

7 December 2023

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 International 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 can be obtained from the website <https://uk.allianzgi.com/B2C> for retail investors, for IFAs please visit <https://uk.allianzgi.com/Adviser>.

Dear Investor

Notification of changes to the Allianz Fixed Income Macro Fund, a sub-fund of Allianz International Investment Funds (the “Company”) (the “Fund”).

- **E (Acc) Shares (ISIN GB00BG43NG36)**
- **W (Acc) Shares (ISIN GB00BMCK9M69)**

As the Authorised Corporate Director (the “**ACD**”) of the Company we are writing to inform you about forthcoming changes to the Fund, which are due to take place on 8 January 2024 (the “**Effective Date**”).

It is important that we explain our reasons for making these changes, and the options that are available to you.

Please note that none of the changes described in this letter will alter the risk profile of the Fund or change the way in which the Fund is managed.

The proposed changes to the investment policy of the Fund and the “Use of Derivatives” section in the Prospectus are set out in detail in Appendix 1 to this letter.

1. Change to the recommended holding period (“RHP”) of the Fund

We have recently undertaken a detailed review of the methodology used to determine the RHP of all funds across our UK and European fund ranges. A detailed analysis was undertaken looking at historic average and maximum drawdown periods across different asset classes, and the risks associated with investments in these asset classes.

As a result of this review, we have decided to introduce a new methodology for determining the RHP of our funds. Using this methodology, we will change the RHP of the Fund from five to four years. The change in RHP for the Fund will be reflected in the “Investor Profile” section below its investment policy in the Prospectus.

Implications

This change will not alter the risk profile of your investment or the way in which we manage the Fund.

2. Clarification of the Fund’s investment policy and other sections

Without deviating from the Fund’s existing investment strategy, we have amended the investment policy of the Fund to refer explicitly to the Fund’s exposure to indices through derivatives (reference to which is already included in the “Use of Derivatives” section below the Fund’s investment policy in the Prospectus). By moving this statement into the investment policy we are providing increased clarity for investors.

In addition we have amended the “Use of Derivatives” section in the Prospectus to make it clear that, where the Fund uses derivatives to gain exposure to the composition and performance of a particular index (such as an equity of volatility index), the statement that “the Fund may not have an indirect exposure through an index to a instrument, issuer or currency to which it cannot have a direct exposure” is intended to refer to direct exposure that would not be permitted for a UK UCITS under the FCA Rules, rather than the list of instruments permitted for direct investment by the Fund under its investment policy. In addition we will amend the Fund’s KIIDs to align them with the updated disclosures in the Prospectus.

Implications

These amendments are intended to act as a clarification to the investment policy of the Fund, and do not reflect a change in the way the Fund has been managed since its launch or the basis on which the Fund was initially authorised by the FCA, nor will they alter the risk profile of your investment.

Classification of Changes

We have classified these changes as notifiable in accordance with the rules contained in the Financial Conduct Authority’s Collective Investment Schemes Sourcebook. Accordingly, we, as ACD, are giving you 30 days’ advance notice of the changes, during which period, if you are not happy with the proposals, you may switch or redeem your Shares. This letter constitutes such notice.

If you are not in agreement with any of the proposed changes you may switch or redeem your Shares in the usual way, by 12:00 prior to the Effective Date.

Costs

Any costs incurred for any of the work involved for the changes to the Fund listed above will be borne by the ACD. As an investor in the Fund you will not incur any cost.

Further information

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

Please see the fund documentation and information, including the relevant key investor information documents, 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

Appendix 1

(Changes highlighted in red)

Investment Policy	<p>The ACD will adopt a policy of active management and will invest up to 100% of the Fund's assets into fixed income securities indirectly through the use of derivative instruments in order to implement the strategies within the Fund. These will include but not be limited to futures, options, options on swaps and swap agreements (e.g. interest rate swaps, index swaps and inflation linked swaps) and currency forward contracts. As a result of investing into derivatives, the Fund's exposure to fixed income securities may be higher than 100% of the Fund's assets.</p> <p>The ACD may also invest using an unconstrained approach to allocate up to 100% of the Fund's assets to fixed income securities including global sovereign bonds which includes agencies and municipalities, global credit including high yield and global foreign exchange currencies. More than 35% of the value of the property of the Fund may be invested in Government and public securities issued or guaranteed by any of the following states; the United Kingdom (including the Scottish Administration, the Executive Committee of the Northern Ireland Assembly, the National Assembly of Wales), Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Italy, Japan, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United States of America.</p> <p>Up to 30% of the Fund's assets may be invested into Chinese bonds denominated in RMB either directly via CIBM Direct/Bond Connect or through all eligible instruments, as set out in the Fund's investment policy.</p> <p>Investments in either derivatives or fixed income securities may be made anywhere in the world including developed markets and non-developed markets or emerging market countries. The Fund may also use derivatives to gain exposure to a number of indices (which may include equity and volatility indices) subject to the constraints set out in the "Use of Derivatives" section below.</p> <p>The ACD may also utilise deposits and money market instruments in the management of the portfolio and their value, together with money market funds, may make up to a maximum of 100% of the Fund's assets.</p> <p>The Fund may also invest up to a maximum of 10% of the Fund's assets in other Funds managed by Allianz Global Investors and its group of companies and other collective investment schemes managed by third parties.</p>
Use of Derivatives	<p>The ACD will make extensive use of derivatives for investment purposes and for efficient portfolio management (including for hedging). The Fund will primarily construct its portfolio using derivatives in order to express investment views. This means that the leverage of the Fund will on average be very high over the investment cycle.</p> <p>Interest rate, inflation, credit and foreign exchange derivatives may also be used to implement tail-risk hedging strategies as well as to profit from and protect the portfolio during extreme market movements.</p> <p>The Fund may use derivatives (i) to hedge a currency exposure and/or to take an investment position using a derivative as a substitute for</p>

	<p>taking a position in the underlying asset where the ACD believes that a derivative exposure to the underlying asset represents better value than direct (physical) exposure (ii) to tailor the Fund's interest rate exposure to the ACD's outlook for interest rates (iii) to tailor the Fund's inflation rate exposure to the ACD's outlook for inflation rates (iv) to tailor the Fund's credit risk exposure to the ACD's outlook for credit spreads and defaults (v) to gain an exposure to the composition and performance of a particular index, this includes equity and volatility indices (provided always that the Fund may not have an indirect exposure through an index to an instrument, issuer or currency to which it cannot is not permitted to have direct exposure under the FCA rules).</p>
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