PGIM Netherlands B.V. (the “AIFM”)
Statement of Sustainability Risks Integration Policies
(the “Sustainability Risks Integration Statement”)
Effective June 2, 2026

INTRODUCTION

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, as amended (the “**SFDR**”) intends to provide harmonised disclosure requirements for investment products. The SFDR lays down harmonised rules for ‘financial market participants’ on transparency with regard to the integration of Sustainability Risks (as defined below) and the consideration of adverse sustainability impacts in their processes and the provision of sustainability-related information with respect to financial products. For the purposes of this Sustainability Risks Integration Statement, ‘**financial market participant**’ means the AIFM and ‘**Financial Products**’ mean each separately managed account of the AIFM (“**Account**”) and each alternative investment fund managed by the AIFM (“**Fund**”). ‘**Sustainability Risk**’ means an environmental, social or governance (“**ESG**”) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment. This is consistent with the definitions of “ESG risk” that PGIM Fixed Income (as defined below) uses in its research and investment processes. The terms “sustainability risk” and “ESG risk” will be used interchangeably in this Sustainability Risks Integration Statement.

The AIFM is an alternative investment fund manager, authorised by the *Autoriteit Financiële Markten* (“**AFM**”) in the Netherlands, with registration number 15003620. The AIFM is required to disclose certain information on the integration of sustainability risks in the AIFM’s investment decision-making process in respect of the Financial Products. The AIFM delegates portfolio management to its affiliates as follows:

- In respect of the Accounts, the AIFM delegates portfolio management to PGIM, Inc. and/or PGIM Limited.

- In respect of the Funds the AIFM generally delegates portfolio management to PGIM, Inc. which in turn can also appoint certain affiliated sub-investment managers including PGIM Limited and PGIM Quantitative Solutions LLC (“**PGIM Quant**”)to manage one or more of the Funds.

- In this Sustainability Risks Integration Statement, the term “**Sub-Investment Managers**” means PGIM Quant, and PGIM Fixed Income. PGIM Quant is an investment group within PGIM, Inc. PGIM Fixed Income (a manager of public and private fixed income investments) is a sub-investment group within PGIM Credit, an investment group within PGIM, Inc. PGIM Fixed Income operates in the Netherlands through the AIFM, in London through PGIM Limited, and in the United States through PGIM, Inc. (“**PGIM Fixed Income**”).

This Sustainability Risks Integration Statement describes how (or whether) the Sub-Investment Managers integrate Sustainability Risks into their investment decision-making process in respect of certain Financial Products. The AIFM acknowledges that the consideration of sustainability factors in the investment decision-making process can have a significant impact on the risk-return of Financial Products. The Sustainability Risks considered by the Sub-Investment Managers will vary depending on the strategy of the Financial Products and also the industry and/or individual issuer. These generally include environmental Sustainability Risks, social Sustainability Risks and governance Sustainability Risks.

INTEGRATION OF SUSTAINABILITY RISKS IN THE INVESTMENT DECISION MAKING PROCESS

Each Sub-Investment Manager has their own approach to the integration of Sustainability Risks (as summarised below). The SFDR permits financial market participants to explain why for certain products it may not be possible or relevant for that firm to integrate Sustainability Risks into its investment decision making process for a particular product (even where the financial market participant is generally integrating Sustainability Risks). Accordingly, certain Financial Products may be excluded from these policies where it is not possible for the Sub-Investment Manager to integrate Sustainability Risks into the investment decision making process. Financial Products which may be excluded include, for example, Financial Products involving algorithmic, quantitative or high-frequency trading and macro strategies. Where a Financial Product has been excluded from these policies, this will be set out in the offering documents for that Financial Product. The below summarises how (or whether) each Sub-Investment Manager integrates Sustainability Risks in their investment decision-making process in respect of certain Financial Products.

PGIM Fixed Income

PGIM Fixed Income primarily focuses on public fixed income investments, including broad market strategies, sector-specific strategies, long duration strategies and alternative strategies.

General

The following is a summary of the sustainability risk integration policy of PGIM Fixed Income.

PGIM Fixed Income believes that ESG factors can impact the performance of investment portfolios, and it integrates relevant, credit-material ESG factors into its credit analyses – which are then incorporated into PGIM Fixed Income’s relative value assessments – across all of its credit strategies. PGIM Fixed Income believes that incorporating relevant, credit-material ESG factors into credit analyses leads to higher risk adjusted excess returns.

PGIM Fixed Income defines “ESG risk” and “ESG opportunity” as an environmental, social or governance event or condition that, if it occurs, could cause a material negative or positive impact on the financial/economic value of an investment. Together, PGIM Fixed Income considers such ESG risks and opportunities to be “credit-material ESG factors.” Because PGIM Fixed Income defines credit-material ESG factors purely as those it believes have the potential to materially affect the value of specific investments, and distinct from the consideration of ESG impacts, those factors are incorporated into the evaluation of issuers' credit profiles in the management of all client portfolios.

As part of the credit research process, PGIM Fixed Income's analysts review information related to ESG factors, which may be provided by the issuer or obtained from third-party ESG research providers or alternative data sources (e.g., NGO analyses, governmental and inter-governmental studies, etc.). PGIM Fixed Income analysts may supplement this information through engagement with the issuer.

To the extent an ESG factor is considered by the analyst to have a material or a potentially material adverse impact on the financial value of the issuer, PGIM Fixed Income's analysts will incorporate such risks into their fundamental credit ratings. Fundamental credit ratings are a key factor in PGIM Fixed Income's relative value assessments, and are the primary means through which PGIM Fixed Income's portfolio managers will consider material sustainability risks when assessing the overall relative attractiveness of potential investments. Equally, ESG factors considered to be materially or potentially materially positive to the financial value of an issuer will also be reflected in PGIM Fixed Income's fundamental analysis and therefore considered in relative value assessments. Although PGIM Fixed Income's views are often informed by quantitative metrics, its ultimate assessment of how ESG considerations should influence its investment decisions is largely qualitative, as with other types of idiosyncratic risks and opportunities.

An important focus of PGIM Fixed Income's sovereign research is on macroeconomic stability and debt sustainability. ESG issues feature in this analysis and, in particular, the sovereign credit ratings process. In addition to a fundamental macroeconomic score that captures pertinent macroeconomic strengths and vulnerabilities, PGIM Fixed Income's sovereign ratings framework is also based upon a comprehensive assessment of qualitative aspects that guide policy making. These aspects include institutional strengths and weaknesses, and potential governance issues, as well as social issues that PGIM Fixed Income's economists believe could affect relevant macroeconomic variables. Nevertheless, while PGIM Fixed Income carefully considers the risks such ESG issues may present, it believes such risks should always be considered within a broader macroeconomic context and the issuer's overall risk profile.

Debt investors are a critical stakeholder for corporate and sovereign issuers reliant on debt financing markets. PGIM Fixed Income sees issuer engagement as an important tool in its investment process insofar as it helps PGIM Fixed Income to gain a more holistic understanding of the issuers, from both the fundamental and ESG impact perspectives. PGIM Fixed Income believes that this, in turn, helps it achieve better investment and, where applicable, ESG outcomes for clients and investors. As a result, PGIM Fixed Income's analysts are encouraged to initiate discussions with issuers should an ESG issue surface during the research process, provided that in all cases, they engage only where this would not be inconsistent with our fiduciary duties to all clients. During these discussions, PGIM Fixed Income analysts probe management on the ESG issues seen as material and assess the issuer's plans to address them. We aim for such engagements to be constructive. At times, PGIM Fixed Income points out to issuers PGIM Fixed Income's assessment of credit-material ESG risks as well as the impacts that their policies, practices or products have on the environment and society, and where applicable and appropriate, discuss the implications these may have for their funding costs and future market demand for any new issue bonds.

The issues on which PGIM Fixed Income engages from a sustainability perspective as described above are largely the same as those factoring into its fundamental credit analyses. Feedback from these meetings is used to inform PGIM Fixed Income's fundamental credit ratings and/or Impact Ratings. The ESG issues raised, as well as management's response to PGIM Fixed Income's comments (when applicable), are then noted in PGIM Fixed Income's engagement notes and can inform its overall analysis of the issuer.

PGIM Fixed Income does not evaluate issuers' Sustainability Risks in isolation, but instead integrates them directly into its fundamental credit ratings, and thus into its relative value assessments. In addition, there is often not a clear demarcation of what should be deemed an "ESG risk" instead of a "traditional risk." ESG issues that relate directly to the business model, could be considered financially-material and may be considered 'business risks', which is why ESG issues cannot be evaluated separately from fundamental credit analysis. So, while PGIM Fixed Income's portfolio managers are provided with information on Sustainability Risks and take Sustainability Risks into account when making an investment decision, Sustainability Risk would not by itself prevent PGIM Fixed Income from making any investment. Instead, Sustainability Risk forms part of the overall assessment of an issuer's credit risk, and thus of the assessment of its relative value. PGIM Fixed Income does not apply any absolute risk limits or risk appetite thresholds which relate exclusively to Sustainability Risk as a separate category of risk.

– *Environmental and Social*

The environmental and social factors considered during PGIM Fixed Income's research assessment, including Sustainability Risks which may cause a material negative impact on the value of potential investments should those risks occur, will vary depending on the asset class, industry and/or individual issuer. Credit analysts bear responsibility determining which ESG factors are most relevant for each issuer that is evaluated.

The environmental and social risks potentially considered by PGIM Fixed Income may include, but are not limited to:

Environmental risks, which may materialize through various channels, including but not limited, to reputational damage, litigation, policy costs, input costs, remediation costs, physical damage, operational disruptions, etc. These risks and potential costs/disruptions may be related to issues such as climate change; pollution of air, water and land; harm to biodiversity through changes in land use, deforestation and ecosystem damage; energy inefficiency; generation and poor management of hazardous and non-hazardous waste; and high water consumption/withdrawal needs, especially in water stressed areas. Climate and other environmental risks are considered both from a "transition" risk perspective, which focuses on the risk to investments as the world moves towards a more sustainable environmental and social model, and a "physical" risk perspective, which considers tangible risks due to physical changes in the natural environment, including but not limited to, hurricanes, flooding, droughts, heatwaves, soil degradation, loss of ecosystem services, water shortages. **Social risks**, which may also materialize through various channels, including but not limited to, reputational damage, litigation, policy costs, recalls, labour costs, operational disruptions, reduced productivity. These risks and potential costs/disruptions may be related to issues such as poor occupational health and safety and process safety; poor product safety and quality; privacy and data security weaknesses; poor labour relations and/or human capital management, including diversity and inclusion; breaches of employee rights/ labour rights; human rights violations; child labour/ forced labour; and infringements of rights of local communities/ indigenous populations.

- *Governance*

The quality of governance can be an important investment consideration and it is incumbent on PGIM Fixed Income's analysts to assess governance structures and practices of the issuers PGIM Fixed Income considers for investment as part of the credit research process. PGIM Fixed Income's governance analysis is asset class specific and may include (but is not limited to) the following issues: alignment of interests between management, controlling shareholders and other providers of capital; related party transactions; board quality, effectiveness and oversight; management incentives; audit and accounting issues; quality of risk management; business ethics and conduct issues (e.g., bribery and corruption; anti-competitive practices; and advertising/sales practices); and supply chain sustainability practices. Analysts are also required to assess certain issuers against four key themes of good governance (sound management structures, employee relations, remuneration of staff and tax compliance. This assessment is required only for investee companies (including corporate issuers and quasi-sovereigns).

PGIM QUANT

PGIM Quant offers a broad array of investment management services, including quantitative equity and global multi-asset strategies that invest across a range of asset classes. PGIM Quant's goal is to meet client investment objectives by closely managing portfolio exposure to expected risk and return.

PGIM Quant considers a variety of ESG factors across its strategies, currently, PGIM Quant integrates Sustainability Risks into its investment decision making process. PGIM Quant, through its proprietary research, aims to identify material risks which can exert influence on the financial outcomes of a company.

ESG considerations are built into PGIM Quant's ESG portfolio construction process. PGIM Quant's approach to ESG integration includes a framework that is focused on the impact of ESG factors on the risk/reward profile of each investment. In line with this approach, the investment process will consider ESG risks associated with an investment which could cause an actual or a potential material negative impact on the value of a company.

DISCLOSURE

The SFDR requires the AIFM to publish on a website information about its policies on the integration of Sustainability Risks in the investment decision-making process. The AIFM satisfies this requirement by disclosing this Sustainability Risks Integration Statement on a website for the purposes of, and in accordance with, Article 3 of the SFDR.

APPROVAL AND REVIEW

This Sustainability Risks Integration Statement has been approved by the AIFM, is effective from June 2, 2026 and will be reviewed on an annual basis by the AIFM and updated, as necessary, for any changes or new arrangements.