

PGIM ACTIVE HIGH YIELD BOND ETF (PHYL)

JUNE 30, 2019

The Fund seeks total return through a combination of current income and capital appreciation.

MANAGEMENT STYLE

High Yield Bond

FUND INFORMATION

| | |
|--------------------------------|--------------|
| Ticker | PHYL |
| Total Annual Expense Ratio (%) | 0.53 |
| iNAV Symbol | PHYL.IV |
| CUSIP | 69344A206 |
| Asset Class | Fixed Income |
| Exchange | NYSE Arca |
| Inception Date | 9/24/2018 |
| Distribution Frequency | Monthly |
| Net Assets | \$27,710,338 |
| Shares Outstanding | 675,000 |

CHARACTERISTICS

| | |
|------------------------|-----|
| Duration (yrs) | 3.8 |
| Average Maturity (yrs) | 6.5 |

YIELDS (%)

| | |
|-------------------------------|------|
| SEC 30-Day Subsidized Yield | 6.04 |
| SEC 30-Day Unsubsidized Yield | 6.04 |

PORTFOLIO MANAGEMENT

Subadvisor: PGIM Fixed Income

Managing assets since 1875.
Manages \$776 billion as of 3/31/2019.

- 117 Portfolio Managers
- 120 Credit Research Analysts
- 54 Quantitative & Risk Analysts

FUND PORTFOLIO MANAGERS

Robert Cignarella, CFA Robert Spano, CFA
Ryan Kelly, CFA Brian Clapp, CFA
Daniel Thorogood, CFA

PGIM ETF CAPITAL MARKETS

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LARGEST INDUSTRIES (VS BENCHMARK)

| Industry | Fund (% of Assets) | Overweight Underweight |
|--------------------------|--------------------|------------------------|
| 1 Other Energy | 8.5% | 0.0% |
| 2 Health Care & Pharm | 7.5% | -2.0% |
| 3 Telecom | 7.4% | -0.4% |
| 4 Building Mtrl & Constr | 6.3% | 3.8% |
| 5 Technology | 6.1% | -2.3% |
| 6 Capital Goods | 5.9% | 1.3% |
| 7 Pipelines & Other | 5.1% | 0.2% |
| 8 Metals | 4.6% | 1.8% |
| 9 Foods | 4.4% | -0.6% |
| 10 Automotive | 4.2% | 1.9% |
| 11 Other | 23.0% | -8.5% |

LARGEST ISSUERS (% OF ASSETS)

| | |
|--------------------------|-------|
| 1 Baush Health | 2.3% |
| 2 Bombardier | 2.2% |
| 3 United Rentals | 2.1% |
| 4 Volt Parent | 2.1% |
| 5 Softbank Group | 2.1% |
| 6 Manta Holdings | 1.7% |
| 7 Dish Network | 1.6% |
| 8 JBS SA | 1.5% |
| 9 Alnery No 3163 | 1.5% |
| 10 CK Hutchison Holdings | 1.4% |
| Top Ten of 189 | 18.5% |

AVERAGE ANNUAL TOTAL RETURNS (%)

| | QTR | YTD | Life | Inception Date |
|--|------|-------|------|----------------|
| Market Price | 3.22 | 11.02 | 7.58 | 9/27/2018 |
| NAV Price | 3.45 | 11.67 | 7.27 | 9/24/2018 |
| Bloomberg Barclays US High Yield Very Liquid Index | 2.55 | 10.84 | 5.60 | 9/30/2018 |

Past performance does not guarantee future results, and current performance may be lower or higher than the past performance data quoted. The investment return and principal value will fluctuate, and shares, when sold, may be worth more or less than the original cost. For the most recent month-end performance, visit pgiminvestments.com.

All data is unaudited and subject to change. Holdings/allocation may vary. This is not a recommendation to buy or sell any security listed. Totals may not sum due to rounding. Negative holdings reflect outstanding trades at period end. Largest holdings based on issuers. Largest holdings excludes cash, cash equivalents, money market funds and enhanced cash strategies. This is not a recommendation to buy or sell any security listed.

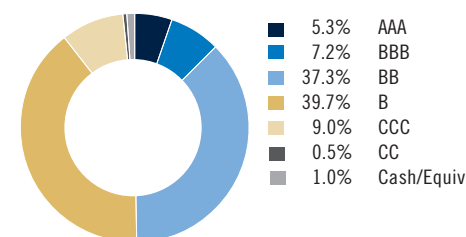
Source: NYSE Arca, Brown Brothers Harriman & Co, Lipper, Inc. and PGIM, Inc (PGIM). Total return describes the return to the investor after net operating expenses but before any sales charges or brokerage commission are imposed. All returns assume share price changes as well as the compounding effect of reinvested dividends and capital gains. Returns may reflect fee waivers and/or expense reimbursements. Without such, returns would be lower. You may incur brokerage commissions when buying and selling shares on an exchange or through your financial intermediary, which may reduce returns. All returns 1-year or less are cumulative. Unless noted otherwise, index returns reflect performance beginning the closest month-end date to the Fund's inception.

The Fund is an actively managed exchange traded fund (ETF) and, thus, does not seek to replicate the performance of a specified index.

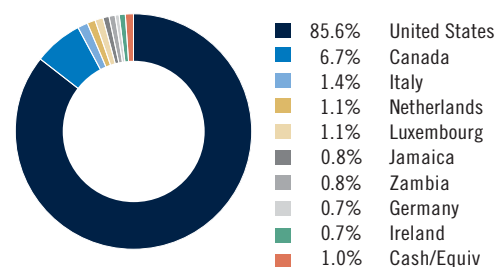
ETF shares are not individually redeemable from the Fund. Shares may only be redeemed directly from the Fund by Authorized Participants in Creation Units only.

See reverse side for more information.

CREDIT QUALITY (% OF ASSETS)



GEOGRAPHIC CONCENTRATION (% OF ASSETS)



The Fund is subject to **new/small fund risk** given the fund's recently commenced operations and limited operating history. The Fund may invest in **high yield ("junk") bonds**, which have greater credit and market risks; **distressed and defaulted securities**, which are subject to particularly high credit risk, market risk and illiquidity risk; **leveraging**, which may magnify losses; and derivative securities, which may carry market, credit, and liquidity risks. **Fixed income investments** will change in value based on changes in interest rates and their value will generally decline as interest rates rise; **call and redemption risk**, where the issuer may call a bond held by the Fund for redemption before it matures and the Fund may lose income and **extension risk**, where the issuer may repay a fixed income security more slowly than expected, extending the effective duration of these securities; **liquidity risk**, which exists when particular investments are difficult to sell; **emerging markets risk**, which exposes the Fund to greater volatility and price declines. The Fund's fixed income investments include **variable and floating rate bonds**, which are subject to credit, market, and interest rate risk, and **bank loans**, which could adversely affect the income of the Fund and would likely reduce the value of its assets if the Fund fails to receive scheduled interest or principal payments on a loan because of a default, bankruptcy or any other reason. The Fund may be subject to **management risk**, where the value of your investment may decrease if judgments by the subadvisor are incorrect, and **market risk**, where the value of investments may decrease and securities markets are volatile. The risks associated with the Fund are more fully explained in the prospectus and summary prospectus.

The Fund may invest in **foreign securities**, which generally involve more risk and volatility than investing in US issuers, including political, legal and economic uncertainty; **derivatives**, which may carry market, credit, and liquidity risks; and **mortgage-backed and asset-backed securities**, which are subject to prepayment, extension, and interest rate risks. **Diversification** does not assure a profit or protect against loss in declining markets. These risks may increase the Fund's share price volatility. There is no guarantee the Fund's objective will be achieved.

As an ETF, the Fund's shares trade on an exchange and are subject to **ETF shares trading risk**, including that the Fund's shares may trade at a **premium or discount** to net asset value; during periods may become less liquid; potentially may **lack an active trading market**, which may result in significant losses if you sell your shares of the Fund during these periods; and may be subject to **authorized participant concentration risk**, since the Fund has a limited number of intermediaries that act as authorized participants and none of these authorized participants are or will be obligated to engage in creation or redemption transactions. To the extent that these intermediaries exit the business or are unable to or choose not to proceed with creation and/or redemption orders with respect to the Fund and no other authorized participant creates or redeems, shares of the Fund may trade at a discount to NAV and possibly face trading halts and/or delisting. The Fund may be subject to the **risk of increased expenses**, meaning that your actual cost of investing in the Fund may be higher than the expense shown in the expense table, as well as the **cost of buying or selling shares**, since when you buy or sell shares of the Fund through a broker, you will likely incur brokerage commission or other charges; and **cash transaction risk**, which is the risk that the Fund (which may effect creation and redemptions in cash or partially in cash) may be less tax-efficient than an investment in an ETF that distributes portfolio securities in-kind.

NAV prices are used to calculate market price performance prior to the date when the fund first traded on the NYSE Arca, Inc. (NYSE Arca). Since shares of the Fund did not trade in the secondary market until after the Fund inception, for the period from inception to the first day of secondary trading (9/27/18), the NAV of the Fund is used as a proxy for the market price to calculate market returns. **Market Price** is determined using the midpoint between the highest bid and the lowest offer reported to the consolidated tape, as of the time that the Fund NAV is calculated. In the event this is not available, the midpoint between the highest bid and the lowest offer on the listing exchange is used. **NAV Price (Net Asset Value)** is total assets less total liabilities divided by the number of shares outstanding. **Premium/Discount** is the percent difference between the Market price and the NAV price. There is no guarantee you will receive the stated Premium/Discount and additional fees may result from individual broker fees and transaction costs in the secondary market. The Fund is subject to management fees and other expenses. Information regarding the indicative intraday value of shares of the Fund, also known as "iNAV," is disseminated every 15 seconds throughout the trading day by the national securities exchange on NYSE Arca or by market data vendors or other information providers. The iNAV is based on the sum of the current value of the Fund's portfolio holdings that were publicly disclosed prior to the commencement of trading that day and may not reflect Fund expenses or other components used to determine the Fund's current NAV. Therefore, the iNAV should not be viewed as a "real-time" update of the Fund's NAV, which is computed only once a day. The Fund is not responsible for the calculation or dissemination of the iNAV and makes no representation or warranty as to the accuracy of the iNAV.

Closing Market Price Returns are based upon the midpoint of the bid/ask spread at 4:00 pm Eastern time (when NAV is normally determined for most Funds), and do not represent the returns you would receive if you traded shares at other times. **Effective Duration** measures investment risk that takes into account both a bond's interest payments and its value to maturity. **Average Maturity** is the average number of years to maturity of the Fund's bonds. **Credit Quality** is calculated using the highest rating assigned by a nationally recognized statistical rating organization (NRSRO) such as Moody's, S&P, or Fitch. The Not Rated category consists of securities that have not been rated by an NRSRO. Due to data availability, statistics may not be as of the current reporting period. Expenses based on the most recent publicity available reports. See the Fund's Annual Report for full information on expenses. All data is unaudited and subject to change.

Bloomberg Barclays US High Yield Very Liquid Index (VLI) is a component of the US Corporate High Yield Index that is designed to track a more liquid component of the USD-denominated, high yield, fixed-rate corporate bond market. The US High Yield VLI uses the same eligibility criteria as the US Corporate High Yield Index, but includes only the three largest bonds from each issuer that have a minimum amount outstanding of USD500mn and less than five years from issue date. The index also limits the exposure of each issuer to 2% of the total market value and redistributes any excess market value index-wide on a pro rata basis. An investment cannot be made directly in an index or average. All indexes and averages are unmanaged.

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Unlike mutual funds, ETF shares are bought and sold at market price, which may be higher or lower than their net asset value (NAV), and are not individually redeemed from the Fund. There can be no guarantee that an active trading market for ETF shares will develop or be maintained, or that their listing will continue or remain unchanged. While the shares of ETFs are tradable on secondary markets, they may not readily trade in all market conditions and may trade at significant discounts. The Fund may effect creation and redemptions in cash or partially cash so that the Fund may be less tax-efficient than an investment in an ETF that distributes portfolio securities in-kind.

Investment products are not insured by the FDIC or any federal government agency, may lose value, and are not a deposit or guaranteed by any bank or any bank affiliate. The Fund is not a money market Fund and does not seek to maintain a stable net asset value.

Consider a fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus and summary prospectus contain this and other information about the fund. For more information about a fund, click on the prospectus or summary prospectus link above. Read them carefully before investing.

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