



# Key Investor Information

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## AIA INVESTMENT FUNDS – AIA DIVERSIFIED FIXED INCOME FUND - CLASS IDQ USD

### A Share Class of AIA DIVERSIFIED FIXED INCOME FUND

### A Sub-Fund of AIA Investment Fund, the “UCITS”

ISIN code: LU2209052336

This UCITS has appointed FundRock Management Company S.A. as its Management Company

## Objectives and investment Policy

The Sub-Fund aims to maximise long-term return by investing in a diversified fixed income portfolio consisting primarily in investment grade bonds and other debt securities denominated in USD. In order to achieve its investment objective, the Sub-Fund will invest primarily, i.e. at least 50% of the Sub-Fund's Net Asset Value, in USD-denominated fixed or floating rate fixed income securities issued by government, agencies and companies globally. The Sub-Fund may invest in a full spectrum of fixed income securities including corporate bonds, emerging markets debt instruments, collateralized loan obligations (CLOs), asset backed securities (ABS), commercial MBS (CMBS), taxable municipals, US government or agency obligations, as well as cash and commercial paper. Investments in collateralized loan obligations (CLOs), asset backed securities (ABS), commercial mortgage backed securities (CMBS) and emerging market securities shall not, when combined, exceed 20% of the net assets of the Sub-Fund. The Sub-Fund can invest in securities issued by issuers domiciled outside of the US as long as they are denominated in USD. The Sub-Fund will primarily invest in securities rated investment grade (BBB- or above rated by Standard & Poor's, Baa3 or above by Moody's and BBB- or above by Fitch or an equivalent rating from an internationally recognised rating agency) and non-investment grade securities shall not exceed 20% of the net assets of the Sub-Fund. The Sub-Fund will not invest in distressed or default securities (rated CCC+ (or equivalent) or below). In addition to considering the credit rating of a fixed income security, the Sub-Investment Manager's investment and research team will also conduct additional pre-trade and post-trade credit risk assessments for each fixed income security purchased. The Sub-Fund's expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, Additional Tier 1 and Tier 2 capital instruments, will be up to 20% of its Net Asset Value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s). The Sub-Fund may use financial derivative instruments for hedging and efficient portfolio management purposes only. The Sub-Fund will not enter into (i) repurchase and reverse repurchase transactions, (ii) securities lending and securities borrowings, and (iii) total return swaps. The Sub-Fund may hold ancillary liquid assets. On a temporary basis, the Sub-Fund may, in order to take measures to mitigate risks relative to such exceptional market conditions in the best interests of the investors, hold ancillary liquid assets up to 100% of its Net Asset Value. In order to (i) achieve its

investment goals, (ii) for treasury purposes, and/or (ii) in case of unfavourable market conditions, the Sub-Fund may hold cash equivalent (i.e., bank deposits excluding bank deposits at sight, money market instruments or money market funds) pursuant to the applicable investment restrictions. The Sub-Fund may not invest in securities from an issuer in the tobacco industry or firms involved in the production of cluster munitions. The Sub-Fund shall further not directly hold or acquire securities from issuers which are coal mining and / or coal-fired power generation companies. The Sub-Fund is not permitted to invest in aggregate more than 10% of its Net Asset Value in shares or units of UCITS or other UCI.

The Sub-Fund is actively managed. The Joint Investment Manager will therefore not track any index and/or have any constraints in relation to the allocation of the portfolio, based on the change in the composition of any index. Subject to the restrictions and exclusions above, the Sub-Fund may invest in fixed income securities of any issuer, of any industry or sector and in any geography. Should investors in the Sub-Fund wish to measure the performance of the Sub-Fund for comparison purposes, then the Investment Manager would suggest using Bloomberg Barclays U.S. Corporate Bond Index.

Your shares will be distributing. Dividend distribution in respect of class IDQ (USD) shares will be made quarterly.

The Sub-Fund currency is USD. This Share Class is in USD.

You can buy and sell your shares daily. The minimum initial investment for this Share Class is USD 10,000,000 or currency equivalent.

**Recommendation:** The Sub-Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

## Risk and reward profile



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Sub-Fund.

The risk and reward category shown is not guaranteed and may change over time.

The lowest category does not mean a risk free investment.

The Sub-Fund is rated 4 due to the nature of its investments which include the risks listed below. These factors may impact the value of the Sub-Fund's investments or expose the Sub-Fund to losses.

Particular risks not adequately captured by the risk indicator include:

- **Counterparty Risk:** The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Sub-Fund to financial loss.
- **Credit risk:** The risk of loss arising from default that may occur if an issuer fails to make principal or interest payments when due. This risk is higher if the sub-fund holds low-rated, non-investment-grade securities.
- **Derivatives Instruments:** Derivatives and other financial techniques used substantially to obtain, increase or reduce exposure to assets may be difficult to value,

may generate leverage, and may not yield the anticipated results. All of this could be detrimental to the performance of the Sub-Fund.

• **Hedging risk:** The currency hedging used to minimise the effect of currency fluctuations may not always be successful. Investors may have exposure to currencies other than the currency of their shares .

• **Fixed Income Transferable Securities:** Debt securities are subject to both actual and perceived measures of creditworthiness. The “downgrading” of a rated debt security or its issuer or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security.

• **Interest Rate Risk:** The performance of a Sub-Fund may be influenced by changes in the general level of interest rates.

• **Bond Downgrade Risk:** A Sub-Fund may invest in highly rated / investment grade bonds, however, where a bond is subsequently downgraded it may continue to be held in order to avoid a distressed sale. To the extent that a Sub-Fund does hold such downgraded bonds, there will be an increased risk of default.

• **Investment grade bonds risk:** Certain Sub-Funds' investment objective is to invest in investment grade bonds where there is a risk that the rating of the bonds held by the Sub-Funds may be downgraded at any time. In the event of such downgrading, the value of the Sub-Funds may be adversely affected.

• **ABS/MBS Risk:** The Sub-Fund may invest in asset-backed securities ("ABS"), including mortgage-backed securities ("MBS"), which are debt securities based on a pool of assets or collateralised by the cash flows from a specific pool of underlying assets. ABS and MBS assets may be highly illiquid, and therefore prone to substantial price volatility.

## Charges

### One-off charges taken before or after you invest

**Entry charge** Up to 3.00%

**Exit charge** Up to 1.00%

### Charges taken from the UCITS over a year

**Ongoing charges** 0.62%

### Charges taken from the UCITS under certain specific conditions

**Performance fee** None

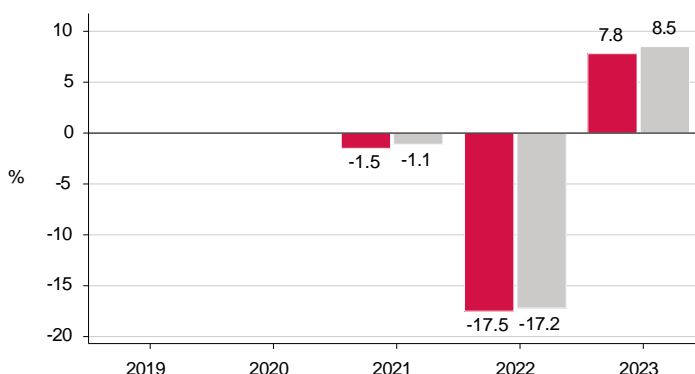
The charges borne by the investor are used for the operation of the Sub-Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

The entry and exit charges shown are maximum percentage. In some cases you might pay less. Please refer to your financial advisor or the distributor for the actual entry and exit charges.

The ongoing charges figure is based on expenses for the period ending in 31 December 2023. This figure may vary from year to year. It excludes portfolio trade-related costs, except costs paid to the depositary and any entry/exit charge paid to an underlying collective investment scheme (if any).

For more information about charges, please see section charges and expenses of the prospectus of the UCITS, which is available at: [www.aia.com/en/funds-information](http://www.aia.com/en/funds-information).

## Past performance



Past performance is not a reliable indicator of future results. Performance may vary from year to year. The indicated performance does not take into account ongoing charges and fees on issues and redemptions of units.

It is expressed as a percentage change of the Fund's net asset value at each year-end.

The Sub-Fund was launched on July the 15th, 2019.

The Share Class was launched on September the 11th, 2020

The portfolio Benchmark has changed from June 2023. The past performance data shown in the chart for annual periods prior to that date is related to the composite benchmark of BBG/Barc Long Baa U.S Corporate Statistics Index value Unhedged USD (BBLCSTAT), BBG/Barc USD Capital Securities Statistics Index Value Unhedged USD (BCPUSTAT), BBG/Barc US Long Corporate A or Higher Total Return index Unhedged EUR (I04536EU), BBG/Barc US Corporate Baa 5-10 Yr (I27827), Barclays Long Corporate – High Quality 5-10 Yr (I34923), J.P. Morgan Corporate EMBI Composite index Level (JCMBCOMP). The new Benchmark is Bloomberg Barclays U.S. Corporate Bond Index.

Performance is shown after deduction of ongoing charges. Any entry/exit charges are excluded from the calculation.

The past performance is calculated in USD, with net dividends reinvested.

■ Class AIA INVESTMENT FUNDS – AIA DIVERSIFIED FIXED INCOME FUND - CLASS IDQ USD Inc (USD)

■ Bloomberg Barclays U.S. Corporate Bond Index

## Practical information

**Depositary Bank:** The depositary of the UCITS is HSBC Continental Europe, Luxembourg.

Further information about the Sub-Fund can be obtained from the prospectus and the latest annual and semi-annual reports of the UCITS.

Copies of these documents and the latest Net Asset Value per Share are available in English, free of charge, at the registered office of AIA Investment Funds, 4, rue Petermelchen, L-2370 Howald, Grand Duchy of Luxembourg, and on the following website: [www.aia.com/en/funds-information](http://www.aia.com/en/funds-information).

Investors should note that the tax legislation that applies to the Sub-Fund may have an impact on their personal tax position.

The Sub-Fund is a sub-fund of the UCITS, an umbrella structure comprising different sub-funds. This document is specific to the Sub-Fund and share class stated at the beginning of this document. However, the prospectus, annual and semi-annual reports are prepared for the UCITS.

The UCITS may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the UCITS prospectus.

Under Luxembourg law, the UCITS has segregated liability between its sub-funds (i.e. the UCITS assets will not be used to discharge the liabilities of other Sub-Funds within the umbrella). In addition, the Sub-Fund's assets are held separately from the assets of other sub-funds.

Investors may switch their shares in the Sub-Fund for shares in another share class of another sub-fund within the UCITS, subject to meeting any relevant eligibility requirements and minimum holding amounts and any other conditions as set out in section 7.6 "Conversion of Shares" of the prospectus.

Further information about other share classes can be found in the prospectus.

With effect from January, 2018, the Management Company has established and applies a remuneration policy in accordance with principles laid out under UCITS V directive and any related legal and regulatory provisions applicable in Luxembourg. The up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available at [www.fundrock.com/pdf/Fundrock\\_Remuneration\\_policy.pdf](http://www.fundrock.com/pdf/Fundrock_Remuneration_policy.pdf) and a paper copy will be made available free of charge upon request at the Management Company's registered office.

This Key Investor Information is accurate as at 3 May 2024.

This Fund and its Management Company are authorised in Luxembourg and supervised by the Commission de Surveillance du Secteur Financier (CSSF).

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