Allianz Green Bond

PRODUCT KEY FACTS
August 2022

- ***This statement provides you with key information about Allianz Green Bond (the "Sub-Fund").***
- ***This statement is a part of the offering document.***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Management Company:	Allianz Global Investors GmbH Investment management performed by Management Company (Allianz Global Investors GmbH, France Branch)
Depositary:	State Street Bank International GmbH, Luxembourg Branch
Dealing Frequency:	Daily; each day banks and exchanges are open in Hong Kong, Luxembourg and major stock exchanges are open in France, Germany and United Kingdom
Base Currency:	EUR
Dividend Policy:	Distribution Shares (Class A) – will be distributed annually on 15 December (subject to the Company's discretion) Distribution Shares (Class AM/AMg/AMf) – will be distributed on 15th of every month (subject to the Company's discretion) Accumulation Shares (Class AT) – all income are reinvested Dividend payments may, at the sole discretion of the Company, be made out of the Sub-Fund's income and/or capital (Class A/AM/AMg/AMf). The Company may at its sole discretion also pay distribution out of gross income while charging/paying all or part of the Sub-Fund's fees and expenses to/out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividend out of capital (Class AMg). Distributions out of capital or effectively out of capital may result in an immediate decrease of the net asset value ("NAV") per share of the Sub-Fund. In respect of Class AMf, the distribution amount per share is calculated as follows: fixed distribution percentage ÷ 12 x NAV per share on the last dealing day of the previous month. The fixed distribution percentage is 5% per annum as at the date of this document. Investors should note that fixed distribution percentage is subject to adjustment, and one month prior notice will be provided in case of any change in the fixed distribution percentage. Investors should note that a positive distribution yield does not imply a high or positive return.
Financial year end of the Sub-Fund:	30 September
Minimum Investment:	
Initial	USD 5,000 (or equivalent amount in other available currencies) or EUR 5,000 or HKD 50,000 or RMB 50,000
Subsequent	USD 1,000 (or equivalent amount in other available currencies) or EUR 1,000 or HKD 10,000 or RMB 10,000
Ongoing Charges over a year	
Class A / AM / AMg / AMf / AT*	1.15%

*The ongoing charges figures are calculated based on the costs incurred by the Sub-Fund over a 12-month period divided by the average net assets over the same period based on the information in the latest audited financial statement for the year ended 30 September 2021. It is provided for each share class available within the Sub-Fund. This figure may vary from year to year. It includes All-in-Fee plus the Luxembourg tax (Taxe d'Abonnement) and excludes transaction cost. Rounding differences may occur.

What is this product?

The Sub-Fund is a sub-fund of Allianz Global Investors Fund (the "Company"), which is constituted as an open ended investment company in Luxembourg. It is regulated by Commission de Surveillance du Secteur Financier ("CSSF") in Luxembourg.

Investment Objective

Long-term capital growth by investing in investment grade rated Green Bonds of the global bond markets denominated in currencies of OECD countries in accordance with the Green Bond Strategy (as described below). Green Bonds are designated debt securities intended to encourage sustainability and to support climate-related or other types of special environmental projects (e.g. renewable energy, water management, clean transportation).

Investment Strategy

At least 85% of Sub-Fund assets are invested in Green Bonds financing climate change mitigation or adaptation projects or other environmental sustainability projects, notably in the following fields: energy efficiency, renewable energy, raw materials, water and land, waste management, greenhouse gas emissions reduction, biodiversity preservation or circular economy. The Investment Manager analyses the bond structure to determine whether it is in line with the four core components of the Green Bond Principles, which are voluntary process guidelines issued by the International Capital Market Association (ICMA) that recommend transparency and disclosure and promote integrity in the development of the Green Bond market by clarifying the approach for issuance of a Green Bond. The Green Bond Principles have the following four core components: (i) use of proceeds, (ii) process for project evaluation and selection, (iii) management of proceeds, and (iv) reporting. To align with these four core components of the Green Bond Principles, issuers of Green Bonds shall: (i) indicate that proceeds will be used to finance "green"/climate projects; (ii) have process to identify qualifying projects based on sound methodology and clear criteria; (iii) allocating proceeds to the identified projects and not to other general expenses/investments; (iv) report, at least annually, the status of the use of proceeds, the status of projects and the actual environmental impact. The investment team analyses the projects financed by the Green Bond's proceeds. To be eligible, they must be part of the green projects list defined internally by Allianz Global Investors based on research from the Climate Bonds Initiative (CBI), a world-class reputation organisation, which provides a science-based evaluation of the climate change mitigation impacts of the different types of projects. The investment manager monitors the sustainability profile of issuers based on external research data and internal analyses.

In addition, the Sub-Fund applies exclusion criteria for (i) securities issued by issuers that severely violate the United Nations Global Compact Principles, (ii) securities issued by issuers involved in controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, biological weapons, depleted uranium, white phosphorus, and nuclear weapons), or issuers that derive more than 10% of their revenues from weapons, military equipment, and military services, (iii) securities issued by issuers involved in the production of tobacco, and (iv) securities issued by issuers involved in the distribution of tobacco more than 5% of their revenues, (v) securities issued by issuers that derive more than 30% of their revenue from thermal coal extraction, (vi) securities issued by utility issuers that generate more than 30% of their revenues from coal and (vii) securities issued by sovereign issuers with an insufficient Freedom House Index score as determined by the investment manager from time to time. The Freedom House Index is collated by Freedom House, an American research institute, which measures political rights and civil liberties, and evaluates countries according to a wide range of criteria relating to democratic performance and the functioning of government. In respect of issuers violating the aforesaid item (i), the securities issued by such issuers will be divested if the issuers are unwilling to change after engagement. In respect of issuers violating the aforesaid items (ii) – (vii), the securities issued by such issuers will be divested. The current exclusion criteria may be updated from time to time. To undertake this exclusion, various external data and research providers are used.

At least 80% of Sub-Fund assets are invested in debt securities which, at the time of acquisition, are rated investment grade (i.e. a rating of BBB- or better (by Standard & Poor's or Fitch) or equivalent ratings by another recognized rating agency or if unrated, as determined by the Investment Manager to be of comparable quality).

Up to 10% of Sub-Fund assets may be invested in debt securities which, at the time of acquisition, are rated between BB+ and B- (inclusive) (by Standard & Poor's and Fitch) or equivalently by other rating agencies, or if unrated, as determined by the Investment Manager to be of comparable quality.

Up to 100% of Sub-Fund assets may be invested in emerging markets.

Up to 25% of Sub-Fund assets may be held in time deposits and/or (up to 20% of Sub-Fund assets) in deposits at sight and/or invested directly in money market instruments and/or (up to 10% of Sub-Fund assets) in money market funds on a temporary basis for liquidity management.

Up to 10% of Sub-Fund assets may be invested in mortgage-backed securities and asset-backed securities which, at the time of acquisition, are rated investment grade (i.e. a rating of BBB- or better (by Standard & Poor's or Fitch) or equivalent ratings by another recognized rating agency or if unrated, as determined by the Investment Manager to be of comparable quality).

Non-EUR currency exposure is limited to 10% of Sub-Fund assets.

Duration of the assets of the Sub-Fund is between 0 and 13 years.

The Sub-Fund may invest less than 30% of its assets in instruments with loss-absorption features (including contingent convertible bonds, senior non-preferred debt securities, instruments issued under the resolution regime for financial institutions and other capital instruments issued by banks or other financial institutions), of which a maximum of 10% of the Sub-Fund's assets may be invested in contingent convertible bonds. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger events.

The Sub-Fund is managed in reference to ICE BOFAML Green Bond (hedged into EUR) ("Benchmark Index") where the Benchmark Index plays a role (i) as reference for formulating the Sub-Fund's portfolio composition, and/or (ii) for measurement and comparison of the Sub-Fund's performance. However, due to the active management approach adopted by the investment manager, the performance of the Sub-Fund and the performance of the Benchmark Index may differ. The extent to which the investment manager may deviate from the Benchmark Index is material.

Use of derivatives/investment in derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

What are the key risks?

Investment involves risks. The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. Please refer to the Prospectus for details including the risk factors.

1. **Investment Risk/General Market Risk**
   - The Sub-Fund is an investment fund. There is no guarantee of the repayment of principal. The instruments invested by the Sub-Fund may fall in value.
   - The Sub-Fund invests in securities (eg. equities), and is exposed to various general trends and tendencies in the economic and political situations as well as securities markets and investment sentiment, which are partially attributable to irrational factors. Such factors could lead to substantial and longer-lasting drops in prices affecting the entire market. Securities from top-rated issuers are subject to essentially the same general market risk as other securities and assets. All these factors may adversely impact the net asset value of the Sub-Fund.
2. **Allianz Green Bonds Strategy Risk**
   - The application of the Green Bond Principles and implementation of Allianz Green Bonds Strategy of the Sub-Fund may result in foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities when it might be disadvantageous to do so. This may adversely affect the Sub-Fund's investment performance.
   - In assessing the eligibility of an issuer, there is a dependence upon information and data from external research data providers and internal analyses, which may be subjective, incomplete, inaccurate or unavailable. As a result, there is a risk of incorrectly or subjectively assessing a security or issuer or there is a risk that the Sub-Fund could have exposure to issuers who do not meet the relevant criteria. In addition, there is a lack of standardized taxonomy of Green Bonds.
   - The Sub-Fund focuses on Green Bonds, this may reduce risk diversifications. Consequently, the Sub-Fund may be particularly dependent on the development of these investments. As such, the Sub-Fund is likely to be more volatile than a fund that has a more diversified investment strategy. It may be more susceptible to fluctuations in value resulting from the impact of adverse conditions on these investments. This may have an adverse impact on the performance of the Sub-Fund and consequently adversely affect an investor's investment in the Sub-Fund.
   - The securities held by the Sub-Fund may be subject to style drift which no longer meet the Sub-Fund's investment criteria after the Sub-Fund's investments. The management company might need to dispose of such securities when it might be disadvantageous to do so. This may lead to a fall in the Sub-Fund's net asset value.
3. **Emerging Market Risk**
   - The Sub-Fund invests in emerging markets which involve increased risks and special considerations not typically associated with investment in more developed economies or markets, such as greater political, tax, legal, economic, foreign exchange/control, liquidity, regulatory risks, settlement risks, custody risk and the likelihood of a high degree of volatility. The accounting, auditing and financial reporting standards may deviate substantially to the Sub-Fund's detriment. All these factors may adversely impact the net asset value of the Sub-Fund.
4. **Volatility and Liquidity Risk**
   - The debt securities in emerging markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the Sub-Fund may incur significant trading costs.
5. **Creditworthiness Risk/Credit Rating Risk**
   - The creditworthiness (ability to pay) of the issuer of an asset in particular of a security or money-market instrument held by the Sub-Fund may subsequently fall. This usually leads to a decrease in the price of the asset greater than that caused by general market fluctuations. All these factors may adversely impact the net asset value of the Sub-Fund.
   - Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
   - The interest-bearing securities held by the Sub-Fund may be downgraded and may fall in value. This will also lead to a fall in the net asset value of the Sub-Fund. The Sub-Fund may or may not be able to dispose of the debt instruments that are being downgraded.

6. Interest Rate Risk

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

7. Default Risk

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

8. Valuation Risk

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

9. Sovereign Debt Risk

- The Sub-Fund's investment in interest-bearing securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts. The Sub-Fund may suffer significant losses when there is a default of sovereign debt issuers.

10. Currency Risk

- The Sub-Fund may hold assets denominated in foreign currencies other than its base currency. The Sub-Fund may also launch a class of shares that may be designated in a foreign currency other than the base currency of the Sub-Fund. Accordingly the Sub-Fund and investors of such class of shares are exposed to a currency risk that if these foreign currency positions have not been hedged or if there is any change in the relevant exchange control regulations, the net asset value of the Sub-Fund may be affected unfavorably. Any devaluation of the foreign currency against the base currency of the Sub-Fund would cause the value of the assets denominated in the foreign currency to fall and adversely impact the investor.

11. RMB Risk

- Share classes denominated in offshore Chinese Renminbi are subject to RMB risk. The Chinese Renminbi traded in Mainland China is not freely convertible and is subject to exchange controls, policies and restrictions imposed by the PRC authorities. Such policies may limit the depth of the Chinese Renminbi market available outside of Mainland China, and thereby may reduce the liquidity of the Sub-Fund. Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB. Furthermore although offshore Renminbi and onshore Renminbi are the same currency, they trade at different rates. Any divergence between offshore Renminbi and onshore Renminbi may adversely impact investors.
- Any depreciation of RMB could adversely affect the value of investors' investment in the RMB denominated share classes.

12. Derivatives Risk

- The Sub-Fund may invest in derivatives which may expose the Sub-Fund to higher leverage, valuation, volatility, counterparty, liquidity, market and over the counter transaction risks, all of which may adversely impact the net asset value of the Sub-Fund. The leverage component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund.
- The Sub-Fund's use of FDI in efficient portfolio management (including for hedging) may become ineffective and/or cause the Sub-Fund to suffer significant losses.

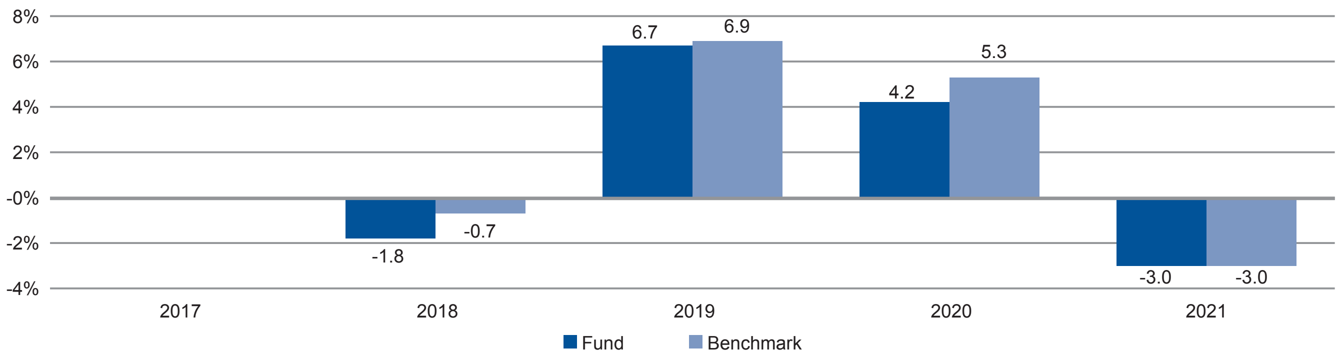
13. Risk related to Distribution out of Capital and Distribution effectively out of Capital

- The payment of distributions out of capital/distributions effectively out of capital represents a return or withdrawal of part of the amount investors originally invested and/or capital gains attributable to the original investment. Any distributions involving payment of distributions out of the Sub-Fund's capital/distributions effectively out of the Sub-Fund's capital may result in an immediate decrease in the net asset value per share and may reduce the capital available for the Sub-Fund for future investment and capital growth.
- The distribution amount and NAV of any hedged share classes of the Sub-Fund may be adversely affected by differences in the interests rates of the reference currency of the hedged share classes and the base currency of the Sub-Fund, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged share classes.

14. Risk related to share class with fixed distribution percentage (applicable to Class AMf)

- Investments in the share classes with fixed distribution percentage are not an alternative to a savings account or fixed interest paying investment. The percentage of distributions paid by the share classes with fixed distribution percentage is unrelated to expected or past income or returns of these share classes or the Sub-Fund. The distribution can thus be higher or lower than the income and return that were effectively realised.
- Share classes with fixed distribution percentage will continue to distribute in periods that the Sub-Fund has negative returns or is making losses, which further reduces the Net Asset Value of the relevant share class. Investors may not be able to get back the original investment amount.
- Investors should note that a positive distribution yield does not imply a high or positive return. Also, share classes with fixed distribution percentage do not distribute a fixed amount and the constant percentage of distribution results in higher absolute distributions when the Net Asset Value of the relevant share class is high, and lower absolute distributions when the Net Asset Value of the relevant share class is low.

How has the Sub-Fund performed?



- Share Class*: AT EUR
- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- These figures show by how much the share class increased or decreased in percentage during the calendar year being shown.
- Performance data has been calculated in EUR including on-going charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- The benchmark of the Sub-Fund is ICE BOFAML Green Bond (hedged into EUR).
- Sub-Fund inception date: 2015
- Share Class inception date: 2017

*Representative share class – Retail share class that is authorized and launched in Hong Kong with the longest track record.

Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Sub-Fund.

Fee (Class A/AM/AMg/AMf/AT)	**What you pay**
Subscription Fee	Up to 5% of the NAV
Switching Fee (Conversion Fee)	Up to 5% of the NAV (for switch-in)
Redemption Fee	No Redemption Fee is currently levied

Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % p.a. of the NAV)
Management Fee (All-in-Fee) (Class A/AM/AMg/AMf/AT)	1.09%
Depositary Fee	The Depositary Fee is covered by All-in-Fee
Performance Fee	Not Applicable
Administration Fee	The Administration Fee is covered by All-in-Fee

Other fees

You may have to pay other fees when dealing in the shares of the Sub-Fund. The Sub-Fund will also bear the costs which are directly attributable to it, please refer to the section headed “FEES AND CHARGES” in the Prospectus for further details.

Additional information

- You generally buy and redeem shares at the Sub-Fund’s next-determined NAV after Hong Kong Distributor/Hong Kong Representative receives your request in good order on or before 5:00p.m. (Hong Kong time) on any Valuation Day which is also a Hong Kong Business Day.
- Intermediaries who sell this Sub-Fund may impose different dealing deadlines for receiving instructions for subscriptions, redemptions or conversions. Investors should pay attention to the arrangements of the intermediary concerned.
- The net asset value of this Sub-Fund is calculated and the price of shares published each Valuation Day. They are available online at hk.allianzgi.com.
- The compositions of the distributions (i.e. the relative amounts paid out of (i) net distributable income, and (ii) capital) for the last 12 months or since the launch of the Sub-Fund are available from the Hong Kong Representative on request and also on the website (hk.allianzgi.com).
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from the Hong Kong Representative on request and also on the website (hk.allianzgi.com).

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.