

Allianz European Pension Investments

Société d'Investissement à Capital Variable
Registered office: 6 A, route de Trèves, L-2633 Senningerberg
R.C.S. Luxembourg B 117.986
Shareholder Notification

The Board of Directors of Allianz European Pension Investments (SICAV) (the "Company") hereby gives notice of the following change, which will become effective on 6 December 2018:

As an active investment manager, the Management Company Allianz Global Investors GmbH is continuously on the search for new sources of returns for investors. In addition to the selection and management of promising securities, securities lending offers an opportunity to generate additional income for the benefit of the clients.

Securities lending refers to a transaction whereby securities are temporarily lent from a portfolio and collateral for the loaned securities is received. In return for lending the securities, a "loan fee" is received. The loan fee (after costs) is credited to the respective sub-fund portfolio, from which the securities in question have been lent. The loan fee collected thus increases the return.

Allianz Global Investors GmbH has decided to manage the securities lending business themselves in the future through an internal agency lending offering. Allianz Global Investors GmbH has established a team that will be dedicated to securities lending providing transparency and direct risk management oversight of lending activities. This means that an external broker shall no longer be required in most cases.

In order to be able to use securities lending to enhance returns, substantial efforts are incurred. These costs include for example analysis and selection of suitable counterparties, negotiation of the securities lending terms (e.g. type and amount of collateral), preparation and execution of the securities lending agreement, ongoing monitoring of the agreement trades, trade selection and risk management.

Allianz Global Investors GmbH will take a proportion of the revenue from the activities associated with securities lending (in the amount of up to 30% of the loan fee), whilst absorbing all of the aforementioned costs. The remaining 70% of the income from the loan fee will be credited directly to the respective sub-fund assets. Due to the decision to carry out securities lending internally instead of using an external agent, an adaptation of the prospectus is required for regulatory reasons: the costs incurred by implementing securities lending is no longer compensation for the benefit of third parties, but for the Management Company. This item will be shown separately in the prospectus and the annual report in the future.

The expected proportion of the use of securities lending agreements shall be changed as follows:

Sub-Fund	Until 5 December 2018	Starting 6 December 2018
Allianz Strategy 15	- 20%	- 70%
Allianz Strategy 50	- 20%	- 70%
Allianz Strategy 75	- 20%	- 70%
Allianz Target Return Bond EM	- 20%	- 70%

Investors will not incur any further or higher costs than before under the new structure. The investment profile of the sub-funds will not change either as a result of the introduction of the new securities lending offering.

Shareholders, who do not approve the aforementioned changes, may redeem their shares free of redemption or conversion charges until 5 December 2018.

The prospectus, at its entry into force, is accessible or available free of charge from the registered office of the Company, the Management Company in Frankfurt/Main and the Information Agents of the Company (such as State Street Bank Luxembourg S.C.A. in Luxembourg or Allianz Global Investors GmbH in the Federal Republic of Germany) in each jurisdiction in which sub-funds of the Company are registered for public distribution.

Senningerberg, November 2018

By order of the Board of Directors
Allianz Global Investors GmbH