



SYSTEMATIC ABSOLUTE RETURN PLUS STRATEGY

Investment Objective*

Seeks a net return of US 3M T-Bill plus 7% while targeting 10% volatility and simultaneously attempting to limit the risk of capital loss

Investment Approach

Systematic macroeconomic investment process includes both directional (75%) and relative value (25%) strategies, which seek to harvest risk premia in a non-linear fashion and emphasize drawdown avoidance.

Key Features

- Invests long and short across global equity, fixed income, currency and commodity markets
- Utilizes deep academic/theoretical input to generate signals, with a heavy focus on research and signal evolution
- Incorporates time-varying weights for macroeconomic, value, carry, sentiment, and intermarket linkages in a dynamic process
- Employs advanced portfolio construction and risk management techniques seeking to protect client capital, focusing on downside volatility
- Proprietary execution management system provides for continuous intraday trading

Experienced Portfolio Management

Team of 23 individuals, including leading econometricians and experts in portfolio construction

Michael Dicks, Chief Investment Officer

Strategy Performance & Risk Statistics

Since Inception (24 Jul 2015 to 31 Dec 2023)

Portfolio Characteristics	SAR Plus Strategy (Net)
Annualized Arithmetic Net Return (%)	6.77
Annualized Standard Deviation (%)	8.70
Information Ratio	0.78
Sortino Ratio	1.43
MAR Ratio	0.49

Net Returns are presented in USD and net of fees based on the highest institutional fee available at a given point in time, which includes expenses and interest earned on cash balances. This fee is not applicable to all investors. Annualised return, Information and Sortino ratios are based on annualised arithmetic returns. The MAR ratio uses compounded returns. The Information ratio is the ratio of annualised arithmetic return to the annualised standard deviation as shown in the table. The Sortino ratio is the annualised arithmetic return, divided by the "downside deviation", using a zero benchmark return – with the downside deviation being similar to the standard deviation, but with returns measured relative to the benchmark rather than the average, and calculated using only negative returns, with all return periods in the sample total.

Past performance is not a guarantee or reliable indicator of future results.

About PGIM Wadhvani

PGIM Wadhvani LLP was founded in October 2002 as Wadhvani Asset Management (WAM) by Dr. Sushil Wadhvani, CBE. Investment operations commenced in January 2003. PGIM Wadhvani is a London-based asset management company, authorized and regulated by the Financial Conduct Authority (No: 219900), which specializes in systematic/quantitative macro investing.

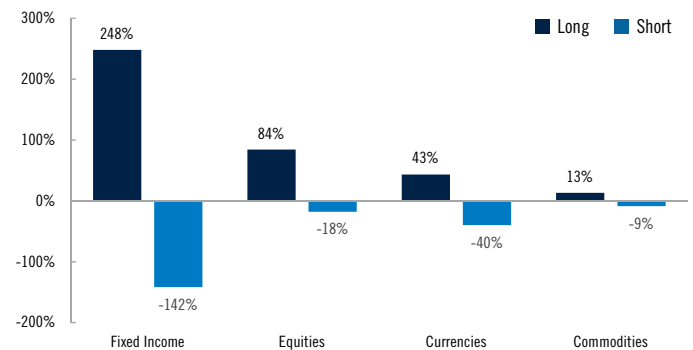
For Professional Investors Only. All investments involve risk, including the possible loss of capital.

There is no guarantee that these targets will be met. Allocations are subject to change. *Target annualised excess returns are presented on a net basis solely for the purpose of detailing the anticipated risk and reward calculations of the strategy in order to facilitate comparisons with other investment types. The target investment returns are derived from both quantitative and qualitative factors, including historical returns and market conditions and assumptions. After synthesizing this information, the strategy manager has arrived at what it believes are realistic target investment returns for the strategy. They net target return has been calculated based on the highest institutional fee structure in the strategy which includes cash interest. Any target data or other forecasts contained herein are based upon highly subjective estimates and assumptions about circumstances and events that may not yet have taken place and may never do so. If any of the assumptions used do not prove to be true, results may vary substantially. As of 1 July 2023, due to the discontinuation of LIBOR, PGIM Wadhvani have replaced the use of LIBOR in the target return, with the US 3-Month Treasury Bill rate, as we have determined this to be the most representative market-based estimate for USD cash interest.

Inception date for the Systematic Absolute Return Plus strategy is 24 July 2015.

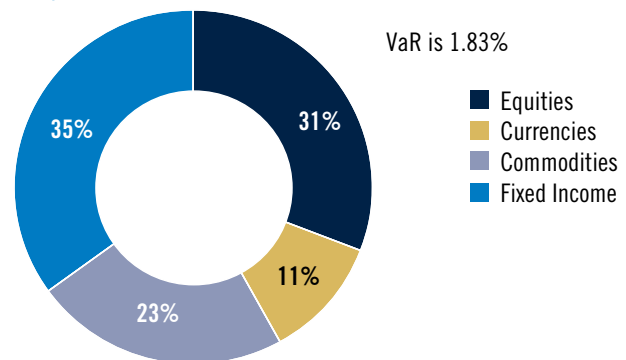
No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

Leverage by Asset Class



Source: PGIM Wadhvani. As of 31 December 2023.

Risk by Asset Class



Source: PGIM Wadhvani. Risk is measured as the monthly average VaR (95%, 1 Day). Diversification benefit not represented. Holdings are subject to change.

Net Performance Attribution

(1 Jan 2023 to 31 Dec 2023)

Asset Class	Net YTD
Equities	-6.88%
Fixed Income	-3.25%
Currencies	-0.29%
Commodities	1.53%
Total	-8.89%
Style	Net YTD
Directional	-5.73%
Relative Value	-3.17%
Total	-8.89%

Source: PGIM Wadhvani. This attribution decomposes total net returns, including cash interest, less fees and expenses. Holdings-based analysis is used to illustrate significant performance drivers and is not intended to be a formal accounting of returns. Holdings are subject to change. Totals may not add up due to rounding. Returns are presented in USD and net of fees based on the highest institutional fee available at a given point in time, which includes expenses and interest earned on cash balances. This fee is not applicable to all investors.

Year	Systematic Absolute Return Plus (Net)	SG Macro Trading (Quant) Index (%)	Net Alpha
2023 (1/1-31/12)	-8.89%	-2.37%	-652 bps
2022	18.64	7.43	+1,121
2021	10.11	0.69	+942
2020	1.68	-2.52	+420
2019	29.33	7.83	+2,150
2018	1.48	-1.33	+281
2017	15.08	3.10	+1,198
2016	0.17	1.74	-157
2015 (24/7-31/12)	-6.04	-2.69	-335

Annualized	YTD	1 Year	3 Year	5 Year	Since Inception ¹
Net Return (%)	-8.89	-8.89	5.98	9.37	6.64
SG Macro Trading (Quant) Index (%)	-2.37	-2.37	1.83	2.11	1.33
Alpha (bps)	-652	-652	+415	+726	+531

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year/YTD
2023	-2.57	-0.43	-3.15	-0.23	0.07	0.32	-1.16	-3.12	0.77	-0.29	-2.55	3.26	-8.89
2022	-1.67	1.96	5.42	3.95	0.43	5.22	-0.81	1.53	3.51	-1.07	-1.97	1.09	18.64
2021	0.09	5.46	0.73	2.32	0.54	-1.43	3.68	0.47	-3.76	3.83	-3.37	1.54	10.11
2020	2.33	-2.05	-5.43	-0.43	1.55	-0.62	4.02	2.68	-3.58	-1.90	2.81	2.77	1.68
2019	4.74	0.23	6.01	2.86	0.15	6.14	1.54	4.80	1.40	-0.97	1.50	-2.03	29.33
2018	7.80	-1.51	-0.32	-0.18	-0.05	-1.49	0.84	0.561	-0.84	-3.27	-0.34	0.66	1.48
2017	-0.31	4.45	0.00	2.08	2.64	-1.60	0.55	0.72	1.47	3.68	1.86	-1.23	15.08
2016	-0.52	0.34	0.79	-1.37	0.04	0.72	1.76	-0.56	0.47	-1.28	-2.98	2.87	0.17
2015							0.40	-4.12	-2.01	1.43	1.19	-2.95	-6.04

Past performance, including simulated past performance, is not a guarantee or reliable indicator of future results. Net Returns are presented in USD and net of fees based on the highest institutional fee available at a given point in time, which includes expenses and interest earned on cash balances. This fee is not applicable to all investors. Gross strategy returns include interest earned on cash balances, and are gross of fees and expenses.

¹The inception date for the SAR strategy is 24 July 2015. The performance from 1 August 2018 to 31 December 2023 shows the actual returns of the SAR Plus strategy as it was managed with a 10% Volatility version. For the periods of 24 July 2015 to 31 July 2018, the "Carve-Out Performance" is described below. Source: PGIM Wadhvani, Bloomberg.

Carve-Out Performance

- The performance from 24 July 2015 to 31 July 2018 shows the carve-out returns of the dynamic beta and relative value models that comprise the SAR strategy when such models were managed together (returns shaded in blue).
- In the creation of the carve-out, the performance of the models (as they were managed in other forms) has been:
 - adjusted to include actual expenses and management fees.
 - scaled by a fixed factor to achieve an annualised volatility target of 10% per annum: i.e. the volatility target of the SAR Plus. Note that the SAR strategy targeted a maximum 8.5% volatility at inception, and currently targets a 7% volatility.
- The SAR Plus form includes a relative value commodity model with a risk weighting of 2.4% at the inception of the strategy. The carve-out performance does not include returns from the relative value commodity model, as that model was not managed alongside the dynamic beta and relative value models prior to 1 August 2018. Given the current low risk weighting of the relative value commodity model within the SAR Plus model, the performance impact from the relative value commodity model has been modest and has not skewed strategy performance.
- The performance of the SAR Plus may differ slightly from the carve-out performance of the SAR strategy managed within a different form (from 24 July 2015 to 31 July 2018) because of regulatory constraints (e.g., holdings limits). There have been no adjustments to the carve-out performance to address these differences.
- Any use of the term **carve-out** is not intended to claim this as a GIPS compliant carve-out.

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For More Information Please Contact:

Cyrus Cottin +44 (0) 20 7663 3440 cyrus.cottin@pgim.com	Brad Zenz (415) 653-3205 brad.zenz@pgim.com	Kevin O'Rourke, CFA, CIAA (973) 367-5395 kevin.orourke@pgim.com	Kevin Ryan (973) 367-7264 kevin.ryan@pgim.com	Sean Borella (415) 653-3195 sean.borella@pgim.com	Jonathan Ryan (973) 802-6099 jonathan.ryan@pgim.com
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