

# Just add water: How to access a compelling investment story

## AllianzGI Global Water Fund

A shares: AWTAX | C shares: AWTGX | I shares: AWTIX | P shares: AWTPX

### Dive into water investing

With less than 1% of the earth's water potable and global demand rising, the AllianzGI Global Water Fund offers investors the potential to address a challenge in their portfolio and the world.

#### 1. Growth

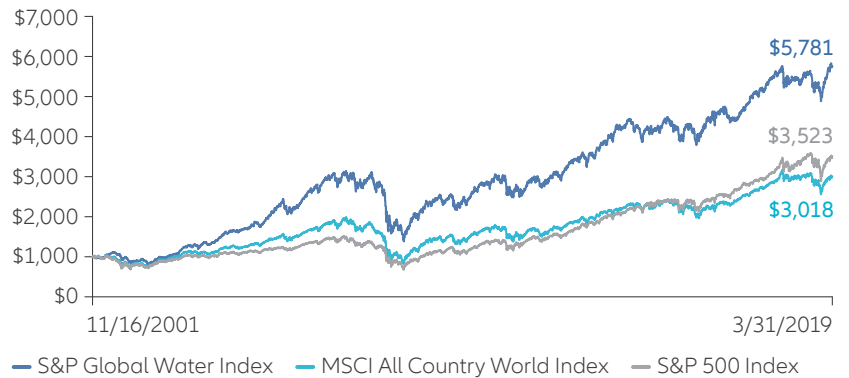
Innovative businesses specializing in water technologies may represent some of the biggest capital growth opportunities

#### 2. Environmental & Social Alpha

We invest in companies offering solutions to water resource management and access to clean water

**Tapping growth:** Water investing has historically outpaced the broader equity markets.

### Growth of investment (\$)

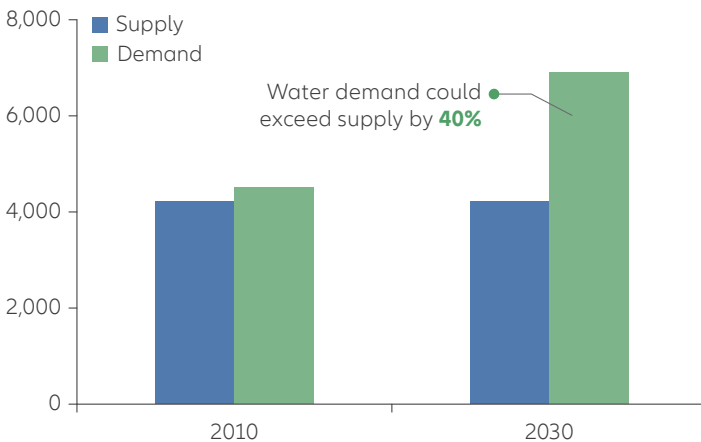


Source: AllianzGI, Morningstar Direct. Data as of S&P Global Water Index inception 11/16/2001 – 3/31/2019. It is not possible to invest directly in an index. **Past performance is no guarantee of future results.**

**A global water crisis:** As the global water supply remains fixed and consumption needs increase, by 2030:

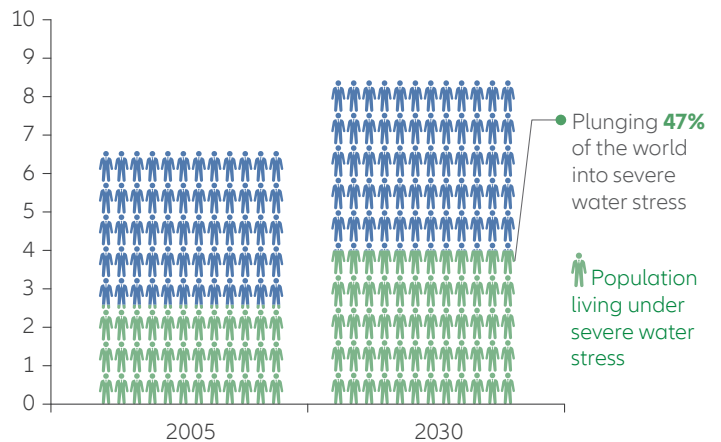
### Water usage

(Millions of megaliters)



### Global population

(Billions)



Source: AllianzGI; Water 2030 Global Water Supply and Demand model, 2030 Water Resources Group (2009); "OECD Environmental Outlook to 2030," OECD Publishing (2008).

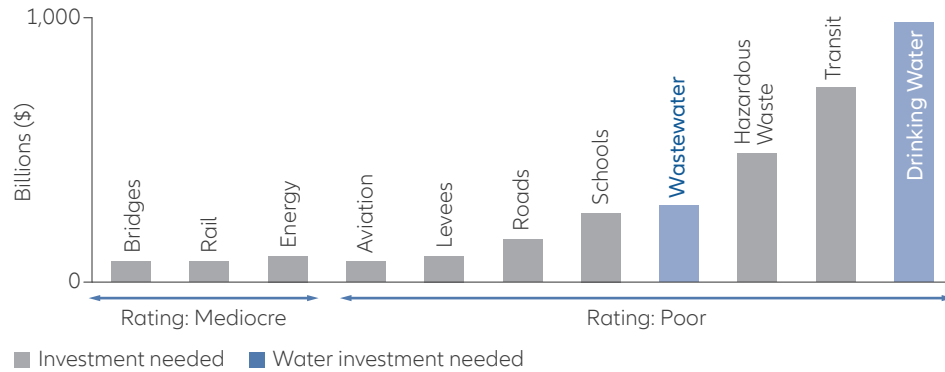
### Value. Shared.

# Be part of the clean-water solution

Three areas of development that solve problems – and create investment opportunities

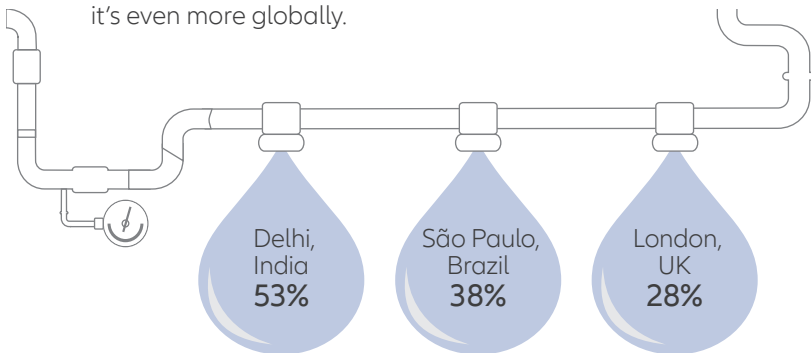
## 1 Supply: Develop and build sustainable, reliable and cost-efficient water infrastructure management systems.

US Infrastructure is estimated to need \$3 trillion in improvements – much of that dedicated to water.



## 2 Efficiency: Create innovative, effective and economical water-supply solutions that support sustainability.

The US alone loses 16% of daily water production to leaking pipes – it's even more globally.



## 3 Quality: Increase regulations on drinking-water quality, and establish treatment and sanitation standards.

One in nine people – 783 million across the world – lack access to safe and clean drinking water.



### Investment opportunities

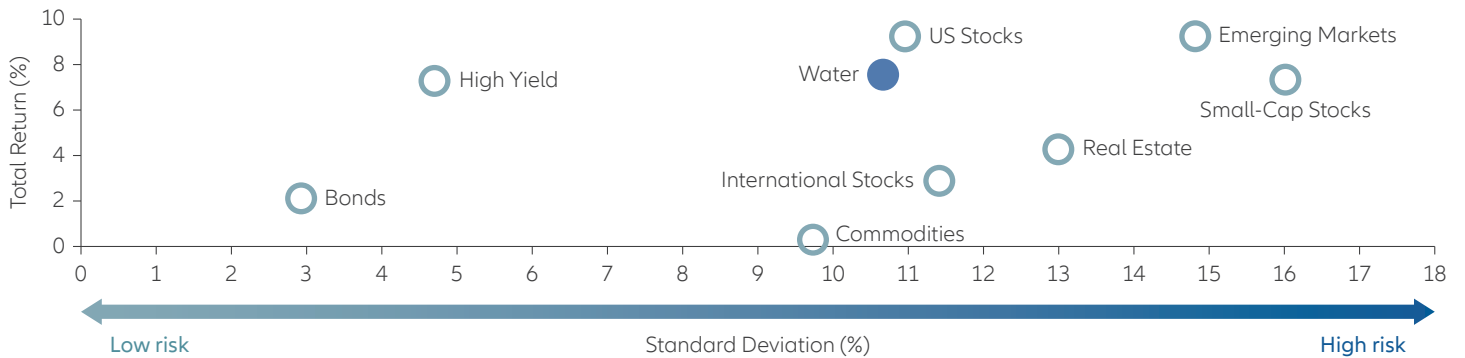
- Exploration, engineering and design
- Wastewater treatment
- Well drilling
- Desalination equipment
- Pumping stations and pipelines
- Automation controls
- Leak-detection devices
- Smart meters
- Advanced irrigation equipment
- Drought-resistant crops
- Filtration
- Monitoring and testing
- Disinfection chemicals
- Sanitary appliances
- Wastewater technology

1. AllianzGI, American Society of Civil Engineers (2015), Congressional Budget Office (2015). 2. AllianzGI, American Society of Civil Engineers (March 2013), Smart Water Networks Forum (August 2011). 3. The Water Project (August 2016).

# Tap into this growth opportunity

**H<sub>2</sub>O may be the way to grow:** Water investing has provided investors a favorable risk/return profile.

**Risk/Return** December 2001 to December 2018



Sources: AllianzGI, Morningstar. Data as of first full month after index inception 12/1/2001–12/31/2018. It is not possible to invest directly in an index. Performance quoted represents past performance. **Past performance is no guarantee of future results.** Water: S&P Global Water Index; Bonds: ICE BofAML US Broad Market Index; High Yield: ICE BofAML US High Yield Index; US Stocks: S&P 500 Index; Small-Cap Stocks: Russell 2000 Index; Commodities: Bloomberg Commodity Index; International Stocks: MSCI EAFE Index; Emerging Markets: MSCI Emerging Markets Index; Real Estate: FTSE NAREIT All Equity REITs Index.

## An active manager can make an impact

	AllianzGI Global Water Fund	Passive strategies
Incorporates ESG (environmental, social governance) risk analysis	✓	✗
Can react quickly to changes in regulations, policies and economic events	✓	✗
Has the flexibility to evaluate and adjust holdings that are in decline	✓	✗
Takes a strategic view of issues shaping the industry	✓	✗
Invests in companies that are not providing solutions to improve water resource management or access to clean water	✗	✓
Can seek out companies that may benefit from promising technologies and emerging trends	✓	✗



### AllianzGI Global Water Fund

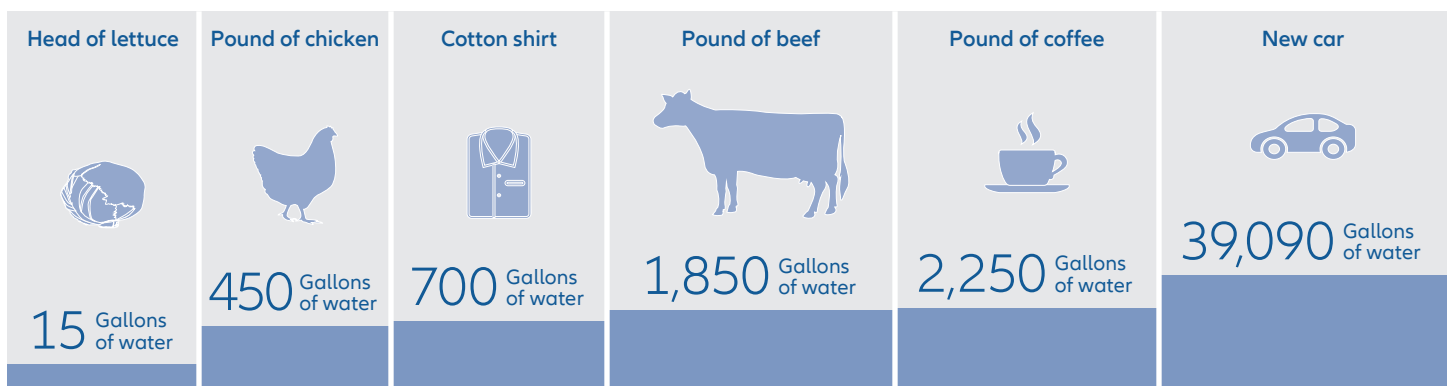
Experienced portfolio management team led by Andreas Fruschki, CFA, who has managed the fund since inception and Alina Donets, CFA, Portfolio Manager

A dedicated global ESG analyst team and research platform of 80+ analysts

A global, bottom-up, long-only strategy generally investing in a concentrated portfolio of 30 to 35 stocks

Focused on investing in market leaders that look to improve water supply, efficiency and quality

## Did you know? This is how much water it takes to make...



Source: AllianzGI; Water Footprint Network (2008); Ecolab, Closing Keynote Presentation from the Financial Times Water Summit from Doug Baker, CEO of Ecolab (October 2015).

# Just add AllianzGI Global Water Fund

**Why us?** A highly-ranked fund, an experienced management team, ESG expertise and global reach.

## Morningstar Overall Rating™ AllianzGI Global Water Fund (AWTIX)



as of 3/31/2019. For Class I shares among 120 funds in the Natural Resources category. Morningstar measures risk-adjusted returns. The overall rating is a weighted average based on the 3-, 5- and 10 year star rating.

Average annual total returns	QTD	1 Year	3 Year	5 Year	10 Year	Since inception*
AllianzGI Global Water Fund - A shares at NAV	13.62%	2.78%	6.80%	4.55%	11.46%	4.99%
AllianzGI Global Water Fund - A shares at MOP	7.37%	-2.87%	4.80%	3.37%	10.83%	4.45%
AllianzGI Global Water Fund - I shares	13.65%	3.03%	7.09%	4.84%	11.80%	5.31%
MSCI AC World Index	12.18%	2.60%	10.67%	6.45%	11.98%	5.30%
S&P Global Water Index	13.58%	7.34%	10.75%	6.78%	14.26%	7.25%
Lipper Global Natural Resources Funds Average	12.99%	-5.90%	4.64%	-4.79%	3.06%	-3.86%

Calendar year returns	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD 2019
AllianzGI Global Water Fund - A shares at NAV	16.11%	-8.00%	21.56%	23.82%	-1.15%	0.31%	4.90%	22.31%	-12.48%	13.62%
AllianzGI Global Water Fund - I shares	16.43%	-7.69%	21.89%	24.19%	-0.82%	0.59%	5.13%	22.71%	-12.23%	13.65%
MSCI AC World Index	12.67%	-7.35%	16.13%	22.80%	4.16%	-2.36%	7.86%	23.97%	-9.42%	12.18%
S&P Global Water Index	15.95%	-6.74%	21.27%	27.31%	4.57%	-1.04%	7.38%	27.73%	-9.34%	13.58%
Lipper Global Natural Resources Funds Average	14.89%	-17.33%	2.4%	16.93%	-12.88%	-21.88%	22.92%	9.4%	-20.16%	12.99%

Lipper rankings - A shares	1 Year	3 Year	5 Year	10 Year
Quintile ranking	1st	2nd	1st	1st
Absolute rank in category	9/110	25/103	3/100	2/78

As of 3/31/2019.

\*Inception date: 3/31/2008.

Minimum investment for Institutional shares (Class I) is \$1 million, though this may be reduced for certain financial intermediaries that aggregate trades on behalf of investors.

**Performance quoted represents past performance. Past performance is no guarantee of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown.** For performance current to the most recent month-end, visit our website at [us.allianzgi.com](http://us.allianzgi.com). The MOP returns take into account the 5.50% maximum initial sales charge. The Fund's A/I gross/net expense ratios are 1.41%/1.14% and 1.22%/0.93% respectively. The net expense ratio is the result of a contractual agreement through 1/31/2020.

*Investors should consider the investment objectives, risks, charges and expenses of this Fund carefully before investing. This and other information is contained in the Fund's prospectus, or summary prospectus, which may be obtained by contacting your financial advisor or by visiting [us.allianzgi.com](http://us.allianzgi.com). Please read this prospectus carefully before you invest.*

**A Word About Risk:** Investing in a limited number of issuers or sectors may increase risk and volatility. Investing in the water-related resource sector may be significantly affected by events relating to international political and economic developments, water conservation, the success of exploration projects, commodity prices and tax and other government regulations. Foreign markets may be more volatile, less liquid, less transparent and subject to less oversight, and values may fluctuate with currency exchange rates; these risks may be greater in emerging markets. Derivative prices depend on the performance of an underlying asset; derivatives carry market, credit and liquidity risk.

**The Standard & Poor's Global Water Index** is comprised of 50 of the largest publicly traded companies in water-related businesses that meet specific invest ability requirements. The Index is designed to provide liquid exposure to the leading publicly-listed companies in the global water industry, from both developed markets and emerging markets. **The MSCI ACWI Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. **The ICE BofAML US High Yield Index** tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. **The Russell 2000 Index** is an unmanaged index that consists of the 2,000 smallest companies in the **Russell 3000 Index** and represents approximately 10% of the total market capitalization of the **Russell 3000**. It is generally considered representative of the small-cap market. **The MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. **The REIT-focused FTSE NAREIT US Real Estate Index** Series tracks the performance of the U.S. REIT industry at both an industry-wide level and on a sector-by-sector basis. **The ICE BofAML US Broad Market Index** tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, quasi-government, corporate, securitized and collateralized securities. **The S&P 500 Index** is an unmanaged index considered representative of the US stock market. **The Bloomberg Commodity Index** is an unmanaged index designed to be a highly liquid and diversified benchmark for the commodity futures market. **The MSCI Europe, Australasia, Far East Index (EAFE)** is an index of over 900 companies, and is a generally accepted benchmark for major overseas markets. Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, broker- age commissions or other expenses of investing. It is not possible to invest directly in an index.

Source for Morningstar Information: Morningstar, Inc. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products with at least a 3-year history. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance (not including the effects of sales charges, loads and redemption fees if applicable), placing more emphasis on downward variations and rewarding consistent performance. Managed products; including open-end mutual funds, closedend funds and exchange-traded funds; are considered a single population for comparative purposes. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics. In the Natural Resources category, the Fund's class I shares received Overall 5 Stars (120 funds rated); 3 Yrs. 3 Stars (120 funds rated); 5 Yrs. 5 Stars (114 funds rated); 10 Yrs. 5 Stars (85 funds rated). © 2019 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. The fund represents a single portfolio with multiple share classes that have different expense structures. Other share classes may have achieved different results. The Lipper Category returns and rankings are calculated by Lipper Inc., a Reuters Company, which is a nationally recognized organization that compares the performance of mutual funds with similar investment objectives. The Category returns represent the average performance of included funds, while rankings compare an individual fund's returns to those of the other funds in its category. Both are based on total return performance, with capital gains and dividends reinvested, with annual operating expenses deducted, but without including front- or back-end sales charges. Rankings begin with the actual share class inception. Rankings are relative to a peer group and do not necessarily mean that the fund had high total returns.