

Allianz Global Artificial Intelligence

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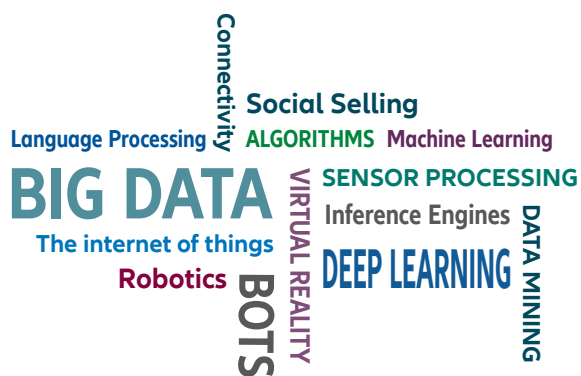
Investing in the future

What is the definition of Artificial Intelligence (AI)?

AI is the ability of a programme or machine to think and learn like a human. We are now training machines to see, hear, navigate and interact in real time.

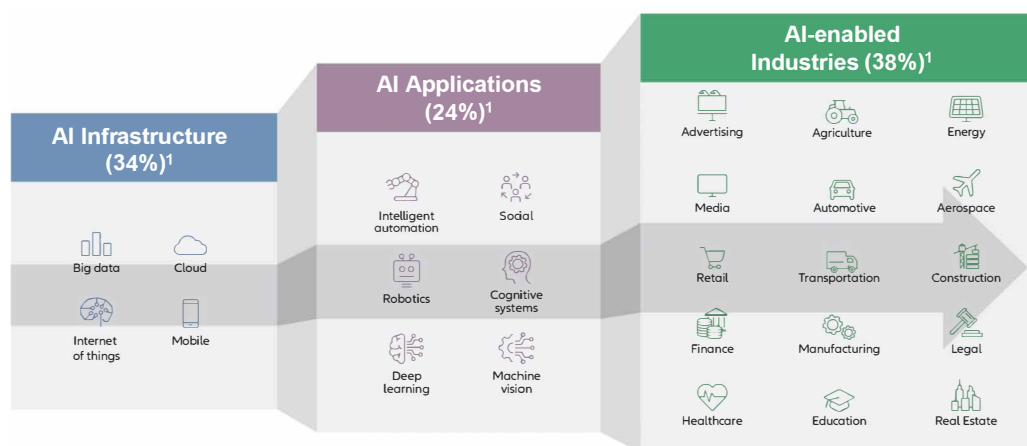
AI encompasses a broad set of disciplines: deep learning, machine learning, big data, computer vision and more. All of these technologies are coming together to make AI a reality.

AI is a truly transformational technology that is at an inflection point in terms of its capacity to create and redistribute massive pools of value. We have been pioneers in recognising the impacts of the technological breakthroughs that have happened over the past several years that are now making AI possible.



What is the fund's investable universe?

Allianz Global Artificial Intelligence¹ invests across a broad spectrum of technologies and sectors embracing the disruptive power of AI.



Source: Allianz Global Investors, 31/07/2022.¹ The fund refers to Allianz Global Artificial Intelligence. Customised sub-sector weightings are shown as supplemental information only. The information above is provided for the purpose to demonstrate the fund's investment strategy only, it should not be considered a recommendation nor investment advice to buy or sell any shares of securities. There is no assurance that any securities discussed herein will remain in the fund at the time you receive this document. Performance of the strategy is not guaranteed and losses remain possible.

This is a marketing communication. Please refer to the prospectus of the Fund and to the KIID before making any final investment decisions. **For fund distributors and professional investors only.**

What is the scope and focus of the investable companies?

Starting with the investable universe of global equities, a list of more than 1,000 innovative companies that could potentially benefit from AI is continually refined by the portfolio management team, with the assistance of the AllianzGI global research platform and experienced sector analysts.

As the market for AI companies is still in the early stages of development, the beneficiaries do not necessarily need to have a majority of their current revenues directly associated with the themes, but need to be well-positioned to be materially associated with the themes in the intermediate term. We typically select stocks with a market cap higher than USD 500 million.

To research investable ideas for the fund, the process is iterative and ongoing. The research process does not end and it's continuous, for owned and not-owned companies. Importantly, frequent interaction with company management, especially smaller and under-followed companies, allows us to formulate our views on the trajectory of their business.

What about analysis and screening?

The investment team's analysts conduct over 1,000 meetings with company management teams each year. Such face-to-face interaction provides an invaluable source of information on the key differences between competing companies. With deeper understanding of a given company's fundamental outlook, we are in a better position to assess the earnings power of the company and the value of that given security. Our estimate of the earnings power and stock valuation frames the risk/reward profile, which allows us to better judge entry/exit points and position weighting. In addition, we utilise quantitative screening to ensure we are not missing any names or ideas that are not captured in our fundamental work.

Is there a threshold to invest?

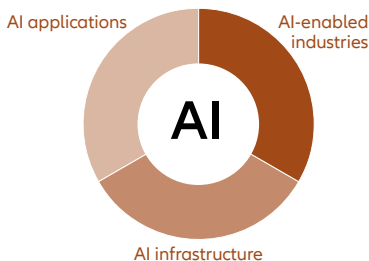
The beneficiaries do not necessarily need to have a majority of their current revenues directly associated with the themes, but need to be well-positioned to be materially associated with the themes in the intermediate term. AI can have a

Bottom-up, fundamental strategy investing in AI investment process

Idea generation
>1,000 innovative companies

Seeking out companies that stand to benefit from:

- Deployment of AI infrastructure and secondary enabling technologies
- Development of AI software and applications
- Adoption of AI in key vertical business processes



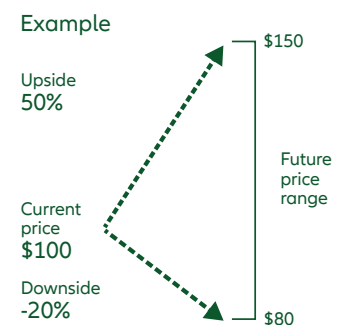
Fundamental research
~150-200 stocks

- Focus on AI's disruptive impact on future growth, profitability and competitive advantages
- Stocks must meet rigorous growth, quality and valuation criteria



Portfolio construction
~40-100 holdings

- Upside/downside profile encompasses proprietary valuation methodology
- Position size driven by each stock's upside/downside targets
- Maximum position: 10%
- Minimum initial position: 0.5%



Risk control, monitoring and review

Source: Allianz Global Investors, 31/07/2022. There is no guarantee that these investment strategies and processes will be effective under all market conditions and investors should evaluate their ability to invest for the long term based on their individual risk profile especially during periods of downturn in the market.

transformative effect on a company with a modest amount of investment. Our intention is to identify and invest in companies that have greater-than-peer leverage to AI such that it provides a source of sustainable share gains and/or cost advantage. For a company to be considered for the portfolio, it must be providing key technologies advancing the development and adoption of AI, or leveraging unique data assets with AI to drive greater shareholder value.

Through our understanding of the evolution of AI, as well as limits and opportunities, we think that we can identify companies most levered to AI ahead of the curve. We believe deep bottom-up, fundamental analysis is key to understanding the companies best positioned to drive forward advances in and benefit from AI.

What is the investment team view on the relevance of AI-enabled industries in the portfolio today, and how does it think this bucket will evolve?

In AI-enabled industries, we are seeing more companies begin to leverage AI to drive new innovations. Many of our portfolio holdings in the automotive, consumer, healthcare, and finance sectors are already seeing the early benefits from AI, which is allowing them to introduce unique products and services enabling them to outperform their industry peers.

As the disruption proliferates, we expect that the fund will see more representation in the portfolio from companies that are tied to other industries.

What are the key differentiators of the fund versus core tech funds?

A typical technology fund will provide exposure to the AI theme only within the technology sector. The focus of Allianz Global Artificial Intelligence is to invest in companies across all sectors that are leveraging or benefitting from the rapid developments in AI, which is already having an impact across industries beyond tech. As the technology proliferates, we expect that Allianz Global Artificial Intelligence will see more representation in the portfolio from companies that are tied to other industries.

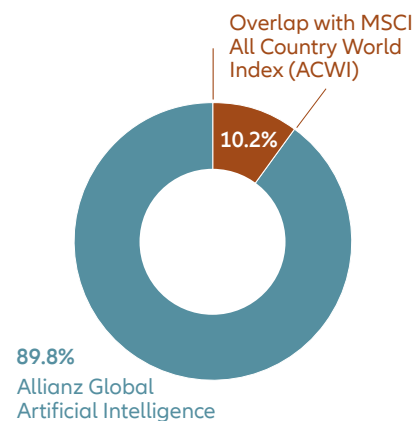
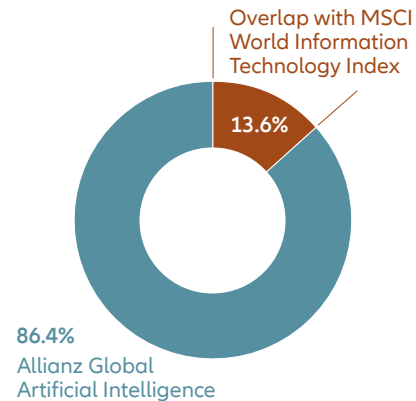
Proof point: Typically the fund has a maximum 25% overlap with tech funds and usually has about 80%-90% active share versus a broad technology index.

What are the key differentiators of Allianz Global Artificial Intelligence versus robotics funds?

Robotics has more cyclical exposure, has been around for some time, and is dependent on factory automation spending. AI is much broader than Robotics, does not require a physical presence, encompasses a much broader set of end applications and disrupts more industries. Robotics is important and an attractive investment area, but AI is much more varied and can create more value.

Proof point: Most of the robotics funds or ETFs have very little overlap with Allianz Global Artificial Intelligence, and tend to have a much higher exposure to the industrials sector and factory automation companies.

High Active Share



Source: Allianz Global Investors, 31/07/2022

Why is the fund heavily invested in the US, and how will it evolve going forward?

The representation of non-US companies in the portfolio is relatively modest at this time given the early development of the technology being somewhat centered in Silicon Valley. We continue to expect greater diversification over time as AI gets adopted by more companies globally. Currently, we are seeing the rapid proliferation of AI technologies around the globe; however many of these developments are still in either research labs or private companies that are not yet listed.

The country breakdown is based on the location of each company's headquarters, but the portfolio companies operate globally. A more meaningful measure of the global breadth of the portfolio may be the revenue exposures of the holdings. Allianz Global Artificial Intelligence has significant exposure to global markets, with revenue exposure of 53% Americas, 28% Asia-Pacific, and 15% EMEA (as of 31/07/2022).¹

Overall, we expect the portfolio to reflect more non-US exposure and greater industry level exposures over time; but the pace at which this occurs will be governed by our rigorous bottom-up stock picking process.

How is the success of the fund measured?

Our goal is to deliver a unique strategy; hence, Allianz Global Artificial Intelligence is not run as a benchmark-sensitive fund. The characteristics of the fund are very different from the MSCI World Information Technology index – Allianz Global Artificial Intelligence typically has an active share relative to this reference index of over 80%. However, for those that want to compare the Global AI Fund to the MSCI World Information Technology index, it is important to keep in mind that this index holds more mature technology companies with larger

global footprints. Also, the fund's universe is broader than the benchmark's universe and includes companies beyond the technology sector that apply AI to their businesses to create sustainable competitive advantage relative to their peers.

Since the AI investment universe continues to expand outside of the technology sector, Allianz Global Artificial Intelligence has a customised benchmark consisting of 50% in a broad global technology index, the MSCI World Information Technology Index as well as 50% MSCI All Country World Index (ACWI).

Opportunities

- + High return potential of stocks in the long run
- + Investments specifically in the artificial intelligence area
- + Currency gains possible
- + Broad diversification across numerous securities
- + Possible extra returns through single security analysis and active management

Risks

- High volatility of stocks, losses possible. The volatility of fund unit prices may be strongly increased
- Underperformance of the investment theme possible
- Currency losses possible
- Limited participation in the yield potential of single securities
- Success of single security analysis and active management not guaranteed

For more information, please contact your local AllianzGI representative or visit updates.allianzgi.com



Allianz Global Investors and Voya Investment Management (Voya IM) have entered into a long-term strategic partnership, and as such, as of 25 July 2022, the investment team transferred to Voya IM and Voya IM became the delegated manager for this fund. AllianzGI continues to provide information and services to Voya IM for this investment through a transitional service agreement.

¹ This is for guidance only and not indicative of future allocation. The fund unit price may be subject to increased volatility. Source: Allianz Global Investors, 31/07/2022.

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