

# Pioneer Diversified High Income Fund, Inc.

Annual Report | April 30, 2024

Ticker Symbol: HNW

visit us: [www.amundi.com/us](http://www.amundi.com/us)

## Table of Contents

---

Portfolio Management Discussion	2
Portfolio Summary	11
Prices and Distributions	12
Performance Update	13
Schedule of Investments	15
Financial Statements	44
Notes to Financial Statements	50
Report of Independent Registered Public Accounting Firm	72
Additional Information (unaudited)	74
Investment Objectives, Principal Investment Strategies and Principal Risks	77
Effects of Leverage	115
Directors, Officers and Service Providers	117

# Portfolio Management Discussion |

## 4/30/24

*In the following interview, Andrew Feltus, Jonathan Sharkey, Chin Liu, and Lawrence Zeno discuss the factors that affected the performance of Pioneer Diversified High Income Fund, Inc. during the 12-month period ended April 30, 2024. Mr. Feltus, Managing Director, Co-Director of High Yield, and a portfolio manager at Amundi Asset Management US, Inc. (Amundi US), Mr. Sharkey, a senior vice president and a portfolio manager at Amundi US, Mr. Liu, Managing Director, Director of Insurance-Linked Securities (ILS) and Fixed-Income Solutions, and a portfolio manager at Amundi US, and Mr. Zeno, a vice president and a portfolio manager at Amundi US, are responsible for the day-to-day management of the Fund.*

### **Q How did the Fund perform during the 12-month period ended April 30, 2024?**

**A** Pioneer Diversified High Income Fund, Inc. returned 17.95% at net asset value (NAV) and 26.38% at market price during the 12-month period ended April 30, 2024. During the same 12-month period, the Fund's composite benchmark returned 10.25% at NAV. The Fund's composite benchmark is based on equal weights of the ICE Bank of America (ICE BofA) Global High Yield and Crossover Country Corporate and Government Index and the Morningstar/Loan Syndications & Trading Association (Morningstar/LSTA) Leveraged Loan Index.

Individually, during the 12-month period ended April 30, 2024, the ICE BofA Global High Yield and Crossover Country Corporate and Government Index returned 8.44%, and the Morningstar/LSTA Leveraged Loan Index returned 11.97%. Unlike the Fund, the composite benchmark and its component indices do not use leverage. While the use of leverage increases investment opportunity, it also increases investment risk.

During the same 12-month period, the average return at NAV of the 39 closed end funds in Morningstar's High Yield Bond Closed End Funds category (which may or may not be leveraged) was 16.69%, while the same closed end fund Morningstar category's average return at market price was 26.57%.

The shares of the Fund were selling at an 8.47% discount to NAV on April 30, 2024. Comparatively, the Fund's shares were selling at a discount to NAV of 14.58% on April 30, 2023.

On April 30, 2024, the standardized 30-day SEC yield of the Fund's shares was 6.79%\*.

**Q Which of the Fund's investment strategies contributed positively to the Fund's benchmark-relative performance during the 12-month period?**

**A** The Fund is leveraged, which proved additive to benchmark-relative returns during the 12-month period, driven by the market's positive performance during the period. High yield corporate bonds benefitted from a positive rally at the end of 2023. In sector terms, the Fund's overweight allocations to the energy, transportation, insurance and financial services sectors contributed positively to the Fund's returns during the 12-month period. Finally, the Fund's returns benefitted from out-of-benchmark allocations to securitized assets, insurance-linked securities, and floating rate bank loans, as returns experienced by the Fund's holdings within those categories exceeded those of the broader high yield corporate bond market during the 12-month period.

The Fund's allocation to insurance-linked securities (ILS) aided the Fund's benchmark-relative performance during the 12-month period. One of the main value propositions of ILS, in our view, continues to be that the sources of risk and return for the asset class have remained structurally uncorrelated to the performance of the vast majority of other asset classes. That characteristic was a factor in the positive performance for ILS during the 12-month period, especially when considering the volatility experienced in the markets for nearly all of the more traditional asset classes. ILS investments have tended to feature shorter-term maturities and floating interest rates, and, as a result, they have often benefitted from rising short-term rates.

The loan market experienced strong performance over the past 12 months, driven by demand for loans generated from strong collateralized loan obligation (CLO) creation in the first half of 2024. The overall loan market has shrunk, with some borrowers getting refinanced into the bond market. Due to higher interest

\* The 30-day SEC yield is a standardized formula that is based on the hypothetical annualized earning power (investment income only) of the Fund's portfolio securities during the period indicated.

costs, the net new issue market has remained slow as less merger and acquisition and leveraged buyout activity has occurred compared to previous years. The loan asset class outperformed high yield and investment grade corporate securities during this period.

In terms of the Fund's portfolio, we only modestly added 0.01% of loans during the period given high loan premiums that were in the market with no call protection. We instead sought floating rate exposure for the Fund through investments in ILS (increased 0.04%), which did not have the same market premiums as floating rate loans during the period.

At the end of the 12-month period, 4.31% of the Fund's portfolio represented investments in loans, which contributed 51 Basis Points (bps) to the Fund's benchmark relative performance during the period. One loan investment that contributed positively to benchmark relative performance during the period was US Renal, a highly leveraged dialysis provider which suffered from the effects of COVID-19, but was able to restructure its balance sheet, leading to a large rebound in the market price of its loan during the period.

Securitized assets are comprised of commercial mortgage-backed securities (CMBS), asset-backed securities (ABS) (including CLOs) and Non-Agency residential mortgage-backed securities (RMBS). The Fund's out of benchmark allocation to securitized assets returned over 17% for the period, and the asset class was one of the top performing asset classes in the Fund's portfolio. Within the group, the Fund's allocation to RMBS was the top performer, returning over 29% during the period, followed by the Fund's allocation to ABS, which returned 23% during the period. The CMBS sector trailed behind the other securitized sectors, but still delivered returns over 12%. Housing has remained resilient, as supply has been constrained in the current higher rate environment, mitigating potential losses. Troubled borrowers can easily sell their homes to avoid default. The Fund's allocation to the ABS sector, comprised largely of auto loan securitizations, and the Fund's allocation to the CLO sector both performed well, as defaults increased slightly but remain low in historical terms.

**Q Which investment strategies detracted from the Fund's benchmark-relative performance results during the 12-month period ended April 30, 2024?**

**A** A key detractor from the Fund's benchmark relative performance during the 12-month period was a bank loan to Instant Brands, a multichannel manufacturer for kitchen products like Pyrex and Corningware. Instant Brands filed for bankruptcy after not recovering from multiple supply issues during and post the COVID-19 pandemic.

**Q Did the Fund's distributions\*\* to stockholders change during the 12-month period ended April 30, 2024?**

**A** The Fund maintained a consistent monthly distribution rate of \$0.0900 per share/per month throughout the entire 12-month period.

**Q How did the level of leverage in the Fund change during the 12-month period ended April 30, 2024?**

**A** The Fund employs leverage through a credit agreement. As of April 30, 2024, 28.4% of the Fund's total managed assets were financed by leverage, or borrowed funds, compared with 30.3% of the Fund's total managed assets financed by leverage at the start of the 12-month period on May 1, 2023. During the 12-month period, the Fund decreased the absolute amount of funds borrowed by a total of \$1.3 million, to \$41.3 million as of April 30, 2024. The change in the percentage of the Fund's total managed assets financed by leverage during the 12-month period was the result of an increase in the value of the Fund's total managed assets relative to the absolute amount of funds borrowed. The interest rate on the Fund's leverage increased by 74 basis points from April 30, 2023 to April 30, 2024.

**Q Did the Fund have any exposure to derivatives during the 12-month period ended April 30, 2024?**

**A** We invested the portfolio in forward foreign currency contracts (currency forwards) during the period, as part of our efforts to help manage the risk associated with the Fund's exposure to foreign currencies. The currency forwards had a positive effect on

\*\* Distributions are not guaranteed.

the Fund's benchmark-relative results, given the decline in the euro relative to the US dollar over the 12-month period. In addition, the Fund's limited exposure to U.S. treasury futures and currency options had a negligible effect on benchmark-relative performance.

**Q What is your investment outlook, and how is the Fund positioned heading into its new fiscal year?**

**A** While the US economy has held up better than we expected, we still have concerns. The main driver of growth was continued good employment conditions, fiscal easing and strong immigration. Despite that, company results have deteriorated, particularly for the small and medium-size companies that are typical of the high yield market. Economy wide, profits are down about 10% year on year. Default rates rose to 5.8% in the first quarter, above the long term average.

The Federal Reserve Board has held rates steady since last July, but indications from money supply, the yield curve and banks' willingness to lend, all point to continued tightness in monetary conditions. Market conditions have offset this to a certain extent, although the cost of funding for companies continues to rise. With less fiscal support going forward, we believe this could start to degrade credit quality.

We do not believe that the high yield market will perform as poorly as it has historically performed in a recession. First, credit quality is higher than it has been historically, with more BB (higher quality) and fewer CCC (lower quality) credits. Secondly, issuance has been focused on refinancing debt, rather than adding debt for acquisitions or other purposes.

The very tight levels of corporate spreads is a concern. Yields have risen, but spreads are in the tightest decile historically. Current yields pricing in defaults falling back to non-recessionary levels (2-3%) versus the above average levels we are currently experiencing. We expect defaults to fall, but do not expect them to fall that much until profits recover across the economy. We have sought to reduce the Fund's risk profile relative to recent periods. This may allow us to add risk to the Fund's portfolio if the market sells off to levels that price in some margin of error. The Fund's allocation to US high yield securities was reduced by



approximately 5% during the year, as we added exposure to the Fund's portfolio to emerging markets securities, which had lagged the broader markets. In addition, we increased the exposure to CAT bonds during the period.

Our caution continues in the CMBS market, particularly in the office sector. The sector must be delineated between the haves and have nots of the sector. While older sub-standard buildings are struggling to retain and attract tenants, much of the newer stock has attracted tenants that are willing to pay up for the newest product on the block. Offices built since 2010 have had positive absorption over the past year. Older non-renovated buildings have seen their values plummet over the past year and will continue to struggle to re-finance. We believe there will be more pain to come in the office sector as loans come up to their maturity dates. Other commercial real estate sectors are down in value, but we believe, with some exceptions, will escape the pain of the office sector. The RMBS sector remains strong from a credit perspective. Housing values are still hanging on to most of their post pandemic gains and few would walk away from the built up equity. We do not expect this to change over the near to medium term as housing supply remains an issue. We expect the ABS and CLO sectors to weaken, as consumer and corporate balance sheets weaken in a slower economy, but not to the point of breaking. Auto deals have performed well as residual car values have remained healthy, and we do not expect corporate defaults to pierce through credit enhancement on the CLOs held by the Fund. The Fund's allocation to the CLO sector relies on a security-specific selection process versus allocation decisions, but has remained relatively steady over the last couple of years.

Over the near-term, we believe loans could continue to provide attractive yields relative to many other fixed income assets under the "higher for longer" theme. Earnings growth for loan borrowers continued, albeit at a lower pace than we saw 12 months ago. That, with the combination of significant repricings in the market that have reduced some borrowers' credit spreads between 35-50 bps on average, has allowed interest coverage ratios to reach the bottom. Default rates, albeit at 12 month highs, are below prior peaks, and we anticipate them to continue to improve. The maturity wall has been pushed out

during the refinancing wave we have seen starting at the end of 2023 and into the first half of 2024. We still remain cautious on the low single B rated segment of the loan market which we believe has the least amount of flexibility if a recession does occur in the second half of 2024 or the first half of 2025.

With respect to ILS, the rate-on-line (premium) for private insurance-linked securities formats and the event-linked (catastrophe) bond market spread remain elevated and provide attractive total yield potential. The majority of the calendar year return stream in the ILS marketplace has tended to occur in the second half of the year, driven by seasonality (in years with normal loss activity, historically around 60% to 70% of the annual return). Of course, past performance is no guarantee of future results.

**Please refer to the Schedule of Investments on pages 15 - 43 for a full listing of Fund securities.**

All investments are subject to risk, including the possible loss of principal. In the past several years, financial markets have experienced increased volatility and heightened uncertainty. The market prices of securities may go up or down, sometimes rapidly or unpredictably, due to general market conditions, such as real or perceived adverse economic, political, or regulatory conditions, recessions, inflation, changes in interest or currency rates, lack of liquidity in the bond markets, the spread of infectious illness or other public health issues, armed conflict including Russia's military invasion of Ukraine, sanctions against Russia, other nations or individuals or companies and possible counter measures, market disruptions caused by tariffs, trade disputes or other government actions, or adverse investor sentiment. These conditions may continue, recur, worsen or spread.

Until recently, a commonly used reference rate for floating rate securities was LIBOR (London Interbank Offered Rate). Publication of most LIBOR settings has ceased on a representative basis. The impact of the transition from LIBOR on the Fund's transactions and financial markets generally cannot yet be determined.

Investments in high-yield or lower-rated securities are subject to greater-than-average risk. The Fund may invest in securities of issuers that are in default or that are in bankruptcy.

Investing in foreign and/or emerging markets securities involves risks relating to interest rates, currency exchange rates, economic, and political conditions, which could increase volatility. These risks are magnified in emerging markets.

When interest rates rise, the prices of debt securities held by the Fund will generally fall. Conversely, when interest rates fall the prices of debt securities held by the Fund generally will rise. A general rise in interest rates could adversely affect the price and liquidity of fixed-income securities.

Investments held by the Fund are subject to possible loss due to the financial failure of the issuers of the underlying securities and the issuers' inability to meet their debt obligations.

The Fund invests a significant amount of its total assets in illiquid securities. Illiquid securities may be difficult to dispose of at a price reflective of their value at the times when the Fund believes it is desirable to do so and the market price of illiquid securities is generally more volatile than that of more liquid securities. Illiquid securities also are more difficult to value, and investment of the Fund's assets in illiquid securities may restrict the Fund's ability to take advantage of market opportunities.

**The Fund is authorized to borrow from banks and issue debt securities, which are forms of leverage. The Fund currently employs leverage through a credit agreement. Leverage creates significant risks, including the risk that the Fund's incremental income or capital appreciation for investments purchased with the proceeds of leverage will not be sufficient to cover the cost of the leverage, which may adversely affect the return for stockholders.**

**The Fund is required to maintain certain regulatory and other asset coverage requirements in connection with the use of leverage. In order to maintain required asset coverage levels, the Fund may be required to reduce the amount of leverage employed, alter the composition of the Fund's investment portfolio or take other actions at what might be inopportune times in the market. Such actions could reduce the net earnings or returns to stockholders over time, which is likely to result in a decrease in the market value of the Fund's shares.**

**Certain securities in which the Fund invests, including floating rate loans, once sold, may not settle for an extended period (for example, several weeks or even longer). The Fund will not receive its sale proceeds until that time, which may constrain the Fund's ability to meet its obligations.**

**The Fund may invest in insurance-linked securities. The return of principal and the payment of interest and/or dividends on insurance-linked securities are contingent on the non-occurrence of a predefined "trigger" event, such as a hurricane or an earthquake of a specific magnitude.**

**These risks may increase share price volatility.**

**Any information in this stockholder report regarding market or economic trends or the factors influencing the Fund's historical or future performance are statements of opinion as of the date of this report. Past performance is no guarantee of future results.**

# Portfolio Summary | 4/30/24

## Portfolio Diversification

(As a percentage of total investments)\*

Corporate Bonds	61.2%	Convertible Corporate Bonds	1.5%
Insurance-Linked Securities	19.1%	Foreign Government Bonds	0.7%
Commercial Mortgage-Backed Securities	7.7%	Common Stocks	0.4%
Senior Secured Floating Rate Loan Interests	4.5%	Preferred Stock	0.0%†
Asset Backed Securities	2.9%	Right/Warrant	0.0%†
Collateralized Mortgage Obligations	2.0%		

## 10 Largest Holdings

(As a percentage of total investments)\*

1. Liberty Mutual Insurance Co., 7.697%, 10/15/97 (144A)	3.06%
2. ABRA Global Finance, 11.50% (5.50% PIK or 6.00% Cash), 3/2/28 (144A)	1.34
3. Hercules LLC, 6.50%, 6/30/29	1.34
4. Grupo Aeromexico SAB de CV, 8.50%, 3/17/27 (144A)	1.03
5. Indiabulls Housing Finance, Ltd., 9.70%, 7/3/27 (144A)	0.99
6. Energean Plc, 6.50%, 4/30/27 (144A)	0.97
7. Gol Finance S.A., 15.813% (1 Month Term SOFR + 1,050 bps), 1/29/25 (144A)	0.89
8. US Acute Care Solutions LLC, 6.375%, 3/1/26 (144A)	0.86
9. First Quantum Minerals, Ltd., 8.625%, 6/1/31 (144A)	0.85
10. Aethon United BR LP/Aethon United Finance Corp., 8.25%, 2/15/26 (144A)	0.81

\* Excludes short-term investments and all derivative contracts except for options purchased. The Fund is actively managed, and current holdings may be different. The holdings listed should not be considered recommendations to buy or sell any securities.

† Amount rounds to less than 0.1%.

## Prices and Distributions | 4/30/24

### Market Value per Share<sup>^</sup>

	4/30/24	4/30/23
Market Value	\$11.45	\$ 10.02
Discount	(8.47)%	(14.58)%

### Net Asset Value per Share<sup>^</sup>

	4/30/24	4/30/23
Net Asset Value	\$12.51	\$11.73

### Distributions per Share

	Net Investment Income	Short-Term Capital Gains	Long-Term Capital Gains
5/1/23 - 4/30/24	\$1.0800	\$—	\$—

### Yields

	4/30/24	4/30/23
30-Day SEC Yield	6.79%	12.70%

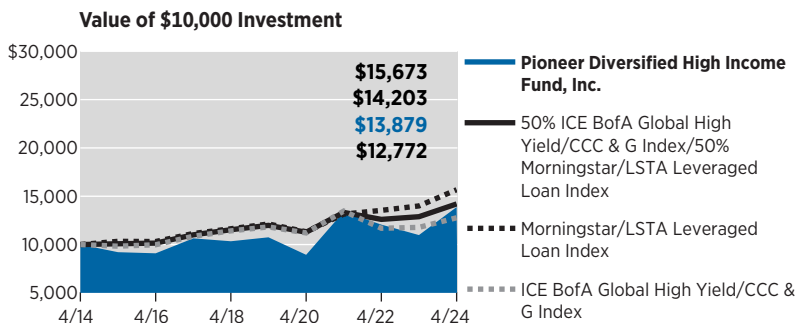
The data shown above represents past performance, which is no guarantee of future results.

<sup>^</sup> Net asset value and market value are published daily on the Fund's website at [www.amundi.com/us](http://www.amundi.com/us).

# Performance Update | 4/30/24

## Investment Returns

The mountain chart below shows the change in market value, including reinvestment of dividends and distributions, of a \$10,000 investment made in common shares of Pioneer Diversified High Income Fund, Inc. during the periods shown, compared to that of the (50%/50%) ICE BofA Global High Yield & Crossover Country Corporate & Government Index (Global High Yield/CCC & G Index) and Morningstar/LSTA Leveraged Loan Index benchmark, and the two indices that comprise the composite benchmark.



### Average Annual Total Return

(As of April 30, 2024)

Period	Net Asset Value (NAV)	Market Price	50% ICE BofA Global High Yield/CCC & G Index/50% Morningstar/LSTA Leveraged Loan Index	Morningstar/LSTA Leveraged Loan Index	ICE BofA Global High Yield/CCC & G Index
10 Years	4.67%	3.33%	3.57%	4.60%	2.48%
5 Years	4.65	5.25	3.45	5.26	1.56
1 Year	17.95	26.38	10.25	11.97	8.44

Call 1-800-710-0935 or visit [www.amundi.com/us](http://www.amundi.com/us) for the most recent month-end performance results. Current performance may be lower or higher than the performance data quoted.

Performance data shown represents past performance. Past performance is no guarantee of future results. Investment return and market price will fluctuate, and your shares may trade below NAV due to such factors as interest rate changes and the perceived credit quality of borrowers.

(Please see the following page for additional performance and expense disclosure.)

Total investment return does not reflect broker sales charges or commissions. All performance is for common shares of the Fund.

Shares of closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and, once issued, shares of closed-end funds are bought and sold in the open market through a stock exchange and frequently trade at prices lower than their NAV. NAV per common share is total assets less total liabilities, which include preferred shares or borrowings, as applicable, divided by the number of common shares outstanding.

## Performance Update | 4/30/24

When NAV is lower than market price, dividends are assumed to be reinvested at the greater of NAV or 95% of the market price. When NAV is higher, dividends are assumed to be reinvested at prices obtained through open-market purchases under the Fund's dividend reinvestment plan.

The performance table and graph do not reflect the deduction of fees and taxes that a stockholder would pay on Fund distributions or the sale of Fund shares. Had these fees and taxes been reflected, performance would have been lower.

The ICE BofA GHY/CCC & G Index is an unmanaged index that tracks the performance of the below-and border-line investment-grade global debt markets denominated in the major developed market currencies. The Index includes sovereign issuers rated BBB1 and lower along with corporate issues rated BB1 and lower. There are no restrictions on issuer country of domicile. The Morningstar/LSTA Leveraged Loan Index provides broad and comprehensive total return metrics of the U.S. universe of syndicated term loans.

Index returns are calculated monthly, assume reinvestment of dividends and do not reflect any fees, expenses or sales charges. **The indices do not use leverage. It is not possible to invest directly in an index.**



## Schedule of Investments | 4/30/24

Principal Amount USD (\$)		Value
	<b>UNAFFILIATED ISSUERS — 138.3%</b>	
	<b>SENIOR SECURED FLOATING RATE LOAN INTERESTS — 6.2% of Net Assets*(a)</b>	
	<b>Auto Parts &amp; Equipment — 0.8%</b>	
193,567	First Brands Group LLC, 2022-II First Lien Incremental Term Loan, 10.591% (Term SOFR + 500 bps), 3/30/27	\$ 185,743
694,629	First Brands Group LLC, First Lien 2021 Term Loan, 10.591% (Term SOFR + 500 bps), 3/30/27	666,670
	<b>Total Auto Parts &amp; Equipment</b>	<b>\$ 852,413</b>
	<b>Auto Repair Centers — 0.5%</b>	
475,000	Champions Holdco, Inc., Initial Term Loan, 10.072% (Term SOFR + 475 bps), 2/23/29	\$ 477,152
	<b>Total Auto Repair Centers</b>	<b>\$ 477,152</b>
	<b>Building &amp; Construction — 0.5%</b>	
498,715	Service Logic Acquisition, Inc., First Lien Closing Date Initial Term Loan, 9.43% (Term SOFR + 400 bps), 10/29/27	\$ 500,585
	<b>Total Building &amp; Construction</b>	<b>\$ 500,585</b>
	<b>Chemicals-Diversified — 0.8%</b>	
400,000	Ineos Quattro Holdings UK Ltd., 2029 Tranche B Dollar Term Loan, 9.666% (Term SOFR + 425 bps), 4/2/29	\$ 399,500
397,684	LSF11 A5 Holdco LLC, Fourth Amendment Incremental Term Loan, 9.665% (Term SOFR + 425 bps), 10/15/28	399,051
	<b>Total Chemicals-Diversified</b>	<b>\$ 798,551</b>
	<b>Chemicals-Specialty — 0.2%</b>	
168,750	Mativ Holdings, Inc., Term B Loan, 9.18% (Term SOFR + 375 bps), 4/20/28	\$ 168,750
	<b>Total Chemicals-Specialty</b>	<b>\$ 168,750</b>
	<b>Commercial Services — 0.4%</b>	
385,000	DS Parent, Inc., Term Loan B, 10.798% (Term SOFR + 550 bps), 1/31/31	\$ 382,594
	<b>Total Commercial Services</b>	<b>\$ 382,594</b>
	<b>Containers-Paper &amp; Plastic — 0.3%</b>	
355,000(b)	LC Ahab US Bidco LLC, Term Loan B, 4/11/31	\$ 356,331
	<b>Total Containers-Paper &amp; Plastic</b>	<b>\$ 356,331</b>

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Principal Amount USD (\$)		Value
	<b>Dialysis Centers — 0.4%</b>	
405,993	U.S. Renal Care, Inc., Closing Date Term Loan, 10.316% (Term SOFR + 500 bps), 6/20/28	\$ 365,055
	<b>Total Dialysis Centers</b>	<b>\$ 365,055</b>
	<b>Distribution &amp; Wholesale — 0.3%</b>	
310,939	Windsor Holdings III LLC, 2024 Dollar Refinancing Term B Loan, 9.319% (Term SOFR + 400 bps), 8/1/30	\$ 314,016
	<b>Total Distribution &amp; Wholesale</b>	<b>\$ 314,016</b>
	<b>Electric-Generation — 0.3%</b>	
303,172	Generation Bridge Northeast LLC, Term Loan B, 8.816% (Term SOFR + 350 bps), 8/22/29	\$ 305,067
	<b>Total Electric-Generation</b>	<b>\$ 305,067</b>
	<b>Electronic Composition — 0.1%</b>	
121,639	Natel Engineering Co., Inc., Initial Term Loan, 11.693% (Term SOFR + 625 bps), 4/30/26	\$ 107,042
	<b>Total Electronic Composition</b>	<b>\$ 107,042</b>
	<b>Medical Information Systems — 0.3%</b>	
325,000	Waystar Technologies, Inc., First Lien 2024 Initial Term Loan, 9.316% (Term SOFR + 400 bps), 10/22/29	\$ 327,234
	<b>Total Medical Information Systems</b>	<b>\$ 327,234</b>
	<b>Medical-Drugs — 0.5%</b>	
165,000(b)	Endo Luxembourg Finance Company I S.a r.l., Term Loan B, 4/9/31	\$ 164,768
405,000	Financiere Mendel, Facility B, 9.564% (Term SOFR + 425 bps), 11/12/30	408,164
	<b>Total Medical-Drugs</b>	<b>\$ 572,932</b>
	<b>Physical Practice Management — 0.1%</b>	
149,633	Team Health Holdings, Inc., Extended Term Loan, 10.566% (Term SOFR + 525 bps), 3/2/27	\$ 131,790
	<b>Total Physical Practice Management</b>	<b>\$ 131,790</b>
	<b>Pipelines — 0.1%</b>	
149,242	M6 ETX Holdings II MidCo LLC, Initial Term Loan, 9.916% (Term SOFR + 450 bps), 9/19/29	\$ 149,674
	<b>Total Pipelines</b>	<b>\$ 149,674</b>

The accompanying notes are an integral part of these financial statements.

Principal Amount USD (\$)		Value
	<b>Recreational Centers — 0.5%</b>	
541,703	Fitness International LLC, Term B Loan, 10.58% (Term SOFR + 525 bps), 2/12/29	\$ 536,286
	<b>Total Recreational Centers</b>	<b>\$ 536,286</b>
	<b>Schools — 0.1%</b>	
99,248	Fugue Finance LLC, Existing Term Loan, 9.343% (Term SOFR + 400 bps), 1/31/28	\$ 99,737
	<b>Total Schools</b>	<b>\$ 99,737</b>
	<b>TOTAL SENIOR SECURED FLOATING RATE LOAN INTERESTS</b> (Cost \$6,457,111)	<b>\$ 6,445,209</b>
<b>Shares</b>		
	<b>COMMON STOCKS — 0.5% of Net Assets</b>	
	<b>Communications Equipment — 0.0%†</b>	
16,729+	Digicel International Finance Ltd.	\$ 50,188
	<b>Total Communications Equipment</b>	<b>\$ 50,188</b>
	<b>Diversified Telecommunication Services — 0.0%†</b>	
441,379	Atento S.A.	\$ 13
	<b>Total Diversified Telecommunication Services</b>	<b>\$ 13</b>
	<b>Household Durables — 0.0%†</b>	
89,094(c)	Desarrolladora Homex SAB de CV	\$ 62
	<b>Total Household Durables</b>	<b>\$ 62</b>
	<b>Oil, Gas &amp; Consumable Fuels — 0.0%†</b>	
6(c)	Amplify Energy Corp.	\$ 42
2,189	Petroquest Energy, Inc.	1,424
	<b>Total Oil, Gas &amp; Consumable Fuels</b>	<b>\$ 1,466</b>
	<b>Passenger Airlines — 0.4%</b>	
24,166(c)	Grupo Aeromexico SAB de CV	\$ 416,151
	<b>Total Passenger Airlines</b>	<b>\$ 416,151</b>
	<b>Pharmaceuticals — 0.1%</b>	
1,958(c)	Endo, Inc.	\$ 55,794
	<b>Total Pharmaceuticals</b>	<b>\$ 55,794</b>
	<b>TOTAL COMMON STOCKS</b> (Cost \$649,683)	<b>\$ 523,674</b>

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Principal Amount USD (\$)		Value
<b>ASSET BACKED SECURITIES — 4.0% of Net Assets</b>		
500,000	ACC Auto Trust, Series 2022-A, Class D, 10.07%, 3/15/29 (144A)	\$ 483,894
1,000,000	JPMorgan Chase Bank NA - CACLN, Series 2021-3, Class G, 9.812%, 2/26/29 (144A)	1,018,169
1,000,000(a)	MCF CLO VII LLC, Series 2017-3A, Class ER, 14.736% (3 Month Term SOFR + 941 bps), 7/20/33 (144A)	987,063
500,000(d)+	RMF Buyout Issuance Trust, Series 2022-HB1, Class M5, 4.50%, 4/25/32 (144A)	104,000
650,000	Santander Bank Auto Credit-Linked Notes, Series 2022-A, Class E, 12.662%, 5/15/32 (144A)	697,899
850,000	Santander Bank Auto Credit-Linked Notes, Series 2023-B, Class F, 12.24%, 12/15/33 (144A)	869,649
<b>TOTAL ASSET BACKED SECURITIES</b>		<b>\$ 4,160,674</b>
(Cost \$4,410,705)		
<b>COLLATERALIZED MORTGAGE OBLIGATIONS—2.8% of Net Assets</b>		
330,000(a)	Connecticut Avenue Securities Trust, Series 2021-R01, Class 1B2, 11.33% (SOFR30A + 600 bps), 10/25/41 (144A)	\$ 346,211
14,421(a)	DSL A Mortgage Loan Trust, Series 2005-AR6, Class 2A1C, 6.273% (1 Month Term SOFR + 95 bps), 10/19/45	13,030
100,000(a)	Fannie Mae Connecticut Avenue Securities, Series 2021-R02, Class 2B2, 11.53% (SOFR30A + 620 bps), 11/25/41 (144A)	105,125
200,000(a)	Freddie Mac STACR REMIC Trust, Series 2021-DNA7, Class B2, 13.13% (SOFR30A + 780 bps), 11/25/41 (144A)	217,134
450,000(a)	Freddie Mac STACR REMIC Trust, Series 2021-HQA3, Class B2, 11.58% (SOFR30A + 625 bps), 9/25/41 (144A)	470,679
280,000(a)	Freddie Mac STACR REMIC Trust, Series 2022-DNA2, Class B2, 13.83% (SOFR30A + 850 bps), 2/25/42 (144A)	309,994
545,000(a)	Freddie Mac STACR Trust, Series 2019-DNA3, Class B2, 13.595% (SOFR30A + 826 bps), 7/25/49 (144A)	625,491

The accompanying notes are an integral part of these financial statements.

Principal Amount USD (\$)		Value
	<b>COLLATERALIZED MORTGAGE OBLIGATIONS—(continued)</b>	
17,956	Global Mortgage Securitization, Ltd., Series 2004-A, Class B1, 5.25%, 11/25/32 (144A)	\$ 7,901
640,000(a)	STACR Trust, Series 2018-HRP2, Class B2, 15.945% (SOFR30A + 1,061 bps), 2/25/47 (144A)	788,125
	<b>TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS</b> (Cost \$2,629,802)	<b>\$ 2,883,690</b>
	<b>COMMERCIAL MORTGAGE-BACKED SECURITIES—10.6% of Net Assets</b>	
1,000,000(d)	Benchmark Mortgage Trust, Series 2020-B18, Class AGNG, 4.535%, 7/15/53 (144A)	\$ 885,096
500,000(a)	BPR Trust, Series 2021-WILL, Class E, 12.185% (1 Month Term SOFR + 686 bps), 6/15/38 (144A)	480,207
631,665(a)	BX Trust, Series 2022-PSB, Class F, 12.654% (1 Month Term SOFR + 733 bps), 8/15/39 (144A)	628,057
960,000(a)	Capital Funding Mortgage Trust, Series 2021-19, Class B, 20.54% (1 Month Term SOFR + 1,521 bps), 10/27/24 (144A)	954,847
7,010,721(d)(e)	CD Mortgage Trust, Series 2016-CD1, Class XA, 1.495%, 8/10/49	140,268
286,682(d)(e)	Citigroup Commercial Mortgage Trust, Series 2014-GC23, Class XA, 0.966%, 7/10/47	5
19,732,575(d)(e)	COMM Mortgage Trust, Series 2015-LC21, Class XA, 0.763%, 7/10/48	89,014
750,000(a)	Freddie Mac Multifamily Structured Credit Risk, Series 2021-MN1, Class B1, 13.08% (SOFR30A + 775 bps), 1/25/51 (144A)	769,151
517,311(d)	FREMF Mortgage Trust, Series 2019-KJ24, Class B, 7.60%, 10/25/27 (144A)	471,882
1,000,000(a)	FREMF Mortgage Trust, Series 2019-KS12, Class C, 12.337% (SOFR30A + 701 bps), 8/25/29	957,860
111,356(a)	FREMF Mortgage Trust, Series 2020-KF74, Class C, 11.687% (SOFR30A + 636 bps), 1/25/27 (144A)	101,162
212,174(a)	FREMF Mortgage Trust, Series 2020-KF83, Class C, 14.437% (SOFR30A + 911 bps), 7/25/30 (144A)	199,467
1,000,000(f)	FREMF Mortgage Trust, Series 2021-KG05, Class C, 0.000%, 1/25/31 (144A)	527,109
12,330,471(e)	FREMF Mortgage Trust, Series 2021-KG05, Class X2A, 0.10%, 1/25/31 (144A)	59,290
1,000,000(e)	FREMF Mortgage Trust, Series 2021-KG05, Class X2B, 0.10%, 1/25/31 (144A)	4,540
3,314,481(d)(e)	GS Mortgage Securities Trust, Series 2014-GC24, Class XA, 0.797%, 9/10/47	174

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Principal Amount USD (\$)		Value
	<b>COMMERCIAL MORTGAGE-BACKED SECURITIES—(continued)</b>	
1,000,000(d)	HTL Commercial Mortgage Trust, Series 2024-T53, Class F, 11.927%, 5/10/39 (144A)	\$ 994,181
500,000(d)	JP Morgan Chase Commercial Mortgage Securities Trust, Series 2013-LC11, Class D, 4.297%, 4/15/46	226,786
6,394,290(d)(e)	JPMBB Commercial Mortgage Securities Trust, Series 2014-C24, Class XA, 0.959%, 11/15/47	4,041
5,784,548(d)(e)	Morgan Stanley Capital I Trust, Series 2016-UB12, Class XA, 0.785%, 12/15/49	75,928
740,161(a)	Multifamily Connecticut Avenue Securities Trust, Series 2020-01, Class M10, 9.195% (SOFR30A + 386 bps), 3/25/50 (144A)	729,063
900,000(d)	Natixis Commercial Mortgage Securities Trust, Series 2019-FAME, Class E, 4.544%, 8/15/36 (144A)	447,713
290,000	Palisades Center Trust, Series 2016-PLSD, Class A, 2.713%, 4/13/33 (144A)	181,250
204,047(d)	Velocity Commercial Capital Loan Trust, Series 2020-1, Class M5, 4.29%, 2/25/50 (144A)	159,470
1,100,000	Wells Fargo Commercial Mortgage Trust, Series 2015-C28, Class E, 3.00%, 5/15/48 (144A)	830,170
1,660,500(d)	Wells Fargo Commercial Mortgage Trust, Series 2015-C31, Class E, 4.747%, 11/15/48 (144A)	1,104,063
	<b>TOTAL COMMERCIAL MORTGAGE-BACKED SECURITIES</b> (Cost \$12,287,621)	<b>\$ 11,020,794</b>
	<b>CONVERTIBLE CORPORATE BONDS — 2.1% of Net Assets</b>	
	<b>Banks — 0.0%†</b>	
IDR 812,959,000	PT Bakrie & Brothers Tbk, 12/31/24	\$ 5,000
	<b>Total Banks</b>	<b>\$ 5,000</b>
	<b>Chemicals — 1.9%</b>	
1,900,000(g)	Hercules LLC, 6.50%, 6/30/29	\$ 1,928,275
	<b>Total Chemicals</b>	<b>\$ 1,928,275</b>
	<b>Entertainment — 0.2%</b>	
312,000(f)	DraftKings Holdings, Inc., 3/15/28	\$ 258,180
	<b>Total Entertainment</b>	<b>\$ 258,180</b>
	<b>TOTAL CONVERTIBLE CORPORATE BONDS</b> (Cost \$1,883,810)	<b>\$ 2,191,455</b>

The accompanying notes are an integral part of these financial statements.

Principal Amount USD (\$)		Value
	<b>CORPORATE BONDS — 84.6% of Net Assets</b>	
	<b>Advertising — 1.3%</b>	
645,000	Clear Channel Outdoor Holdings, Inc., 7.50%, 6/1/29 (144A)	\$ 519,758
535,000	Clear Channel Outdoor Holdings, Inc., 7.75%, 4/15/28 (144A)	453,607
400,000	Summer BC Bidco B LLC, 5.50%, 10/31/26 (144A)	382,019
	<b>Total Advertising</b>	<b>\$ 1,355,384</b>
	<b>Aerospace &amp; Defense — 0.6%</b>	
315,000	Spirit AeroSystems, Inc., 9.375%, 11/30/29 (144A)	\$ 340,679
242,000	Triumph Group, Inc., 9.00%, 3/15/28 (144A)	250,580
	<b>Total Aerospace &amp; Defense</b>	<b>\$ 591,259</b>
	<b>Agriculture — 1.1%</b>	
1,310,000	Frigorifico Concepcion S.A., 7.70%, 7/21/28 (144A)	\$ 1,141,786
	<b>Total Agriculture</b>	<b>\$ 1,141,786</b>
	<b>Airlines — 8.2%</b>	
2,137,472(h)	ABRA Global Finance, 11.50% (5.50% PIK or 6.00% Cash), 3/2/28 (144A)	\$ 1,935,010
430,000	Azul Secured Finance LLP, 11.93%, 8/28/28 (144A)	427,088
1,186,175(a)	Gol Finance S.A., 15.813% (1 Month Term SOFR + 1,050 bps), 1/29/25 (144A)	1,278,103
1,510,000	Grupo Aeromexico SAB de CV, 8.50%, 3/17/27 (144A)	1,480,538
285,000	Latam Airlines Group S.A., 13.375%, 10/15/29 (144A)	327,273
1,059,000	Pegasus Hava Tasimaciligi AS, 9.25%, 4/30/26 (144A)	1,081,451
EUR 700,000	Transportes Aereos Portugueses S.A., 5.625%, 12/2/24 (144A)	743,267
1,305,000	VistaJet Malta Finance Plc/Vista Management Holding, Inc., 6.375%, 2/1/30 (144A)	1,009,853
260,000	VistaJet Malta Finance Plc/Vista Management Holding, Inc., 9.50%, 6/1/28 (144A)	232,826
	<b>Total Airlines</b>	<b>\$ 8,515,409</b>
	<b>Auto Manufacturers — 0.4%</b>	
440,000	JB Poindexter & Co., Inc., 8.75%, 12/15/31 (144A)	\$ 449,578
	<b>Total Auto Manufacturers</b>	<b>\$ 449,578</b>
	<b>Banks — 3.6%</b>	
300,000(d)	Banco de Galicia y Buenos Aires SAU, 7.962% (5 Year CMT Index + 716 bps), 7/19/26 (144A)	\$ 297,750

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Principal Amount USD (\$)			Value
<b>Banks — (continued)</b>			
1,135,000(d)		Banco GNB Sudameris S.A., 7.50% (5 Year CMT Index + 666 bps), 4/16/31 (144A)	\$ 1,018,509
685,000(d)(i)		Banco Mercantil del Norte S.A., 8.375% (10 Year US Treasury Yield Curve Rate T Note Constant Maturity + 776 bps) (144A)	679,996
225,000(d)		Citizens Financial Group, Inc., 6.645% (SOFR + 233 bps), 4/25/35	225,629
155,000		Freedom Mortgage Corp., 12.25%, 10/1/30 (144A)	168,208
350,000(d)(i)		ING Groep NV, 6.50% (5 Year USD Swap Rate + 445 bps)	344,490
225,000(d)(i)		Intesa Sanpaolo S.p.A., 7.70% (5 Year USD Swap Rate + 546 bps) (144A)	223,024
865,000(d)(i)(j)		Sovcombank Via SovCom Capital DAC, 7.60% (5 Year CMT Index + 636 bps) (144A)	31,248
230,000(d)(i)		UBS Group AG, 9.25% (5 Year CMT Index + 476 bps) (144A)	252,422
490,000(d)(i)		Yapi ve Kredi Bankasi AS, 9.743% (5 Year CMT Index + 550 bps) (144A)	488,334
<b>Total Banks</b>			<b>\$ 3,729,610</b>
<b>Biotechnology — 0.3%</b>			
EUR	345,000	Cidron Aida Finco S.a.r.l., 5.00%, 4/1/28 (144A)	\$ 348,854
<b>Total Biotechnology</b>			<b>\$ 348,854</b>
<b>Building Materials — 1.2%</b>			
	846,000	AmeriTex HoldCo Intermediate LLC, 10.25%, 10/15/28 (144A)	\$ 891,160
	464,000	Cornerstone Building Brands, Inc., 6.125%, 1/15/29 (144A)	391,515
<b>Total Building Materials</b>			<b>\$ 1,282,675</b>
<b>Chemicals — 4.3%</b>			
EUR	420,000	Lune Holdings S.a.r.l., 5.625%, 11/15/28 (144A)	\$ 363,061
	300,000	LYB Finance Co. BV, 8.10%, 3/15/27 (144A)	315,379
	379,000	Mativ Holdings, Inc., 6.875%, 10/1/26 (144A)	373,614
	280,000	Olin Corp., 9.50%, 6/1/25 (144A)	287,880
EUR	580,000	Olympus Water US Holding Corp., 9.625%, 11/15/28 (144A)	657,937
	985,000	Olympus Water US Holding Corp., 9.75%, 11/15/28 (144A)	1,045,202
	920,000	Rain Carbon, Inc., 12.25%, 9/1/29 (144A)	958,081
EUR	420,000	SCIL IV LLC/SCIL USA Holdings LLC, 9.50%, 7/15/28 (144A)	485,158
<b>Total Chemicals</b>			<b>\$ 4,486,312</b>

The accompanying notes are an integral part of these financial statements.



Principal Amount USD (\$)		Value
<b>Commercial Services — 4.2%</b>		
585,000	Allied Universal Holdco LLC/Allied Universal Finance Corp., 9.75%, 7/15/27 (144A)	\$ 582,785
473,000	Garda World Security Corp., 6.00%, 6/1/29 (144A)	418,172
958,000	Garda World Security Corp., 9.50%, 11/1/27 (144A)	953,597
625,000	Neptune Bidco US, Inc., 9.29%, 4/15/29 (144A)	589,922
935,000	Prime Security Services Borrower LLC/Prime Finance, Inc., 6.25%, 1/15/28 (144A)	913,417
558,000	Sotheby's, 7.375%, 10/15/27 (144A)	520,013
411,000	Verscend Escrow Corp., 9.75%, 8/15/26 (144A)	411,000
<b>Total Commercial Services</b>		<b>\$ 4,388,906</b>
<b>Distribution/Wholesale — 1.0%</b>		
1,046,000	Dealer Tire LLC/DT Issuer LLC, 8.00%, 2/1/28 (144A)	\$ 1,028,982
<b>Total Distribution/Wholesale</b>		<b>\$ 1,028,982</b>
<b>Diversified Financial Services — 6.9%</b>		
500,000(d)(i)	Air Lease Corp., 4.125% (5 Year CMT Index + 315 bps)	\$ 432,278
1,000,000	ASG Finance Designated Activity Co., 7.875%, 12/3/24 (144A)	980,000
222,000	Bread Financial Holdings, Inc., 7.00%, 1/15/26 (144A)	222,712
275,000(j)	Credito Real SAB de CV SOFOM ER, 8.00%, 1/21/28 (144A)	36,781
EUR 235,000	Garfunkelux Holdco 3 S.A., 6.75%, 11/1/25 (144A)	175,554
GBP 400,000	Garfunkelux Holdco 3 S.A., 7.75%, 11/1/25 (144A)	348,361
956,821(h)	Global Aircraft Leasing Co., Ltd., 6.50% (7.25% PIK or 6.50% Cash), 9/15/24 (144A)	905,126
1,475,000	Indiabulls Housing Finance, Ltd., 9.70%, 7/3/27 (144A)	1,427,523
255,000	OneMain Finance Corp., 7.875%, 3/15/30	260,188
985,000	OneMain Finance Corp., 9.00%, 1/15/29	1,032,645
155,000	PennyMac Financial Services, Inc., 7.875%, 12/15/29 (144A)	158,202
355,000	PHH Mortgage Corp., 7.875%, 3/15/26 (144A)	339,617
1,174,000(j)	Unifin Financiera SAB de CV, 8.375%, 1/27/28 (144A)	73,375
865,000	United Wholesale Mortgage LLC, 5.75%, 6/15/27 (144A)	830,076
<b>Total Diversified Financial Services</b>		<b>\$ 7,222,438</b>

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Principal Amount USD (\$)		Value
	<b>Electric — 0.7%</b>	
200,000	Cemig Geracao e Transmissao S.A., 9.25%, 12/5/24 (144A)	\$ 200,553
11,327	NSG Holdings LLC/NSG Holdings, Inc., 7.75%, 12/15/25 (144A)	11,214
445,000	Talen Energy Supply LLC, 8.625%, 6/1/30 (144A)	470,825
7,000	Vistra Operations Co. LLC, 5.625%, 2/15/27 (144A)	6,811
	<b>Total Electric</b>	<b>\$ 689,403</b>
	<b>Electrical Components &amp; Equipments — 0.6%</b>	
350,000	WESCO Distribution, Inc., 7.125%, 6/15/25 (144A)	\$ 350,230
245,000	WESCO Distribution, Inc., 7.25%, 6/15/28 (144A)	248,876
	<b>Total Electrical Components &amp; Equipments</b>	<b>\$ 599,106</b>
	<b>Electronics — 0.3%</b>	
310,000	EquipmentShare.com, Inc., 8.625%, 5/15/32 (144A)	\$ 315,400
	<b>Total Electronics</b>	<b>\$ 315,400</b>
	<b>Energy-Alternate Sources — 0.1%</b>	
181,933(h)	SCC Power Plc, 8.00% (4.00% PIK or 4.00% Cash or 8.00% Cash), 12/31/28 (144A)	\$ 73,319
	<b>Total Energy-Alternate Sources</b>	<b>\$ 73,319</b>
	<b>Engineering &amp; Construction — 0.2%</b>	
230,000	IHS Holding, Ltd., 6.25%, 11/29/28 (144A)	\$ 198,375
	<b>Total Engineering &amp; Construction</b>	<b>\$ 198,375</b>
	<b>Entertainment — 1.3%</b>	
295,000	Light & Wonder International, Inc., 7.00%, 5/15/28 (144A)	\$ 296,024
295,000	Light & Wonder International, Inc., 7.25%, 11/15/29 (144A)	297,524
EUR 325,000	Lottomatica S.p.A., 9.75%, 9/30/27 (144A)	368,747
EUR 310,000	Lottomatica S.p.A./Roma, 7.125%, 6/1/28 (144A)	347,787
	<b>Total Entertainment</b>	<b>\$ 1,310,082</b>
	<b>Food — 0.4%</b>	
555,000	Aragvi Finance International DAC, 8.45%, 4/29/26 (144A)	\$ 449,328
	<b>Total Food</b>	<b>\$ 449,328</b>
	<b>Healthcare-Services — 3.8%</b>	
800,800	Auna SAA, 10.00%, 12/15/29 (144A)	\$ 820,461
550,000	Prime Healthcare Services, Inc., 7.25%, 11/1/25 (144A)	546,315

The accompanying notes are an integral part of these financial statements.

Principal Amount USD (\$)		Value
	<b>Healthcare-Services — (continued)</b>	
357,000	RegionalCare Hospital Partners Holdings, Inc./LifePoint Health, Inc., 9.75%, 12/1/26 (144A)	\$ 355,454
1,224,000	US Acute Care Solutions LLC, 6.375%, 3/1/26 (144A)	1,239,300
980,000(k)	US Acute Care Solutions LLC, 9.75%, 5/15/29 (144A)	961,022
	<b>Total Healthcare-Services</b>	<b>\$ 3,922,552</b>
	<b>Home Builders — 0.8%</b>	
885,000	Beazer Homes USA, Inc., 7.25%, 10/15/29	\$ 876,486
	<b>Total Home Builders</b>	<b>\$ 876,486</b>
	<b>Insurance — 4.2%</b>	
4,106,000	Liberty Mutual Insurance Co., 7.697%, 10/15/97 (144A)	\$ 4,410,014
	<b>Total Insurance</b>	<b>\$ 4,410,014</b>
	<b>Iron &amp; Steel — 2.0%</b>	
845,000	Carpenter Technology Corp., 7.625%, 3/15/30	\$ 860,917
613,000	Metinvest BV, 7.75%, 10/17/29 (144A)	398,450
870,000	TMS International Corp., 6.25%, 4/15/29 (144A)	801,760
	<b>Total Iron &amp; Steel</b>	<b>\$ 2,061,127</b>
	<b>Leisure Time — 0.6%</b>	
100,000	Carnival Corp., 7.625%, 3/1/26 (144A)	\$ 100,620
120,000	Carnival Holdings Bermuda, Ltd., 10.375%, 5/1/28 (144A)	130,112
170,000	NCL Finance, Ltd., 6.125%, 3/15/28 (144A)	165,883
245,000	Viking Cruises, Ltd., 6.25%, 5/15/25 (144A)	244,217
	<b>Total Leisure Time</b>	<b>\$ 640,832</b>
	<b>Lodging — 1.3%</b>	
800,000(l)	Grupo Posadas SAB de CV, 7.00%, 12/30/27 (144A)	\$ 735,000
635,000	MGM Resorts International, 6.50%, 4/15/32	616,089
	<b>Total Lodging</b>	<b>\$ 1,351,089</b>
	<b>Media — 1.6%</b>	
400,000	CSC Holdings LLC, 5.375%, 2/1/28 (144A)	\$ 306,884
300,000	CSC Holdings LLC, 11.75%, 1/31/29 (144A)	266,528
1,210,000	McGraw-Hill Education, Inc., 8.00%, 8/1/29 (144A)	1,111,377
	<b>Total Media</b>	<b>\$ 1,684,789</b>

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Principal Amount USD (\$)		Value
	<b>Metal Fabricate/Hardware — 0.4%</b>	
385,000	Park-Ohio Industries, Inc., 6.625%, 4/15/27	\$ 365,781
	<b>Total Metal Fabricate/Hardware</b>	<b>\$ 365,781</b>
	<b>Mining — 2.3%</b>	
633,000	Eldorado Gold Corp., 6.25%, 9/1/29 (144A)	\$ 596,119
400,000	First Quantum Minerals, Ltd., 6.875%, 10/15/27 (144A)	384,752
1,260,000	First Quantum Minerals, Ltd., 8.625%, 6/1/31 (144A)	1,219,552
200,000	First Quantum Minerals, Ltd., 9.375%, 3/1/29 (144A)	206,635
	<b>Total Mining</b>	<b>\$ 2,407,058</b>
	<b>Oil &amp; Gas — 14.9%</b>	
290,000	3R Lux S.a.r.l., 9.75%, 2/5/31 (144A)	\$ 304,930
1,160,000	Aethon United BR LP/Aethon United Finance Corp., 8.25%, 2/15/26 (144A)	1,167,496
910,000	Baytex Energy Corp., 8.50%, 4/30/30 (144A)	948,777
335,000	Borr IHC, Ltd./Borr Finance LLC, 10.00%, 11/15/28 (144A)	346,297
240,000	Borr IHC, Ltd./Borr Finance LLC, 10.375%, 11/15/30 (144A)	249,247
85,000	Cenovus Energy, Inc., 6.75%, 11/15/39	89,509
520,000	Civitas Resources, Inc., 8.375%, 7/1/28 (144A)	542,456
370,000	Civitas Resources, Inc., 8.625%, 11/1/30 (144A)	393,729
520,000	Civitas Resources, Inc., 8.75%, 7/1/31 (144A)	551,586
1,510,000	Energiean Plc, 6.50%, 4/30/27 (144A)	1,404,300
405,000	Kosmos Energy, Ltd., 7.75%, 5/1/27 (144A)	394,402
1,288,268	MC Brazil Downstream Trading S.a.r.l, 7.25%, 6/30/31 (144A)	1,116,139
515,000	Nabors Industries, Ltd., 7.50%, 1/15/28 (144A)	488,296
955,000	Occidental Petroleum Corp., 4.40%, 4/15/46	737,783
800,000	Petroleos Mexicanos, 5.95%, 1/28/31	631,214
271,000	Precision Drilling Corp., 6.875%, 1/15/29 (144A)	268,188
455,000	Seadrill Finance, Ltd., 8.375%, 8/1/30 (144A)	474,006
970,000	Shelf Drilling Holdings, Ltd., 9.625%, 4/15/29 (144A)	917,988
900,000	SierraCol Energy Andina LLC, 6.00%, 6/15/28 (144A)	779,020
860,000	Strathcona Resources, Ltd., 6.875%, 8/1/26 (144A)	851,685
120,000	Transocean Titan Financing, Ltd., 8.375%, 2/1/28 (144A)	123,186
440,000	Transocean, Inc., 6.80%, 3/15/38	356,154
280,000	Transocean, Inc., 8.25%, 5/15/29 (144A)	278,387

The accompanying notes are an integral part of these financial statements.

Principal Amount USD (\$)		Value
	<b>Oil &amp; Gas — (continued)</b>	
280,000	Transocean, Inc., 8.50%, 5/15/31 (144A)	\$ 278,734
785,000	Tullow Oil Plc, 10.25%, 5/15/26 (144A)	764,767
1,195,000	YPF S.A., 6.95%, 7/21/27 (144A)	1,083,486
	<b>Total Oil &amp; Gas</b>	<b>\$ 15,541,762</b>
	<b>Oil &amp; Gas Services — 1.1%</b>	
521,000	Archrock Partners LP/Archrock Partners Finance Corp., 6.875%, 4/1/27 (144A)	\$ 519,734
630,000	Enerflex, Ltd., 9.00%, 10/15/27 (144A)	645,133
	<b>Total Oil &amp; Gas Services</b>	<b>\$ 1,164,867</b>
	<b>Packaging &amp; Containers — 0.5%</b>	
EUR 425,000	Fiber Bidco S.p.A., 11.00%, 10/25/27 (144A)	\$ 488,711
	<b>Total Packaging &amp; Containers</b>	<b>\$ 488,711</b>
	<b>Pharmaceuticals — 0.8%</b>	
110,000	Endo Finance Holdings, Inc., 8.50%, 4/15/31 (144A)	\$ 111,767
790,000	P&L Development LLC/PLD Finance Corp., 7.75%, 11/15/25 (144A)	669,083
381,000+	Par Pharmaceutical, Inc., 7.50%, 4/1/27 (144A)	—
600,000+	Tricida, Inc., 5/15/27	—
	<b>Total Pharmaceuticals</b>	<b>\$ 780,850</b>
	<b>Pipelines — 5.2%</b>	
790,306	Acu Petroleo Luxembourg S.a.r.l., 7.50%, 1/13/32 (144A)	\$ 756,663
510,000	Delek Logistics Partners LP/Delek Logistics Finance Corp., 7.125%, 6/1/28 (144A)	498,122
450,000(a)	Energy Transfer LP, 8.606% (3 Month Term SOFR + 328 bps), 11/1/66	407,415
915,000(d)(i)	Energy Transfer LP, 7.125% (5 Year CMT Index + 531 bps)	878,505
145,000	EnLink Midstream Partners LP, 5.45%, 6/1/47	122,923
344,000	EnLink Midstream Partners LP, 5.60%, 4/1/44	297,897
365,000	Genesis Energy LP/Genesis Energy Finance Corp., 8.00%, 1/15/27	369,119
197,000	Global Partners LP/GLP Finance Corp., 7.00%, 8/1/27	195,441
575,000	Venture Global LNG, Inc., 8.375%, 6/1/31 (144A)	590,072
215,000	Venture Global LNG, Inc., 9.50%, 2/1/29 (144A)	231,095
1,175,000	Williams Cos., Inc., 5.75%, 6/24/44	1,116,445
	<b>Total Pipelines</b>	<b>\$ 5,463,697</b>

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Principal Amount USD (\$)			Value
<b>REITs — 1.1%</b>			
890,000		Uniti Group LP/Uniti Fiber Holdings, Inc./CSL Capital LLC, 6.00%, 1/15/30 (144A)	\$ 692,145
10,000		Uniti Group LP/Uniti Group Finance, Inc./CSL Capital LLC, 6.50%, 2/15/29 (144A)	8,039
410,000		Uniti Group LP/Uniti Group Finance, Inc./CSL Capital LLC, 10.50%, 2/15/28 (144A)	425,346
<b>Total REITs</b>			<b>\$ 1,125,530</b>
<b>Retail — 1.0%</b>			
GBP 555,000		CD&R Firefly Bidco Plc, 8.625%, 4/30/29 (144A)	\$ 689,894
389,000		Staples, Inc., 7.50%, 4/15/26 (144A)	375,042
<b>Total Retail</b>			<b>\$ 1,064,936</b>
<b>Software — 0.4%</b>			
505,000		AthenaHealth Group, Inc., 6.50%, 2/15/30 (144A)	\$ 454,625
<b>Total Software</b>			<b>\$ 454,625</b>
<b>Telecommunications — 3.4%</b>			
695,000		Altice France Holding S.A., 6.00%, 2/15/28 (144A)	\$ 202,742
607,000		Altice France Holding S.A., 10.50%, 5/15/27 (144A)	215,479
200,000		Altice France S.A., 8.125%, 2/1/27 (144A)	150,572
200,000(k)		Iliad Holding SASU, 8.50%, 4/15/31	201,507
836,000(j)		Kenbourne Invest S.A., 6.875%, 11/26/24 (144A)	332,059
330,000		Millicom International Cellular S.A., 7.375%, 4/2/32 (144A)	323,693
850,000		Sprint LLC, 7.625%, 3/1/26	872,196
850,000		Total Play Telecomunicaciones SA de CV, 6.375%, 9/20/28 (144A)	453,748
875,000		Windstream Escrow LLC/Windstream Escrow Finance Corp., 7.75%, 8/15/28 (144A)	843,095
<b>Total Telecommunications</b>			<b>\$ 3,595,091</b>
<b>Transportation — 2.5%</b>			
1,245,000		Carriage Purchaser, Inc., 7.875%, 10/15/29 (144A)	\$ 1,101,286
655,000		Danaos Corp., 8.50%, 3/1/28 (144A)	660,778
400,000		Simpar Europe S.A., 5.20%, 1/26/31 (144A)	320,008
575,000		Watco Cos. LLC/Watco Finance Corp., 6.50%, 6/15/27 (144A)	566,886
<b>Total Transportation</b>			<b>\$ 2,648,958</b>
<b>TOTAL CORPORATE BONDS</b> (Cost \$91,460,134)			<b>\$ 88,224,961</b>

The accompanying notes are an integral part of these financial statements.

Shares		Value
	<b>PREFERRED STOCK — 0.0%† of Net Assets</b>	
	<b>Capital Markets — 0.0%†</b>	
235	B Riley Financial, Inc., 6.75%, 5/31/24	\$ 5,887
	<b>Total Capital Markets</b>	<b>\$ 5,887</b>
	<b>Internet — 0.0%†</b>	
50,188(c)	MYT Holding LLC, 10.00%, 6/6/29	\$ 8,783
	<b>Total Internet</b>	<b>\$ 8,783</b>
	<b>TOTAL PREFERRED STOCK</b> (Cost \$97,398)	<b>\$ 14,670</b>
	<b>RIGHT/WARRANT — 0.0%† of Net Assets</b>	
	<b>Trading Companies &amp; Distributors — 0.0%†</b>	
6,475(c)	Avation Plc, 1/1/59	\$ 1,214
	<b>Total Trading Companies &amp; Distributors</b>	<b>\$ 1,214</b>
	<b>TOTAL RIGHT/WARRANT</b> (Cost \$—)	<b>\$ 1,214</b>
<b>Principal Amount USD (\$)</b>		
	<b>INSURANCE-LINKED SECURITIES — 26.4% of Net Assets#</b>	
	<b>Event Linked Bonds — 15.3%</b>	
	<b>Earthquakes – California — 0.5%</b>	
250,000(a)	Sutter Re, 15.13%, (3 Month U.S. Treasury Bill + 975 bps), 6/19/26 (144A)	\$ 254,125
300,000(a)	Torrey Pines Re, 10.38%, (3 Month U.S. Treasury Bill + 500 bps), 6/5/26 (144A)	304,260
		<b>\$ 558,385</b>
	<b>Earthquakes – U.S. — 0.2%</b>	
250,000(a)	Ursa Re, 10.88%, (3 Month U.S. Treasury Bill + 550 bps), 12/6/25 (144A)	\$ 253,975
	<b>Flood – U.S. — 1.0%</b>	
250,000(a)	FloodSmart Re, 17.209%, (3 Month U.S. Treasury Bill + 1,183 bps), 2/25/25 (144A)	\$ 243,125
500,000(a)	FloodSmart Re, 19.38%, (3 Month U.S. Treasury Bill + 1,400 bps), 3/12/27 (144A)	499,750
250,000(a)	FloodSmart Re, 21.629%, (1 Month U.S. Treasury Bill + 1,625 bps), 3/11/26 (144A)	250,400
		<b>\$ 993,275</b>
	<b>Multiperil – Florida — 0.5%</b>	
500,000(a)	Sanders Re, 13.382%, (3 Month U.S. Treasury Bill + 800 bps), 6/5/26 (144A)	\$ 508,450

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Principal Amount USD (\$)		Value
	<b>Multiperil – U.S. — 4.5%</b>	
227,151(a)	Caelus Re V, 5.53%, (1 Month USD LIBOR + 10 bps), 6/5/24 (144A)	\$ 68,145
500,000(a)	Foundation Re, 11.63%, (3 Month U.S. Treasury Bill + 625 bps), 1/8/27 (144A)	499,650
250,000(a)	Four Lakes Re, 11.13%, (3 Month U.S. Treasury Bill + 575 bps), 1/7/27 (144A)	253,550
250,000(a)	Four Lakes Re, 14.88%, (3 Month U.S. Treasury Bill + 950 bps), 1/7/27 (144A)	248,700
250,000(a)	High Point Re, 11.124%, (3 Month U.S. Treasury Bill + 575 bps), 1/6/27 (144A)	251,000
500,000(a)	Matterhorn Re, 13.104%, (SOFR + 775 bps), 3/24/25 (144A)	486,050
250,000(a)	Mystic Re, 17.372%, (3 Month U.S. Treasury Bill + 1,200 bps), 1/8/27 (144A)	254,050
375,000(a)	Residential Re, 13.064%, (3 Month U.S. Treasury Bill + 769 bps), 12/6/26 (144A)	377,550
500,000(a)	Residential Re, 13.877%, (1 Month U.S. Treasury Bill + 850 bps), 12/6/27 (144A)	495,300
500,000(a)	Residential Re, 17.359%, (3 Month U.S. Treasury Bill + 1,198 bps), 12/6/25 (144A)	470,800
250,000(a)	Sanders Re, 11.129%, (3 Month U.S. Treasury Bill + 575 bps), 4/7/28 (144A)	250,625
250,000(a)	Sanders Re III, 11.13%, (3 Month U.S. Treasury Bill + 575 bps), 4/7/27 (144A)	250,525
250,000(a)	Solomon Re, 10.632%, (3 Month U.S. Treasury Bill + 525 bps), 6/8/26 (144A)	256,275
250,000(a)	Stabilitas Re, 13.897%, (3 Month U.S. Treasury Bill + 850 bps), 6/5/26 (144A)	259,800
250,000(a)	Topanga Re, 5.05%, (3 Month U.S. Treasury Bill + 505 bps), 1/8/26 (144A)	240,675
		\$ 4,662,695
	<b>Multiperil – U.S. &amp; Canada — 1.9%</b>	
250,000(a)	Galileo Re, 12.374%, (3 Month U.S. Treasury Bill + 700 bps), 1/7/28 (144A)	\$ 259,850
250,000(a)	Kilimanjaro III Re, 17.741%, (3 Month U.S. Treasury Bill + 1,236 bps), 4/21/25 (144A)	245,500
250,000(a)	Kilimanjaro III Re, 17.742%, (3 Month U.S. Treasury Bill + 1,236 bps), 4/20/26 (144A)	244,525
250,000(a)	Matterhorn Re, 11.102%, (SOFR + 575 bps), 12/8/25 (144A)	230,000
250,000(a)	Mona Lisa Re, 17.88%, (3 Month U.S. Treasury Bill + 1,250 bps), 1/8/26 (144A)	267,675

The accompanying notes are an integral part of these financial statements.



Principal Amount USD (\$)		Value
<b>Multiperil – U.S. &amp; Canada — (continued)</b>		
250,000(a)	Mystic Re IV, 11.472%, (3 Month U.S. Treasury Bill + 610 bps), 1/8/25 (144A)	\$ 245,075
500,000(a)	Mystic Re IV, 17.069%, (3 Month U.S. Treasury Bill + 1,169 bps), 1/8/25 (144A)	486,850
		<u>\$ 1,979,475</u>
<b>Multiperil – U.S. Regional — 0.5%</b>		
250,000(a)	Aquila Re, 12.877%, (3 Month U.S. Treasury Bill + 750 bps), 6/8/26 (144A)	\$ 254,750
250,000(a)	Aquila Re, 14.632%, (3 Month U.S. Treasury Bill + 925 bps), 6/8/26 (144A)	256,750
		<u>\$ 511,500</u>
<b>Multiperil – Worldwide — 0.7%</b>		
250,000(a)	Atlas Capital, 12.603%, (SOFR + 725 bps), 6/5/26 (144A)	\$ 259,575
250,000(a)	Cat Re 2001, 17.872%, (3 Month U.S. Treasury Bill + 1,250 bps), 1/8/27 (144A)	259,000
250,000(a)	Kendall Re, 13.127%, (3 Month U.S. Treasury Bill + 775 bps), 4/30/27 (144A)	249,989
		<u>\$ 768,564</u>
<b>Windstorm – Florida — 0.2%</b>		
250,000(a)	Integrity Re, 12.449%, (3 Month U.S. Treasury Bill + 707 bps), 6/6/25 (144A)	\$ 175,000
<b>Windstorm – North Carolina — 0.7%</b>		
500,000(a)	Blue Ridge Re, 13.372%, (1 Month U.S. Treasury Bill + 800 bps), 1/8/27 (144A)	\$ 509,050
250,000(a)	Cape Lookout Re, 14.967%, (3 Month U.S. Treasury Bill + 959 bps), 3/28/25 (144A)	247,500
		<u>\$ 756,550</u>
<b>Windstorm – Texas — 0.5%</b>		
250,000(a)	Alamo Re, 11.379%, (1 Month U.S. Treasury Bill + 600 bps), 6/7/27 (144A)	\$ 249,750
250,000(a)	Alamo Re, 16.627%, (1 Month U.S. Treasury Bill + 1,125 bps), 6/7/26 (144A)	249,625
		<u>\$ 499,375</u>
<b>Windstorm – U.S. — 2.7%</b>		
250,000(a)	Alamo Re, 13.88%, (1 Month U.S. Treasury Bill + 850 bps), 6/7/26 (144A)	\$ 256,025
250,000(a)	Bonanza Re, 11.16%, (3 Month U.S. Treasury Bill + 578 bps), 3/16/25 (144A)	234,675
250,000(a)	Bonanza Re, 13.629%, (3 Month U.S. Treasury Bill + 825 bps), 1/8/26 (144A)	254,200

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Principal Amount USD (\$)		Value
<b>Windstorm – U.S. – (continued)</b>		
250,000(a)	Cape Lookout Re, 13.799%, (1 Month U.S. Treasury Bill + 842 bps), 4/28/26 (144A)	\$ 256,000
250,000(a)	Gateway Re, 18.38%, (1 Month U.S. Treasury Bill + 1,300 bps), 2/24/26 (144A)	265,750
250,000(a)	Gateway Re II, 14.88%, (3 Month U.S. Treasury Bill + 950 bps), 4/27/26 (144A)	256,825
250,000(a)	Merna Re II, 15.632%, (3 Month U.S. Treasury Bill + 1,025 bps), 7/7/26 (144A)	264,750
250,000(a)	Purple Re, 7.38%, (1 Month U.S. Treasury Bill + 200 bps), 6/7/27 (144A)	249,750
250,000(a)	Purple Re, 17.632%, (1 Month U.S. Treasury Bill + 1,225 bps), 4/24/26 (144A)	257,500
500,000(a)	Queen Street Re, 12.879%, (3 Month U.S. Treasury Bill + 750 bps), 12/8/25 (144A)	515,800
		\$ 2,811,275
<b>Windstorm – U.S. Multistate – 0.2%</b>		
250,000(a)	Gateway Re, 5.377%, (1 Month U.S. Treasury Bill + 0 bps), 12/23/24 (144A)	\$ 233,575
<b>Windstorm – U.S. Regional – 0.7%</b>		
250,000(a)	Citrus Re, 12.13%, (3 Month U.S. Treasury Bill + 675 bps), 6/7/26 (144A)	\$ 256,575
250,000(a)	Citrus Re, 14.379%, (3 Month U.S. Treasury Bill + 900 bps), 6/7/26 (144A)	258,175
250,000(a)	Citrus Re, 14.627%, (3 Month U.S. Treasury Bill + 925 bps), 6/7/27 (144A)	248,725
		\$ 763,475
<b>Winterstorm – Florida – 0.5%</b>		
250,000(a)	Integrity Re, 17.38%, (1 Month U.S. Treasury Bill + 1,200 bps), 6/6/25 (144A)	\$ 256,100
250,000(a)	Lightning Re, 16.379%, (3 Month U.S. Treasury Bill + 1,100 bps), 3/31/26 (144A)	262,400
		\$ 518,500
<b>Total Event Linked Bonds</b>		<b>\$ 15,994,069</b>
<b>Face Amount USD (\$)</b>		
<b>Collateralized Reinsurance – 2.8%</b>		
<b>Multiperil – Massachusetts – 0.2%</b>		
250,000(c)(m)+	Portsalon Re 2022, 5/31/28	\$ 229,225

The accompanying notes are an integral part of these financial statements.

Face Amount USD (\$)		Value
	<b>Multiperil – U.S. — 1.2%</b>	
264,839(m)+	Ballybunion Re 2022, 12/31/27	\$ —
264,416(c)(m)+	Ballybunion Re 2023, 12/31/28	162,774
560,883(c)(m)+	Emetteur Non Renseigne-PI0047 2024-1, 12/31/29	581,466
500,000(c)(m)+	Gamboge Re, 3/31/29	524,400
		<u>\$ 1,268,640</u>
	<b>Multiperil – Worldwide — 1.4%</b>	
650,000(c)(m)+	Cypress Re 2017, 1/31/25	\$ 65
462,683(c)(m)+	Dartmouth Re 2018, 1/31/25	69,360
100,000(c)(m)+	Dartmouth Re 2021, 12/31/24	30,991
750,000(c)(m)+	Merion Re 2024-1, 12/31/29	674,569
250,000(c)(m)+	Old Head Re 2022, 12/31/27	125,000
250,000(c)(m)+	Old Head Re 2024, 12/31/29	209,950
250,000(c)(m)+	Pine Valley Re 2024, 12/31/28	220,533
700,000(c)(m)+	Resilience Re, 5/1/25	—
250,000(c)(m)+	Walton Health Re 2019, 6/30/24	62,920
250,000(c)(m)+	Walton Health Re 2022, 12/15/27	36,439
		<u>\$ 1,429,827</u>
	<b>Windstorm – Florida — 0.0%†</b>	
750,000(c)(m)+	Portrush Re 2017, 6/15/24	\$ 75
	<b>Windstorm – North Carolina — 0.0%†</b>	
250,000(m)+	Isosceles Re, 4/30/29	\$ 200
375,000(m)+	Isosceles Re 2023, 4/30/29	—
		<u>\$ 200</u>
	<b>Windstorm – U.S. Multistate — 0.0%†</b>	
500,000(m)+	White Heron Re, 5/31/29	\$ 13,014
	<b>Windstorm – U.S. Regional — 0.0%†</b>	
1,015,734(c)(m)+	Oakmont Re 2020, 3/31/27	\$ —
	<b>Total Collateralized Reinsurance</b>	<b>\$ 2,940,981</b>
	<b>Reinsurance Sidecars — 8.3%</b>	
	<b>Multiperil – U.S. — 0.0%†</b>	
226,387(m)+	Carnoustie Re 2023, 12/31/28	\$ 16,953
1,000,000(c)(n)+	Harambee Re 2018, 12/31/24	—
1,000,000(n)+	Harambee Re 2019, 12/31/24	1,900
500,000(c)(n)+	Harambee Re 2020, 12/31/24	11,400
		<u>\$ 30,253</u>
	<b>Multiperil – U.S. Regional — 0.0%†</b>	
250,000(c)(m)+	Brotherhood Re, 1/31/25	\$ —

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Face Amount USD (\$)		Value
	<b>Multiperil – Worldwide — 8.3%</b>	
225,450(n)+	Alturas Re 2020-3, 9/30/24	\$ —
213,682(c)(n)+	Alturas Re 2021-3, 7/31/25	9,060
376,048(c)(n)+	Alturas Re 2022-2, 12/31/27	41,629
500,000(m)+	Bantry Re 2021, 12/31/24	1,664
1,000,000(c)(m)+	Bantry Re 2024, 12/31/29	1,053,728
993,323(m)+	Berwick Re 2020-1, 12/31/24	7,128
1,000,000(c)(m)+	Berwick Re 2024-1, 12/31/29	1,039,045
500,000(c)(m)+	Carnoustie Re 2024, 12/31/29	519,233
500,000(m)+	Eccleston Re 2023, 11/30/28	52,960
49,927(c)(m)+	Eden Re II, 3/21/25 (144A)	9,356
80,000(c)(m)+	Eden Re II, 3/20/26 (144A)	16,254
3,000(m)+	Eden Re II, 3/19/27 (144A)	24,469
250,000(c)(m)+	Gleneagles Re 2021, 12/31/24	25
250,000(c)(m)+	Gleneagles Re 2022, 12/31/27	118,836
1,059,157(m)+	Gullane Re 2018, 12/31/24	—
1,000,000(m)+	Gullane Re 2023, 12/31/28	27,616
1,000,000(c)(m)+	Gullane Re 2024, 12/31/29	1,050,116
250,000(c)(n)+	Lion Rock Re 2020, 1/31/25	—
250,000(c)(n)+	Lion Rock Re 2021, 12/31/24	11,000
498,977(c)(n)+	Lorenz Re 2019, 6/30/24	5,040
500,000(c)(m)+	Merion Re 2021-2, 12/31/24	80,250
363,953(c)(m)+	Merion Re 2022-2, 12/31/27	345,068
250,000(c)(m)+	Pangaea Re 2023-3, 5/31/29	289,897
500,000(c)(m)+	Pangaea Re 2024-1, 12/31/29	522,551
250,000(c)(m)+	Phoenix 3 Re 2023-3, 1/4/27	283,525
25,000(c)(m)+	Sector Re V, 12/1/24 (144A)	45,824
1,179(m)+	Sector Re V, 12/1/27 (144A)	48,294
500,000(c)(m)+	Sector Re V, 12/1/28 (144A)	555,131
500,000(c)(m)+	Sector Re V, 12/1/28 (144A)	555,131
515,671(m)+	Sussex Re 2020-1, 12/31/24	670
250,000(m)+	Sussex Re 2021-1, 12/31/24	125
500,000(m)+	Sussex Re 2022, 12/31/27	13,750
300,000(c)(n)+	Thopas Re 2020, 12/31/24	60
250,000(n)+	Thopas Re 2021, 12/31/24	2,600
250,000(n)+	Thopas Re 2022, 12/31/27	—
766,025(n)+	Thopas Re 2023, 12/31/28	—
766,025(c)(n)+	Thopas Re 2024, 12/31/29	817,655
375,860(n)+	Torriceili Re 2021, 7/31/25	7,705
500,000(n)+	Torriceili Re 2022, 6/30/28	10,120
750,000(c)(n)+	Torriceili Re 2023, 6/30/29	974,768
500,000(c)(n)+	Viribus Re 2018, 12/31/24	—
212,306(n)+	Viribus Re 2019, 12/31/24	—
240,783(c)(n)+	Viribus Re 2020, 12/31/24	7,994

The accompanying notes are an integral part of these financial statements.

Face Amount USD (\$)		Value
	<b>Multiperil - Worldwide — (continued)</b>	
221,888(c)(n)+	Viribus Re 2022, 12/31/27	\$ 8,143
499,829(c)(m)+	Woburn Re 2019, 12/31/24	68,802
		<u>\$ 8,625,222</u>
	<b>Total Reinsurance Sidecars</b>	<b>\$ 8,655,475</b>
	<b>TOTAL INSURANCE-LINKED SECURITIES</b> (Cost \$27,378,268)	<b>\$ 27,590,525</b>
<b>Principal Amount USD (\$)</b>		
	<b>FOREIGN GOVERNMENT BONDS — 1.0% of Net Assets</b>	
	<b>Angola — 0.4%</b>	
448,000	Angolan Government International Bond, 8.250%, 5/9/28 (144A)	\$ 421,873
	<b>Total Angola</b>	<b>\$ 421,873</b>
	<b>Ghana — 0.4%</b>	
320,000(j)	Ghana Government International Bond, 7.875%, 2/11/35 (144A)	\$ 154,400
500,000(j)	Ghana Government International Bond, 8.627%, 6/16/49	235,045
	<b>Total Ghana</b>	<b>\$ 389,445</b>
	<b>Ukraine — 0.2%</b>	
750,000(j)	Ukraine Government International Bond, 8.994%, 2/1/26 (144A)	\$ 236,865
	<b>Total Ukraine</b>	<b>\$ 236,865</b>
	<b>TOTAL FOREIGN GOVERNMENT BONDS</b> (Cost \$2,022,461)	<b>\$ 1,048,183</b>

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Shares		Value
	<b>SHORT TERM INVESTMENTS — 0.1% of Net Assets</b>	
	<b>Open-End Fund — 0.1%</b>	
134,251(o)	Dreyfus Government Cash Management, Institutional Shares, 5.19%	\$ 134,251
		\$ 134,251
	<b>TOTAL SHORT TERM INVESTMENTS</b> (Cost \$134,251)	<b>\$ 134,251</b>
	<b>TOTAL INVESTMENTS IN UNAFFILIATED ISSUERS</b> <b>\$144,239,300</b> <b>— 138.3%</b> (Cost \$149,411,244)	
	<b>OTHER ASSETS AND LIABILITIES — (38.3)%</b>	\$ (39,959,169)
	<b>NET ASSETS — 100.0%</b>	<b>\$104,280,131</b>

bps	Basis Points.
CMT	Constant Maturity Treasury Index.
FREMF	Freddie Mac Multifamily Fixed-Rate Mortgage Loans.
LIBOR	London Interbank Offered Rate.
SOFR	Secured Overnight Financing Rate.
SOFR30A	Secured Overnight Financing Rate 30 Day Average.
(144A)	The resale of such security is exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be resold normally to qualified institutional buyers. At April 30, 2024, the value of these securities amounted to \$111,554,068, or 107.0% of net assets.
(a)	Floating rate note. Coupon rate, reference index and spread shown at April 30, 2024.
(b)	This term loan will settle after April 30, 2024, at which time the interest rate will be determined.
(c)	Non-income producing security.
(d)	The interest rate is subject to change periodically. The interest rate and/or reference index and spread shown at April 30, 2024.
(e)	Security represents the interest-only portion payments on a pool of underlying mortgages or mortgage-backed securities.
(f)	Security issued with a zero coupon. Income is recognized through accretion of discount.
(g)	Security is priced as a unit.
(h)	Payment-in-kind (PIK) security which may pay interest in the form of additional principal amount.
(i)	Security is perpetual in nature and has no stated maturity date.
(j)	Security is in default.
(k)	Securities purchased on a when-issued basis. Rates do not take effect until settlement date.

The accompanying notes are an integral part of these financial statements.

- (l) Debt obligation initially issued at one coupon which converts to a higher coupon at a specific date. The rate shown is the rate at April 30, 2024.
- (m) Issued as participation notes.
- (n) Issued as preference shares.
- (o) Rate periodically changes. Rate disclosed is the 7-day yield at April 30, 2024.
- \* Senior secured floating rate loan interests in which the Fund invests generally pay interest at rates that are periodically re-determined by reference to a base lending rate plus a premium. These base lending rates are generally (i) the lending rate offered by one or more major European banks, such as LIBOR or SOFR, (ii) the prime rate offered by one or more major United States banks, (iii) the rate of a certificate of deposit or (iv) other base lending rates used by commercial lenders. The interest rate shown is the rate accruing at April 30, 2024.
- + Security is valued using significant unobservable inputs (Level 3).
- † Amount rounds to less than 0.1%.
- # Securities are restricted as to resale.

Restricted Securities	Acquisition date	Cost	Value
Alamo Re	4/12/2023	\$ 250,000	\$ 256,025
Alamo Re	4/4/2024	250,000	249,750
Alamo Re	4/4/2024	250,000	249,625
Alturas Re 2020-3	8/3/2020	—	—
Alturas Re 2021-3	8/16/2021	23,708	9,060
Alturas Re 2022-2	1/18/2022	21,636	41,629
Aquila Re	5/10/2023	250,000	254,750
Aquila Re	5/10/2023	250,000	256,750
Atlas Capital	5/17/2023	250,000	259,575
Ballybunion Re 2022	3/9/2022	—	—
Ballybunion Re 2023	3/21/2023	132,574	162,774
Bantry Re 2021	1/11/2021	—	1,664
Bantry Re 2024	2/1/2024	1,000,000	1,053,728
Berwick Re 2020-1	9/24/2020	—	7,128
Berwick Re 2024-1	1/10/2024	1,000,000	1,039,045
Blue Ridge Re	11/14/2023	500,000	509,050
Bonanza Re	1/6/2023	250,000	254,200
Bonanza Re	7/25/2023	225,498	234,675
Brotherhood Re	1/22/2018	39,767	—
Caelus Re V	4/27/2017	227,151	68,145
Cape Lookout Re	3/16/2022	250,000	247,500
Cape Lookout Re	4/14/2023	250,000	256,000
Carnoustie Re 2023	3/22/2023	—	16,953
Carnoustie Re 2024	1/11/2024	500,000	519,233
Cat Re 2001	11/14/2023	250,000	259,000
Citrus Re	4/27/2023	250,000	258,175
Citrus Re	4/27/2023	250,000	256,575
Citrus Re	3/19/2024	250,000	248,725
Cypress Re 2017	1/24/2017	2,185	65

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Restricted Securities	Acquisition date	Cost	Value
Dartmouth Re 2018	1/18/2018	\$ 159,774	\$ 69,360
Dartmouth Re 2021	1/19/2021	11,466	30,991
Eccleston Re 2023	7/13/2023	—	52,960
Eden Re II	1/25/2021	26,581	9,356
Eden Re II	1/21/2022	28,614	16,254
Eden Re II	1/17/2023	—	24,469
Emetteur Non Renseigne-PI0047 2024-1	1/26/2024	560,883	581,466
FloodSmart Re	2/14/2022	250,000	243,125
FloodSmart Re	2/23/2023	250,000	250,400
FloodSmart Re	2/29/2024	500,000	499,750
Foundation Re	12/19/2023	500,000	499,650
Four Lakes Re	12/8/2023	250,000	253,550
Four Lakes Re	12/8/2023	250,000	248,700
Galileo Re	12/4/2023	250,000	259,850
Gamboge Re	4/20/2023	422,595	524,400
Gateway Re	2/3/2023	250,000	265,750
Gateway Re	3/11/2024	233,732	233,575
Gateway Re II	4/13/2023	250,000	256,825
Gleneagles Re 2021	1/13/2021	4,575	25
Gleneagles Re 2022	1/18/2022	111,024	118,836
Gullane Re 2018	3/26/2018	—	—
Gullane Re 2023	1/10/2023	—	27,616
Gullane Re 2024	2/14/2024	1,000,000	1,050,116
Harambee Re 2018	12/19/2017	21,232	—
Harambee Re 2019	12/20/2018	—	1,900
Harambee Re 2020	2/27/2020	—	11,400
High Point Re	12/1/2023	250,000	251,000
Integrity Re	5/9/2022	250,000	175,000
Integrity Re	3/23/2023	250,000	256,100
Isosceles Re	8/7/2023	—	200
Isosceles Re 2023	8/7/2023	—	—
Kendall Re	4/22/2024	250,000	249,989
Kilimanjaro III Re	4/8/2021	250,000	245,500
Kilimanjaro III Re	4/8/2021	250,000	244,525
Lightning Re	3/20/2023	250,000	262,400
Lion Rock Re 2020	12/30/2019	—	—
Lion Rock Re 2021	3/1/2021	65,784	11,000
Lorenz Re 2019	6/26/2019	81,770	5,040
Matterhorn Re	12/15/2021	250,000	230,000
Matterhorn Re	3/10/2022	500,000	486,050
Merion Re 2021-2	12/28/2020	136,047	80,250
Merion Re 2022-2	3/1/2022	363,953	345,068
Merion Re 2024-1	1/11/2024	632,676	674,569
Merna Re II	4/5/2023	250,000	264,750
Mona Lisa Re	12/30/2022	250,000	267,675

The accompanying notes are an integral part of these financial statements.



<b>Restricted Securities</b>	<b>Acquisition date</b>	<b>Cost</b>	<b>Value</b>
Mystic Re	12/12/2023	\$ 250,000	\$ 254,050
Mystic Re IV	6/9/2021	500,000	486,850
Mystic Re IV	10/26/2021	249,566	245,075
Oakmont Re 2020	12/3/2020	—	—
Old Head Re 2022	1/6/2022	188,288	125,000
Old Head Re 2024	1/5/2024	183,891	209,950
Pangaea Re 2023-3	7/5/2023	250,000	289,897
Pangaea Re 2024-1	2/27/2024	500,000	522,551
Phoenix 3 Re 2023-3	12/21/2020	217,141	283,525
Pine Valley Re 2024	1/17/2024	207,298	220,533
Portrush Re 2017	6/12/2017	575,239	75
Portsalon Re 2022	7/15/2022	202,158	229,225
Purple Re	4/6/2023	250,000	257,500
Purple Re	4/2/2024	250,000	249,750
Queen Street Re	5/12/2023	500,000	515,800
Residential Re	10/28/2021	500,000	470,800
Residential Re	11/22/2022	375,000	377,550
Residential Re	11/7/2023	500,000	495,300
Resilience Re	2/8/2017	339	—
Sanders Re	5/24/2023	500,000	508,450
Sanders Re	1/16/2024	250,000	250,625
Sanders Re III	3/24/2023	250,000	250,525
Sector Re V	12/4/2019	178	45,824
Sector Re V	12/30/2022	—	48,294
Sector Re V	12/4/2023	500,000	555,131
Sector Re V	12/29/2023	500,000	555,131
Solomon Re	6/12/2023	250,000	256,275
Sovcombank Via SovCom Capital DAC	11/10/2021	865,000	31,248
Stabilitas Re	6/7/2023	250,000	259,800
Sussex Re 2020-1	1/21/2020	—	670
Sussex Re 2021-1	1/26/2021	—	125
Sussex Re 2022	1/5/2022	—	13,750
Sutter Re	6/6/2023	250,000	254,125
Thopas Re 2020	12/30/2019	—	60
Thopas Re 2021	1/22/2021	—	2,600
Thopas Re 2022	2/15/2022	—	—
Thopas Re 2023	2/13/2023	—	—
Thopas Re 2024	2/2/2024	766,025	817,655
Topanga Re	10/5/2023	231,951	240,675
Torrey Pines Re	5/18/2023	300,000	304,260
Torricelli Re 2021	7/2/2021	—	7,705
Torricelli Re 2022	7/26/2022	—	10,120
Torricelli Re 2023	7/19/2023	750,000	974,768
Ursa Re	4/12/2023	250,000	253,975
Viribus Re 2018	12/22/2017	8,294	—
Viribus Re 2019	3/25/2019	—	—

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

Restricted Securities	Acquisition date	Cost	Value
Viribus Re 2020	3/12/2020	\$ 24,541	\$ 7,994
Viribus Re 2022	4/18/2022	—	8,143
Walton Health Re 2019	7/18/2019	7,071	62,920
Walton Health Re 2022	7/13/2022	875	36,439
White Heron Re	8/30/2023	—	13,014
Woburn Re 2019	1/30/2019	57,188	68,802
<b>Total Restricted Securities</b>			\$27,621,773
<b>% of Net assets</b>			26.5%

### FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS

Currency Purchased	In Exchange for	Currency Sold	Deliver	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
EUR	2,370,000	USD	2,579,223	HSBC Bank USA NA	6/27/24	\$(43,797)
EUR	191,000	USD	207,446	State Street Bank & Trust Co.	5/28/24	(3,383)
USD	392,314	GBP	310,000	State Street Bank & Trust Co.	6/27/24	4,836
USD	5,225,812	EUR	4,890,000	State Street Bank & Trust Co.	7/26/24	(12,901)
<b>TOTAL FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS</b>						<b>\$(55,245)</b>

### FUTURES CONTRACTS

#### FIXED INCOME INDEX FUTURES CONTRACTS

Number of Contracts Long	Description	Expiration Date	Notional Amount	Market Value	Unrealized (Depreciation)
4	U.S. Ultra Bond (CBT)	6/18/24	\$509,698	\$478,250	\$(31,448)
<b>TOTAL FUTURES CONTRACTS</b>			<b>\$509,698</b>	<b>\$478,250</b>	<b>\$(31,448)</b>

CBT Chicago Board of Trade.

Principal amounts are denominated in U.S. dollars ("USD") unless otherwise noted.

EUR — Euro

GBP — Great British Pound

IDR — Indonesian Rupiah

USD — United States Dollar

Purchases and sales of securities (excluding short-term investments) for the year ended April 30, 2024 were as follows:

	Purchases	Sales
Long-Term U.S. Government Securities	\$ 44,400	\$ 425,995
Other Long-Term Securities	\$53,748,585	\$42,865,062

The accompanying notes are an integral part of these financial statements.

At April 30, 2024, the net unrealized depreciation on investments based on cost for federal tax purposes of \$151,331,242 was as follows:

Aggregate gross unrealized appreciation for all investments in which there is an excess of value over tax cost	\$ 7,023,649
Aggregate gross unrealized depreciation for all investments in which there is an excess of tax cost over value	<u>(14,123,903)</u>
Net unrealized depreciation	<u>\$ (7,100,254)</u>

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels below.

Level 1 – unadjusted quoted prices in active markets for identical securities.

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risks, etc.). See Notes to Financial Statements – Note 1A.

Level 3 – significant unobservable inputs (including the Adviser's own assumptions in determining fair value of investments). See Notes to Financial Statements – Note 1A.

The following is a summary of the inputs used as of April 30, 2024 in valuing the Fund's investments:

	Level 1	Level 2	Level 3	Total
Senior Secured Floating Rate Loan Interests	\$ —	\$ 6,445,209	\$ —	\$ 6,445,209
Common Stocks				
Communications Equipment	—	—	50,188	50,188
Household Durables	62	—	—	62
Oil, Gas & Consumable Fuels	42	1,424	—	1,466
All Other Common Stocks	—	471,958	—	471,958
Asset Backed Securities	—	4,056,674	104,000	4,160,674
Collateralized Mortgage Obligations	—	2,883,690	—	2,883,690
Commercial Mortgage-Backed Securities	—	11,020,794	—	11,020,794
Convertible Corporate Bonds	—	2,191,455	—	2,191,455
Corporate Bonds				
Pharmaceuticals	—	780,850	*	780,850
All Other Corporate Bonds	—	87,444,111	—	87,444,111
Preferred Stock				
Capital Markets	5,887	—	—	5,887
Internet	—	8,783	—	8,783
Right/Warrant	1,214	—	—	1,214
Insurance-Linked Securities				
Collateralized Reinsurance				
Multiperil – Massachusetts	—	—	229,225	229,225
Multiperil – U.S.	—	—	1,268,640	1,268,640

The accompanying notes are an integral part of these financial statements.

## Schedule of Investments | 4/30/24 (continued)

	Level 1	Level 2	Level 3	Total
Multiperil – Worldwide	\$ —	\$ —	\$ 1,429,827	\$ 1,429,827
Windstorm – Florida	—	—	75	75
Windstorm – North Carolina	—	—	200	200
Windstorm – U.S. Multistate	—	—	13,014	13,014
Windstorm – U.S. Regional	—	—	—*	—*
Reinsurance Sidecars				
Multiperil – U.S.	—	—	30,253	30,253
Multiperil – U.S. Regional	—	—	—*	—*
Multiperil – Worldwide	—	—	8,625,222	8,625,222
All Other Insurance-Linked Securities	—	15,994,069	—	15,994,069
Foreign Government Bonds	—	1,048,183	—	1,048,183
Open-End Fund	134,251	—	—	134,251
<b>Total Investments in Securities</b>	<b>\$141,456</b>	<b>\$132,347,200</b>	<b>\$11,750,644</b>	<b>\$144,239,300</b>
<b>Other Financial Instruments</b>				
Credit Agreement <sup>(a)</sup>	\$ —	\$(41,325,000)	\$ —	\$(41,325,000)
Net unrealized depreciation on forward foreign currency exchange contracts	—	(55,245)	—	(55,245)
Net unrealized depreciation on futures contracts	(31,448)	—	—	(31,448)
<b>Total Other Financial Instruments</b>	<b>\$ (31,448)</b>	<b>\$(41,380,245)</b>	<b>\$ —</b>	<b>\$(41,411,693)</b>

(a) The Fund may hold liabilities in which the fair value approximates the carrying amount for financial statement purposes.

\* Securities valued at \$0.

The following is a reconciliation of assets valued using significant unobservable inputs (Level 3):

	Common Stocks	Asset Backed Securities	Corporate Bonds	Insurance-Linked Securities	Total
Balance as of 4/30/23	\$ 268,817	\$ —	\$ —	\$12,206,359	\$12,475,176
Realized gain (loss) <sup>(1)</sup>	7,549	—	—	(254,046)	(246,497)
Change in unrealized appreciation (depreciation) <sup>(2)</sup>	223,133	32,934	—	508,603	764,670
Return of capital	(48,332)	15,441	—	(7,037,307)	(7,070,198)
Purchases	15,172	—	—*	10,519,573	10,534,745
Sales	—	—	—	(4,346,726)	(4,346,726)

The accompanying notes are an integral part of these financial statements.

	Common Stocks	Asset Backed Securities	Corporate Bonds	Insurance- Linked Securities	Total
Transfers in to Level 3**	—	55,625	—	—	55,625
Transfers out of Level 3**	(416,151)	—	—	—	(416,151)
<b>Balance as of 4/30/24</b>	<b>\$ 50,188</b>	<b>\$104,000</b>	<b>\$—*</b>	<b>\$11,596,456</b>	<b>\$11,750,644</b>

(1) Realized gain (loss) on these securities is included in the realized gain (loss) from investments on the Statement of Operations.

(2) Unrealized appreciation (depreciation) on these securities is included in the change in unrealized appreciation (depreciation) from investments on the Statement of Operations.

\* Securities valued at \$0.

\*\* Transfers are calculated on the beginning of period values. During the year ended April 30, 2024, investments having aggregate value of \$268,817 were transferred from Level 3 to Level 2, the initiation of a vendor or broker providing prices based on market indications which have been determined to be significant observable inputs. Security valued at \$55,625 was transferred from Level 2 to Level 3, a decline in market activity for significant observable inputs, which resulted in a lack of available market inputs to determine price. There were no other transfers in or out of Level 3 during the period.

Net change in unrealized appreciation (depreciation) of Level 3 investments still held and considered Level 3 at April 30, 2024:

\$776,920

The accompanying notes are an integral part of these financial statements.

## Statement of Assets and Liabilities | 4/30/24

### ASSETS:

Investments in unaffiliated issuers, at value (cost \$149,411,244)	\$144,239,300
Cash	22,628
Foreign currencies, at value (cost \$1,393,546)	1,389,222
Futures collateral	36,816
Due from broker for futures	4,125
Unrealized appreciation on forward foreign currency exchange contracts	4,836
Receivables —	
Investment securities sold	10,000
Dividends	16,773
Interest	1,981,487
Other assets	51
<b>Total assets</b>	<b>\$147,705,238</b>

### LIABILITIES:

Payables —	
Credit agreement	\$ 41,325,000
Investment securities purchased	1,677,671
Directors' fees	878
Interest expense	211,791
Variation margin for futures contracts	4,125
Unrealized depreciation on forward foreign currency exchange contracts	60,081
Management fees	16,873
Administrative expenses	9,355
Accrued expenses	119,333
<b>Total liabilities</b>	<b>\$ 43,425,107</b>

### NET ASSETS:

Paid-in capital	\$170,513,824
Distributable earnings (loss)	(66,233,693)
<b>Net assets</b>	<b>\$104,280,131</b>

### NET ASSET VALUE PER SHARE:

No par value	
Based on \$104,280,131/8,334,759 shares	\$ 12.51

The accompanying notes are an integral part of these financial statements.

# Statement of Operations

FOR THE YEAR ENDED 4/30/24

## INVESTMENT INCOME:

Interest from unaffiliated issuers (net of foreign taxes withheld \$(3,305))	\$12,631,616	
Dividends from unaffiliated issuers	2,354,608	
Total Investment Income		<b>\$14,986,224</b>

## EXPENSES:

Management fees	\$ 1,215,728	
Administrative expenses	45,915	
Transfer agent fees	18,128	
Stockholder communications expense	68,925	
Custodian fees	2,484	
Professional fees	213,064	
Printing expense	19,385	
Officers' and Directors' fees	9,598	
Insurance expense	3,704	
Interest expense	2,727,675	
Miscellaneous	226,137	
Total expenses		\$ 4,550,743
Net investment income		<b>\$10,435,481</b>

## REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:

Net realized gain (loss) on:		
Investments in unaffiliated issuers	\$ (6,459,063)	
Forward foreign currency exchange contracts	169,746	
Futures contracts	(7,272)	
Written options	28,531	
Other assets and liabilities denominated in foreign currencies	28,673	\$ (6,239,385)
Change in net unrealized appreciation (depreciation) on:		
Investments in unaffiliated issuers	\$11,424,309	
Forward foreign currency exchange contracts	(82,033)	
Futures contracts	(31,448)	
Written options	14,740	
Other assets and liabilities denominated in foreign currencies	(10,180)	\$11,315,388
Net realized and unrealized gain (loss) on investments		<b>\$ 5,076,003</b>
Net increase in net assets resulting from operations		<b>\$15,511,484</b>

The accompanying notes are an integral part of these financial statements.

## Statements of Changes in Net Assets

	Year Ended 4/30/24	Year Ended 4/30/23
<b>FROM OPERATIONS:</b>		
Net investment income (loss)	\$ 10,435,481	\$ 9,418,039
Net realized gain (loss) on investments	(6,239,385)	(6,017,114)
Change in net unrealized appreciation (depreciation) on investments	11,315,388	(8,811,258)
Net increase (decrease) in net assets resulting from operations	<b>\$ 15,511,484</b>	<b>\$ (5,410,333)</b>
<b>DISTRIBUTIONS TO COMMON STOCKHOLDERS:</b>		
<b>NET INVESTMENT INCOME</b>		
(\$1.08 and \$1.16 per share, respectively)	\$ (9,001,540)	\$ (9,645,645)
<b>TAX RETURN OF CAPITAL TO COMMON STOCKHOLDERS:</b>		
(\$— and \$0.04 per share, respectively)	\$ —	\$ (356,066)
Total distributions to common stockholders	\$ (9,001,540)	\$ (10,001,711)
<b>Net increase (decrease) in net assets</b>	<b>\$ 6,509,944</b>	<b>\$ (15,412,044)</b>
<b>NET ASSETS:</b>		
Beginning of year	\$ 97,770,187	\$ 113,182,231
End of year	<b>\$ 104,280,131</b>	<b>\$ 97,770,187</b>

The accompanying notes are an integral part of these financial statements.



# Statement of Cash Flows

FOR THE YEAR ENDED 4/30/24

## Cash Flows From Operating Activities

Net increase in net assets resulting from operations	\$ 15,511,484
--	---------------

## Adjustments to reconcile net decrease in net assets resulting from operations to net cash, restricted cash and foreign currencies from operating activities:

Purchases of investment securities	\$(46,990,217)
Proceeds from disposition and maturity of investment securities	44,472,059
Net sales of short term investments	3,121,059
Net accretion and amortization of discount/premium on investment securities	(227,391)
Net realized loss on investments in unaffiliated issuers	6,459,063
Change in unrealized appreciation on investments in unaffiliated issuers	(11,424,309)
Change in unrealized depreciation on forward foreign currency exchange contracts	82,033
Change in unrealized appreciation on written options	(14,740)
Increase in due from broker for futures	(4,125)
Increase in dividends receivable	546
Decrease in interest receivable	121,848
Decrease in distributions paid in advance	750,128
Increase in variation margin for futures contracts	4,125
Increase in management fees payable	570
Increase in directors' fees payable	233
Decrease in administrative expenses payable	(1,036)
Net realized gain on written options	(28,531)
Decrease in accrued expenses payable	(2,329)
<b>Net cash, restricted cash and foreign currencies from operating activities</b>	<b>\$ 11,830,470</b>

## Cash Flows Used In Financing Activities:

Borrowings received	(1,250,000)
Increase in interest expense payable	187,695
Distributions to stockholders	(9,751,668)
<b>Net cash flows used in financing activities</b>	<b>\$(10,813,973)</b>

## NET INCREASE (DECREASE) IN CASH, RESTRICTED CASH AND FOREIGN CURRENCIES

\$ 1,016,497

## Cash, Restricted Cash and Foreign Currencies:

Beginning of year*	\$ 432,169
End of year*	\$ 1,448,666

## Cash Flow Information:

Cash paid for interest	\$ 2,539,980
------------------------	--------------

\* The following table provides a reconciliation of cash and foreign currencies reported in the Statement of Assets and Liabilities that sum to the total of the same such amounts shown in the Statement of Cash Flows:

	Year Ended 4/30/24	Year Ended 4/30/23
Cash	\$ 22,628	\$ 8,348
Foreign currencies, at value	1,389,222	423,821
Restricted cash	36,816	—

The accompanying notes are an integral part of these financial statements

# Statement of Cash Flows

FOR THE YEAR ENDED 4/30/24 (continued)

	Year Ended 4/30/24	Year Ended 4/30/23
Total cash and foreign currencies shown in the Statement of Cash Flows	\$1,448,666	\$432,169

The accompanying notes are an integral part of these financial statements

# Financial Highlights

	Year Ended 4/30/24	Year Ended 4/30/23	Year Ended 4/30/22	Year Ended 4/30/21	Year Ended 4/30/20
<b>Per Share Operating Performance</b>					
Net asset value, beginning of period	\$ 11.73	\$ 13.58	\$ 15.67	\$ 12.60	\$ 16.18
Increase (decrease) from investment operations:					
Net investment income (loss)(a)	\$ 1.25	\$ 1.13	\$ 1.28	\$ 1.25	\$ 1.19
Net realized and unrealized gain (loss) on investments	0.61	(1.78)	(2.05)	3.16	(3.59)
<b>Net increase (decrease) from investment operations</b>	<b>\$ 1.86</b>	<b>\$ (0.65)</b>	<b>\$ (0.77)</b>	<b>\$ 4.41</b>	<b>\$ (2.40)</b>
Distributions to stockholders:					
Net investment income and previously undistributed net investment income	\$ (1.08)	\$ (1.16)*	\$ (1.32)*	\$ (1.34)*	\$ (1.18)*
Tax return of capital	—	(0.04)	—	—	—
<b>Total distributions</b>	<b>\$ (1.08)</b>	<b>\$ (1.20)</b>	<b>\$ (1.32)</b>	<b>\$ (1.34)</b>	<b>\$ (1.18)</b>
<b>Net increase (decrease) in net asset value</b>	<b>\$ 0.78</b>	<b>\$ (1.85)</b>	<b>\$ (2.09)</b>	<b>\$ 3.07</b>	<b>\$ (3.58)</b>
Net asset value, end of period	\$ 12.51	\$ 11.73	\$ 13.58	\$ 15.67	\$ 12.60
Market value, end of period	\$ 11.45	\$ 10.02	\$ 12.30	\$ 14.95	\$ 10.99
<b>Total return at net asset value(b)</b>	<b>17.95%</b>	<b>(3.46)%</b>	<b>(5.19)%</b>	<b>37.08%</b>	<b>(15.21)%</b>
<b>Total return at market value(b)</b>	<b>26.38%</b>	<b>(8.96)%</b>	<b>(9.99)%</b>	<b>49.94%</b>	<b>(16.84)%</b>
Ratios to average net assets of stockholders:					
Total expenses plus interest expense(c)	4.54%	3.42%	2.11%	2.06%	2.88%
Net investment income available to stockholders	10.42%	9.39%	8.42%	8.49%	7.64%
Portfolio turnover rate	31%	25%	46%	57%	52%
Net assets, end of period (in thousands)	\$104,280	\$97,770	\$113,182	\$130,594	\$104,985
Total amount of debt outstanding (in thousands)	\$41,325	\$42,575	\$54,950	\$61,000	\$45,000
Asset coverage per \$1,000 of indebtedness	\$3,523	\$3,296	\$3,060	\$3,141	\$3,333

\* The amount of distributions made to stockholders during the year were in excess of the net investment income earned by the Fund during the year. The Fund has accumulated undistributed net investment income which is part of the Fund's net asset value ("NAV"). A portion of the accumulated net investment income was distributed to stockholders during the year. A decrease in distributions may have a negative effect on the market value of the Fund's shares.

(a) The per common share data presented above is based upon the average common shares outstanding for the periods presented.

(b) Total investment return is calculated assuming a purchase of common shares at the current net asset value or market value on the first day and a sale at the current net asset value or market value on the last day of the periods reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Total investment return does not reflect brokerage commissions. Past performance is not a guarantee of future results.

(c) Includes interest expense of 2.72%, 1.83%, 0.52%, 0.46% and 1.35%, respectively.

The accompanying notes are an integral part of these financial statements.

# Notes to Financial Statements | 4/30/24

## 1. Organization and Significant Accounting Policies

Pioneer Diversified High Income Fund, Inc. (the “Fund”) is organized as a Maryland corporation. Prior to April 21, 2021, the Fund was organized as a Delaware statutory trust. On April 21, 2021, the Fund redomiciled to a Maryland corporation through a statutory merger of the predecessor Delaware statutory trust with and into a newly-established Maryland corporation formed for the purpose of effecting the redomiciling. The Fund was originally organized on January 30, 2007. Prior to commencing operations on May 30, 2007, the Fund had no operations other than matters relating to its organization and registration as a diversified, closed-end management investment company under the Investment Company Act of 1940, as amended (the “1940 Act”). The investment objective of the Fund is to seek a high level of current income and the Fund may, as a secondary objective, also seek capital appreciation to the extent that it is consistent with its investment objective.

Amundi Asset Management US, Inc., an indirect, wholly owned subsidiary of Amundi and Amundi’s wholly owned subsidiary, Amundi USA, Inc., serves as the Fund’s investment adviser (the “Adviser”).

The Fund is required to comply with Rule 18f-4 under the 1940 Act, which governs the use of derivatives by registered investment companies. Rule 18f-4 permits funds to enter into derivatives transactions (as defined in Rule 18f-4) and certain other transactions notwithstanding the restrictions on the issuance of “senior securities” under Section 18 of the 1940 Act. Rule 18f-4 requires a fund to establish and maintain a comprehensive derivatives risk management program, appoint a derivatives risk manager and comply with a relative or absolute limit on fund leverage risk calculated based on value-at-risk (“VaR”), unless the fund uses derivatives in only a limited manner (a “limited derivatives user”). The Fund is currently a limited derivatives user for purposes of Rule 18f-4.

The Fund is an investment company and follows investment company accounting and reporting guidance under U.S. Generally Accepted Accounting Principles (“U.S. GAAP”). U.S. GAAP requires the management of the Fund to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income, expenses and gain or loss on investments during the reporting period. Actual results could differ from those estimates.

The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements:

## A. Security Valuation

The net asset value of the Fund is computed once daily, on each day the New York Stock Exchange (“NYSE”) is open, as of the close of regular trading on the NYSE.

Fixed income securities are valued by using prices supplied by independent pricing services, which consider such factors as market prices, market events, quotations from one or more brokers, Treasury spreads, yields, maturities and ratings, or may use a pricing matrix or other fair value methods or techniques to provide an estimated value of the security or instrument. A pricing matrix is a means of valuing a debt security on the basis of current market prices for other debt securities, historical trading patterns in the market for fixed income securities and/or other factors. Non-U.S. debt securities that are listed on an exchange will be valued at the bid price obtained from an independent third party pricing service. When independent third party pricing services are unable to supply prices, or when prices or market quotations are considered to be unreliable, the value of that security may be determined using quotations from one or more broker-dealers.

Loan interests are valued at the mean between the last available bid and asked prices from one or more brokers or dealers as obtained from Loan Pricing Corporation, an independent third party pricing service. If price information is not available from Loan Pricing Corporation, or if the price information is deemed to be unreliable, price information will be obtained from an alternative loan interest pricing service. If no reliable price quotes are available from either the primary or alternative pricing service, broker quotes will be solicited.

Event-linked bonds are valued at the bid price obtained from an independent third party pricing service. Other insurance-linked securities (including reinsurance sidecars, collateralized reinsurance and industry loss warranties) may be valued at the bid price obtained from an independent pricing service, or through a third party using a pricing matrix, insurance valuation models, or other fair value methods or techniques to provide an estimated value of the instrument.

Equity securities that have traded on an exchange are valued by using the last sale price on the principal exchange where they are traded. Equity securities that have not traded on the date of valuation, or securities for which sale prices are not available, generally are valued using the mean between the last bid and asked prices or, if both last bid and asked prices are not available, at the last quoted bid price. Last sale and bid and asked prices are provided by independent third party pricing services. In the case of equity securities not traded on an exchange,

prices are typically determined by independent third party pricing services using a variety of techniques and methods.

The value of foreign securities is translated into U.S. dollars based on foreign currency exchange rate quotations supplied by a third party pricing source. Trading in non-U.S. equity securities is substantially completed each day at various times prior to the close of the NYSE. The values of such securities used in computing the net asset value of the Fund's shares are determined as of such times. The Adviser may use a fair value model developed by an independent pricing service to value non-U.S. equity securities.

Options contracts are generally valued at the mean between the last bid and ask prices on the principal exchange where they are traded. Over-the-counter ("OTC") options and options on swaps ("swaptions") are valued using prices supplied by independent pricing services, which consider such factors as market prices, market events, quotations from one or more brokers, Treasury spreads, yields, maturities and ratings, or may use a pricing matrix or other fair value methods or techniques to provide an estimated value of the security or instrument.

Forward foreign currency exchange contracts are valued daily using the foreign exchange rate or, for longer term forward contract positions, the spot currency rate and the forward points on a daily basis, in each case provided by a third party pricing service. Contracts whose forward settlement date falls between two quoted days are valued by interpolation.

Swap contracts, including interest rate swaps, caps and floors (other than centrally cleared swap contracts), are valued at the dealer quotations obtained from reputable International Swap Dealers Association members. Centrally cleared swaps are valued at the daily settlement price provided by the central clearing counterparty.

Shares of open-end registered investment companies (including money market mutual funds) are valued at such funds' net asset value. Shares of exchange-listed closed-end funds are valued by using the last sale price on the principal exchange where they are traded.

Securities or loan interests for which independent pricing services or broker-dealers are unable to supply prices or for which market prices and/or quotations are not readily available or are considered to be unreliable are valued by a fair valuation team comprised of certain personnel of the Adviser. The Adviser is designated as the valuation designee for the Fund pursuant to Rule 2a-5 under the 1940 Act. The

Adviser's fair valuation team is responsible for monitoring developments that may impact fair valued securities.

Inputs used when applying fair value methods to value a security may include credit ratings, the financial condition of the company, current market conditions and comparable securities. The Adviser may use fair value methods if it is determined that a significant event has occurred after the close of the exchange or market on which the security trades and prior to the determination of the Fund's net asset value. Examples of a significant event might include political or economic news, corporate restructurings, natural disasters, terrorist activity or trading halts. Thus, the valuation of the Fund's securities may differ significantly from exchange prices, and such differences could be material.

## **B. Investment Income and Transactions**

Dividend income is recorded on the ex-dividend date, except that certain dividends from foreign securities where the ex-dividend date may have passed are recorded as soon as the Fund becomes aware of the ex-dividend data in the exercise of reasonable diligence.

Interest income, including interest on income-bearing cash accounts, is recorded on the accrual basis. Dividend and interest income are reported net of unrecoverable foreign taxes withheld at the applicable country rates and net of income accrued on defaulted securities.

Interest and dividend income payable by delivery of additional shares is reclassified as PIK (payment-in-kind) income upon receipt and is included in interest and dividend income, respectively.

Principal amounts of mortgage-backed securities are adjusted for monthly paydowns. Premiums and discounts related to certain mortgage-backed securities are amortized or accreted in proportion to the monthly paydowns. All discounts/premiums on purchase prices of debt securities are accreted/amortized for financial reporting purposes over the life of the respective securities, and such accretion/amortization is included in interest income.

Security transactions are recorded as of trade date. Gains and losses on sales of investments are calculated on the identified cost method for both financial reporting and federal income tax purposes.

## C. Foreign Currency Translation

The books and records of the Fund are maintained in U.S. dollars. Amounts denominated in foreign currencies are translated into U.S. dollars using current exchange rates.

Net realized gains and losses on foreign currency transactions, if any, represent, among other things, the net realized gains and losses on foreign currency exchange contracts, disposition of foreign currencies and the difference between the amount of income accrued and the U.S. dollars actually received. Further, the effects of changes in foreign currency exchange rates on investments are not segregated on the Statement of Operations from the effects of changes in the market prices of those securities, but are included with the net realized and unrealized gain or loss on investments.

## D. Federal Income Taxes

It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its net taxable income and net realized capital gains, if any, to its stockholders. Therefore, no provision for federal income taxes is required. As of April 30, 2024, the Fund did not accrue any interest or penalties with respect to uncertain tax positions, which, if applicable, would be recorded as an income tax expense on the Statement of Operations. Tax returns filed within the prior three years remain subject to examination by federal and state tax authorities.

The amount and character of income and capital gain distributions to stockholders are determined in accordance with federal income tax rules, which may differ from U.S. GAAP. Distributions in excess of net investment income or net realized gains are temporary over distributions for financial statement purposes resulting from differences in the recognition or classification of income or distributions for financial statement and tax purposes. Capital accounts within the financial statements are adjusted for permanent book/tax differences to reflect tax character, but are not adjusted for temporary differences.

At April 30, 2024, the Fund reclassified \$18,054 to increase distributable earnings and \$18,054 to decrease paid-in capital to reflect permanent book/tax differences. These adjustments have no impact on net assets or the results of operations.

At April 30, 2024, the Fund was permitted to carry forward indefinitely \$4,353,549 of short-term losses and \$56,576,844 of long-term losses.



The tax character of distributions paid during the years ended April 30, 2024 and April 30, 2023, was as follows:

	2024	2023
<b>Distributions paid from:</b>		
Ordinary income	\$9,001,540	\$ 9,645,645
Tax return of capital	—	356,066
<b>Total</b>	<b>\$9,001,540</b>	<b>\$10,001,711</b>

The following shows the components of distributable earnings (losses) on a federal income tax basis at April 30, 2024:

	2024
<b>Distributable earnings/(losses):</b>	
Undistributed ordinary income	\$ 1,796,954
Capital loss carryforward	(60,930,393)
Net unrealized depreciation	(7,100,254)
<b>Total</b>	<b>\$(66,233,693)</b>

The difference between book basis and tax basis unrealized depreciation is primarily attributable to the mark to market on forward foreign currency exchange contracts, the tax deferral of losses on wash sales, realization for tax purposes of unrealized gains on investments in passive foreign investment companies, the book/tax differences in the accrual of income on securities in default, trust preferred securities, adjustments relating to insurance-linked securities, perpetual bonds, and the premium amortization on callable bonds.

## E. Risks

The value of securities held by the Fund may go up or down, sometimes rapidly or unpredictably, due to general market conditions, such as real or perceived adverse economic, political or regulatory conditions, recessions, the spread of infectious illness or other public health issues, inflation, changes in interest rates, armed conflict such as between Russia and Ukraine or in the Middle East, sanctions against Russia, other nations or individuals or companies and possible countermeasures, lack of liquidity in the bond markets or adverse investor sentiment. In the past several years, financial markets have experienced increased volatility, depressed valuations, decreased liquidity and heightened uncertainty. These conditions may continue, recur, worsen or spread. Inflation and interest rates have increased and may rise further. These circumstances could adversely affect the value and liquidity of the Fund's investments and negatively impact the Fund's performance.

The long-term impact of the COVID-19 pandemic and its subsequent variants on economies, markets, industries and individual issuers, are

not known. Some sectors of the economy and individual issuers have experienced or may experience particularly large losses. Periods of extreme volatility in the financial markets, reduced liquidity of many instruments, increased government debt, inflation, and disruptions to supply chains, consumer demand and employee availability, may continue for some time. Following Russia's invasion of Ukraine, Russian securities lost all, or nearly all, their market value. Other securities or markets could be similarly affected by past or future political, geopolitical or other events or conditions.

Governments and central banks, including the U.S. Federal Reserve, have taken extraordinary and unprecedented actions to support local and global economies and the financial markets. These actions have resulted in significant expansion of public debt, including in the U.S. The consequences of high public debt, including its future impact on the economy and securities markets, may not be known for some time.

The U.S. and other countries are periodically involved in disputes over trade and other matters, which may result in tariffs, investment restrictions and adverse impacts on affected companies and securities. For example, the U.S. has imposed tariffs and other trade barriers on Chinese exports, has restricted sales of certain categories of goods to China, and has established barriers to investments in China. Trade disputes may adversely affect the economies of the U.S. and its trading partners, as well as companies directly or indirectly affected and financial markets generally. If the political climate between the U.S. and China does not improve or continues to deteriorate, if China were to attempt unification of Taiwan by force, or if other geopolitical conflicts develop or get worse, economies, markets and individual securities may be severely affected both regionally and globally, and the value of the Fund's assets may go down.

At times, the Fund's investments may represent industries or industry sectors that are interrelated or have common risks, making the Fund more susceptible to any economic, political, or regulatory developments or other risks affecting those industries and sectors.

The market prices of the Fund's fixed income securities may fluctuate significantly when interest rates change. The value of your investment will generally go down when interest rates rise. A rise in rates tends to have a greater impact on the prices of longer term or duration securities. For example, if interest rates increase by 1%, the value of a Fund's portfolio with a portfolio duration of ten years would be expected to decrease by 10%, all other things being equal. In recent years interest rates and credit spreads in the U.S. have been at historic lows. The

U.S. Federal Reserve has raised certain interest rates, and interest rates may continue to go up. A general rise in interest rates could adversely affect the price and liquidity of fixed income securities. The maturity of a security may be significantly longer than its effective duration. A security's maturity and other features may be more relevant than its effective duration in determining the security's sensitivity to other factors affecting the issuer or markets generally, such as changes in credit quality or in the yield premium that the market may establish for certain types of securities (sometimes called "credit spread"). In general, the longer its maturity the more a security may be susceptible to these factors. When the credit spread for a fixed income security goes up, or "widens", the value of the security will generally go down.

If an issuer or guarantor of a security held by the Fund or a counterparty to a financial contract with the Fund defaults on its obligation to pay principal and/or interest, has its credit rating downgraded or is perceived to be less creditworthy, or the credit quality or value of any underlying assets declines, the value of your investment will typically decline. Changes in actual or perceived creditworthiness may occur quickly. The Fund could be delayed or hindered in its enforcement of rights against an issuer, guarantor or counterparty.

The Fund invests in below-investment grade ("high yield") debt securities, floating rate loans and insurance-linked securities. The Fund may invest in securities and other obligations of any credit quality, including those that are rated below investment grade, or are unrated but are determined by the Adviser to be of equivalent credit quality. Below investment grade securities are commonly referred to as "junk bonds" and are considered speculative with respect to the issuer's capacity to pay interest and repay principal. Below investment grade securities, including floating rate loans, involve greater risk of loss, are subject to greater price volatility, and may be less liquid and more difficult to value, especially during periods of economic uncertainty or change, than higher rated debt securities.

Certain securities in which the Fund invests, including floating rate loans, once sold, may not settle for an extended period (for example, several weeks or even longer). The Fund will not receive its sale proceeds until that time, which may constrain the Fund's ability to meet its obligations. The Fund may invest in securities of issuers that are in default or that are in bankruptcy. The value of collateral, if any, securing a floating rate loan can decline or may be insufficient to meet the issuer's obligations or may be difficult to liquidate. No active trading market may exist for many floating rate loans, and many loans are subject to restrictions on resale. Any secondary market may be subject

to irregular trading activity and extended settlement periods. There is less readily available, reliable information about most floating rate loans than is the case for many other types of securities. Normally, the Adviser will seek to avoid receiving material, nonpublic information about the issuer of a loan either held by, or considered for investment by, the Fund, and this decision could adversely affect the Fund's investment performance. Loans may not be considered "securities," and purchasers, such as the Fund, therefore may not be entitled to rely on the anti-fraud protections afforded by federal securities laws.

The Fund invest in insurance-linked securities ("ILS"). ILS may include event-linked bonds (also known as insurance-linked bonds or catastrophe bonds), quota share instruments (also known as "reinsurance sidecars"), collateralized reinsurance investments, industry loss warranties, event-linked swaps, securities of companies in the insurance or reinsurance industries, and other insurance and reinsurance-related securities. The Fund could lose a portion or all of the principal it has invested in an ILS, and the right to additional interest or dividend payments with respect to the security, upon the occurrence of one or more trigger events, as defined within the terms of an insurance-linked security. ILS carry significant risk. See note I.G.

The Fund may invest in mortgage-related and asset-backed securities. The value of mortgage-related and asset-backed securities will be influenced by factors affecting the assets underlying such securities. As a result, during periods of declining asset value, difficult or frozen credit markets, swings in interest rates, or deteriorating economic conditions, mortgage-related and asset-backed securities may decline in value, face valuation difficulties, become more volatile and/or become illiquid. Mortgage-backed securities tend to be more sensitive to changes in interest rate than other types of debt securities. These securities are also subject to prepayment and extension risks. Some of these securities may receive little or no collateral protection from the underlying assets and are thus subject to the risk of default. The risk of such defaults is generally higher in the case of mortgage-backed investments offered by non-governmental issuers and those that include so-called "sub-prime" mortgages. The structure of some of these securities may be complex and there may be less available information than for other types of debt securities. Upon the occurrence of certain triggering events or defaults, the Fund may become the holder of underlying assets at a time when those assets may be difficult to sell or may be sold only at a loss.

The Fund may invest in credit risk transfer securities. Credit risk transfer securities are unguaranteed and unsecured debt securities issued by government sponsored enterprises and therefore are not directly linked

to or backed by the underlying mortgage loans. As a result, in the event that a government sponsored enterprise fails to pay principal or interest on its credit risk transfer securities or goes through a bankruptcy, insolvency or similar proceeding, holders of such credit risk transfer securities have no direct recourse to the underlying mortgage loans and will generally receive recovery on par with other unsecured note holders in such a scenario. The risks associated with an investment in credit risk transfer securities are different than the risks associated with an investment in mortgage-backed securities issued by Fannie Mae and Freddie Mac, or other government sponsored enterprise or issued by a private issuer, because some or all of the mortgage default or credit risk associated with the underlying mortgage loans is transferred to investors. As a result, investors in these securities could lose some or all of their investment in these securities if the underlying mortgage loans default.

The Fund's investments in foreign markets and countries with limited developing markets may subject the Fund to a greater degree of risk than investments in a developed market. These risks include disruptive political or economic conditions, military conflicts and sanctions, terrorism, sustained economic downturns, financial instability, less liquid trading markets, extreme price volatility, currency risks, reduction of government or central bank support, inadequate accounting standards, tariffs, tax disputes or other tax burdens, nationalization or expropriation of assets and the imposition of adverse governmental laws, arbitrary application of laws and regulations or lack of rule of law and investment and repatriation restrictions. Lack of information and less market regulation also may affect the value of these securities. Withholding and other non-U.S. taxes may decrease the Fund's return. Non-U.S. issuers may be located in parts of the world that have historically been prone to natural disasters. Investing in depositary receipts is subject to many of the same risks as investing directly in non-U.S. issuers. Depositary receipts may involve higher expenses and may trade at a discount (or premium) to the underlying security.

Russia launched a large-scale invasion of Ukraine on February 24, 2022. In response to the military action by Russia, various countries, including the U.S., the United Kingdom, and European Union issued broad-ranging economic sanctions against Russia and Belarus and certain companies and individuals. Since then, Russian securities have lost all, or nearly all, their market value, and many other issuers, securities and markets have been adversely affected. The United States and other countries may impose sanctions on other countries, companies and individuals in light of Russia's military invasion. The extent and duration of the

military action or future escalation of such hostilities, the extent and impact of existing and future sanctions, market disruptions and volatility, and the result of any diplomatic negotiations cannot be predicted. These and any related events could have a significant impact on the value and liquidity of certain Fund investments, on Fund performance and the value of an investment in the Fund, particularly with respect to securities and commodities, such as oil, natural gas and food commodities, as well as other sectors with exposure to Russian issuers or issuers in other countries affected by the invasion, and are likely to have collateral impacts on market sectors globally.

The Fund may invest a significant amount of its total assets in illiquid securities. Illiquid securities are securities that the Fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the securities.

The Fund may invest in REIT securities, the value of which can fall for a variety of reasons, such as declines in rental income, fluctuating interest rates, poor property management, environmental liabilities, uninsured damage, increased competition, or changes in real estate tax laws.

With the increased use of technologies such as the Internet to conduct business, the Fund is susceptible to operational, information security and related risks. While the Fund's Adviser has established business continuity plans in the event of, and risk management systems to prevent, limit or mitigate, such cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Furthermore, the Fund cannot control the cybersecurity plans and systems put in place by service providers to the Fund such as the Fund's custodian and accounting agent, and the Fund's transfer agent. In addition, many beneficial owners of Fund shares hold them through accounts at broker-dealers, retirement platforms and other financial market participants over which neither the Fund nor the Adviser exercises control. Each of these may in turn rely on service providers to them, which are also subject to the risk of cyber-attacks. Cybersecurity failures or breaches at the Adviser or the Fund's service providers or intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Fund's ability to calculate its net asset value, impediments to trading, the inability of Fund stockholders to effect share purchases or sales or receive distributions, loss of or unauthorized access to private stockholder information and violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, or additional compliance costs. Such costs and

losses may not be covered under any insurance. In addition, maintaining vigilance against cyber-attacks may involve substantial costs over time, and system enhancements may themselves be subject to cyber-attacks.

## **F. Restricted Securities**

Restricted Securities are subject to legal or contractual restrictions on resale. Restricted securities generally are resold in transactions exempt from registration under the Securities Act of 1933. Private placement securities are generally considered to be restricted except for those securities traded between qualified institutional investors under the provisions of Rule 144A of the Securities Act of 1933.

Disposal of restricted investments may involve negotiations and expenses, and prompt sale at an acceptable price may be difficult to achieve. Restricted investments held by the Fund at April 30, 2024 are listed in the Schedule of Investments.

## **G. Insurance-Linked Securities (“ILS”)**

The Fund invests in ILS. The Fund could lose a portion or all of the principal it has invested in an ILS, and the right to additional interest or dividend payments with respect to the security, upon the occurrence of one or more trigger events, as defined within the terms of an insurance-linked security. Trigger events, generally, are hurricanes, earthquakes, or other natural events of a specific size or magnitude that occur in a designated geographic region during a specified time period, and/or that involve losses or other metrics that exceed a specific amount. There is no way to accurately predict whether a trigger event will occur, and accordingly, ILS carry significant risk. The Fund is entitled to receive principal, and interest and/or dividend payments so long as no trigger event occurs of the description and magnitude specified by the instrument. In addition to the specified trigger events, ILS may expose the Fund to other risks, including but not limited to issuer (credit) default, adverse regulatory or jurisdictional interpretations and adverse tax consequences.

The Fund’s investments in ILS may include event-linked bonds. ILS also may include special purpose vehicles (“SPVs”) or similar instruments structured to comprise a portion of a reinsurer’s catastrophe-oriented business, known as quota share instruments (sometimes referred to as reinsurance sidecars), or to provide reinsurance relating to specific risks to insurance or reinsurance companies through a collateralized instrument, known as collateralized reinsurance. Structured reinsurance investments also may include industry loss warranties (“ILWs”). A traditional ILW takes the form of a bilateral reinsurance contract, but

there are also products that take the form of derivatives, collateralized structures, or exchange-traded instruments.

Where the ILS are based on the performance of underlying reinsurance contracts, the Fund has limited transparency into the individual underlying contracts, and therefore must rely upon the risk assessment and sound underwriting practices of the issuer. Accordingly, it may be more difficult for the Adviser to fully evaluate the underlying risk profile of the Fund's structured reinsurance investments, and therefore the Fund's assets are placed at greater risk of loss than if the Adviser had more complete information. Structured reinsurance instruments generally will be considered illiquid securities by the Fund. These securities may be difficult to purchase, sell or unwind. Illiquid securities also may be difficult to value. If the Fund is forced to sell an illiquid asset, the Fund may be forced to sell at a loss.

## **H. Purchased Options**

The Fund may purchase put and call options to seek to increase total return. Purchased call and put options entitle the Fund to buy and sell a specified number of shares or units of a particular security, currency or index at a specified price at a specific date or within a specific period of time. Upon the purchase of a call or put option, the premium paid by the Fund is included on the Statement of Assets and Liabilities as an investment. All premiums are marked-to-market daily, and any unrealized appreciation or depreciation is recorded on the Fund's Statement of Operations. As the purchaser of an index option, the Fund has the right to receive a cash payment equal to any depreciation in the value of the index below the strike price of the option (in the case of a put) or equal to any appreciation in the value of the index over the strike price of the option (in the case of a call) as of the valuation date of the option. Premiums paid for purchased call and put options which have expired are treated as realized losses on investments on the Statement of Operations. Upon the exercise or closing of a purchased put option, the premium is offset against the proceeds on the sale of the underlying security or financial instrument in order to determine the realized gain or loss on investments. Upon the exercise or closing of a purchased call option, the premium is added to the cost of the security or financial instrument. The risk associated with purchasing options is limited to the premium originally paid.

The average market value of purchased options contracts open during the year ended April 30, 2024 was \$1,129. There were no open purchased options contracts at April 30, 2024.



## I. Option Writing

The Fund may write put and covered call options to seek to increase total return. When an option is written, the Fund receives a premium and becomes obligated to purchase or sell the underlying security at a fixed price, upon the exercise of the option. When the Fund writes an option, an amount equal to the premium received by the Fund is recorded as “Written options outstanding” on the Statement of Assets and Liabilities and is subsequently adjusted to the current value of the option written. Premiums received from writing options that expire unexercised are treated by the Fund on the expiration date as realized gains from investments on the Statement of Operations. The difference between the premium and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain on the Statement of Operations, or, if the premium is less than the amount paid for the closing purchase transaction, as a realized loss on the Statement of Operations. If a call option is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether the Fund has realized a gain or loss. The Fund as writer of an option bears the market risk of an unfavorable change in the price of the security underlying the written option.

The average market value of written options for the year ended April 30, 2024 was \$(14,021). There were no open written options contracts at April 30, 2024.

## J. Forward Foreign Currency Exchange Contracts

The Fund may enter into forward foreign currency exchange contracts (“contracts”) for the purchase or sale of a specific foreign currency at a fixed price on a future date. All contracts are marked-to-market daily at the applicable exchange rates, and any resulting unrealized appreciation or depreciation is recorded in the Fund’s financial statements. The Fund records realized gains and losses at the time a contract is offset by entry into a closing transaction or extinguished by delivery of the currency. Risks may arise upon entering into these contracts from the potential inability of counterparties to meet the terms of the contract and from unanticipated movements in the value of foreign currencies relative to the U.S. dollar (see Note 5).

During the year ended April 30, 2024, the Fund had entered into various forward foreign currency exchange contracts that obligated the Fund to deliver or take delivery of currencies at specified future maturity dates. Alternatively, prior to the settlement date of a forward foreign currency exchange contract, the Fund may close out such contract by entering into an offsetting contract.

The average market value of forward foreign currency exchange contracts open during the year ended April 30, 2024, was \$2,879,943 and \$5,806,381 for buys and sells, respectively. Open forward foreign currency exchange contracts outstanding at April 30, 2024 are listed in the Schedule of Investments.

## **K. Futures Contracts**

The Fund may enter into futures transactions in order to attempt to hedge against changes in interest rates, securities prices and currency exchange rates or to seek to increase total return. Futures contracts are types of derivatives.

All futures contracts entered into by the Fund are traded on a futures exchange. Upon entering into a futures contract, the Fund is required to deposit with a broker an amount of cash or securities equal to the minimum “initial margin” requirements of the associated futures exchange. The amount of cash deposited with the broker as collateral at April 30, 2024 is recorded as “Futures collateral” on the Statement of Assets and Liabilities.

Subsequent payments for futures contracts (“variation margin”) are paid or received by the Fund, depending on the daily fluctuation in the value of the contracts, and are recorded by the Fund as unrealized appreciation or depreciation. Cash received from or paid to the broker related to previous margin movement is held in a segregated account at the broker and is recorded as either “Due from broker for futures” or “Due to broker for futures” on the Statement of Assets and Liabilities. When the contract is closed, the Fund realizes a gain or loss equal to the difference between the opening and closing value of the contract as well as any fluctuation in foreign currency exchange rates where applicable. Futures contracts are subject to market risk, interest rate risk and currency exchange rate risk. Changes in value of the contracts may not directly correlate to the changes in value of the underlying securities. With futures, there is reduced counterparty credit risk to the Fund since futures are exchange-traded and the exchange’s clearinghouse, as counterparty to all exchange-traded futures, guarantees the futures against default.

The average notional values of long position and short position futures contracts during the year ended April 30, 2024 were \$101,940 and \$0, respectively. Open futures contracts outstanding at April 30, 2024 are listed in the Schedule of Investments.

## L. Automatic Dividend Reinvestment Plan

All stockholders whose shares are registered in their own names automatically participate in the Automatic Dividend Reinvestment Plan (the “Plan”), under which participants receive all dividends and capital gain distributions (collectively, dividends) in full and fractional shares of the Fund in lieu of cash. Stockholders may elect not to participate in the Plan. Stockholders not participating in the Plan receive all dividends and capital gain distributions in cash. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by notifying Equiniti Trust Company, the agent for stockholders in administering the Plan (the “Plan Agent”), in writing prior to any dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

If a stockholder’s shares are held in the name of a brokerage firm, bank or other nominee, the stockholder can ask the firm or nominee to participate in the Plan on the stockholder’s behalf. If the firm or nominee does not offer the Plan, dividends will be paid in cash to the stockholder of record. A firm or nominee may reinvest a stockholder’s cash dividends in shares of the Fund on terms that differ from the terms of the Plan.

Whenever the Fund declares a dividend on shares payable in cash, participants in the Plan will receive the equivalent in shares acquired by the Plan Agent either (i) through receipt of additional unissued but authorized shares from the Fund or (ii) by purchase of outstanding shares on the New York Stock Exchange or elsewhere. If, on the payment date for any dividend, the net asset value per share is equal to or less than the market price per share plus estimated brokerage trading fees (market premium), the Plan Agent will invest the dividend amount in newly issued shares. The number of newly issued shares to be credited to each account will be determined by dividing the dollar amount of the dividend by the net asset value per share on the date the shares are issued, provided that the maximum discount from the then current market price per share on the date of issuance does not exceed 5%. If, on the payment date for any dividend, the net asset value per share is greater than the market value (market discount), the Plan Agent will invest the dividend amount in shares acquired in open-market purchases. There are no brokerage charges with respect to newly issued shares. However, each participant will pay a pro rata share of brokerage trading fees incurred with respect to the Plan Agent’s open-market purchases. Participating in the Plan does not relieve stockholders from any federal, state or local taxes which may be due on dividends paid in

any taxable year. Stockholders holding Plan shares in a brokerage account may be able to transfer the shares to another broker and continue to participate in the Plan.

## **M. Statement of Cash Flows**

Information on financial transactions which have been settled through the receipt or disbursement of cash or restricted cash is presented in the Statement of Cash Flows. Cash as presented in the Fund's Statement of Assets and Liabilities includes cash on hand at the Fund's custodian bank and does not include any short-term investments. As of and for the year ended April 30, 2024, the Fund had restricted cash in the form of futures collateral on the Statement of Assets and Liabilities.

## **2. Management Agreement**

The Adviser manages the Fund's portfolio. Management fees payable under the Fund's Investment Management Agreement with the Adviser are calculated daily and paid monthly at the annual rate of 0.85% of the Fund's average daily managed assets. "Managed assets" means (a) the total assets of the Fund, including any form of investment leverage, minus (b) all accrued liabilities incurred in the normal course of operations, which shall not include any liabilities or obligations attributable to investment leverage obtained through (i) indebtedness of any type (including, without limitation, borrowing through a credit facility or the issuance of debt securities), (ii) the issuance of preferred stock or other similar preference securities, and/or (iii) any other means. For the year ended April 30, 2024, the management fee was 0.85% of the Fund's average daily managed assets, which was equivalent to 1.21% of the Fund's average daily net assets.

In addition, under the management and administration agreements, certain other services and costs, including accounting, regulatory reporting and insurance premiums, are paid by the Fund as administrative reimbursements. Reflected on the Statement of Assets and Liabilities is \$16,873 in management fees payable to the Adviser at April 30, 2024.

## **3. Compensation of Officers and Directors**

The Fund pays an annual fee to its Directors. The Adviser reimburses the Fund for fees paid to the Interested Directors. Except for the chief compliance officer, the Fund does not pay any salary or other compensation to its officers. The Fund pays a portion of the chief compliance officer's compensation for his services as the Fund's chief compliance officer. Amundi US pays the remaining portion of the chief compliance officer's compensation. For the year ended April 30, 2024, the Fund paid

\$9,598 in Officers' and Directors' compensation, which is reflected on the Statement of Operations as Officers' and Directors' fees. At April 30, 2024, on its Statement of Assets and Liabilities, the Fund had a payable for Directors' fees of \$878 and a payable for administrative expenses of \$9,355, which includes the payable for Officers' compensation.

#### **4. Transfer Agent**

Equiniti Trust Company, LLC ("EQ"), formerly known as American Stock Transfer & Trust Company, serves as the transfer agent with respect to the Fund's common shares. The Fund pays EQ an annual fee as is agreed to from time to time by the Fund and EQ for providing such services.

In addition, the Fund reimbursed the transfer agent for out-of-pocket expenses incurred by the transfer agent related to stockholder communications activities such as proxy and statement mailings and outgoing phone calls.

#### **5. Master Netting Agreements**

The Fund has entered into an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement with substantially all of its derivative counterparties. An ISDA Master Agreement is a bilateral agreement between the Fund and a counterparty that governs the trading of certain Over the Counter ("OTC") derivatives and typically contains, among other things, close-out and set-off provisions which apply upon the occurrence of an event of default and/or a termination event as defined under the relevant ISDA Master Agreement. The ISDA Master Agreement may also give a party the right to terminate all transactions traded under such agreement if, among other things, there is deterioration in the credit quality of the other party.

Upon an event of default or a termination of the ISDA Master Agreement, the non-defaulting party has the right to close out all transactions under such agreement and to net amounts owed under each transaction to determine one net amount payable by one party to the other. The right to close out and net payments across all transactions under the ISDA Master Agreement could result in a reduction of the Fund's credit risk to its counterparty equal to any amounts payable by the Fund under the applicable transactions, if any. However, the Fund's right to set-off may be restricted or prohibited by the bankruptcy or insolvency laws of the particular jurisdiction to which each specific ISDA Master Agreement of each counterparty is subject.

The collateral requirements for derivatives transactions under an ISDA Master Agreement are governed by a credit support annex to the ISDA Master Agreement. Collateral requirements are generally determined at the

close of business each day and are typically based on changes in market values for each transaction under an ISDA Master Agreement and netted into one amount for such agreement. Generally, the amount of collateral due from or to a counterparty is subject to threshold (a “minimum transfer amount”) before a transfer is required, which may vary by counterparty. Collateral pledged for the benefit of the Fund and/or counterparty is held in segregated accounts by the Fund’s custodian and cannot be sold, re-pledged, assigned or otherwise used while pledged. Cash that has been segregated to cover the Fund’s collateral obligations, if any, will be reported separately on the Statement of Assets and Liabilities as “Swaps collateral.” Securities pledged by the Fund as collateral, if any, are identified as such in the Schedule of Investments.

Financial instruments subject to an enforceable master netting agreement, such as an ISDA Master Agreement, have been offset on the Statement of Assets and Liabilities. The following charts show gross assets and liabilities of the Fund as of April 30, 2024.

Counterparty	Derivative Assets Subject to Master Netting Agreement	Derivatives Available for Offset	Non-Cash Collateral Received (a)	Cash Collateral Received (a)	Net Amount of Derivative Assets (b)
HSBC Bank USA NA	\$ —	\$ —	\$—	\$—	\$—
State Street Bank & Trust Co.	4,836	(4,836)	—	—	—
<b>Total</b>	<b>\$4,836</b>	<b>\$(4,836)</b>	<b>\$—</b>	<b>\$—</b>	<b>\$—</b>

Counterparty	Derivative Liabilities Subject to Master Netting Agreement	Derivatives Available for Offset	Non-Cash Collateral Pledged(a)	Cash Collateral Pledged(a)	Net Amount of Derivative Liabilities(c)
HSBC Bank USA NA	\$43,797	\$ —	\$—	\$—	\$43,797
State Street Bank & Trust Co.	16,284	(4,836)	—	—	11,448
<b>Total</b>	<b>\$60,081</b>	<b>\$(4,836)</b>	<b>\$—</b>	<b>\$—</b>	<b>\$55,245</b>

(a) The amount presented here may be less than the total amount of collateral received/pledged as the net amount of derivative assets and liabilities cannot be less than \$0.

(b) Represents the net amount due from the counterparty in the event of default.

(c) Represents the net amount payable to the counterparty in the event of default.

## 6. Additional Disclosures about Derivative Instruments and Hedging Activities

The Fund's use of derivatives may enhance or mitigate the Fund's exposure to the following risks:

Interest rate risk relates to the fluctuations in the value of interest-bearing securities due to changes in the prevailing levels of market interest rates.

Credit risk relates to the ability of the issuer of a financial instrument to make further principal or interest payments on an obligation or commitment that it has to the Fund.

Foreign exchange rate risk relates to fluctuations in the value of an asset or liability due to changes in currency exchange rates.

Equity risk relates to the fluctuations in the value of financial instruments as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange rate risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

Commodity risk relates to the risk that the value of a commodity or commodity index will fluctuate based on increases or decreases in the commodities market and factors specific to a particular industry or commodity.

The fair value of open derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) by risk exposure at April 30, 2024, was as follows:

Statement of Assets and Liabilities	Interest Rate Risk	Credit Risk	Foreign Exchange Rate Risk	Equity Risk	Commodity Risk
<b>Assets</b>					
Unrealized appreciation on forward foreign currency exchange contracts	\$ —	\$—	\$ 4,836	\$—	\$—
<b>Total Value</b>	<b>\$ —</b>	<b>\$—</b>	<b>\$ 4,836</b>	<b>\$—</b>	<b>\$—</b>
<b>Liabilities</b>					
Net unrealized depreciation on futures contracts <sup>^</sup>	\$31,448	\$—	\$ —	\$—	\$—
Unrealized depreciation on forward foreign currency exchange contracts	—	—	60,081	—	—
<b>Total Value</b>	<b>\$31,448</b>	<b>\$—</b>	<b>\$60,081</b>	<b>\$—</b>	<b>\$—</b>

<sup>^</sup> Includes cumulative unrealized appreciation (depreciation) of futures contracts as reported in the Schedule of Investments. Only net variation margin is reported within the assets and/or liabilities on the Statement of Assets and Liabilities.

The effect of derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) on the Statement of Operations by risk exposure at April 30, 2024 was as follows:

Statement of Operations / Statement of Cash Flows	Interest Rate Risk	Credit Risk	Foreign Exchange Rate Risk	Equity Risk	Commodity Risk
<b>Net Realized Gain (Loss) on</b>					
Futures contracts	\$ (7,272)	\$—	\$ —	\$—	\$—
Forward foreign currency exchange contracts	—	—	169,746	—	—
Options purchased*	—	—	(28,531)	—	—
Options written	—	—	28,531	—	—
<b>Total Value</b>	<b>\$ (7,272)</b>	<b>\$—</b>	<b>\$169,746</b>	<b>\$—</b>	<b>\$—</b>
<b>Change in Net Unrealized Appreciation (Depreciation) on</b>					
Futures contracts	\$(31,448)	\$—	\$ —	\$—	\$—
Forward foreign currency exchange contracts	—	—	(82,033)	—	—
Options purchased**	—	—	24,287	—	—
Options written	—	—	14,740	—	—
<b>Total Value</b>	<b>\$(31,448)</b>	<b>\$—</b>	<b>\$ (43,006)</b>	<b>\$—</b>	<b>\$—</b>

\* Reflects the net realized gain (loss) on purchased option contracts (see Note 1H). These amounts are included in net realized gain (loss) on investments in unaffiliated issuers, on the Statement of Operations.

\*\* Reflects the change in net unrealized appreciation (depreciation) on purchased option contracts (see Note 1H). These amounts are included in change in net unrealized appreciation (depreciation) on investments in unaffiliated issuers, on the Statement of Operations.

## 7. Fund Shares

There are 1,000,000,000 shares of common stock of the Fund (“common shares”), \$0.001 par value per share authorized. Transactions in common shares for the year ended April 30, 2024 and the year ended April 30, 2023 were as follows:

	4/30/24	4/30/23
Shares outstanding at beginning of year	8,334,759	8,334,759
<b>Shares outstanding at end of year</b>	<b>8,334,759</b>	<b>8,334,759</b>

## 8. Credit Agreement

The Fund has entered into a Revolving Credit Facility (the “Credit Agreement”) with the Toronto-Dominion Bank, NY. There is a \$45,000,000 borrowing limit.

At April 30, 2024, the Fund had a borrowing outstanding under the Credit Agreement totaling \$41,325,000. The interest rate charged at April 30, 2024



was 6.47%. During the year ended April 30, 2024, the average daily balance was \$42,842,077 at an average interest rate of 6.26%.

Interest expense of \$2,727,675 in connection with the Credit Agreement is included on the Statement of Operations.

The Fund is required to maintain 300% asset coverage with respect to amounts outstanding under the Credit Agreement. Asset coverage is calculated by subtracting the Fund's total liabilities not including any bank loans and senior securities, from the Fund's total assets and dividing such amount by the principal amount of the borrowing outstanding.

The Credit Agreement renews on a daily basis in perpetuity. The bank or Fund may, at any time, deliver a termination notice, which becomes effective 179 days after its date of delivery.

## **9. Unfunded Loan Commitments**

The Fund may enter into unfunded loan commitments. Unfunded loan commitments may be partially or wholly unfunded. During the contractual period, the Fund is obliged to provide funding to the borrower upon demand. A fee is earned by the Fund on the unfunded loan commitment and is recorded as interest income on the Statement of Operations. Unfunded loan commitments are fair valued in accordance with the valuation policy described in Note 1A and unrealized appreciation or depreciation, if any, is recorded on the Statement of Assets and Liabilities.

As of April 30, 2024, the Fund had no unfunded loan commitments outstanding.

## **10. Subsequent Events**

A monthly distribution was declared on May 3, 2024 of \$0.0975 per share payable May 31, 2024, to stockholders of record on May 17, 2024.

# Report of Independent Registered Public Accounting Firm

## To the Board of Directors and the Stockholders of Pioneer Diversified High Income Fund, Inc.:

---

### Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of Pioneer Diversified High Income Fund, Inc. (the “Fund”), including the schedule of investments, as of April 30, 2024, the related statements of operations, changes in net assets, cash flows and the financial highlights for the year then ended and the related notes. The statements of changes in net assets for the year ended April 30, 2023 and the financial highlights for the years ended April 30, 2023, 2022, 2021, and 2020 were audited by other auditors. Those auditors expressed an unqualified opinion on those financial statements and financial highlights in their report dated June 27, 2023. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of April 30, 2024 and the results of its operations, cash flows, the changes in its net assets, and the financial highlights for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of April 30, 2024, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

DELOITTE & TOUCHE LLP  
Boston, Massachusetts  
June 27, 2024

We have served as the auditor of one or more of the Pioneer investment companies since 2024.

## Additional Information (unaudited)

On March 25, 2024, Ernst & Young LLP (the “Prior Auditor”) resigned as the independent registered public accounting firm of Pioneer Diversified High Income Fund, Inc. (the “Fund”) due to the independence considerations resulting from a change of the independent registered public accounting firm of a related party. The Prior Auditor’s reports on the financial statements of the Fund for the past two fiscal years, the years ended April 30, 2023 and April 30, 2022, did not contain an adverse opinion or disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During the last two fiscal years and the subsequent interim period through March 25, 2024, there were no (1) disagreements with the Prior Auditor on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the Prior Auditor’s satisfaction, would have caused it to make reference to that matter in connection with its reports on the Fund’s financial statements for such periods; or (2) “reportable events” related to the Fund, as that term is defined in Item 304 (a)(1)(v) of Regulation S-K under the Securities Exchange Act of 1934.

On March 25, 2024, the Audit Committee of the Board approved, Deloitte & Touche LLP as the independent registered accounting firm of the Fund for fiscal periods ending after March 25, 2024.

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940 that the Fund may purchase, from time to time, its shares in the open market.

The percentages of the Fund’s ordinary income distributions that are exempt from nonresident alien (NRA) tax withholding resulting from qualified interest income was 46.69%.

**Anti-takeover provisions.** The Fund’s Charter and Bylaws include provisions that are designed to limit the ability of other entities or persons to acquire control of the Fund for short-term objectives, including by converting the Fund to open-end status or changing the composition of the Board, that may be detrimental to the Fund’s ability to achieve its primary investment objective of seeking to provide its common stockholders with a high level of current income exempt from regular federal income tax. These provisions include staggered terms of service for the Directors, advance notice requirements for stockholder proposals, and super-majority voting requirements for certain transactions with affiliates, open-ending the Fund or a merger, liquidation, asset sale or similar transaction. The Fund’s Bylaws also contain a provision providing that the

Board of Directors has adopted a resolution to opt in the Fund to the provisions of the Maryland Control Share Acquisition Act (“MCSAA”). Such provisions may limit the ability of stockholders to sell their shares at a premium over prevailing market prices by discouraging a third party from seeking to obtain control of the Fund. There can be no assurance, however, that such provisions will be sufficient to deter activist investors that seek to cause the Fund to take actions that may not be aligned with the interests of long-term stockholders. Furthermore, the law is uncertain on the use of control share provisions. Certain courts have found that control share provisions are unenforceable under the 1940 Act. It is possible that a court could decide that the Fund’s decision to opt in to the MCSAA is not enforceable under the 1940 Act.

***Exclusive forum provisions. The Fund’s Bylaws designate the Circuit Court for Baltimore City, Maryland as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by the Fund’s stockholders and provide that claims relating to causes of action under the United States federal securities laws may only be brought in the United States District Court for the District of Maryland, Northern Division, which could limit stockholders’ ability to obtain a favorable judicial forum for disputes with the Fund or its directors, officers or the Fund’s agents, if any, and could discourage lawsuits against the Fund and its directors, officers and agents, if any.***

The Fund’s Bylaws provide that, unless the Fund consents in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that court does not have jurisdiction, the United States District Court for the District of Maryland, Northern Division, will be the sole and exclusive forum for (a) any Internal Corporate Claim, as such term is defined in the MGCL, (b) any derivative action or proceeding brought on the Fund’s behalf (other than actions arising under federal securities laws), (c) any action asserting a claim of breach of any duty owed by any of the Fund’s directors, officers or other agents to the Fund or to the Fund’s stockholders, (d) any action asserting a claim against the Fund or any of the Fund’s directors, officers or other agents arising pursuant to any provision of the MGCL or the Fund’s Charter or Bylaws or (e) any other action asserting a claim against the Fund or any of the Fund’s directors, officers or other agents that is governed by the internal affairs doctrine. Furthermore, the Fund’s Bylaws provide that, unless the Fund consents in writing to the selection of an alternative forum, the United States District Court for the District of Maryland, Northern Division shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any claim arising under the United States federal securities laws.

These exclusive forum provisions may limit the ability of the Fund's stockholders to bring a claim in a judicial forum that such stockholders find favorable for disputes with the Fund or the Fund's directors, officers, or agents, if any, which may discourage such lawsuits against the Fund and the Fund's directors, officers, and agents, if any. Alternatively, if a court were to find the choice of forum provisions contained in the Fund's Bylaws to be inapplicable or unenforceable in an action, the Fund may incur additional costs associated with resolving such action in other jurisdictions, which could materially adversely affect the Fund's business, financial condition, and operating results.

# Investment Objectives, Principal Investment Strategies and Principal Risks (unaudited)

## CHANGES OCCURRING DURING THE MOST RECENT FISCAL YEAR

During the Fund's most recent fiscal year, there were no material changes to the Fund's investment objectives or policies that have not been approved by stockholders or in the principal risk factors associated with investment in the Fund.

## INVESTMENT OBJECTIVES

The Fund's primary investment objective is to provide its common stockholders with a high level of current income. As a secondary investment objective, the Fund seeks capital appreciation to the extent consistent with its primary investment objective. The Fund's investment objectives are fundamental policies and may not be changed without the approval of a majority of the outstanding voting securities (as defined in the 1940 Act) of the Fund. There can be no assurance that the Fund will achieve its investment objectives.

## PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the Fund invests at least 80% of its managed assets (net assets plus borrowings or other leverage for investment purposes) in a diversified portfolio of below investment grade (high yield) debt securities, loans and preferred stocks. These securities are rated below investment grade by the national rating agencies that cover the obligations (i.e., Ba and below by Moody's or BB and below by S&P), or if unrated, are determined by the Adviser to be of comparable quality. Investment in securities of below investment grade quality, commonly referred to as "junk bonds," involves substantial risk of loss. "Junk bonds" are considered predominantly speculative with respect to the issuer's ability to pay interest and repay principal and are susceptible to default or decline in market value due to adverse economic and business developments.

The Fund will provide written notice to stockholders at least 60 days prior to any change to the requirement that it invest at least 80% of its managed assets in below investment grade (high yield) debt securities, loans and preferred stocks.

The Fund may invest in securities and other obligations of any credit quality, including those that are rated below investment grade or are unrated but determined by the Adviser to be of equivalent credit quality. The Fund does not have a policy of maintaining a specific average credit

quality or a dollar-weighted average maturity target or range for its portfolio. The Fund may invest any portion of its assets in securities and other instruments of non-U.S. issuers, including emerging market issuers, and may engage in certain strategic transactions.

The Fund allocates its investments principally among three sectors of the fixed income securities markets: (i) below investment grade debt securities and preferred stocks of U.S. and non-U.S. issuers, including governmental and corporate issuers in emerging markets (“global high income debt securities”), (ii) floating rate loans and (iii) insurance-linked securities (“ILS”). ILS include event-linked bonds (also known as insurance-linked bonds or catastrophe bonds), quota share instruments (also known as “reinsurance sidecars”), collateralized reinsurance investments, industry loss warranties, event-linked swaps, securities of companies in the insurance or reinsurance industries, and other insurance- and reinsurance-related securities. ILS are typically rated below investment grade or unrated.

The Adviser believes that this actively managed, diversified portfolio of asset classes – global high yield debt securities, floating rate loans and ILS – may provide investors with a range of potential benefits across various market cycles and under various market conditions. These benefits include, among others, the potential to provide investors with a relatively high level of current income without undue risk as a result of the low correlation among these asset classes, reduced volatility due to limited exposure to interest rate and duration risk, as well as a favorable risk return profile. Specifically, the floating rate feature of both floating rate loans and ILS serves to reduce sensitivity to changes in prevailing interest rates. In addition, the introduction of ILS to the diversified portfolio enhances these benefits by reducing volatility, while providing the potential for above average returns. Moreover, the Fund’s investments in ILS offer investors access to a unique asset class that otherwise may be unavailable to them. The Fund’s investments nevertheless involve significant risks since the Fund invests at least 80% of its managed assets in below investment grade (high yield) debt securities, loans and preferred stocks.

The Adviser is responsible for managing the Fund’s overall investment program, including allocating the Fund’s investments among the different asset classes and managing the Fund’s investments in global high income debt securities, floating rate loans and ILS. The Adviser considers both broad economic and issuer specific factors in selecting a portfolio designed to achieve the Fund’s investment objectives. The Adviser selects individual securities based upon the terms of the securities (such as yields compared to U.S. Treasuries or comparable issues), liquidity and rating, sector and issuer diversification. The Adviser also employs due diligence and



fundamental quantitative and qualitative research to assess an issuer's credit quality, taking into account financial condition and profitability, future capital needs, potential for change in rating, industry outlook, the competitive environment and management ability. The Adviser may sell a portfolio security when it believes the security no longer will contribute to meeting the Fund's investment objectives. The Adviser makes that determination based on the same criteria it uses to select portfolio securities. In making these portfolio decisions, the Adviser relies on the knowledge, experience and judgment of its staff and the staff of its affiliates who have access to a wide variety of research.

In selecting ILS for investment, the Adviser uses quantitative and qualitative analysis. The Adviser utilizes quantitative analysis in an effort to model portfolio risk and attribution. This modeling process is supported by use of a risk analytic system that is used by the insurance industry. The risk analytic system contains a database of historical and hypothetical catastrophic events and property structures that assists the Adviser in its efforts to model peril exposures at both the security and portfolio level. Among the factors considered in this process are expected loss and the probabilities of loss and maximum loss. The Adviser's qualitative analysis may consider various factors, such as trigger term (measurement of loss event specific to an instrument) or other terms of an instrument, sponsor quality, deal structure, alignment of interest between the Fund and the sponsoring insurance company, and model accuracy. The Adviser's analysis guides the Adviser in determining the desired allocation of reinsurance-related securities by issuer, peril and geographic exposure. The Adviser may rely on information and analysis obtained from brokers, dealers and ratings organizations, among other sources.

The Fund may use financial leverage on an ongoing basis for investment purposes by borrowing from banks through a revolving credit facility. Leverage creates special risks not associated with unleveraged funds having a similar investment objectives and policies. These include the possibility of higher volatility of both the net asset value of the Fund and the value of assets serving as asset coverage for the borrowing. The fees and expenses attributed to leverage, including any increase in the management fees, will be borne by holders of common shares. The Adviser intends only to leverage the Fund when it believes that the potential total return on additional investments purchased with the proceeds of leverage is likely to exceed the costs incurred in connection with the leverage. The Fund may not be leveraged at all times, and the amount of leverage, if any, may vary depending on a variety of factors, including the Adviser's outlook for

interest rates and credit markets and the costs that the Fund would incur as a result of such leverage. The Fund's leveraging strategy may not be successful.

Although the Adviser considers ratings when making investment decisions, the Adviser performs its own credit and investment analysis and does not rely primarily on ratings assigned by rating services. In evaluating the attractiveness of a particular obligation, whether rated or unrated, the Adviser generally gives equal weight to the obligation's yield and the issuer's creditworthiness and will normally take into consideration, among other things, the issuer's financial resources and operating history, its sensitivity to economic conditions and trends, the availability of its management, its debt maturity schedules and borrowing requirements, and relative values based on anticipated cash flow, interest and asset coverage and earnings prospects.

## **Portfolio Contents**

**Global high yield debt securities.** The Fund's investments in global high yield debt securities may include below investment grade convertible bonds and preferred stocks that are convertible into the equity securities of the issuer. The value of obligations of non-U.S. issuers is affected by changes in foreign tax laws (including withholding tax), government policies (in this country or abroad) and relations between nations, and trading, settlement, custodial and other operational risks. In addition, the costs of investing abroad are generally higher than in the United States.

**Floating rate instruments.** Floating rate instruments pay interest rates that adjust or "float" periodically based on a specified interest rate or other reference and include floating rate loans, repurchase agreements, money market securities and shares of money market and short-term bond funds.

**Floating rate loans.** Floating rate loans are provided by banks and other financial institutions to large corporate customers in connection with recapitalizations, acquisitions, and refinancings. These loans are generally acquired as a participation interest in, or assignment of, loans originated by a lender or other financial institution. These loans are rated below investment grade. The rates of interest on the loans typically adjust periodically by reference to a base lending rate, such as the London Interbank Offered Rate (LIBOR), a designated U.S. bank's prime or base rate or the overnight federal funds rate, plus a premium. Some loans reset on set dates, typically every 30 to 90 days, but not to exceed one year. Other loans reset periodically when the underlying rate resets.

Senior loans hold a senior position in the capital structure of the borrower. Having a senior position means that, if the borrower becomes insolvent, senior debtholders, like the Fund, will be paid before subordinated debtholders and stockholders of the borrower. Senior loans typically are secured by specific collateral.

Floating rate loans typically are structured and administered by a financial institution that acts as an agent for the holders of the loan. Loans can be acquired directly through the agent, by assignment from another holder of the loan, or as a participation interest in the loan. When the Fund is a direct investor in a loan, the Fund may have the ability to influence the terms of the loan, although the Fund does not act as the sole negotiator or originator of the loan. Participation interests are fractional interests in a loan issued by a lender or other financial institution. When the Fund invests in a loan participation, the Fund does not have a direct claim against the borrower and must rely upon an intermediate participant to enforce any rights against the borrower.

### **Insurance-linked securities**

#### **Event-linked bonds**

The Fund may invest in “event-linked” bonds, which sometimes are referred to as “insurance-linked” or “catastrophe” bonds. Event-linked bonds are floating rate debt obligations for which the return of principal and the payment of interest are contingent on the non-occurrence of a pre-defined “trigger” event, such as a hurricane or an earthquake of a specific magnitude. The trigger event’s magnitude may be based on losses to a company or industry, industry indexes or readings of scientific instruments, or may be based on specified actual losses. If a trigger event, as defined within the terms of an event-linked bond occurs, the Fund may lose a portion or all of its accrued interest and/or principal invested in such event-linked bond. The Fund is entitled to receive principal and interest payments so long as no trigger event occurs of the description and magnitude specified by the instrument.

Event-linked bonds may be issued by government agencies, insurance companies, reinsurers, special purpose corporations or other U.S. or non-U.S. entities. Event-linked bonds are typically rated below investment grade or may be unrated. The rating for an event-linked bond primarily reflects the rating agency’s calculated probability that a pre-defined trigger event will occur, which will cause a loss of principal. This rating may also assess the credit risk of the bond’s collateral pool, if any, and the reliability of the model used to calculate the probability of a trigger event.

The Fund's investments in event-linked bonds may have trigger events related to a broad range of insurance risks, which can be broken down into three major categories: natural risks, weather risks and non-natural events. Investments in event-linked bonds with trigger events related to natural risks will represent the largest portion of the Fund's event-linked bond investments. The events covered are natural catastrophes, such as hurricanes, other windstorms, earthquakes and fires. Investments in event-linked bonds linked to weather risks provide insurance to companies, or insurers of companies, whose sales depend on the weather and provide a hedge on the impact of weather-related risks. For example, a weather event-linked bond could provide coverage based on the average temperature in a region over a given period. Investments in event-linked bonds linked to non-natural risks could cover a much broader array of insurable risks, such as aerospace and shipping catastrophes.

The Fund may invest in other types of event-linked bonds where the trigger event may be based on company-wide losses ("indemnity triggers"), index-based losses ("index triggers") or a combination of triggers ("hybrid triggers").

**Indemnity triggers.** Indemnity triggers are based on losses of the insurance company or other entity issuing the event-linked bond. The trigger event would be considered to have occurred if a company's losses on catastrophic insurance claims exceeded a certain aggregate amount of insured claims. If the company's losses were less than the pre-determined aggregate amount, then the trigger event would not be considered to have occurred and the Fund would be entitled to recover its principal plus accrued but unpaid interest. Indemnity triggers require investors and rating agencies to understand the risks of the insurance and reinsurance policies underwritten by the company, which may be difficult to obtain and ascertain, particularly in the case of complex commercial insurance and reinsurance policies. In addition, event-linked bond investors are dependent upon the company's ability to settle catastrophe claims in a manner that would not be disadvantageous to investors' interests.

**Index triggers.** Index triggers follow one of three broad approaches: parametric, industry-loss and modeled-loss, or a combination thereof, which is discussed below as "hybrid triggers." Index triggers are based on pre-defined formulas, which eliminate the risks relating to a company's insurance claims-handling practices and potential information barriers. However, index triggers are generally riskier than indemnity triggers, since investors in event-linked bonds that have index triggers are dependent upon the accuracy of the models and reporting services used to calculate the formulas.

- **Parametric.** Parametric index triggers are based upon the occurrence of a catastrophic event with certain defined physical parameters (e.g., wind speed and location of a hurricane or magnitude and location of an earthquake).

- **Industry-loss.** Industry loss index triggers are based upon the estimated loss for the insurance industry as a whole from a particular catastrophe. Estimates are derived from a reporting service, such as Property Claim Services.

- **Modeled-loss.** Modeled-loss index triggers are based upon a catastrophe-modeling firm's database estimate of an industry loss, or a company's losses compared to a modeling firm's industry estimate of losses.

**Hybrid triggers.** Hybrid triggers involve more than one trigger type in a single transaction or tranche of an event-linked bond. For example, a hybrid trigger could involve the occurrence of both a U.S. hurricane and a Japanese earthquake with a different kind of index trigger for each. Another example of a hybrid trigger involves different trigger types occurring in a particular sequence. For example, after the occurrence of a qualifying U.S. earthquake, a modeled-loss index is used to establish a company's overall market share, and then applied to the industry loss index associated with the qualifying event to determine any principal reduction. Hybrid triggers may be more complicated and difficult to understand for investors, and involve the applicable risks associated with the types of triggers described above.

### **Structured reinsurance investments**

ILS include special purpose vehicles ("SPVs") or similar instruments structured to comprise a portion of a reinsurer's catastrophe-oriented business, known as quota share instruments (sometimes referred to as reinsurance sidecars), or to provide reinsurance relating to specific risks to insurance or reinsurance companies through a collateralized instrument, known as collateralized reinsurance. Quota share instruments and other structured reinsurance investments generally will be considered illiquid securities by the Fund. The Fund may invest substantially in illiquid securities.

Structured reinsurance investments developed along with event-linked bonds as a mechanism to facilitate risk-transfer from insurance markets to capital markets investors. These instruments are typically more customizable but less liquid investments than event-linked bonds. Like event-linked bonds, an investor in structured reinsurance investments participates in the premiums and losses associated with underlying reinsurance contracts. Where the instruments are based on the performance

of underlying reinsurance contracts, the Fund has limited transparency into the underlying contracts and therefore must rely upon the risk assessment and sound underwriting practices of the insurer and/or reinsurer. Accordingly, it may be more difficult for the Adviser to fully evaluate the underlying risk profile of the Fund's structured reinsurance investments, and therefore the Fund's assets are placed at greater risk of loss than if the Adviser had more complete information. The instruments typically mature in one year.

The Fund invests indirectly in reinsurance contracts, by holding notes or preferred shares issued by a SPV or similar instrument whose performance is tied to an underlying reinsurance transaction, including quota share instruments. Quota share instruments are a form of proportional reinsurance in which an investor participates in the premiums and losses of a reinsurer's portfolio of catastrophe-oriented policies, according to a predefined percentage. For example, under a 10% quota share agreement, the SPV would be entitled to 10% of all premiums associated with a defined portfolio and be responsible for 10% of all related claims. The Fund, as a holder of a quota share issued by an SPV would be entitled to its pro rata share of premiums received by the SPV and would be responsible for its pro rata share of the claims, up to the total amount invested.

Collateralized reinsurance investments are privately structured securities or derivatives utilized to gain exposure to the reinsurance market. Collateralized reinsurance entails an SPV entering into a reinsurance arrangement that is then collateralized by invested capital and premiums related to the insurance coverage. The collateral is designed to cover in full the potential claims that could arise from the underlying reinsurance contract.

Structured reinsurance investments may include industry loss warranties ("ILWs"). ILWs are insurance-linked securities used to finance peak, nonrecurrent insurance risks, such as hurricanes, tropical storms and earthquakes. ILWs feature an industry loss index trigger, and, in some cases, a dual trigger design that includes a protection buyer indemnity trigger. A traditional ILW takes the form of a bilateral reinsurance contract, but there are also index products that take the form of derivatives, collateralized structures or exchange traded instruments. The common feature among these forms is that the payout trigger is based on an industry loss index or a parametric index. County-weighted industry loss warranties are variations of ILWs that provide reinsurance protection at a county level rather than state-wide or industry-wide losses.

The reinsurance market is highly cyclical, with coverage being written at the beginning of the year and midyear for coverage for the following

12 months. The pricing of reinsurance is also highly cyclical as premiums for reinsurance coverage are driven, in large part, by insurers' recent loss experience.

### **Other fixed income securities**

The Fund's fixed-income securities may have fixed or variable principal payments and all types of interest rate and dividend payment and reset terms, including fixed rate, adjustable rate, zero coupon, contingent, deferred, payment in kind and auction rate features. The Fund may invest in fixed-income securities with a broad range of maturities. The Fund's investments also may include unsecured or subordinated loans, revolving credit facilities, investment grade fixed income securities, convertible securities and money market instruments, such as commercial paper. The Fund also may purchase other floating rate debt securities such as notes, bonds and asset-backed securities (such as securities issued by special purpose funds investing in bank loans).

The Fund may invest in zero coupon bonds, deferred interest bonds and bonds or preferred stocks on which the interest is payable in-kind (PIK bonds). To the extent the Fund invests in such instruments, they will not contribute to the Fund's primary goal of current income. Zero coupon and deferred interest bonds are debt obligations which are issued at a significant discount from face value. While zero coupon bonds do not require the periodic payment of interest, deferred interest bonds provide for a period of delay before the regular payment of interest begins. PIK bonds are debt obligations that provide that the issuer thereof may, at its option, pay interest on such bonds in cash or in the form of additional debt obligations. Such investments may experience greater volatility in market value due to changes in interest rates. The Fund may be required to accrue income on these investments for federal income tax purposes and is required to distribute its net income each year in order to qualify for the favorable federal income tax treatment potentially available to regulated investment companies. The Fund may be required to sell securities to obtain cash needed for income distributions.

The Fund may hold securities that are unrated or in the lowest ratings categories (rated C by Moody's or D by S&P). Because of the greater number of investment considerations involved in investing in high yield, high risk floating rate loans and bonds, the achievement of the Fund's objectives depends more on the Adviser's judgment and analytical abilities than would be the case if invested primarily in securities in the higher ratings categories. The Fund may purchase obligations issued in connection with a restructuring pursuant to Chapter 11 of the U.S. Bankruptcy Code.

While these investments are not a primary focus of the Fund, the Fund does not have a policy limiting such investments to a specific percentage of the Fund's assets.

Other debt securities in which the Fund may invest include: securities issued or guaranteed by the U.S. government, its agencies or instrumentalities and custodial receipts therefor; securities issued or guaranteed by a foreign government or any of its political subdivisions, authorities, agencies or instrumentalities or by international or supranational entities; corporate debt securities, including notes, bonds and debentures; certificates of deposit and bankers' acceptances issued or guaranteed by, or time deposits maintained at, banks (including U.S. or foreign branches of U.S. banks or U.S. or foreign branches of foreign banks) having total assets of more than \$1 billion; commercial paper; and mortgage related securities. These securities may be of any maturity. The value of debt securities can be expected to vary inversely with interest rates.

The Fund may invest any portion of its assets in securities and other instruments of non-U.S. issuers, including emerging market issuers, and may engage in hedging transactions.

**Preferred securities.** The Fund may invest in preferred securities. Preferred securities are equity securities, but they have many characteristics of fixed income securities, such as a fixed dividend payment rate and/or a liquidity preference over the issuer's common shares. However, because preferred shares are equity securities, they may be more susceptible to risks traditionally associated with equity investments than the Fund's fixed income securities.

Fixed rate preferred stocks have fixed dividend rates. They can be perpetual, with no mandatory redemption date, or issued with a fixed mandatory redemption date. Certain issues of preferred stock are convertible into other equity securities. Perpetual preferred stocks provide a fixed dividend throughout the life of the issue, with no mandatory retirement provisions, but may be callable. Sinking fund preferred stocks provide for the redemption of a portion of the issue on a regularly scheduled basis with, in most cases, the entire issue being retired at a future date. The value of fixed rate preferred stocks can be expected to vary inversely with interest rates.

Adjustable rate preferred stocks have a variable dividend rate which is determined periodically, typically quarterly, according to a formula based on a specified premium or discount to the yield on particular U.S. Treasury securities, typically the highest base-rate yield of one of three U.S. Treasury securities: the 90-day Treasury bill; the 10-year Treasury



note; and either the 20-year or 30-year Treasury bond or other index. The premium or discount to be added to or subtracted from this base-rate yield is fixed at the time of issuance and cannot be changed without the approval of the holders of the adjustable rate preferred stock. Some adjustable rate preferred stocks have a maximum and a minimum rate and in some cases are convertible into common stock.

Auction rate preferred stocks pay dividends that adjust based on periodic auctions. Such preferred stocks are similar to short-term corporate money market instruments in that an auction rate preferred stockholder has the opportunity to sell the preferred stock at par in an auction, normally conducted at least every 49 days, through which buyers set the dividend rate in a bidding process for the next period. The dividend rate set in the auction depends on market conditions and the credit quality of the particular issuer. Typically, the auction rate preferred stock's dividend rate is limited to a specified maximum percentage of an external commercial paper index as of the auction date. Further, the terms of the auction rate preferred stocks generally provide that they are redeemable by the issuer at certain times or under certain conditions.

**Convertible securities.** The Fund's investment in fixed income securities may include bonds and preferred stocks that are convertible into the equity securities of the issuer or a related company. Depending on the relationship of the conversion price to the market value of the underlying securities, convertible securities may trade more like equity securities than debt instruments.

**Zero coupon securities.** The Fund may invest in zero coupon securities. Zero coupon securities are debt instruments that do not pay interest during the life of the security but are issued at a discount from the amount the investor will receive when the issuer repays the amount borrowed (the face value). The discount approximates the total amount of interest that would be paid at an assumed interest rate.

**Mortgage- and asset-backed securities.** The Fund may invest in mortgage-backed and asset-backed securities. Mortgage-backed securities may be issued by private companies or by agencies of the U.S. government and represent direct or indirect participation in, or are collateralized by and payable from, mortgage loans secured by real property. Asset-backed securities represent participations in, or are secured by and payable from, assets such as installment sales or loan contracts, leases, credit card receivables and other categories of receivables. The Fund's investments in mortgage related securities may include mortgage derivatives and structured securities.

The Fund may invest in commercial mortgage-backed securities (“CMBS”). CMBS are subject to the risks generally associated with mortgage-backed securities. CMBS may not be backed by the full faith and credit of the U.S. government and are subject to risk of default on the underlying mortgages. CMBS issued by non-government entities may offer higher yields than those issued by government entities, but also may be subject to greater volatility than government issues. CMBS react differently to changes in interest rates than other bonds and the prices of CMBS may reflect adverse economic and market conditions. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of CMBS.

The commercial mortgages underlying certain commercial mortgage-backed securities generally allow all or a substantial portion of the loan balance to be paid at maturity, commonly known as a balloon payment. Some mortgage loans restrict periodic adjustments by limiting changes in the borrower’s monthly principal and interest payments rather than limiting interest rate changes. These payment caps may result in negative amortization, where payments are less than the amount of principal and interest owed, with excess amounts added to the outstanding principal balance, which can extend the average life of the mortgage-backed securities.

The Fund may invest in credit risk transfer securities. Credit risk transfer securities are a type of mortgage-related security that transfers the credit risk related to certain types of mortgage-backed securities to the owner of the credit risk transfer security. Credit risk transfer securities are commonly issued by government-sponsored enterprises (GSEs), such as the Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC), but may also be issued by private entities such as banks or other financial institutions. Credit risk transfer securities issued by GSEs are unguaranteed and unsecured fixed or floating rate general obligations and are typically issued at par and have stated final maturities. In addition, GSE-issued credit risk transfer securities are structured so that: (i) interest is paid directly by the issuing GSE; and (ii) principal is paid by the issuing GSE in accordance with the principal payments and default performance of a pool of residential mortgage loans acquired by the GSE. In this regard, holders of GSE credit risk transfer securities receive compensation for providing credit protection to the GSE and, when a specified level of losses on the underlying mortgage loans occurs, the principal balance and certain payments owed to the holders of such GSE credit risk transfer securities may be reduced.

In the event that a government sponsored enterprise fails to pay principal or interest on its credit risk transfer securities or goes through a

bankruptcy, insolvency or similar proceeding, holders of such credit risk transfer securities have no direct recourse to the underlying mortgage loans and will generally receive recovery on par with other unsecured note holders in such a scenario. The risks associated with an investment in credit risk transfer securities are different than the risks associated with an investment in mortgage-backed securities issued by FNMA and FHLMC, or other government sponsored enterprise or issued by a private issuer, because some or all of the mortgage default or credit risk associated with the underlying mortgage loans is transferred to investors. As a result, investors in these securities could lose some or all of their investment in these securities if the underlying mortgage loans default.

To the extent the Fund invests significantly in asset-backed and mortgage-related securities, its exposure to prepayment and extension risks may be greater than if it invested in other fixed income securities.

Certain debt instruments may only pay principal at maturity or may only represent the right to receive payments of principal or interest on underlying pools of mortgage or government securities, but not both. The value of these types of instruments may change more drastically than debt securities that pay both principal and interest during periods of changing interest rates. Principal only mortgage-backed securities generally increase in value if interest rates decline, but are also subject to the risk of prepayment. Interest only instruments generally increase in value in a rising interest rate environment when fewer of the underlying mortgages are prepaid. Interest only instruments could lose their entire value in a declining interest rate environment if the underlying mortgages are prepaid.

The Fund may invest in mortgage derivatives and structured securities. Mortgage derivatives or structured securities typically are not secured by real property. Because these securities have imbedded leverage features, small changes in interest or prepayment rates may cause large and sudden price movements. Mortgage derivatives can also become illiquid and hard to value in declining markets.

**Inverse floating rate obligations.** The Fund may invest in inverse floating rate obligations (a type of derivative instrument). The interest rate on inverse floating rate obligations will generally decrease as short-term interest rates increase, and increase as short-term rates decrease. Due to their leveraged structure, the sensitivity of the market value of an inverse floating rate obligation to changes in interest rates is generally greater than a comparable long-term bond issued by the same issuer and with similar credit quality, redemption and maturity provisions. Inverse floating rate obligations may be volatile and involve leverage risk.

**Second lien loans and other subordinated securities.** The Fund may invest in second lien loans and other securities that are subordinated or “junior” to more senior securities of the issuer. The investor in a subordinated security of an issuer is entitled to payment after other holders of debt in that issuer.

**Collateralized debt obligations.** The Fund may invest in collateralized debt obligations (“CDOs”), which include collateralized bond obligations (“CBOs”), collateralized loan obligations (“CLOs”) and other similarly structured securities. CDOs have securitized certain financial assets by issuing securities in the form of negotiable paper that are issued by an SPV. These securitized assets are, as a rule, corporate financial assets brought into a pool according to specific diversification rules. The SPV is a company founded solely for the purpose of securitizing these claims and its only asset is the diversified asset pool. On this basis, marketable securities are issued which, due to the diversification of the underlying risk, generally represent a lower level of risk than the original assets. The redemption of the securities issued by the SPV takes place at maturity out of the cash flow generated by the collected claims.

The Fund also may invest in CBOs, which are structured debt securities backed by a diversified pool of high yield, public or private fixed income securities. These may be fixed pools or may be “market value” (or managed) pools of collateral. The CBO issues debt securities that are typically separated into tranches representing different degrees of credit quality. The top tranche of securities has the greatest collateralization and pays the lowest interest rate. Lower CBO tranches have a lesser degree of collateralization quality and pay higher interest rates intended to compensate for the attendant risks. The bottom tranche specifically receives the residual interest payments (i.e., money that is left over after the higher tranches have been paid) rather than a fixed interest rate. The return on the lower tranches of a CBO is especially sensitive to the rate of defaults in the collateral pool. Under normal market conditions, the Fund expects to invest in the lower tranches of a CBO.

A CLO is a structured debt security issued by an SPV that was created to reapportion the risk and return characteristics of a pool of assets. The assets, typically floating rate loans, are used as collateral supporting the various debt tranches issued by the SPV. The key feature of the CLO structure is the prioritization of the cash flows from a pool of debt securities among the several classes of securities issued by a CLO.

**Credit-linked notes.** The Fund may invest in credit-linked notes (“CLNs”) for risk management purposes, including diversification. A CLN is a derivative instrument. It is a synthetic obligation between two or more

parties where the payment of principal and/or interest is based on the performance of some obligation (a reference obligation). In addition to credit risk of the reference obligations and interest rate risk, the buyer/seller of the CLN is subject to counterparty risk.

**Credit default swaps.** The Fund may enter into credit default swap agreements. The “buyer” in a credit default contract is obligated to pay the “seller” a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. If an event of default occurs, the seller must pay the buyer the “par value” (full notional value) of the reference obligation in exchange for the reference obligation. The Fund may be either the buyer or seller in the transaction. If the Fund is a buyer and no event of default occurs, the Fund loses its investment and recovers nothing. However, if an event of default occurs, the buyer receives full notional value for a reference obligation that may have little or no value. As a seller, the Fund receives income throughout the term of the contract, which typically is between six months and three years, provided that there is no default event.

Credit default swaps involve greater risks than if the Fund had invested in the reference obligation directly. In addition to general market risks, credit default swaps are subject to illiquidity risk, counterparty risk and credit risks. The Fund will enter into swap agreements only with counterparties that are rated investment grade quality by at least one nationally recognized statistical rating organization at the time of entering into such transaction or whose creditworthiness is believed by the Adviser to be equivalent to such rating. If an event of default were to occur, the value of the reference obligation received by the seller, coupled with the periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value to the seller. When the Fund acts as a seller of a credit default swap agreement it is exposed to many of the same risks of leverage, since if an event of default occurs the seller must pay the buyer the full notional value of the reference obligation.

**Event-linked swaps.** The Fund may obtain event-linked exposure by investing in event-linked swaps, which are similar to credit default swaps but typically are contingent, or formulaically related to defined trigger events. Trigger events include hurricanes, earthquakes and weather-related phenomena, including statistics relating to such events. If a trigger event occurs, the Fund may lose the swap’s notional amount. As derivative instruments, event-linked swaps are subject to risks in addition to the risks of investing in event-linked bonds, including counterparty risk and leverage risk.

**U.S. government securities.** The Fund may invest in U.S. government securities. U.S. government securities are obligations of, or guaranteed by, the U.S. government, its agencies or government-sponsored entities. U.S. government securities include obligations: directly issued by or supported by the full faith and credit of the U.S. government, like Treasury bills, notes and bonds and GNMA certificates; supported by the right of the issuer to borrow from the U.S. Treasury, like those of the FHLBs; supported by the discretionary authority of the U.S. government to purchase the agency's securities like those of the FNMA; or supported only by the credit of the issuer itself, like the Tennessee Valley Authority. U.S. government securities include issues by non-governmental entities (like financial institutions) that carry direct guarantees from U.S. government agencies as part of government initiatives in response to the market crisis or otherwise. U.S. government securities include zero coupon securities that make payments of interest and principal only upon maturity and which therefore tend to be subject to greater volatility than interest-bearing securities with comparable maturities. Although the U.S. government guarantees principal and interest payments on securities issued by the U.S. government and some of its agencies, such as securities issued by GNMA, this guarantee does not apply to losses resulting from declines in the market value of these securities. Some of the U.S. government securities that the Fund may hold are not guaranteed or backed by the full faith and credit of the U.S. government, such as those issued by FNMA and FHLMC.

**Money market instruments.** Money market instruments include short-term U.S. government securities, U.S. dollar-denominated, high quality commercial paper (unsecured promissory notes issued by corporations to finance their short-term credit needs), certificates of deposit, bankers' acceptances and repurchase agreements relating to any of the foregoing. U.S. government securities include Treasury notes, bonds and bills, which are direct obligations of the U.S. government backed by the full faith and credit of the United States and securities issued by agencies and instrumentalities of the U.S. government, which may be guaranteed by the U.S. Treasury, may be supported by the issuer's right to borrow from the U.S. Treasury or may be backed only by the credit of the federal agency or instrumentality itself.

**Common stocks.** The Fund may acquire an interest in common stocks upon the default of a loan or other security secured by such common stock. The Fund may also acquire warrants or other rights to purchase a borrower's common stock in connection with the making of a loan. Common stocks are shares of a corporation or other entity that entitle the holder to a pro rata share of the profits, if any, of the corporation without preference over any other stockholder or class of stockholders, including holders of such entity's

preferred stock and other senior equity securities. Common stock usually carries with it the right to vote and frequently an exclusive right to do so. In selecting common stocks for investment, the Fund generally expects to focus primarily on the security's dividend paying capacity rather than on its potential for capital appreciation.

**Other investment companies.** The Fund may invest in the securities of other investment companies to the extent that such investments are consistent with the Fund's investment objectives and principal investment strategies and permissible under the 1940 Act. Subject to the limitations on investment in other investment companies, the Fund may invest in "ETFs."

**Derivatives.** The Fund may, but is not required to, use futures and options on securities, indices and currencies, forward foreign currency exchange contracts, swaps, credit-linked notes and other derivatives. The Fund also may enter into credit default swaps, which can be used to acquire or to transfer the credit risk of a security or index of securities without buying or selling the security or securities comprising the relevant index. A derivative is a security or instrument whose value is determined by reference to the value or the change in value of one or more securities, currencies, indices or other financial instruments. The Fund may use derivatives for a variety of purposes, including:

- In an attempt to hedge against adverse changes in the market prices of securities, interest rates or currency exchange rates
- As a substitute for purchasing or selling securities
- To attempt to increase the Fund's return as a non-hedging strategy that may be considered speculative
- To manage portfolio characteristics (for example, the duration or credit quality of the Fund's portfolio)
- As a cash flow management technique

The Fund may choose not to make use of derivatives for a variety of reasons, and any use may be limited by applicable law and regulations.

**Repurchase Agreements.** In a repurchase agreement, the Fund purchases securities from a broker/dealer or a bank, called the counterparty, upon the agreement of the counterparty to repurchase the securities from the Fund at a later date, and at a specified price, which is typically higher than the purchase price paid by the Fund. The securities purchased serve as the Fund's collateral for the obligation of the counterparty to repurchase the securities. If the counterparty does not repurchase the securities, the Fund is entitled to sell the securities, but the Fund may not be able to sell them

for the price at which they were purchased, thus causing a loss. Additionally, if the counterparty becomes insolvent, there is some risk that the Fund will not have a right to the securities, or the immediate right to sell the securities.

## **PRINCIPAL RISKS**

**General.** The Fund is a closed-end management investment company designed primarily as a long-term investment and not as a trading tool. The Fund is not a complete investment program and should be considered only as an addition to an investor's existing portfolio of investments. Because the Fund may invest substantially in high yield debt securities, an investment in the Fund's shares is speculative in that it involves a high degree of risk. Due to uncertainty inherent in all investments, there can be no assurance that the Fund will achieve its investment objective. Instruments in which the Fund invests may only have limited liquidity, or may be illiquid.

**Market price of shares.** Common shares of closed-end funds frequently trade at a price lower than their net asset value. This is commonly referred to as "trading at a discount." This characteristic of shares of closed-end funds is a risk separate and distinct from the risk that the Fund's net asset value may decrease. Both long and short-term investors, including investors who sell their shares within a relatively short period after purchase, will be exposed to this risk. The Fund is designed primarily for long-term investors and should not be considered a vehicle for trading purposes.

Whether investors will realize a gain or loss upon the sale of the Fund's Common Shares will depend upon whether the market value of the shares at the time of sale is above or below the price the investor paid, taking into account transaction costs, for the shares and is not directly dependent upon the Fund's net asset value. Because the market value of the Fund's shares will be determined by factors such as the relative demand for and supply of the shares in the market, general market conditions and other factors beyond the control of the Fund, the Fund cannot predict whether its Common Shares will trade at, below or above net asset value, or below or above the offering price for the shares.

**Market risk.** The market prices of securities or other assets held by the Fund may go up or down, sometimes rapidly or unpredictably, due to general market conditions, such as real or perceived adverse economic, political, or regulatory conditions, political instability, recessions, inflation, changes in interest or currency rates, lack of liquidity in the bond markets, the spread of infectious illness or other public health issues, weather or climate events, armed conflict, market disruptions caused by tariffs, trade



disputes, sanctions or other government actions, or other factors or adverse investor sentiment. If the market prices of the Fund's securities and assets fall, the value of your investment will go down. A change in financial condition or other event affecting a single issuer or market may adversely impact securities markets as a whole.

Changes in market conditions may not have the same impact on all types of securities. The value of securities may also fall due to specific conditions that affect a particular sector of the securities market or a particular issuer. In the past decade, financial markets throughout the world have experienced increased volatility, depressed valuations, decreased liquidity and heightened uncertainty. Governmental and non-governmental issuers have defaulted on, or been forced to restructure, their debts. These conditions may continue, recur, worsen or spread. Events that have contributed to these market conditions include, but are not limited to, major cybersecurity events; geopolitical events (including wars, terror attacks and economic sanctions); measures to address budget deficits; downgrading of sovereign debt; changes in oil and commodity prices; dramatic changes in currency exchange rates; global pandemics; and public sentiment. The long-term impact of the COVID-19 pandemic and its subsequent variants on economies, markets, industries and individual issuers, is not known. Some sectors of the economy and individual issuers have experienced or may experience particularly large losses. Periods of extreme volatility in the financial markets; reduced liquidity of many instruments; increased government debt, inflation and disruptions to supply chains, consumer demand and employee availability, may continue for some time.

Raising the ceiling on U.S. government debt has become increasingly politicized. Any failure to increase the total amount that the U.S. government is authorized to borrow could lead to a default on U.S. government obligations, with unpredictable consequences for economies and markets in the U.S. and elsewhere. Inflation and interest rates have increased and may rise further. These circumstances could adversely affect the value and liquidity of the Fund's investments and negatively impact the Fund's performance. In addition, inflation, rising interest rates, global supply chain disruptions and other market events could adversely affect the companies or issuers in which the Fund invests. Following Russia's invasion of Ukraine, Russian securities have lost all, or nearly all, their market value. Other securities or markets could be similarly affected by past or future political, geopolitical or other events or conditions.

Governments and central banks, including the U.S. Federal Reserve, have taken extraordinary and unprecedented actions to support local and global economies and the financial markets. These actions have resulted in

significant expansion of public debt, including in the U.S. The consequences of high public debt, including its future impact on the economy and securities markets, may not be known for some time. U.S. Federal Reserve or other U.S. or non-U.S. governmental or central bank actions, including increases or decreases in interest rates, or contrary actions by different governments, could negatively affect financial markets generally, increase market volatility and reduce the value and liquidity of securities in which the Fund invests. Policy and legislative changes in the U.S. and in other countries are affecting many aspects of financial regulation, and these and other events affecting global markets, such as the United Kingdom's exit from the European Union (or Brexit), potential trade imbalances with China or other countries, or sanctions or other government actions against Russia, other nations or individuals or companies (or their countermeasures), may contribute to decreased liquidity and increased volatility in the financial markets. The impact of these changes on the markets, and the implications for market participants, may not be fully known for some time.

The U.S. and other countries are periodically involved in disputes over trade and other matters, which may result in tariffs, investment restrictions and adverse impacts on affected companies and securities. For example, the U.S. has imposed tariffs and other trade barriers on Chinese exports, has restricted sales of certain categories of goods to China, and has established barriers to investments in China. Trade disputes may adversely affect the economies of the U.S. and its trading partners, as well as companies directly or indirectly affected and financial markets generally. The U.S. government has prohibited U.S. persons, such as the Fund, from investing in Chinese companies designated as related to the Chinese military. These and possible future restrictions could limit the Fund's opportunities for investment and require the sale of securities at a loss or make them illiquid. The Chinese government is involved in a longstanding dispute with Taiwan that has included threats of invasion. If the political climate between the U.S. and China does not improve or continues to deteriorate, if China were to attempt unification of Taiwan by force, or if other geopolitical conflicts develop or get worse, economies, markets and individual securities may be severely affected both regionally and globally, and the value of the Fund's assets may go down.

Economies and financial markets throughout the world are increasingly interconnected. Economic, financial or political events, trading and tariff arrangements, armed conflict such as between Russia and Ukraine or in the Middle East, terrorism, natural disasters, infectious illness or public health issues, cybersecurity events, supply chain disruptions, sanctions against Russia, other nations or individuals or companies and possible countermeasures, and other circumstances in one country or region could

have profound impacts on other countries or regions and on global economies or markets. As a result, whether or not the Fund invests in securities of issuers located in or with significant exposure to the countries or regions directly affected, the value and liquidity of the Fund's investments may be negatively affected. The Fund may experience a substantial or complete loss on any security or derivative position.

Until recently, a commonly used reference rate for floating rate securities was LIBOR (London Interbank Offered Rate). ICE Benchmark Administration, the administrator of LIBOR, has ceased publication of most LIBOR settings on a representative basis. Actions by regulators have resulted in the establishment of alternative reference rates to LIBOR in most major currencies. In the U.S., a common benchmark replacement is based on the Secured Overnight Financing Rate (SOFR) published by the Federal Reserve Bank of New York, including certain spread adjustments and benchmark replacement conforming changes, although other benchmark replacements (with or without spread adjustments) may be used in certain transactions. The impact of the transition from LIBOR on the Fund's transactions and financial markets generally cannot yet be determined. The transition away from LIBOR may lead to increased volatility and illiquidity in markets for instruments that have relied on LIBOR and may adversely affect the fund's performance.

**High yield or "junk" bond risk.** Debt securities that are below investment grade, called "junk bonds," are speculative, have a higher risk of default or are already in default, tend to be less liquid and are more difficult to value than higher grade securities. Junk bonds tend to be volatile and more susceptible to adverse events and negative sentiments. These risks are more pronounced for securities that are already in default.

**Interest rate risk.** The market prices of the Fund's fixed income securities may fluctuate significantly when interest rates change. The value of your investment will generally go down when interest rates rise. A rise in rates tends to have a greater impact on the prices of longer term or duration securities. For example, if interest rates increase by 1%, the value of a Fund's portfolio with a portfolio duration of ten years would be expected to decrease by 10%, all other things being equal. In recent years interest rates and credit spreads in the U.S. have been at historic lows. The U.S. Federal Reserve has raised certain interest rates, and interest rates may continue to go up. A general rise in interest rates could adversely affect the price and liquidity of fixed income securities. The maturity of a security may be significantly longer than its effective duration. A security's maturity and other features may be more relevant than its effective duration in determining the security's sensitivity to other factors affecting the issuer or markets generally, such as changes in credit quality or in the yield

premium that the market may establish for certain types of securities (sometimes called “credit spread”). In general, the longer its maturity the more a security may be susceptible to these factors. When the credit spread for a fixed income security goes up, or “widens,” the value of the security will generally go down.

Rising interest rates can lead to increased default rates, as issuers of floating rate securities find themselves faced with higher payments. Unlike fixed rate securities, floating rate securities generally will not increase in value if interest rates decline. Changes in interest rates also will affect the amount of interest income the Fund earns on its floating rate investments

**Credit risk.** If an issuer or guarantor of a security held by the Fund or a counterparty to a financial contract with the Fund defaults on its obligation to pay principal and/or interest, has its credit rating downgraded or is perceived to be less creditworthy, or the credit quality or value of any underlying assets declines, the value of your investment will typically decline. Changes in actual or perceived creditworthiness may occur quickly. The Fund could be delayed or hindered in its enforcement of rights against an issuer, guarantor or counterparty.

**Prepayment or call risk.** Many issuers have a right to prepay their securities. If interest rates fall, an issuer may exercise this right. If this happens, the Fund will not benefit from the rise in market price that normally accompanies a decline in interest rates, and will be forced to reinvest prepayment proceeds at a time when yields on securities available in the market are lower than the yield on the prepaid security. The Fund also may lose any premium it paid on the security.

**Extension risk.** During periods of rising interest rates, the average life of certain types of securities may be extended because of slower than expected principal payments. This may lock in a below market interest rate, increase the security’s duration and reduce the value of the security.

**Risk of illiquid investments.** Certain securities and derivatives held by the Fund may be impossible or difficult to purchase, sell or unwind. Illiquid securities and derivatives also may be difficult to value. Liquidity risk may be magnified in an environment of rising interest rates or widening credit spreads. During times of market turmoil, there have been, and may be, no buyers or sellers for securities in entire asset classes. If the Fund is forced to sell an illiquid asset or unwind a derivatives position, the Fund may suffer a substantial loss or may not be able to sell at all.

**Portfolio selection risk.** The Adviser’s judgment about the quality, relative yield, relative value or market trends affecting a particular sector or region, market segment, security, industry or about interest rates or other market

factors may prove to be incorrect or may not produce the desired results, or there may be imperfections, errors or limitations in the models, tools and information used by the Adviser.

**Reinvestment risk.** Income from the Fund's portfolio will decline if the Fund invests the proceeds, repayment or sale of loans or other obligations into lower yielding instruments with a lower spread over the base lending rate. A decline in income could affect the common shares' distribution rate and their overall return.

**Risks of investing in floating rate loans.** Floating rate loans and similar investments may be illiquid or less liquid than other investments and difficult to value. Market quotations for these securities may be volatile and/or subject to large spreads between bid and ask prices. No active trading market may exist for many floating rate loans, and many loans are subject to restrictions on resale. Any secondary market may be subject to irregular trading activity and extended trade settlement periods. An economic downturn generally leads to a higher non-payment rate, and a loan may lose significant value before a default occurs.

When the Fund invests in a loan participation, the Fund does not have a direct claim against the borrower and must rely upon an intermediate participant to enforce any rights against the borrower. As a result, the Fund is subject to the risk that an intermediate participant between the Fund and the borrower will fail to meet its obligations to the Fund, in addition to the risk that the issuer of the loan will default on its obligations. Also the Fund may be regarded as the creditor of the agent lender (rather than the borrower), subjecting the Fund to the creditworthiness of the lender as well as the borrower.

There is less readily available, reliable information about most senior loans than is the case for many other types of securities. Although the features of senior loans, including being secured by collateral and having priority over other obligations of the issuer, reduce some of the risks of investment in below investment grade securities, the loans are subject to significant risks. The Adviser believes, based on its experience, that senior floating rate loans generally have more favorable loss recovery rates than most other types of below investment grade obligations. However, there can be no assurance that the Fund's actual loss recovery experience will be consistent with the Adviser's prior experience or that the senior loans in which the Fund invests will achieve any specific loss recovery rate.

The types of covenants included in loan agreements generally vary depending on market conditions, the creditworthiness of the issuer, the nature of the collateral securing the loan, and other factors. Loans may have restrictive covenants that limit the ability of a borrower to further

encumber its assets. If a borrower fails to comply with the covenants included in a loan agreement, the borrower may default in payment of the loan.

Some of the loans in which the Fund may invest may be “covenant lite.” Covenant lite loans contain fewer maintenance covenants, or no maintenance covenants at all, than traditional loans and may not include terms that allow the lender to monitor the financial performance of the borrower and declare a default if certain criteria are breached. This may expose the Fund to greater credit risk associated with the borrower and reduce the Fund’s ability to restructure a problematic loan and mitigate potential loss. As a result the Fund’s exposure to losses on such investments may be increased, especially during a downturn in the credit cycle.

Second lien loans generally are subject to similar risks as those associated with senior loans. Because second lien loans are subordinated or unsecured and thus lower in priority on payment to senior loans, they are subject to the additional risk that the cash flow of the borrower and property securing the loan or debt, if any, may be insufficient to meet scheduled payments after giving effect to the senior secured obligations of the borrower. This risk is generally higher for subordinated unsecured loans or debt, which are not backed by a security interest in any specific collateral. Second lien loans generally have greater price volatility than senior loans and may be less liquid.

Certain floating rate loans and other corporate debt securities involve refinancings, recapitalizations, mergers and acquisitions, and other financings for general corporate purposes. Other loans are incurred in restructuring or “work-out” scenarios, including debtor-in-possession facilities in bankruptcy. Loans in restructuring or similar scenarios may be especially vulnerable to the inherent uncertainties in restructuring processes. In addition, the highly leveraged capital structure of the borrowers in any of these transactions, whether acquisition financing or restructuring, may make the loans especially vulnerable to adverse economic or market conditions and the risk of default.

Loans to entities located outside of the U.S. may have substantially different lender protections and covenants as compared to loans to U.S. entities and may involve greater risks. The Fund may have difficulties and incur expense enforcing its rights with respect to non-U.S. loans and such loans could be subject to bankruptcy laws that are materially different than in the U.S.

Because affiliates of the Adviser may participate in the primary and secondary market for senior loans, limitations under applicable law may

restrict the Fund's ability to participate in a restructuring of a senior loan or to acquire some senior loans, or affect the timing or price of such acquisition. Loans may not be considered "securities," and purchasers, such as the Fund, therefore may not be entitled to rely on the anti-fraud protections afforded by federal securities laws.

**Collateral risk.** The value of collateral, if any, securing a floating rate loan can decline, and may be insufficient to meet the issuer's obligations or may be difficult to liquidate. In addition, the Fund's access to collateral may be limited by bankruptcy or other insolvency laws. These laws may be less developed and more cumbersome with respect to the Fund's non-U.S. floating rate investments. Floating rate loans may not be fully collateralized or may be uncollateralized. Uncollateralized loans involve a greater risk of loss. In the event of a default, the Fund may have difficulty collecting on any collateral and would not have the ability to collect on any collateral for an uncollateralized loan. In addition, the lender's security interest or their enforcement of their security interest under the loan agreement may be found by a court to be invalid or the collateral may be used to pay other outstanding obligations of the borrower. Further, the Fund's access to collateral, if any, may be limited by bankruptcy law. To the extent that a loan is collateralized by stock of the borrower or its affiliates, this stock may lose all or substantially all of its value in the event of bankruptcy of the borrower. Loans that are obligations of a holding company are subject to the risk that, in a bankruptcy of a subsidiary operating company, creditors of the subsidiary may recover from the subsidiary's assets before the lenders to the holding company would receive any amount on account of the holding company's interest in the subsidiary.

**Risk of disadvantaged access to confidential information.** The issuer of a floating rate loan may offer to provide material, non-public information about the issuer to investors, such as the Fund. Normally, the Adviser will seek to avoid receiving this type of information about the issuer of a loan either held by, or considered for investment by, the Fund. The Adviser's decision not to receive the information may place it at a disadvantage, relative to other loan investors, in assessing a loan or the loan's issuer. For example, in instances where holders of floating rate loans are asked to grant amendments, waivers or consents, the Adviser's inability to assess the impact of these actions may adversely affect the value of the portfolio. For this and other reasons, it is possible that the Adviser's decision not to receive material, non-public information under normal circumstances could adversely affect the Fund's investment performance.

**Risks of subordinated securities.** A holder of securities that are subordinated or "junior" to more senior securities of an issuer is entitled to

payment after holders of more senior securities of the issuer. Subordinated securities are more likely to suffer a credit loss than non-subordinated securities of the same issuer, any loss incurred by the subordinated securities is likely to be proportionately greater, and any recovery of interest or principal may take more time. If there is a default, bankruptcy or liquidation of the issuer, most subordinated securities are paid only if sufficient assets remain after payment of the issuer's non-subordinated securities. As a result, even a perceived decline in creditworthiness of the issuer is likely to have a greater impact on subordinated securities than more senior securities.

**Issuer risk.** The value of corporate income-producing securities may decline for a number of reasons which directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods and services.

**U.S. Treasury obligations risk.** The market value of direct obligations of the U.S. Treasury may vary due to changes in interest rates. In addition, changes to the financial condition or credit rating of the U.S. government may cause the value of the Fund's investments in obligations issued by the U.S. Treasury to decline.

**U.S. government agency obligations risk.** The Fund invests in obligations issued by agencies and instrumentalities of the U.S. government. Government-sponsored entities such as the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal Home Loan Banks (FHLBs), although chartered or sponsored by Congress, are not funded by congressional appropriations and the debt and mortgage-backed securities issued by them are neither guaranteed nor issued by the U.S. government. The maximum potential liability of the issuers of some U.S. government obligations may greatly exceed their current resources, including any legal right to support from the U.S. government. Such debt and mortgage-backed securities are subject to the risk of default on the payment of interest and/or principal, similar to debt of private issuers. Although the U.S. government has provided financial support to FNMA and FHLMC in the past, there can be no assurance that it will support these or other government-sponsored entities in the future.

**Mortgage-related and asset-backed securities risk.** The value of mortgage-related securities, including commercial mortgage-backed securities, collateralized mortgage-backed securities, credit risk transfer securities, and asset-backed securities, will be influenced by factors affecting the assets underlying such securities. As a result, during periods of declining asset value, difficult or frozen credit markets, swings in



interest rates, or deteriorating economic conditions, mortgage-related and asset-backed securities may decline in value, face valuation difficulties, become more volatile and/or become illiquid. Mortgage-backed securities tend to be more sensitive to changes in interest rate than other types of debt securities. These securities are also subject to interest rate, prepayment and extension risks. Some of these securities may receive little or no collateral protection from the underlying assets and are thus subject to the risk of default. The risk of such defaults is generally higher in the case of mortgage-backed investments offered by non-governmental issuers and those that include so-called “sub-prime” mortgages. The structure of some of these securities may be complex and there may be less available information than for other types of debt securities. Upon the occurrence of certain triggering events or defaults, the Fund may become the holder of underlying assets at a time when those assets may be difficult to sell or may be sold only at a loss.

**Risks of investing in collateralized debt obligations.** Investment in a collateralized debt obligation (CDO) is subject to the credit, subordination, interest rate, valuation, prepayment, extension and other risks of the obligations underlying the CDO and the tranche of the CDO in which the Fund invests. CDOs are subject to liquidity risk. Synthetic CDOs are also subject to the risks of investing in derivatives, such as credit default swaps, and leverage risk.

**Risks of instruments that allow for balloon payments or negative amortization payments.** Certain debt instruments allow for balloon payments or negative amortization payments. Such instruments permit the borrower to avoid paying currently a portion of the interest accruing on the instrument. While these features make the debt instrument more affordable to the borrower in the near term, they increase the risk that the borrower will be unable to make the resulting higher payment or payments that become due at the maturity of the loan.

**Risks of investing in insurance-linked securities.** The Fund could lose a portion or all of the principal it has invested in an insurance-linked security, and the right to additional interest and/or dividend payments with respect to the security, upon the occurrence of one or more trigger events, as defined within the terms of an insurance-linked security. Trigger events may include natural or other perils of a specific size or magnitude that occur in a designated geographic region during a specified time period, and/or that involve losses or other metrics that exceed a specific amount. Natural perils include disasters such as hurricanes, earthquakes, windstorms, fires, floods and other weather-related occurrences, as well as mortality or longevity events. Non-natural perils include disasters resulting from human-related activity such as commercial and industrial accidents or

business interruptions. Major natural disasters (such as in the cases of Super Typhoon Goni in the Philippines in 2020, monsoon flooding in China in 2020, Hurricane Irma in Florida and the Caribbean in 2017, Super Storm Sandy in 2012, and Hurricane Ian in Florida in 2022) or commercial and industrial accidents (such as aviation disasters and oil spills) can result in significant losses, and investors in ILS with exposure to such natural or other disasters may also experience substantial losses. If the likelihood and severity of natural and other large disasters increase, the risk of significant losses to reinsurers may increase. Typically, one significant triggering event (even in a major metropolitan area) will not result in financial failure to a reinsurer. However, a series of major triggering events could cause the failure of a reinsurer. Similarly, to the extent the Fund invests in ILS for which a triggering event occurs, losses associated with such event will result in losses to the Fund and a series of major triggering events affecting a large portion of the ILS held by the Fund will result in substantial losses to the Fund. The Fund may also invest in insurance-linked securities that are subject to “indemnity triggers.” An indemnity trigger is a trigger based on the actual losses of the ceding sponsor (i.e., the party seeking reinsurance). Insurance-linked securities subject to indemnity triggers are often regarded as being subject to potential moral hazard, since such insurance-linked securities are triggered by actual losses of the ceding sponsor and the ceding sponsor may have an incentive to take actions and/or risks that would have an adverse effect on the Fund. For example, a ceding sponsor might inflate its total claims paid above the ILS trigger level in order to share its losses with investors in the ILS. Thus, bonds with indemnity triggers may be subject to moral hazard, because the trigger depends on the ceding sponsor to properly identify and calculate losses that do and do not apply in determining whether the trigger amount has been reached. In short, “moral hazard” refers to this potential for the sponsor to influence bond performance, as payouts are based on the individual policy claims against the sponsor and the way the sponsor settles those claims. There is no way to accurately predict whether a trigger event will occur and, accordingly, event-linked bonds and other insurance-linked securities carry significant risk. In addition to the specified trigger events, insurance-linked securities may expose the Fund to other risks, including but not limited to issuer (credit) default, adverse regulatory or jurisdictional interpretations and adverse tax consequences. Insurance-linked securities are also subject to the risk that the model used to calculate the probability of a trigger event was not accurate and underestimated the likelihood of a trigger event. Insurance-linked securities may provide for extensions of maturity in order to process and audit loss claims in those cases when a trigger event has, or possibly has, occurred. Certain insurance-linked securities may have limited liquidity, or may be illiquid. Upon the occurrence or possible occurrence of a trigger event, and

until the completion of the processing and auditing of applicable loss claims, the Fund's investment in an insurance-linked security may be priced using fair value methods. Lack of a liquid market may impose the risk of higher transaction costs and the possibility that the Fund may be forced to liquidate positions when it would not be advantageous to do so. Certain insurance-linked securities represent interests in baskets of underlying reinsurance contracts. The Fund has limited transparency into the individual contracts underlying certain insurance-linked securities, and therefore must rely on the risk assessment and sound underwriting practices of the insurer and/or reinsurer. Certain insurance-linked securities may be difficult to value.

**Risks of investing in structured reinsurance investments.** The Fund may invest in insurance-linked securities that are special purpose vehicles ("SPVs") or similar instruments structured to comprise a portion of a reinsurer's catastrophe-oriented business, known as quota share instruments (sometimes referred to as reinsurance sidecars), or to provide reinsurance relating to specific risks to insurance or reinsurance companies through a collateralized instrument, known as collateralized reinsurance. Quota share instruments and other structured reinsurance investments generally will be considered illiquid securities by the Fund. Structured reinsurance investments are typically more customizable but less liquid investments than event-linked bonds. Like event-linked bonds, an investor in structured reinsurance investments participates in the premiums and losses associated with underlying reinsurance contracts. Structured reinsurance investments are subject to the same risks as event-linked bonds and other insurance-linked securities. In addition, because quota share instruments represent an interest in a basket of underlying reinsurance contracts, the Fund has limited transparency into the individual underlying contracts and therefore must rely upon the risk assessment and sound underwriting practices of the insurer and/or reinsurer. Structured reinsurance investments may be difficult to value.

**ILS market and reinvestment risk.** The size of the ILS market may change over time, which may limit the availability of ILS for investment by the Fund. The original issuance of ILS in general, including ILS with desired instrument or risk characteristics, may fluctuate depending on the capital and capacity needs of reinsurers as well as the demand for ILS by institutional investors. The availability of ILS in the secondary market also may be limited by supply and demand dynamics and prevailing economic conditions. To the extent ILS held by the Fund mature, or the Fund must sell securities in connection with share repurchases, the Fund may be required to hold more cash or short-term instruments than it normally would until attractive ILS becomes available. Holding excess cash and/or

reinvestment in securities that are lower yielding or less desirable than securities sold may negatively affect performance.

**Risks of zero coupon bonds, payment in kind, deferred and contingent payment securities.** These securities may be more speculative and may fluctuate more in value than securities which pay income periodically and in cash. In addition, although the Fund receives no periodic cash payments on such securities, the Fund is deemed for tax purposes to receive income from such securities, which applicable tax rules require the Fund to distribute to stockholders. Such distributions may be taxable when distributed to stockholders.

**Risks of non-U.S. investments.** Investing in non-U.S. issuers, or in U.S. issuers that have significant exposure to foreign markets, may involve unique risks compared to investing in securities of U.S. issuers. These risks are more pronounced for issuers in emerging markets or to the extent that the Fund invests significantly in one region or country. These risks may include different financial reporting practices and regulatory standards, less liquid trading markets, extreme price volatility, currency risks, changes in economic, political, regulatory and social conditions, military conflicts and sanctions, terrorism, sustained economic downturns, financial instability, reduction of government or central bank support, inadequate accounting standards, auditing and financial recordkeeping requirements, tariffs, tax disputes or other tax burdens, nationalization or expropriation of assets, arbitrary application of laws and regulations or lack of rule of law, and investment and repatriation restrictions. Investors in foreign countries often have limited rights and few practical remedies to pursue shareholder claims. Lack of information and less market regulation also may affect the value of these securities. Withholding and other non-U.S. taxes may decrease the Fund's return. Non-U.S. issuers may be located in parts of the world that have historically been prone to natural disasters. Emerging market economies tend to be less diversified than those of more developed countries. They typically have fewer medical and economic resources than more developed countries and thus they may be less able to control or mitigate the effects of a pandemic. Investing in depositary receipts is subject to many of the same risks as investing directly in non-U.S. issuers. Depositary receipts may involve higher expenses and may trade at a discount (or premium) to the underlying security.

A number of countries in the European Union (EU) have experienced, and may continue to experience, severe economic and financial difficulties. In addition, the United Kingdom has withdrawn from the EU (commonly known as "Brexit"). Other countries may seek to withdraw from the EU and/or abandon the euro, the common currency of the EU. The range and potential implications of possible political, regulatory, economic, and

market outcomes of Brexit cannot be fully known but could be significant, potentially resulting in increased volatility, illiquidity and potentially lower economic growth in the affected markets, which will adversely affect the Fund's investments.

If one or more stockholders of a supranational entity such as the World Bank fail to make necessary additional capital contributions, the entity may be unable to pay interest or repay principal on its debt securities.

Sanctions or other government actions against certain countries could negatively impact the Fund's investments in securities that have exposure to that country. Circumstances that impact one country could have profound impacts on other countries and on global economies or markets. China and other developing market countries may be subject to considerable degrees of economic, political and social instability. In addition, the U.S. government has imposed restrictions on U.S. investor participation in certain Chinese investments. These matters could adversely affect China's economy. In addition, China's long-running conflict over Taiwan's sovereignty, border disputes with many neighbors and historically strained relations with other Asian countries could result in military conflict that could adversely impact the economies of China and other Asian countries, disrupt supply chains, and severely affect global economies and markets.

Russia launched a large-scale invasion of Ukraine on February 24, 2022. In response to the military action by Russia, various countries, including the U.S., the United Kingdom, and European Union, issued broad-ranging economic sanctions against Russia and Belarus and certain companies and individuals. Russia has taken retaliatory actions, including preventing repatriation of capital by U.S. and other investors. Since then, Russian securities lost all, or nearly all, their market value, and many other issuers, securities and markets have been adversely affected. The ongoing conflict has resulted in significant market disruptions, including in certain markets, industries and sectors, such as the oil and natural gas markets, and negatively affected global supply chains, food supplies, inflation and global growth. The U.S. and other countries may impose sanctions on other countries, companies and individuals in light of Russia's military invasion. The extent and duration of the military action or future escalation of such hostilities, the extent and impact of existing and future sanctions, market disruptions and volatility, and the result of any diplomatic negotiations cannot be predicted. These and any related events could have a significant impact on the value and liquidity of certain Fund investments, on Fund performance and the value of an investment in the Fund.

**Currency risk.** The Fund could experience losses based on changes in the exchange rate between non-U.S. currencies and the U.S. dollar or as a result of currency conversion costs. Currency exchange rates can be volatile, and are affected by factors such as general economic conditions, the actions of the U.S. and foreign governments or central banks, the imposition of currency controls and speculation.

**Risks of convertible securities.** The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. A downturn in equity markets may cause the price of convertible securities to decrease relative to other fixed income securities.

**Preferred stocks risk.** Preferred stocks may pay fixed or adjustable rates of return. Preferred stocks are subject to issuer-specific and market risks applicable generally to equity securities. In addition, a company's preferred stocks generally pay dividends only after the company makes required payments to holders of its bonds and other debt. Thus, the value of preferred stocks will usually react more strongly than bonds and other debt to actual or perceived changes in the company's financial condition or prospects. The market value of preferred stocks generally decreases when interest rates rise. Also, the market prices of preferred stocks are more sensitive to changes in the issuer's creditworthiness than are the prices of debt securities. Generally, under normal circumstances, preferred stocks do not carry voting rights. Preferred stocks may trade less frequently and in a more limited volume and may be subject to more abrupt or erratic price movements than other securities. Preferred stocks of smaller companies may be more vulnerable to adverse developments than preferred stocks of larger companies.

**Risks of investment in other funds.** Investing in other investment companies, including exchange-traded funds (ETFs) and closed-end funds, subjects the Fund to the risks of investing in the underlying securities or assets held by those funds. When investing in another fund, the Fund will bear a pro rata portion of the underlying fund's expenses, including management fees, in addition to its own expenses. ETFs and closed-end funds are bought and sold based on market prices and can trade at a premium or a discount to the ETF's or closed-end fund's net asset value. Such funds may trade at a discount for an extended period and may not ever realize their net asset value.

**Derivatives risk.** Using swaps, forward foreign currency exchange contracts, bond and interest rate futures and other derivatives can increase Fund losses and reduce opportunities for gains when market prices, interest rates or the derivative instruments themselves behave in a way not anticipated by the Fund. Using derivatives may increase the volatility of

the Fund's net asset value and may not provide the result intended. Derivatives may have a leveraging effect on the Fund. Some derivatives have the potential for unlimited loss, regardless of the size of the Fund's initial investment. Derivatives are generally subject to the risks applicable to the assets, rates, indices or other indicators underlying the derivative. Changes in a derivative's value may not correlate well with the referenced asset or metric. The Fund also may have to sell assets at inopportune times to satisfy its obligations. Derivatives may be difficult to sell, unwind or value, and the counterparty may default on its obligations to the Fund. Use of derivatives may have different tax consequences for the Fund than an investment in the underlying security, and such differences may affect the amount, timing and character of income distributed to stockholders. The U.S. government and foreign governments have adopted and implemented or are in the process of adopting and implementing regulations governing derivatives markets, including mandatory clearing of certain derivatives, margin and reporting requirements. The ultimate impact of the regulations remains unclear. Additional regulation of derivatives may make them more costly, limit their availability or utility, otherwise adversely affect their performance or disrupt markets.

**Credit default swap risk.** Credit default swap contracts, a type of derivative instrument, involve special risks and may result in losses to the Fund. Credit default swaps may in some cases be illiquid, and they increase credit risk since the Fund has exposure to the issuer of the referenced obligation and either the counterparty to the credit default swap or, if it is a cleared transaction, the brokerage firm through which the trade was cleared and the clearing organization that is the counterparty to that trade.

**Structured securities risk.** Structured securities may behave in ways not anticipated by the Fund, or they may not receive the tax, accounting or regulatory treatment anticipated by the Fund.

**Forward foreign currency transactions risk.** The Fund may not fully benefit from or may lose money on forward foreign currency transactions if changes in currency rates do not occur as anticipated or do not correspond accurately to changes in the value of the Fund's holdings, or if the counterparty defaults. Such transactions may also prevent the Fund from realizing profits on favorable movements in exchange rates. Risk of counterparty default is greater for counterparties located in emerging markets.

**Leveraging risk.** The value of your investment may be more volatile and other risks tend to be compounded if the Fund borrows or uses derivatives or other investments, such as ETFs, that have embedded leverage. Leverage generally magnifies the effect of any increase or decrease in the value of

the Fund's underlying assets and creates a risk of loss of value on a larger pool of assets than the Fund would otherwise have, potentially resulting in the loss of all assets. Engaging in such transactions may cause the Fund to liquidate positions when it may not be advantageous to do so. New derivatives regulations require the Fund, to the extent it uses derivatives to a material extent, to, among other things, comply with certain overall limits on leverage. These regulations may limit the ability of the Fund to pursue its investment strategies and may not be effective to mitigate the Fund's risk of loss from derivatives.

The Fund may use financial leverage on an ongoing basis for investment purposes by borrowing from banks through a revolving credit facility. The fees and expenses attributed to leverage, including any increase in the management fees, will be borne by holders of common shares. Since the Adviser's fee is based on a percentage of the Fund's managed assets, its fee will be higher if the Fund is leveraged, and the Adviser will thus have an incentive to leverage the Fund.

**Repurchase agreement risk.** In the event that the other party to a repurchase agreement defaults on its obligations, the Fund may encounter delay and incur costs before being able to sell the security. Such a delay may involve loss of interest or a decline in price of the security. In addition, if the Fund is characterized by a court as an unsecured creditor, it would be at risk of losing some or all of the principal and interest involved in the transaction.

**Market segment risk.** To the extent the Fund emphasizes, from time to time, investments in a market segment, the Fund will be subject to a greater degree to the risks particular to that segment, and may experience greater market fluctuation than a fund without the same focus.

Industries in the financial segment, such as banks, insurance companies and broker-dealers, may be sensitive to changes in interest rates and general economic activity and are generally subject to extensive government regulation.

**Valuation risk.** Nearly all of the Fund's investments are valued using a fair value methodology. The sales price the Fund could receive for any particular portfolio investment may differ from the Fund's valuation of the investment, particularly for illiquid securities and securities that trade in thin or volatile markets. These differences may increase significantly and affect Fund investments more broadly during periods of market volatility. The ability to value the Fund's investments may also be impacted by technological issues and/or errors by pricing services or other third party service providers.



**Cybersecurity risk.** Cybersecurity failures by and breaches of the Fund's Adviser, transfer agent, custodian, Fund accounting agent or other service providers may disrupt Fund operations, interfere with the Fund's ability to calculate its NAV, prevent Fund stockholders from purchasing or selling shares or receiving distributions or receiving timely information regarding the Fund or their investment in the Fund, cause loss of or unauthorized access to private stockholder information, and result in financial losses to the Fund and its stockholders, regulatory fines, penalties, reputational damage, or additional compliance costs. New ways to carry out cyber attacks continue to develop. Therefore, there is a chance that some risks have not been identified or prepared for, or that an attack may not be detected, which puts limitations on the Fund's ability to plan for or respond to a cyber attack.

**Cash management risk.** The value of the investments held by the Fund for cash management or temporary defensive purposes may be affected by market risks, changing interest rates and by changes in credit ratings of the investments. To the extent that the Fund has any uninvested cash, the Fund would be subject to credit risk with respect to the depository institution holding the cash. If the Fund holds cash uninvested, the Fund will not earn income on the cash and the Fund's yield will go down. During such periods, it may be more difficult for the Fund to achieve its investment objective.

**Anti-takeover provisions.** The Fund's Charter and Bylaws include provisions that are designed to limit the ability of other entities or persons to acquire control of the Fund for short-term objectives, including by converting the Fund to open-end status or changing the composition of the Board, that may be detrimental to the Fund's ability to achieve its primary investment objective of seeking to provide its common stockholders with a high level of current income. These provisions include staggered terms of service for the Directors, advance notice requirements for stockholder proposals, and super-majority voting requirements for certain transactions with affiliates, open-ending the Fund or a merger, liquidation, asset sale or similar transaction. The Fund's Bylaws also contain a provision providing that the Board of Directors has adopted a resolution to opt in the Fund to the provisions of the Maryland Control Share Acquisition Act ("MCSAA"). Such provisions may limit the ability of stockholders to sell their shares at a premium over prevailing market prices by discouraging a third party from seeking to obtain control of the Fund. There can be no assurance, however, that such provisions will be sufficient to deter activist investors that seek to cause the Fund to take actions that may not be aligned with the interests of long-term stockholders. Furthermore, the law is uncertain on the use of control share provisions. Certain courts have found that control

share provisions are unenforceable under the 1940 Act. It is possible that a court could decide that the Fund's decision to opt in to the MCSAA is not enforceable under the 1940 Act.

*Exclusive forum provisions. The Fund's Bylaws designate the Circuit Court for Baltimore City, Maryland as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by the Fund's stockholders and provide that claims relating to causes of action under the United States federal securities laws may only be brought in the United States District Court for the District of Maryland, Northern Division, which could limit stockholders' ability to obtain a favorable judicial forum for disputes with the Fund or its directors, officers or the Fund's agents, if any, and could discourage lawsuits against the Fund and its directors, officers and agents, if any.*

*The Fund's Bylaws provide that, unless the Fund consents in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that court does not have jurisdiction, the United States District Court for the District of Maryland, Northern Division, will be the sole and exclusive forum for (a) any Internal Corporate Claim, as such term is defined in the MGCL, (b) any derivative action or proceeding brought on the Fund's behalf (other than actions arising under federal securities laws), (c) any action asserting a claim of breach of any duty owed by any of the Fund's directors, officers or other agents to the Fund or to the Fund's stockholders, (d) any action asserting a claim against the Fund or any of the Fund's directors, officers or other agents arising pursuant to any provision of the MGCL or the Fund's Charter or Bylaws or (e) any other action asserting a claim against the Fund or any of the Fund's directors, officers or other agents that is governed by the internal affairs doctrine. Furthermore, the Fund's Bylaws provide that, unless the Fund consents in writing to the selection of an alternative forum, the United States District Court for the District of Maryland, Northern Division shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any claim arising under the United States federal securities laws.*

*These exclusive forum provisions may limit the ability of the Fund's stockholders to bring a claim in a judicial forum that such stockholders find favorable for disputes with the Fund or the Fund's directors, officers, or agents, if any, which may discourage such lawsuits against the Fund and the Fund's directors, officers, and agents, if any. Alternatively, if a court were to find the choice of forum provisions contained in the Fund's Bylaws to be inapplicable or unenforceable in an action, the Fund may incur additional costs associated with resolving such action in other jurisdictions, which could materially adversely affect the Fund's business, financial condition, and operating results.*

Please note that there are many other factors that could adversely affect your investment and that could prevent the Fund from achieving its goals.

An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

## **INVESTMENT RESTRICTIONS**

The following are the Fund's fundamental investment restrictions. These restrictions, along with the Fund's investment objectives, may not be changed without the approval of the holders of a majority of the Fund's outstanding voting securities (which for this purpose and under the 1940 Act means the lesser of (i) 67% of the common shares represented at a meeting at which more than 50% of the outstanding common shares are represented or (ii) more than 50% of the outstanding common shares).

The Fund may not:

- (1) Issue senior securities, other than as permitted by the 1940 Act.
- (2) Borrow money, other than as permitted by the 1940 Act.
- (3) Invest in real estate, except the Fund may invest in securities of issuers that invest in real estate or interests therein, securities that are secured by real estate or interests therein, securities of real estate investment trusts, mortgage-backed securities and other securities that represent a similar indirect interest in real estate, and the Fund may acquire real estate or interests therein through exercising rights or remedies with regard to an instrument.
- (4) Make loans, except that the Fund may (i) lend portfolio securities, (ii) enter into repurchase agreements, (iii) purchase all or a portion of an issue of publicly distributed debt securities, loans, loan participation interests, bank certificates of deposit, acceptances, debentures or other securities, whether or not the purchase is made upon the original issuance of the securities, (iv) participate in a credit facility whereby the Fund may directly lend to and borrow money from other affiliated funds to the extent permitted under the 1940 Act or an exemption therefrom and (v) make loans in any other manner consistent with applicable law, as amended and interpreted or modified from time to time by any regulatory authority having jurisdiction.
- (5) Invest in commodities or commodity contracts, except that the Fund may invest in currency instruments and contracts and financial instruments and contracts that might be deemed to be commodities and commodity contracts.

- (6) Make any investment inconsistent with its classification as a diversified open-end investment company under the 1940 Act. Currently, diversification means that, with respect to 75% of its total assets, the Fund may not purchase securities of an issuer (other than the U.S. government, its agencies or instrumentalities and securities of investment companies), if (a) such purchase would cause more than 5% of the Fund's total assets, taken at market value, to be invested in the securities of such issuer, or (b) such purchase would at the time result in more than 10% of the outstanding voting securities of such issuer being held by the Fund.
- (7) Act as an underwriter, except insofar as the Fund technically may be deemed to be an underwriter in connection with the purchase or sale of its portfolio securities.
- (8) Invest 25% or more of the value of its total assets in any one industry, except that (a) the Fund will invest more than 25% of its total assets in securities or other instruments issued or structured by companies in the financial services group of industries, such as banks, broker-dealers and insurance and reinsurance companies, and (b) this limitation does not apply to the purchase of obligations issued or guaranteed by the U.S. government, its agencies or instrumentalities.

All other investment policies of the Fund are considered non-fundamental and may be changed by the Board of Directors without prior approval of the Fund's outstanding voting shares.

## Effects of Leverage

The following table is furnished in response to requirements of the Securities and Exchange Commission. It is designed to illustrate the effects of leverage on common share total return, assuming investment portfolio total returns (consisting of income and changes in the value of investments held in the Fund's portfolio) of -10%, -5%, 0%, 5% and 10%. The table below assumes the Fund's continued use of leverage through borrowings under a credit agreement as of April 30, 2024 as a percentage of the Fund's total assets (which includes the assets attributable to such leverage), the annual rate of interest on the borrowings as of April 30, 2024, and the annual return that the Fund's portfolio must experience (net of expenses) in order to cover such costs. The information below does not reflect the Fund's use of certain other forms of economic leverage achieved through the use of other instruments or transactions not considered to be senior securities under the 1940 Act, if any.

The assumed investment portfolio returns in the table below are hypothetical figures and are not necessarily indicative of the investment portfolio returns experienced or expected to be experienced by the Fund. Your actual returns may be greater or less than those appearing below. In addition, actual expenses associated with borrowings by the Fund may vary frequently and may be significantly higher or lower than the rate used for the example below.

Borrowings under credit agreement as a percentage of total managed assets (including assets attributable to borrowings)	28.38%
Annual effective interest rate payable by Fund on borrowings	6.71%
Annual return Fund portfolio must experience (net of expenses) to cover interest rate on borrowings	1.90%
Common share total return for (10.00)% assumed portfolio total return	(16.62)%
Common share total return for (5.00)% assumed portfolio total return	(9.64)%
Common share total return for 0.00% assumed portfolio total return	(2.66)%
Common share total return for 5.00% assumed portfolio total return	4.32%
Common share total return for 10.00% assumed portfolio total return	11.30%

Common share total return is composed of two elements - investment income net of the Fund's expenses, including any interest/dividends on assets resulting from leverage, and gains or losses on the value of the securities the Fund owns. As required by Securities and Exchange Commission rules, the table assumes that the Fund is more likely to suffer capital losses than to enjoy capital appreciation. For example, to assume a total return of 0%, the Fund must assume that the income it receives on its investments is entirely offset by losses in the value of those investments.

This table reflects hypothetical performance of the Fund's portfolio and not the performance of the Fund's common shares, the value of which will be determined by market forces and other factors.

Should the Fund elect to add additional leverage to its portfolio, the potential benefits of leveraging the Fund's shares cannot be fully achieved until the proceeds resulting from the use of leverage have been received by the Fund and invested in accordance with the Fund's investment objective and principal investment strategies. The Fund's willingness to use additional leverage, and the extent to which leverage is used at any time, will depend on many factors, including, among other things, the Adviser's assessment of the yield curve environment, interest rate trends, market conditions and other factors.

## Directors, Officers and Service Providers

### Investment Adviser and Administrator

Amundi Asset Management US, Inc.

### Custodian and Sub-Administrator

The Bank of New York Mellon Corporation

### Independent Registered Public Accounting Firm

Deloitte & Touche LLP

### Legal Counsel

Morgan, Lewis & Bockius LLP

### Transfer Agent

Equiniti Trust Company, LLC

**Proxy Voting Policies and Procedures of the Fund** are available without charge, upon request, by calling our toll free number (1-800-225-6292). Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is publicly available to stockholders at [www.amundi.com/us](http://www.amundi.com/us). This information is also available on the Securities and Exchange Commission's web site at [www.sec.gov](http://www.sec.gov).

## Directors and Officers

The Fund's Directors and officers are listed below, together with their principal occupations and other directorships they have held during at least the past five years. Directors who are interested persons of the Fund within the meaning of the 1940 Act are referred to as Interested Directors.

Directors who are not interested persons of the Fund are referred to as Independent Directors. Each of the Directors serves as a Director of each of the 46 U.S. registered investment portfolios for which Amundi US serves as investment adviser (the "Pioneer Funds"). The address for all Directors and all officers of the Fund is 60 State Street, Boston, Massachusetts 02109.

## Independent Directors

Name, Age and Position Held With the Fund	Term of Office and Length of Service	Principal Occupation(s) During At Least The Past Five Years	Other Directorships Held by Director During At Least The Past Five Years
<b>Thomas J. Perna (73)</b> Chairman of the Board and Director	Class II Director since 2007. Term expires in 2024.	Private investor (2004 – 2008 and 2013 – present); Chairman (2008 – 2013) and Chief Executive Officer (2008 – 2012), Quadriserv, Inc. (technology products for securities lending industry); and Senior Executive Vice President, The Bank of New York (financial and securities services) (1986 – 2004)	Director, Broadridge Financial Solutions, Inc. (investor communications and securities processing provider for financial services industry) (2009 – 2023); Director, Quadriserv, Inc. (2005 – 2013); and Commissioner, New Jersey State Civil Service Commission (2011 – 2015)
<b>John E. Baumgardner, Jr. (73)*</b> Director	Class III Director since 2019. Term expires in 2025.	Of Counsel (2019 – present), Partner (1983-2018), Sullivan & Cromwell LLP (law firm).	Chairman, The Lakeville Journal Company, LLC, (privately-held community newspaper group) (2015-present)
<b>Diane Durnin (67)</b> Director	Class I Director since 2020. Term expires in 2026.	Managing Director - Head of Product Strategy and Development, BNY Mellon Investment Management (investment management firm) (2012-2018); Vice Chairman – The Dreyfus Corporation (2005 – 2018); Executive Vice President Head of Product, BNY Mellon Investment Management (2007-2012); Executive Director- Product Strategy, Mellon Asset Management (2005-2007); Executive Vice President Head of Products, Marketing and Client Service, Dreyfus Corporation (investment management firm) (2000-2005); Senior Vice President Strategic Product and Business Development, Dreyfus Corporation (1994-2000)	None



Name, Age and Position Held With the Fund	Term of Office and Length of Service	Principal Occupation(s) During At Least The Past Five Years	Other Directorships Held by Director During At Least The Past Five Years
<b>Benjamin M. Friedman (79)</b> Director	Class I Director since 2008. Term expires in 2026.	William Joseph Maier Professor of Political Economy, Harvard University (1972 – present)	Trustee, Mellon Institutional Funds Investment Trust and Mellon Institutional Funds Master Portfolio (oversaw 17 portfolios in fund complex) (1989 - 2008)
<b>Craig C. MacKay (61)</b> Director	Class II Director since 2021. Term expires in 2024.	Partner, England & Company, LLC (advisory firm) (2012 – present); Group Head – Leveraged Finance Distribution, Oppenheimer & Company (investment bank) (2006 – 2012); Group Head – Private Finance & High Yield Capital Markets Origination, SunTrust Robinson Humphrey (investment bank) (2003 – 2006); and Founder and Chief Executive Officer, HNY Associates, LLC (investment bank) (1996 – 2003)	Director, Equitable Holdings, Inc. (financial services holding company) (2022 – present); Board Member of Carver Bancorp, Inc. (holding company) and Carver Federal Savings Bank, NA (2017 – present); Advisory Council Member, MasterShares ETF (2016 – 2017); Advisory Council Member, The Deal (financial market information publisher) (2015 – 2016); Board Co-Chairman and Chief Executive Officer, Danis Transportation Company (privately-owned commercial carrier) (2000 – 2003); Board Member and Chief Financial Officer, Customer Access Resources (privately-owned teleservices company) (1998 – 2000); Board Member, Federation of Protestant Welfare Agencies (human services agency) (1993 – present); and Board Treasurer, Harlem Dowling Westside Center (foster care agency) (1999 – 2018)

## Independent Directors (continued)

Name, Age and Position Held With the Fund	Term of Office and Length of Service	Principal Occupation(s) During At Least The Past Five Years	Other Directorships Held by Director During At Least The Past Five Years
<b>Lorraine H. Monchak (68)</b> Director	Class III Director since 2015. Term expires in 2025.	Chief Investment Officer, 1199 SEIU Funds (healthcare workers union pension funds) (2001 – present); Vice President – International Investments Group, American International Group, Inc. (insurance company) (1993 – 2001); Vice President Corporate Finance and Treasury Group, Citibank, N.A. (1980 – 1986 and 1990 – 1993); Vice President – Asset/Liability Management Group, Federal Farm Funding Corporation (government-sponsored issuer of debt securities) (1988 – 1990); Mortgage Strategies Group, Shearson Lehman Hutton, Inc. (investment bank) (1987 – 1988); Mortgage Strategies Group, Drexel Burnham Lambert, Ltd. (investment bank) (1986 – 1987)	None

Name, Age and Position Held With the Fund	Term of Office and Length of Service	Principal Occupation(s) During At Least The Past Five Years	Other Directorships Held by Director During At Least The Past Five Years
<b>Fred J. Ricciardi (77)</b> Director	Class II Director since 2014. Term expires in 2024.	Private investor (2020 – present); Consultant (investment company services) (2012 – 2020); Executive Vice President, BNY Mellon (financial and investment company services) (1969 – 2012); Director, BNY International Financing Corp. (financial services) (2002 – 2012); Director, Mellon Overseas Investment Corp. (financial services) (2009 – 2012); Director, Financial Models (technology) (2005-2007); Director, BNY Hamilton Funds, Ireland (offshore investment companies) (2004-2007); Chairman/Director, AIB/BNY Securities Services, Ltd., Ireland (financial services) (1999-2006); Chairman, BNY Alternative Investment Services, Inc. (financial services) (2005-2007)	None

\* Mr. Baumgardner is Of Counsel to Sullivan & Cromwell LLP, which acts as counsel to the Independent Directors of each Pioneer Fund.

## Interested Directors

Name, Age and Position Held With the Fund	Term of Office and Length of Service	Principal Occupation(s) During At Least The Past Five Years	Other Directorships Held by Director During At Least The Past Five Years
<b>Lisa M. Jones (62)**</b> Director, President and Chief Executive Officer	Class III Director since 2014. Term expires in 2025.	Director, CEO and President of Amundi US, Inc. (investment management firm) (since September 2014); Director, CEO and President of Amundi Asset Management US, Inc. (since September 2014); Director, CEO and President of Amundi Distributor US, Inc. (since September 2014); Director, CEO and President of Amundi Asset Management US, Inc. (since September 2014); Chair, Amundi US, Inc., Amundi Distributor US, Inc. and Amundi Asset Management US, Inc. (September 2014 – 2018); Managing Director, Morgan Stanley Investment Management (investment management firm) (2010 – 2013); Director of Institutional Business, CEO of International, Eaton Vance Management (investment management firm) (2005 – 2010); Director of Amundi Holdings US, Inc. (since 2017)	Director of Clearwater Analytics (provider of web-based investment accounting software for reporting and reconciliation services) (September 2022 – present)
<b>Marco Pirondini (57)**</b> Director, Executive Vice President	Class I Director since January 2024. Term expires in 2026.	Executive Vice President and Chief Investment Officer of Amundi Asset Management US, Inc. since January 2024; Senior Managing Director and Head of Equities U.S. of Amundi US from 2010 to December 2023	None

\*\* Ms. Jones and Mr. Pirondini are Interested Directors because they are an officer or director of the Fund's investment adviser and certain of its affiliates.

## Advisory Director

Name, Age and Position Held With the Fund	Term of Office and Length of Service	Principal Occupation(s) During At Least The Past Five Years	Other Directorships Held by Director During At Least The Past Five Years
<b>Marguerite A. Piret (75)</b> *** Advisory Director	Advisory Director since January 2024 (Class II Director from 2007 to January 2024).	Chief Financial Officer, American Ag Energy, Inc. (technology for the environment, energy and agriculture) (2019 – present); Chief Operating Officer, North Country Growers LLC (controlled environment agriculture company) (2020 – present); Chief Executive Officer, Green Heat LLC (biofuels company) (2022 – present); President and Chief Executive Officer, Newbury Piret Company (investment banking firm) (1981 – 2019)	Director of New America High Income Fund, Inc. (closed-end investment company) (2004 – present); and Member, Board of Governors, Investment Company Institute (2000 – 2006)

\*\*\* Ms. Piret became a non-voting Advisory Director effective January 22, 2024.

## Fund Officers

Name, Age and Position Held With the Fund	Term of Office and Length of Service	Principal Occupation(s) During At Least The Past Five Years	Other Directorships Held by Officer During At Least The Past Five Years
<b>Christopher J. Kelley (59)</b> Secretary and Chief Legal Officer	Since 2007. Serves at the discretion of the Board	Senior Vice President and Deputy General Counsel of Amundi US since March 2024; Vice President and Associate General Counsel of Amundi US from January 2008 to March 2024; Secretary and Chief Legal Officer of all of the Pioneer Funds since June 2010; Assistant Secretary of all of the Pioneer Funds from September 2003 to May 2010; Vice President and Senior Counsel of Amundi US from July 2002 to December 2007	None
<b>Thomas Reyes (61)</b> Assistant Secretary	Since 2010. Serves at the discretion of the Board	Associate General Counsel of Amundi US since March 2023; Assistant Secretary of all the Pioneer Funds since June 2010; Assistant General Counsel of Amundi US from May 2013 to March 2023 and Counsel of Amundi US from June 2007 to May 2013	None
<b>Heather L. Melito-Dezan (47)</b> Assistant Secretary	Since 2022. Serves at the discretion of the Board	Director - Trustee and Board Relationships of Amundi US since September 2019; Assistant Secretary of Amundi US, Inc. since July 2020; Assistant Secretary of Amundi Asset Management US, Inc. since July 2020; Assistant Secretary of Amundi Distributor US, Inc. since July 2020; Assistant Secretary of all the Pioneer Funds since September 2022; Private practice from 2017 – 2019.	None
<b>Anthony J. Koenig, Jr. (60)</b> Treasurer and Chief Financial and Accounting Officer	Since 2021. Serves at the discretion of the Board	Managing Director, Chief Operations Officer and Fund Treasurer of Amundi US since May 2021; Treasurer of all of the Pioneer Funds since May 2021; Assistant Treasurer of all of the Pioneer Funds from January 2021 to May 2021; and Chief of Staff, US Investment Management of Amundi US from May 2008 to January 2021	None
<b>Luis I. Presutti (59)</b> Assistant Treasurer	Since 2007. Serves at the discretion of the Board	Director – Fund Treasury of Amundi US since 1999; and Assistant Treasurer of all of the Pioneer Funds since 1999	None

<b>Name, Age and Position Held With the Fund</b>	<b>Term of Office and Length of Service</b>	<b>Principal Occupation(s) During At Least The Past Five Years</b>	<b>Other Directorships Held by Officer During At Least The Past Five Years</b>
<b>Gary Sullivan (66)</b> Assistant Treasurer	Since 2007. Serves at the discretion of the Board	Senior Manager – Fund Treasury of Amundi US since 2012; and Assistant Treasurer of all of the Pioneer Funds since 2002	None
<b>Antonio Furtado (42)</b> Assistant Treasurer	Since 2020. Serves at the discretion of the Board	Fund Oversight Manager – Fund Treasury of Amundi US since 2020; Assistant Treasurer of all of the Pioneer Funds since 2020; and Senior Fund Treasury Analyst from 2012 - 2020	None
<b>Michael Melnick (53)</b> Assistant Treasurer	Since 2021. Serves at the discretion of the Board	Vice President - Deputy Fund Treasurer of Amundi US since May 2021; Assistant Treasurer of all of the Pioneer Funds since July 2021; Director of Regulatory Reporting of Amundi US from 2001 – 2021; and Director of Tax of Amundi US from 2000 - 2001	None
<b>John Malone (53)</b> Chief Compliance Officer	Since 2018. Serves at the discretion of the Board	Managing Director, Chief Compliance Officer of Amundi US Asset Management; Amundi Asset Management US, Inc.; and the Pioneer Funds since September 2018; Chief Compliance Officer of Amundi Distributor US, Inc. since January 2014.	None
<b>Brandon Austin (52)</b> Anti-Money Laundering Officer	Since 2022. Serves at the discretion of the Board	Director, Financial Security – Amundi Asset Management; Anti-Money Laundering Officer of all the Pioneer Funds since March 2022; Director of Financial Security of Amundi US since July 2021; Vice President, Head of BSA, AML and OFAC, Deputy Compliance Manager, Crédit Agricole Indosuez Wealth Management (investment management firm) (2013 – 2021)	None

This page was intentionally left blank.



This page was intentionally left blank.

This page was intentionally left blank.

This page was intentionally left blank.

This page was intentionally left blank.

This page was intentionally left blank.

This page was intentionally left blank.

# How to Contact Amundi

We are pleased to offer a variety of convenient ways for you to contact us for assistance or information.

## **You can call Equiniti Trust Company, LLC (EQ) for:**

---

**Account Information**

1-800-710-0935

## **Or write to EQ:**

---

### **For**

General inquiries, lost dividend checks, change of address, lost stock certificates, stock transfer

Dividend reinvestment plan (DRIP)

### **Write to**

Equiniti Trust  
Company, LLC  
Operations Center  
6201 15th Ave.  
Brooklyn, NY 11219

Equiniti Trust  
Company, LLC  
Wall Street Station  
P.O. Box 922  
New York, NY 10269-0560

## **Website**

<https://equiniti.com/us>

**For additional information, please contact your investment adviser or visit our web site [www.amundi.com/us](http://www.amundi.com/us).**

**The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. Stockholders may view the filed Form N-PORT by visiting the Commission's web site at <https://www.sec.gov>.**

# Amundi

**ASSET MANAGEMENT**

Amundi Asset Management US, Inc.

60 State Street

Boston, MA 02109

[www.amundi.com/us](http://www.amundi.com/us)