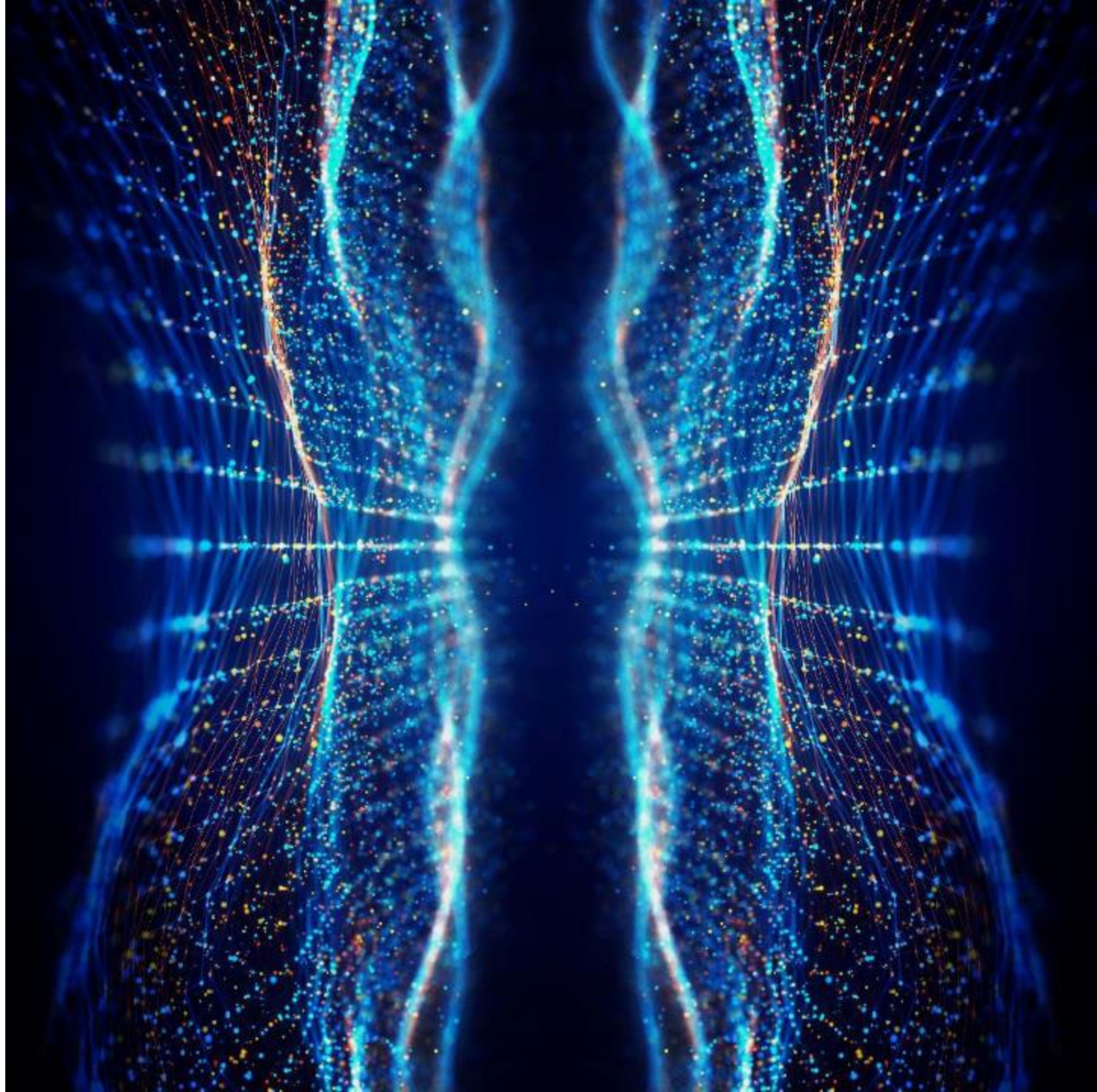


# Latest trends in artificial intelligence and intelligent cities

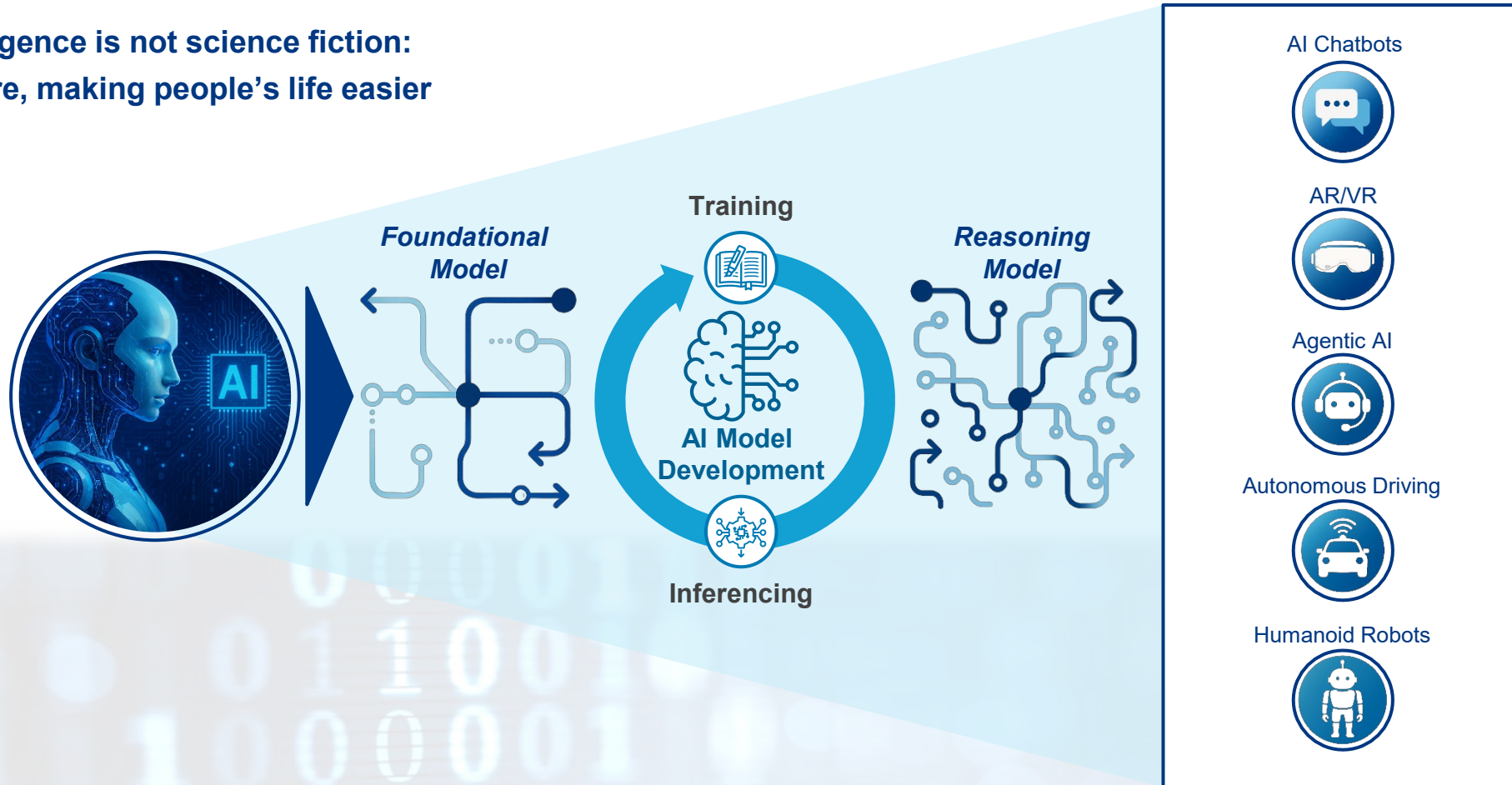
Stephen Jue  
Senior Portfolio Manager & Analyst,  
Voya Investment Management

September 2025

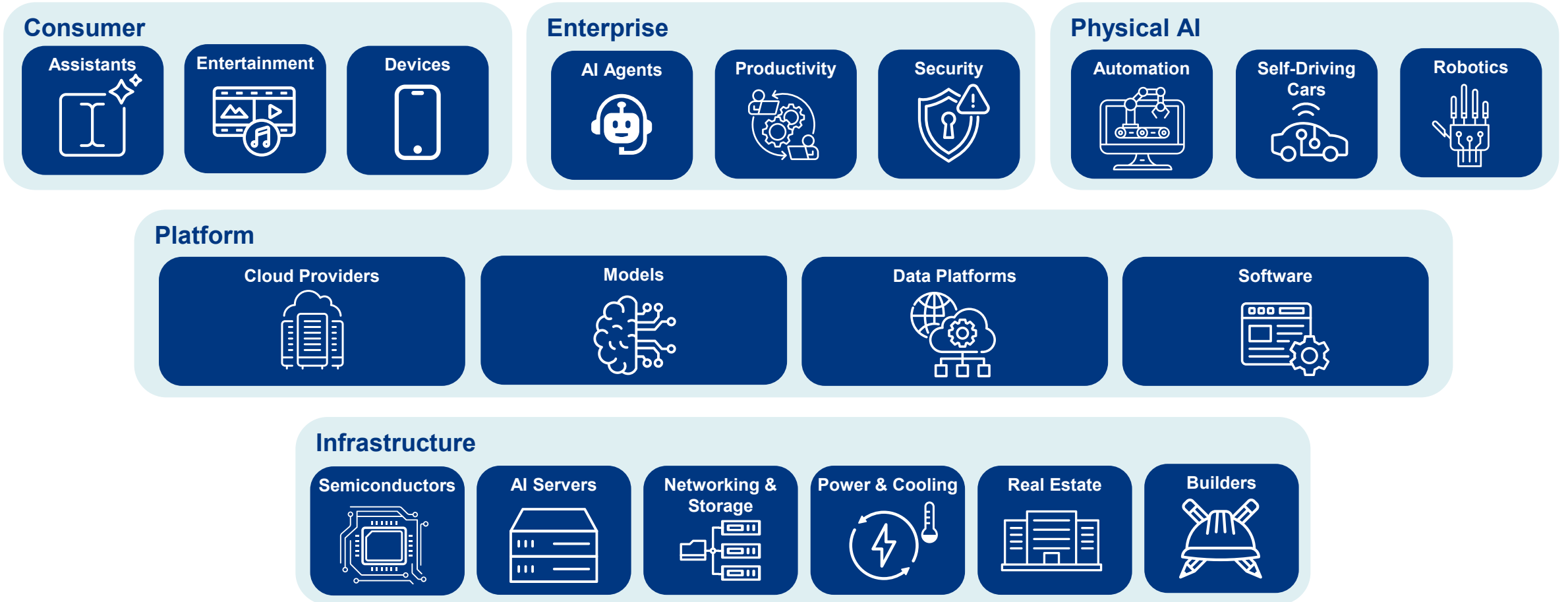


# AI is powering today's future

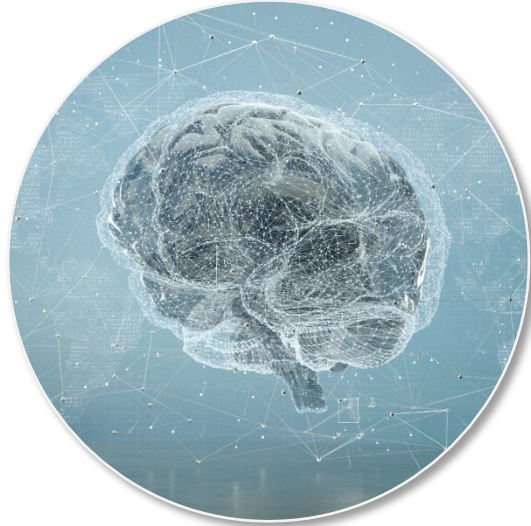
Artificial intelligence is not science fiction:  
It's already here, making people's life easier



# AI ecosystem of opportunities



# Four drivers increasing demand for AI infrastructure



**Reasoning AI**

Breakthrough with new reasoning AI models and rapid adoption is driving new demand for inferencing at scale



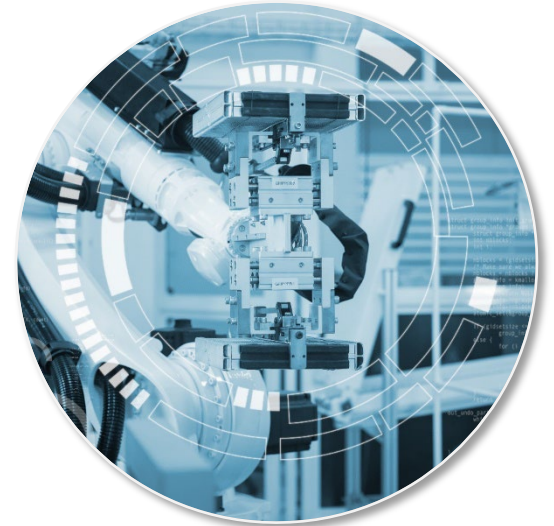
**Sovereign AI**

Nations are investing in AI infrastructure like they once did for electricity and internet



**Enterprise AI**

Companies need to integrate AI into their on-premise infrastructure to better leverage automation capabilities.



**Industrial AI**

Early stage deployment is underway with digital twin simulation, factory automation and the eventual breakthrough of humanoid robotic systems worldwide.

# Major AI infrastructure announcements



## North America

**Stargate USA**<sup>1</sup>: \$500bn AI data center deployment by 2029 led by OpenAI, Softbank and Oracle

**US Hyperscalers**<sup>2</sup>: Estimated \$400bn capex for 2026

**xAI Colossus**<sup>3</sup>: AI startup building towards a 1mm GPU data center

**Softbank's AI Robotics**<sup>4</sup>: AI robot industrial parks \$1tr

## EMEA

**EU InvestAI initiative**<sup>5</sup>: €200bn investment announced at the AI Action Summit in Paris

**Stargate UAE**<sup>6</sup>: Targeted 1GW AI data center buildout in Abu Dhabi with 200MW to go live in 2026

**HUMAIN**<sup>7</sup>: Saudi Arabia's sovereign AI entity to build 500MW of AI data centers

## Asia

**China Internet**<sup>8</sup>: estimated RMB ~400bn capex 2026 to support inference activity

**India Tech**<sup>9</sup>: Reliance Industries and the Adani Group to build 1GW and 2GW AI data centers, respectively

**TSMC capacity expansion**<sup>10</sup>: \$42bn in annual capex to support AI chip demand

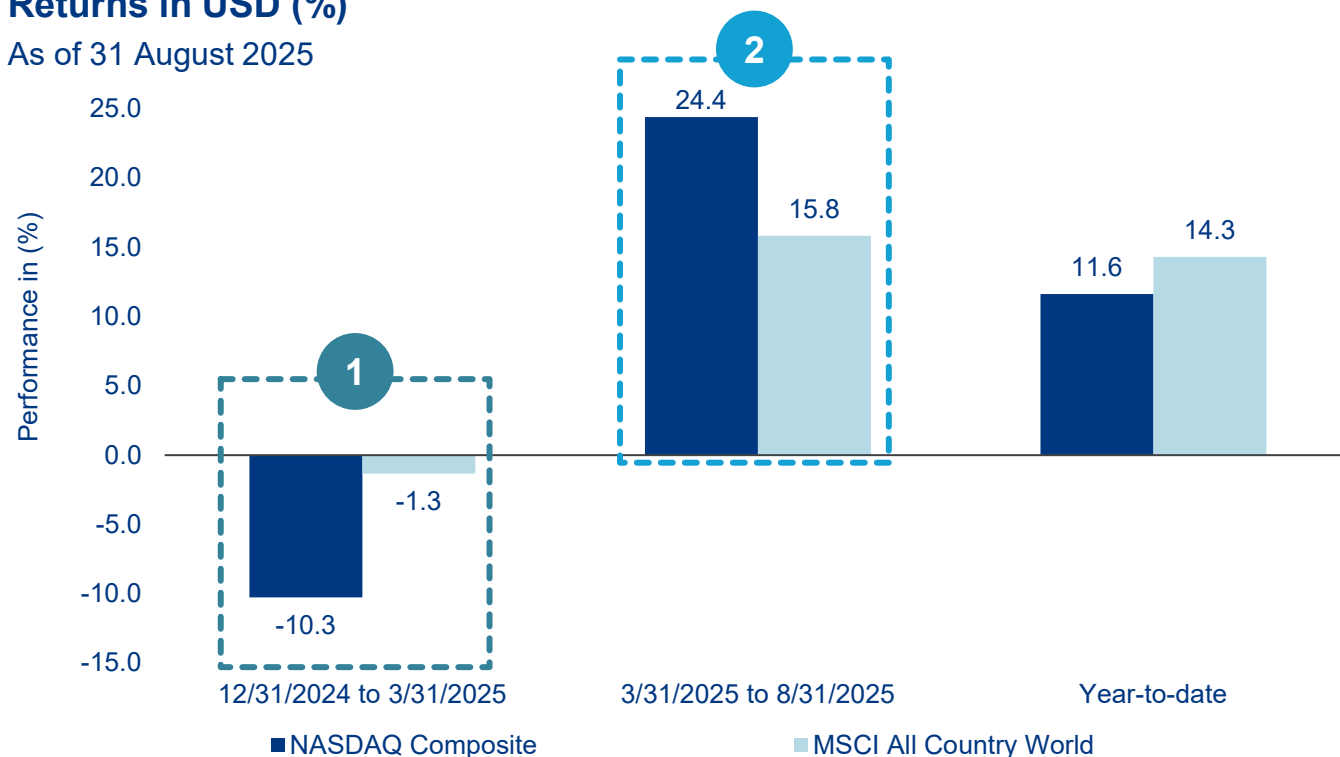
**Softbank/OpenAI Osaka data center**<sup>11</sup>: initial 150MW deployment could expand to 400MW

As of May 2025: Source: <sup>1</sup> [Announcing The Stargate Project | OpenAI](#); <sup>2</sup> Evercore ISI Research; <sup>3</sup> [Elon Musk's xAI Colossus Supercomputer Is on Its Way to 1 Million GPUs](#); <sup>4</sup> [SoftBank Group eyes \\$1tn U.S. plan for AI robot industrial parks - Nikkei Asia](#) <sup>5</sup> [EU launches InvestAI initiative to mobilise €200 billion](#); <sup>6</sup> [Introducing Stargate UAE | OpenAI](#); <sup>7</sup> [HUMAIN and NVIDIA Announce Strategic Partnership to Build AI Factories of the Future in Saudi Arabia | NVIDIA Newsroom](#); <sup>8</sup> Morgan Stanley Research; <sup>9</sup> [Adani to Grow Data Center Investment by \\$10 Billion on AI Demand - Bloomberg](#); <sup>10</sup> Bloomberg; <sup>11</sup> [SoftBank, OpenAI to build AI data centre in Japan - Reuters](#)

# Major equity indices: YTD performance

## Returns in USD (%)

As of 31 August 2025



**1** AI ecosystem faced profit taking & systematic selling

- Concerns on sustainability of AI capex spending
- Policy and tariff uncertainty
- Mixed corporate earnings relative to expectations

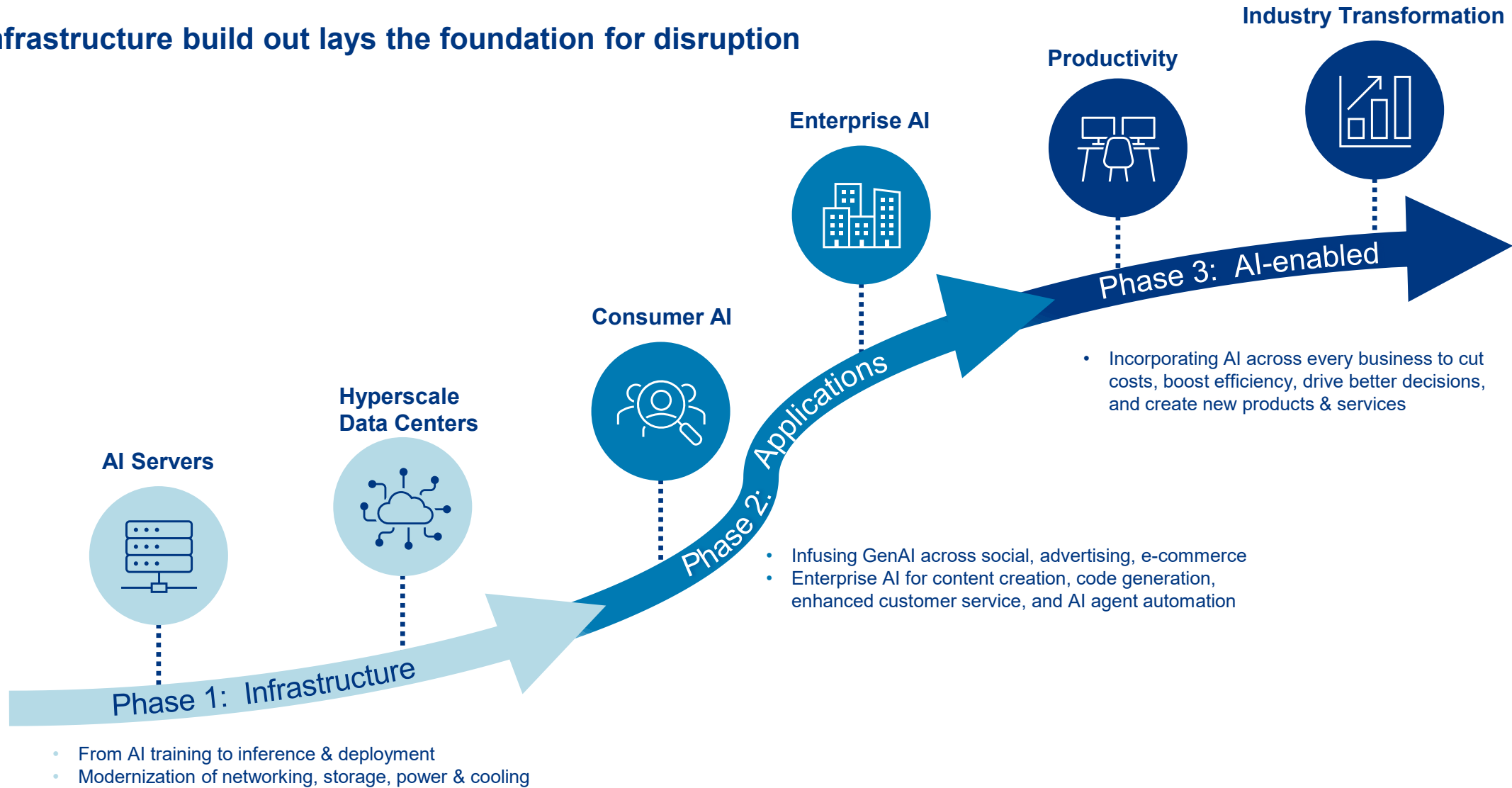
**2** Equity market recovering since April, as backdrop for AI ecosystem improved & market broadens

- Strengthening AI data center spending
- Much better-than-expected earnings
- Easing trade tensions and business-friendly policies from the Trump administration

Source: Bloomberg, as at 31 August 2025. Investment returns are denominated in USD. Past performance is not indicative of future results. If the currency in which the past performance is displayed differs from the currency of the country in which the investor resides, then the investor should be aware that due to the exchange rate fluctuations the performance shown may be higher or lower if converted into the investor's local currency.

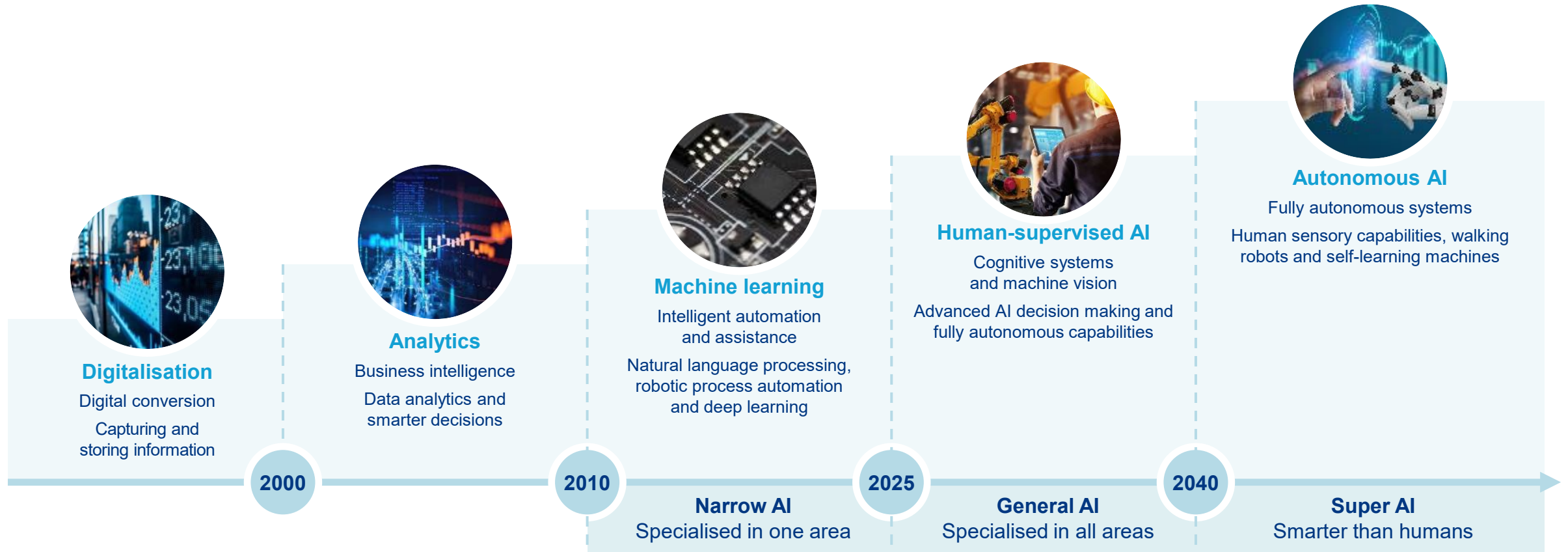
# Entering next phase in the AI innovation journey

AI infrastructure build out lays the foundation for disruption



# Still at the beginning of the AI revolution

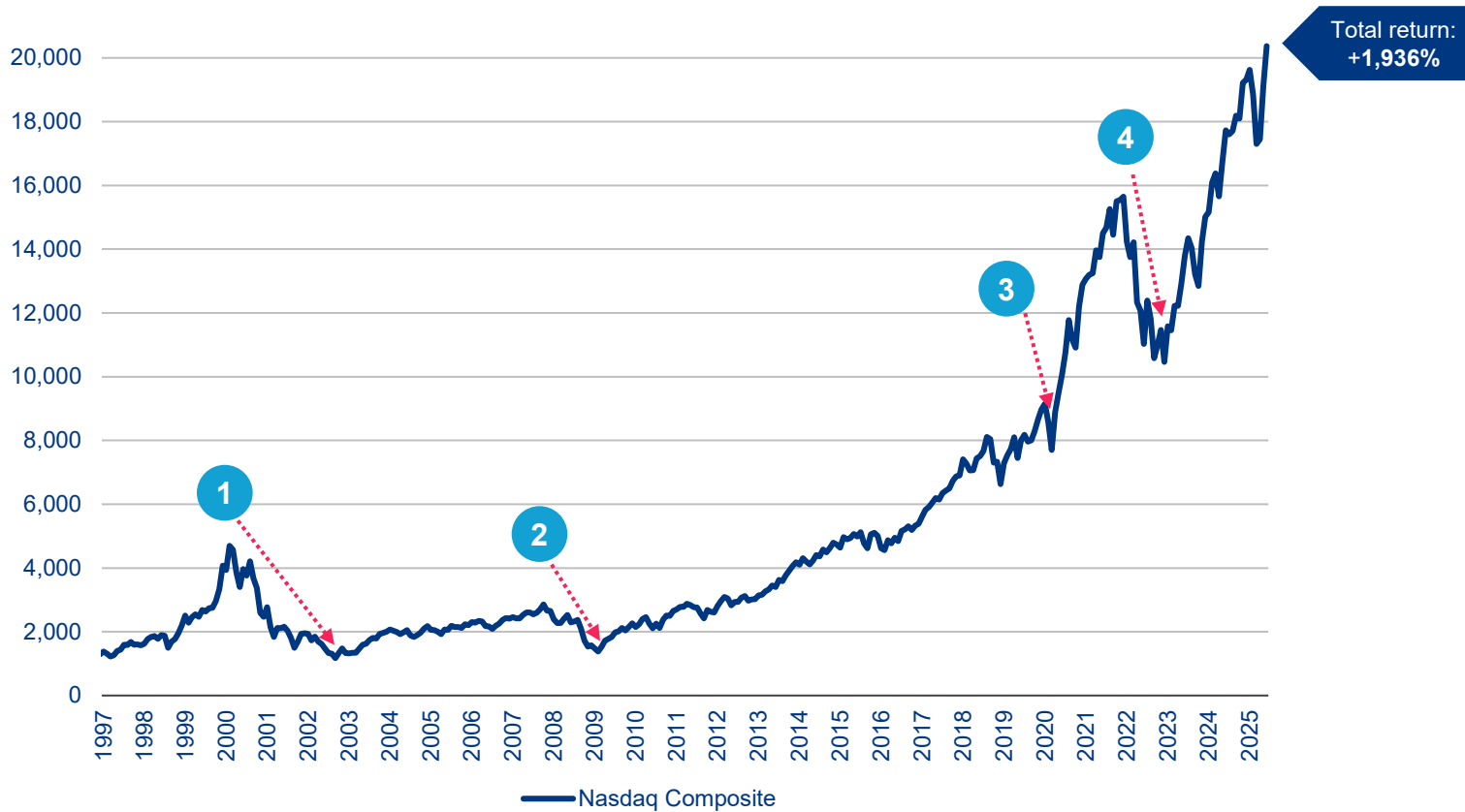
We believe AI could approach human intelligence in the next 10–15 years



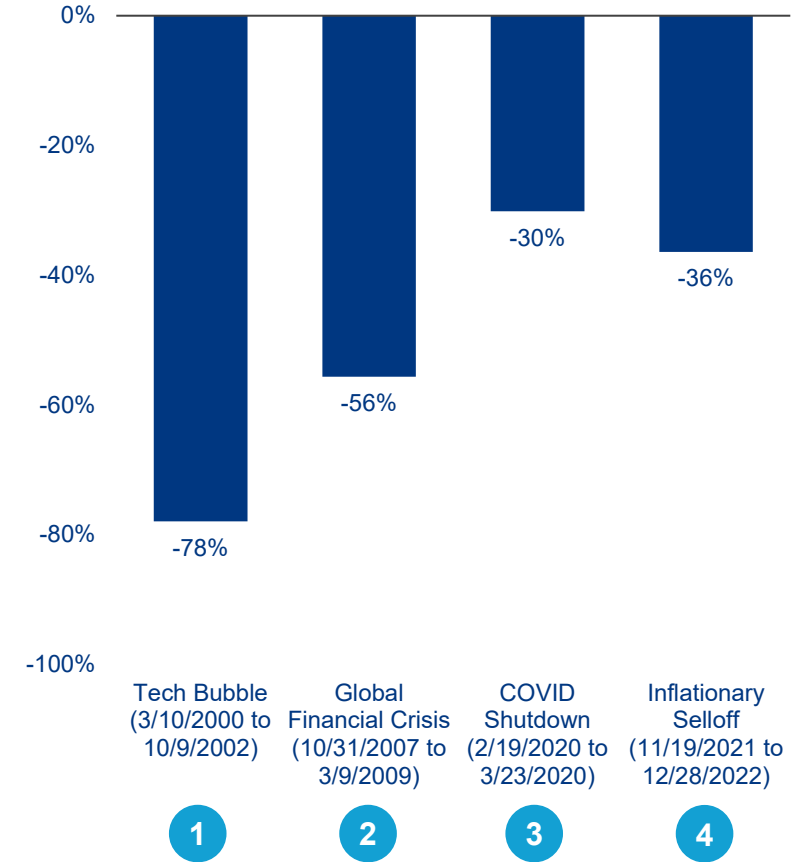
Source: Allianz Global Investors, Voya Investment Management, 2025. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. We assume no obligation to update any forward-looking statement. A performance of the strategy is not guaranteed and losses remain possible.

# Innovation investing: high return potential but risk of larger drawdowns

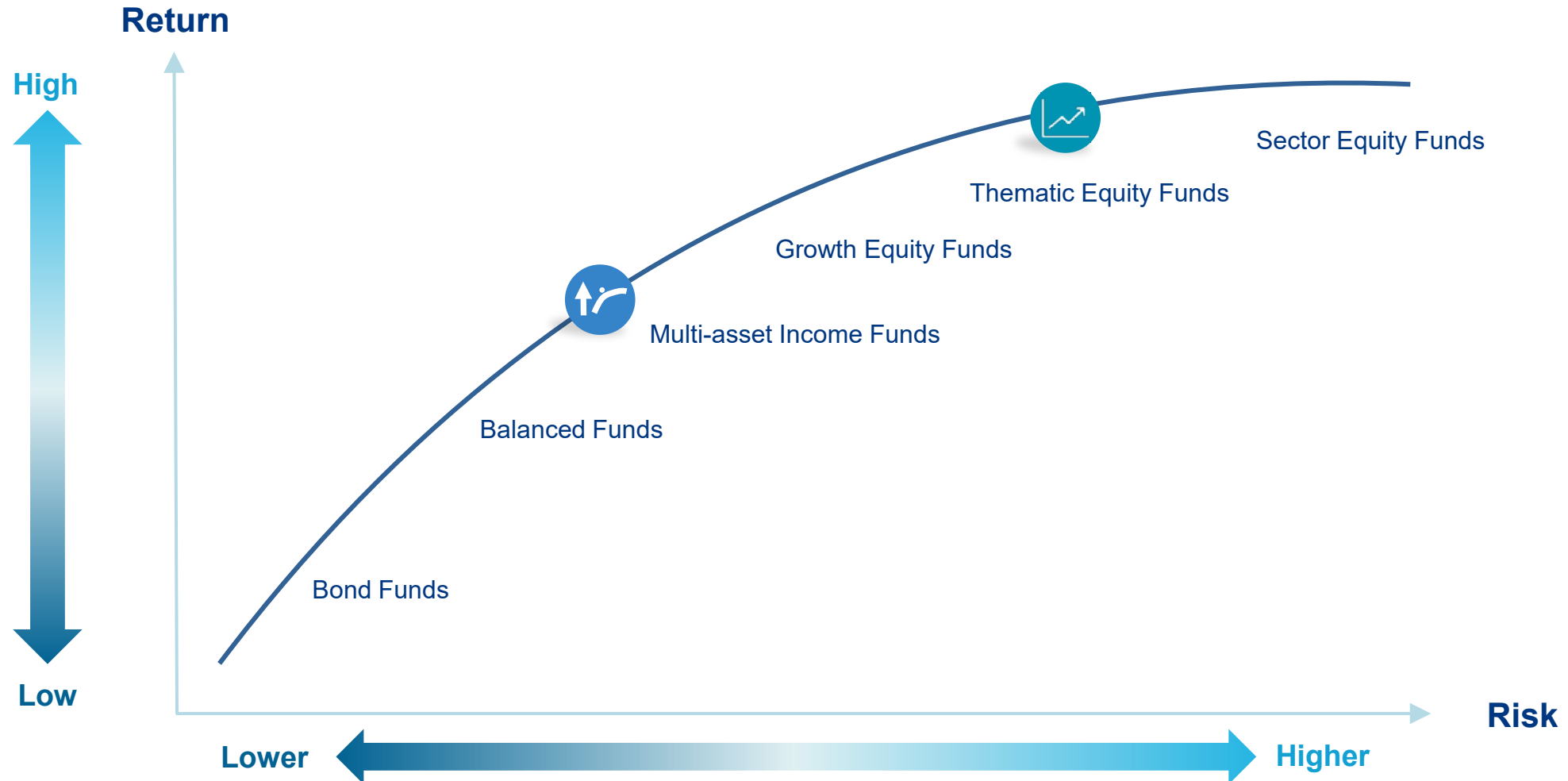
Nasdaq composite index chart



Historical drawdowns



# Landscape of investment opportunities

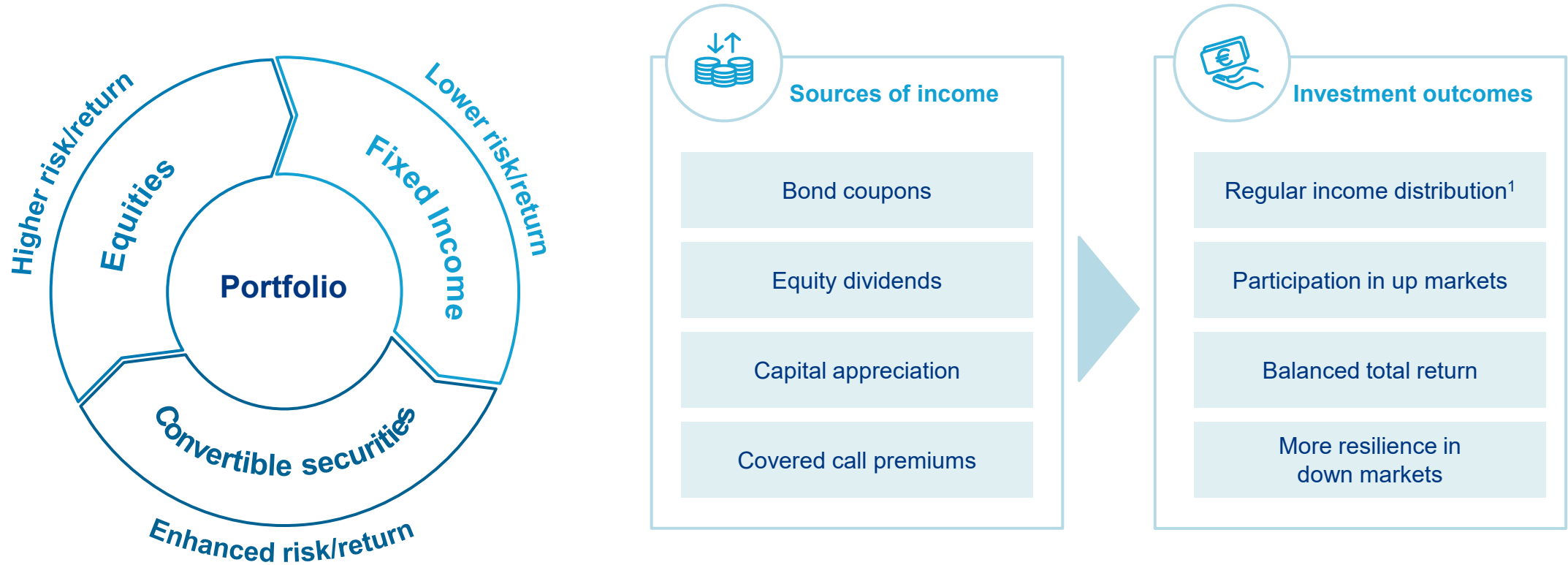


Source: Allianz Global Investors, 2025. This chart is not intended to represent the Fund's performance or how the Fund's portfolio will be invested or allocated at any particular time. For illustrative purposes only (no reference to any real strategy, portfolio or product data). The diagrams and statements above reflect the typical investment process applied to this strategy / fund. At any given time, other criteria may affect the investment process. This is for guidance only and not indicative of future allocation. Past performance does not predict future returns.

# Investing across the capital structure approach



# Access to income and capital appreciation with lower expected volatility



**Regular income distribution<sup>1</sup> + Long-term capital appreciation**

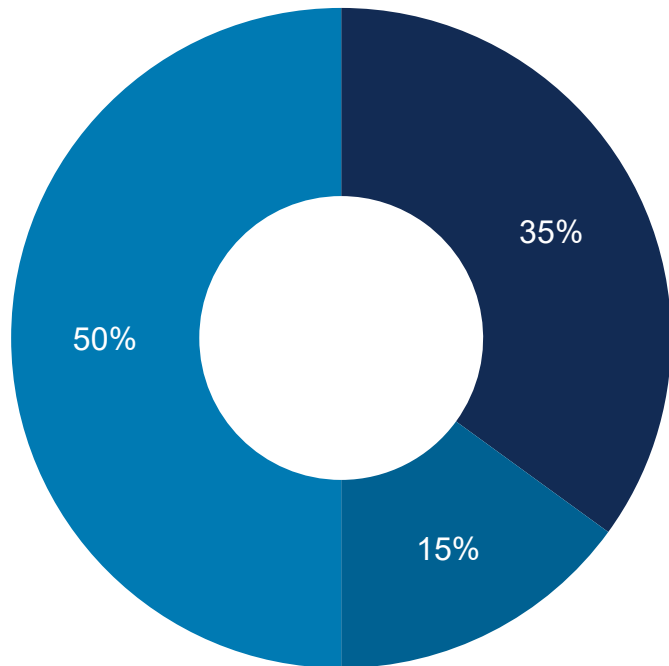
Source: Allianz Global Investors, 2025. For illustrative purpose only. A performance of a strategy is not guaranteed and losses remain possible. Past performance does not predict future returns. Portfolio weights are subject to change. Income payout and yield are not guaranteed. Investment involves risks. <sup>1</sup> Yields are not guaranteed, dividend may be paid out from capital. This may result in an immediate decrease in the NAV per share and may reduce the capital available for the Fund for future investment and capital growth. Positive distribution yield does not imply positive return.

The information above is provided for illustrative purposes only, it should not be considered a recommendation to purchase or sell any particular security or strategy or an investment advice.

# Investment parameters

## Targeted portfolio asset allocation for multi-asset income solutions

■ Convertible Securities   ■ Fixed Income Securities   ■ Equity Securities



### Key Investment Parameters:

Targeted allocation is ~50% Equity, 35% Convertibles, 15% Fixed Income, rebalanced on a regular basis.

Focus is on the optimal total return opportunity within a company's capital structure.

Up to 35% in convertible securities.  
Up to 20% in high-yield securities.

# What are intelligent cities?

**Intelligent Cities** use the latest technologies and data to:

- **create efficiencies,**
- improve **sustainability,**
- promote **economic development,** and
- enhance **quality of life** factors for people living and working in the city<sup>1</sup>

» **Capturing this opportunity requires insight into how technology convergence can create impact**



# Current themes: Many ways to capture innovation

## Power Generation



- Grid infrastructure
- Energy systems
- Power providers

## Data Centers



- Accelerated computing
- Networking & storage
- Cooling systems

## Safety & Security



- Public safety equipment
- Video surveillance
- Cybersecurity

## Clean Resources



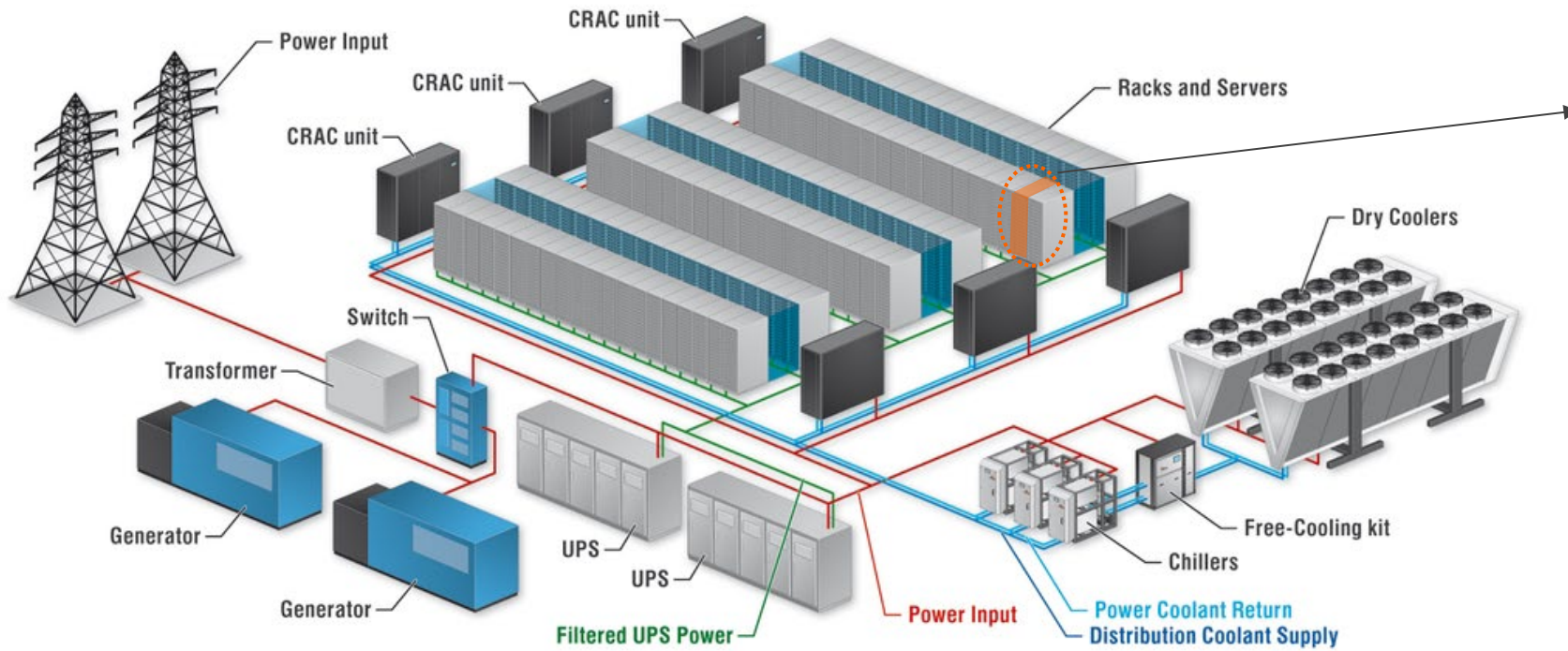
- Water treatment quality
- Infection prevention
- Precision agriculture

## Software & Services



- E-commerce & fintech
- Digital services
- Industry software

# Anatomy of a modern data center

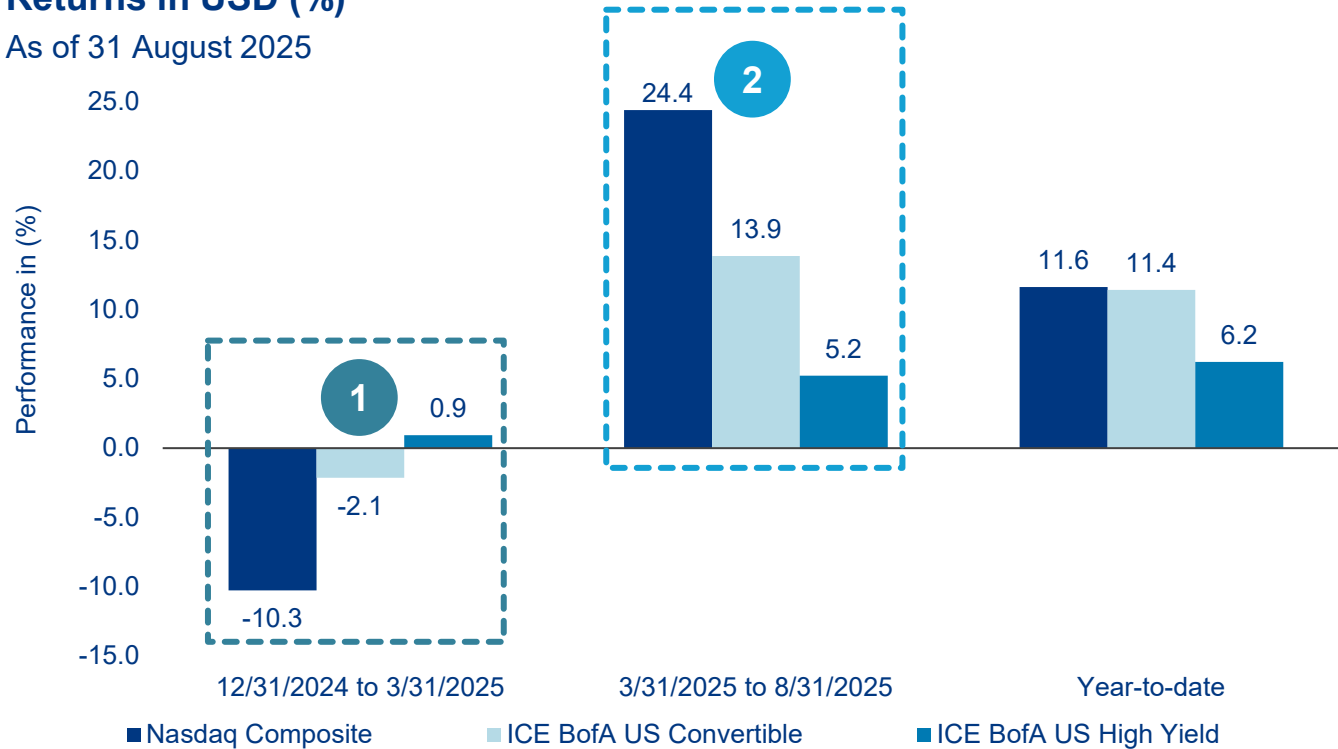


NVIDIA GB200 Rack-Scale System  
(72 GPUS)

# Key asset class indices: YTD performance

## Returns in USD (%)

As of 31 August 2025



**1** Profit taking & systematic selling with riskier assets

- Growth equity headwinds from concerns on AI capex spending sustainability
- Convertibles fared better but impacted by falling stock prices and widened credit spreads
- High yield outperformed given more defensive characteristics

**2** All asset classes recovered since April on easing tensions and better corporate earnings

- Equities strongest performer, helped by strengthening AI data center spending
- Convertibles helped by equity sensitive and lower grade issues outperforming
- High Yield benefitted by spread tightening and better new issuance

Source: Bloomberg and ICE Data Services, as at 31 August 2025. Investment returns are denominated in USD. Past performance is not indicative of future results. If the currency in which the past performance is displayed differs from the currency of the country in which the investor resides, then the investor should be aware that due to the exchange rate fluctuations the performance shown may be higher or lower if converted into the investor's local currency.

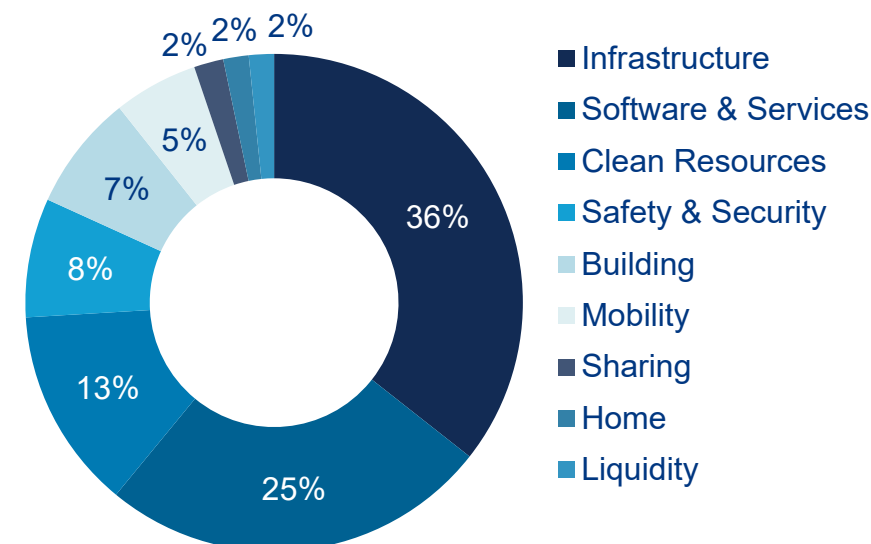
# Example holdings in an Intelligent Cities Income portfolio

## Top holdings in %

AMPHENOL	1.7
IREN LIMITED 3.25% 06/15/30	1.5
MONOLITHIC POWER SYSTEMS	1.5
CLOUDFLARE 0.000% 08/15/26	1.5
ECOLAB	1.4
CORNING	1.4
BROADCOM	1.4
KEYSIGHT TECHNOLOGIES	1.4
HITACHI	1.4
WELLTOWER OP LLC 3.125% 07/15/29	1.4
<b>Total</b>	<b>14.5</b>

## Portfolio Breakdown by Theme<sup>1</sup>

Diversified exposure across key themes



<sup>1</sup> Customised theme category examples are shown as supplemental information only.

Source: Allianz Global Investors, data as of 31/08/2025. The fund unit price may be subject to increased volatility. The current breakdown is for guidance only and not indicative of future allocation. This is no recommendation or solicitation to buy or sell any particular security.

There is no assurance that any securities discussed herein will remain in the portfolio at the time you receive this document. Past performance is not indicative of future results. While best efforts are used in compiling the information, the company expressly assumes no warranty of any kind, actual or implied, for the accuracy, completeness and timeliness of the information.

# Leverage experts in the fields of technology, innovation and income & growth strategies

The Voya Global AI and Voya Income & Growth strategies teams at Voya Investment Management



**Appx. USD 86 bn<sup>1</sup>**  
combined AUM

**Pioneers**  
in technology & innovation investing

**Experts**  
in investing throughout the capital structure

Allianz Global Investors and Voya Investment Management entered into a long-term strategic partnership on 25 July 2022, upon which the investment team transferred to Voya Investment Management. This did not materially change the composition of the team, the investment philosophy nor the investment process.

Source: Allianz Global Investors, Voya Investment Management. <sup>1</sup> Assets under management (AUM) as of 30 June 2025: Income and Growth Team USD 71.9 billion and Artificial Intelligence Team USD 13.9 billion. Stated assets under management are calculated based on IBOR methodology and may include both discretionary and non-discretionary assets and may therefore exceed composite assets. Voya Investment Management Co. LLC ("Voya IM") is the delegated investment manager for the strategy described herein, and acts as sub-investment manager for Allianz Global Investors GmbH's investment vehicles / mandates that utilise the strategy. Management Company: Allianz Global Investors GmbH | Investment Manager: Voya Investment Management Co. LLC ("Voya IM"). All historical performance data, data analysis and other information provided for periods prior to July 25, 2022, were prepared by Allianz Global Investors GmbH (AllianzGI). Certain information may be received from sources Voya IM considers reliable; Voya IM does not represent that such information is accurate or complete.

# Disclaimer

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Investing in fixed income instruments (if applicable) may expose investors to various risks, including but not limited to creditworthiness, interest rate, liquidity and restricted flexibility risks. Changes to the economic environment and market conditions may affect these risks, resulting in an adverse effect to the value of the investment. During periods of rising nominal interest rates, the values of fixed income instruments (including short positions with respect to fixed income instruments) are generally expected to decline. Conversely, during periods of declining interest rates, the values are generally expected to rise. Liquidity risk may possibly delay or prevent account withdrawals or redemptions.

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# Allianz

## Global Investors