

As of September 30, 2025

STRATEGY HIGHLIGHTS

Objective¹	To maximize excess returns versus the ICE BofAML Euro HY ex Finance 2% Constrained Index over the long term.	
Target Sources of Excess Return	• Market / Sector Allocation & Spread Curve	20%
	• Industry / Issuer Specific	80%
	• Duration / Interest Rate / Currency	0%

Inception Date	November 01, 2010
Strategy Assets	\$4.59 billion as of June 30, 2025
Benchmark	ICE BofAML Euro HY ex Finance 2% Constrained Index

INVESTMENT PHILOSOPHY & PROCESS

- The team's research approach is fundamental, bottom-up driven, approach to subsector and security selection.
- The team intensively researches the market, with an emphasis on avoiding defaults.
- We believe that actively managed high yield bond portfolios, constructed from the bottom up using methodical, research-based subsector and security selection, can lead to consistent outperformance versus the broad high yield index with a high information ratio.
- PGIM Fixed Income attempts to achieve this through well-diversified portfolios of performing credits that are carefully researched.
- Intensive fundamental research is conducted by a large and experienced internal credit research staff to identify strong and improving credits.
- The size and experience of the research organization permit us to apply intense focus on individual securities identified from a broad pool of investment opportunities.
- Portfolios are then actively managed to capture the best opportunities and minimize credit losses, within an environment of disciplined risk management oversight.
- PGIM Fixed Income does not take extremely large positions, either on an absolute basis or relative to benchmarks, in any single issuer or industry as a primary means to achieve outperformance.
- We do not hold a significant portion of the portfolio in an asset class other than US and European high yield bonds, such as common stocks or emerging markets.

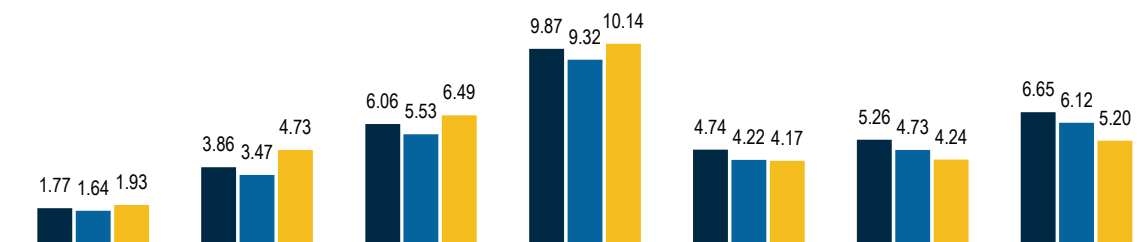


Your capital is at risk and the value of investments can go down as well as up. No investment strategy or management technique can guarantee returns or eliminate risk in any market environment. Where overseas investments are held the rate of currency may cause the value of investments to fluctuate. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. Non-USD securities are converted to USD using a spot rate conversion. ¹Gross target excess returns do not reflect the deduction of investment advisory fees and other expenses, which will reduce returns and may be substantial. Net target excess returns reflect the deduction of a model fee equal to the highest fee borne by a portfolio utilizing the strategy. Targets are shown for illustrative purposes only, are subject to change and are current as of the date of this presentation only. Targets are objectives and should not be construed as providing any assurance or guarantee as to the results that may be realized in the future from investments in any asset or asset class described herein. If any of the assumptions used do not prove to be true, results may vary substantially. **Available for professional and institutional investors only. Please see the Notice for additional important disclosures regarding the information contained herein.**

PERFORMANCE¹ | PERIODS ENDING SEPTEMBER 30, 2025

■ Gross Returns %

■ Net Returns %

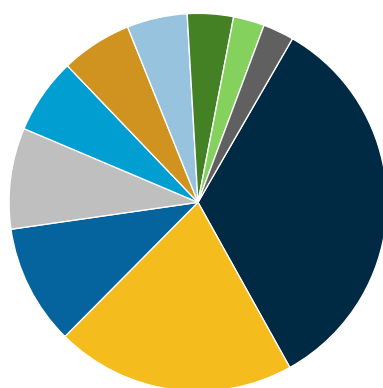
■ ICE BofAML Euro HY ex
Finance 2% Constrained
Index %

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception (01 Nov 2010)
Excess Returns - Gross (bps)	-16	-87	-43	-27	+57	+102	+145
Excess Returns - Net (bps)	-29	-126	-96	-82	+5	+49	+92
Tracking Error (%)	NM	NM	NM	1.34	1.42	1.26	1.23
Information Ratio (Gross)	NM	NM	NM	-0.19	0.36	0.77	1.11
Information Ratio (Net)	NM	NM	NM	-0.56	0.01	0.37	0.70

Excess Returns may reflect rounding differences. Information ratio and tracking error are not meaningful (NM) for periods less than 3 years. Data is presented on both a gross and net basis, where applicable. Gross metrics do not reflect the deduction of fees and other expenses to be borne by accounts using the Strategy, which will reduce returns and, in the aggregate, may be substantial. Additional performance information is available upon request. Please visit www.pgimfixedincome.com for contact information.

PORTFOLIO HIGHLIGHTS²

Top 10 Country Allocation (%)



■ United Kingdom ■ France ■ Italy ■ United States
■ Germany ■ Spain ■ Netherlands ■ Luxembourg
■ Japan ■ Ireland

Top 10 Country Allocation (%)

	Portfolio	ICE BofAML Euro HY ex Finance 2% Constrained Index
United Kingdom	27.4	13.9
France	16.7	20.2
Italy	8.4	9.8
United States	7.1	10.6
Germany	5.3	11.7
Spain	5.0	5.1
Netherlands	4.2	4.4
Luxembourg	3.2	4.7
Japan	2.2	0.8
Ireland	2.2	0.6

Representative Characteristics (%)

	Portfolio	ICE BofAML Euro HY ex Finance 2% Constrained Index
Effective Duration (yrs)	2.86	2.85
Effective Yield (%)	4.87	4.96
Spread (bps)	270	273
Average Coupon (%)	5.59	5.09
Average Quality (Moody's)	B1	Ba3
Number of Issuers	111	334

Corporate Industry Allocation (%)

	Portfolio	ICE BofAML Euro HY ex Finance 2% Constrained Index
Finance	13.0	7.2
Industrial	73.1	82.5
Utility	3.2	5.2
Non Credit	4.1	5.2

Top 10 Industries (%)

Telecom	10.1	13.3
Consumer Non-Cyclical	8.8	9.0
Health Care & Pharma	7.9	8.3
Retailers & Restaurants	7.8	5.7
Other Financial Institutions	7.1	6.0
Automotive	6.8	10.0
Chemicals	6.7	4.4
Cable & Satellite	4.9	4.2
Non-US Govt Related	4.1	5.2
Technology	3.4	2.5

Rating Distribution^{3,4}(%)

	Portfolio	ICE BofAML Euro HY ex Finance 2% Constrained Index
AAA	0.0	0.0
AA	0.0	0.0
BBB	2.6	0.0
BB	44.2	64.8
B	42.2	30.2
CCC & Below	4.2	4.8
Not Rated	0.2	0.3

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INVESTMENT COMMENTARY

Markets

European high yield bond spreads tightened in Q3, driven by a supportive market backdrop and strong technicals—primary proceeds continue to focus on refinancings and a market with ongoing inflows and solid fundamentals is absorbing the supply.

The European high yield market gained in Q3, led by BB and Bs, while CCCs continue to lag. The European leveraged finance market remains highly bifurcated, with strong technicals and high demand for performing credits, but significantly less demand and price volatility for weaker, more speculative names.

High yield primary market issuance totaled approximately €23 billion for the quarter, with most proceeds supporting refinancing.

Portfolio

Overall security selection detracted the most from performance during the period, with selection in chemicals, gaming & lodging, & leisure, and brokerage & asset managers detracting the most. This was partially offset by selection in technology, paper & packaging, and transportation & environmental services, which contributed.

Overall sector allocation detracted from performance, with overweights to the Euro-denominated bank loan and GBP-denominated bank loan sectors, and an underweight to emerging market high yield bond sector detracting the most. This was partially offset by an underweight to Euro-denominated high yield bond sector, and an overweight to GBP-denominated high yield bond sector, which contributed.

Overall industry allocation detracted from performance, with overweights to other financial and chemicals, and an underweight to automotive detracting the most. This was partially offset by overweights to banking, health care & pharmaceutical, and building materials & home construction, which contributed.

From a market perspective, having more risk, on average, over the period had a positive impact on performance.

PORTFOLIO MANAGERS



Jonathan Butler

Managing Director and
Head of the European
Leveraged Finance

PGIM FIXED INCOME

PGIM Fixed Income is a global asset manager offering active solutions across all fixed income markets. As of June 30, 2025, the firm had \$881 billion of assets under management, and over 1183 institutional asset owners have entrusted PGIM Fixed Income with their assets.

At PGIM Fixed Income our extensive size and scale benefits our clients in our ability to have the necessary resources to maintain large and deep research teams, implement world-class risk management systems, establish ourselves as a known entity to both corporate issuers and sell side analysts and add considerable value to our investment process in finding key opportunities for our investors.

Our investment approach is supported by 352 investment professionals based in the U.S., London, Tokyo, Hong Kong, Singapore, Amsterdam, Munich and Zurich as of June 30, 2025. Senior investment personnel average 20 years tenure with the firm, providing stability and leadership. 11 regional macroeconomists, 147 fundamental analysts, and 72 analysts in quantitative modeling, risk management, and portfolio analysis provide deep, broad perspectives on the global fixed income markets.



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Target annualized excess returns are presented on both a gross and net basis solely for the purpose of detailing the anticipated risk and reward characteristics of the Strategy in order to facilitate comparisons with other investment types. Gross targets do not reflect the deduction of fees and other expenses to be borne by accounts using the Strategy, which will reduce returns and, in the aggregate, may be substantial. Net targets reflect the deduction of model fees and expenses equal to the highest fees borne by a portfolio utilizing the strategy. The target returns presented herein are not a prediction, projection, expectation or guarantee of future performance. There are significant risks and limitations in using target returns, including that targets are based upon assumptions regarding future events and situations, which may prove not to be accurate or may not materialize. Further, the target returns stated herein are based on an assumption that economic, market and other conditions will not deteriorate and, in some cases, will improve. The target returns are also based on models, estimates and assumptions about performance believed to be reasonable under the circumstances, but actual returns of the Strategy and its investments will depend on, among other factors, the ability to consummate attractive investments, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the targeted returns are based. PGIM Fixed Income believes that the target returns for the Strategy and each investment type reflect in part a measure of the risk PGIM Fixed Income will be taking with respect to the strategy and investments in that investment type. There can be no assurance that any investments, any of the investment types or the strategy will achieve comparable returns to those targeted herein or that PGIM Fixed Income will be able to implement its investment strategy and investment approach or achieve its investment objectives. Target returns do not take into account cash flows into and out of the portfolio, as well as other factors, which could have an impact on actual performance of a client utilizing the Strategy. Accordingly, target returns should not be used as a primary basis for an investor's decision to invest in the Strategy.

The financial indices referenced herein are provided for informational purposes only. The use of benchmarks has inherent limitations. Portfolio holdings and characteristics may differ from those of the benchmark(s). Additional factors impacting the performance displayed herein may include portfolio-rebalancing, the timing of cash flows, and differences in volatility, none of which impact the performance of the financial indices. Financial indices may or may not reflect the reinvestment of income, if any, but do not reflect the impact of fees, applicable taxes or trading costs which may reduce the returns shown. You cannot invest directly in an index. The statistical data regarding such indices has been obtained from sources believed to be reliable but has not been independently verified.

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INDEX DESCRIPTION: The benchmark for this composite is the ICE BofAML European High Yield ex Finance 2% Constrained Index, which tracks the performance of EUR and GBP denominated below investment grade corporate debt publicly issued in the eurobond, sterling domestic or euro domestic markets. Qualifying securities must have a below investment grade rating and an investment grade country of risk. The index contains all non-financial securities but caps issuer exposure at 2%. Source: ICE Data Indices, LLC, used with permission. ICE Data Indices, LLC is licensing the ICE Data Indices and related data "as is," makes no warranties regarding same, does not guarantee the suitability, quality, accuracy, timeliness, and/or completeness of the ICE Data Indices or any data included in, related to, or derived therefrom, assumes no liability in connection with their use, and does not sponsor, endorse, or recommend PGIM Fixed Income, or any of its products or services.

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SUMMARY OF CERTAIN RISKS: **High yield ("junk") bonds** have greater credit and market risks, including a greater risk of default of payment of principal and interest than higher-rated bonds. Also, these bonds tend to be less liquid than higher-rated securities. Therefore, an investment in this strategy may not be appropriate for short-term investing; **mortgage-backed and asset-backed securities** have prepayment, extension, and interest rate risks; **short sales** have costs and potentially unlimited losses; **leveraging** may magnify losses; **call and redemption risk**, where bonds may be called before maturity and the strategy may lose income; **risk of investment in loans**, which includes collateral and uncollateralized loans and their possible inability to meet obligations; **liquidity risk**, when particular investments may be difficult to sell; **foreign securities** have risks of currency fluctuation and political uncertainty; **emerging markets** are subject to greater volatility and price declines; and **derivatives** have market, credit, and liquidity risks. **Fixed income investments** are subject to **credit, market, and interest rate risks**, and their value will decline as interest rates rise. **Diversification** and **asset allocation** do not assure a profit or protect against loss in declining markets.