

EB TARGET VOLATILITY

FUNDS

EB Target Volatility 4 / 8 / 12 is a family of three funds with differing risk levels to suit typical risk and return preferences of investors. Each fund targets a different investor group ranging from conservative (EB Target Volatility 4), through moderate (EB Target Volatility 8) to growth-oriented (EB Target Volatility 12) investors.

The 3 underlying funds Allianz Strategy 15, 50 and 75 are managed by Allianz Global Investors.

WHY ALLIANZ GLOBAL INVESTORS?

- Decisive insights for forward looking investment strategies to protect and enhance our clients' wealth
- Diversified active investment manager with a strong parent
- Global investment and research capabilities
- Consultative local delivery
- A culture of risk management

WHY MULTI ASSET?

Multi Asset Funds can be considered as an attractive form of investment:

- an opportunity to achieve potential returns while reducing investment risks
- a diversified investment approach across several asset classes

- with equities from different geographic areas, bonds from different issuers with different credit ratings and money market securities
- Thanks to the broad spectrum of investment opportunities and the flexible use of trends, investors can take advantage of numerous opportunities for returns worldwide whilst simultaneously achieving a balanced risk structure for their investments.

Active Multi Asset Funds are constantly adopting the mix of the asset classes, depending on the short term and long term market conditions. In today's market it is crucial to use **active management** to identify opportunities for **income and capital gain**, but also to **actively reduce the risks** during periods of volatility that may arise (i.e. to actively switch into money market).

Particularly those investors who do not want to continually keep an eye on the markets are often grateful for such a solution, since active Multi Asset Funds offer **diversification, active and flexible capital investment and risk management**.

The Allianz Strategy funds aims to achieve an attractive return whereby risk is adapted to market cycles using Active Asset Allocation and an innovative risk management approach.

MARKET CYCLE

Monitoring of market behaviour and adaptation of investments in the event of excessive shifts in the markets

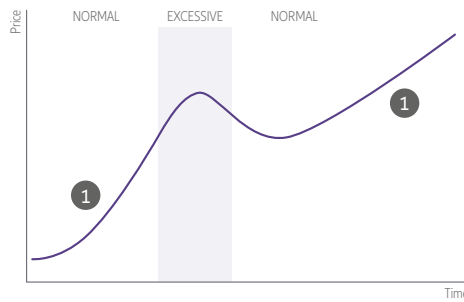
The manager bases the composition of the portfolio on trends in the global equities and the European government bonds market. He buys when markets go up (1) and sells when markets go down (2). Additional cash positions may be taken when equities and bonds markets are under pressure.

However, markets sometimes

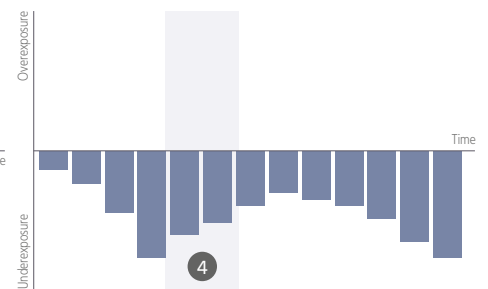
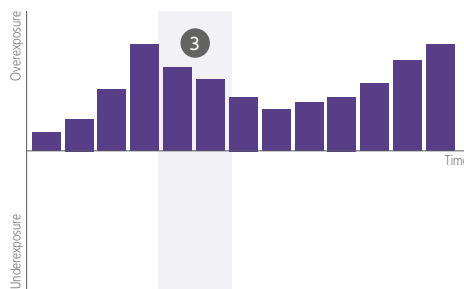
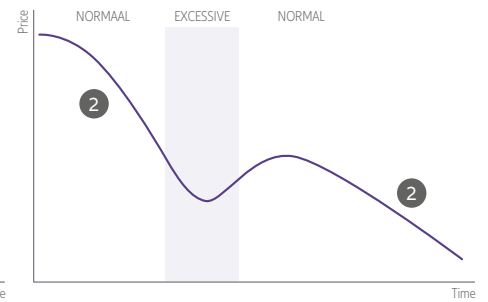
overreact, and a counter-cyclical element is included in the strategy to deal with this eventuality:

- in the event of excessive upward shifts, the overexposure of the asset class (equities or bonds) is reduced. (3)
- in the event of an excessive downward trend, the manager re-invests and the asset class in question becomes less underexposed. (4)

UPWARD TREND



DOWNWARD TREND



Source: Allianz Global Investors. Schematic illustration. A performance of the strategy is not guaranteed and losses remain possible.

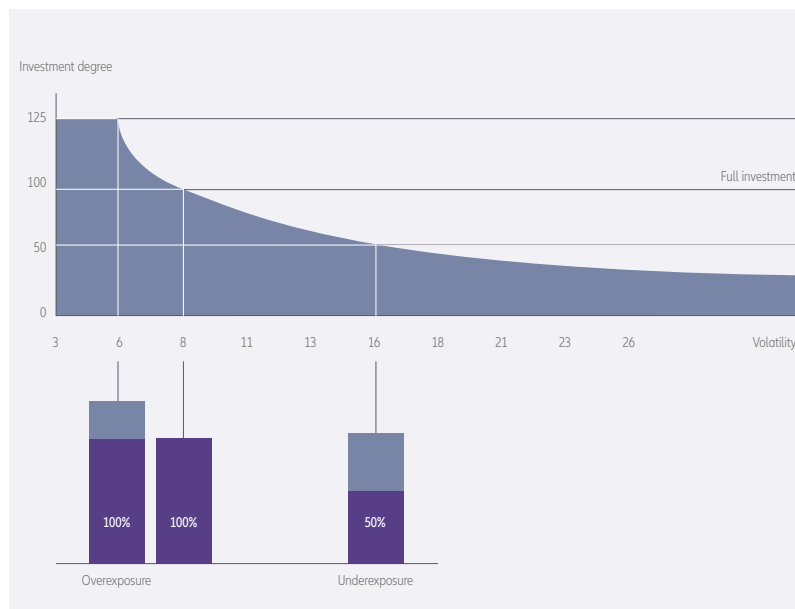
ACTIVE RISK MANAGEMENT

Risk adjusted according to market volatility

Dynamic adaptation of the level of investment such that volatility in the funds remains stable.

- When market volatility is low, the portfolio’s exposure to asset classes that generate a return (equities and bonds) can be increased up to a maximum of 125% via derivative instruments.
- When market volatility is high, exposure to these asset classes decreases and investment in cash and money market instruments increases.

EXAMPLE: ALLIANZ STRATEGY 50



Source: Allianz Global Investors. The charts above are provided for illustrative and are shown only as examples of how the strategy uses leverage to achieve investment degrees. The charts above do not reflect actual data and are no indications of the future volatility of a client’s portfolio.

THE 3 FUNDS IN NUMBERS

Profiled funds	Strategic allocation adjusted on the basis of the market cycle	Target volatility pursued through active risk management	ISIN code
EB Target Volatility 4	15% Equities 85% Bonds	4%	LU0882150443
EB Target Volatility 8	50% Equities 50% Bonds	8%	LU0352312341
EB Target Volatility 12	75% Equities 25% Bonds	12%	LU0352313075

More information about our Employee Benefits funds can be found on our website
<https://allianz.be/fr/employee-benefits/assurance-groupe-employeurs/eb-fonds-et-documents.html>

