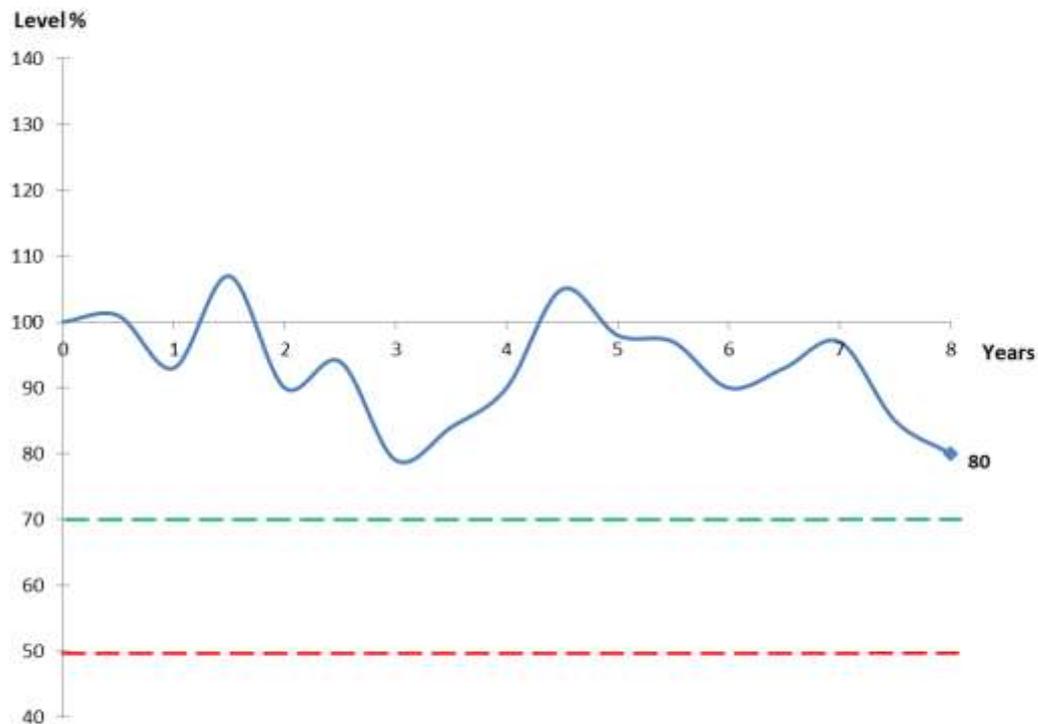
Final redemption: 50%  
Return (yield) per year: -8.3%

During the life of the Subfund, the Equity Basket Level has been below the Initial Level on each Annual Observation Date. As a result, no Early Maturity Event occurred. The Shareholder is not paid with any Annual Coupon and the Subfund continues until Final Maturity Date.

At Final Observation Date, the Equity Basket Level is below 50% of the Initial Level,. The Subfund's NAV on the second

Business day after the Final Observation Date will be at 50% of the Initial NAV.

**Negative to medium scenario:** the Equity Basket Level is between 70% and 100% of the Initial Level on Final Observation Date, no Early Maturity Event occurred until then, the Annual Coupon will not influence the payout.



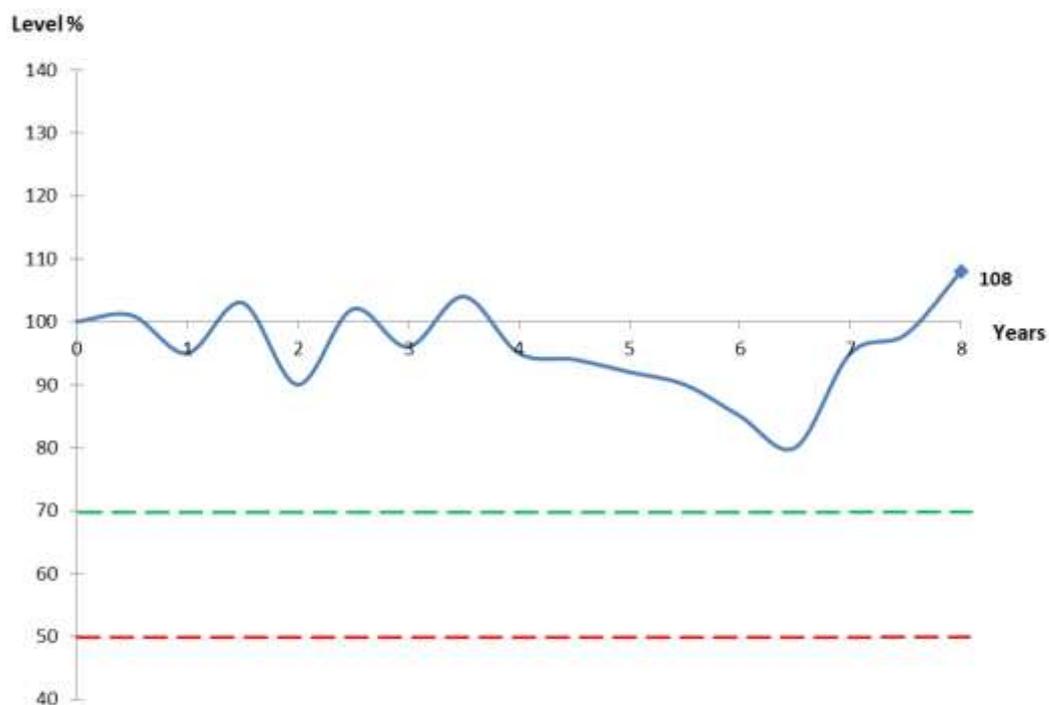
Final redemption: 100%

Return (yield) per year: not applicable

During the life of the Subfund, the Equity Basket Level has been below the Initial Level on each Annual Observation Date. As a result, no Early Maturity Event occurred. The Shareholder is not paid with any Annual Coupon and the Subfund continues until Final Maturity Date.

At Final Observation Date, the Equity Basket Level is equal to 80% of its Initial Level,. The Subfund's NAV on the second Business day after the Final Observation Date will be at least 100% of the Initial NAV.

**Medium to Positive Scenario:** the Equity Basket Level is above the Initial Level on Final Observation Date, no Early Maturity Event occurred until then.



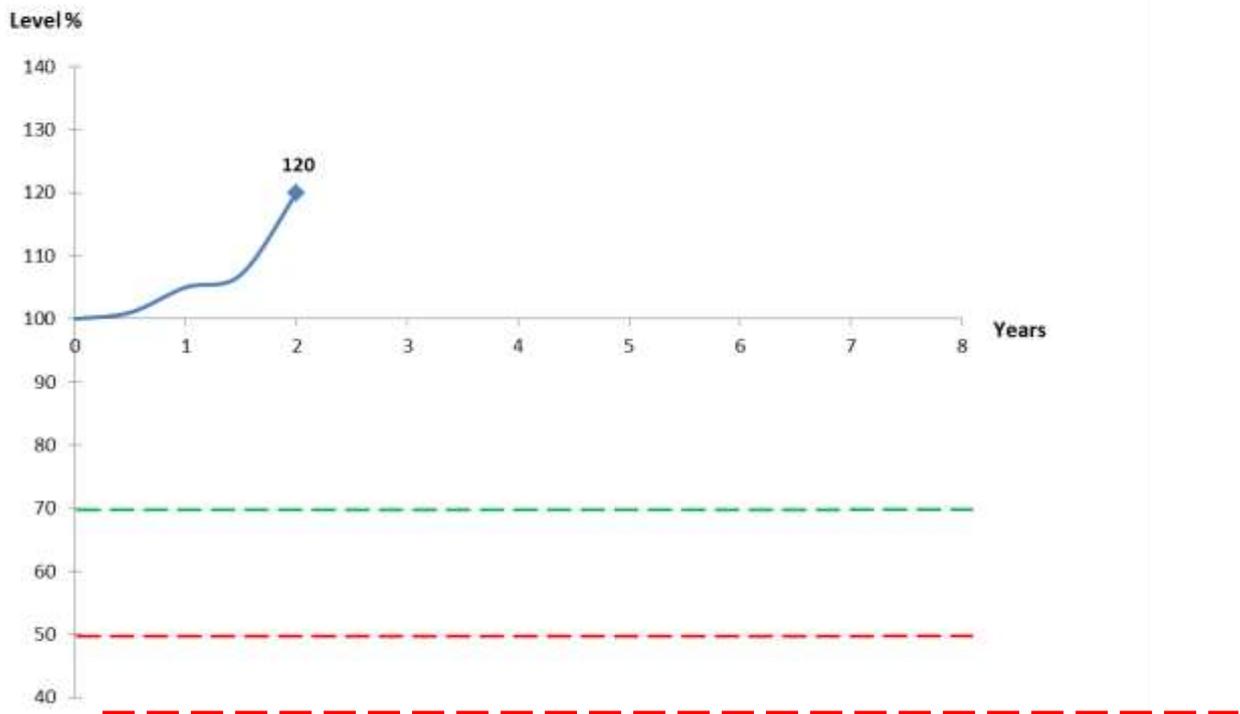
Final redemption:  $100\% + (8 \times 5.35\%) = 142.80\%$

Return (yield) per year: + 4.55 %

During the life of the Subfund, the Equity Basket Level has been below the Initial Level on each Annual Observation Date. As a result, no Early Maturity Event occurred. The Subfund continues until Final Maturity End Date.

At Final Observation Date, the Equity Basket is equal to 108%, +8% above the Initial Level. The Subfund's NAV on the second Business day after the Final Observation Date will be 100% of the Initial NAV back plus a coupon for each year elapsed (5.35 % coupon per annum, a total of 142.80 % of the Initial NAV).

**Positive Scenario:** the Equity Basket Level is above the Initial Level on the First Observation Date and an Early Maturity Event occurs on the first occasion.



Final redemption:  $100\% + (2 \times 5.35\%) = 110.70\%$   
 Return (yield) per year: + 5.21 %

The Equity Basket Level is above the Initial Level on the First Observation Date and an Early Maturity Event occurs on the first occasion. The investor receives 100% of their capital back a coupon for each year elapsed (5.35 % coupon per annum, a total of 110.70 % of the Initial NAV).

### Investment Principles

- a) At least 75% of the Subfund's assets are invested in equities and comparable securities and participation certificates of issuers that at the time of determination satisfy the SRI Strategy. Furthermore, index certificates and equity certificates whose risk profile correlates with the assets listed in sentence 1 of this letter a) or with the investment markets to which these assets can be allocated may also be acquired.
- b) At least 75% of the Subfund's assets are invested in equities and comparable securities of issuers that have their registered office in an EU Member State and/or in the EEA that has signed a tax agreement with France and is therefore PEA (Plan d'Épargne en Actions) eligible in France.
- c) Interest-bearing securities, including zero-coupon bonds, in particular government bonds, mortgage bonds and similar foreign asset-backed securities issued by financial institutions, public-sector bonds, floating-rate notes, convertible bonds and bonds with warrants, corporate bonds, mortgage-backed securities and asset-backed securities, as well as other collateralised bonds may be acquired for the Subfund. Furthermore, index certificates and certificates whose risk profile correlates with the assets listed in sentence 1 of this letter c) or with the investment markets to which these assets can be allocated may also be acquired. Asset as listed in this letter c) must comply with the SRI Strategy.

The acquisition of assets as defined in letter c) sentence 1, which at the time of acquisition do not have an investment-grade rating from a recognised rating agency (non-investment-grade rating) or are not rated at all, but for which in the consideration of fund management, it can be assumed that they would be rated non-investment

grade if they were to be rated (“high-yield investments”), is not allowed. If an asset as defined in letter b) sentence 1 is rated as non-investment-grade after acquisition, fund management will seek to dispose of that asset within two months.

- d) Up to 10% of the Subfund’s assets, deposits as defined in Supplement II No. 1 c) may be held and money-market instruments as defined in Supplement II No. 1 a) and e) and No. 2 first indent may be acquired for the Subfund. Money-market instruments as listed in this letter d) must comply with the SRI Strategy.
- e) The Subfund’s assets may also be invested in UCITS or UCI, as defined in Supplement II No. 1 b) that are money-market funds, bond funds, equity funds or balanced funds (including funds pursuing an absolute return approach)

Any UCITS or UCI is an equity fund as defined in the investment policy if its risk profile typically correlates with that of one or more equity markets. Any UCITS or UCI is a bond fund as defined in the investment policy if its risk profile typically correlates with that of one or more bond markets. Any UCITS or UCI is a money-market fund as defined in the investment policy if its risk profile typically correlates with that of one or more money markets.

In principle, shares may only 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. Shares in other funds may be acquired on an exceptional basis only when none of the above mentioned funds pursues an investment objective considered to be necessary on an individual basis by the Management Company, or if the shares are in a UCITS or UCI oriented towards the replication of a securities index and are authorised for trading on one of the exchanges or regulated markets listed in Supplement II No. 1 a).

- f) Mortgage-backed securities (MBS) and asset-backed securities (ABS) may not be acquired.
- g) The Management Company may also use techniques and instruments in relation to the Subfund for the purpose of efficient portfolio management (including for hedging purposes) (in accordance with Supplement III and the notes in the prospectus under “The Use of Techniques and Instruments and Special Risks associated with such Use”) for the Subfund, and raise short-term loans in accordance with Supplement II No. 2 second indent.

The Management Company will use techniques and instruments in relation to the Subfund in order to reduce the Subfund’s exposure with regard to assets as described in letters a) and b) significantly or even completely.

- h) The limits as described in letters a) and b) are not required to be adhered to in the first two months after the launch of the Subfund and during the period between an Annual or the Final Observation Date and the respective Early or Final Maturity Date
- i) Benchmark Index: none

### Guarantee

The Guarantor guarantees that the NAV on either the second Business day after an Annual Observation Date or the second Business day after the Final Observation Date (as applicable) will be in accordance with the below. The Shareholders will receive no capital guarantee.

The guarantee is provided only for the Net Asset Value of the Subfund on the second Business day after an Annual Observation Date or the second Business day after the Final Observation Date (as applicable). In case of an Early Maturity Event the Subfund will be liquidated on the respective Early Maturity Date. There is the risk of a decline of the Net Asset Value between the second Business day after the Annual Observation Date and the corresponding Early Maturity Date or between the second Business day after Final Observation Date and the Final Maturity Date.

The guarantee given by the Guarantor is provided to the Subfund and concerns the Net Asset Value on the second Business day after the Final Observation Date or on the second Business day after one of the Annual Observation Dates in the event of an Early Maturity Event as described below. This guaranteed Net Asset Value, hereinafter the “Guaranteed Net Asset

Value" or "Guaranteed NAV", will be equal to:

- If the Equity Basket Level on the First Annual Observation Date is equal or greater than the Initial Level (occurrence of first Early Maturity Event), the Guaranteed NAV on the second Business day after the First Annual Observation Date is equal to the Initial NAV plus 5.35 % (110.70 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Date and if the Equity Basket Level on the Second Annual Observation Date is equal or greater than the Initial Level (occurrence of second Early Maturity Event), the Guaranteed NAV on the second Business day after the Second Annual Observation Date is equal to the Initial NAV plus 5.35 % (116.05 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Dates and if the Equity Basket Level on the Third Annual Observation Date is equal or greater than the Initial Level (occurrence of third Early Maturity Event), the Guaranteed NAV on the second Business day after the Third Annual Observation Date is equal to the Initial NAV plus 5.35 % (121.40 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Dates and if the Equity Basket Level on the Fourth Annual Observation Date is equal or greater than the Initial Level (occurrence of fourth Early Maturity Event), the Guaranteed NAV on the second Business day after the Fourth Annual Observation Date is equal to the Initial NAV plus 5.35 % (126.75 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Dates and if the Equity Basket Level on the Fifth Annual Observation Date is equal or greater than the Initial Level (occurrence of fifth Early Maturity Event), the Guaranteed NAV on the second Business day after the Fifth Annual Observation Date is equal to the Initial NAV plus 5.35 % (132.10 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Dates and if the Equity Basket Level on the Sixth Annual Observation Date is equal or greater than the Initial Level (occurrence of sixth Early Maturity Event), the Guaranteed NAV on the second Business day after the Sixth Annual Observation Date is equal to the Initial NAV plus 5.35 % (137.45 % of the Initial NAV).
- If there has been no Early Maturity Event, the Guaranteed NAV on the second Business day after the Final Observation Date is equal to:
  - the Initial NAV plus 5.35 % (142.80 % of the Initial NAV) if the Final Equity Basket Level is greater than or equal to the Initial Level on the Final Observation Date.
  - 100% of the Initial NAV if the Final Equity Basket Level is lower than the Initial Level, but has not fallen below 70% of the Initial Level on the Final Observation Date.
  - the same percentage to the Initial NAV which the Final Equity Basket Level is in relation to the Initial Level if the Final Equity Basket Level has not fallen by more than 50% from its Initial Level but is less than 70% of its Initial Level on the Final Observation Date, or
  - 50% of the Initial NAV if the Final Equity Basket Level has fallen by more than 50% of its Initial Level on the Final Observation Date.
- In the case of the third and fourth indent, the Subfund's Net Asset Value on the second Business day after the Final Observation Date is lower than the Initial NAV and the Shareholder suffers a capital loss.

If the Observation Date Price cannot be determined on Observation Date because the main stock exchange of any stock is not open for trading or if trading of the respective stock is disrupted but can only be determined on one or more business days after the Observation Date, the Observation Date Price shall be determined separately in respect of each stock the main stock exchange of which is open for trading and the trading of which is not disrupted. The Guarantee will not be applied on the second Business day after the respective Observation Date but delayed by the same number of business days by which the determination of Observation Date Price had been delayed for the last stock, if any, the main stock exchange of which is open for trading and the trading of which is not disrupted.

Guaranteed NAV has two decimal digits.

Shareholders who have subscribed to the Subfund on the Initial NAV and request the redemption of their units on the NAV

of the second Business day after the Final Observation Date (no occurrence of an Early Maturity Event), or on the second Business day after an Annual Observation Date (when there has been an Early Maturity Event), will benefit from a guarantee up to the Guaranteed NAV.

Shareholders who wish to redeem their shares based on a Net Asset Value other than the one calculated on the second Business day after the Final Observation Date (when there has been no occurrence of an Early Maturity Event), or on the second Business day after the Annual Observation Date (when there has been an Early Maturity Event), will receive neither a protection nor a guarantee.

The Management Company will exercise the guarantee on behalf of the Fund. If the Fund's net assets are not sufficient on the second Business day after the Final Observation Date (when there has been no occurrence of an Early Maturity Event), or on the second Business day after the Annual Observation Date (when there has been an Early Maturity Event), the Guarantor will pay the Fund the amount required to reach the Guaranteed NAV.

In case of an insolvency of the Guarantor no guarantee or protection will be provided by either the Management Company or any other third party.

Outside the date on which the guarantee comes into play, i.e. the second Business day after the Final Observation Date (when there has been no occurrence of an Early Maturity Event) or the second Business day after an Annual Observation Date (when there has been an Early Maturity Event), the NAV is subject to the markets and may be very different from the Guaranteed NAV.

The term "Capital invested" or "capital" always excludes subscription fees. Investors should be aware that:

- the Shareholder will receive no capital guarantee;
- the application of the Formula is guaranteed by the Guarantor under the conditions detailed in this paragraph "Guarantee";
- the guarantee is given only for the shares which have issued on the Subfund's launch date. By not issuing any further shares after Subfund's launch date the Management Company will ensure that not more shares than issued on the Subfund's launch date will be in circulation.
- under no circumstances can the guarantee be called in by the Management Company in the event of the liquidation, dissolution or merger of the Subfund occurring prior to an Early Maturity Event or the Final Maturity Date (as the case may be).
- The Guarantor's commitment relates to the amounts calculated excluding tax or any deduction at the expense of the shareholders, the Subfund or its assets imposed by any government or competent authority. The guarantee amount is understood to be before any duty, tax or withholding which would be deducted from that amount of the guarantee and which would be payable by the shareholders and/or the Subfund. There can be no claim for damages against the Guarantor to compensate for the effects of the aforementioned duties, taxes or withholdings on the Shareholders and/or the Subfund.
- The guarantee is given in consideration of the laws and regulations in force on the Subfund's launch date. Should these texts (or the way in which they are interpreted by case law and/or by the government of the states in question) change after the Subfund's launch date, including retroactively, resulting in new obligations for the Subfund and in particular a direct or indirect financial expense, tax-related or otherwise, that reduces the Net Asset Value of the Subfund's shares, the Guarantor will be able to reduce the amounts due in respect of the guarantee as a result of these new obligations. The Management Company will inform the Subfund's shareholders of such a situation.
- following an Early Maturity Event (if applicable) or Final Observation Date (if applicable), the Subfund will be managed in order to obtain a return close to that of the money market during a period of 10 Business days, after which it will be dissolved and then liquidated. The Subfund will receive no guarantee during this period (except on the second Business day after the Early Maturity Event or the Final Observation Date).

### Risk Profile of the Subfund

Considering the above-mentioned circumstances and risks, the Subfund (compared with other fund types) contains such

opportunities and risks that are associated with the bond and money-market-related component of the Subfund assets but are in particular increased by the equity markets.

To a high degree, the equity-market orientation of the Subfund, in particular the general market risk, the company-specific risk, the creditworthiness risk, the counterparty risk, the risk of settlement default, and to a lesser extent the Emerging-Markets risks, the liquidity risk, the country/ transfer risks, and the custodial risk play a significant role. Among other things, as regards this type of exposure of the Subfund, it should be stressed that declines in prices, particularly those that affect the overall market, possibly even significantly more persistent ones, can have a negative impact on the Subfund's assets.

Furthermore the risks in the bond and money markets, such as the risk of interest rate changes, the creditworthiness risk, the general market risk, the company-specific risk, the country and region risk, the counterparty risk, the risk of settlement default and, to a lesser extent, the emerging-market risks, the liquidity risk, the country and transfer risks, the custodial risk play a significant role.

The currency risk is high as regards the share classes not specially hedged against a certain currency at the share-class level. There is a high currency risk for an investor who does not think in the currency against which the share class he holds is hedged, as regards the share classes specially hedged against a certain currency at the share class level; this risk exists to a lesser extent for investors who think in that currency. In addition, investor attention is drawn to the concentration risk, the settlement risk, the specific risks of investing in target funds, the (sub)fund capital risk, the risk of restricted flexibility, the inflation risk, the risk of the liabilities of individual share classes affecting other share classes, the risk of changes in underlying conditions, the Risk of taxation or other charges as a result of local provisions related to the assets held by the (sub-)fund, the risk of changes to the Articles of Incorporation, to the investment policy and to the other basic aspects of a (sub)fund, the key personnel risk, the risk of transaction costs at the (sub)fund level arising from share movements, and the increased performance risk.

For information on the special risks related to the use of techniques and instruments, please see the sections "Use of Techniques and Instruments and Special Risks associated with such Use" and "Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund".

The volatility (fluctuation) of the value of shares in the Subfund might increase. The volatility (fluctuation) of the value of the shares in the Subfund could particularly increase close to any Annual Observation Date and close to the Final Observation Date if the Equity Basket Level is around the threshold levels of 100% and 70%. The possible increase of volatility reflects the uncertainty to receive the Annual Coupon on Annual Observation Date or to receive the Annual Coupon or the protection of the capital respectively, on Final Observation Date because only slight volatility in the equity markets may result in significant volatility in the value of the shares of the Subfund.

In case of an extraordinary event related to any stock as defined in standardised agreements widely used within the financial industry for OTC derivatives transactions, e.g. change in law, an insolvency event, a merger, a delisting or similar events affecting significantly the creditworthiness of a stock or in case any does – in the opinion of the Investment Manager – no longer comply with the SRI Strategy (the "Affected Stock"), the Affected Stock will be replaced by another stock as determined by the Investment Manager at its sole discretion (the "Substitute Stock"). The Substitute Stock must have its registered office in Europe, must satisfy the SRI Strategy and must comply with the criteria as set out in Supplement II, No. 1 a) of this prospectus. A Substitute Stock may become an Affected Stock if an extraordinary event as described above may happen to the Substitute Stock.

The Equity Basket, and in particular the Equity Basket Level, may be modified during the life of the Subfund upon the occurrence of an extraordinary event related to any stock as defined in standardised agreements widely used within the financial industry for OTC derivatives transactions, e.g. change in law, an insolvency event, a merger, a delisting or similar events affecting significantly the creditworthiness of a stock or in case any does – in the opinion of the Investment Manager – no longer comply with the SRI Strategy.

#### **Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund**

The Subfund may employ derivatives – such as futures, options, swaps – for hedging purposes. This may lead to

correspondingly lower opportunities and risks in the general Subfund profile.

The Subfund may also employ derivatives in a speculative sense in order to increase returns in pursuing the investment objective, in particular, to represent the general Subfund profile 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 Subfund profile through derivatives, the general Subfund profile will be implemented in particular through the replacement of direct investments in securities, for example, by investments in derivatives, which normally will not have a substantial effect on the general Subfund profile. If the Subfund employs derivatives to increase the level of investment, it does so in order to achieve a medium to long-term risk profile with the additional medium market risk potential of a fund with a similar profile that does not invest in derivatives. The performance of any derivatives will be for the benefit of the Subfund (less any transactions costs or fees).

The Investment Manager has no further restriction other than set out in Supplement II and III and in this information sheet for the use of derivatives. The Subfund may enter into Securities Financing Transactions as set out in Supplement III: Use of Techniques and Instruments, section No. 3 "Securities Financing Transactions".

### **Proportions of a Subfund's Net Asset Value subject to Securities Financing Transactions**

TRS / CFD (summed up)

- The expected proportion for the use of TRS / CFD (summed up) shall usually not exceed 200 % of Subfund's NAV
- The maximum limit for the use of TRS / CFD (summed up) is 250% of Subfund's NAV

Securities Lending Agreements

- The expected proportion for the use of securities lending agreements shall usually not exceed 0% of Subfund's NAV
- The maximum limit for the use of securities lending agreements is 0% of Subfund's NAV

Securities Repurchase Agreements

- The expected proportion for the use of repurchase agreements shall usually not exceed 0 % of Subfund's NAV
- The maximum limit for the use of securities repurchase agreements is 0% of Subfund's NAV

The Management Company follows a risk-controlled approach in the use of derivatives.

### **Investor Profile**

The Subfund is aimed at investors who expect a positive performance of the Equity Basket at the predefined observation which, however, is below the Annual Coupon. It may not be suitable for investors who wish to withdraw their capital from the Subfund prior to the maturity of the Subfund, i.e. not to withdraw their capital for a period of up to eight years. The Subfund is aimed at investors with advanced knowledge and/or experience of financial products. Prospective investors should be capable of bearing a financial loss and should not attach any importance to capital protection. In terms of risk assessment, the Subfund is assigned to a certain risk class on a scale of 1 (conservative; very low to low expectation of returns) to 7 (very tolerant of risk; highest expectation of returns) which is published on the website <https://regulatory.allianzgi.com> and will be provided in the Key Investor Information issued in respect of the relevant Share Class. The investors should accept the risk of a significantly increased volatility (fluctuation) of the value of the shares in the Subfund close to any Annual Observation Date there is a slight variation in the Equity Basket Level around the threshold of 100% of the Initial Level or if close to the Final Observation Date there is a slight variation in the Equity Basket Level around the thresholds of 70%, and 100% of the Initial Level.

In order to maximise Formula performance, the investor anticipates stability or a moderate increase in the Equity Basket between the Initial Observation Date and the First Annual Observation Date at the end of year two. The Shareholder thus receives early repayment of their invested capital plus the cumulative amount of two Annual Coupons.

### Base currency

EUR

### Issue of shares

The issue of shares will be suspended the Business day after the Subfund's launch date.

### Launch date for those Share Classes already launched

IT7 (EUR): 16 January 2020

### Term of the Subfund

Limited until either of the Early Maturity Dates or the Final Maturity Date depending on the occurrence of an Early Maturity Event.

### Reporting

Annually on 30 September

### Semi-annual reports

Annually on 31 March

### Share certificates

No claim on issue of physical securities.

### Share classes

Shares of classes IT (subject to a resolution on the use of income to this effect by the General Meeting of Shareholders): accumulating share classes.

### Initial subscription price

1000 EUR

### Valuation

Each day on which banks and exchanges in Luxembourg, Paris, Madrid, Milan and in Frankfurt are open for business.

### Trading Deadline

11.00 a.m. CET or CEST on any Valuation Day preceding a Valuation Day. Subscription and redemption applications received by 11.00 a.m. CET or CEST on any Valuation Day preceding a Valuation Day are settled at the Subscription or Redemption Price of the next Valuation Day. Subscription and redemption applications received after that time are settled at the Subscription or Redemption Price of the second Valuation Day following the Valuation Day.

### Price information

Internet <https://lu.allianzgi.com>; Reuters ALLIANZGI01

Class	IT7 (EUR) <sup>1)</sup>
ISIN	LU2026691746
WKN	A2PNQK
Sales charge <sup>2)</sup>	2.00%
Redemption fee	-
Conversion fee <sup>3)</sup>	-
Maximum All-in Fee <sup>4)</sup>	1.39 % p. a.
Taxe d'Abonnement	0.01 % p. a.
Minimum investment amount <sup>5)</sup>	EUR 1 million

<sup>1)</sup> Shares of this share class may only be acquired by Allianz Vie France.

<sup>2)</sup> The company may levy a lower sales charge at its own discretion.

<sup>3)</sup> For conversion into shares of this Subfund. The Management Company may levy a lower conversion fee at its own discretion.

<sup>4)</sup> The Management Company may levy a lower fee at its own discretion.

<sup>5)</sup> In individual cases, the Management Company may permit a lower minimum investment at its own discretion.

### **Restrictions/ Additional Information**

The Management Company may intend -but is not obliged- to close the Subfund or the selected share class IT7 (EUR) for subscriptions five business days after the Subfund launch date

This information sheet is issued as a supplement to the prospectus, as amended. Investors should pay particular attention to the risk warnings (see “General Risk Factors”) in the prospectus.

# Allianz Neo ISR 2020

## Information Sheet

### Investment Objective

The objective of the investment policy is to generate the Annual Coupon on the Initial NAV of the Subfund which will, however, only be achieved if the underlying equity basket as described below is exceeding predefined thresholds on predefined Observation Dates.

The following terms will be used in this Information Sheet:

### Annual Observation Date

Date on which the occurrence of an Early Maturity Event will be evaluated. The First Annual Observation Date is the fifth Business day after the second anniversary of the Subfund launch date, the Second Annual Observation Date is the fifth Business day after the third anniversary of the Subfund launch date, the Third Annual Observation Date is the fifth Business day after the fourth anniversary of the Subfund launch date, the Fourth Annual Observation Date is the fifth Business day after the fifth anniversary of the Subfund launch date, the Fifth Annual Observation Date is the fifth Business day after the sixth anniversary of the Subfund launch date, the Sixth Annual Observation Date is the fifth Business day after the seventh anniversary of the Subfund launch date.

### Annual Coupon

6.20 % per annum

### Business day

Deviating to the definition as mentioned in Supplement I (Glossary) a Business day is – with regard to this Subfund - each day on which banks and exchanges in Luxembourg, Paris, Milan, Madrid and Frankfurt are open for business

### Calculation Agent

The Guarantor

### Early Maturity Date

Date on which the Subfund will be liquidated in case of an Early Maturity Event. The First Early Maturity Date is ten Business days after the First Annual Observation Date, the Second Early Maturity Date is ten Business days after the Second Annual Observation Date, the Third Early Maturity Date is ten Business days after the Third Annual Observation Date, the Fourth Early Maturity Date is ten Business days after the Fourth Annual Observation Date, the Fifth Early Maturity Date is ten Business days after the Fifth Annual Observation Date, the Sixth Early Maturity Date is ten Business days after the Sixth Annual Observation Date. If the Observation Date Price cannot be determined on Observation Date because the main stock exchange of any stock is not open for trading or if trading of the respective stock is disrupted but can only be determined on one or more business days after the Observation Date, the Observation Date Price shall be determined separately in respect of each stock the main stock exchange of which is open for trading and the trading of which is not disrupted. The period between an Observation Date and a Maturity Date will be prolonged by same number of business days by which the determination of Observation Date Price had been delayed for the last stock, if any, the main stock exchange of which is open for trading and the trading of which is not disrupted.

### Early Maturity Event

An Early Maturity Event happens if the Equity Basket Level on any Annual Observation Date is equal or higher than the Initial Level. In such a scenario, the Formula expires on the respective Annual Observation Date. The Subfund is dissolved on the respective Early Maturity Date. During the interim period between the Annual Observation Date and the Early Maturity Date, the Subfund can invest in cash or in the money markets instruments, e.g. through UCIs with the Short-term Money Market or Money Market classifications. The Subfund will be dissolved and then liquidated at the end of this period. The Subfund will receive no guarantee for the Formula during this interim period (except on the second Business day after the

respective Annual Observation Date), when it will be managed on the money market, with all the risks that entails.

- If the Equity Basket Level on the First Annual Observation Date is equal to or greater than the Initial Level, the Formula provides for a NAV of the Subfund on the second Business day after the First Annual Observation Date which equals to the Initial NAV plus 6.20 % of the Initial NAV (110.70 % of the Initial NAV).
- If the Equity Basket Level on the Second Annual Observation Date is equal to or greater than Initial Level the Formula provides for a NAV of the Subfund on the second Business day after the Second Annual Observation Date which equals to the Initial NAV plus 6.20 % of the Initial NAV (116.05 % of the Initial NAV).
- If the Equity Basket Level on the Third Annual Observation Date is equal to or greater than the Initial Level, the Formula provides for a NAV of the Subfund on the second Business day after the Third Annual Observation Date which equals to the Initial NAV plus 6.20 % of the Initial NAV (121.40 % of the Initial NAV).
- If the Equity Basket Level on the Fourth Annual Observation Date is equal to or greater than the Initial Level the Formula provides for a NAV of the Subfund on the second Business day after the Fourth Annual Observation Date which equals to the Initial NAV plus 6.20 % of the Initial NAV (126.75 % of the Initial NAV).
- If the Equity Basket Level on the Fifth Annual Observation Date is equal to or greater than the Initial Level, the Formula provides for a NAV of the Subfund on the second Business day after the Fifth Annual Observation Date which equals to the Initial NAV plus 6.20 % of the Initial NAV (132.10 % of the Initial NAV).
- If the Equity Basket Level on the Sixth Annual Observation Date is equal to or greater than the Initial Level, the Formula provides for a NAV of the Subfund on the second Business day after the Sixth Annual Observation Date which equals to the Initial NAV plus 6.20 % of the Initial NAV (149.60 % of the Initial NAV).

If the Observation Date Price cannot be determined on Observation Date because the main stock exchange of any stock is not open for trading or if trading of the respective stock is disrupted but can only be determined on one or more business days after the Observation Date, the Observation Date Price shall be determined separately in respect of each stock the main stock exchange of which is open for trading and the trading of which is not disrupted. The Formula will be applied not on the second Business day after the respective Observation Date but delayed by the same number of business days by which the determination of Observation Date Price had been delayed for the last stock, if any, the main stock exchange of which is open for trading and the trading of which is not disrupted.

### Equity Basket

The Equity Basket consists initially of 20 equally weighted stocks selected by the Investment Manager. The Investment Manager will only select stocks in accordance with the Sustainable and Responsible Investment Strategy (“SRI Strategy”) which considers various criteria regarding social and environmental policy, human rights and corporate governance and having its registered office in Europe. In addition, such stocks must comply with the criteria as set out in Supplement II, No. 1 a) of this prospectus.

Any dividend paid for stocks of the Equity Basket will not be taken into calculation for the valuation of the Equity Basket.

In case of an extraordinary event related to any stock as defined in standardised agreements widely used within the financial industry for OTC derivatives transactions, e.g. change in law, an insolvency event, a merger, a delisting or similar events affecting significantly the creditworthiness of a stock or in case any does – in the opinion of the Investment Manager – no longer comply with the SRI Strategy (the “Affected Stock”), the Affected Stock will be replaced by another stock as determined by the Investment Manager at its sole discretion (the “Substitute Stock”). The Substitute Stock must have its registered office in Europe, must satisfy the SRI Strategy and must comply with the criteria as set out in Supplement II, No. 1 a) of this prospectus. A Substitute Stock may become an Affected Stock if an extraordinary event as described above may happen to the Substitute Stock.

### Equity Basket Level

As of an Annual or Final Observation Date, the Equity Basket Level is measured by comparing the Observation Date Price(i) as defined below of each stock of the Equity Basket on the respective Observation Date to the Initial Price(i) as defined below:

The Equity Basket Level on each Observation Date is calculated as follows:

$$\sum_{i=1}^{20} W(i) \times P(\text{stock } i) = \frac{1}{20} P(\text{stock } 1) + \frac{1}{20} P(\text{stock } 2) + \frac{1}{20} P(\text{stock } 3) + \frac{1}{20} P(\text{stock } 4) + \frac{1}{20} P(\text{stock } 5) + \frac{1}{20} P(\text{stock } 6) + \frac{1}{20} P(\text{stock } 7) + \frac{1}{20} P(\text{stock } 8) + \frac{1}{20} P(\text{stock } 9) + \frac{1}{20} P(\text{stock } 10) + \frac{1}{20} P(\text{stock } 11) + \frac{1}{20} P(\text{stock } 12) + \frac{1}{20} P(\text{stock } 13) + \frac{1}{20} P(\text{stock } 14) + \frac{1}{20} P(\text{stock } 15) + \frac{1}{20} P(\text{stock } 16) + \frac{1}{20} P(\text{stock } 17) + \frac{1}{20} P(\text{stock } 18) + \frac{1}{20} P(\text{stock } 19) + \frac{1}{20} P(\text{stock } 20)$$

Where P(stock i) means in respect of any stock i a rate determined by the Calculation Agent in accordance with the following formula:

$$P(\text{stock } i) = \frac{\text{Observation Date Price}(i)}{\text{Initial Price}(i)}$$

With:

i = 1 to 20

W(i) is the weight of each stock in the basket, means 1/20

Initial Price(i) is the official closing price of the stock i on the Initial Observation Date if the stock is not a Substitute Stock. If the stock is a Substitute Stock, the Initial Price(i) will be calculated by the Calculation Agent on the date of the substitution of the Affected Stock by the Substitute Stock (the "Substitution Date"): The official closing price of the Substitute Stock will be adjusted by the performance of the Affected Stock between Initial Observation Date and Substitution Date. The Initial Price of the Substitute Stock will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price (Substitute Stock)} = \left( \frac{\text{Price Substitute Stock (at Substitution Date)}}{\text{Price Affected Stock (at Substitution Date)}} \times \text{Initial Price (Affected Stock)} \right) \pm C$$

C is an adjustment calculated by the Calculation Agent to reflect differences between the Affected Stock and the Substitute Stock with regard to factors such as volatility, dividend yield and correlation to each other of Affected Stock and Substitute Stock. Such adjustment can either increase or decrease the Initial Price of the Substitute Stock but such adjustment is always made to ensure that the substitution of the Affected Stock shall not impact the expected performance of the Subfund on Substitution Date.

Observation Date Price(i) is the official closing price of the stock i on the Observation Date considered. If the Observation Date is not a Business day on which the main stock exchange of the respective stock is open for trading or if trading of the respective stock is disrupted the official closing price of the stock i on the next available Business day on which the main stock exchange of the respective stock is open for trading without disruption will be taken.

### Final Equity Basket Level

The Equity Basket Level on the Final Observation Date

### Final Maturity Date

The Final Maturity Date is ten Business days after the Final Observation Date.

### Final Maturity Event

Where the Equity Basket Level on all Annual Observation Dates was lower than its Initial Level the following shall apply:

- If the Final Equity Basket Level is less than 50% of its Initial Level, the formula provides for a NAV on the second Business day after the Final Observation Date which equals to 50% of the Initial NAV.
- If the Final Equity Basket Level has fallen below 70% of its Initial Level but is greater than 50% of its Initial Level, the Formula provides for no additional payment to the Subfund. Pursuant to the Formula the NAV on the second Business day after the Final Observation Date is expected to be the same percentage in relation to the Initial NAV which the Final Equity Basket Level is in relation to the Initial Level, i.e. if the Final Equity Basket Level is 65% from its Initial Level, the NAV on the second Business day after the Final Observation Date is expected to be 65% of the Initial NAV.
- If the Final Equity Basket Level is lower than its Initial Level but has not fallen below 70% from the Initial Level, the

Formula provides for a NAV of the Subfund on the second Business day after the Final Observation Date which equals to the Initial NAV.

- If the Final Equity Basket Level is equal to or greater than the Initial Level, the Formula provides for a NAV on the second Business day after the Final Observation Date which equals to the Initial NAV plus 6.20 % of the Initial NAV (142.80 % of the Initial NAV).

If the Observation Date Price cannot be determined on Observation Date because the main stock exchange of any stock is not open for trading or if trading of the respective stock is disrupted but can only be determined on one or more business days after the Observation Date, the Observation Date Price shall be determined separately in respect of each stock the main stock exchange of which is open for trading and the trading of which is not disrupted. The Formula will not be applied on the second Business day after the respective Observation Date but delayed by the same number of business days by which the determination of Observation Date Price had been delayed for the last stock, if any, the main stock exchange of which is open for trading and the trading of which is not disrupted.

The Subfund is automatically redeemed and dissolved and then liquidated on Final Maturity Date. During the interim period between the Final Observation Date and the Final Maturity Date, the Subfund is invested in cash or in the money markets instruments, e.g. through UCIs with the Short-term Money Market or Money Market classifications. The Subfund will receive no guarantee for the Formula during this interim period (except on the second Business day after the respective Final Observation Date), when it will be managed on the money market, with all the risks that entails.

#### Final NAV

The Net Asset Value of the Subfund on an Early Maturity Date or the Final Maturity Date (as applicable).

#### Final Observation Date

The Final Observation Date is the fifth Business day after the eight anniversary of the Subfund launch date.

#### Formula

The Subfund's payout is based on the Equity Basket Level between the Initial Observation Date and the Annual Observation Dates or the Final Observation Date.

The Subfund may have a term of about two, three, four, five, six, seven or eight years (plus 15 Business days respectively) depending on the Equity Basket Level on any Observation Date, and there is a risk of capital loss if the term stretches to eight years or will be redeemed before its liquidation.

Depending on the Equity Basket Level, the Fund has six Early Maturity Dates, each associated with an Annual Observation Date, and a Final Maturity Date associated with a Final Observation Date.

#### 1 - Description of the Formula

The Formula is based on the performance of the Equity Basket with dividends not reinvested.

The Formula links the Subfund's performance to the performance of stocks of the Equity Basket only on an Annual Observation Date or the Final Observation Date. Indeed, owing to the contracts established to guarantee the Formula upon maturity, the changes in NAV over the lifetime of the Formula may not reflect the changes in the Equity Basket.

#### 2 - Implementation of the Formula

The Subfund assets are invested in a portfolio of equities, money market instruments, interest-bearing securities or instruments whose risk profile typically correlate with equities or interest-bearing securities. The Subfund's performance depends on the performance of the stocks of the Equity Basket. The Subfund will use a derivative structure, in particular swaps. Swaps will be used on the positive or negative performance of the portfolio of equities held by the Subfund and a cash component. Further swaps will be used on a cash component (minus costs and fees) against a payment depending on the performance of the stocks of the Equity Basket to ensure the payout of the Formula of the Subfund (both swaps being "Total Return Swaps"). The Portfolio of equities underlying the two Total Return Swaps might be different.

Given the complexity of the Total Return Swaps, the counterparty's ability to handle such complex swaps will be of significant importance within this process. The Total Return Swaps will be implemented with only one counterparty which shall be the Guarantor. The Investment Manager has ensured that the Guarantor complies with the general requirements of the Investment Manager for counterparty selection.

The counterparty assumes no discretion over the composition or management of either the portfolio of equities held by the Subfund or of the Equity Basket.

In case of event affecting the pricing of one or more stocks of the Equity Basket e.g. market malfunction, market disruption event or additional disruption event, the valuation of the relevant stock(s) will be adjusted in accordance with rules and procedures as defined in standardised agreements widely used within the industry for OTC derivative transactions.

### Guarantor

BNP Paribas (France)

### Initial Level

1

### Initial NAV

The Net Asset Value of the Subfund at Subfund launch date.

### Initial Observation Date

Subfund launch date plus five Business days

### Observation Date

An Annual Observation Date or the Final Observation Date

### Advantages and disadvantages of the Subfund for Shareholders:

Advantages of the Subfund (relevant for Shareholders who hold the Shares until maturity of the Subfund)	Disadvantages of the Subfund (relevant for Shareholders who hold the Shares until maturity of the Subfund)
<ul style="list-style-type: none"> <li>- If the Equity Basked Level is greater than or equal to the Initial Level on one of the Annual Observation Dates, starting in the second anniversary of the launch date year, the Subfund's NAV on the second Business day after this Annual Observation Date, equals to the Initial NAV plus 6.20 % per elapsed annum.</li> <li>- If on the Final Observation Date there has been no Early Maturity Event and the Equity Basket Level has not fallen below 70% of its Initial Level, the Subfund's NAV on the second Business day after the Final Observation Date equals to the Initial NAV.</li> <li>- If on the Final Observation Date there has been no Early Maturity Event and the Final Equity Basket Level is equal to or greater than the Initial Level, the Subfund's NAV on second Business day after the Final Observation Date equals the Initial NAV plus 6.20 %per annum.</li> <li>- If on one of the Annual Observation Dates or the Final Observation Date the Equity Basket Level has risen marginally, the Formula may provide a gain in excess of the one delivered by a direct investment in the Equity Basket.</li> <li>- If on the Final Observation Date there has been no Early Maturity Event and the Equity Basket Level has dropped by over 50% from the Initial Level, the Subfund's NAV on the second Business day after the Final Observation Date equals to 50% of the Initial NAV.</li> </ul>	<ul style="list-style-type: none"> <li>- Capital is not guaranteed. Shareholders may therefore lose some of their invested capital.</li> <li>- The shareholder receives no distributions throughout the lifetime of the Fund. They receive the Annual Coupon per annum starting at the earliest in the second year only if the Equity Basket Level on the Annual Observation Dates or the Final Observation Date is equal to or greater than the Initial Level.</li> <li>- If on the Final Observation Date there has been no Early Maturity Event and the Equity Basket Level is less than 70% of the Initial Level, the shareholder suffers a capital loss -</li> <li>- Shareholders do not know the exact duration of their investment in advance; it can range from about two to eight years depending on the performance of the Equity Basket.</li> <li>- Because of the cap set be Annual Coupon on gains per year elapsed, shareholders will benefit only partially from a rise of the Equity Basket by more than the Annual Coupon.</li> <li>- The Subfund's volatility as at any Annual Observation Date will be hugely sensitive to a slight variation in the Equity Basket Level around the threshold of 100% of the Initial Level.</li> <li>- The Subfund's volatility as at the Final Observation Date will be hugely sensitive to a slight variation in the Equity Basket Level around the thresholds of 70%, and 100% of the Initial Level.</li> <li>- Shareholders do not benefit from dividends on the individual shares that make up the Equity Basket.</li> <li>- No Guarantee of the Formula: <ul style="list-style-type: none"> <li>- for any redemption less than 2 years after the launch date of the Subfund,</li> </ul> </li> </ul>

-	for any redemption based on a NAV other than NAV calculated on the second Business day after an Observation Date.
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### Examples using different market scenarios:

These scenarios are purely for illustrative purposes; they should not be used to predict performance

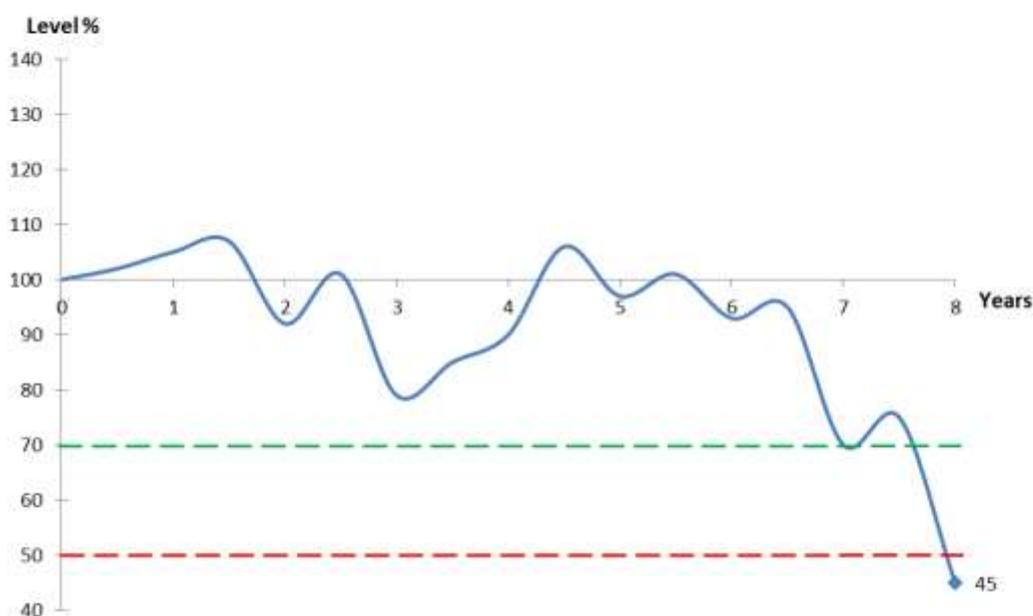
For a shareholder who has subscribed to a share for an amount corresponding to the Initial NAV (set at EUR 100 for the purpose of these examples), the following scenarios provide details of:

- The calculation of the Equity Basket Level on the Final Observation Date or on Annual Observation Date (when there has been Early Maturity Event).
- The value of the investment on the second Business day after the Final Observation Date or on the second Business day after the Annual Observation Date (when there has been Early Maturity Event) under the precondition that the counterparty of the Total Return Swaps and the Guarantor will not become insolvent.

The scenarios that feature in the tables below are purely examples used to illustrate how the Formula works. They give no indication as to past, present or future performance of the Equity Basket or the Subfund.

Each example provided below indicates the annual return or loss of the investment in the Subfund throughout the duration of the Formula.

**Very negative Scenario:** the Equity Basket Level decreased more than 50% of the Initial Level at the Final Observation Date, no Early Maturity Event occurred until then, the Annual Coupon will not influence the payout.



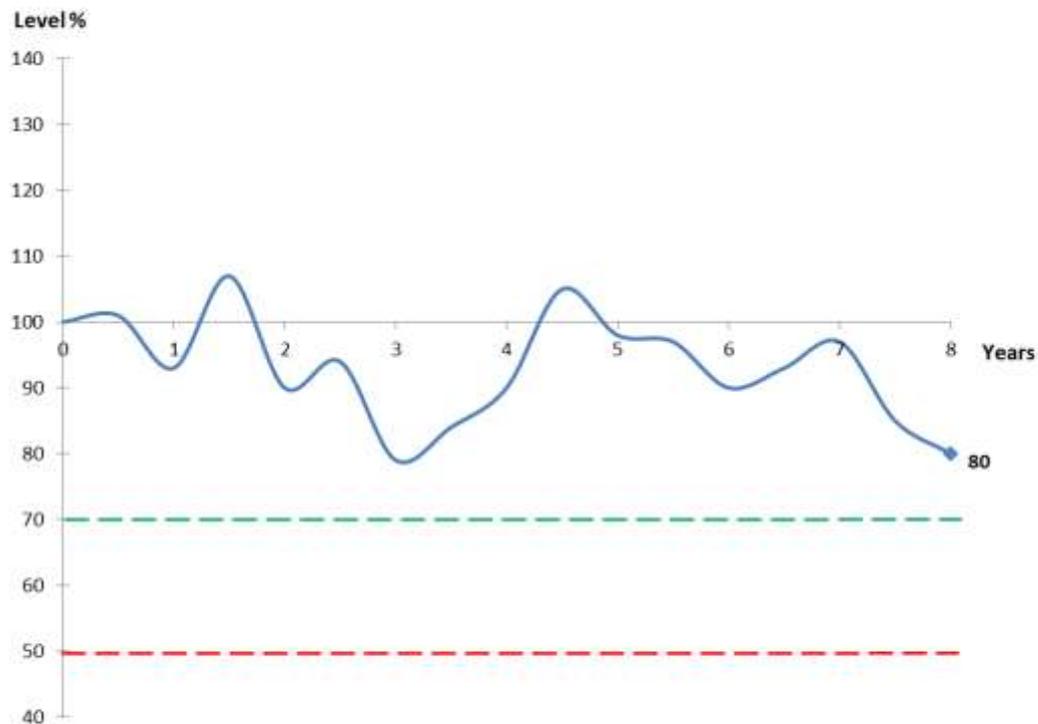
Final redemption: 50%  
Return (yield) per year: -8.3%

During the life of the Subfund, the Equity Basket Level has been below the Initial Level on each Annual Observation Date. As a result, no Early Maturity Event occurred. The Shareholder is not paid with any Annual Coupon and the Subfund continues until Final Maturity Date.

At Final Observation Date, the Equity Basket Level is below 50% of the Initial Level,. The Subfund's NAV on the second

Business day after the Final Observation Date will be at 50% of the Initial NAV.

**Negative to medium scenario:** the Equity Basket Level is between 70% and 100% of the Initial Level on Final Observation Date, no Early Maturity Event occurred until then, the Annual Coupon will not influence the payout.



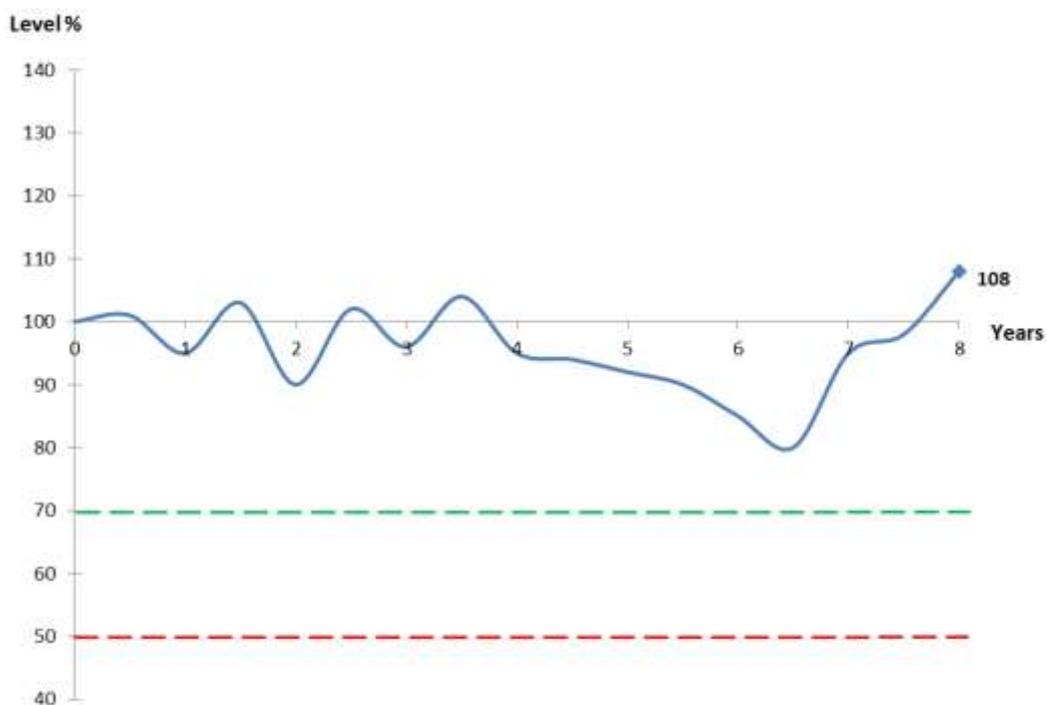
Final redemption: 100%

Return (yield) per year: not applicable

During the life of the Subfund, the Equity Basket Level has been below the Initial Level on each Annual Observation Date. As a result, no Early Maturity Event occurred. The Shareholder is not paid with any Annual Coupon and the Subfund continues until Final Maturity Date.

At Final Observation Date, the Equity Basket Level is equal to 80% of its Initial Level,. The Subfund's NAV on the second Business day after the Final Observation Date will be at least 100% of the Initial NAV.

**Medium to Positive Scenario:** the Equity Basket Level is above the Initial Level on Final Observation Date, no Early Maturity Event occurred until then.



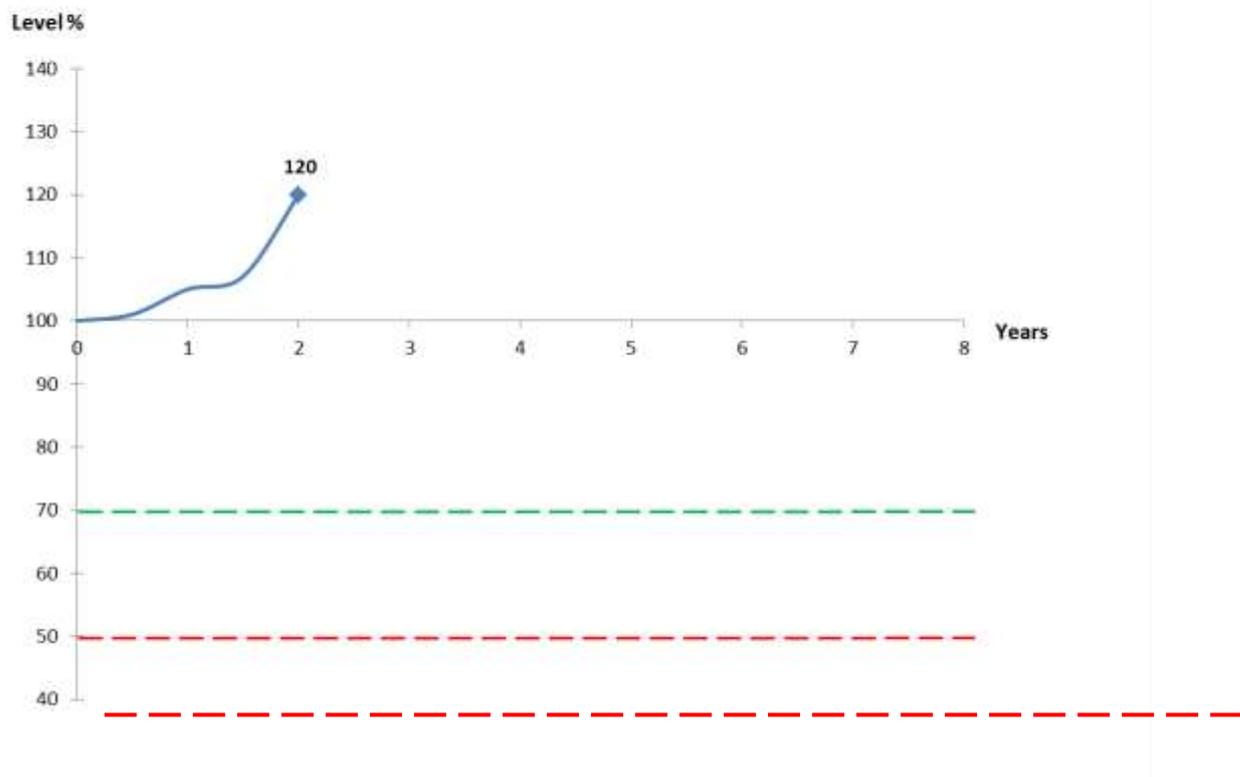
Final redemption:  $100\% + (8 \times 6.20\%) = 149.60\%$

Return (yield) per year: + 5.16 %

During the life of the Subfund, the Equity Basket Level has been below the Initial Level on each Annual Observation Date. As a result, no Early Maturity Event occurred. The Subfund continues until Final Maturity End Date.

At Final Observation Date, the Equity Basket is equal to 108%, +8% above the Initial Level. The Subfund's NAV on the second Business day after the Final Observation Date will be 100% of the Initial NAV back plus a coupon for each year elapsed (6.20 % coupon per annum, a total of 149.60 % of the Initial NAV).

**Positive Scenario:** the Equity Basket Level is above the Initial Level on the First Observation Date and an Early Maturity Event occurs on the first occasion.



Final redemption:  $100\% + (2 \times 6.20\%) = 112.40\%$   
 Return (yield) per year:  $+6.02\%$

The Equity Basket Level is above the Initial Level on the First Observation Date and an Early Maturity Event occurs on the first occasion. The investor receives 100% of their capital back a coupon for each year elapsed (6.20% coupon per annum, a total of 112.40% of the Initial NAV).

### Investment Principles

- At least 75% of the Subfund's assets are invested in equities and comparable securities and participation certificates of issuers that at the time of determination satisfy the SRI Strategy. Furthermore, index certificates and equity certificates whose risk profile correlates with the assets listed in sentence 1 of this letter a) or with the investment markets to which these assets can be allocated may also be acquired.
- At least 75% of the Subfund's assets are invested in equities and comparable securities of issuers that have their registered office in an EU Member State and/or in the EEA that has signed a tax agreement with France and is therefore PEA (Plan d'Épargne en Actions) eligible in France.
- Interest-bearing securities, including zero-coupon bonds, in particular government bonds, mortgage bonds and similar foreign asset-backed securities issued by financial institutions, public-sector bonds, floating-rate notes, convertible bonds and bonds with warrants, corporate bonds, mortgage-backed securities and asset-backed securities, as well as other collateralised bonds may be acquired for the Subfund. Furthermore, index certificates and certificates whose risk profile correlates with the assets listed in sentence 1 of this letter c) or with the investment markets to which these assets can be allocated may also be acquired. Asset as listed in this letter c) must comply with the SRI Strategy.

The acquisition of assets as defined in letter c) sentence 1, which at the time of acquisition do not have an investment-grade rating from a recognised rating agency (non-investment-grade rating) or are not rated at all, but for which in the consideration of fund management, it can be assumed that they would be rated non-investment

grade if they were to be rated (“high-yield investments”), is not allowed. If an asset as defined in letter b) sentence 1 is rated as non-investment-grade after acquisition, fund management will seek to dispose of that asset within two months.

- d) Up to 10% of the Subfund’s assets, deposits as defined in Supplement II No. 1 c) may be held and money-market instruments as defined in Supplement II No. 1 a) and e) and No. 2 first indent may be acquired for the Subfund. Money-market instruments as listed in this letter d) must comply with the SRI Strategy.
- e) The Subfund’s assets may also be invested in UCITS or UCI, as defined in Supplement II No. 1 b) that are money-market funds, bond funds, equity funds or balanced funds (including funds pursuing an absolute return approach)

Any UCITS or UCI is an equity fund as defined in the investment policy if its risk profile typically correlates with that of one or more equity markets. Any UCITS or UCI is a bond fund as defined in the investment policy if its risk profile typically correlates with that of one or more bond markets. Any UCITS or UCI is a money-market fund as defined in the investment policy if its risk profile typically correlates with that of one or more money markets.

In principle, shares may only 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. Shares in other funds may be acquired on an exceptional basis only when none of the above mentioned funds pursues an investment objective considered to be necessary on an individual basis by the Management Company, or if the shares are in a UCITS or UCI oriented towards the replication of a securities index and are authorised for trading on one of the exchanges or regulated markets listed in Supplement II No. 1 a).

- f) Mortgage-backed securities (MBS) and asset-backed securities (ABS) may not be acquired.
- g) The Management Company may also use techniques and instruments in relation to the Subfund for the purpose of efficient portfolio management (including for hedging purposes) (in accordance with Supplement III and the notes in the prospectus under “The Use of Techniques and Instruments and Special Risks associated with such Use”) for the Subfund, and raise short-term loans in accordance with Supplement II No. 2 second indent.

The Management Company will use techniques and instruments in relation to the Subfund in order to reduce the Subfund’s exposure with regard to assets as described in letters a) and b) significantly or even completely.

- h) The limits as described in letters a) and b) are not required to be adhered to in the first two months after the launch of the Subfund and during the period between an Annual or the Final Observation Date and the respective Early or Final Maturity Date
- i) Benchmark Index: none

### Guarantee

The Guarantor guarantees that the NAV on either the second Business day after an Annual Observation Date or the second Business day after the Final Observation Date (as applicable) will be in accordance with the below. The Shareholders will receive no capital guarantee.

The guarantee is provided only for the Net Asset Value of the Subfund on the second Business day after an Annual Observation Date or the second Business day after the Final Observation Date (as applicable). In case of an Early Maturity Event the Subfund will be liquidated on the respective Early Maturity Date. There is the risk of a decline of the Net Asset Value between the second Business day after the Annual Observation Date and the corresponding Early Maturity Date or between the second Business day after Final Observation Date and the Final Maturity Date.

The guarantee given by the Guarantor is provided to the Subfund and concerns the Net Asset Value on the second Business day after the Final Observation Date or on the second Business day after one of the Annual Observation Dates in the event of an Early Maturity Event as described below. This guaranteed Net Asset Value, hereinafter the “Guaranteed Net Asset

Value” or “Guaranteed NAV”, will be equal to:

- If the Equity Basket Level on the First Annual Observation Date is equal or greater than the Initial Level (occurrence of first Early Maturity Event), the Guaranteed NAV on the second Business day after the First Annual Observation Date is equal to the Initial NAV plus 6.20 % (112.40 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Date and if the Equity Basket Level on the Second Annual Observation Date is equal or greater than the Initial Level (occurrence of second Early Maturity Event), the Guaranteed NAV on the second Business day after the Second Annual Observation Date is equal to the Initial NAV plus 6.20 % (118.60 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Dates and if the Equity Basket Level on the Third Annual Observation Date is equal or greater than the Initial Level (occurrence of third Early Maturity Event), the Guaranteed NAV on the second Business day after the Third Annual Observation Date is equal to the Initial NAV plus 6.20 % (124.80 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Dates and if the Equity Basket Level on the Fourth Annual Observation Date is equal or greater than the Initial Level (occurrence of fourth Early Maturity Event), the Guaranteed NAV on the second Business day after the Fourth Annual Observation Date is equal to the Initial NAV plus 6.20 % (131.00 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Dates and if the Equity Basket Level on the Fifth Annual Observation Date is equal or greater than the Initial Level (occurrence of fifth Early Maturity Event), the Guaranteed NAV on the second Business day after the Fifth Annual Observation Date is equal to the Initial NAV plus 6.20 % (137.20 % of the Initial NAV).
- If there has been no Early Maturity Event on the past Annual Observation Dates and if the Equity Basket Level on the Sixth Annual Observation Date is equal or greater than the Initial Level (occurrence of sixth Early Maturity Event), the Guaranteed NAV on the second Business day after the Sixth Annual Observation Date is equal to the Initial NAV plus 6.20 % (143.40 % of the Initial NAV).
- If there has been no Early Maturity Event, the Guaranteed NAV on the second Business day after the Final Observation Date is equal to:
  - the Initial NAV plus 6.20 % (149.60 % of the Initial NAV) if the Final Equity Basket Level is greater than or equal to the Initial Level on the Final Observation Date.
  - 100% of the Initial NAV if the Final Equity Basket Level is lower than the Initial Level, but has not fallen below 70% of the Initial Level on the Final Observation Date.
  - the same percentage to the Initial NAV which the Final Equity Basket Level is in relation to the Initial Level if the Final Equity Basket Level has not fallen by more than 50% from its Initial Level but is less than 70% of its Initial Level on the Final Observation Date, or
  - 50% of the Initial NAV if the Final Equity Basket Level has fallen by more than 50% of its Initial Level on the Final Observation Date.
- In the case of the third and fourth indent, the Subfund's Net Asset Value on the second Business day after the Final Observation Date is lower than the Initial NAV and the Shareholder suffers a capital loss.

If the Observation Date Price cannot be determined on Observation Date because the main stock exchange of any stock is not open for trading or if trading of the respective stock is disrupted but can only be determined on one or more business days after the Observation Date, the Observation Date Price shall be determined separately in respect of each stock the main stock exchange of which is open for trading and the trading of which is not disrupted. The Guarantee will not be applied on the second Business day after the respective Observation Date but delayed by the same number of business days by which the determination of Observation Date Price had been delayed for the last stock, if any, the main stock exchange of which is open for trading and the trading of which is not disrupted.

Guaranteed NAV has two decimal digits.

Shareholders who have subscribed to the Subfund on the Initial NAV and request the redemption of their units on the NAV

of the second Business day after the Final Observation Date (no occurrence of an Early Maturity Event), or on the second Business day after an Annual Observation Date (when there has been an Early Maturity Event), will benefit from a guarantee up to the Guaranteed NAV.

Shareholders who wish to redeem their shares based on a Net Asset Value other than the one calculated on the second Business day after the Final Observation Date (when there has been no occurrence of an Early Maturity Event), or on the second Business day after the Annual Observation Date (when there has been an Early Maturity Event), will receive neither a protection nor a guarantee.

The Management Company will exercise the guarantee on behalf of the Fund. If the Fund's net assets are not sufficient on the second Business day after the Final Observation Date (when there has been no occurrence of an Early Maturity Event), or on the second Business day after the Annual Observation Date (when there has been an Early Maturity Event), the Guarantor will pay the Fund the amount required to reach the Guaranteed NAV.

In case of an insolvency of the Guarantor no guarantee or protection will be provided by either the Management Company or any other third party.

Outside the date on which the guarantee comes into play, i.e. the second Business day after the Final Observation Date (when there has been no occurrence of an Early Maturity Event) or the second Business day after an Annual Observation Date (when there has been an Early Maturity Event), the NAV is subject to the markets and may be very different from the Guaranteed NAV.

The term "Capital invested" or "capital" always excludes subscription fees. Investors should be aware that:

- the Shareholder will receive no capital guarantee;
- the application of the Formula is guaranteed by the Guarantor under the conditions detailed in this paragraph "Guarantee";
- the guarantee is given only for the shares which have issued on the Subfund's launch date. By not issuing any further shares after Subfund's launch date the Management Company will ensure that not more shares than issued on the Subfund's launch date will be in circulation.
- under no circumstances can the guarantee be called in by the Management Company in the event of the liquidation, dissolution or merger of the Subfund occurring prior to an Early Maturity Event or the Final Maturity Date (as the case may be).
- The Guarantor's commitment relates to the amounts calculated excluding tax or any deduction at the expense of the shareholders, the Subfund or its assets imposed by any government or competent authority. The guarantee amount is understood to be before any duty, tax or withholding which would be deducted from that amount of the guarantee and which would be payable by the shareholders and/or the Subfund. There can be no claim for damages against the Guarantor to compensate for the effects of the aforementioned duties, taxes or withholdings on the Shareholders and/or the Subfund.
- The guarantee is given in consideration of the laws and regulations in force on the Subfund's launch date. Should these texts (or the way in which they are interpreted by case law and/or by the government of the states in question) change after the Subfund's launch date, including retroactively, resulting in new obligations for the Subfund and in particular a direct or indirect financial expense, tax-related or otherwise, that reduces the Net Asset Value of the Subfund's shares, the Guarantor will be able to reduce the amounts due in respect of the guarantee as a result of these new obligations. The Management Company will inform the Subfund's shareholders of such a situation.
- following an Early Maturity Event (if applicable) or Final Observation Date (if applicable), the Subfund will be managed in order to obtain a return close to that of the money market during a period of 10 Business days, after which it will be dissolved and then liquidated. The Subfund will receive no guarantee during this period (except on the second Business day after the Early Maturity Event or the Final Observation Date).

### Risk Profile of the Subfund

Considering the above-mentioned circumstances and risks, the Subfund (compared with other fund types) contains such

opportunities and risks that are associated with the bond and money-market-related component of the Subfund assets but are in particular increased by the equity markets.

To a high degree, the equity-market orientation of the Subfund, in particular the general market risk, the company-specific risk, the creditworthiness risk, the counterparty risk, the risk of settlement default, and to a lesser extent the Emerging-Markets risks, the liquidity risk, the country/ transfer risks, and the custodial risk play a significant role. Among other things, as regards this type of exposure of the Subfund, it should be stressed that declines in prices, particularly those that affect the overall market, possibly even significantly more persistent ones, can have a negative impact on the Subfund's assets.

Furthermore the risks in the bond and money markets, such as the risk of interest rate changes, the creditworthiness risk, the general market risk, the company-specific risk, the country and region risk, the counterparty risk, the risk of settlement default and, to a lesser extent, the emerging-market risks, the liquidity risk, the country and transfer risks, the custodial risk play a significant role.

The currency risk is high as regards the share classes not specially hedged against a certain currency at the share-class level. There is a high currency risk for an investor who does not think in the currency against which the share class he holds is hedged, as regards the share classes specially hedged against a certain currency at the share class level; this risk exists to a lesser extent for investors who think in that currency. In addition, investor attention is drawn to the concentration risk, the settlement risk, the specific risks of investing in target funds, the (sub)fund capital risk, the risk of restricted flexibility, the inflation risk, the risk of the liabilities of individual share classes affecting other share classes, the risk of changes in underlying conditions, the Risk of taxation or other charges as a result of local provisions related to the assets held by the (sub-)fund, the risk of changes to the Articles of Incorporation, to the investment policy and to the other basic aspects of a (sub)fund, the key personnel risk, the risk of transaction costs at the (sub)fund level arising from share movements, and the increased performance risk.

For information on the special risks related to the use of techniques and instruments, please see the sections "Use of Techniques and Instruments and Special Risks associated with such Use" and "Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund".

The volatility (fluctuation) of the value of shares in the Subfund might increase. The volatility (fluctuation) of the value of the shares in the Subfund could particularly increase close to any Annual Observation Date and close to the Final Observation Date if the Equity Basket Level is around the threshold levels of 100% and 70%. The possible increase of volatility reflects the uncertainty to receive the Annual Coupon on Annual Observation Date or to receive the Annual Coupon or the protection of the capital respectively, on Final Observation Date because only slight volatility in the equity markets may result in significant volatility in the value of the shares of the Subfund.

In case of an extraordinary event related to any stock as defined in standardised agreements widely used within the financial industry for OTC derivatives transactions, e.g. change in law, an insolvency event, a merger, a delisting or similar events affecting significantly the creditworthiness of a stock or in case any does – in the opinion of the Investment Manager – no longer comply with the SRI Strategy (the "Affected Stock"), the Affected Stock will be replaced by another stock as determined by the Investment Manager at its sole discretion (the "Substitute Stock"). The Substitute Stock must have its registered office in Europe, must satisfy the SRI Strategy and must comply with the criteria as set out in Supplement II, No. 1 a) of this prospectus. A Substitute Stock may become an Affected Stock if an extraordinary event as described above may happen to the Substitute Stock.

The Equity Basket, and in particular the Equity Basket Level, may be modified during the life of the Subfund upon the occurrence of an extraordinary event related to any stock as defined in standardised agreements widely used within the financial industry for OTC derivatives transactions, e.g. change in law, an insolvency event, a merger, a delisting or similar events affecting significantly the creditworthiness of a stock or in case any does – in the opinion of the Investment Manager – no longer comply with the SRI Strategy.

#### **Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund**

The Subfund may employ derivatives – such as futures, options, swaps – for hedging purposes. This may lead to

correspondingly lower opportunities and risks in the general Subfund profile.

The Subfund may also employ derivatives in a speculative sense in order to increase returns in pursuing the investment objective, in particular, to represent the general Subfund profile 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 Subfund profile through derivatives, the general Subfund profile will be implemented in particular through the replacement of direct investments in securities, for example, by investments in derivatives, which normally will not have a substantial effect on the general Subfund profile. If the Subfund employs derivatives to increase the level of investment, it does so in order to achieve a medium to long-term risk profile with the additional medium market risk potential of a fund with a similar profile that does not invest in derivatives. The performance of any derivatives will be for the benefit of the Subfund (less any transactions costs or fees).

The Investment Manager has no further restriction other than set out in Supplement II and III and in this information sheet for the use of derivatives. The Subfund may enter into Securities Financing Transactions as set out in Supplement III: Use of Techniques and Instruments, section No. 3 "Securities Financing Transactions".

### **Proportions of a Subfund's Net Asset Value subject to Securities Financing Transactions**

TRS / CFD (summed up)

- The expected proportion for the use of TRS / CFD (summed up) shall usually not exceed 200 % of Subfund's NAV
- The maximum limit for the use of TRS / CFD (summed up) is 250% of Subfund's NAV

Securities Lending Agreements

- The expected proportion for the use of securities lending agreements shall usually not exceed 0% of Subfund's NAV
- The maximum limit for the use of securities lending agreements is 0% of Subfund's NAV

Securities Repurchase Agreements

- The expected proportion for the use of repurchase agreements shall usually not exceed 0 % of Subfund's NAV
- The maximum limit for the use of securities repurchase agreements is 0% of Subfund's NAV

The Management Company follows a risk-controlled approach in the use of derivatives.

### **Investor Profile**

The Subfund is aimed at investors who expect a positive performance of the Equity Basket at the predefined observation which, however, is below the Annual Coupon. It may not be suitable for investors who wish to withdraw their capital from the Subfund prior to the maturity of the Subfund, i.e. not to withdraw their capital for a period of up to eight years. The Subfund is aimed at investors with advanced knowledge and/or experience of financial products. Prospective investors should be capable of bearing a financial loss and should not attach any importance to capital protection. In terms of risk assessment, the Subfund is assigned to a certain risk class on a scale of 1 (conservative; very low to low expectation of returns) to 7 (very tolerant of risk; highest expectation of returns) which is published on the website <https://regulatory.allianzgi.com> and will be provided in the Key Investor Information issued in respect of the relevant Share Class. The investors should accept the risk of a significantly increased volatility (fluctuation) of the value of the shares in the Subfund close to any Annual Observation Date there is a slight variation in the Equity Basket Level around the threshold of 100% of the Initial Level or if close to the Final Observation Date there is a slight variation in the Equity Basket Level around the thresholds of 70%, and 100% of the Initial Level.

In order to maximise Formula performance, the investor anticipates stability or a moderate increase in the Equity Basket between the Initial Observation Date and the First Annual Observation Date at the end of year two. The Shareholder thus receives early repayment of their invested capital plus the cumulative amount of two Annual Coupons.

### **Base currency**

EUR

### **Issue of shares**

The issue of shares will be suspended the Business day after the Subfund's launch date.

### **Launch date for those Share Classes already launched**

This Subfund has not yet been launched. In case such Subfund should be launched the Prospectus will be updated accordingly.

### **Term of the Subfund**

Limited until either of the Early Maturity Dates or the Final Maturity Date depending on the occurrence of an Early Maturity Event.

### **Reporting**

Annually on 30 September

### **Semi-annual reports**

Annually on 31 March

### **Share certificates**

No claim on issue of physical securities.

### **Share classes**

Shares of classes IT (subject to a resolution on the use of income to this effect by the General Meeting of Shareholders): accumulating share classes.

### **Initial subscription price**

1000 EUR

### **Valuation**

Each day on which banks and exchanges in Luxembourg, Paris, Madrid, Milan, Amsterdam and in Frankfurt are open for business.

### **Trading Deadline**

11.00 a.m. CET or CEST on any Valuation Day preceding a Valuation Day. Subscription and redemption applications received by 11.00 a.m. CET or CEST on any Valuation Day preceding a Valuation Day are settled at the Subscription or Redemption Price of the next Valuation Day. Subscription and redemption applications received after that time are settled at the Subscription or Redemption Price of the second Valuation Day following the Valuation Day.

## Price information

Internet <https://lu.allianzgi.com>; Reuters ALLIANZGI01

Class	IT7 (EUR) <sup>1)</sup>
ISIN	LU2093254204
WKN	A2PXHG
Sales charge <sup>2)</sup>	2.00%
Redemption fee	-
Conversion fee <sup>3)</sup>	-
Maxium All-in Fee <sup>4)</sup>	1.39 % p. a.
Taxe d'Abonnement	0.01 % p. a.
Minimum investment amount <sup>5)</sup>	EUR 1 million

<sup>1)</sup> Shares of this share class may only be acquired by Allianz Vie France.

<sup>2)</sup> The company may levy a lower sales charge at its own discretion.

<sup>3)</sup> For conversion into shares of this Subfund. The Management Company may levy a lower conversion fee at its own discretion.

<sup>4)</sup> The Management Company may levy a lower fee at its own discretion.

<sup>5)</sup> In individual cases, the Management Company may permit a lower minimum investment at its own discretion.

## Restrictions/ Additional Information

The Management Company may intend -but is not obliged- to close the Subfund or the selected share class IT7 (EUR) for subscriptions five business days after the Subfund launch date

This information sheet is issued as a supplement to the prospectus, as amended. Investors should pay particular attention to the risk warnings (see "General Risk Factors") in the prospectus.

# Allianz Strategy 15

## Information Sheet

### Investment Objective

The investment objective is geared, in the long term, towards generating mainly capital growth with regard to the portfolio's equity portion by investing in the global equity markets and, with regard to the portfolio's bond /money market portion, towards generating a market driven return with reference to the Euro bond / money markets within the scope of the investment policy. Overall, the goal is to achieve a performance comparable to a balanced portfolio consisting of 15 % global equity markets and 85 % medium-term Euro bond markets.

In doing so, the fund management will specify a weighting of investments in bond-, money- or equity-market oriented positions, based on a quantitative approach with volatility<sup>1</sup> as key input factor.

In times of high volatility, the equity market oriented portion will be reduced. In times of low volatility, the equity market oriented portion will be increased.

### Investment Principles

To this end, the assets of the Subfund are invested, according to the principle of risk diversification, as follows:

- a) Subject in particular to the provisions of letter k), up to 35 % of Subfund assets may be invested in equities and comparable securities and participation certificates may be acquired for the Subfund. Included in this limit, index certificates and equity certificates whose risk profile correlates with the assets listed in sentence 1 of this letter a) or with the investment markets to which these assets can be allocated may also be acquired

Equity funds within the meaning of letter d) are included in this limit.

- b) Interest-bearing securities, including zero-coupon bonds, in particular government bonds, mortgage bonds and similar foreign asset-backed securities issued by financial institutions, public-sector bonds, floating-rate notes, convertible bonds and bonds with warrants, corporate bonds, mortgage-backed securities and asset-backed securities, as well as other collateralised bonds may be acquired for the Subfund. Furthermore, index certificates and certificates whose risk profile correlates with the assets listed in sentence 1 of this letter b) or with the investment markets to which these assets can be allocated may also be acquired.
- c) **In addition, deposits as defined in Supplement II No. 1 c) may be held and money-market instruments as defined in Supplement II No. 1 a) and e) and No. 2 first indent may be acquired for the Subfund.**
- d) **The Subfund's assets may also be invested up to 10 % of Subfund assets in UCITS or UCI, as defined in Supplement II No. 1 b) that are money-market funds, bond funds, equity funds or balanced funds (including funds pursuing an absolute return approach).**

Any UCITS or UCI is an equity fund as defined in the investment policy if its risk profile typically correlates with that of one or more equity markets. Any UCITS or UCI is a bond fund as defined in the investment policy if its risk profile typically correlates with that of one or more bond markets. Any UCITS or UCI is a money-market fund as defined in the investment policy if its risk profile typically correlates with that of one or more money markets.

In principle, shares may only 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. Shares in other funds may be acquired on an exceptional basis only when none of the above

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<sup>1</sup> Volatility indicates the range of fluctuation of an investment. An investment with relatively high volatility has a greater risk of price fluctuation.

mentioned funds pursues an investment objective considered to be necessary on an individual basis by fund management, or if the shares are in a UCITS or UCI oriented towards the replication of a securities index and are authorised for trading on one of the exchanges or regulated markets listed in Supplement II No. 1 a).

- e) Subject in particular to the provisions of letter k), the acquisition of assets as defined in letters a), b) and c) as well as the acquisition of derivatives in the meaning of Supplement II Nr. 1 d) whose issuers/counterparties have their registered offices in a country not classified by the World Bank as “high gross national income per capita”, i. e. is not classified as “developed” (an “Emerging Market”), may not exceed 3 % of the Subfund’s assets.

Investments within the meaning of letter d) are included in this limit if their risk profiles typically correlate with one or more Emerging Markets which are focussed on the investment markets to which investments in the meaning of letters a), b) or c) can be allocated.

- f) The acquisition of assets as defined in letter b) sentence 1, which at the time of acquisition do not have an investment-grade rating from a recognised rating agency (non-investment-grade rating) or are not rated at all, but for which in the consideration of fund management, it can be assumed that they would be rated non-investment grade if they were to be rated (“high-yield investments”), is not allowed. If an asset as defined in letter b) sentence 1 is rated as non-investment-grade after acquisition, fund management will seek to dispose of that asset within two months.

Bond funds and money-market funds within the meaning of letter d) are included in this limit if their risk profiles typically correlate with one or more high yield investments.

- g) Subfund assets may also be denominated in foreign currencies.

At the Subfund level, the proportion of the assets not denominated in Euros

- as defined in letters b) sentence 1 and c),
- as defined in letter d), that are bond funds and money-market funds, as well as
- the proportion of short term loans within the meaning of Supplement II Nr. 2 second indent

may only exceed 5 % of the value of the Subfund assets if the portion exceeding this amount is hedged by means of exchange-rate or currency derivatives.

Where assets and short-term loans in accordance with Supplement II No. 2 second indent are denominated in the one currency, it is their overall net sum which will be considered within this limit. Investment instruments that are not denominated in a currency are considered to be denominated in the currency of the country in which the registered office of the issuer is located.

Bond funds and money-market funds are taken into account in accordance with the currency the respective fund’s share class acquired is denominated in.

- h) The average, cash-value weighted residual maturity (duration) of the share of Subfund assets invested in interest-bearing securities including zero-coupon bonds as defined in letter b) sentence 1 and deposits and money-market instruments as defined in letter c), including interest receivable on the assets named, should be between zero and nine years. In calculating duration, derivatives on interest-bearing securities, interest and bond indices and interest rates are accounted for independently of the currency in which the underlying assets are denominated.
- i) In the framework of and taking into account the above restrictions, the Subfund’s assets may – depending on the assessment of the market situation – focus on
- individual types of assets, and/or
  - individual currencies, and/or

- individual sectors, and/or
- individual countries, and/or
- assets with shorter or longer (residual) maturities, and/or
- assets of specific issuers/debtors (e. g. government or corporate)

or have a broad investment focus.

Fund management may, in particular, invest in the corresponding securities of companies of all sizes, either directly or indirectly. Depending on the market situation, fund management may focus either on companies of a certain size or individually determined sizes, or have a broad investment focus. In particular, the Subfund may also invest in very small cap stocks, some of which operate in niche markets.

Fund management may, in particular, also invest either directly or indirectly in securities that it considers to be undervalued in comparison with the respective sector (value stocks), and securities it considers to have growth potential that is not sufficiently taken into account in their current prices (growth stocks). Depending on the market situation, fund management may either concentrate on value or growth stocks, or have a broad investment focus. However, the primary objective is a mix of value and growth stocks.

- j) The limits described in letters a) and e) to h) above may be either exceeded or not met if this occurs through changes in the value of assets held in the Subfund, or through change in the value of the Subfund as a whole, as in the case of the issue or redemption of share certificates (“passive violation of limits”). In such cases, fund management will seek to adhere to those limits within an appropriate time frame.
- k) It is permissible for the limits described in letters a) and e) above to be either exceeded or not met through the acquisition or sale of the corresponding assets if it is simultaneously ensured through the use of techniques and instruments that the respective market risk potential as a whole adheres to the limits.

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 also counted as risk-reducing if their underlying assets do not fully match the assets in the Subfund.

- l) The Management Company may also use techniques and instruments in relation to the Subfund for the purpose of efficient portfolio management (including for hedging purposes) (in accordance with Supplement III and the notes in the prospectus under “The Use of Techniques and Instruments and Special Risks associated with such Use”) for the Subfund, and raise short-term loans in accordance with Supplement II No. 2 second indent.
- m) The Benchmark Index corresponds to the composition of MSCI World Total Return (Net) Local Index (15%) and JP Morgan EMU Government Bond Investment Grade Index (85%). The degree of freedom from this Benchmark Index is material. Both benchmark administrators (respectively J.P. Morgan Securities PLC and MSCI Limited) are included in the register maintained by ESMA which is available on ESMA’s website ([www.esma.europa.eu](http://www.esma.europa.eu)).
- n) The “VAG Investment Restriction” as described under “Supplement I: Glossary” applies.

Under no circumstances may the Subfund deviate from its stated investment objectives when using such techniques and instruments.

Fund management will invest Subfund assets after thorough analysis of all the information available, subject to a careful evaluation of risks and opportunities, in securities, target funds and other admissible assets. The performance of the shares in the Subfund, however, remains dependent on price changes on the markets. Therefore, no warranty can be given that the objectives of the investment policy will be achieved.

Investors assume the risk of receiving a lesser amount than they originally invested.

### Limited risk diversification

With reference to Supplement II No. 3 f) and in accordance with the principle of risk diversification, up to 100 % of the Subfund's net assets may, in derogation of Supplement II No. 3 a) to d), be invested in securities and money-market instruments of different issuers issued or guaranteed by the European Union, the European Central Bank, a Member State of the EU or its local authorities, a Member State of the OECD, or by public international bodies to which one or more Member States of the EU belong, 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 a single issue not to exceed 30 % of the net assets of the Subfund.

### Risk Profile of the Subfund

Considering the above-mentioned circumstances and risks, the Subfund (compared with other fund types) contains such opportunities and risks that are associated with the bond and money-market-related component of the Subfund assets but are in particular increased by the equity-market.

In this regard, the risks corresponding with the equity-market orientation of the Subfund, such as the general market risk, the company-specific risk, the creditworthiness risk, the counterparty risk, the risk of settlement default and to a lesser extent, the Emerging Markets risks, the liquidity risk, country and transfer risks and the custodial risk, play a significant role. Among other things, as regards this type of exposure of the Subfund, it should be stressed that declines in prices, particularly those that affect the overall market, possibly even significantly more persistent ones, can have a negative impact on the Subfund's assets.

Furthermore, the risks in the bond and money markets, such as the risk of interest rate changes, the creditworthiness risk, the general market risk, the company-specific risk, the country and region risk, the counterparty risk, the risk of settlement default, the specific risks of Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS) and, to a lesser extent, the Emerging Market risks, the liquidity risk, the country and transfer risks, and the custodial risk, play a significant role.

The currency risk is high as regards the share classes not specially hedged against a certain currency at the share-class level. There is a high currency risk for an investor who does not think in the currency against which the share class he holds is hedged, as regards the share classes specially hedged against a certain currency at the share-class level; this risk exists to a lesser extent for investors who think in that currency.

In addition, investor attention is drawn to the specific risks of investing in high-yield investments, the concentration risk, the settlement risk, the specific risks of investing in target funds, the (sub)fund capital risk, the risk of restricted flexibility, the inflation risk, the risk of the liabilities of individual share classes affecting other share classes, the risk of changes in underlying conditions, the Risk of taxation or other charges as a result of local provisions related to the assets held by the (sub-)fund, the risk of changes to the Articles of Incorporation, to the investment policy and to the other basic aspects of a (sub)fund, the key personnel risk, the risk of transaction costs at the (sub)fund level arising from share movements, and the performance risk.

For information on the special risks related to the use of techniques and instruments, please see the sections "Use of Techniques and Instruments and the Risks associated with such Use" and "Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund".

### Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund

The Subfund may employ derivatives – such as futures, options, swaps – for hedging purposes. This may lead to correspondingly lower opportunities and risks in the general Subfund profile.

The Subfund may also employ derivatives in a speculative sense in order to increase returns in pursuing the investment objective, in particular, to represent the general Subfund profile 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 Subfund profile through derivatives, the general Subfund profile will be implemented in particular through the replacement of direct investments in securities, for example, by investments in derivatives, which normally will not have a substantial effect on the general Subfund profile. If the Subfund employs derivatives to increase the level of investment, it does so in

order to achieve a medium to long-term risk profile with the additional medium market risk potential of a fund with a similar profile that does not invest in derivatives. The performance of any derivatives will be for the benefit of the Subfund (less any transactions costs or fees).

The Investment Manager has no further restrictions other than set out in **Supplement II and III** and in this information sheet for the use of derivatives. The Subfund may enter into Securities Financing Transactions as set out in Supplement III: Use of Techniques and Instruments, section No. 3 "Securities Financing Transactions".

### **Proportions of a Subfund's Net Asset Value subject to Securities Financing Transactions**

TRS / CFD (summed up)

- The expected proportion for the use of TRS / CFD (summed up) shall usually not exceed 0 % of Subfund's NAV
- The maximum limit for the use of TRS / CFD (summed up) is 30% of Subfund's NAV

Securities Lending Agreements

- The expected proportion for the use of securities lending agreements shall usually not exceed 0% of Subfund's NAV
- The maximum limit for the use of securities lending agreements is 50% of Subfund's NAV

Securities Repurchase Agreements

- The expected proportion for the use of repurchase agreements shall usually not exceed 0 % of Subfund's NAV
- The maximum limit for the use of securities repurchase agreements is 30% of Subfund's NAV

**The Management Company follows a risk-controlled approach in the use of derivatives.**

### **Investor Profile**

Allianz Strategy 15 is aimed at investors who prioritise safety and/or pursue the objective of general capital appreciation/asset optimisation. It may not be suitable for investors who wish to withdraw their capital from the Subfund within a short timeframe. Allianz Strategy 15 is aimed at investors with basic knowledge and/or experience of financial products. Prospective investors should be capable of bearing a financial loss and should not attach any importance to capital protection. In terms of risk assessment, Allianz Strategy 15 is assigned to a certain risk class on a scale of 1 (conservative; very low to low expectation of returns) to 7 (very tolerant of risk; highest expectation of returns) which is published on the website <https://regulatory.allianzgi.com>.

### **Base currency:**

EUR

### **Launch date:**

CT (EUR): 26 January 2009

W (EUR): 26 March 2015

WT (EUR): 10 June 2015

IT (EUR): 1 October 2015

RT (EUR): 12 October 2017

C2 (EUR): 18 October 2019

### **Term of the Subfund:**

Unlimited

### **Reporting:**

Annually on 30 September

**Semi-annual reports:**

Annually on 31 March

**Share certificates:**

No claim on issue of physical securities.

**Share classes:**

Shares of classes AT, CT, CT2, NT, PT, RT, IT, XT and WT (subject to a resolution on the use of income to this effect by the General Meeting of Shareholders): accumulating share classes.

Shares of classes A, C, C2, N, P, R, I, X and W (subject to a resolution on the use of income to this effect by the General Meeting of Shareholders): distributing share classes.

**Planned distribution date for distributing share classes:**

Annually on 15 December. If the distribution date falls on a weekend or a bank holiday, the distribution will be made on the next following business day.

**Initial subscription price:**

EUR 1,000.-/ USD 1,000.-/ JPY 200,000.-/ GBP 1,000.-/ CHF 1,000.-/ NOK 10,000.-/ SEK 10,000.-/ DKK 10,000.-/ PLN 4,000.-/ CZK 30,000.-/ HKD 1,000.-/ HUF 250,000.-/ SGD 1,000.- for share classes N, NT, P, PT, I, IT, X, XT, W and WT.

EUR 100.-/ USD 100.-/ JPY 20,000.-/ GBP 100.-/ CHF 100.-/ NOK 1,000.-/ SEK 1,000.-/ DKK 1,000.-/ PLN 400.-/ CZK 3,000.-/ HKD 100.-/ HUF 25,000.-/ SGD 100.- for the remaining share classes plus sales charge if applicable.

**Valuation:**

Each business day.

**Trading deadline:**

6.00 p. m. CET or CEST on any valuation day preceding a valuation day. Subscription and redemption applications received by 6.00 p. m. CET or CEST are settled at the subscription or redemption price of the next valuation day. Subscription and redemption applications received after that time are settled at the subscription or redemption price of the second following valuation day.

**Price information:**

Internet <https://lu.allianzgi.com>; Reuters ALLIANZGI01

<b>Class</b>	<b>AT</b>	<b>CT<sup>1)</sup></b>	<b>CT2<sup>1)</sup></b>	<b>NT</b>	<b>PT</b>	<b>RT<sup>2)</sup></b>	<b>IT<sup>3)</sup></b>	<b>XT<sup>3)</sup></b>	<b>WT<sup>3)</sup></b>
	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN
	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN
EUR	–	LU0398560267	LU0692801458	–	–	LU1673098791	LU0882150443	–	LU0398560424
	–	A0RCVJ	A1JMFH	–	–	A2DWPR	A1H9GU	–	A0RCVL
USD	–	–	–	–	–	–	–	–	–
JPY	–	–	–	–	–	–	–	–	–
GBP	–	–	–	–	–	–	–	–	–
CHF	–	–	–	–	–	–	–	–	–
NOK	–	–	–	–	–	–	–	–	–
SEK	–	–	–	–	–	–	–	–	–
DKK	–	–	–	–	–	–	–	–	–
PLN	–	–	–	–	–	–	–	–	–
CZK	–	–	–	–	–	–	–	–	–
HKD	–	–	–	–	–	–	–	–	–
HUF	–	–	–	–	–	–	–	–	–
SGD	–	–	–	–	–	–	–	–	–
H-EUR	–	–	–	–	–	–	–	–	–
H-USD	–	–	–	–	–	–	–	–	–
H-JPY	–	–	–	–	–	–	–	–	–
H-GBP	–	–	–	–	–	–	–	–	–
H-CHF	–	–	–	–	–	–	–	–	–
H-NOK	–	–	–	–	–	–	–	–	–
H-SEK	–	–	–	–	–	–	–	–	–
H-DKK	–	–	–	–	–	–	–	–	–
H-PLN	–	–	–	–	–	–	–	–	–
H-CZK	–	–	–	–	–	–	–	–	–
H-HKD	–	–	–	–	–	–	–	–	–
H-HUF	–	–	–	–	–	–	–	–	–
H-SGD	–	–	–	–	–	–	–	–	–
<b>Class</b>	<b>A</b>	<b>C<sup>1)</sup></b>	<b>C2<sup>1)</sup></b>	<b>N</b>	<b>P</b>	<b>R<sup>2)</sup></b>	<b>I<sup>3)</sup></b>	<b>X<sup>3)</sup></b>	<b>W<sup>3)</sup></b>
	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN
	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN
EUR	–	LU0398560002	LU2064238111	–	–	–	LU0882149940	–	LU0398560341
	–	A0RCVH	A2PS87	–	–	–	A1H9GT	–	A0RCVK
USD	–	–	–	–	–	–	LU1138502213 A12E9P	–	LU1157054310 A12GVW
JPY	–	–	–	–	–	–	–	–	–
GBP	–	–	–	–	–	–	–	–	–
CHF	–	–	–	–	–	–	–	–	–
NOK	–	–	–	–	–	–	–	–	–
SEK	–	–	–	–	–	–	–	–	–
DKK	–	–	–	–	–	–	–	–	–
PLN	–	–	–	–	–	–	–	–	–
CZK	–	–	–	–	–	–	–	–	–
HKD	–	–	–	–	–	–	–	–	–
HUF	–	–	–	–	–	–	–	–	–
SGD	–	–	–	–	–	–	–	–	–
H-EUR	–	–	–	–	–	–	–	–	–
H-USD	–	–	–	–	–	–	–	–	–
H-JPY	–	–	–	–	–	–	–	–	–
H-GBP	–	–	–	–	–	–	–	–	–
H-CHF	–	–	–	–	–	–	–	–	–
H-NOK	–	–	–	–	–	–	–	–	–
H-SEK	–	–	–	–	–	–	–	–	–
H-DKK	–	–	–	–	–	–	–	–	–
H-PLN	–	–	–	–	–	–	–	–	–
H-CZK	–	–	–	–	–	–	–	–	–
H-HKD	–	–	–	–	–	–	–	–	–
H-HUF	–	–	–	–	–	–	–	–	–
H-SGD	–	–	–	–	–	–	–	–	–

Explanations can be found in the footnotes below the table.

Class	AT / A	CT / C <sup>1)</sup>	CT2 / C2 <sup>1)</sup>	NT / N	PT / P	RT / R <sup>2)</sup>	IT / I <sup>3)</sup>	XT / X <sup>4)</sup>	WT / W <sup>5)</sup>
The following information refers to both the distributing and accumulating variants of a group of share classes.									
Sales charge <sup>4)</sup>	3.00 %	–	–	–	–	–	–	–	–
Redemption fee	No redemption fee is currently levied.								
Conversion fee <sup>5)</sup>	3.00 %	–	–	–	–	–	–	–	–
All-in fee <sup>6)</sup>	1.40 % p. a.	1.40 % p. a. <sup>7)</sup>	1.60 % p. a. <sup>7)</sup>	0.95 % p. a.	0.95 % p. a.	1,20 % p. a.	2.50 % p. a.	0.77 % p. a. <sup>8)</sup>	0.77 % p. a.
Taxe d'Abonnement	0.05 % p. a.	0.05 % p. a.	0.05 % p. a.	0.01 % p. a.	0.01 % p. a.	0.01 % p. a.			
Minimum investment amount <sup>9)</sup>	There is currently no set minimum investment amount.	There is currently no set minimum investment amount.	There is currently no set minimum investment amount.	EUR 200,000 USD 200,000 JPY 40 million GBP 200,000 CHF 400,000 NOK 1.6 million SEK 2 million DKK 2 million PLN 800,000 CZK 6 million HKD 2 million HUF 50 million SGD 400,000	EUR 3 million USD 3 million JPY 600 million GBP 3 million CHF 3 million NOK 24 million SEK 30 million DKK 30 million PLN 12 million CZK 90 million HKD 30 million HUF 750 million SGD 6 million	There is currently no set minimum investment amount.	EUR 4 million USD 4 million JPY 800 million GBP 4 million CHF 8 million NOK 32 million SEK 40 million DKK 40 million PLN 16 million CZK 120 million HKD 40 million HUF 1 billion SGD 8 million	There is currently no set minimum investment amount.	EUR 10 million USD 10 million JPY 2 billion GBP 10 million CHF 20 million NOK 80 million SEK 100 million DKK 100 million PLN 40 million CZK 300 million HKD 100 million HUF 2.5 billion SGD 20 million

<sup>1)</sup> With regard to investors who are either domiciled in, or permanent residents of, the Federal Republic of Germany, shares of these share classes may only be acquired within the scope of unit-linked insurance policies or professional asset management.

<sup>2)</sup> Shares of share classes R and RT may only be acquired with the consent of the Management Company and in addition only by such distributors which according to regulatory requirements (such as discretionary portfolio management and/or independent advice under MIFID II) or based on individual fee arrangements with their clients are not allowed to accept and keep trail commissions. No trail commissions may be paid to any sales partners in relation to any of the available varieties of share classes R and RT.

<sup>3)</sup> Shares of these share classes may only be acquired by legal entities.

<sup>4)</sup> The Management Company may levy a lower sales charge at its own discretion.

<sup>5)</sup> For conversion into shares of this Subfund. The Management Company may levy a lower conversion fee at its own discretion.

<sup>6)</sup> The Management Company may levy a lower fee at its own discretion.

<sup>7)</sup> Share Classes C and CT may include a separate distribution component for additional services of the Distributor(s).

<sup>8)</sup> Unless another fee, which may include a performance component, is agreed based on a special individual agreement between the Management Company and the respective investor.

<sup>9)</sup> In individual cases, the Management Company may permit a lower minimum investment at its own discretion.

### Restrictions/ Additional Information

- Shares of Share Classes C2 and CT2 may only be acquired by investors who are clients of Hellenic Bank, or its affiliates.
- The minimum subscription amount for the investment in Shares of the Share Class C2 and CT2 (after deduction of any Sales Charge) is EUR 1 million or equivalent in other currencies. In certain cases, the Management Company has discretion to permit lower minimum investments.

This information sheet is issued as a supplement to the prospectus, as amended. Investors should pay particular attention to the risk warnings (see "General Risk Factors") in the prospectus.

# Allianz Strategy 50

## Information Sheet

### Investment Objective

The investment objective is geared, in the long term, towards generating mainly capital growth with regard to the portfolio's equity portion by investing in the global equity markets and, with regard to the portfolio's bond/money market portion, towards generating a market driven return with reference to the Euro bond/money markets within the scope of the investment policy. Overall, the goal is to achieve a performance comparable to a balanced portfolio consisting of 50% global equity markets and 50% medium-term Euro bond markets.

In doing so, the fund management will specify a weighting of investments in bond-, money – or equity-market oriented positions, based on a quantitative approach with volatility<sup>2</sup> as key input factor.

In times of high volatility, the equity market oriented portion will be reduced. In times of low volatility, the equity market oriented portion will be increased.

### Investment Principles

To this end, the assets of the Subfund are invested, according to the principle of risk diversification, as follows:

- a) Equities and comparable securities and participation certificates may be acquired for the Subfund. Furthermore, index certificates and equity certificates whose risk profile correlates with the assets listed in sentence 1 of this letter a) or with the investment markets to which these assets can be allocated may also be acquired.
- b) Interest-bearing securities, including zero-coupon bonds, in particular government bonds, mortgage bonds and similar foreign asset-backed securities issued by financial institutions, public-sector bonds, floating-rate notes, convertible bonds and bonds with warrants, corporate bonds, mortgage-backed securities and asset-backed securities, as well as other collateralised bonds may be acquired for the Subfund. Furthermore, index certificates and certificates whose risk profile correlates with the assets listed in sentence 1 of this letter b) or with the investment markets to which these assets can be allocated may also be acquired.
- c) **In addition, deposits as defined in Supplement II No. 1 c) may be held and money-market instruments as defined in Supplement II No. 1 a) and e) and No. 2 first indent may be acquired for the Subfund.**
- d) Up to 10 % of the Subfund's assets may also be invested in UCITS or UCI, as defined in Supplement II No. 1 b) that are money-market funds, bond funds, equity funds or balanced funds (including funds pursuing an absolute return approach)

Any UCITS or UCI is an equity fund as defined in the investment policy if its risk profile typically correlates with that of one or more equity markets. Any UCITS or UCI is a bond fund as defined in the investment policy if its risk profile typically correlates with that of one or more bond markets. Any UCITS or UCI is a money-market fund as defined in the investment policy if its risk profile typically correlates with that of one or more money markets.

In principle, shares may only 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. Shares in other funds may be acquired on an exceptional basis only when none of the above mentioned funds pursues an investment objective considered to be necessary on an individual basis by fund management, or if the shares are in a UCITS or UCI oriented towards the replication of a securities index and are authorised for trading on one of the exchanges or regulated markets listed in Supplement II No. 1 a).

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<sup>2</sup>Volatility indicates the range of fluctuation of an investment. An investment with relatively high volatility has a greater risk of price fluctuation.

- e) Subject in particular to the provisions of letter k), the acquisition of assets as defined in letters a), b) and c) as well as the acquisition of derivatives in the meaning of Supplement II Nr. 1 d) whose issuers/counterparties have their registered offices in a country not classified by the World Bank as “high gross national income per capita”, i. e. is not classified as “developed” (an “Emerging Market”), may not exceed 4 % of the Subfund’s assets.

Investments within the meaning of letter d) are included in this limit if their risk profiles typically correlate with one or more Emerging Markets which are focussed on the investment markets to which investments in the meaning of letters a), b) or c) can be allocated.

- f) The acquisition of assets as defined in letter b) sentence 1, which at the time of acquisition do not have an investment-grade rating from a recognised rating agency (non-investment-grade rating) or are not rated at all, but for which in the consideration of fund management, it can be assumed that they would be rated non-investment grade if they were to be rated (“high-yield investments”), is not allowed. If an asset as defined in letter b) sentence 1 is rated as non-investment-grade after acquisition, fund management will seek to dispose of that asset within two months.

Bond funds and money-market funds within the meaning of letter d) are included in this limit if their risk profiles typically correlate with one or more high yield investments.

- g) Subfund assets may also be denominated in foreign currencies.

At the Subfund level, the proportion of the assets not denominated in Euros

- as defined in letters b) sentence 1 and c),
- as defined in letter d), that are bond funds and money-market funds, as well as
- the proportion of short term loans within the meaning of Supplement II Nr. 2 second indent

may only exceed 5 % of the value of the Subfund assets if the portion exceeding this amount is hedged by means of exchange-rate or currency derivatives.

Where assets and short-term loans in accordance with Supplement II No. 2 second indent are denominated in the one currency, it is their overall net sum which will be considered within this limit. Investment instruments that are not denominated in a currency are considered to be denominated in the currency of the country in which the registered office of the issuer is located.

Bond funds and money-market funds are taken into account in accordance with the currency the respective fund’s share class acquired is denominated in.

- h) The average, cash-value weighted residual maturity (duration) of the share of Subfund assets invested in interest-bearing securities including zero-coupon bonds as defined in letter b) sentence 1 and deposits and money-market instruments as defined in letter c), including interest receivable on the assets named, should be between zero and nine years. In calculating duration, derivatives on interest-bearing securities, interest and bond indices and interest rates are accounted for independently of the currency in which the underlying assets are denominated.

- i) In the framework of and taking into account the above restrictions, the Subfund’s assets may – depending on the assessment of the market situation – focus on

- individual types of assets, and/or
- individual currencies, and/or
- individual sectors, and/or
- individual countries, and/or
- assets with shorter or longer (residual) maturities, and/or
- assets of specific issuers/debtors (e. g. government or corporate)

or have a broad investment focus.

Fund management may, in particular, invest in the corresponding securities of companies of all sizes, either directly or indirectly. Depending on the market situation, fund management may focus either on companies of a certain size or individually determined sizes, or have a broad investment focus. In particular, the Subfund may also invest in very small cap stocks, some of which operate in niche markets.

Fund management may, in particular, also invest either directly or indirectly in securities that it considers to be undervalued in comparison with the respective sector (value stocks), and securities it considers to have growth potential that is not sufficiently taken into account in their current prices (growth stocks). Depending on the market situation, fund management may either concentrate on value or growth stocks, or have a broad investment focus. However, the primary objective is a mix of value and growth stocks.

- j) The limits described in letters d) to h) above may be either exceeded or not met if this occurs through changes in the value of assets held in the Subfund, or through change in the value of the Subfund as a whole, as in the case of the issue or redemption of share certificates ("passive violation of limits"). In such cases, fund management will seek to adhere to those limits within an appropriate time frame.
- k) It is permissible for the limit described in letter e) above to be either exceeded or not met through the acquisition or sale of the corresponding assets if it is simultaneously ensured through the use of techniques and instruments that the respective market risk potential as a whole adheres to the limits.

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 also counted as risk-reducing if their underlying assets do not fully match the assets in the Subfund.

- l) The Management Company may also use techniques and instruments in relation to the Subfund for the purpose of efficient portfolio management (including for hedging purposes) (in accordance with Supplement III and the notes in the prospectus under "The Use of Techniques and Instruments and Special Risks associated with such Use") for the Subfund, and raise short-term loans in accordance with Supplement II No. 2 second indent.
- m) The Benchmark Index corresponds to the composition of MSCI World Total Return (Net) Local Index (50%) and JP Morgan EMU Government Bond Investment Grade Index (50%). The degree of freedom from this Benchmark Index is material. Both benchmark administrators (respectively J.P. Morgan Securities PLC and MSCI Limited) are included in the register maintained by ESMA which is available on ESMA's website ([www.esma.europa.eu](http://www.esma.europa.eu)).

Under no circumstances may the Subfund deviate from its stated investment objectives when using such techniques and instruments.

Fund management will invest Subfund assets after thorough analysis of all the information available, subject to a careful evaluation of risks and opportunities, in securities, target funds and other admissible assets. The performance of the shares in the Subfund, however, remains dependent on price changes on the markets. Therefore, no warranty can be given that the objectives of the investment policy will be achieved.

Investors assume the risk of receiving a lesser amount than they originally invested.

#### Limited risk diversification

With reference to Supplement II No. 3 f) and in accordance with the principle of risk diversification, up to 100% of the Subfund's net assets may, in derogation of Supplement II No. 3 a) to d), be invested in securities and money-market instruments of different issuers issued or guaranteed by the European Union, the European Central Bank, a Member State of the EU or its local authorities, a Member State of the OECD, or by public international bodies to which one or more Member States of the EU belong, 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 a single issue not to exceed 30% of the net assets of the Subfund.

### Risk Profile of the Subfund

Considering the above-mentioned circumstances and risks, the Subfund (compared with other fund types) contains such opportunities and risks that are associated with the bond and money-market-related component of the Subfund assets but are in particular increased by the equity-market.

To a high degree, the equity-market orientation of the Subfund, in particular the general market risk, the company-specific risk, the creditworthiness risk, the counterparty risk, the risk of settlement default and to a lesser extent, the Emerging Markets risks, the liquidity risk, country and transfer risks and the custodial risk, play a significant role. Among other things, as regards this type of exposure of the Subfund, it should be stressed that declines in prices, particularly those that affect the overall market, possibly even significantly more persistent ones, can have a negative impact on the Subfund's assets.

Furthermore, the risks in the bond and money markets, such as the risk of interest rate changes, the creditworthiness risk, the general market risk, the company-specific risk, the country and region risk, the counterparty risk, the risk of settlement default, the specific risks of Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS) and, to a lesser extent, the Emerging Market risks, the liquidity risk, the country and transfer risks, and the custodial risk, play a significant role.

The currency risk is high as regards the share classes not specially hedged against a certain currency at the share-class level. There is a high currency risk for an investor who does not think in the currency against which the share class he holds is hedged, as regards the share classes specially hedged against a certain currency at the share-class level; this risk exists to a lesser extent for investors who think in that currency.

In addition, investor attention is drawn to the specific risks of investing in high-yield investments, the concentration risk, the settlement risk, the specific risks of investing in target funds, the (sub)fund capital risk, the risk of restricted flexibility, the inflation risk, the risk of the liabilities of individual share classes affecting other share classes, the risk of changes in underlying conditions, the Risk of taxation or other charges as a result of local provisions related to the assets held by the (sub-)fund, the risk of changes to the Articles of Incorporation, to the investment policy and to the other basic aspects of a (sub)fund, the key personnel risk, the risk of transaction costs at the (sub)fund level arising from share movements, and the increased performance risk.

For information on the special risks related to the use of techniques and instruments, please see the sections "Use of Techniques and Instruments and the Risks associated with such Use" and "Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund".

The volatility (fluctuation) of the value of shares in the Subfund may be increased.

### Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund.

The Subfund may employ derivatives – such as futures, options, swaps – for hedging purposes. This may lead to correspondingly lower opportunities and risks in the general Subfund profile.

The Subfund may also employ derivatives in a speculative sense in order to increase returns in pursuing the investment objective, in particular, to represent the general Subfund profile 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 Subfund profile through derivatives, the general Subfund profile will be implemented in particular through the replacement of direct investments in securities, for example, by investments in derivatives, which normally will not have a substantial effect on the general Subfund profile. If the Subfund employs derivatives to increase the level of investment, it does so in order to achieve a medium to long-term risk profile with the additional medium market risk potential of a fund with a similar profile that does not invest in derivatives. The performance of any derivatives will be for the benefit of the Subfund (less any transactions costs or fees).

The Investment Manager has no further restrictions other than set out in **Supplement II and III** and in this information

sheet for the use of derivatives. The Subfund may enter into Securities Financing Transactions as set out in Supplement III: Use of Techniques and Instruments, section No. 3 "Securities Financing Transactions".

### **Proportions of a Subfund's Net Asset Value subject to Securities Financing Transactions**

TRS / CFD (summed up)

- The expected proportion for the use of TRS / CFD (summed up) shall usually not exceed 10 % of Subfund's NAV
- The maximum limit for the use of TRS / CFD (summed up) is 50% of Subfund's NAV

Securities Lending Agreements

- The expected proportion for the use of securities lending agreements shall usually not exceed 0% of Subfund's NAV
- The maximum limit for the use of securities lending agreements is 50% of Subfund's NAV

Securities Repurchase Agreements

- The expected proportion for the use of repurchase agreements shall usually not exceed 0 % of Subfund's NAV
- The maximum limit for the use of securities repurchase agreements is 30% of Subfund's NAV

The Management Company follows a risk-controlled approach in the use of derivatives.

### **Investor Profile**

Allianz Strategy 50 is aimed at investors who pursue the objective of general capital appreciation/asset optimisation. It may not be suitable for investors who wish to withdraw their capital from the Subfund within a short timeframe. Allianz Strategy 50 is aimed at investors with basic knowledge and/or experience of financial products. Prospective investors should be capable of bearing a financial loss and should not attach any importance to capital protection. In terms of risk assessment, Allianz Strategy 50 is assigned to a certain risk class on a scale of 1 (conservative; very low to low expectation of returns) to 7 (very tolerant of risk; highest expectation of returns) which is published on the website <https://regulatory.allianzgi.com>.

### **Base currency:**

EUR

### **Launch date:**

CT (EUR): 1 July 2008  
NT (EUR): 4 October 2010  
IT (EUR): 14 June 2013  
A (EUR): 9 December 2013  
I (USD): 19 January 2015  
PT (EUR): 18 August 2015  
PT (USD): 20 August 2015  
P (EUR): 15 June 2016  
W (EUR): 17 March 2017  
WT (EUR): 27 April 2017  
RT (EUR): 12 October 2017  
C2 (EUR): 18 October 2019

### **Term of the Subfund:**

Unlimited

**Reporting:**

Annually on 30 September

**Semi-annual reports:**

Annually on 31 March

**Share certificates:**

No claim on issue of physical securities.

**Share classes:**

Shares of classes AT, CT, CT2, NT, PT, RT, IT, XT and WT (subject to a resolution on the use of income to this effect by the General Meeting of Shareholders): accumulating share classes.

Shares of classes A, C, C2, N, P, R, I, X and W (subject to a resolution on the use of income to this effect by the General Meeting of Shareholders): distributing share classes.

**Planned distribution date for distributing share classes:**

Annually on 15 December. If the distribution date falls on a weekend or a bank holiday, the distribution will be made on the next following business day.

**Initial subscription price:**

EUR 1,000.-/ USD 1,000.-/ JPY 200,000.-/ GBP 1,000.-/ CHF 1,000.-/ NOK 10,000.-/ SEK 10,000.-/ DKK 10,000.-/ PLN 4,000.-/ CZK 30,000.-/ HKD 1,000.-/ HUF 250,000.-/SGD 1,000.- for share classes N, NT, P, PT, I, IT, X, XT, W and WT.

EUR 100.-/ USD 100.-/ JPY 20,000.-/ GBP 100.-/ CHF 100.-/ NOK 1,000.-/ SEK 1,000.-/ DKK 1,000.-/ PLN 400.-/ CZK 3,000.-/ HKD 100.-/ HUF 25,000.-/ SGD 100.- for the remaining share classes plus sales charge if applicable.

**Valuation:**

Each business day.

**Trading deadline:**

6.00 p. m. CET or CEST on any valuation day preceding a valuation day. Subscription and redemption applications received by 6.00 p. m. CET or CEST are settled at the subscription or redemption price of the next valuation day. Subscription and redemption applications received after that time are settled at the subscription or redemption price of the second following valuation day.

**Price information:**

Internet <https://lu.allianzgi.com>; Reuters ALLIANZGI01

<b>Class</b>	<b>AT</b>	<b>CT <sup>1)</sup></b>	<b>CT2 <sup>1)</sup></b>	<b>NT</b>	<b>PT</b>	<b>RT <sup>2)</sup></b>	<b>IT <sup>3)</sup></b>	<b>XT <sup>3)</sup></b>	<b>WT <sup>3)</sup></b>
	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN
	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN
EUR	–	LU0352312184	LU0692801532	LU0535372949	LU1250163679	LU1673099179	LU0352312341	–	LU0352312697
	–	A0NGAA	A1JMFJ	A1CXU3	A14VR6	A2DWPS	A0NGAC	–	A0NGAE
USD	–	–	–	–	LU1250163752	–	–	–	–
	–	–	–	–	A14VR7	–	–	–	–
JPY	–	–	–	–	–	–	–	–	–
GBP	–	–	–	–	–	–	–	–	–
CHF	–	–	–	–	–	–	–	–	–
NOK	–	–	–	–	–	–	–	–	–
SEK	–	–	–	–	–	–	–	–	–
DKK	–	–	–	–	–	–	–	–	–
PLN	–	–	–	–	–	–	–	–	–
CZK	–	–	–	–	–	–	–	–	–
HKD	–	–	–	–	–	–	–	–	–
HUF	–	–	–	–	–	–	–	–	–
SGD	–	–	–	–	–	–	–	–	–
H-EUR	–	–	–	–	–	–	–	–	–
H-USD	–	–	–	–	–	–	–	–	–
H-JPY	–	–	–	–	–	–	–	–	–
H-GBP	–	–	–	–	–	–	–	–	–
H-CHF	–	–	–	–	–	–	–	–	–
H-NOK	–	–	–	–	–	–	–	–	–
H-SEK	–	–	–	–	–	–	–	–	–
H-DKK	–	–	–	–	–	–	–	–	–
H-PLN	–	–	–	–	–	–	–	–	–
H-CZK	–	–	–	–	–	–	–	–	–
H-HKD	–	–	–	–	–	–	–	–	–
H-HUF	–	–	–	–	–	–	–	–	–
H-SGD	–	–	–	–	–	–	–	–	–
<b>Class</b>	<b>A</b>	<b>C <sup>1)</sup></b>	<b>C2 <sup>1)</sup></b>	<b>N</b>	<b>P</b>	<b>R <sup>2)</sup></b>	<b>I <sup>3)</sup></b>	<b>X <sup>3)</sup></b>	<b>W <sup>3)</sup></b>
	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN
	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN
EUR	LU0995865168	LU0352312002	LU2064238384	–	LU1405890556	–	LU0352312267	–	LU0352312424
	A1W8XH	A0NF99	A2PS88	–	A2AH7P	–	A0NGAB	–	A0NGAD
USD	–	–	–	–	–	–	LU1138502304	–	LU1157631562
	–	–	–	–	–	–	A12E9Q	–	A12GVX
JPY	–	–	–	–	–	–	–	–	–
GBP	–	–	–	–	–	–	–	–	–
CHF	–	–	–	–	–	–	–	–	–
NOK	–	–	–	–	–	–	–	–	–
SEK	–	–	–	–	–	–	–	–	–
DKK	–	–	–	–	–	–	–	–	–
PLN	–	–	–	–	–	–	–	–	–
CZK	–	–	–	–	–	–	–	–	–
HKD	–	–	–	–	–	–	–	–	–
HUF	–	–	–	–	–	–	–	–	–
SGD	–	–	–	–	–	–	–	–	–
H-EUR	–	–	–	–	–	–	–	–	–
H-USD	–	–	–	–	–	–	–	–	–
H-JPY	–	–	–	–	–	–	–	–	–
H-GBP	–	–	–	–	–	–	–	–	–
H-CHF	–	–	–	–	–	–	–	–	–
H-NOK	–	–	–	–	–	–	–	–	–
H-SEK	–	–	–	–	–	–	–	–	–
H-DKK	–	–	–	–	–	–	–	–	–
H-PLN	–	–	–	–	–	–	–	–	–
H-CZK	–	–	–	–	–	–	–	–	–
H-HKD	–	–	–	–	–	–	–	–	–
H-HUF	–	–	–	–	–	–	–	–	–
H-SGD	–	–	–	–	–	–	–	–	–

Explanations can be found in the footnotes below the table.

Class	AT / A	CT / C <sup>1)</sup>	CT2 / C2 <sup>1)</sup>	NT / N	PT / P	RT / R <sup>2)</sup>	IT / I <sup>3)</sup>	XT / X <sup>2)</sup>	WT / W <sup>3)</sup>
The following information refers to both the distributing and accumulating variants of a group of share classes.									
Sales charge <sup>4)</sup>	3.00 %	–	–	–	–	–	–	–	–
Redemption fee					No redemption fee is currently levied.				
Conversion fee <sup>5)</sup>	3.00 %	–	–	–	–	–	–	–	–
All-in fee <sup>6)</sup>	1.50 % p. a.	1.50 % p. a. <sup>7)</sup>	2.50 % p. a. <sup>7)</sup>	0.60 % p. a.	1.20 % p. a.	1,30 % p. a.	1.54 % p. a.	1.20 % p. a. <sup>8)</sup>	1.20 % p. a.
Taxe d'Abonnement	0.05 % p. a.	0.05 % p. a.	0.05 % p. a.	0.01 % p. a.	0.01 % p. a.	0.01 % p. a.			
Minimum investment amount <sup>9)</sup>	There is currently no set minimum investment amount.	There is currently no set minimum investment amount.	There is currently no set minimum investment amount.	EUR 200,000 USD 200,000 JPY 40 million GBP 200,000 CHF 400,000 NOK 1.6 million SEK 2 million DKK 2 million PLN 800,000 CZK 6 million HKD 2 million HUF 50 million SGD 400,000	EUR 3 million USD 3 million JPY 600 million GBP 3 million CHF 3 million NOK 24 million SEK 30 million DKK 30 million PLN 12 million CZK 90 million HKD 30 million HUF 750 million SGD 6 million	There is currently no set minimum investment amount.	EUR 4 million USD 4 million JPY 800 million GBP 4 million CHF 8 million NOK 32 million SEK 40 million DKK 40 million PLN 16 million CZK 120 million HKD 40 million HUF 1 billion SGD 8 million	There is currently no set minimum investment amount.	EUR 10 million USD 10 million JPY 2 billion GBP 10 million CHF 20 million NOK 80 million SEK 100 million DKK 100 million PLN 40 million CZK 300 million HKD 100 million HUF 2.5 billion SGD 20 million

<sup>1)</sup> With regard to investors who are either domiciled in, or permanent residents of, the Federal Republic of Germany, shares of these share classes may only be acquired within the scope of unit-linked insurance policies or professional asset management.

<sup>2)</sup> Shares of share classes R and RT may only be acquired with the consent of the Management Company and in addition only by such distributors which according to regulatory requirements (such as discretionary portfolio management and/or independent advice under MIFID II) or based on individual fee arrangements with their clients are not allowed to accept and keep trail commissions. No trail commissions may be paid to any sales partners in relation to any of the available varieties of share classes R and RT.

<sup>3)</sup> Shares of these share classes may only be acquired by legal entities.

<sup>4)</sup> The Management Company may levy a lower sales charge at its own discretion.

<sup>5)</sup> For conversion into shares of this Subfund. The Management Company may levy a lower conversion fee at its own discretion.

<sup>6)</sup> The Management Company may levy a lower fee at its own discretion.

<sup>7)</sup> Share Classes C and CT may include a separate distribution component for additional services of the Distributor(s).

<sup>8)</sup> Unless another fee, which may include a performance component, is agreed based on a special individual agreement between the Management Company and the respective investor.

<sup>9)</sup> In individual cases, the Management Company may permit a lower minimum investment at its own discretion.

### Restrictions/ Additional Information

- Shares of Share Classes C2 and CT2 may only be acquired by investors who are clients of Hellenic Bank, or its affiliates.
- The minimum subscription amount for the investment in Shares of the Share Class C2 and CT2 (after deduction of any Sales Charge) is EUR 1 million or equivalent in other currencies. In certain cases, the Management Company has discretion to permit lower minimum investments.

This information sheet is issued as a supplement to the prospectus, as amended. Investors should pay particular attention to the risk warnings (see "General Risk Factors") in the prospectus.

# Allianz Strategy 75

## Information Sheet

### Investment Objective

The investment objective is geared, in the long term, towards generating mainly capital growth with regard to the portfolio's equity portion by investing in the global equity markets and, with regard to the portfolio's bond / money market portion, towards generating a market driven return with reference to the Euro bond / money markets within the scope of the investment policy. Overall, the goal is to achieve a performance comparable to a balanced portfolio consisting of 75 % global equity markets and 25 % medium-term Euro bond markets.

In doing so, the fund management will specify a weighting of investments in bond-, money- or equity-market oriented positions, based on a quantitative approach with volatility<sup>1</sup> as key input factor.

In times of high volatility, the equity market oriented portion will be reduced. In times of low volatility, the equity market oriented portion will be increased.

### Investment Principles

To this end, the assets of the Subfund are invested, according to the principle of risk diversification, as follows:

- a) Equities and comparable securities and participation certificates may be acquired for the Subfund. Furthermore, index certificates and equity certificates whose risk profile correlates with the assets listed in sentence 1 of this letter a) or with the investment markets to which these assets can be allocated may also be acquired.
- b) Interest-bearing securities, including zero-coupon bonds, in particular government bonds, mortgage bonds and similar foreign asset-backed securities issued by financial institutions, public-sector bonds, floating-rate notes, convertible bonds and bonds with warrants, corporate bonds, mortgage-backed securities and asset-backed securities, as well as other collateralised bonds may be acquired for the Subfund. Furthermore, index certificates and certificates whose risk profile correlates with the assets listed in sentence 1 of this letter b) or with the investment markets to which these assets can be allocated may also be acquired.
- c) **In addition, deposits as defined in Supplement II No. 1 c) may be held and money-market instruments as defined in Supplement II No. 1 a) and e) and No. 2 first indent may be acquired for the Subfund.**
- d) Up to 10 % of the Subfund's assets may also be invested in UCITS or UCI, as defined in Supplement II No. 1 b) that are money-market funds, bond funds, equity funds or balanced funds (including funds pursuing an absolute return approach)

Any UCITS or UCI is an equity fund as defined in the investment policy if its risk profile typically correlates with that of one or more equity markets. Any UCITS or UCI is a bond fund as defined in the investment policy if its risk profile typically correlates with that of one or more bond markets. Any UCITS or UCI is a money-market fund as defined in the investment policy if its risk profile typically correlates with that of one or more money markets.

In principle, shares may only 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. Shares in other funds may be acquired on an exceptional basis only when none of the above mentioned funds pursues an investment objective considered to be necessary on an individual basis by fund management, or if the shares are in a UCITS or UCI oriented towards the replication of a securities index and are authorised for trading on one of the exchanges or regulated markets listed in Supplement II No. 1 a).

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<sup>1</sup> Volatility indicates the range of fluctuation of an investment. An investment with relatively high volatility has a greater risk of price fluctuation.

- e) Subject in particular to the provisions of letter k), the acquisition of assets as defined in letters a), b) and c) as well as the acquisition of derivatives in the meaning of Supplement II Nr. 1 d) whose issuers/counterparties have their registered offices in a country not classified by the World Bank as “high gross national income per capita”, i. e. is not classified as “developed” (an “Emerging Market”), may not exceed 4 % of the Subfund’s assets.

Investments within the meaning of letter d) are included in this limit if their risk profiles typically correlate with one or more Emerging Markets which are focussed on the investment markets to which investments in the meaning of letters a), b) or c) can be allocated.

- f) The acquisition of assets as defined in letter b) sentence 1, which at the time of acquisition do not have an investment-grade rating from a recognised rating agency (non-investment-grade rating) or are not rated at all, but for which in the consideration of fund management, it can be assumed that they would be rated non-investment grade if they were to be rated (“high-yield investments”), is not allowed. If an asset as defined in letter b) sentence 1 is rated as non-investment-grade after acquisition, fund management will seek to dispose of that asset within two months.

Bond funds and money-market funds within the meaning of letter d) are included in this limit if their risk profiles typically correlate with one or more high yield investments.

- g) Subfund assets may also be denominated in foreign currencies.

At the Subfund level, the proportion of the assets not denominated in Euros

- as defined in letters b) sentence 1 and c),
- as defined in letter d), that are bond funds and money-market funds, as well as
- the proportion of short term loans within the meaning of Supplement II Nr. 2 second indent

may only exceed 5 % of the value of the Subfund assets if the portion exceeding this amount is hedged by means of exchange-rate or currency derivatives.

Where assets and short-term loans in accordance with Supplement II No. 2 second indent are denominated in the one currency, it is their overall net sum which will be considered within this limit. Investment instruments that are not denominated in a currency are considered to be denominated in the currency of the country in which the registered office of the issuer is located.

Bond funds and money-market funds are taken into account in accordance with the currency the respective fund’s share class acquired is denominated in.

- h) The average, cash-value weighted residual maturity (duration) of the share of Subfund assets invested in interest-bearing securities including zero-coupon bonds as defined in letter b) sentence 1 and deposits and money-market instruments as defined in letter c), including interest receivable on the assets named, should be between zero and nine years. In calculating duration, derivatives on interest-bearing securities, interest and bond indices and interest rates are accounted for independently of the currency in which the underlying assets are denominated.

- i) In the framework of and taking into account the above restrictions, the Subfund’s assets may – depending on the assessment of the market situation – focus on

- individual types of assets, and/or
- individual currencies, and/or
- individual sectors, and/or
- individual countries, and/or
- assets with shorter or longer (residual) maturities, and/or
- assets of specific issuers/debtors (e. g. government or corporate)

or have a broad investment focus.

Fund management may, in particular, invest in the corresponding securities of companies of all sizes, either directly or indirectly. Depending on the market situation, fund management may focus either on companies of a certain size or individually determined sizes, or have a broad investment focus. In particular, the Subfund may also invest in very small cap stocks, some of which operate in niche markets.

Fund management may, in particular, also invest either directly or indirectly in securities that it considers to be undervalued in comparison with the respective sector (value stocks), and securities it considers to have growth potential that is not sufficiently taken into account in their current prices (growth stocks). Depending on the market situation, fund management may either concentrate on value or growth stocks, or have a broad investment focus. However, the primary objective is a mix of value and growth stocks.

- j) The limits described in letters d) to h) above may be either exceeded or not met if this occurs through changes in the value of assets held in the Subfund, or through change in the value of the Subfund as a whole, as in the case of the issue or redemption of share certificates ("passive violation of limits"). In such cases, fund management will seek to adhere to those limits within an appropriate time frame.
- k) It is permissible for the limit described in letter e) above to be either exceeded or not met through the acquisition or sale of the corresponding assets if it is simultaneously ensured through the use of techniques and instruments that the respective market risk potential as a whole adheres to the limits.

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 also counted as risk-reducing if their underlying assets do not fully match the assets in the Subfund.

- l) The Management Company may also use techniques and instruments in relation to the Subfund for the purpose of efficient portfolio management (including for hedging purposes) (in accordance with Supplement III and the notes in the prospectus under "The Use of Techniques and Instruments and Special Risks associated with such Use") for the Subfund, and raise short-term loans in accordance with Supplement II No. 2 second indent.
- m) The Benchmark Index corresponds to the composition of MSCI World Total Return (Net) Local Index (75%) and JP Morgan EMU Government Bond Investment Grade Index (25%). The degree of freedom from this Benchmark Index is material. Both benchmark administrators (respectively J.P. Morgan Securities PLC and MSCI Limited) are included in the register maintained by ESMA which is available on ESMA's website ([www.esma.europa.eu](http://www.esma.europa.eu)).

Under no circumstances may the Subfund deviate from its stated investment objectives when using such techniques and instruments.

Fund management will invest Subfund assets after thorough analysis of all the information available, subject to a careful evaluation of risks and opportunities, in securities, target funds and other admissible assets. The performance of the shares in the Subfund, however, remains dependent on price changes on the markets. Therefore, no warranty can be given that the objectives of the investment policy will be achieved.

Investors assume the risk of receiving a lesser amount than they originally invested.

#### Limited risk diversification

With reference to Supplement II No. 3 f) and in accordance with the principle of risk diversification, up to 100 % of the Subfund's net assets may, in derogation of Supplement II No. 3 a) to d), be invested in securities and money-market instruments of different issuers issued or guaranteed by the European Union, the European Central Bank, a Member State of the EU or its local authorities, a Member State of the OECD, or by public international bodies to which one or more Member States of the EU belong, 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 a single issue not to exceed 30 % of the net assets of the Subfund.

### Risk Profile of the Subfund

Considering the above-mentioned circumstances and risks, the Subfund (compared with other fund types) contains such opportunities and risks that are associated with the bond and money-market-related component of the Subfund assets but are in particular increased by the equity-market.

To a high degree, the equity-market orientation of the Subfund, in particular the general market risk, the company-specific risk, the creditworthiness risk, the counterparty risk, the risk of settlement default and to a lesser extent, the Emerging Markets risks, the liquidity risk, country and transfer risks and the custodial risk, play a significant role. Among other things, as regards this type of exposure of the Subfund, it should be stressed that declines in prices, particularly those that affect the overall market, possibly even significantly more persistent ones, can have a negative impact on the Subfund's assets.

Furthermore, the risks in the bond and money markets, such as the risk of interest rate changes, the creditworthiness risk, the general market risk, the company-specific risk, the country and region risk, the counterparty risk, the risk of settlement default, the specific risks of Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS) and, to a lesser extent, the Emerging Market risks, the liquidity risk, the country and transfer risks, and the custodial risk, play a significant role.

The currency risk is high as regards the share classes not specially hedged against a certain currency at the share-class level. There is a high currency risk for an investor who does not think in the currency against which the share class he holds is hedged, as regards the share classes specially hedged against a certain currency at the share-class level; this risk exists to a lesser extent for investors who think in that currency.

In addition, investor attention is drawn to the specific risks of investing in high-yield investments, the concentration risk, the settlement risk, the specific risks of investing in target funds, the (sub)fund capital risk, the risk of restricted flexibility, the inflation risk, the risk of the liabilities of individual share classes affecting other share classes, the risk of changes in underlying conditions, the Risk of taxation or other charges as a result of local provisions related to the assets held by the (sub-)fund, the risk of changes to the Articles of Incorporation, to the investment policy and to the other basic aspects of a (sub)fund, the key personnel risk, the risk of transaction costs at the (sub)fund level arising from share movements, and the increased performance risk.

For information on the special risks related to the use of techniques and instruments, please see the sections "Use of Techniques and Instruments and the Risks associated with such Use" and "Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund".

The volatility (fluctuation) of the value of shares in the Subfund may be increased.

### Possible Effects of the Use of Derivatives on the Risk Profile of the Subfund.

The Subfund may employ derivatives – such as futures, options, swaps – for hedging purposes. This may lead to correspondingly lower opportunities and risks in the general Subfund profile.

The Subfund may also employ derivatives in a speculative sense in order to increase returns in pursuing the investment objective, in particular, to represent the general Subfund profile 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 Subfund profile through derivatives, the general Subfund profile will be implemented in particular through the replacement of direct investments in securities, for example, by investments in derivatives, which normally will not have a substantial effect on the general Subfund profile. If the Subfund employs derivatives to increase the level of investment, it does so in order to achieve a medium to long-term risk profile with the additional medium market risk potential of a fund with a similar profile that does not invest in derivatives. The performance of any derivatives will be for the benefit of the Subfund (less any transactions costs or fees).

The Investment Manager has no further restrictions other than set out in **Supplement II and III** and in this information

sheet for the use of derivatives. The Subfund may enter into Securities Financing Transactions as set out in Supplement III: Use of Techniques and Instruments, section No. 3 "Securities Financing Transactions".

#### **Proportions of a Subfund's Net Asset Value subject to Securities Financing Transactions**

TRS / CFD (summed up)

- The expected proportion for the use of TRS / CFD (summed up) shall usually not exceed 0 % of Subfund's NAV
- The maximum limit for the use of TRS / CFD (summed up) is 30% of Subfund's NAV

Securities Lending Agreements

- The expected proportion for the use of securities lending agreements shall usually not exceed 0% of Subfund's NAV
- The maximum limit for the use of securities lending agreements is 50% of Subfund's NAV

Securities Repurchase Agreements

- The expected proportion for the use of repurchase agreements shall usually not exceed 0 % of Subfund's NAV
- The maximum limit for the use of securities repurchase agreements is 30% of Subfund's NAV

The Management Company follows a risk-controlled approach in the use of derivatives.

#### **Investor Profile**

Allianz Strategy 75 is aimed at investors who pursue the objective of general capital appreciation/asset optimisation. It may not be suitable for investors who wish to withdraw their capital from the Subfund within a short timeframe. Allianz Strategy 75 is aimed at investors with basic knowledge and/or experience of financial products. Prospective investors should be capable of bearing a financial loss and should not attach any importance to capital protection. In terms of risk assessment, Allianz Strategy 75 is assigned to a certain risk class on a scale of 1 (conservative; very low to low expectation of returns) to 7 (very tolerant of risk; highest expectation of returns) which is published on the website <https://regulatory.allianzgi.com>.

#### **Base currency:**

EUR

#### **Launch date:**

CT (EUR): 1 July 2008

NT (EUR): 4 October 2010

I (USD): 19 January 2015

IT (EUR): 27 January 2016

WT (EUR): 27 July 2016

RT (EUR): 12 October 2017

PT (EUR): 2 July 2018

A2 (EUR): 20 November 2018

#### **Term of the Subfund:**

Unlimited

#### **Reporting:**

Annually on 30 September

#### **Semi-annual reports:**

Annually on 31 March

**Share certificates:**

No claim on issue of physical securities.

**Share classes:**

Shares of classes AT, CT, CT2, NT, PT, RT, IT, XT and WT (subject to a resolution on the use of income to this effect by the General Meeting of Shareholders): accumulating share classes.

Shares of classes A, C, C2, N, P, R, I, X and W (subject to a resolution on the use of income to this effect by the General Meeting of Shareholders): distributing share classes.

**Planned distribution date for distributing share classes:**

Annually on 15 December. If the distribution date falls on a weekend or a bank holiday, the distribution will be made on the next following business day.

**Initial subscription price:**

EUR 1,000.-/ USD 1,000.-/ JPY 200,000.-/ GBP 1,000.-/ CHF 1,000.-/ NOK 10,000.-/ SEK 10,000.-/ DKK 10,000.-/ PLN 4,000.-/ CZK 30,000.-/ HKD 1,000.-/ HUF 250,000.-/ SGD 1,000.- for share classes N, NT, P, PT, I, IT, X, XT, W and WT.

EUR 100.-/ USD 100.-/ JPY 20,000.-/ GBP 100.-/ CHF 100.-/ NOK 1,000.-/ SEK 1,000.-/ DKK 1,000.-/ PLN 400.-/ CZK 3,000.-/ HKD 100.-/ HUF 25,000.-/ SGD 100.- for the remaining share classes plus sales charge if applicable.

**Valuation:**

Each business day.

**Trading deadline:**

6.00 p. m. CET or CEST on any valuation day preceding a valuation day. Subscription and redemption applications received by 6.00 p. m. CET or CEST are settled at the subscription or redemption price of the next valuation day. Subscription and redemption applications received after that time are settled at the subscription or redemption price of the second following valuation day.

**Price information:**

Internet <https://lu.allianzgi.com>; Reuters ALLIANZGI01

Class	AT	CT <sup>1)</sup>	CT2 <sup>1)</sup>	NT	PT	RT <sup>2)</sup>	IT <sup>3)</sup>	XT <sup>3)</sup>	WT <sup>3)</sup>
	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN
	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN
EUR	–	LU0352312853	LU0692801706	LU0535373087	LU1846575204	LU1673099500	LU0352313075	–	LU0352313232
	–	A0NGAG	A1JMFK	A1CXU4	A2JPES	A2DWPT	A0NGAJ	–	A0NGAL
USD	–	–	–	–	–	–	–	–	–
JPY	–	–	–	–	–	–	–	–	–
GBP	–	–	–	–	–	–	–	–	–
CHF	–	–	–	–	–	–	–	–	–
NOK	–	–	–	–	–	–	–	–	–
SEK	–	–	–	–	–	–	–	–	–
DKK	–	–	–	–	–	–	–	–	–
PLN	–	–	–	–	–	–	–	–	–
CZK	–	–	–	–	–	–	–	–	–
HKD	–	–	–	–	–	–	–	–	–
HUF	–	–	–	–	–	–	–	–	–
SGD	–	–	–	–	–	–	–	–	–
H-EUR	–	–	–	–	–	–	–	–	–
H-USD	–	–	–	–	–	–	–	–	–
H-JPY	–	–	–	–	–	–	–	–	–
H-GBP	–	–	–	–	–	–	–	–	–
H-CHF	–	–	–	–	–	–	–	–	–
H-NOK	–	–	–	–	–	–	–	–	–
H-SEK	–	–	–	–	–	–	–	–	–
H-DKK	–	–	–	–	–	–	–	–	–
H-PLN	–	–	–	–	–	–	–	–	–
H-CZK	–	–	–	–	–	–	–	–	–
H-HKD	–	–	–	–	–	–	–	–	–
H-HUF	–	–	–	–	–	–	–	–	–
H-SGD	–	–	–	–	–	–	–	–	–
Class	A	C <sup>1)</sup>	C2 <sup>1)</sup>	N	P	R <sup>2)</sup>	I <sup>2)</sup>	X <sup>2)</sup>	W <sup>2)</sup>
	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN	ISIN
	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN	WKN
EUR	–	LU0352312770	–	–	–	–	LU0352312937	–	LU0352313158
	–	A0NGAF	–	–	–	–	A0NGAH	–	A0NGAK
USD	–	–	–	–	–	–	LU1138502486 A12E9R	–	LU1157632024 A12GVY
JPY	–	–	–	–	–	–	–	–	–
GBP	–	–	–	–	–	–	–	–	–
CHF	–	–	–	–	–	–	–	–	–
NOK	–	–	–	–	–	–	–	–	–
SEK	–	–	–	–	–	–	–	–	–
DKK	–	–	–	–	–	–	–	–	–
PLN	–	–	–	–	–	–	–	–	–
CZK	–	–	–	–	–	–	–	–	–
HKD	–	–	–	–	–	–	–	–	–
HUF	–	–	–	–	–	–	–	–	–
SGD	–	–	–	–	–	–	–	–	–
H-EUR	–	–	–	–	–	–	–	–	–
H-USD	–	–	–	–	–	–	–	–	–
H-JPY	–	–	–	–	–	–	–	–	–
H-GBP	–	–	–	–	–	–	–	–	–
H-CHF	–	–	–	–	–	–	–	–	–
H-NOK	–	–	–	–	–	–	–	–	–
H-SEK	–	–	–	–	–	–	–	–	–
H-DKK	–	–	–	–	–	–	–	–	–
H-PLN	–	–	–	–	–	–	–	–	–
H-CZK	–	–	–	–	–	–	–	–	–
H-HKD	–	–	–	–	–	–	–	–	–
H-HUF	–	–	–	–	–	–	–	–	–
H-SGD	–	–	–	–	–	–	–	–	–

Explanations can be found in the footnotes below the table.

Class	AT / A	CT / C <sup>1)</sup>	CT 2 / C2 <sup>1)</sup>	NT / N	PT / P	RT / R <sup>2)</sup>	IT / I <sup>3)</sup>	XT / X <sup>3)</sup>	WT / W <sup>3)</sup>
The following information refers to both the distributing and accumulating variants of a group of share classes.									
Sales charge <sup>4)</sup>	5.00 %	–	–	–	–	–	–	–	–
Redemption fee	No redemption fee is currently levied.								
Conversion fee <sup>5)</sup>	5.00 %	–	–	–	–	–	–	–	–
All-in fee <sup>6)</sup>	2.30 % p. a.	1.65 % p. a. <sup>7)</sup>	3.00 % p. a. <sup>7)</sup>	0.63 % p. a.	1.68 % p. a.	1.90 % p. a.	1.68 % p. a.	1.68 % p. a. <sup>8)</sup>	1.68 % p. a.
Taxe d'Abonnement	0.05 % p. a.	0.05 % p. a.	0.05 % p. a.	0.01 % p. a.	0.01 % p. a.	0.01 % p. a.			
Minimum investment amount <sup>9)</sup>	There is currently no set minimum investment amount.	There is currently no set minimum investment amount.	There is currently no set minimum investment amount.	EUR 200,000 USD 200,000 JPY 40 million GBP 200,000 CHF 400,000 NOK 1.6 million SEK 2 million DKK 2 million PLN 800,000 CZK 6 million HKD 2 million HUF 50 million SGD 400,000	EUR 3 million USD 3 million JPY 600 million GBP 3 million CHF 3 million NOK 24 million SEK 30 million DKK 30 million PLN 12 million CZK 90 million HKD 30 million HUF 750 million SGD 6 million	There is currently no set minimum investment amount.	EUR 4 million USD 4 million JPY 800 million GBP 4 million CHF 8 million NOK 32 million SEK 40 million DKK 40 million PLN 16 million CZK 120 million HKD 40 million HUF 1 billion SGD 8 million	There is currently no set minimum investment amount.	EUR 10 million USD 10 million JPY 2 billion GBP 10 million CHF 20 million NOK 80 million SEK 100 million DKK 100 million PLN 40 million CZK 300 million HKD 100 million HUF 2.5 billion SGD 20 million

<sup>1)</sup> With regard to investors who are either domiciled in, or permanent residents of, the Federal Republic of Germany, shares of these share classes may only be acquired within the scope of unit-linked insurance policies or professional asset management.

<sup>2)</sup> Shares of share classes R and RT may only be acquired with the consent of the Management Company and in addition only by such distributors which according to regulatory requirements (such as discretionary portfolio management and/or independent advice under MiFID II) or based on individual fee arrangements with their clients are not allowed to accept and keep trail commissions. No trail commissions may be paid to any sales partners in relation to any of the available varieties of share classes R and RT.

<sup>3)</sup> Shares of these share classes may only be acquired by legal entities.

<sup>4)</sup> The company may levy a lower sales charge at its own discretion.

<sup>5)</sup> For conversion into shares of this Subfund. The Management Company may levy a lower conversion fee at its own discretion.

<sup>6)</sup> The Management Company may levy a lower fee at its own discretion.

<sup>7)</sup> Share Classes C and CT may include a separate distribution component for additional services of the Distributor(s).

<sup>8)</sup> Unless another fee, which may include a performance component, is agreed based on a special individual agreement between the Management Company and the respective investor.

<sup>9)</sup> In individual cases, the Management Company may permit a lower minimum investment at its own discretion.

This information sheet is issued as a supplement to the prospectus, as amended.. Investors should pay particular attention to the risk warnings (see "General Risk Factors") in the prospectus.

# Directory

## Management Company and Central Administration

Allianz Global Investors GmbH  
Bockenheimer Landstrasse 42 - 44  
D-60323 Frankfurt/Main

Allianz Global Investors GmbH  
Luxembourg Branch  
6A, route de Trèves  
L-2633 Senningerberg

## Investment Management performed by Management Company

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

Allianz Global Investors GmbH,  
acting through the UK Branch  
("AllianzGI UK Branch")  
199 Bishopsgate  
London EC2M 3TY  
United Kingdom

## Investment Manager/Sub-Investment Manager

Allianz Global Investors Asia  
Pacific Limited  
("AllianzGI AP")  
27/F, ICBC Tower,  
3 Garden Road, Central,  
Hong Kong

AllianzGI AP is part of the Allianz Global  
Investors Group, a company of the  
Allianz Group.

Allianz Global Investors U.S. LLC  
("AllianzGI US")  
1633 Broadway, 43rd Floor  
New York, NY 10019  
USA

600 West Broadway, 31st Floor  
San Diego, CA 92101  
USA

555 Mission Street, Suite 1700  
San Francisco, CA 94105  
USA

## Depository, Fund Accounting, NAV Calculation, Registrar and Transfer Agent

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

## Distributors

**in Luxembourg**  
Allianz Global Investors GmbH  
Luxembourg Branch  
6A, route de Trèves  
L-2633 Senningerberg

**in the Federal Republic of Germany**  
Commerzbank AG  
Kaiserplatz  
D-60261 Frankfurt/Main

**in France**  
Allianz Global Investors GmbH  
Succursale Française  
3, Boulevard des Italiens  
F-75113 Paris  
Cedex 02, France

**in Switzerland**  
Allianz Global Investors  
(Schweiz) AG,  
Gottfried-Keller-Strasse 5  
CH-8001 Zurich

**Main Distributor Europe in the United Kingdom**  
Allianz Global Investors GmbH  
UK Branch,  
199 Bishopsgate  
London EC2M 3TY  
United Kingdom

## UK Facilities Agent

Allianz Global Investors GmbH,  
acting through the UK Branch  
199 Bishopsgate London EC2M 3TY  
United Kingdom

The Prospectus and the Key Investor

Information, the Articles of Incorporation, the respective annual and semi-annual reports, price information as well as information on the redemption procedure can be obtained free of charge from the above address.

Any complaints may be sent to the Complaints Officer at the above address. A copy of our complaints process leaflet is available on request. Eligible complainants may also refer their complaint to the Financial Ombudsman Service if they are not satisfied with the final response from Allianz Global Investors GmbH acting through the UK Branch.

## Information Agent in the Federal Republic of Germany

Allianz Global Investors GmbH  
Bockenheimer Landstr. 42-44  
D-60323 Frankfurt/Main  
E-mail: info@allianzgi.de

## Paying Agent in the Federal Republic of Germany

State Street Bank International  
GmbH  
Briener Straße 59  
D-80333 München

## Paying and Information Agents

**in Austria**  
Allianz Investmentbank AG  
Hietzinger Kai 101-105  
A-1130 Vienna

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

**in France**  
State Street Bank International  
GmbH, Paris Branch  
Défense Plaza  
23 – 25, rue Delarivière-Lefouillon  
F-92064 Paris La Défense Cedex,  
France

### **in Switzerland**

BNP Paribas Securities Services,  
Paris  
succursale de Zurich  
Selnaustrasse 16  
CH-8002 Zurich

### **Appointment of Austrian Representative to the Tax Authorities in the Republic of Austria**

The following financial institution has  
been appointed the Austrian  
representative to the tax authorities for  
certification of distribution-like income  
as defined in § 186 Paragraph 2 line 2  
InvFG:

Allianz Investmentbank AG  
Hietzinger Kai 101–105  
A-1130 Vienna

### **Independent Auditor**

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

### **Syndicate that promotes the Fund/the Subfund**

Allianz Group

**Allianz Global Investors GmbH**  
Bockenheimer Landstrasse 42 - 44  
D-60323 Frankfurt/Main  
Internet: <https://de.allianzgi.com>  
E-Mail: [info@allianzgi.de](mailto:info@allianzgi.de)

Luxembourg Branch  
6A, route de Trèves  
L-2633 Senningerberg  
Internet: <https://lu.allianzgi.com>  
E-mail: [info-lux@allianzgi.com](mailto:info-lux@allianzgi.com)