

June 30, 2025

## Objective

Seeks to consistently outperform an investment grade credit index while maintaining a comparable level of risk

## Portfolio Managers

Josh Settle, CFA  
Jon Nelson, CFA  
Dave Frizzie, CFA  
Mark Redfearn, CFA  
Andrew Brunks, CFA  
Calvin Walker

## Benchmark

ICE BofA Custom Q1AQ Index

## Strategy Inception

January 1, 2001

## Strategy Assets

\$ 1,031.0M

There can be no assurance that any particular individual will be involved in the management of any portfolio for any period of time, if at all. Furthermore, there can be no assurance that any PPM professionals presented herein will remain with PPM or that past experience or performance of such professionals serves as an indicator of his or her performance.

The ICE BofA Custom Q1AQ Index is a product of ICE Data Indices, LLC and is used with permission. ICE © is a registered trademark of ICE Data Indices, LLC or its affiliates and BofA © is a registered trademark of Bank of America Corporation licensed by Bank of America Corporation and its affiliates ("BofA"), and may not be used without BofA's prior written approval. The index data referenced herein is the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its third party suppliers and has been licensed for use by PPM America, Inc. ICE Data and its Third Party Suppliers accept no liability in connection with the use of such index data or marks. See the prospectus for a full copy of the Disclaimer.

**Intended For Institutional Investors Only.**

# Investment Grade Credit Plus

## Highlights

- Invests primarily in US dollar-denominated investment grade corporate securities, and to a lesser extent, below investment grade corporate bonds, asset-backed securities (ABS) and sovereigns
- Focuses primarily on security selection, and to a lesser extent, sector selection and yield curve structure
- Typically invests in investment grade securities (BBB- and above); however, the strategy has flexibility to invest up to 20% in below investment grade securities at the time of purchase
- Targets a duration typically less than +/- 0.5 year of the Index

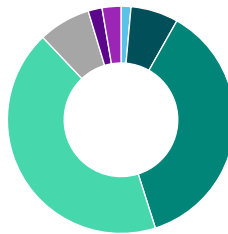
Performance (%)	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Composite (Gross)	2.50	4.99	8.37	6.27	2.08	4.17	5.84
Composite (Net)	2.42	4.83	8.02	5.90	1.73	3.82	5.48
ICE BofA Custom Q1AQ Index	2.42	4.90	8.21	5.63	1.64	3.72	5.27
Excess Return vs. Benchmark (Gross)	+0.08	+0.09	+0.17	+0.64	+0.45	+0.45	+0.57
Bloomberg US Credit Index (Supplementary Index)	1.82	4.22	6.83	4.19	0.12	2.79	4.69
Excess Return vs. Supplementary Index (Gross)	+0.68	+0.77	+1.54	+2.08	+1.96	+1.38	+1.15

## Risk Characteristics

Alpha (%)	0.10	0.58	0.43	0.47	0.49
Information Ratio	0.61	1.61	0.89	0.88	0.31
Sharpe Ratio	0.80	0.21	-0.11	0.34	0.62

Returns greater than one year are annualized. Inception: January 1, 2001. Please refer to the following page for additional results, notes and fee information, which are integral parts of this performance presentation. Past performance is no guarantee of future results. See section 5 on page 2 for a full benchmark description. Risk Characteristics based on gross performance. Calculated without the deduction of fees and expenses. Investments involve varying degrees of risk and may lose value.

## Credit Quality (%)

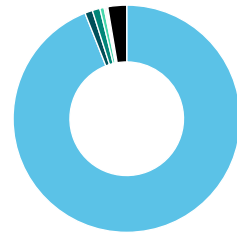


	Portfolio	Benchmark
AAA	1.50	0.60
AA	7.15	6.15
A	39.00	41.23
BBB	45.24	40.03
BB	7.84	7.19
B	2.09	4.80
Cash	-2.83	0.00

## Portfolio Characteristics

	Portfolio	Benchmark
Number of Issuers	370	2,464
Average Rating (Moody's/S&P)	Baa1/BBB+	Baa1/BBB+
Effective Duration (years)	5.68	5.47
OAS (bps)	124	107
Yield to Worst (%)	5.29	5.13

## Sector Positioning (%)



	Portfolio	Benchmark
Corporate	99.34	100.00
ABS	1.15	0.00
US Treasuries	1.15	0.00
Non-Agency CMBS	0.64	0.00
US Agency	0.23	0.00
Sovereign	0.21	0.00
Foreign Gov Related	0.11	0.00
Cash	-2.83	0.00

The positioning shown above is specific to that of a representative account of this strategy. This positioning is provided solely for informational purposes and could vary substantially from that of a separately managed account or other mandate. Unless otherwise indicated, the portfolio ratings calculations presented herein have been calculated using the same rating methodology as the portfolio's benchmark. Additional information is available upon request.

# Investment Grade Credit Plus

This fact sheet has been prepared solely for informational purposes and is not a recommendation, offer, or a solicitation of an offer, to buy, sell, or hold any security or instrument. Certain products and services may not be available in all jurisdictions or to all client types. No offer of any interest in any product will be made in any jurisdiction in which the offer, solicitation or sale is not permitted, or to any person to whom it is unlawful to make such offer, solicitation or sale.

## 1. Compliance Statement

PPM America, Inc. (PPM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. PPM has been independently verified for the periods 1 Dec 1992 through 31 Dec 2024. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

## 2. Firm Definition

Headquartered in Chicago, PPM was founded in 1990 and provides clients with investment solutions across markets, including public fixed income, private equity, and private debt. PPM is an affiliate of Jackson National Life Distributors LLC. PPM is an indirect, wholly owned subsidiary of Jackson Financial Inc. Jackson Financial Inc. is a publicly traded company. For purposes of GIPS, PPM includes all investment management activities of PPM with the exception of private equity assets as well as commercial mortgage loans and other non-security real estate investments. Private equity assets follow a distinct investment process and have been excluded since PPM's redefinition as of 1 Jan 2011. Commercial mortgage loans and other non-security real estate investments have been excluded since PPM's redefinition as of 30 Apr 2019 to address the merger of PPM and its affiliate, PPM Finance, Inc. which previously managed these assets. PPM Loan Management Company 2, LLC is an affiliate of PPM and the collateral manager for collateralized loan obligation transactions ("CLOs"). The performance results displayed herein represent the investment performance record for a composite of fixed income portfolios (Investment Grade Credit Plus Composite) managed by PPM. A list of all composite and pooled fund investment strategies offered by PPM, with a description of each strategy, is available upon request. Past performance is no guarantee of future results.

## 3. Description and Inclusion/Exclusion Policy of the Composite

The Investment Grade Credit Plus Composite includes all segregated and pooled portfolios invested primarily in US dollar-denominated investment grade corporate fixed income securities with flexibility to invest in other security types, including high yield securities US government securities, ABS, MBS, CMBS, REITS and corporate loans. Where client-specific investment guidelines allow, portfolios in the Investment Grade Credit Plus Composite can use derivative instruments to implement credit and duration management strategies with risk characteristics similar to the underlying corporate credit or Treasury securities. Composite creation and inception dates were 1 Jan 2001. Prior to 1 June 2024 the composite name was the Credit Composite.

## 4. Calculation Methodology

The Investment Grade Credit Plus Composite results are time-weighted rates of return net of commissions and transactions costs and have been presented both gross and net of investment advisory fees. The reporting currency is the US dollar. All rates of return presented are calculated gross of foreign withholding tax. PPM consistently values all portfolios each day on a trade-date basis and recognizes income on an accrual basis. Monthly returns are calculated by linking the daily returns through compounded multiplication. Monthly composite returns are calculated by weighting each portfolio's monthly return by its beginning market value

as a percent of the total composite beginning market value. Quarterly composite returns are calculated by linking the monthly composite returns through compounded multiplication. Annual returns are calculated by linking the monthly returns through compounded multiplication. Cumulative rates of return for multiyear periods are calculated by compounding the annual rates of return within such periods. The annualized rate of return is equivalent to the annual rate of return, which if earned in each year of the indicated multiyear period, would produce the actual cumulative rate of return over the time period. Gross monthly composite returns are calculated excluding all management and administrative fees. Net monthly returns are calculated by subtracting the highest monthly advisory fee rate, as reflected in the Model Fee Schedule on note 6, from the gross monthly composite return. Quarterly and annual net composite returns are calculated by linking the monthly net of fee returns as described previously. Fee rates used in the net of fee calculation may not represent actual fees incurred by all accounts in the composite. Standard deviation is a measure of variability, which is often used in the investment industry as an indicator of risk. The asset-weighted standard deviation of annual account gross returns within the composite is calculated from the measurements of variance from the asset-weighted mean annual account gross return. Assuming "normal" distribution of returns, plus or minus one standard deviation from the weighted mean return would encompass 68% of all possible outcomes. Only portfolios that have been managed for the full year are included in the standard deviation calculation for that year. The three-year annualized ex-post standard deviation measures the variability of the composite (using gross returns) and the benchmark returns over the preceding 36-month period. It is not required to be presented for annual periods prior to 2011 or when 36 monthly composite returns are not yet available. The internal dispersion of annual returns is measured by the asset-weighted deviation of the annual gross returns of those accounts in the composite for a full year. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

## 5. Comparison with Market Index

The ICE BofA Custom Q1AQ Index provides a custom measure of investment grade and below investment grade corporate bonds. The blend is based on an 88% weighting to a custom subset of the ICE BofA US Corporate Bond Index and a 12% weighting to BB-B rated corporate debt. Within the bonds rated A to BBB, issuers must have \$250M or more total of par outstanding, further the majority must have a final term to maturity ranging 5-10 years. The BB-B issuers must have a remaining term to final maturity of 1-10 years, \$250M or more total of par outstanding and are subject to a 2% issuer cap. It excludes Tobacco and Controversial Weapons companies. Prior to 01/01/2021, the composite used the ICE BofA Custom H457 Index. Additional details regarding the custom index are available upon request. Benchmark returns are not covered by the report of independent verifiers. The returns for this unmanaged index do not include any management fees or other costs aside from transaction costs, which were incorporated into index returns beginning 1 July 2022.

## 6. Other

No alteration of the composite as presented has occurred because of changes in personnel or other related reasons at any time. Leverage has not been used in the portfolios included within the composite. No non-fee-paying portfolios are included in the composite. There has been no linkage with simulated portfolios. Net of fees returns are calculated using the Model Fee Schedule below. Historical model fees may have differed from current stated fees. Additional information is available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

## Model Fee Schedule for Investment Grade Credit Plus Accounts:

All Accounts 0.30%

Fees may be negotiated in lieu of the model fee schedule.

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
PPM America Rate of Return (%; Gross)	4.68	9.48	-12.80	-0.35	11.27	15.28	-2.55	7.44	8.65	-1.42
PPM America Rate of Return (%; Net)	4.32	9.09	-13.10	-0.69	10.88	14.88	-2.88	7.12	8.33	-1.75
ICE BofA Custom Q1AQ Index (%)	3.95	8.90	-12.97	-0.60	9.86	14.81	-2.39	6.61	7.70	-1.36
Composite Standard Deviation (%; 3Y Ann.)	8.39	7.98	8.87	6.94	7.03	3.53	3.64	3.81	4.18	4.31
Benchmark Standard Deviation (%; 3Y Ann.)	8.23	7.82	9.00	7.27	7.34	3.44	3.61	3.90	4.22	4.15
Number of Portfolios	5/Fewer	5/Fewer	5/Fewer	5/Fewer	6	5/Fewer	5/Fewer	5/Fewer	5/Fewer	5/Fewer
Asset WTD Standard Deviation					0.35					
Composite Assets (\$M)	1,787.6	5,427.4	8,072.5	10,149.7	14,159.2	13,711.2	13,784.7	12,424.6	10,689.4	10,982.2
Total Firm Assets (\$M)	61,510.7	59,846.3	58,553.9	66,885.4	92,580.1	115,467.0	104,649.3	99,963.3	97,924.0	96,842.2