Allianz Global Investors

Allianz Global Diversified Credit

The sweet spot in high-quality fixed income

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Allianz Global Diversified Credit

- The Fund aims at long-term capital growth by investing in global bond markets in accordance with environment and social characteristics. With the adoption of the socially responsible investment ("SRI") (Proprietary Scoring) strategy ("SRI (Proprietary Scoring) Strategy"), the Fund takes into account sustainability factors based on United Nations Global Compact Principles and follows the principles of SRI. The Fund does not constitute as an ESG fund pursuant to the SFC's circular issued on 29 June 2021.
- The Fund is exposed to significant risks of investment/general market, emerging market, creditworthiness/ credit rating, interest rate, default, valuation, volatility and liquidity, sovereign debt, currency, and investment in asset-backed securities and/or mortgage-backed securities.
- The Fund may invest in high-yield (non-investment grade and unrated) investments and convertible bonds which may subject to higher risks, such as volatility, loss of principal and interest, creditworthiness and downgrading, default, interest rate, general market and liquidity risks and therefore may adversely impact the net asset value of the Fund. Convertibles may also expose to risks such as prepayment, equity movement and greater volatility than straight bond investments.
- The Fund is exposed to risks relating to SRI (Proprietary Scoring) Strategy investment (such as foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities when it might be disadvantageous to do so). The Fund focuses on SRI which may reduce risk diversifications and may have an adverse impact on the performance of the Fund.
- The Fund may invest in financial derivative instruments ("FDI") which may expose to higher leverage, counterparty, liquidity, valuation, volatility, market and over the counter transaction risks. The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
- This investment may involve risks that could result in loss of part or entire amount of investors' investment.
- In making investment decisions, investors should not rely solely on this material.

Note: Dividend payments may, at the sole discretion of the Investment Manager, be made out of the Fund's capital or effectively out of the Fund's capital which represents a return or withdrawal of part of the amount investors originally invested and/or capital gains attributable to the original investment. This may result in an immediate decrease in the NAV per share and the capital of the Fund available for investment in the future and capital growth may be reduced, in particular for hedged share classes for which the distribution amount and NAV of any hedged share classes (HSC) may be adversely affected by differences in the interests rates of the reference currency of the HSC and the base currency of the Fund.

Allianz Global Investors

Global Diversified Credit: Breaking asset class barriers

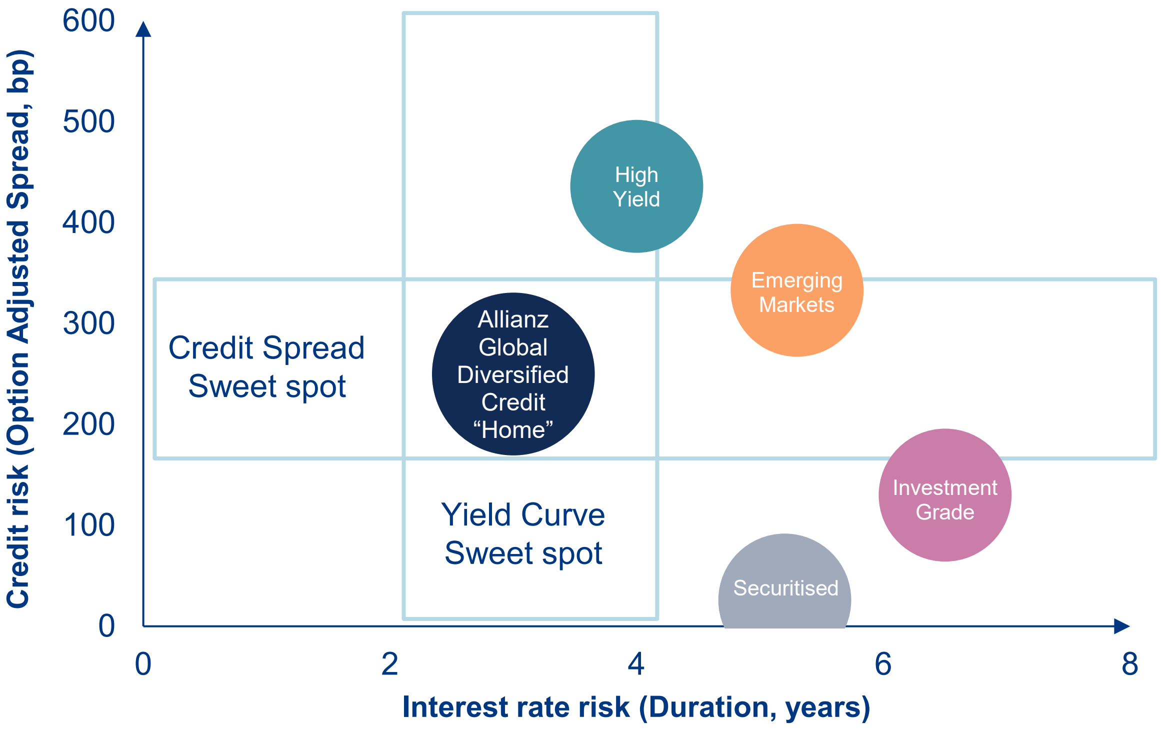
WHAT WE DO

Building a resilient credit portfolio from an expansive universe

Credit Sector Market Indices	Sharpe Ratio 5 / 10 years[1]	Number of holdings	Index bias	Average rating
Global Securitised Credit	-0.48 / -0.10	5,536	US Agency MBS	AA
Asian High Yield	-0.35 / 0.12	211	Greater China	BB-
US Investment Grade	-0.30 / 0.15	8,486	Banks	A-
Euro Investment Grade	-0.23 / 0.24	4,493	France/Germany	BBB+
Asian Investment Grade	-0.20 / 0.34	1,200	Financials	A-
Emerging Market Corporates	0.00 / 0.40	1,855	Quasi-sovereigns	BBB-
US High Yield	0.35 / 0.52	1,909	Energy/Telecom//Auto	B+
Euro High Yield	0.45 / 0.54	680	Services/Manufacturing	BB
Allianz Global Diversified Credit	**0.49 / 0.54**	~150	Multi-Sector	BBB
eVestment Universe Median Global Multi-Sector Fixed Income	**0.01 / 0.35**	Allianz Global Diversified Credit is ranked top 1% for 5Y standard deviation & max drawdown		

HOW WE DO IT

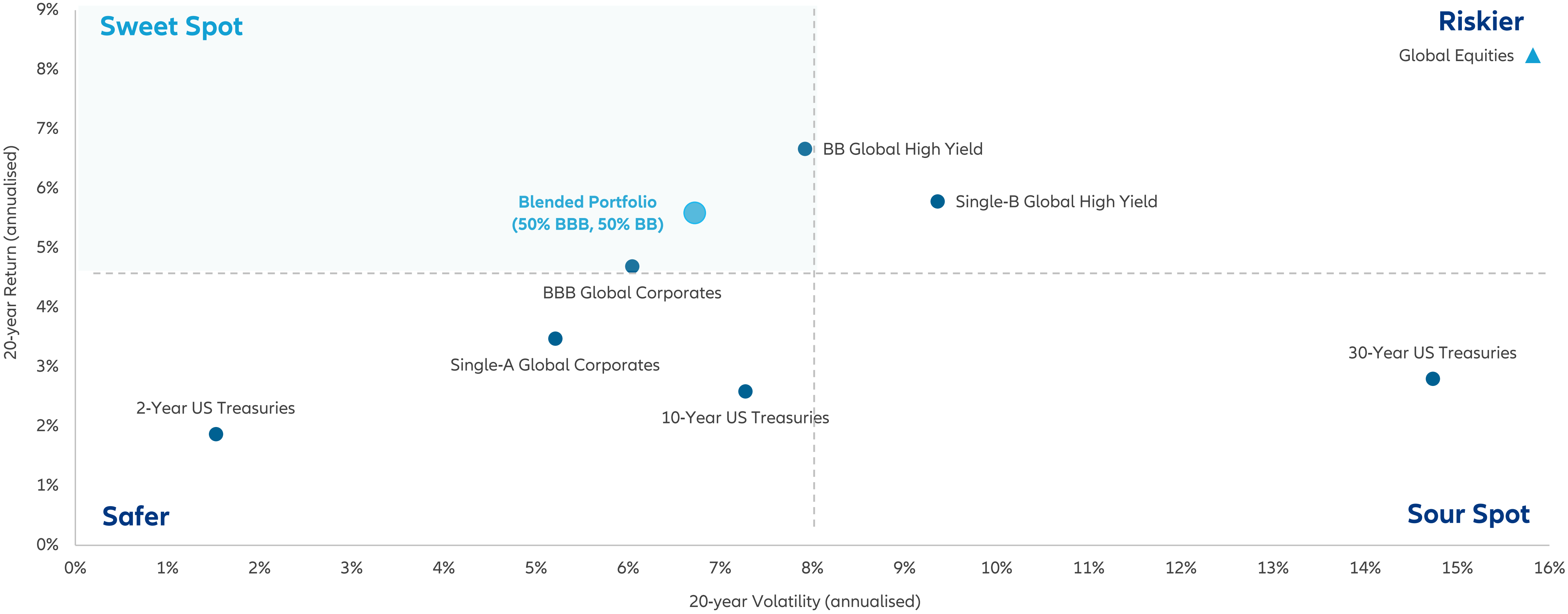
Finding the sweet spot in credit using the best "ingredients"



Source: Allianz Global Investors, Bloomberg, eVestment; Bloomberg, ICE BofA and JP Morgan indices, all data 30.09.2025 except eVestment 30.06.2025 (end-Q3 2025 update from eVestment will be made available only in November 2025). [1]We calculate the Sharpe Ratio by dividing monthly excess returns above a "risk-free rate" by the standard deviation of the excess returns. This provides an indication how efficiently a portfolio return rewards investors for the portfolio volatility they experience. The higher the Sharpe Ratio, the better the historical risk-adjusted performance. For the risk-free rates, for the USD market indices we use the Bloomberg US Generic Government 3-Month Index, for the EUR market indices we use the Bloomberg Generic Germany 3-month Government Bond Index, and for Allianz Global Diversified Credit we use the ICE BofA US 3-Month Treasury Bill Index.The Global Securitised Credit Sharpe Ratio is calculated on USD-hedged basis, all others in unhedged USD or EUR. Asian and emerging-market indices represent USD denominated bonds. Data gross of fees. Individual costs such as fees, commissions and other charges have not been taken into consideration and would have a negative impact on the performance if they were included. All data since 05.12.2014 of Allianz Global Diversified Credit prior to the launch date, 31.10.2016, refer to another investment fund, Rogge Global Multi-Asset Credit Fund, an open-ended Plc organised under the laws of Ireland and managed by Carne Global Fund Managers (Ireland) Limited, namely Rogge Global Multi-Asset Credit Fund - USD Hedged Shares - USD (ISIN IE00BKXP3680) launched on 04.12.2014. All data and information are illustrative only, not indicative of future allocation, and subject to change. Past performance does not predict future returns. A performance of the strategy is not guaranteed and losses remain possible. Diversification does not guarantee a profit or protect against losses.

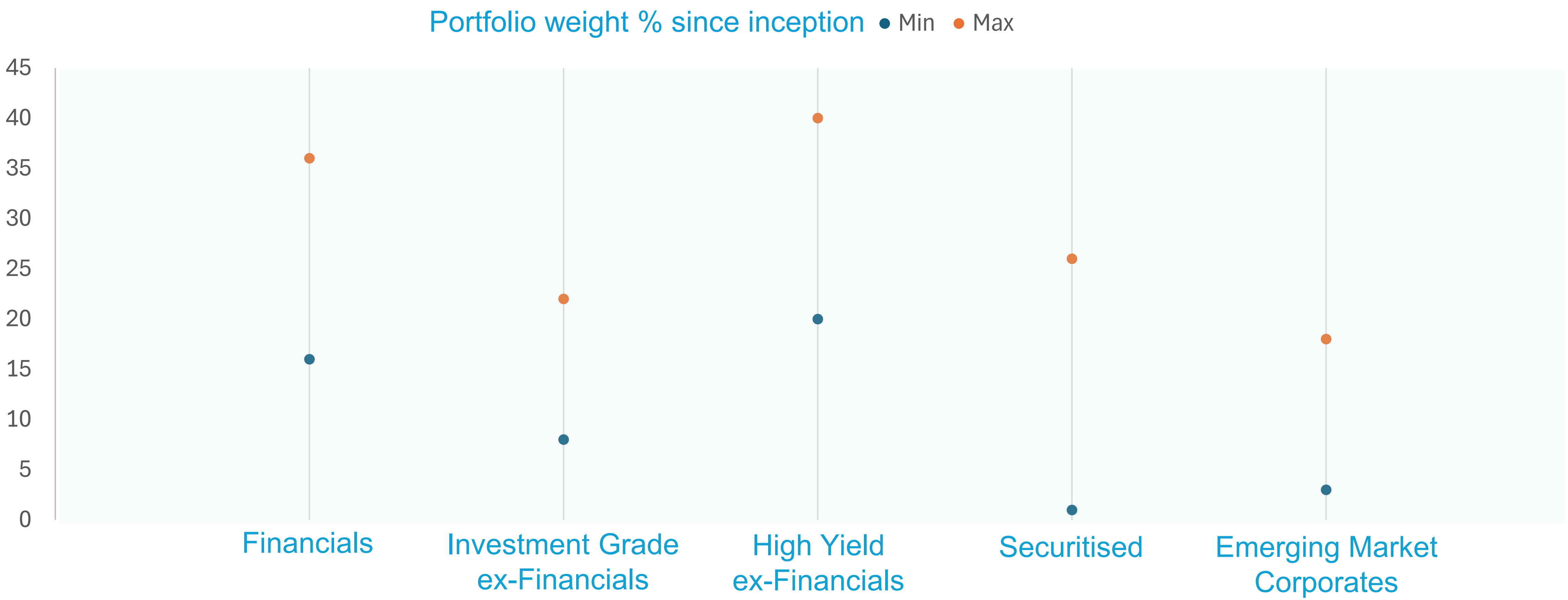
Strictly for distributors only.

Global Diversified Credit: Balancing portfolio return and volatility



Source: Allianz Global Investors, ICE BofA and Bloomberg, 31.12.2024. Calendar-year volatility and total return figures based on 20-year data (USD-hedged, annualised) from 31.12.2004 to 31.12.2024. ICE BofA indices used: Single-A Global Corporates (GBC3 Index), BBB Global Corporates (GBC4 Index), BB Global High Yield (HW10 Index), Single-B Global High Yield (HW20 Index), 2-Year US Treasuries Current (GA02 Index), 10-Year US Treasuries Current (GA10 Index), 30-Year US Treasuries Current (GA30 Index). Past performance does not predict future returns. The information above is provided only for illustrative purposes, it should not be considered a recommendation to purchase or sell any particular security or strategy or an investment advice.

Global Diversified Credit: Allocating actively while keeping portfolio IG



Source: Allianz Global Investors, IDS GmbH - Analysis and Reporting Services (IDS), IDS Portfolio Information Cockpit, 30.09.2025. Please note that this report may be based on manual data uploads and calculations. The methodologies and data sources used may be different from the sources used for official fund documents. This report has been created to the best of our knowledge, effort and available data and is assumed to be correct and reliable at the time of publication. This report has not been externally verified. Please refer to the mandatory periodic statements/reports which are solely binding. All percentage data are market-value-weighted. Percentage figures plotted on the bar chart have been rounded to the nearest whole number. This is for guidance only and not indicative of future allocation.

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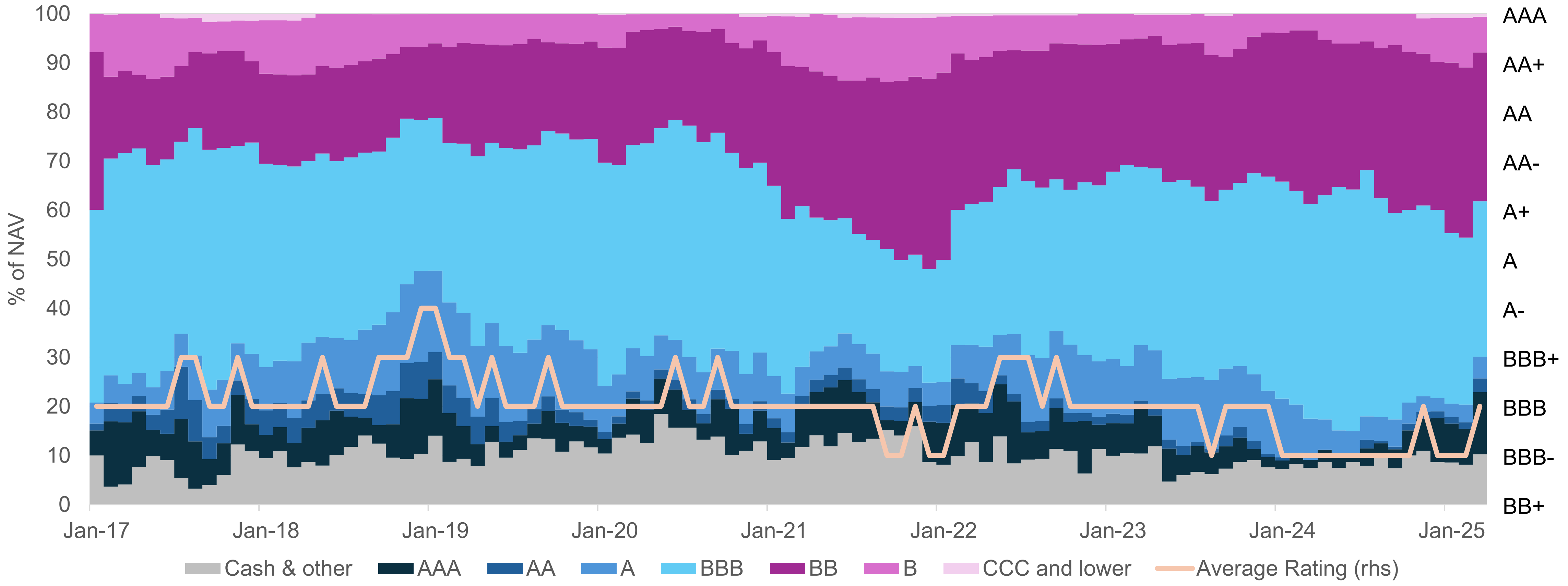
Allianz Global Diversified Credit room to change risk dynamically

Historical allocation over time

Rating allocation (% NAV)



Source: Allianz Global Investors, IDS, as of 31/03/2025. There is no guarantee that these investment strategies and processes will be effective under all market conditions and investors should evaluate their ability to invest for a long-term based on their individual risk profile especially during periods of downturn in the market. Please note that this report may be based on manual data uploads and calculations. The methodologies and data sources used may be different from the sources used for official fund documents. This report has been created to the best of our knowledge, effort and available data and is assumed to be correct and reliable at the time of publication. This report has not been externally verified. Please refer to the mandatory periodic statements/reports which are solely binding. Past performance, or any prediction, projection or forecast, is not indicative of future performance. Schematic representation only. This is for guidance only and not indicative of future allocation.

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Global fixed income outlook: Why Global Diversified Credit?

Growth

- Growth remains resilient for now but momentum slowing
- US underperforming rest of the world
- Growth good enough for all but the most levered credits

Inflation

- Near-term inflation pressures moderating
- Tariffs remain key risk to longer-term inflation outlook
- Moderate inflation supportive of credit asset classes

Rates

- US rate cuts resume, expected at 3.5% by mid-2026
- Scope for global divergence in bond markets given different policy settings
- Diverging rate paths create spread and carry opportunities

Credit

- Fundamentals remain robust
- High yield default rates look manageable
- Global diversification can help capitalize on decoupling cycles and find resilient income

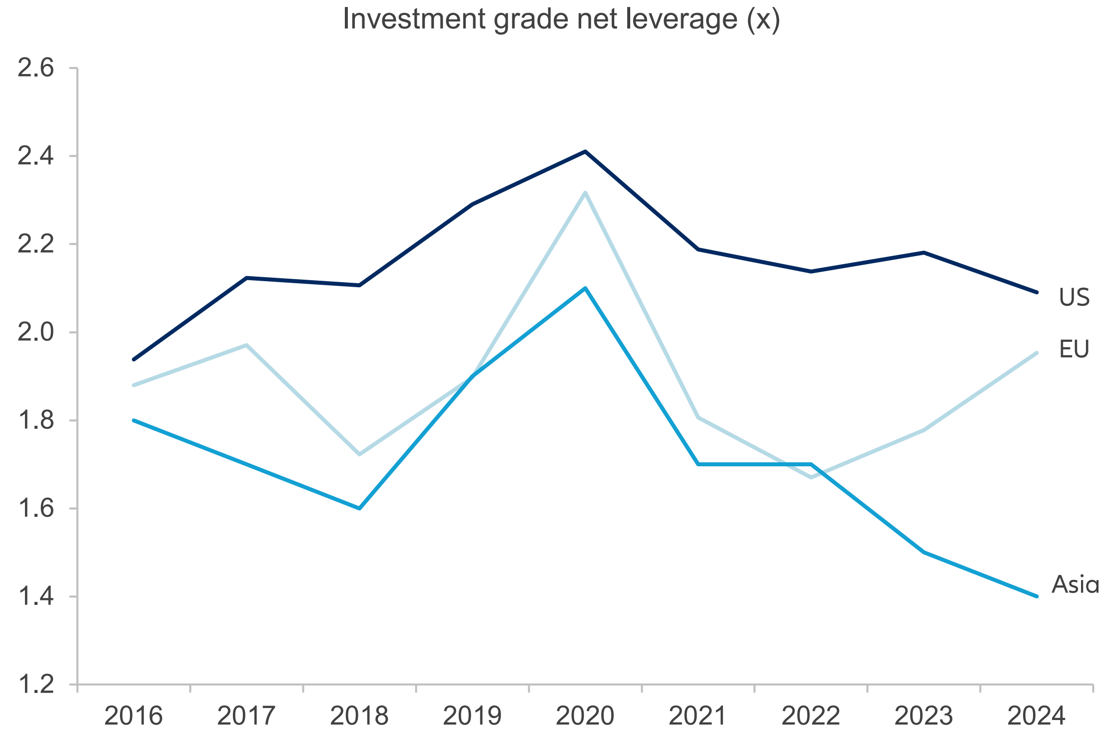
Valuations warrant vigilance rather than overindulgence.

Global diversification and active management increasingly crucial.

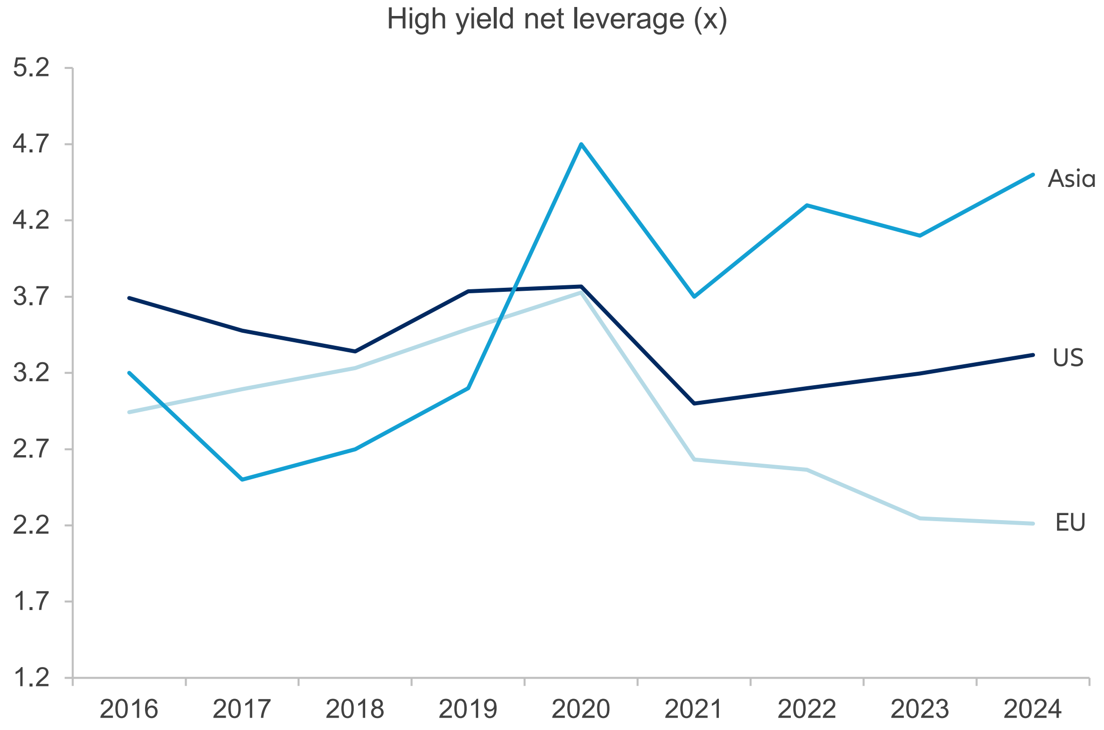
Credit still offers one of the best combinations of income and resilience.

Robust credit fundamentals offset economic growth slowdown

Investment-grade leverage has improved in US & Asia



High yield leverage has remained reasonably healthy



Source: Allianz Global Investors, BofA Global Research, UBS Research, 31.12.2024. Net Leverage = Net Debt / EBITDA. The information above is provided only for illustrative purposes, it should not be considered a recommendation to purchase or sell any particular security or strategy or an investment advice. Past performance, or any prediction, projection or forecast, is not indicative of future performance.

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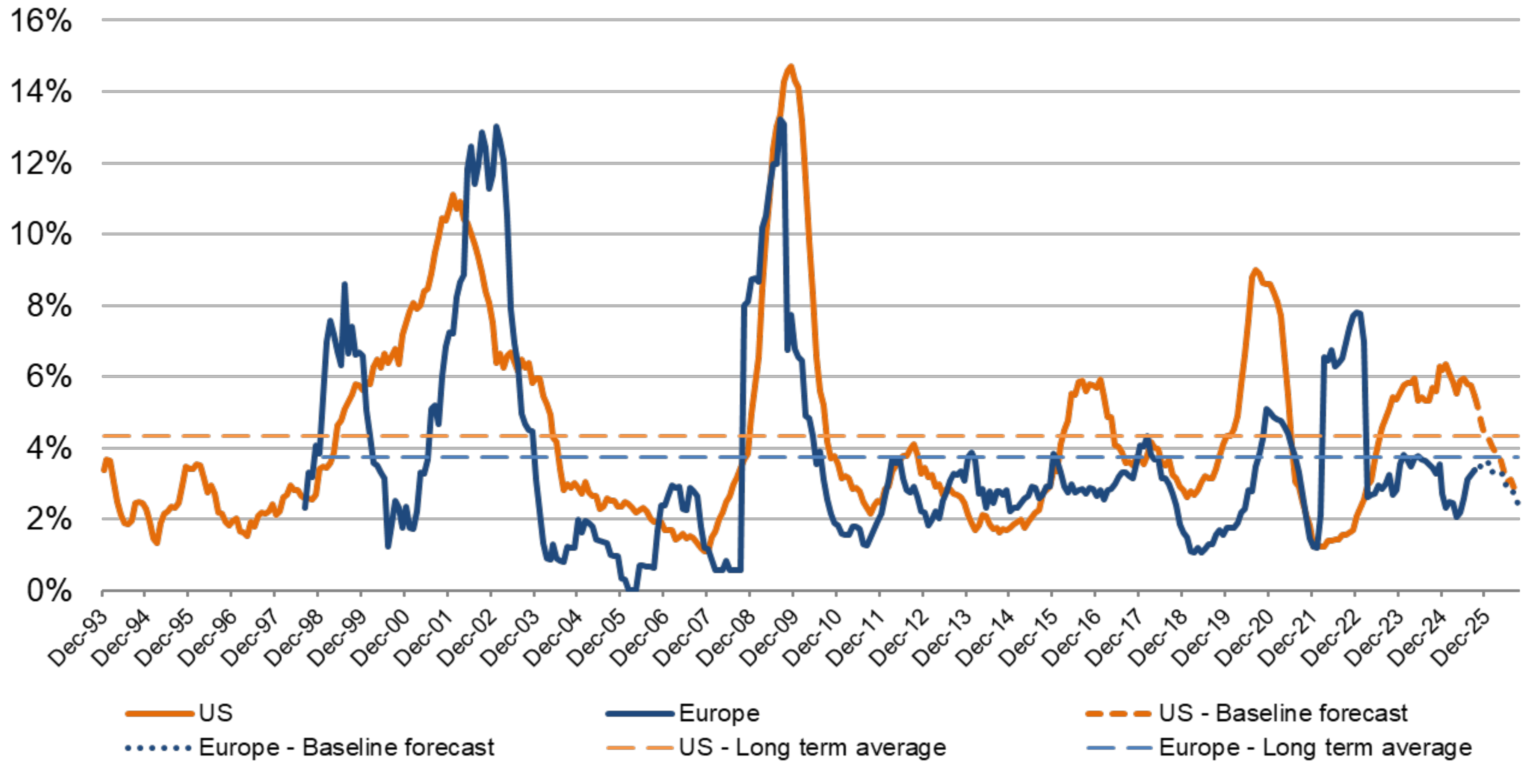
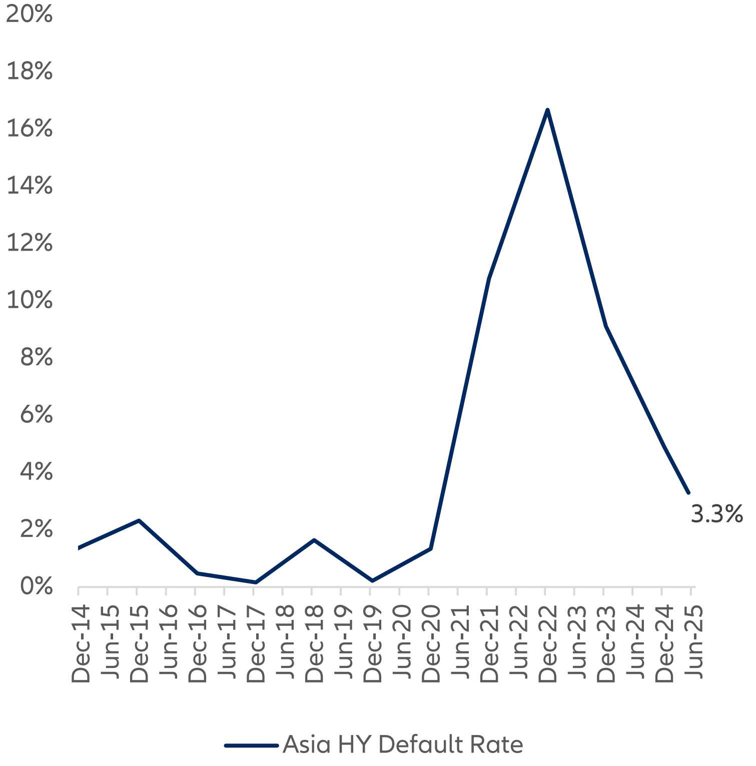
Manageable default rates mitigate market drawdown risk

Pick-up in US HY default rate reflects late cycle. European HY default rate remains low.



Asia HY default rate has normalised



Source: Allianz Global Investors, Moody's, JP Morgan. US and European trailing 12-month default rate from Moody's September 2025 Default Report. Asia par-weighted default rate based on JP Morgan Asia Credit Index (JACI) Non-Investment Grade, 30.05.2025. Past performance, or any predication, projection or forecast, does not predict future returns. The information above is provided only for illustrative purposes, it should not be considered a recommendation to purchase or sell any particular security or strategy or an investment advice.

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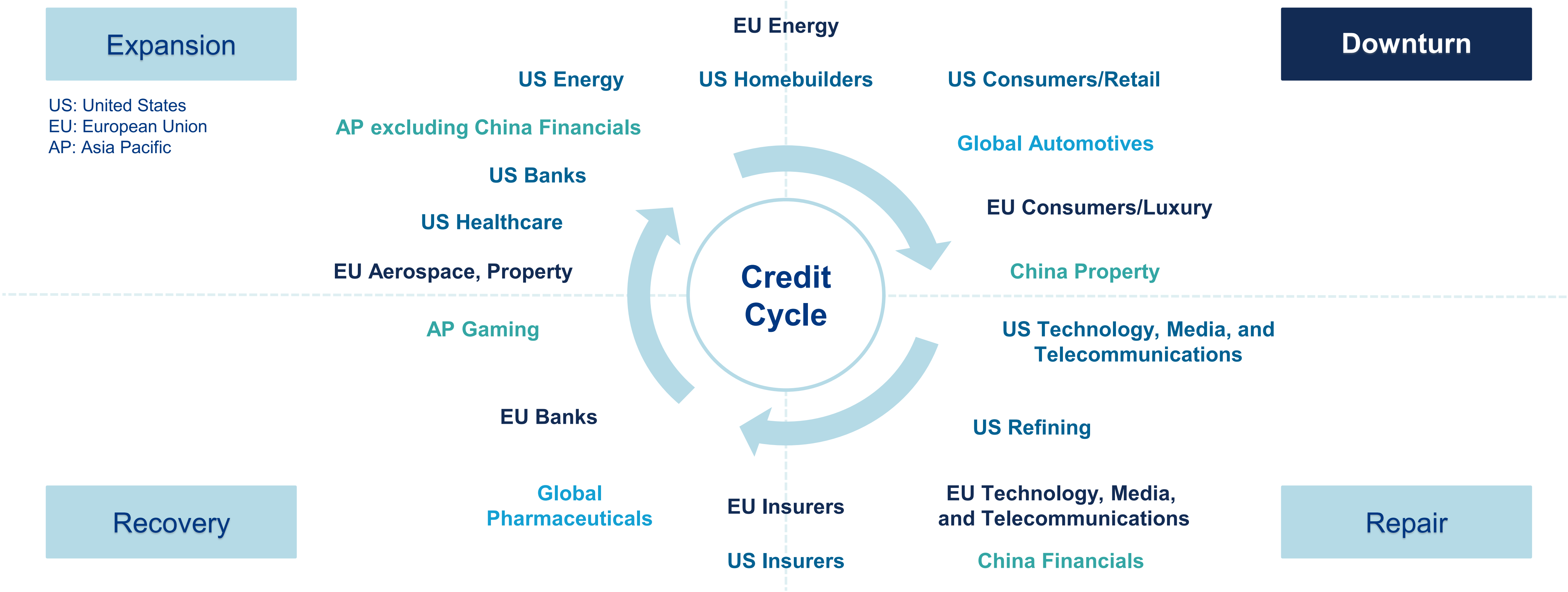
Globally expansive universe offers across-cycle opportunity set



Source: Allianz Global Investors, 30.09.2025. For illustrative purposes only (no reference to any real strategy, portfolio or product data). Securities mentioned in this document are for illustrative purposes only and do not constitute a recommendation or solicitation to buy or sell any particular security. These securities will not necessarily be comprised in the portfolio by the time this document is disclosed or at any other subsequent date.

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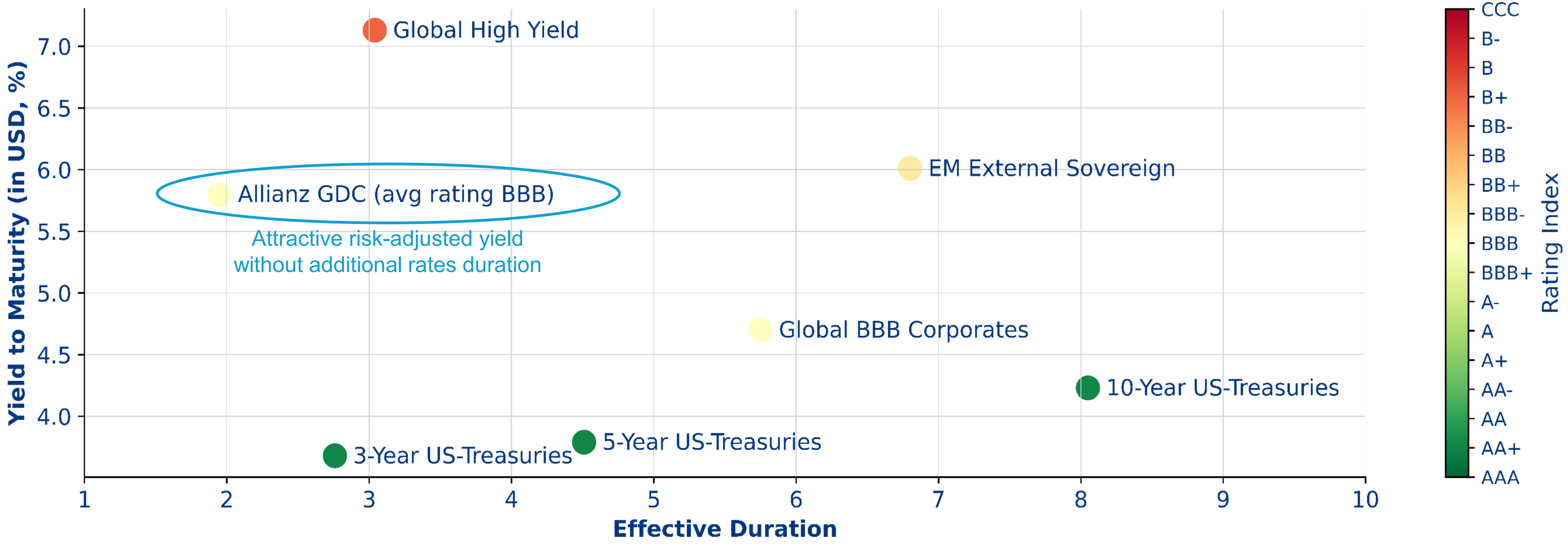
Extending duration risk does not enhance risk/reward ratio

Allianz GDC (Global Diversified Credit) vs. single asset classes



Source: Allianz Global Investors, ICE BofA, Bloomberg, 30.06.2025. ICE BofA indices used: Global High Yield (HW00 Index), 5-Year US Treasuries (GA05 Index), 10-Year US Treasuries (GA10 Index), Emerging Markets External Sovereign Debt (EMGB Index), Global BBB Corporates (GBC4 Index). Past performance does not predict future returns. Securities mentioned in this document are for illustrative purposes only and do not constitute a recommendation or solicitation to buy or sell any particular security. These securities will not necessarily be comprised in the portfolio by the time this document is disclosed or at any other subsequent date.

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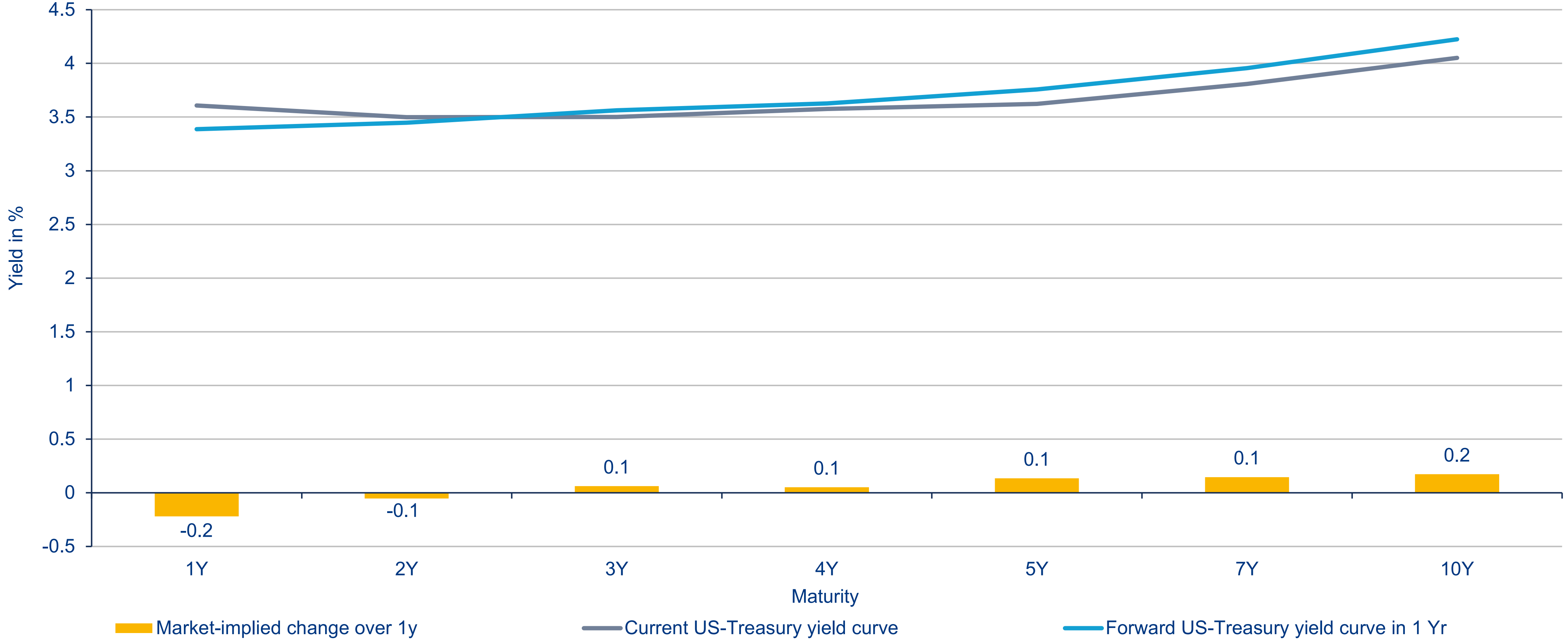
Fear of missing out on duration rally does not stack up with forecasts

USD Treasury curve – current and 1-year forward



Source: Allianz Global Investors, Bloomberg, 15.10.2025. Past performance, or any prediction, projection or forecast, is not indicative of future performance. Securities mentioned in this document are for illustrative purposes only and do not constitute a recommendation or solicitation to buy or sell any particular security. These securities will not necessarily be comprised in the portfolio by the time this document is disclosed or at any other subsequent date.

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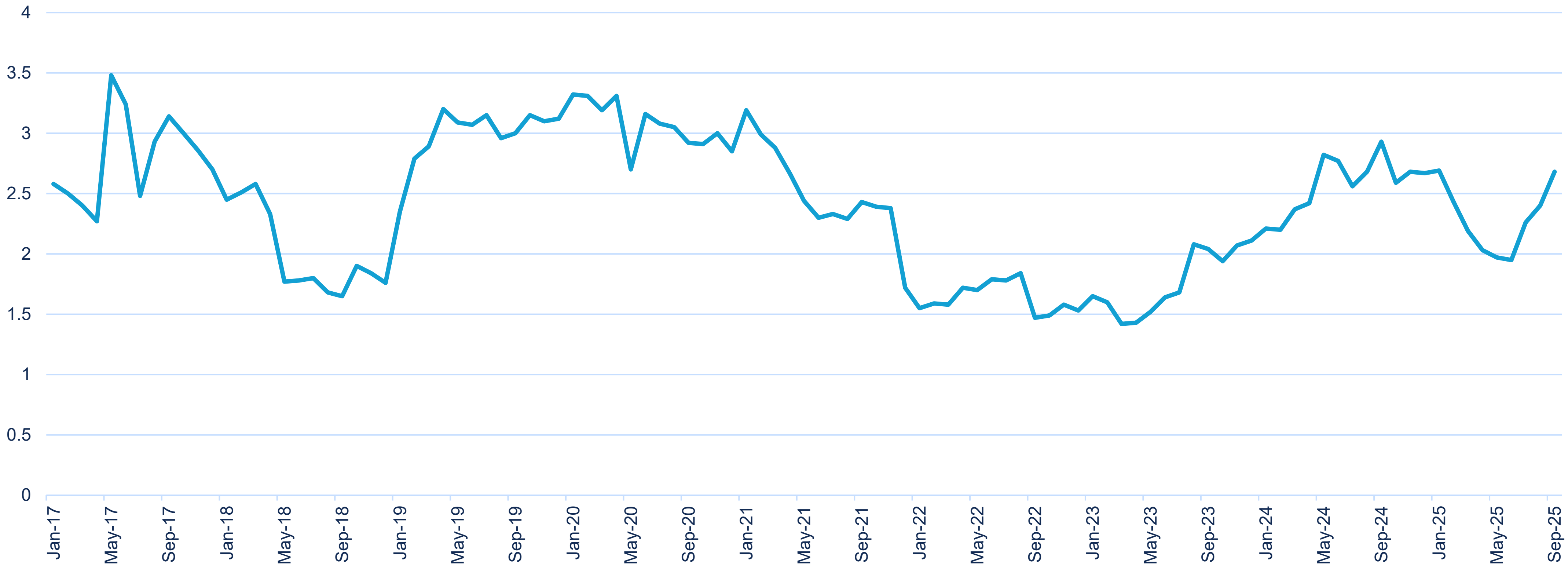
Global Diversified Credit: Adjust flexibly to changing rates outlook

Portfolio interest-rate duration (effective duration including cash & derivatives)



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Global Diversified Credit: Ready to tackle all market scenarios

Current play scenario 1-year total-return forecast (%)	Change in interest rates bps				
Change in credit spreads bps	**+50**	**+25**	**0**	**-25**	**-50**
+50	3.8	4.5	5.2	5.9	6.6
+25	4.4	5.1	5.8	6.5	7.2
0	5.1	5.8	6.5	7.2	7.9
-25	5.8	6.5	7.2	7.9	8.6
-50	6.5	7.2	7.9	8.6	9.3

Alternative scenarios	Interest rate duration	Credit spread duration	Credit quality	Possible Hedges
"Goldilocks"	Focus on best carry	Lengthen	Lower	None
Strong growth	Shorten	Lengthen	Lower	Short interest-rate futures
"Operation Twist"	Lengthen	Lengthen	Lower	Long interest-rate futures
Stagflation	Shorten	Shorten	Higher	Short equity or interest-rates futures
Recession	Lengthen	Shorten	Higher	Long rates, short equity futures & cash
Tight credit spreads	Focus on best carry	Shorten	Higher	Long rates, short equity futures & cash

Source: Allianz Global Investors, 30.09.2025. 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. This is for guidance only and not indicative of future allocation.

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Global Diversified Credit: Anticipate credit market dispersions

12-month forecast for market total return (%) and return/volatility (ratio) for different credit asset classes

Base case scenario IG spreads -10bp	US ABS & CMBS	Global 1-5Y Industrials	Global Industrials	Global 1-5Y Financials	Contingent Capital Bonds	EM All Corporates	EM IG Corporates	EM HY Corporates	Global HY Non-Financial	US HY Corporates	Global HY BB-B
Total Return	5.0	3.9	5.0	4.0	7.0	6.8	5.2	8.2	7.1	7.2	6.4
Return / Volatility	1.3	0.7	0.6	0.7	0.6	1.0	0.8	0.9	1.0	0.9	0.8
IG spreads unchanged											
Total Return	4.8	4.3	3.7	3.7	5.9	5.3	4.6	7.0	6.4	6.3	5.8
Return / Volatility	1.3	0.5	0.7	0.7	0.5	0.8	0.7	0.8	0.9	0.8	0.7
Bear case scenario IG spreads +50bp											
Total Return	4.8	2.7	3.0	3.1	1.5	-1.1	3.2	2.1	3.7	2.6	3.2
Return / Volatility	1.3	0.3	0.6	0.6	0.1	-0.2	0.5	0.2	0.5	0.3	0.4

Source: Allianz Global Investors, 30.09.2025. Percentage data decimals have been rounded to the nearest one decimal point. ABS = Asset Backed Securities. CMBS = Commercial Mortgage Backed Securities. EM = Emerging Markets. IG = Investment Grade. HY = High Yield. 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. This is for guidance only and not indicative of future allocation.

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Global Diversified Credit: Capitalize on compelling credit stories

Deutsche Bank bond, 7.125% perpetual AT1, EUR last price

- **Deutsche Bank** contributed positively to the portfolio's performance in 2025.
- Historically Deutsche Bank has traded at wider spreads than large bank peers due to weak profitability, the complexity of its business model, and exposure to volatile business lines.
- After the banking sector challenges of 2023, our fundamental view became much more constructive on the bank as management actions started to take hold.
- We bought low-priced dated subordinated debt in Q4 2024 to express a positive view on the bank's credit momentum and capture what we saw as some mispricing.
- **We reinforced this view in Q1 2025 by adding a newly issued perpetual additional tier 1 (AT1) security.** The trade rationale was to capture that momentum while the bank still traded with a discount due to its legacy issues. The trade also benefited from broad-based strong performance of the AT1 asset class in 2025.
- We took partial profit on the trade in Q4 2025.

Source: Allianz Global Investors, Bloomberg, data 25.03.2025 – 18.10.2025. Past performance, or any prediction, projection or forecast, is not indicative of future performance. There is no assurance that any securities discussed herein will remain in the Fund at the time you receive this document. Any securities mentioned (above) is for illustrative purposes only. It should not be considered as an investment advice, or a recommendation to buy or sell any particular security or strategy.

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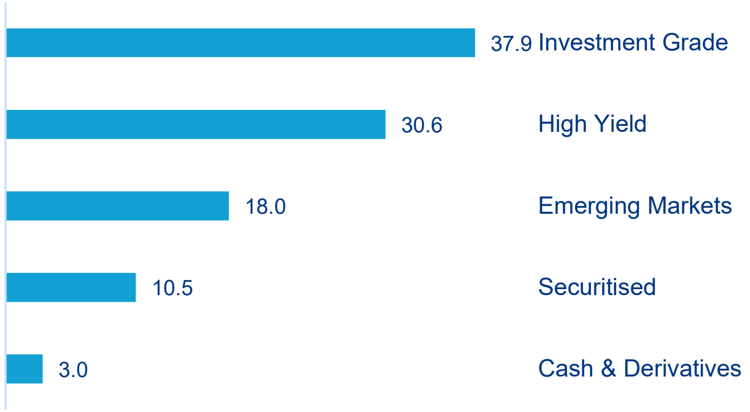
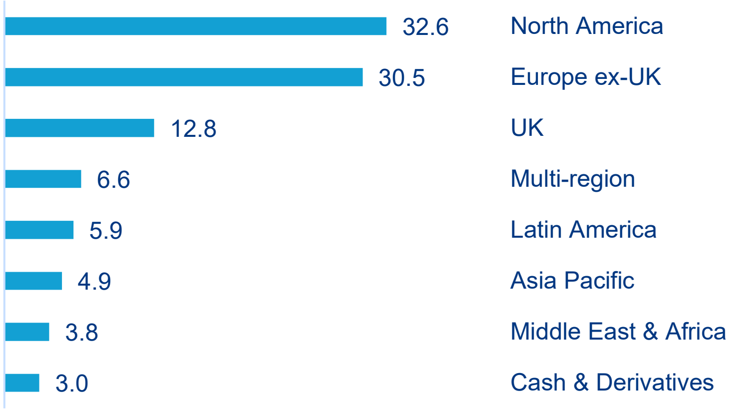
Global Diversified Credit: Portfolio positioning

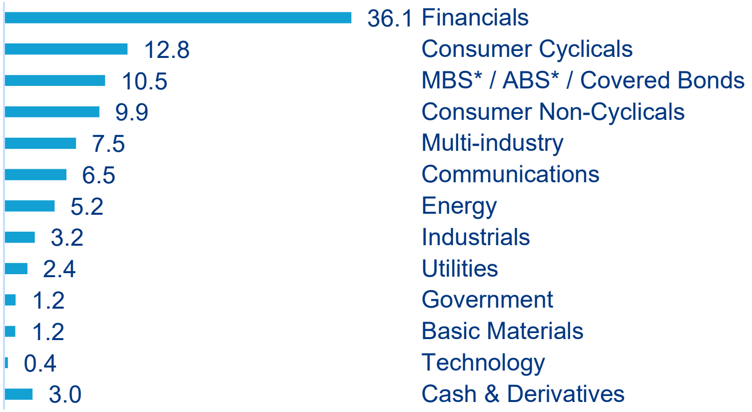
Sector Weight (%)



Region Weight (%)



Industry Weight (%)



Rating	AAA	AA	A	BBB	BB	B	<B	Others
%	12.19	2.45	4.28	36.47	36.54	4.52	0.14	3.41

Maturity	0-1Y	1-3Y	3-5Y	5-7Y	7-10Y	10-20Y	20Y+
%	17.37	24.25	35.23	15.47	5.48	1.16	1.04

Yield-to-worst (%)	5.49
Effective duration (years)	2.68
Option-adjusted spread duration (years)	3.08
Average credit quality	BBB

Source: Allianz Global Investors, IDS GmbH - Analysis and Reporting Services (IDS), IDS Portfolio Information Cockpit, 30.09.2025. *MBS = Mortgage Backed Securities; ABS = Asset Backed Securities. Cash includes cash equivalents such as Treasury bills. Please note that this report may be based on manual data uploads and calculations. The methodologies and data sources used may be different from the sources used for official fund documents. This report has been created to the best of our knowledge, effort and available data and is assumed to be correct and reliable at the time of publication. This report has not been externally verified. Please refer to the mandatory periodic statements/reports which are solely binding. All percentage data are market-value-weighted. Percentage data decimals in bar charts have been rounded to the nearest one decimal point. Rating breakdown based on best available rating for each security. Data published by index providers are based on average ratings and may be different. Yield-to-worst represents the lowest potential yield that an investor could theoretically receive on the bond up to maturity if bought at the current price (excluding the default case of the issuer). The yield to worst is determined by making worst-case scenario assumptions, calculating the returns that would be received if worst-case scenario provisions, including prepayment, call or sinking fund, are used by the issuer (excluding the default case). It is assumed that the bonds are held until maturity and interest income is reinvested on the same conditions. Calculation is before currency hedging. The yield-to-worst is a portfolio characteristic; in particular, it does not reflect the actual fund income. The expenses charged to the fund are not taken into account. As a result, the yield to worst is not suitable as an indicator of the future performance of a bond fund. Forecasts are not a reliable indicator of future results. This is for guidance only and not indicative of future allocation.

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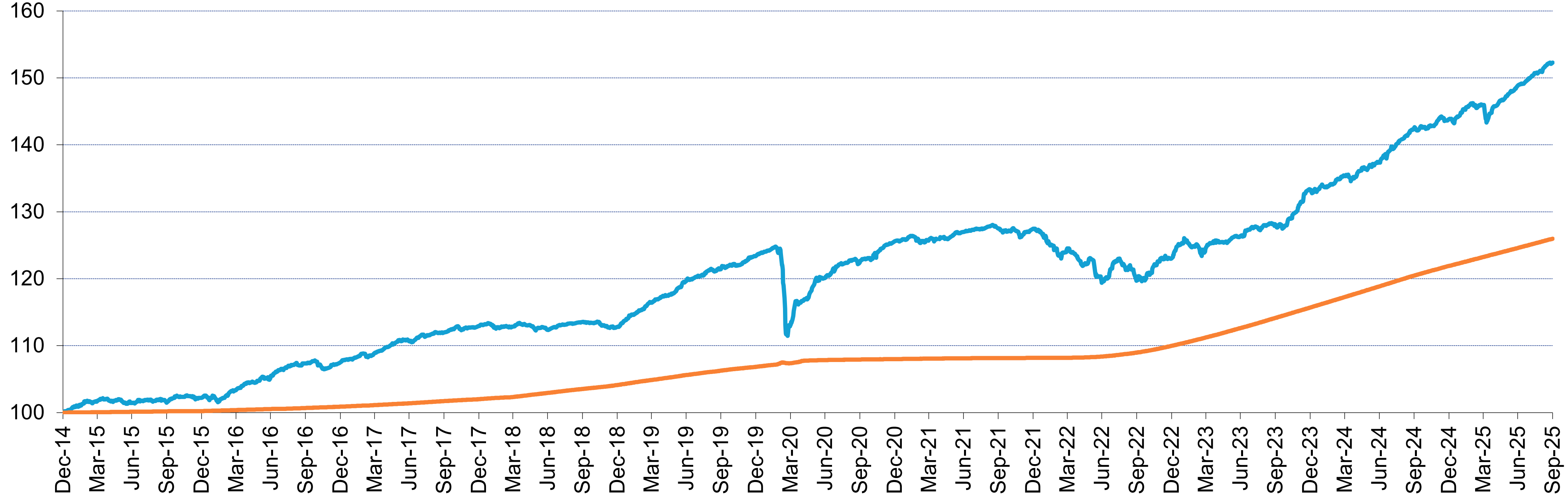
Global Diversified Credit: Portfolio performance

Allianz Global Diversified Credit (Class AMg (USD) Dis.) gross-of-fees performance based on closing prices vs. US SOFR Index Return in USD (%)



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Appendix

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Allianz Global Diversified Credit: Investment process

Asset Allocation Committee
Macro theme-setting

- Global growth
- Inflation
- Interest rates

- Event risk
- Business cycle

Step 1
Market risk assessment

WDTS[1]

- Credit conditions
- Rating migration & default expectations
- Supply & demand

Step 2
Portfolio structure

- Country of risk
- Sector / industry
- Credit quality
- Currency denomination

Step 3

Industry dynamics

Fundamental analysis
Issuer selection

- Qualitative appraisal:
  Quality of management
  Ownership & creditor structure
  Business strategy
  Credit positive / negative catalysts
- Financial company analysis:
  Revenue & cost structure
  Income & cashflow trends
  Off-balance sheet commitments
  Leverage & debt service
  Liquidity
- ESG / SRI analysis[2]

Bond selection

- Capital structure
- Collateral analysis
- Covenant & jurisdiction analysis
- Peer group relative value

Step 4

Trade modelling

Best execution

Implementation

- Upside / downside targets
- Position sizing / limits
- Monitor & review:
  Idiosyncratic risk
  Liquidity risk
  Market risk

Source Allianz Global Investors, 2025. [1] WDTS (Weighted Duration Times Spread) is a key metric of credit risk. [2] Allianz Global Investors minimum sustainable exclusions are applied to the investment universe, visit Sustainable Investment Exclusions Policy (https://regulatory.allianzgi.com/en/esg) for more details. ESG: Social, environmental and governance. SRI: Socially Responsible Investing. The diagrams and statements above reflect the typical investment process applied to this strategy. At any given time other criteria may affect the investment process. There is no guarantee that these investment strategies and processes will be effective under all market conditions and investors should evaluate their ability to invest for a long-term based on their individual risk profile especially during periods of downturn in the market.

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