

AllianzGI's measures following Structured Alpha

Overview of response action and enhancement initiatives

9 June 2022

Allianz Global Investors



Executive Summary

1

The misconduct of the 3 members of the former Structured Alpha product team and the lengths to which they went to conceal their wrongdoing represent **an isolated case at AllianzGI**.

2

AllianzGI took quick and forceful **action**. The **individuals involved** were **terminated**, and the company actively entered into **fair settlements with clients** who were misled.

3

The US Department of Justice's Statement of Facts states that **no one outside the Structured Products Group was aware of or participating in the misconduct**.

4

New senior leadership team installed at AllianzGI since the beginning of 2020 for all **governance, control and oversight functions**

5

AllianzGI is committed to fully enacting all lessons learned from these events and **reinforcing and enhancing its compliance culture and framework where necessary**.

AllianzGI took decisive action in connection with Structured Alpha

| | | |
|---|---|---|
| 1 | <p>Complete wind down of all Structured Alpha fund product range (incl. all US private funds and UCITS funds)</p> |  |
| 2 | <p>Termination of individuals involved in misconduct</p> |  |
| 3 | <p>The DOJ's Statement of Facts states that control gaps related to Structured Alpha</p> |  |
| 4 | <p>AllianzGI conducted a cross-functional internal review of all inv. strategies and their control environment: confirmed that no similar "high alpha" strategies</p> |  |
| 5 | <p>Launch of select functional and firm-wide control enhancements (within Inv. Analytics & Positioning; Compliance; Risk Management; Operations)</p> |  |
| 6 | <p>Intensified dedicated training of employees for selected topics</p> |  |

Active is:

Allianz Global Investors