

24 July 2024

This document is important and requires your immediate attention. If you are in any doubt you should seek advice from an independent professional adviser.

Terms used here in capital letters shall bear the same meaning as capitalised terms used in the latest prospectus of Allianz UK & European Investment Funds (the “**Prospectus**”). A copy of the Prospectus is available upon request during normal business hours by contacting us on telephone number 0800 073 2001 or via the website <https://uk.allianzgi.com/B2C> for retail investors. For IFA’s please visit <https://uk.allianzgi.com/Adviser>.

Dear Shareholder,

Notification of the mandatory conversion of Y (Acc) Shares to I (Inc) Shares in the Allianz Gilt Yield Fund (the “Fund”), a sub-fund of Allianz UK & European Investment Funds (the “Company”).

- **Y (Acc) Shares (“Y Shares”) (ISIN GB00BYXQXR07)**
- **I (Inc) Shares (“I Shares”) (ISIN GB0031383390)**

As the Authorised Corporate Director (the “**ACD**”) of the Company, we are writing to inform you that we intend to convert the Y Shares of the Fund to I Shares on 25 September 2024 (the “**Conversion Date**”) providing you with access to lower fees while maintaining your investment in the Fund.

In the most recent Assessment of Value (“**AoV**”) which was published in January 2024, Shares Classes I (Inc) and Y (Acc) were assessed as providing value in terms of the overall rating for both Share Classes. We have however identified that the fee level of the Y (Acc) Share Class was not considered competitive to its Peer Group and has thus been classified as not providing value to our clients in terms of comparable market rates in the **AoV** results. Given that you currently hold your position in the Y Shares, we believe that the I Shares will provide better value for your investment.

The conversion of your Y Shares into I Shares will enable you to benefit from a lower ongoing charge of 0.32% per annum compared to the 0.35% per annum which is currently payable on your shares.

We have classified this change to your Y Shares as significant in accordance with the rules contained in the Financial Conduct Authority’s Collective Investment Schemes Sourcebook. Accordingly, we, as **ACD**, are giving you 60 day’s advance notice of this change. This letter constitutes such notice.

The key differences between the Y Shares and the I Shares are set out in the table on page 2.

If you agree with the proposed changes you are not required to take any action. Your Y Shares will automatically convert into I Shares on the Conversion Date.

If you do not agree with the proposed change, you may switch or redeem your Y Shares in the usual way, by 12:00 on 24 September 2024 at the latest, in line with the timetable below.

Key differences between the Y Shares and I Shares

	Y Shares	I Shares
Initial Charge	NIL	NIL
Income allocation method	Accumulation	Income
Annual Management Charge (“AMC”)	<p>0.30 % p.a.</p> <p>The Annual Management Charge for Allianz Gilt Yield Fund is charged to capital. This could increase the amount of income available for distribution to Shareholders but may constrain capital growth.</p>	<p>0.30 % p.a.</p> <p>The Annual Management Charge for Allianz Gilt Yield Fund is charged to capital. This could increase the amount of income available for distribution to Shareholders but may constrain capital growth.</p>
Ongoing Charge (including AMC) (latest published Ongoing Charge)	0.35% p.a.	0.32% p.a.
Minimum Investment	£100,000,000	<p>£10,000,000</p> <p><i>Although the minimum investment level for the I Shares is £10,000,000 this will be waived by the ACD in respect of Y Shares converted on the Conversion Date.</i></p>
Minimum Redemption	£500	£500
ISA eligible	Yes	Yes

Mandatory conversion

The conversion of the Shares shall take place pursuant to the provisions of the Prospectus which permit the ACD to carry out mandatory conversions of Shares where it believes that it is in the best interest of the Shareholders to do so.

The conversion will be carried out according to the ratio between prices of the Y and I share classes concerned as calculated at the 12 noon valuation point on the Conversion Date. The conversion factor will be calculated by the Fund Accountants, and you will be notified of this within 5 days of the conversion taking place.

The total value of your investments will not be affected by this conversion.

Interest Distributions

After the Conversion Date you will hold income shares rather than accumulation shares. The proposed conversion will not change the current timetable of the distribution payments. This fund distributes twice per annum. The funds year end is the 31st of August every year. The first, post conversion, ex-date for distributions corresponds to the interim period of the 28th of Feb 2025. As you will hold income shares, post conversion, dividend distributions will be paid out to you from your holding of I Shares.

Taxation

Shareholders who are resident in the UK for tax purposes should note that the conversion described above should not give rise to a disposal of Y Shares for the purposes of UK taxation of chargeable gains. Instead, shareholders will be regarded as having acquired the I Shares at the same time and for the same aggregate base cost as their Y Shares were originally acquired. As such, for persons subject to UK tax, the conversion should not have any impact on the tax treatment of your investment. If you are in any doubt about your tax position or if you are subject to tax in any jurisdiction other than the UK, you are advised to seek independent tax advice.

Timing

24 July 2024	Shareholders notified (60 days' notice required)
24 September 2024	Deadline for switching or redeeming your Y Shares
25 September 2024	Conversion Date

Costs

Any costs incurred in the conversion will be borne by the ACD.

Further information

If you require any investment advice, we recommend that you contact your usual financial adviser in the first instance.

Fund documentation and information, including key investor information documents ("KIIDs"), is available on our website at www.allianzglobalinvestors.co.uk.

For any further questions about the changes on the above-mentioned Fund you can contact us on **0800 073 2001**, between the hours of 9 am to 5 pm (UK time), Monday

to Friday, excluding public holidays in England.

Yours faithfully

Allianz Global Investors UK Limited