Global High Yield Broad (Euro Hedged) Strategy

PGIM

As of December 31, 2025

STRATEGY HIGHLIGHTS

Objective[1]	To maximize excess returns versus the ICE BofA Developed Markets High Yield Constrained Index (Euro Hedged) 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	May 01, 2002
Strategy Assets	$5.64 billion as of September 30, 2025
Benchmark	ICE BofA Developed Markets High Yield Constrained Index (Euro Hedged)

INVESTMENT PHILOSOPHY & PROCESS

- The Global High Yield Broad Strategy, which seeks to identify attractive high yield credits in multiple countries and currencies around the world, is designed to benefit from enhanced diversification and alpha through active regional and currency allocations absent from just US or European high yield.
- PGIM 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 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.

1 **Senior portfolio manager develops top down themes and regional views by leveraging firms resources**

2 **Investment Team selects securities and constructs portfolio**

Fundamental Value Assessment

Credit analysts evaluate all industries and issuers in the universe. Focus on downside protection:

- Asset quality
- Capital structure
- Covenants

Relative Value Security Selection

Sector portfolio managers evaluate and maximize relative value among approved universe:

- Choose credits with strong fundamentals and best relative value

Position Sizing

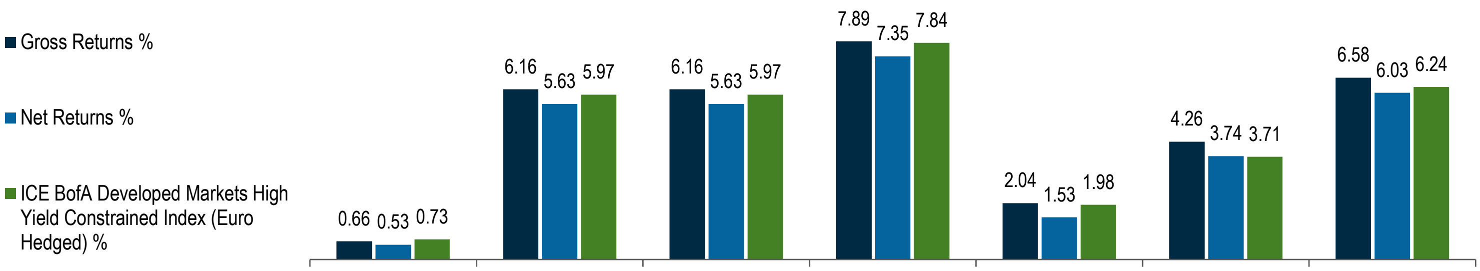
Sector portfolio managers size positions:

- Evaluate industry, issuer and market fundamentals
- Achieve top-down beta and curve positioning objectives
- Refine position sizes as risk profiles and thresholds change

3 **Portfolio Managers and Risk Managers monitor portfolio risk at all levels—interest rate, beta, industry, region, issuer, and quality**

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. [1]Gross 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.***

PERFORMANCE[1] | PERIODS ENDING DECEMBER 31, 2025

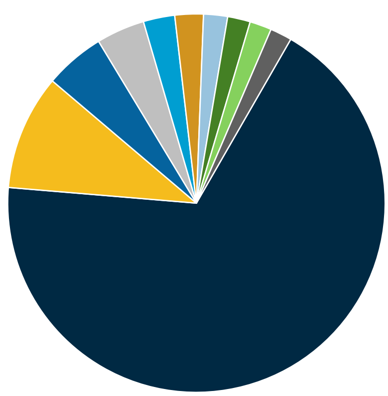


	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception (01 May 2002)
Excess Returns - Gross (bps)	-7	+19	+19	+6	+6	+55	+34
Excess Returns - Net (bps)	-20	-34	-34	-48	-45	+3	-21
Tracking Error (%)	NM	NM	NM	0.51	0.75	1.53	1.93
Information Ratio (Gross)	NM	NM	NM	0.09	0.06	0.40	0.15
Information Ratio (Net)	NM	NM	NM	-0.90	-0.61	0.07	-0.12

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.pgim.com for contact information.

PORTFOLIO HIGHLIGHTS[2]

Top 10 Country Allocation (%)



Top 10 Country Allocation (%)

	Portfolio	ICE BofA Developed Markets High Yield Constrained Index (Euro Hedged)
United States	64.0	67.9
United Kingdom	9.3	5.1
France	4.8	5.6
Canada	3.9	3.7
Japan	2.5	2.0
Ireland	2.3	0.4
Luxembourg	1.9	1.6
Spain	1.8	1.2
Netherlands	1.8	1.4
Italy	1.8	3.1

Representative Characteristics (%)

	Portfolio	ICE BofA Developed Markets High Yield Constrained Index (Euro Hedged)
Effective Duration (yrs)	2.75	2.86
Effective Yield (%)	7.03	6.66
Spread (bps)	313	281
Average Coupon (%)	6.22	6.29
Average Quality (Moody's)	Ba3	B1
Number of Issuers	337	1126

Corporate Industry Allocation (%)

	Portfolio	ICE BofA Developed Markets High Yield Constrained Index (Euro Hedged)
Finance	11.5	12.0
Industrial	79.9	82.7
Utility	0.6	3.9
Non Credit	0.8	1.3
Top 10 Industries (%)		
Retailers & Restaurants	7.6	5.2
Telecom	7.5	7.8
Health Care & Pharma	7.5	6.9
Building Materials & Home Cons	7.1	3.1
Consumer Non-Cyclical	5.9	7.4
Cable & Satellite	5.3	5.2
Gaming & Lodging & Leis.	4.1	5.4
Technology	4.0	7.2
Capital Goods	4.0	3.0
Finance Companies	3.8	3.3

Rating Distribution[3,4](%)

	Portfolio	ICE BofA Developed Markets High Yield Constrained Index (Euro Hedged)
AAA	0.0	0.0
AA	5.6	0.0
A	0.4	0.0
BBB	2.2	0.7
BB	41.7	56.9
B	37.8	32.1
CCC & Below	10.9	10.4
Not Rated	0.1	0.0

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INVESTMENT COMMENTARY

Markets

While U.S. HY bonds ended 2025 on a quiet note, December was the eighth consecutive month the market rallied. Benefiting from a backdrop of taming inflation, steady growth, and a resilient technical environment, HY spreads ended Q4 near-historic tights. European high yield bond spreads tightened in Q4, 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. A mix of top-down and bottom-up drivers helped EMD outperform other asset classes in 2025—including a combination of global/U.S. growth outperformance relative to expectations, EM growth resilience based on fundamentals and EM trade dynamics, a reversal of USD strength, healthy global liquidity that resulted in investors reaching for yield, DM/EM rate cuts, and a reframing of the new world order.

Portfolio

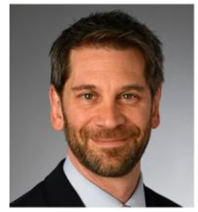
Overall security selection was the largest contributor to performance during the quarter, with selection in chemicals, telecom, and midstream energy contributing the most. The was partially offset by selection in cable & satellite, paper & packaging, and health care & pharmaceutical, which detracted.

Overall sector allocation contributed to performance, with an overweight to emerging market high yield bonds and an underweight to USD-denominated high yield bonds contributing the most. This was partially offset by an overweight to GBP-denominated high yield bonds, which detracted.

Overall industry allocation detracted from performance, with an overweight to chemicals, and underweights to media & entertainment and electric & water detracting the most. This was partially offset by overweights to paper & packaging and health care & pharmaceutical, which contributed.

From a market perspective, having more risk in the portfolio, on average, relative to the relevant benchmark had a negative impact on performance

PORTFOLIO MANAGERS



Robert Cignarella, CFA
Managing Director and
Head of U.S. High Yield

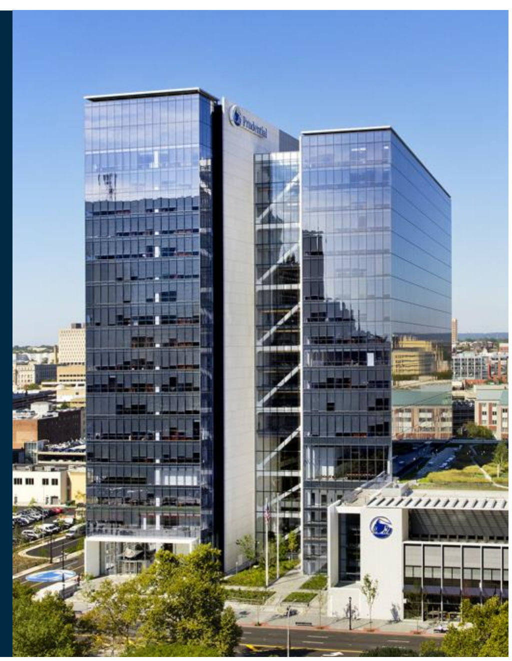
Jonathan Butler
Managing Director and
Head of the European
Leveraged Finance

PGIM

PGIM is a global asset manager offering active solutions across all fixed income markets. As of September 30, 2025, the firm had $906 billion of assets under management, and over 1218 institutional asset owners have entrusted PGIM with their assets.

At PGIM 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 357 investment professionals based in the U.S., London, Tokyo, Hong Kong, Singapore, Amsterdam, Munich and Zurich as of September 30, 2025. Senior investment personnel average 20 years tenure with the firm, providing stability and leadership. 10 regional macroeconomists, 146 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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Tracking Error (TE) is one possible measurement of the dispersion of a portfolio's returns from its stated benchmark; it is the standard deviation of such excess returns. TE figures are representations of statistical expectations falling within "normal" distributions of return patterns. Normal statistical distributions of returns suggests that approximately two thirds of the time the annual gross returns of the accounts will lie in a range equal to the benchmark return plus or minus the TE if the market behaves in a manner suggested by historical returns. Targeted TE therefore applies statistical probabilities (and the language of uncertainty) and so cannot be predictive of actual results. In addition, past tracking error is not indicative of future TE and there can be no assurance that the TE actually reflected in your accounts will be at levels either specified in the investment objectives or suggested by our forecasts.

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INDEX DESCRIPTIONS: As of November 30, 2023, the benchmark for this composite is the ICE BofA Developed Markets High Yield Constrained Index. ICE BofA Developed Markets High Yield Constrained Index contains all securities in The ICE BofA Global High Yield Index from developed markets countries, but caps issuer exposure at 2%. Developed markets is defined as an FX-G10 member, a Western European nation, or a territory of the US or a Western European nation. The FX-G10 includes all Euro members, the US, Japan, the UK, Canada, Australia, New Zealand, Switzerland, Norway and Sweden. Index constituents are capitalization-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 2%. Issuers that exceed the limit are reduced to 2% and the face value of each of their bonds is adjusted on a pro-rata basis. Similarly, the face values of bonds of all other issuers that fall below the 2% cap are increased on a pro-rata basis. In the event there are fewer than 50 issuers in the Index, each is equally weighted and the face values of their respective bonds are increased or decreased on a pro-rata basis. The index is hedged to Euro.

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Prior to November 30, 2023, the benchmark for the composite was the Bloomberg Barclays Global High Yield Bond Index (Euro Hedged) (Bloomberg Barclays Global High Yield Index). The Global High-Yield Index provides a broad-based measure of the global high-yield fixed income markets. The Global High-Yield Index represents that union of the U.S. High-Yield, Pan-European High-Yield, U.S. Emerging Markets High-Yield, CMBS High-Yield, and Pan-European Emerging Markets High-Yield Indices. Securities must have at least 1 year until final maturity and be rated high-yield (Ba1/BB+ or lower) using the middle rating of Moody's, S&P, and Fitch. The index is hedged to Euro. Source of the benchmark: Bloomberg Barclays.

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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.