

# Pioneer High Income Fund, Inc.

Annual Report | March 31, 2024

Ticker Symbol: PHT

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## Portfolio Management Discussion | 3/31/24

*In the following interview, Andrew Feltus discusses the factors that affected the performance of Pioneer High Income Fund, Inc. during the 12-month period ended March 31, 2024. Mr. Feltus, a Managing Director and Co-Director of High Yield, and a portfolio manager at Amundi Asset Management US, Inc. (Amundi US), is responsible for the daily management of the Fund, along with Matthew Shulkin, a senior vice president and a portfolio manager at Amundi US, and Kenneth Monaghan, a Managing Director and Co-Director of High Yield, and a portfolio manager at Amundi US.*

### **Q How did the Fund perform during the 12-month period ended March 31, 2024?**

**A** Pioneer High Income Fund, Inc. returned 18.07% at net asset value (NAV) and 26.90% at market price during the 12-month period ended March 31, 2024. During the same 12-month period, the Fund's benchmark, the ICE Bank of America US High Yield Index (the ICE BofA Index), returned 11.04% at NAV. The ICE BofA Index is an unmanaged measure of the performance of high-yield securities. Unlike the Fund, the ICE BofA Index does 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 17.08%, while the same closed end fund Morningstar category's average return at market price was 27.08%. The shares of the Fund were selling at a 6.24% discount to NAV on March 31, 2024. Comparatively, the Fund's shares were selling at a discount to NAV of 12.76% on March 31, 2023. On March 31, 2024, the standardized 30-day SEC yield of the Fund's shares was 7.32%\*.

### **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 carries leveraged exposure to the high yield corporate bond market, which proved additive to benchmark-relative returns during the 12-month period, driven by the market's

\* 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.

positive performance during the period. With respect to ratings categories, the Fund's tilt toward lower quality issues within the high yield corporate bond market benefited benchmark relative results during the 12-month period, as non-rated issues and issues in the "CCC" ratings category outperformed higher-rated "BB" issues. In sector terms, the Fund's overweight allocations to the energy, transportation, insurance and financial services sectors contributed positively to the Fund's benchmark-relative returns during the 12-month period. Finally, the Fund's benchmark relative returns benefited 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.

**Q Which investment strategies detracted from the Fund's benchmark-relative performance results during the 12-month period ended March 31, 2024?**

**A** The main factor that held back the performance of the portfolio was that the fund duration was shorter than the benchmark. As US Treasury yields and spreads fell, this held back the performance of the portfolio. We typically maintain a shorter duration to reduce volatility in the portfolio, as the leverage that the fund employs increases the volatility of the portfolio.

In addition, underweight exposures to the retail, technology & electronics and media sectors were the largest detractors from benchmark-relative performance during the 12-month period. The individual securities that detracted most from the benchmark-relative performance during the period were within the insurance, telecommunications and transportation sectors.

**Q Did the Fund's distributions\*\* to stockholders change during the 12-month period ended March 31, 2024?**

**A** The Fund's monthly distribution rate declined over the course of the 12-month period, beginning at \$0.0575 per share, but ending at \$0.0550 per share as of March 31, 2024. This was due to the increase in funding costs of the leverage as the Federal Reserve "(Fed)" raised rates.

\*\* Dividends/Distributions are not guaranteed.

**Q How did the level of leverage in the Fund change during the 12-month period ended March 31, 2024?**

**A** The Fund employs leverage through a credit agreement. As of March 31, 2024, 31.1% of the Fund's total managed assets were financed by leverage, or borrowed funds, compared with 32.3% of the Fund's total managed assets financed by leverage at the start of the 12-month period on April 1, 2023. During the 12-month period, the Fund increased the absolute amount of funds borrowed by a total of \$2 million, to \$108.5 million as of March 31, 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 98 basis points from March 31, 2023 to March 31, 2024.

**Q Did the Fund have any exposure to derivatives during the 12-month period ended March 31, 2024?**

**A** Yes, we invested the Fund's portfolio in forward foreign currency exchange contracts (currency forwards) and other currency related derivatives during the period, which had a positive effect on benchmark-relative performance. This investment was made to hedge positions bought in non-dollar securities. In addition, the Fund's small position in credit default swaps contributed modestly to relative returns.

**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. Defaults rates have risen to 5.8% in the first quarter, above the long term average.

The Federal Reserve has held rates steady since last July, but indications from money supply, the yield curve and banks' willingness to lend point to continued tightness in monetary

conditions. Market conditions have offset this to a certain amount, although cost of funding for companies continues to rise. With less fiscal support going forward, this should 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 spreads is a concern. Yields have risen, but spreads are in the tightest decile historically. They are 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 reduced risk relative to recent periods. This will allow us to add risk if the market sells off to levels that price in some margin of error.

The main focus of the portfolio continues to be income and the higher level of rates has helped. However, our cost of leverage has risen as well which constrains our ability to pay dividends. If the Fed were to ease, that would allow some flexibility, although it might be accompanied by a more difficult environment for high yield bonds. While the market has been “risk on” in the last year, we believe security selection will be more important going forward, and we’ve seen distressed securities struggle lately. Our team of analyst will focus on identifying mispriced securities to help the portfolio perform.

**Please refer to the Schedule of Investments on pages 11 - 32 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 countermeasures, 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.

The Fund invests 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 pre-defined "trigger" event, such as a hurricane or an earthquake of a specific magnitude.

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

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

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



**The Fund may invest up to 50% 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 are also 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 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 leverage, which may adversely affect the return for stockholders.**

**The Fund is required to meet certain regulatory and other asset coverage requirements in connection with its use of leverage. In order to maintain required asset coverage levels, the Fund may be required to reduce the amount of leverage employed by the Fund, alter the composition of its 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.**

**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 | 3/31/24

## Portfolio Diversification

(As a percentage of total investments)\*

88.2%	Corporate Bonds	0.5%	Asset Backed Securities
3.7%	Insurance-Linked Securities	0.3%	Convertible Preferred Stock
2.3%	Commercial Mortgage-Backed Securities	0.3%	Common Stocks
1.8%	Convertible Corporate Bonds	0.0%†	Foreign Government Bond
1.8%	Collateralized Mortgage Obligations	0.0%†	Preferred Stock
1.1%	Senior Secured Floating Rate Loan Interests	0.0%†	Right/Warrant

## 10 Largest Holdings

(As a percentage of total investments)\*

1.	Baytex Energy Corp., 8.75%, 4/1/27 (144A)	1.32%
2.	Hercules LLC, 6.50%, 6/30/29	1.31
3.	Prime Security Services Borrower LLC/Prime Finance, Inc., 6.25%, 1/15/28 (144A)	1.28
4.	Hanover Insurance Group, Inc., 7.625%, 10/15/25	1.22
5.	Liberty Mutual Group, Inc., 10.75% (3 Month Term SOFR + 738 bps), 6/15/58 (144A)	1.15
6.	McGraw-Hill Education, Inc., 8.00%, 8/1/29 (144A)	1.05
7.	Provident Funding Associates LP/PFG Finance Corp., 6.375%, 6/15/25 (144A)	1.03
8.	Grupo Aeromexico SAB de CV, 8.50%, 3/17/27 (144A)	1.02
9.	Sprint LLC, 7.125%, 6/15/24	0.97
10.	Liberty Mutual Insurance Co., 7.697%, 10/15/97 (144A)	0.96

\* 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 | 3/31/24

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

	3/31/24	3/31/23
Market Value	\$ 7.66	\$ 6.63
Discount	(6.24)%	(12.76)%

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

	3/31/24	3/31/23
Net Asset Value	\$8.17	\$7.60

### Distributions per Share: 4/1/23 - 3/31/24

	Net Investment Income	Short-Term Capital Gains	Long-Term Capital Gains
4/1/23 - 3/31/24	\$0.6625	\$—	\$—

	3/31/24	3/31/23
30-Day SEC Yield	7.32%	10.57%

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

<sup>^</sup> Net asset value and market value are published in *Barron's* on Saturday, *The Wall Street Journal* on Monday and *The New York Times* on Monday and Saturday. 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 | 3/31/24

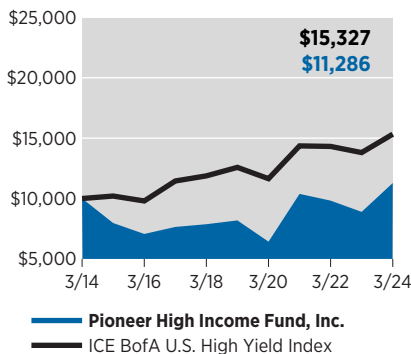
## Investment Returns

The mountain chart on the right shows the change in market value, including reinvestment of dividends and distributions, of a \$10,000 investment made in common shares of Pioneer High Income Fund, Inc. during the periods shown, compared to that of the ICE BofA U.S. High Yield Index.

### Average Annual Total Return (As of March 31, 2024)

Period	Net Asset Value (NAV)	Market Price	ICE BofA U.S. High Yield Index
10 Years	4.22%	1.22%	4.36%
5 Years	5.83	6.63	4.03
1 Year	18.07	26.90	11.04

### Value of \$10,000 Investment



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.**

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.

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 Bank of America U.S. High Yield Index is an unmanaged, commonly accepted measure of the performance of high yield securities. Index returns are calculated monthly, assume reinvestment of dividends and, unlike Fund returns, do not reflect any fees, expenses or sales charges. **The Index does not employ leverage. It is not possible to invest directly in the Index.**

## Schedule of Investments | 3/31/24

Principal Amount USD (\$)		Value
	<b>UNAFFILIATED ISSUERS — 143.4%</b>	
	<b>SENIOR SECURED FLOATING RATE</b>	
	<b>LOAN INTERESTS — 1.5% of Net Assets</b>	
	<b>Auto Parts &amp; Equipment — 0.6%</b>	
1,382,756(a)	First Brands Group LLC, First Lien 2021 Term Loan, 10.574% (Term SOFR + 500 bps), 3/30/27	\$ 1,386,558
	<b>Total Auto Parts &amp; Equipment</b>	<b>\$ 1,386,558</b>
	<b>Electric-Generation — 0.3%</b>	
719,107(a)	Generation Bridge Northeast LLC, Term Loan B, 8.826% (Term SOFR + 350 bps), 8/22/29	\$ 722,702
	<b>Total Electric-Generation</b>	<b>\$ 722,702</b>
	<b>Metal Processors &amp; Fabrication — 0.2%</b>	
530,221(a)	Grinding Media, Inc. (Molycop, Ltd.), First Lien Initial Term Loan, 9.591% (Term SOFR + 400 bps), 10/12/28	\$ 528,896
	<b>Total Metal Processors &amp; Fabrication</b>	<b>\$ 528,896</b>
	<b>Physical Practice Management — 0.4%</b>	
932,121(a)	Team Health Holdings, Inc., Extended Term Loan, 10.563% (Term SOFR + 525 bps), 3/2/27	\$ 829,588
	<b>Total Physical Practice Management</b>	<b>\$ 829,588</b>
	<b>TOTAL SENIOR SECURED FLOATING RATE LOAN INTERESTS</b>	<b>\$ 3,467,744</b>
	(Cost \$3,463,998)	
	<b>Shares</b>	
	<b>COMMON STOCKS — 0.3% of Net Assets</b>	
	<b>Chemicals — 0.0%†</b>	
22	LyondellBasell Industries NV, Class A	\$ 2,250
	<b>Total Chemicals</b>	<b>\$ 2,250</b>
	<b>Communications Equipment — 0.0%†</b>	
2,630+	Digicel International Finance Ltd.	\$ 9,205
	<b>Total Communications Equipment</b>	<b>\$ 9,205</b>
	<b>Diversified Telecommunication Services — 0.0%†</b>	
251,944	Atento S.A.	\$ 8
	<b>Total Diversified Telecommunication Services</b>	<b>\$ 8</b>

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

## Schedule of Investments | 3/31/24 (continued)

Shares		Value
	<b>Oil, Gas &amp; Consumable Fuels — 0.0%†</b>	
21(b)	Amplify Energy Corp.	\$ 139
8,027	Petroquest Energy, Inc.	405
	<b>Total Oil, Gas &amp; Consumable Fuels</b>	<b>\$ 544</b>
	<b>Passenger Airlines — 0.3%</b>	
57,203	Grupo Aeromexico SAB de CV	\$ 796,565
	<b>Total Passenger Airlines</b>	<b>\$ 796,565</b>
	<b>TOTAL COMMON STOCKS</b> (Cost \$1,552,431)	<b>\$ 808,572</b>

Principal Amount USD (\$)		
	<b>ASSET BACKED SECURITIES — 0.6% of Net Assets</b>	
1,500,000	Santander Bank Auto Credit-Linked Notes, Series 2023-B, Class F, 12.24%, 12/15/33 (144A)	\$ 1,497,236
	<b>TOTAL ASSET BACKED SECURITIES</b> (Cost \$1,500,000)	<b>\$ 1,497,236</b>

	<b>COLLATERALIZED MORTGAGE OBLIGATIONS—2.4% of Net Assets</b>	
710,000(a)	Connecticut Avenue Securities Trust, Series 2021-R01, Class 1B2, 11.32% (SOFR30A + 600 bps), 10/25/41 (144A)	\$ 749,039
120,000(a)	Fannie Mae Connecticut Avenue Securities, Series 2021-R02, Class 2B2, 11.52% (SOFR30A + 620 bps), 11/25/41 (144A)	126,400
430,000(a)	Freddie Mac STACR REMIC Trust, Series 2021-DNA7, Class B2, 13.12% (SOFR30A + 780 bps), 11/25/41 (144A)	468,619
450,000(a)	Freddie Mac STACR REMIC Trust, Series 2021-HQA3, Class B2, 11.57% (SOFR30A + 625 bps), 9/25/41 (144A)	469,665
610,000(a)	Freddie Mac STACR REMIC Trust, Series 2022-DNA2, Class B2, 13.82% (SOFR30A + 850 bps), 2/25/42 (144A)	667,218

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Principal Amount USD (\$)		Value
<b>COLLATERALIZED MORTGAGE OBLIGATIONS—(continued)</b>		
1,370,000(a)	Freddie Mac STACR Trust, Series 2019-DNA3, Class B2, 13.585% (SOFR30A + 826 bps), 7/25/49 (144A)	\$ 1,579,168
1,350,000(a)	STACR Trust, Series 2018-HRP2, Class B2, 15.935% (SOFR30A + 1,061 bps), 2/25/47 (144A)	1,655,737
<b>TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS</b> (Cost \$5,235,483)		<b>\$ 5,715,846</b>
<b>COMMERCIAL MORTGAGE-BACKED SECURITIES—3.1% of Net Assets</b>		
1,445,000(a)	Capital Funding Mortgage Trust, Series 2021-19, Class B, 20.54% (1 Month Term SOFR + 1,521 bps), 10/27/24 (144A)	\$ 1,437,573
1,072,751(c)	FREMF Mortgage Trust, Series 2019-KJ24, Class B, 7.60%, 10/25/27 (144A)	986,381
1,500,000(a)	FREMF Mortgage Trust, Series 2019-KS12, Class C, 12.334% (SOFR30A + 701 bps), 8/25/29	1,435,572
222,712(a)	FREMF Mortgage Trust, Series 2020-KF74, Class C, 11.684% (SOFR30A + 636 bps), 1/25/27 (144A)	201,517
318,304(a)	FREMF Mortgage Trust, Series 2020-KF83, Class C, 14.434% (SOFR30A + 911 bps), 7/25/30 (144A)	298,289
1,169,388(a)	Med Trust, Series 2021-MDLN, Class G, 10.689% (1 Month Term SOFR + 536 bps), 11/15/38 (144A)	1,167,196
2,500,000	Wells Fargo Commercial Mortgage Trust, Series 2015-C28, Class E, 3.00%, 5/15/48 (144A)	1,873,388
<b>TOTAL COMMERCIAL MORTGAGE-BACKED SECURITIES</b> (Cost \$7,690,710)		<b>\$ 7,399,916</b>
<b>CONVERTIBLE CORPORATE BONDS — 2.4% of Net Assets</b>		
<b>Banks — 0.0%†</b>		
IDR 1,422,679,000	PT Bakrie & Brothers Tbk, 4/28/24	\$ 8,973
<b>Total Banks</b>		<b>\$ 8,973</b>

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

## Schedule of Investments | 3/31/24 (continued)

Principal Amount USD (\$)		Value
	<b>Chemicals — 1.7%</b>	
4,000,000(d)	Hercules LLC, 6.50%, 6/30/29	\$ 4,155,282
	<b>Total Chemicals</b>	<b>\$ 4,155,282</b>
	<b>Entertainment — 0.7%</b>	
1,455,000(e)	DraftKings Holdings, Inc., 3/15/28	\$ 1,254,938
449,000	IMAX Corp., 0.50%, 4/1/26	417,031
	<b>Total Entertainment</b>	<b>\$ 1,671,969</b>
	<b>TOTAL CONVERTIBLE CORPORATE BONDS</b> (Cost \$4,959,363)	<b>\$ 5,836,224</b>
	<b>CORPORATE BONDS — 116.7% of Net Assets</b>	
	<b>Advertising — 2.7%</b>	
2,090,000	Clear Channel Outdoor Holdings, Inc., 7.50%, 6/1/29 (144A)	\$ 1,728,516
2,010,000	Stagwell Global LLC, 5.625%, 8/15/29 (144A)	1,825,295
3,000,000	Summer BC Bidco B LLC, 5.50%, 10/31/26 (144A)	2,897,406
	<b>Total Advertising</b>	<b>\$ 6,451,217</b>
	<b>Aerospace &amp; Defense — 1.8%</b>	
2,150,000	Bombardier, Inc., 6.00%, 2/15/28 (144A)	\$ 2,114,901
745,000	Bombardier, Inc., 7.125%, 6/15/26 (144A)	755,723
740,000	Spirit AeroSystems, Inc., 9.375%, 11/30/29 (144A)	807,182
666,000	Triumph Group, Inc., 9.00%, 3/15/28 (144A)	702,118
	<b>Total Aerospace &amp; Defense</b>	<b>\$ 4,379,924</b>
	<b>Agriculture — 1.0%</b>	
2,795,000	Frigorifico Concepcion S.A., 7.70%, 7/21/28 (144A)	\$ 2,442,397
	<b>Total Agriculture</b>	<b>\$ 2,442,397</b>
	<b>Airlines — 6.0%</b>	
420,000	Allegiant Travel Co., 7.25%, 8/15/27 (144A)	\$ 417,764
355,000	Delta Air Lines, Inc., 7.375%, 1/15/26	366,107
1,632,573(a)	Gol Finance S.A., 15.827% (1 Month Term SOFR + 1,050 bps), 1/29/25 (144A)	1,752,826
3,255,000	Grupo Aeromexico SAB de CV, 8.50%, 3/17/27 (144A)	3,227,329
330,000	Latam Airlines Group S.A., 13.375%, 10/15/29 (144A)	381,081
897,000	Mileage Plus Holdings LLC/Mileage Plus Intellectual Property Assets, Ltd., 6.50%, 6/20/27 (144A)	901,948

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



Principal Amount USD (\$)		Value
	<b>Airlines — (continued)</b>	
	2,460,000 Pegasus Hava Tasimaciligi AS, 9.25%, 4/30/26 (144A)	\$ 2,515,448
EUR	1,600,000 Transportes Aereos Portugueses S.A., 5.625%, 12/2/24 (144A)	1,717,529
	2,360,000 VistaJet Malta Finance Plc/Vista Management Holding, Inc., 6.375%, 2/1/30 (144A)	1,739,611
	1,470,000 VistaJet Malta Finance Plc/Vista Management Holding, Inc., 9.50%, 6/1/28 (144A)	1,249,960
	<b>Total Airlines</b>	<b>\$ 14,269,603</b>
	<b>Auto Manufacturers — 0.4%</b>	
	1,035,000 JB Poindexter & Co., Inc., 8.75%, 12/15/31 (144A)	\$ 1,069,808
	<b>Total Auto Manufacturers</b>	<b>\$ 1,069,808</b>
	<b>Auto Parts &amp; Equipment — 0.6%</b>	
	1,285,000 Adient Global Holdings, Ltd., 8.25%, 4/15/31 (144A)	\$ 1,355,981
	<b>Total Auto Parts &amp; Equipment</b>	<b>\$ 1,355,981</b>
	<b>Banks — 1.9%</b>	
	600,000(c)(f) Bank of America Corp., 6.50% (3 Month Term SOFR + 444 bps)	\$ 600,509
	1,175,000 Freedom Mortgage Corp., 12.25%, 10/1/30 (144A)	1,292,246
	675,000(c)(f) Intesa Sanpaolo S.p.A., 7.70% (5 Year USD Swap Rate + 546 bps) (144A)	672,285
	1,240,000(c) Toronto-Dominion Bank, 8.125% (5 Year CMT Index + 408 bps), 10/31/82	1,300,578
	545,000(c)(f) UBS Group AG, 9.25% (5 Year CMT Index + 476 bps) (144A)	615,053
	<b>Total Banks</b>	<b>\$ 4,480,671</b>
	<b>Biotechnology — 0.3%</b>	
EUR	745,000 Cidron Aida Finco S.a.r.l., 5.00%, 4/1/28 (144A)	\$ 778,626
	<b>Total Biotechnology</b>	<b>\$ 778,626</b>
	<b>Building Materials — 2.2%</b>	
	1,991,000 AmeriTex HoldCo Intermediate LLC, 10.25%, 10/15/28 (144A)	\$ 2,137,649
	2,211,000 Cornerstone Building Brands, Inc., 6.125%, 1/15/29 (144A)	1,970,783
	1,140,000 Knife River Corp., 7.75%, 5/1/31 (144A)	1,193,405
	<b>Total Building Materials</b>	<b>\$ 5,301,837</b>

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

## Schedule of Investments | 3/31/24 (continued)

Principal Amount USD (\$)		Value
	<b>Chemicals — 8.2%</b>	
	1,355,000 LSF11 A5 HoldCo LLC, 6.625%, 10/15/29 (144A)	\$ 1,220,094
EUR	885,000 Lune Holdings S.a.r.l., 5.625%, 11/15/28 (144A)	806,605
	2,250,000 LYB Finance Co. BV, 8.10%, 3/15/27 (144A)	2,393,311
	2,831,000 Mativ Holdings, Inc., 6.875%, 10/1/26 (144A)	2,810,511
	470,000 Olin Corp., 9.50%, 6/1/25 (144A)	484,567
EUR	1,355,000 Olympus Water US Holding Corp., 9.625%, 11/15/28 (144A)	1,565,706
	2,320,000 Olympus Water US Holding Corp., 9.75%, 11/15/28 (144A)	2,471,303
	2,517,000 Rain Carbon, Inc., 12.25%, 9/1/29 (144A)	2,610,927
	2,500,000 SCIL IV LLC/SCIL USA Holdings LLC, 5.375%, 11/1/26 (144A)	2,426,326
EUR	1,005,000 SCIL IV LLC/SCIL USA Holdings LLC, 9.50%, 7/15/28 (144A)	1,181,523
	2,000,000 Tronox, Inc., 4.625%, 3/15/29 (144A)	1,793,872
	<b>Total Chemicals</b>	<b>\$ 19,764,745</b>
	<b>Commercial Services — 6.9%</b>	
	1,645,000 Allied Universal Holdco LLC/Allied Universal Finance Corp., 6.00%, 6/1/29 (144A)	\$ 1,415,398
	1,905,000 Allied Universal Holdco LLC/Allied Universal Finance Corp., 9.75%, 7/15/27 (144A)	1,910,723
	705,000 Champions Financing, Inc., 8.75%, 2/15/29 (144A)	738,591
	2,116,000 Garda World Security Corp., 6.00%, 6/1/29 (144A)	1,893,913
	2,059,000 Garda World Security Corp., 9.50%, 11/1/27 (144A)	2,063,954
	319,000 Herc Holdings, Inc., 5.50%, 7/15/27 (144A)	313,318
	1,470,000 Neptune Bidco US, Inc., 9.29%, 4/15/29 (144A)	1,389,993
	915,000 NESCO Holdings II, Inc., 5.50%, 4/15/29 (144A)	865,684
	4,155,000 Prime Security Services Borrower LLC/Prime Finance, Inc., 6.25%, 1/15/28 (144A)	4,070,149
	1,093,000 Sotheby's, 7.375%, 10/15/27 (144A)	1,017,672
	862,000 Verscend Escrow Corp., 9.75%, 8/15/26 (144A)	864,421
	<b>Total Commercial Services</b>	<b>\$ 16,543,816</b>

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

Principal Amount USD (\$)		Value
	<b>Computers — 0.4%</b>	
980,000	NCR Voyix Corp., 5.00%, 10/1/28 (144A)	\$ 913,529
	<b>Total Computers</b>	<b>\$ 913,529</b>
	<b>Distribution/Wholesale — 1.6%</b>	
2,460,000	Dealer Tire LLC/DT Issuer LLC, 8.00%, 2/1/28 (144A)	\$ 2,448,751
1,325,000	Windsor Holdings III LLC, 8.50%, 6/15/30 (144A)	1,389,274
	<b>Total Distribution/Wholesale</b>	<b>\$ 3,838,025</b>
	<b>Diversified Financial Services — 10.8%</b>	
3,500,000(c)(f)	Air Lease Corp., 4.125% (5 Year CMT Index + 315 bps)	\$ 3,032,299
2,150,000	ASG Finance Designated Activity Co., 7.875%, 12/3/24 (144A)	2,111,386
811,000	Bread Financial Holdings, Inc., 7.00%, 1/15/26 (144A)	816,278
140,000(g)	Credito Real SAB de CV SOFOM ER, 8.00%, 1/21/28 (144A)	18,690
1,500,000(g)	Credito Real SAB de CV SOFOM ER, 9.50%, 2/7/26 (144A)	200,250
185,000	Freedom Mortgage Holdings LLC, 9.25%, 2/1/29 (144A)	189,338
EUR 480,000	Garfunkelux Holdco 3 S.A., 6.75%, 11/1/25 (144A)	364,213
GBP 820,000	Garfunkelux Holdco 3 S.A., 7.75%, 11/1/25 (144A)	724,474
350,000	GGAM Finance, Ltd., 7.75%, 5/15/26 (144A)	356,125
1,805,000	GGAM Finance, Ltd., 8.00%, 6/15/28 (144A)	1,879,456
1,913,643(h)	Global Aircraft Leasing Co., Ltd., 6.50% (7.25% PIK or 6.50% Cash), 9/15/24 (144A)	1,820,120
2,900,000	Jefferies Finance LLC/JFIN Co.-Issuer Corp., 5.00%, 8/15/28 (144A)	2,666,803
845,000	Nationstar Mortgage Holdings, Inc., 6.00%, 1/15/27 (144A)	833,012
1,210,000	OneMain Finance Corp., 7.875%, 3/15/30	1,248,201
2,320,000	OneMain Finance Corp., 9.00%, 1/15/29	2,461,780
365,000	PennyMac Financial Services, Inc., 7.875%, 12/15/29 (144A)	375,054
755,000	PHH Mortgage Corp., 7.875%, 3/15/26 (144A)	731,080
3,415,000	Provident Funding Associates LP/PFG Finance Corp., 6.375%, 6/15/25 (144A)	3,275,278

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

## Schedule of Investments | 3/31/24 (continued)

Principal Amount USD (\$)		Value
	<b>Diversified Financial Services — (continued)</b>	
1,051,000	United Wholesale Mortgage LLC, 5.50%, 4/15/29 (144A)	\$ 994,035
1,860,000	United Wholesale Mortgage LLC, 5.75%, 6/15/27 (144A)	1,808,428
	<b>Total Diversified Financial Services</b>	<b>\$ 25,906,300</b>
	<b>Electric — 1.0%</b>	
412,000	Cemig Geracao e Transmissao S.A., 9.25%, 12/5/24 (144A)	\$ 413,572
676,000	NRG Energy, Inc., 6.625%, 1/15/27	676,337
82,381	NSG Holdings LLC/NSG Holdings, Inc., 7.75%, 12/15/25 (144A)	81,557
1,045,000	Talen Energy Supply LLC, 8.625%, 6/1/30 (144A)	1,117,475
6,000	Vistra Operations Co. LLC, 5.625%, 2/15/27 (144A)	5,908
	<b>Total Electric</b>	<b>\$ 2,294,849</b>
	<b>Electrical Components &amp; Equipments — 1.6%</b>	
2,600,000	Energizer Holdings, Inc., 6.50%, 12/31/27 (144A)	\$ 2,585,955
750,000	WESCO Distribution, Inc., 7.125%, 6/15/25 (144A)	750,486
520,000	WESCO Distribution, Inc., 7.25%, 6/15/28 (144A)	530,887
	<b>Total Electrical Components &amp; Equipments</b>	<b>\$ 3,867,328</b>
	<b>Energy-Alternate Sources — 0.1%</b>	
385,700(h)	SCC Power Plc, 8.00% (4.00% PIK or 4.00% Cash or 8.00% Cash), 12/31/28 (144A)	\$ 158,012
	<b>Total Energy-Alternate Sources</b>	<b>\$ 158,012</b>
	<b>Entertainment — 3.0%</b>	
395,000	International Game Technology Plc, 6.25%, 1/15/27 (144A)	\$ 397,856
208,000	International Game Technology Plc, 6.50%, 2/15/25 (144A)	208,685
1,910,000	Light & Wonder International, Inc., 7.00%, 5/15/28 (144A)	1,924,073
1,910,000	Light & Wonder International, Inc., 7.25%, 11/15/29 (144A)	1,960,743
EUR 755,000	Lottomatica S.p.A., 9.75%, 9/30/27 (144A)	871,481

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

Principal Amount USD (\$)			Value
<b>Entertainment — (continued)</b>			
EUR	730,000	Lottomatica S.p.A./Roma, 7.125%, 6/1/28 (144A)	\$ 830,049
	930,000	Mohegan Tribal Gaming Authority, 8.00%, 2/1/26 (144A)	910,014
<b>Total Entertainment</b>			<b>\$ 7,102,901</b>
<b>Food — 0.4%</b>			
	531,000	Albertsons Cos., Inc./Safeway, Inc./New Albertsons LP/Albertsons LLC, 7.50%, 3/15/26 (144A)	\$ 540,360
	315,000	Fiesta Purchaser, Inc., 7.875%, 3/1/31 (144A)	325,301
<b>Total Food</b>			<b>\$ 865,661</b>
<b>Healthcare-Services — 3.7%</b>			
	1,014,000	Auna SAA, 10.00%, 12/15/29 (144A)	\$ 1,052,462
	580,000	CHS/Community Health Systems, Inc., 5.625%, 3/15/27 (144A)	533,832
	265,000	CHS/Community Health Systems, Inc., 6.00%, 1/15/29 (144A)	231,504
	385,000	LifePoint Health, Inc., 5.375%, 1/15/29 (144A)	317,221
	2,640,000	Prime Healthcare Services, Inc., 7.25%, 11/1/25 (144A)	2,626,019
	1,406,000	Surgery Center Holdings, Inc., 10.00%, 4/15/27 (144A)	1,408,590
	2,879,000	US Acute Care Solutions LLC, 6.375%, 3/1/26 (144A)	2,771,849
<b>Total Healthcare-Services</b>			<b>\$ 8,941,477</b>
<b>Home Builders — 1.5%</b>			
	1,155,000	Beazer Homes USA, Inc., 7.25%, 10/15/29	\$ 1,170,002
	2,285,000	LGI Homes, Inc., 8.75%, 12/15/28 (144A)	2,410,979
<b>Total Home Builders</b>			<b>\$ 3,580,981</b>
<b>Household Products/Wares — 0.8%</b>			
	2,050,000	Spectrum Brands, Inc., 3.875%, 3/15/31 (144A)	\$ 1,974,696
<b>Total Household Products/Wares</b>			<b>\$ 1,974,696</b>
<b>Insurance — 5.0%</b>			
	3,800,000	Hanover Insurance Group, Inc., 7.625%, 10/15/25	\$ 3,886,304
	3,075,000(c)	Liberty Mutual Group, Inc., 10.75% (3 Month Term SOFR + 738 bps), 6/15/58 (144A)	3,654,377

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

## Schedule of Investments | 3/31/24 (continued)

Principal Amount USD (\$)		Value
	<b>Insurance — (continued)</b>	
2,677,000	Liberty Mutual Insurance Co., 7.697%, 10/15/97 (144A)	\$ 3,037,047
1,100,000	MetLife, Inc., 10.75%, 8/1/39	1,491,599
	<b>Total Insurance</b>	<b>\$ 12,069,327</b>
	<b>Internet — 0.1%</b>	
205,000	Expedia Group, Inc., 6.25%, 5/1/25 (144A)	\$ 205,896
	<b>Total Internet</b>	<b>\$ 205,896</b>
	<b>Iron &amp; Steel — 2.7%</b>	
1,855,000	Carpenter Technology Corp., 7.625%, 3/15/30	\$ 1,913,711
2,580,000	Cleveland-Cliffs, Inc., 7.00%, 3/15/32 (144A)	2,614,057
2,235,000	TMS International Corp., 6.25%, 4/15/29 (144A)	2,039,975
	<b>Total Iron &amp; Steel</b>	<b>\$ 6,567,743</b>
	<b>Leisure Time — 4.2%</b>	
EUR 215,000	Carnival Corp., 7.625%, 3/1/26 (144A)	\$ 217,528
EUR 280,000	Carnival Corp., 7.625%, 3/1/26 (144A)	307,515
EUR 235,000	Carnival Holdings Bermuda, Ltd., 10.375%, 5/1/28 (144A)	256,352
EUR 731,000	Carnival Plc, 1.00%, 10/28/29	616,472
1,295,000	NCL Corp., Ltd., 5.875%, 3/15/26 (144A)	1,278,360
2,435,000	NCL Corp., Ltd., 7.75%, 2/15/29 (144A)	2,528,202
965,000	NCL Corp., Ltd., 8.125%, 1/15/29 (144A)	1,021,149
360,000	NCL Finance, Ltd., 6.125%, 3/15/28 (144A)	355,506
745,000	Royal Caribbean Cruises, Ltd., 5.50%, 4/1/28 (144A)	736,361
2,790,000	Viking Cruises, Ltd., 6.25%, 5/15/25 (144A)	2,791,222
	<b>Total Leisure Time</b>	<b>\$ 10,108,667</b>
	<b>Lodging — 1.6%</b>	
1,715,000	Hilton Grand Vacations Borrower Escrow LLC/Hilton Grand Vacations Borrower Esc, 6.625%, 1/15/32 (144A)	\$ 1,721,923
1,505,000(i)	MGM Resorts International, 6.50%, 4/15/32	1,500,024
725,000	Travel + Leisure Co., 6.625%, 7/31/26 (144A)	730,074
	<b>Total Lodging</b>	<b>\$ 3,952,021</b>
	<b>Media — 3.9%</b>	
2,500,000	CCO Holdings LLC/CCO Holdings Capital Corp., 4.75%, 2/1/32 (144A)	\$ 2,040,309
2,200,000	CSC Holdings LLC, 4.625%, 12/1/30 (144A)	1,117,191
1,925,000	CSC Holdings LLC, 5.00%, 11/15/31 (144A)	973,150
835,000	CSC Holdings LLC, 11.75%, 1/31/29 (144A)	836,303

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

Principal Amount USD (\$)		Value
	<b>Media — (continued)</b>	
1,057,000	Gray Television, Inc., 7.00%, 5/15/27 (144A)	\$ 983,043
3,530,000	McGraw-Hill Education, Inc., 8.00%, 8/1/29 (144A)	3,317,913
	<b>Total Media</b>	<b>\$ 9,267,909</b>
	<b>Metal Fabricate/Hardware — 0.5%</b>	
1,185,000	Park-Ohio Industries, Inc., 6.625%, 4/15/27	\$ 1,108,708
	<b>Total Metal Fabricate/Hardware</b>	<b>\$ 1,108,708</b>
	<b>Mining — 2.8%</b>	
2,340,000	Coeur Mining, Inc., 5.125%, 2/15/29 (144A)	\$ 2,210,802
705,000	First Quantum Minerals, Ltd., 6.875%, 10/15/27 (144A)	675,929
2,840,000	First Quantum Minerals, Ltd., 8.625%, 6/1/31 (144A)	2,760,709
415,000	First Quantum Minerals, Ltd., 9.375%, 3/1/29 (144A)	429,905
692,000	Hudbay Minerals, Inc., 6.125%, 4/1/29 (144A)	684,046
	<b>Total Mining</b>	<b>\$ 6,761,391</b>
	<b>Miscellaneous Manufacturing — 1.2%</b>	
2,880,000	Trinity Industries, Inc., 7.75%, 7/15/28 (144A)	\$ 2,957,509
	<b>Total Miscellaneous Manufacturing</b>	<b>\$ 2,957,509</b>
	<b>Oil &amp; Gas — 16.2%</b>	
685,000	3R Lux SARL, 9.75%, 2/5/31 (144A)	\$ 716,956
2,430,000	Aethon United BR LP/Aethon United Finance Corp., 8.25%, 2/15/26 (144A)	2,458,040
1,105,000	Ascent Resources Utica Holdings LLC/ARU Finance Corp., 5.875%, 6/30/29 (144A)	1,053,541
1,890,000(i)	Baytex Energy Corp., 7.375%, 3/15/32 (144A)	1,909,294
2,140,000	Baytex Energy Corp., 8.50%, 4/30/30 (144A)	2,234,563
4,000,000	Baytex Energy Corp., 8.75%, 4/1/27 (144A)	4,175,000
755,000	Borr IHC, Ltd./Borr Finance LLC, 10.00%, 11/15/28 (144A)	784,102
555,000	Borr IHC, Ltd./Borr Finance LLC, 10.375%, 11/15/30 (144A)	577,200
180,000	Cenovus Energy, Inc., 6.75%, 11/15/39	198,327
925,000	CITGO Petroleum Corp., 8.375%, 1/15/29 (144A)	971,843
1,225,000	Civitas Resources, Inc., 8.375%, 7/1/28 (144A)	1,289,572
830,000	Civitas Resources, Inc., 8.625%, 11/1/30 (144A)	891,235
1,225,000	Civitas Resources, Inc., 8.75%, 7/1/31 (144A)	1,310,823
830,000	Hilcorp Energy I LP/Hilcorp Finance Co., 6.00%, 2/1/31 (144A)	807,027

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

## Schedule of Investments | 3/31/24 (continued)

Principal Amount USD (\$)		Value
<b>Oil &amp; Gas — (continued)</b>		
1,330,000	Kosmos Energy, Ltd., 7.75%, 5/1/27 (144A)	\$ 1,313,092
1,010,000	MEG Energy Corp., 5.875%, 2/1/29 (144A)	992,445
1,535,000	MEG Energy Corp., 7.125%, 2/1/27 (144A)	1,555,179
750,000	Murphy Oil Corp., 6.375%, 7/15/28	754,970
1,109,000	Nabors Industries, Ltd., 7.50%, 1/15/28 (144A)	1,040,150
2,000,000	Neptune Energy Bondco Plc, 6.625%, 5/15/25 (144A)	1,999,978
2,010,000	Occidental Petroleum Corp., 4.40%, 4/15/46	1,639,591
692,000	Petroleos Mexicanos, 6.70%, 2/16/32	575,497
579,000	Precision Drilling Corp., 6.875%, 1/15/29 (144A)	577,924
1,065,000	Seadrill Finance, Ltd., 8.375%, 8/1/30 (144A)	1,117,386
2,265,000	Shelf Drilling Holdings, Ltd., 9.625%, 4/15/29 (144A)	2,188,059
885,000	Southwestern Energy Co., 4.75%, 2/1/32	814,694
285,000	Transocean Titan Financing, Ltd., 8.375%, 2/1/28 (144A)	296,603
2,075,000	Tullow Oil Plc, 10.25%, 5/15/26 (144A)	1,973,166
1,705,000	Valaris, Ltd., 8.375%, 4/30/30 (144A)	1,758,764
1,000,000	YPF S.A., 6.95%, 7/21/27 (144A)	903,169
	<b>Total Oil &amp; Gas</b>	<b>\$ 38,878,190</b>
<b>Oil &amp; Gas Services — 2.7%</b>		
385,000	Archrock Partners LP/Archrock Partners Finance Corp., 6.25%, 4/1/28 (144A)	\$ 380,933
2,583,000	Archrock Partners LP/Archrock Partners Finance Corp., 6.875%, 4/1/27 (144A)	2,590,839
1,445,000	Enerflex, Ltd., 9.00%, 10/15/27 (144A)	1,484,692
703,000	USA Compression Partners LP/USA Compression Finance Corp., 6.875%, 9/1/27	704,673
1,290,000	USA Compression Partners LP/USA Compression Finance Corp., 7.125%, 3/15/29 (144A)	1,306,068
	<b>Total Oil &amp; Gas Services</b>	<b>\$ 6,467,205</b>
<b>Packaging &amp; Containers — 0.6%</b>		
1,355,000	Owens-Brockway Glass Container, Inc., 7.25%, 5/15/31 (144A)	\$ 1,380,070
	<b>Total Packaging &amp; Containers</b>	<b>\$ 1,380,070</b>
<b>Pharmaceuticals — 2.6%</b>		
2,750,000	Owens & Minor, Inc., 6.625%, 4/1/30 (144A)	\$ 2,729,413
2,365,000	P&L Development LLC/PLD Finance Corp., 7.75%, 11/15/25 (144A)	1,974,775
579,000	Par Pharmaceutical, Inc., 7.50%, 4/1/27 (144A)	379,566

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



Principal Amount USD (\$)		Value
	<b>Pharmaceuticals — (continued)</b>	
1,095,000	Teva Pharmaceutical Finance Netherlands III BV, 7.875%, 9/15/29	\$ 1,175,383
2,600,000+	Tricida, Inc., 5/15/27	—
	<b>Total Pharmaceuticals</b>	<b>\$ 6,259,137</b>
	<b>Pipelines — 6.6%</b>	
1,716,369	Acu Petroleo Luxembourg S.a.r.l., 7.50%, 1/13/32 (144A)	\$ 1,670,717
910,000	DCP Midstream Operating LP, 5.60%, 4/1/44	889,153
1,060,000	Delek Logistics Partners LP/Delek Logistics Finance Corp., 7.125%, 6/1/28 (144A)	1,034,021
1,524,000(a)	Energy Transfer LP, 8.586% (3 Month Term SOFR + 328 bps), 11/1/66	1,384,273
1,965,000(c)(f)	Energy Transfer LP, 7.125% (5 Year CMT Index + 531 bps)	1,918,402
248,000	EnLink Midstream Partners LP, 5.05%, 4/1/45	204,799
270,000	EnLink Midstream Partners LP, 5.45%, 6/1/47	234,976
717,000	EnLink Midstream Partners LP, 5.60%, 4/1/44	638,380
770,000	Genesis Energy LP/Genesis Energy Finance Corp., 8.00%, 1/15/27	778,954
421,000	Global Partners LP/GLP Finance Corp., 7.00%, 8/1/27	421,238
1,515,000	Harvest Midstream I LP, 7.50%, 9/1/28 (144A)	1,536,105
1,150,000	NuStar Logistics LP, 6.375%, 10/1/30	1,157,436
215,000	Venture Global LNG, Inc., 8.125%, 6/1/28 (144A)	219,340
1,355,000	Venture Global LNG, Inc., 8.375%, 6/1/31 (144A)	1,397,370
505,000	Venture Global LNG, Inc., 9.50%, 2/1/29 (144A)	544,321
1,801,000	Williams Cos., Inc., 5.75%, 6/24/44	1,796,941
	<b>Total Pipelines</b>	<b>\$ 15,826,426</b>
	<b>REITs — 1.5%</b>	
2,275,000	MPT Operating Partnership LP/MPT Finance Corp., 3.50%, 3/15/31	\$ 1,562,060
365,000	Starwood Property Trust, Inc., 7.25%, 4/1/29 (144A)	367,905
230,000	Uniti Group LP/Uniti Fiber Holdings, Inc./CSL Capital LLC, 6.00%, 1/15/30 (144A)	171,491
1,555,000	Uniti Group LP/Uniti Group Finance, Inc./CSL Capital LLC, 10.50%, 2/15/28 (144A)	1,612,113
	<b>Total REITs</b>	<b>\$ 3,713,569</b>

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

## Schedule of Investments | 3/31/24 (continued)

Principal Amount USD (\$)		Value
	<b>Retail — 0.8%</b>	
1,125,000	LCM Investments Holdings II LLC, 8.25%, 8/1/31 (144A)	\$ 1,176,927
798,000	Staples, Inc., 7.50%, 4/15/26 (144A)	778,825
	<b>Total Retail</b>	<b>\$ 1,955,752</b>
	<b>Software — 0.9%</b>	
2,245,000	AthenaHealth Group, Inc., 6.50%, 2/15/30 (144A)	\$ 2,053,319
	<b>Total Software</b>	<b>\$ 2,053,319</b>
	<b>Telecommunications — 3.5%</b>	
1,495,000	Altice France Holding S.A., 6.00%, 2/15/28 (144A)	\$ 425,725
1,169,000	Altice France Holding S.A., 10.50%, 5/15/27 (144A)	437,412
270,000	Altice France S.A., 5.125%, 1/15/29 (144A)	184,897
1,910,000	CommScope, Inc., 4.75%, 9/1/29 (144A)	1,375,200
3,080,000	Sprint LLC, 7.125%, 6/15/24	3,085,276
41,000	Sprint LLC, 7.625%, 3/1/26	42,359
3,135,000	Windstream Escrow LLC/Windstream Escrow Finance Corp., 7.75%, 8/15/28 (144A)	2,901,664
	<b>Total Telecommunications</b>	<b>\$ 8,452,533</b>
	<b>Transportation — 2.4%</b>	
2,640,000	Carriage Purchaser, Inc., 7.875%, 10/15/29 (144A)	\$ 2,345,586
1,375,000	Danaos Corp., 8.50%, 3/1/28 (144A)	1,403,189
820,000	Seaspan Corp., 5.50%, 8/1/29 (144A)	715,054
1,240,000	Watco Cos. LLC/Watco Finance Corp., 6.50%, 6/15/27 (144A)	1,225,632
	<b>Total Transportation</b>	<b>\$ 5,689,461</b>
	<b>TOTAL CORPORATE BONDS</b> (Cost \$280,291,642)	<b>\$ 279,957,217</b>
	<b>Shares</b>	
	<b>CONVERTIBLE PREFERRED STOCK — 0.4% of Net Assets</b>	
	<b>Banks — 0.4%</b>	
752(f)	Wells Fargo & Co., 7.50%	\$ 916,951
	<b>Total Banks</b>	<b>\$ 916,951</b>
	<b>TOTAL CONVERTIBLE PREFERRED STOCK</b> (Cost \$950,539)	<b>\$ 916,951</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>				
	382	B Riley Financial, Inc., 6.75%, 5/31/24	\$	9,458
<b>Total Capital Markets</b>			<b>\$</b>	<b>9,458</b>
<b>Internet — 0.0%†</b>				
	129,055	MYT Holding LLC, 10.00%, 6/6/29	\$	22,585
<b>Total Internet</b>			<b>\$</b>	<b>22,585</b>
<b>TOTAL PREFERRED STOCK</b> (Cost \$244,989)			<b>\$</b>	<b>32,043</b>
<b>RIGHT/WARRANT — 0.0%† of Net Assets</b>				
<b>Trading Companies &amp; Distributors — 0.0%†</b>				
GBP	21,700(b)	Avation Plc, 1/1/59	\$	4,108
<b>Total Trading Companies &amp; Distributors</b>			<b>\$</b>	<b>4,108</b>
<b>TOTAL RIGHT/WARRANT</b> (Cost \$—)			<b>\$</b>	<b>4,108</b>
<b>Principal Amount USD (\$)</b>				
<b>INSURANCE-LINKED SECURITIES — 4.9% of Net Assets#</b>				
<b>Event Linked Bonds — 0.7%</b>				
<b>Flood - U.S. — 0.3%</b>				
	250,000(a)	FloodSmart Re, 17.192%, (3 Month U.S. Treasury Bill + 1,183 bps), 2/25/25 (144A)	\$	244,650
	250,000(a)	FloodSmart Re, 19.362%, (3 Month U.S. Treasury Bill + 1,400 bps), 3/12/27 (144A)		249,125
	250,000(a)	FloodSmart Re, 21.612%, (1 Month U.S. Treasury Bill + 1,625 bps), 3/11/26 (144A)		252,525
			<b>\$</b>	<b>746,300</b>
<b>Multiperil - U.S. — 0.3%</b>				
	250,000(a)	Matterhorn Re, 10.615%, (SOFR + 525 bps), 3/24/25 (144A)	\$	248,975
	250,000(a)	Matterhorn Re, 13.115%, (SOFR + 775 bps), 3/24/25 (144A)		248,925
	250,000(a)	Residential Re 2021-2, 17.342%, (3 Month U.S. Treasury Bill + 1,198 bps), 12/6/25 (144A)		236,525
			<b>\$</b>	<b>734,425</b>
<b>Windstorm - U.S. — 0.1%</b>				
	250,000(a)	Bonanza Re, 13.612%, (3 Month U.S. Treasury Bill + 825 bps), 1/8/26 (144A)	\$	253,225
<b>Total Event Linked Bonds</b>			<b>\$</b>	<b>1,733,950</b>

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

## Schedule of Investments | 3/31/24 (continued)

Face Amount USD (\$)		Value
	<b>Collateralized Reinsurance — 0.2% Multiperil - Massachusetts — 0.1%</b>	
350,000(b)(j)+	Portsalon Re 2022, 5/31/28	\$ 320,922
	<b>Multiperil - U.S. — 0.1%</b>	
250,000(b)(j)+	Ballybunion Re 2023, 12/31/28	\$ 240,875
	<b>Multiperil - Worldwide — 0.0%†</b>	
500,000(b)(j)+	Cypress Re 2017, 1/31/25	\$ 50
	<b>Total Collateralized Reinsurance</b>	<b>\$ 561,847</b>
	<b>Reinsurance Sidecars — 4.0% Multiperil - U.S. — 0.0%†</b>	
500,000(b)(k)+	Harambee Re 2018, 12/31/24	\$ —
600,000(k)+	Harambee Re 2019, 12/31/24	1,080
		\$ 1,080
	<b>Multiperil - Worldwide — 4.0%</b>	
40,466(b)(k)+	Alturas Re 2022-2, 12/31/27	\$ 4,718
1,500,000(j)+	Bantry Re 2023, 12/31/28	34,072
1,500,000(j)+	Bantry Re 2024, 12/31/29	1,559,278
1,000,000(b)(j)+	Berwick Re 2024-1, 12/31/29	1,031,473
500,000(j)+	Eccleston Re 2023, 11/30/28	52,960
750,000(b)(j)+	Gleneagles Re 2022, 12/31/27	356,509
1,063,659(j)+	Gullane Re 2023, 12/31/28	29,374
1,000,000(j)+	Gullane Re 2024, 12/31/29	1,050,116
499,318(b)(k)+	Lorenz Re 2019, 6/30/24	4,644
1,000,000(b)(j)+	Merion Re 2022-2, 12/31/27	948,111
350,000(b)(j)+	Pangaea Re 2023-3, 5/31/29	402,053
500,000(j)+	Pangaea Re 2024-1, 12/31/29	516,680
20,000(b)(j)+	Sector Re V, 12/1/24 (144A)	36,656
2,357(j)+	Sector Re V, 12/1/27 (144A)	96,536
500,000(b)(j)+	Sector Re V, 12/1/28 (144A)	545,281
1,000,000(b)(j)+	Sector Re V, 12/1/28 (144A)	1,090,561
250,000(j)+	Sussex Re 2020-1, 12/31/24	325
1,500,000(k)+	Thopas Re 2022, 12/31/27	—
1,596,147(b)(k)+	Thopas Re 2023, 12/31/28	—
1,596,147(k)+	Thopas Re 2024, 12/31/29	1,677,391
244,914(b)(j)+	Woburn Re 2019, 12/31/24	41,003
		\$ 9,477,741
	<b>Total Reinsurance Sidecars</b>	<b>\$ 9,478,821</b>
	<b>TOTAL INSURANCE-LINKED SECURITIES (Cost \$11,151,561)</b>	<b>\$ 11,774,618</b>

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

Principal Amount USD (\$)		Value
	<b>FOREIGN GOVERNMENT BOND — 0.1% of Net Assets</b>	
	<b>Russia — 0.1%</b>	
161,820(g)(l)	Russian Government International Bond, 7.500%, 3/31/30	\$ 113,973
	<b>Total Russia</b>	<b>\$ 113,973</b>
	<b>TOTAL FOREIGN GOVERNMENT BOND</b> (Cost \$140,447)	<b>\$ 113,973</b>
<b>Shares</b>		
	<b>SHORT TERM INVESTMENTS — 11.0% of Net Assets</b>	
	<b>Open-End Fund — 11.0%</b>	
26,476,361(m)	Dreyfus Government Cash Management, Institutional Shares, 5.20%	\$ 26,476,361
		\$ 26,476,361
	<b>TOTAL SHORT TERM INVESTMENTS</b> (Cost \$26,476,361)	<b>\$ 26,476,361</b>
	<b>TOTAL INVESTMENTS IN UNAFFILIATED ISSUERS — 143.4%</b> (Cost \$343,657,524)	<b>\$ 344,000,809</b>
	<b>OTHER ASSETS AND LIABILITIES — (43.4)%</b>	\$(104,150,638)
	<b>NET ASSETS — 100.0%</b>	<b>\$ 239,850,171</b>

bps Basis Points.

CMT Constant Maturity Treasury Index.

FREMF Freddie Mac Multifamily Fixed-Rate Mortgage Loans.

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 March 31, 2024, the value of these securities amounted to \$255,287,614, or 106.4% of net assets.

(a) Floating rate note. Coupon rate, reference index and spread shown at March 31, 2024.

(b) Non-income producing security.

(c) The interest rate is subject to change periodically. The interest rate and/or reference index and spread shown at March 31, 2024.

(d) Security is priced as a unit.

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

## Schedule of Investments | 3/31/24 (continued)

- (e) Security issued with a zero coupon. Income is recognized through accretion of discount.
- (f) Security is perpetual in nature and has no stated maturity date.
- (g) Security is in default.
- (h) Payment-in-kind (PIK) security which may pay interest in the form of additional principal amount.
- (i) Securities purchased on a when-issued basis. Rates do not take effect until settlement date.
- (j) Issued as participation notes.
- (k) Issued as preference shares.
- (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 March 31, 2024.
- (m) Rate periodically changes. Rate disclosed is the 7-day yield at March 31, 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
Alturas Re 2022-2	4/11/2023	\$ —	\$ 4,718
Ballybunion Re 2023	3/20/2023	212,321	240,875
Bantry Re 2023	1/12/2023	—	34,072
Bantry Re 2024	2/1/2024	1,500,000	1,559,278
Berwick Re 2024-1	1/10/2024	1,000,000	1,031,473
Bonanza Re	1/6/2023	250,000	253,225
Cypress Re 2017	1/24/2017	1,681	50
Eccleston Re 2023	7/13/2023	—	52,960
FloodSmart Re	2/14/2022	250,000	244,650
FloodSmart Re	2/23/2023	250,000	252,525
FloodSmart Re	2/29/2024	250,000	249,125
Gleneagles Re 2022	1/18/2022	333,071	356,509
Gullane Re 2023	1/20/2023	—	29,374
Gullane Re 2024	2/14/2024	1,000,000	1,050,116
Harambee Re 2018	12/19/2017	10,612	—
Harambee Re 2019	12/20/2018	—	1,080
Lorenz Re 2019	6/26/2019	81,826	4,644
Matterhorn Re	3/10/2022	250,000	248,975
Matterhorn Re	3/10/2022	250,000	248,925
Merion Re 2022-2	2/22/2022	1,000,000	948,111
Pangaea Re 2023-3	7/5/2023	350,000	402,053
Pangaea Re 2024-1	2/27/2024	500,000	516,680
Portsalon Re 2022	7/15/2022	283,022	320,922
Residential Re 2021-2	10/28/2021	250,000	236,525
Sector Re V	1/1/2020	337	36,656
Sector Re V	12/30/2022	—	96,536
Sector Re V	12/4/2023	500,000	545,281
Sector Re V	12/29/2023	1,000,000	1,090,561

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

Restricted Securities	Acquisition date	Cost	Value
Sussex Re 2020-1	1/23/2020	\$ —	\$ 325
Thopas Re 2022	2/7/2022	—	—
Thopas Re 2023	2/15/2023	—	—
Thopas Re 2024	2/2/2024	1,596,147	1,677,391
Woburn Re 2019	1/30/2019	32,544	41,003
<b>Total Restricted Securities</b>			<b>\$11,774,618</b>
<b>% of Net assets</b>			<b>4.9%</b>

## FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS

Currency Purchased	In Exchange for	Currency Sold	Deliver	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
EUR	5,000,000	USD	5,441,399	HSBC Bank USA NA	6/27/24	\$(27,322)
EUR	297,000	USD	322,573	State Street Bank & Trust Co.	5/28/24	(1,378)
USD	5,832,062	EUR	5,332,500	State Street Bank & Trust Co.	4/24/24	73,069
USD	765,645	GBP	605,000	State Street Bank & Trust Co.	6/27/24	1,690
<b>TOTAL FORWARD FOREIGN CURRENCY EXCHANGE CONTRACTS</b>						<b>\$ 46,059</b>

## SWAP CONTRACTS

### OVER THE COUNTER (OTC) CREDIT DEFAULT SWAP CONTRACTS - SELL PROTECTION

Notional Amount (\$) <sup>(1)</sup>	Reference Counterparty/Index	Reference Obligation	Pay/Receive <sup>(2)</sup>	Annual Fixed Rate	Expiration Date	Premiums (Received)	Unrealized Appreciation (Depreciation)	Market Value
988,000	JPMorgan Chase Bank NA	United Airlines Holdings, Inc.	Receive	5.00%	6/20/27	\$ (59,129)	\$134,681	\$ 75,552
329,000	JPMorgan Chase Bank NA	United Airlines Holdings, Inc.	Receive	5.00%	6/20/27	(22,436)	47,595	25,159
433,000	JPMorgan Chase Bank NA	United Airlines Holdings, Inc.	Receive	5.00%	6/20/27	(29,547)	62,658	33,111
<b>TOTAL OVER THE COUNTER (OTC) CREDIT DEFAULT SWAP CONTRACTS - SELL PROTECTION</b>						<b>\$(111,112)</b>	<b>\$244,934</b>	<b>\$133,822</b>
<b>TOTAL SWAP CONTRACTS</b>						<b>\$(111,112)</b>	<b>\$244,934</b>	<b>\$133,822</b>

<sup>(1)</sup> The notional amount is the maximum amount that a seller of credit protection would be obligated to pay upon occurrence of a credit event.

<sup>(2)</sup> Receives quarterly.

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

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

## Schedule of Investments | 3/31/24 (continued)

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 March 31, 2024, aggregated \$91,773,518 and \$101,678,718, respectively.

At March 31, 2024, the net unrealized depreciation on investments based on cost for federal tax purposes of \$344,681,304 was as follows:

Aggregate gross unrealized appreciation for all investments in which there is an excess of value over tax cost	\$ 13,551,168
Aggregate gross unrealized depreciation for all investments in which there is an excess of tax cost over value	(14,234,884)
Net unrealized depreciation	<u>\$ (683,716)</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 March 31, 2024 in valuing the Fund's investments:

	Level 1	Level 2	Level 3	Total
Senior Secured Floating Rate Loan Interests	\$ —	\$ 3,467,744	\$ —	\$ 3,467,744
Common Stocks				
Chemicals	2,250	—	—	2,250
Communications Equipment	—	—	9,205	9,205
Oil, Gas & Consumable Fuels	139	405	—	544
All Other Common Stocks	—	796,573	—	796,573
Asset Backed Securities	—	1,497,236	—	1,497,236
Collateralized Mortgage Obligations	—	5,715,846	—	5,715,846
Commercial Mortgage-Backed Securities	—	7,399,916	—	7,399,916
Convertible Corporate Bonds	—	5,836,224	—	5,836,224

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



	Level 1	Level 2	Level 3	Total
Corporate Bonds	\$ —	\$ 279,957,217	\$ —*	\$ 279,957,217
Convertible Preferred Stock	916,951	—	—	916,951
Preferred Stock				
Capital Markets	9,458	—	—	9,458
Internet	—	22,585	—	22,585
Right/Warrant	4,108	—	—	4,108
Insurance-Linked Securities				
Collateralized Reinsurance				
Multiperil – Massachusetts	—	—	320,922	320,922
Multiperil – U.S.	—	—	240,875	240,875
Multiperil – Worldwide	—	—	50	50
Reinsurance Sidecars				
Multiperil – U.S.	—	—	1,080	1,080
Multiperil – Worldwide	—	—	9,477,741	9,477,741
All Other Insurance-Linked Securities	—	1,733,950	—	1,733,950
Foreign Government Bond	—	113,973	—	113,973
Open-End Fund	26,476,361	—	—	26,476,361
<b>Total Investments in Securities</b>	<b>\$27,409,267</b>	<b>\$ 306,541,669</b>	<b>\$10,049,873</b>	<b>\$ 344,000,809</b>
<b>Other Financial Instruments</b>				
Credit Agreement <sup>(a)</sup>	\$ —	\$(108,500,000)	\$ —	\$(108,500,000)
Net unrealized appreciation on forward foreign currency exchange contracts	—	46,059	—	46,059
OTC swap contracts, at value	—	133,822	—	133,822
<b>Total Other Financial Instruments</b>	<b>\$ —</b>	<b>\$(108,320,119)</b>	<b>\$ —</b>	<b>\$(108,320,119)</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	Corporate Bonds	Insurance-Linked Securities	Total
Balance as of 3/31/23	\$ 634,883	\$—	\$10,623,431	\$11,258,314
Realized gain (loss) <sup>(1)</sup>	17,869	—	(378,323)	(360,454)
Changed in unrealized appreciation (depreciation) <sup>(2)</sup>	265,039	—	528,435	793,474
Accrued discounts/premiums	—	—	(5,912,732)	(5,912,732)
Purchases	2,386	—	8,535,553	8,537,939
Sales	(114,407)	—	(3,355,696)	(3,470,103)

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

## Schedule of Investments | 3/31/24 (continued)

	Common Stocks	Corporate Bonds	Insurance- Linked Securities	Total
Transfers in to Level 3*	—	—	—	—
Transfers out of Level 3*	(796,565)	—	—	(796,565)
<b>Balance as of 3/31/24</b>	<b>\$ 9,205</b>	<b>\$—</b>	<b>\$10,040,668</b>	<b>\$10,049,873</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.

\* Transfers are calculated on the beginning of period values. During the year ended March 31, 2024, a security valued at \$796,565 was transferred out of Level 3 to Level 2, as there was significant observable inputs available to determine the value. 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 March 31, 2024: \$470,959

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

## Statement of Assets and Liabilities | 3/31/24

### ASSETS:

Investments in unaffiliated issuers, at value (cost \$343,657,524)	\$ 344,000,809
Cash	1,249,842
Foreign currencies, at value (cost \$594,347)	592,097
Swap contracts, at value (net premiums received \$111,112)	133,822
Unrealized appreciation on forward foreign currency exchange contracts	74,759
Receivables —	
Investment securities sold	336,800
Interest	6,189,072
Other assets	112
<b>Total assets</b>	<b>\$ 352,577,313</b>

### LIABILITIES:

Payables —	
Credit agreement	\$ 108,500,000
Investment securities purchased	3,381,127
Directors' fees	583
Interest expense	590,216
Unrealized depreciation on forward foreign currency exchange contracts	28,700
Management fees	34,220
Administrative expenses	1,198
Accrued expenses	191,098
<b>Total liabilities</b>	<b>\$ 112,727,142</b>

### NET ASSETS:

Paid-in capital	\$ 372,917,739
Distributable earnings (loss)	(133,067,568)
<b>Net assets</b>	<b>\$ 239,850,171</b>

### NET ASSET VALUE PER SHARE:

No par value	
Based on \$239,850,171/29,341,635 common shares	\$ 8.17

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

# Statement of Operations

FOR THE YEAR ENDED 3/31/24

## INVESTMENT INCOME:

Interest from unaffiliated issuers (net of foreign taxes withheld \$11,604)	\$ 26,900,564	
Dividends from unaffiliated issuers	3,066,986	
Total Investment Income		<b>\$ 29,967,550</b>

## EXPENSES:

Management fees	\$ 2,015,344	
Administrative expenses	61,643	
Transfer agent fees	14,079	
Stockholder communications expense	107,924	
Custodian fees	6,366	
Professional fees	193,868	
Printing expense	10,170	
Officers' and Directors' fees	16,591	
Insurance expense	7,077	
Interest expense	6,890,725	
Miscellaneous	97,106	
Total expenses		<b>\$ 9,420,893</b>
Net investment income		<b>\$ 20,546,657</b>

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

Net realized gain (loss) on:		
Investments in unaffiliated issuers (net of foreign capital gains tax of \$34)	\$(10,561,301)	
Forward foreign currency exchange contracts	(118,948)	
Swap contracts	123,509	
Written options	66,331	
Other assets and liabilities denominated in foreign currencies	86,902	\$(10,403,507)
Change in net unrealized appreciation (depreciation) on:		
Investments in unaffiliated issuers	\$ 26,098,224	
Forward foreign currency exchange contracts	(4,309)	
Swap contracts	113,659	
Written options	14,757	
Other assets and liabilities denominated in foreign currencies	22,233	\$ 26,244,564
Net realized and unrealized gain (loss) on investments		<b>\$ 15,841,057</b>
Net increase in net assets resulting from operations		<b>\$ 36,387,714</b>

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

## Statements of Changes in Net Assets

	Year Ended 3/31/24	Year Ended 3/31/23		
<b>FROM OPERATIONS:</b>				
Net investment income (loss)	\$ 20,546,657	\$ 20,318,603		
Net realized gain (loss) on investments	(10,403,507)	(9,368,199)		
Change in net unrealized appreciation (depreciation) on investments	26,244,564	(28,686,218)		
Net increase (decrease) in net assets resulting from operations	<b>\$ 36,387,714</b>	<b>\$ (17,735,814)</b>		
<b>DISTRIBUTIONS TO COMMON STOCKHOLDERS:</b>				
(\$0.66 and \$0.73 per share, respectively)	\$ (19,438,833)	\$ (21,272,685)		
Total distributions to common stockholders	\$ (19,438,833)	\$ (21,272,685)		
<b>Net increase (decrease) in net assets</b>	<b>\$ 16,948,881</b>	<b>\$ (39,008,499)</b>		
<b>NET ASSETS:</b>				
Beginning of year	\$222,901,290	\$261,909,789		
End of year	<b>\$239,850,171</b>	<b>\$222,901,290</b>		
	<b>Year Ended 3/31/24 Shares</b>	<b>Year Ended 3/31/24 Amount</b>	<b>Year Ended 3/31/23 Shares</b>	<b>Year Ended 3/31/23 Amount</b>
<b>Fund Share Transaction</b>				
Shares sold	—	\$—	—	\$—
Reinvestment of distributions	—	—	—	—
Net increase	—	\$—	—	\$—

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

# Statement of Cash Flows

FOR THE YEAR ENDED 3/31/24

## Cash Flows From Operating Activities

Net increase in net assets resulting from operations	\$ 36,387,714
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## 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	\$(87,086,316)
Proceeds from disposition and maturity of investment securities	105,953,106
Net purchases of short term investments	(19,302,457)
Net accretion and amortization of discount/premium on investment securities	(2,111,222)
Net realized loss on investments in unaffiliated issuers	10,561,301
Change in unrealized appreciation on investments in unaffiliated issuers	(26,098,224)
Change in unrealized depreciation on forward foreign currency exchange contracts	4,309
Changes in unrealized on swaps	(113,659)
Change in unrealized appreciation on written options	(14,757)
Decrease in interest receivable	145,078
Decrease in distributions paid in advance	1,687,144
Decrease in other assets	10
Increase in management fees payable	18,101
Increase in directors' fees payable	383
Decrease in administrative expenses payable	(4,360)
Net realized gain on written options	(66,331)
Proceeds from swap contracts	(34,552)
Increase in accrued expenses payable	17,675

Net cash, restricted cash and foreign currencies from operating activities	\$ 19,942,943
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## Cash Flows Used In Financing Activities:

Borrowings received	2,000,000
Increase in interest expense payable	527,025
Distributions to stockholders	(21,125,977)

Net cash flows used in financing activities	\$ (18,598,952)
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\$ 1,343,991

## Cash, Restricted Cash and Foreign Currencies:

Beginning of year*	\$ 497,948
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End of year*	\$ 1,841,939
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## Cash Flow Information:

Cash paid for interest	\$ 6,363,700
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\* The following table provides a reconciliation of cash, restricted cash and foreign currencies reported within 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 3/31/24	Year Ended 3/31/23
Cash	\$1,249,842	\$ 6,491
Foreign currencies, at value	592,097	491,457
<b>Total cash, restricted cash and foreign currencies shown in the Statement of Cash Flows</b>	<b>\$1,841,939</b>	<b>\$497,948</b>

The accompanying notes are an integral part of these financial statements

# Financial Highlights

	Year Ended 3/31/24	Year Ended 3/31/23	Year Ended 3/31/22	Year Ended 3/31/21	Year Ended 3/31/20
<b>Per Share Operating Performance</b>					
Net asset value, beginning of period	\$ 7.60	\$ 8.93	\$ 9.57	\$ 7.25	\$ 9.91
Increase (decrease) from investment operations:					
Net investment income (loss)(a)	\$ 0.70	\$ 0.69	\$ 0.80	\$ 0.80	\$ 0.81
Net realized and unrealized gain (loss) on investments	0.53	(1.29)	(0.61)	2.36	(2.66)
<b>Net increase (decrease) from investment operations</b>	<b>\$ 1.23</b>	<b>\$ (0.60)</b>	<b>\$ 0.19</b>	<b>\$ 3.16</b>	<b>\$ (1.85)</b>
Distributions to stockholders:					
Net investment income and previously undistributed net investment income	\$ (0.66)	\$ (0.73)*	\$ (0.83)*	\$ (0.84)*	\$ (0.81)
<b>Total distributions</b>	<b>\$ (0.66)</b>	<b>\$ (0.73)</b>	<b>\$ (0.83)</b>	<b>\$ (0.84)</b>	<b>\$ (0.81)</b>
<b>Net increase (decrease) in net asset value</b>	<b>\$ 0.57</b>	<b>\$ (1.33)</b>	<b>\$ (0.64)</b>	<b>\$ 2.32</b>	<b>\$ (2.66)</b>
Net asset value, end of period	\$ 8.17	\$ 7.60	\$ 8.93	\$ 9.57	\$ 7.25
Market value end of period	\$ 7.66	\$ 6.63	\$ 8.12	\$ 9.37	\$ 6.42
<b>Total return at net asset value(b)</b>	<b>18.07%</b>	<b>(5.65)%</b>	<b>1.91%</b>	<b>46.08%</b>	<b>(19.93)%</b>
<b>Total return at market value(b)</b>	<b>26.90%</b>	<b>(9.49)%</b>	<b>(5.35)%</b>	<b>61.52%</b>	<b>(21.49)%</b>
Ratios to average net assets of stockholders:					
Total expenses plus interest expense(c)	4.14%	2.88%	1.61%	1.60%	2.35%
Net investment income available to stockholders	9.02%	8.86%	8.45%	9.10%	8.17%
Portfolio turnover rate	29%	24%	38%	50%	36%
Net assets, end of period (in thousands)	\$239,850	\$222,901	\$261,910	\$279,865	\$211,861
Total amount of debt outstanding (in thousands)	\$108,500	\$106,500	\$116,500	\$123,000	\$ 99,000
Asset coverage per \$1,000 of indebtedness	\$ 3,211	\$ 3,093	\$ 3,248	\$ 3,275	\$ 3,140

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

(a) The per-share data presented above is based on the average shares outstanding for the period 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 3.03%, 1.75%, 0.45%, 0.53% and 1.37%, respectively.

## Financial Highlights (continued)

### Senior Securities

The table below sets forth the senior securities outstanding as of the end of the Fund's last five (5) fiscal years ended March 31 as of the dates indicated below.

Fiscal Year Ended	Type of Senior Security	Total Amount Outstanding (in thousands)	Asset Coverage per \$1,000 of indebtedness	Liquidation Preference Per Preferred Share	Average Market Value Per Unit
March 31, 2020	Revolving Credit Facility	\$99,000	\$3,140 <sup>(1)</sup>	N/A	N/A
March 31, 2021	Revolving Credit Facility	\$123,000	\$3,275 <sup>(1)</sup>	N/A	N/A
March 31, 2022	Revolving Credit Facility	\$116,500	\$3,248 <sup>(1)</sup>	N/A	N/A
March 31, 2023	Revolving Credit Facility	\$106,500	\$3,093 <sup>(1)</sup>	N/A	N/A
March 31, 2024	Revolving Credit Facility	\$108,500	\$3,211 <sup>(1)</sup>	N/A	N/A

(1) Calculated by subtracting the Fund's total liabilities (not including borrowing outstanding under the revolving credit facility) from the Fund's total assets and dividing this by the borrowing outstanding under the revolving credit facility, and by multiplying the result by 1,000.



# Notes to Financial Statements | 3/31/24

## 1. Organization and Significant Accounting Policies

Pioneer 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, 2002. Prior to commencing operations on April 26, 2002, the Fund had no operations other than matters relating to its organization and registration as a 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 provide 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.

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.

Discounts and premiums on purchase prices of debt securities are accreted or amortized, respectively, daily, into interest income on an effective yield to maturity basis with a corresponding increase or decrease in the cost basis of the security. Premiums and discounts related to certain mortgage backed securities are amortized or accreted in proportion to the monthly paydowns.

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 March 31, 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 March 31, 2024, the Fund reclassified \$15,839 to increase distributable earnings and \$15,839 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 March 31, 2024, the Fund was permitted to carry forward indefinitely \$14,836,655 of short-term losses and \$118,705,206 of long-term losses.

The tax character of distributions paid during the years ended March 31, 2024 and March 31, 2023, was as follows:

	2024	2023
<b>Distributions paid from:</b>		
Ordinary income	\$19,438,833	\$21,272,685
<b>Total</b>	<b>\$19,438,833</b>	<b>\$21,272,685</b>

The following shows the components of distributable earnings (losses) on a federal income tax basis at March 31, 2024:

	2024
<b>Distributable earnings/(losses):</b>	
Undistributed ordinary income	\$ 1,158,009
Capital loss carryforward	(133,541,861)
Net unrealized depreciation	(683,716)
<b>Total</b>	<b>\$(133,067,568)</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 and credit default swaps, the tax deferral of losses on wash sales, the 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, the Fund's preferred securities, adjustments relating to insurance-linked securities, the premium amortization on callable bonds, and adjustments related to perpetual 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'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 invests in below-investment-grade (high-yield) debt securities and preferred stocks. Some of these high-yield securities may be convertible into equity securities of the issuer. Debt securities rated below-investment-grade are commonly referred to as "junk bonds" and are considered speculative with respect to the issuer's capacity to pay interest and repay principal. These securities 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 may invest up to 50% 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 March 31, 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 March 31, 2024 was \$5,964. There were no open purchased options contracts at March 31, 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 March 31, 2024 was \$(27,995). There were no open written options contracts at March 31, 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 6).

During the year ended March 31, 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 March 31, 2024 was \$6,327,009 and \$7,106,979 for buys and sells, respectively. Open forward foreign currency exchange contracts outstanding at March 31, 2024 are listed in the Schedule of Investments.

## K. Credit Default Swap Contracts

A credit default swap is a contract between a buyer of protection and a seller of protection against a pre-defined credit event or an underlying reference obligation, which may be a single security or a basket or index of securities. The Fund may buy or sell credit default swap contracts to seek to increase the Fund's income, or to attempt to hedge the risk of default on portfolio securities. A credit default swap index is used to hedge risk or take a position on a basket of credit entities or indices.

As a seller of protection, the Fund would be required to pay the notional (or other agreed-upon) value of the referenced debt obligation to the counterparty in the event of a default by a U.S. or foreign corporate issuer of a debt obligation, which would likely result in a loss to the Fund. In return, the Fund would receive from the counterparty a periodic stream of payments during the term of the contract, provided that no event of default occurred. The maximum exposure of loss to the seller would be the notional value of the credit default swaps outstanding. If no default occurs, the Fund would keep the stream of payments and would have no payment obligation. The Fund may also buy credit default swap contracts in order to hedge against the risk of default of debt securities, in which case the Fund would function as the counterparty referenced above.

As a buyer of protection, the Fund makes an upfront or periodic payment to the protection seller in exchange for the right to receive a contingent payment. An upfront payment made by the Fund, as the protection buyer, is recorded within the "Swap contracts, at value" line item on the Statement of Assets and Liabilities. Periodic payments received or paid by the Fund are recorded as realized gains or losses on the Statement of Operations.

Credit default swap contracts are marked-to-market daily using valuations supplied by independent sources, and the change in value, if any, is recorded within the "Swap contracts, at value" line item on the Statement of Assets and Liabilities. Payments received or made as a result of a credit event or upon termination of the contract are recognized, net of the appropriate amount of the upfront payment, as realized gains or losses on the Statement of Operations.

Credit default swap contracts involving the sale of protection may involve greater risks than if the Fund had invested in the referenced debt instrument directly. Credit default swap contracts are subject to general market risk, liquidity risk, counterparty risk and credit risk. If the Fund is a protection buyer and no credit event occurs, it will lose its investment. If the Fund is a protection seller and a credit event occurs,

the value of the referenced debt instrument received by the Fund, together with the periodic payments received, may be less than the amount the Fund pays to the protection buyer, resulting in a loss to the Fund. In addition, obligations under sell protection credit default swaps may be partially offset by net amounts received from settlement of buy protection credit default swaps entered into by the Fund for the same reference obligation with the same counterparty.

Certain swap contracts that are cleared through a central clearinghouse are referred to as centrally cleared swaps. All payments made or received by the Fund are pursuant to a centrally cleared swap contract with the central clearing party rather than the original counterparty. Upon entering into a centrally cleared swap contract, the Fund is required to make an initial margin deposit, either in cash or in securities. The daily change in value on open centrally cleared contracts is recorded as "Variation margin for centrally cleared swap contracts" on the Statement of Assets and Liabilities. 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 swaps" or "Due to broker for swaps" on the Statement of Assets and Liabilities. The amount of cash deposited with a broker as collateral is recorded as "Swaps collateral" on the Statement of Assets and Liabilities.

The average notional values of credit default swap contracts buy protection and credit default swap contracts sell protection open during the year ended March 31, 2024 were \$0 and \$1,750,000, respectively. Open credit default swap contracts at March 31, 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, LLC, formerly known as American Stock Transfer & 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 March 31, 2024, the Fund had no restricted cash presented 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 0.60% 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 March 31, 2024, the management fee was 0.60% of the Fund's average daily managed assets, which was equivalent to 0.88% 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 \$34,220 in management fees payable to the Adviser at March 31, 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 March 31, 2024, the Fund paid \$16,591 in Officers' and Directors' compensation, which is reflected on the Statement of Operations as Officers' and Directors' fees. At March 31, 2024, on its Statement of Assets and Liabilities, the Fund had a payable for Directors' fees of \$583 and a payable for administrative expenses of \$1,198, 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 March 31, 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	\$ —	\$ —	\$—	\$—	\$ —
JPMorgan Chase Bank NA	133,822	—	—	—	133,822
State Street Bank & Trust Co.	74,759	(1,378)	—	—	73,381
<b>Total</b>	<b>\$208,581</b>	<b>\$(1,378)</b>	<b>\$—</b>	<b>\$—</b>	<b>\$207,703</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	\$27,322	\$ —	\$—	\$—	\$27,322
JPMorgan Chase Bank NA	—	—	—	—	—
State Street Bank & Trust Co.	1,378	(1,378)	—	—	—
<b>Total</b>	<b>\$28,700</b>	<b>\$(1,378)</b>	<b>\$—</b>	<b>\$—</b>	<b>\$27,322</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 March 31, 2024, was as follows:

<b>Statement of Assets and Liabilities</b>	<b>Interest Rate Risk</b>	<b>Credit Risk</b>	<b>Foreign Exchange Rate Risk</b>	<b>Equity Risk</b>	<b>Commodity Risk</b>
<b>Assets</b>					
Unrealized appreciation on forward foreign currency exchange contracts	\$—	\$ —	\$74,759	\$—	\$—
OTC swap contracts, at value	—	133,822	—	—	—
<b>Total Value</b>	<b>\$—</b>	<b>\$133,822</b>	<b>\$74,759</b>	<b>\$—</b>	<b>\$—</b>
<b>Liabilities</b>					
Unrealized depreciation on forward foreign currency exchange contracts	\$—	\$ —	\$28,700	\$—	\$—
<b>Total Value</b>	<b>\$—</b>	<b>\$ —</b>	<b>\$28,700</b>	<b>\$—</b>	<b>\$—</b>

The effect of derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) on the Statement of Operations by risk exposure at March 31, 2024 was as follows:

Statement of Operations	Interest Rate Risk	Credit Risk	Foreign Exchange Rate Risk	Equity Risk	Commodity Risk
<b>Net Realized Gain (Loss) on</b>					
Forward foreign currency exchange contracts	\$—	\$ —	\$(118,948)	\$—	\$—
Options purchased*	—	—	(66,331)	—	—
Options written	—	—	66,331	—	—
Swap contracts	—	123,509	—	—	—
<b>Total Value</b>	<b>\$—</b>	<b>\$123,509</b>	<b>\$(118,948)</b>	<b>\$—</b>	<b>\$—</b>
<b>Change in Net Unrealized Appreciation (Depreciation) on</b>					
Forward foreign currency exchange contracts	\$—	\$ —	\$(4,309)	\$—	\$—
Options purchased**	—	—	46,015	—	—
Options written	—	—	14,757	—	—
Swap contracts	—	113,659	—	—	—
<b>Total Value</b>	<b>\$—</b>	<b>\$113,659</b>	<b>\$ 56,463</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. 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 March 31, 2024, the Fund had no unfunded loan commitments outstanding.

## 8. 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 March 31, 2024 and the year ended March 31, 2023, were as follows:

	<b>3/31/24</b>	<b>3/31/23</b>
Shares outstanding at beginning of year	29,341,635	29,341,635
<b>Shares outstanding at end of year</b>	<b>29,341,635</b>	<b>29,341,635</b>

## 9. Credit Agreement

The Fund has entered into a Revolving Credit Facility (the "Credit Agreement") agreement with The Bank Of New York Mellon. Loan under the Credit Agreement are offered at a daily rate equal to the U.S. one month LIBOR rate plus 1.10%. There is no fixed borrowing limit.

At March 31, 2024, the Fund had a borrowing outstanding under the Credit Agreement totaling \$108,500,000. The interest rate charged at March 31, 2024 was 6.32%. During the year ended March 31, 2024, the average daily balance was \$108,166,667 at an average interest rate of 6.37%. Interest expense of \$6,890,725 in connection with the Credit Agreement is included in the Statement of Operations.

The Fund is required to fully collateralize its outstanding loan balance as determined by The Bank Of New York Mellon. Pledged assets are held in a segregated account and are denoted on the Schedule of Investments.

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.

## 10. Shelf Offering

The Fund has an effective "shelf" registration statement, which became effective with the SEC on November 19, 2021. The shelf registration statement enables the Fund to issue up to \$55,000,000 in proceeds through one or more public offerings. Shares may be offered at prices and terms to be set forth in one or more supplements to the Fund's prospectus included in the shelf registration statement. On January 18, 2022, the Fund filed a prospectus supplement relating to an at-the-market offering of the Fund's shares of common stock. Any proceeds raised through such offering will be used for investment purposes. For the period ended March 31, 2022, March 31, 2023 and March 31, 2024, no shares of common stock were issued in the shelf offering.

## 11. Subsequent Events

A monthly dividend was declared on April 4, 2024 from undistributed and accumulated net investment income of \$0.0550 per share payable April 30, 2024, to stockholders of record on April 19, 2024.

# Report of Independent Registered Public Accounting Firm

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

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## Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of Pioneer High Income Fund, Inc. (the “Fund”), including the schedule of investments, as of March 31, 2024, the related statements of operations, cash flows and changes in net assets and the financial highlights and related notes for the year then ended. The statements of changes in net assets for the year ended March 31, 2023 and the financial highlights for the years ended March 31, 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 May 25, 2023. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of March 31, 2024 and the results of its operations, cash flows, the changes in its net assets, and the financial highlights for the year 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 March 31, 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  
May 29, 2024

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

## Additional Information (unaudited) | 3/31/24

On March 25, 2024, Ernst & Young LLP (the “Prior Auditor”) resigned as the independent registered public accounting firm of Pioneer 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 March 31, 2023 and March 31, 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 year-ends 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, and on March 25, 2024, 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 100.00%.

**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.

## Updated Disclosures for the Fund (unaudited) | 3/31/24

The following includes information that is incorporated by reference in the Fund's Registration Statement and is also a summary of certain changes during the most recent fiscal year ended March 31, 2024. This information may not reflect all of the changes that have occurred since you purchased shares of the Fund.

### Summary of Fund Expenses

The purpose of the following table and example is to help you understand all fees and expenses holders of Common Shares would bear directly or indirectly. The table below is based on the capital structure of the Fund as of March 31, 2024 (except as noted below).

## Stockholder Transaction Expenses

Sales Load (percentage of offering price)	None <sup>(1)</sup>
Offering Expenses Borne by the Fund (percentage of offering price)	— <sup>(2)</sup>
Dividend Reinvestment Plan Per Transaction Fee to Sell Shares Obtained Pursuant to the Plan	None <sup>(3)</sup>
<b>Total Transaction Expenses (as a percentage of offering price)<sup>(4)</sup></b>	

	<b>Percentage of Net Assets Attributable to Common Shares (Assumes Leverage is Used)</b>
<b>Annual Fund Operating Expenses</b>	
Management Fee <sup>(5)</sup>	0.88%
Interest Payment on Borrowed Funds <sup>(6)</sup>	0.43%
Other Expenses <sup>(7)</sup>	0.31%
<b>Total Annual Fund Operating Expenses</b>	<b>1.62%</b>

<sup>(1)</sup> The sales load will apply only if the securities are sold to or through underwriters. In such case, a corresponding Prospectus Supplement will disclose the applicable sales load.

<sup>(2)</sup> The related Prospectus Supplement will disclose the estimated amount of offering expenses, the offering price and the offering expenses borne by the Fund as a percentage of the offering price.

<sup>(3)</sup> Common Stockholders will pay brokerage charges if they direct the Plan Agent (defined in the Prospectus) to sell Common Shares held in a dividend reinvestment account. See Note L - Automatic Dividend Reinvestment Plan. There are no fees charged to stockholders for participating in the Fund's dividend reinvestment plan.

<sup>(4)</sup> The related Prospectus Supplement will disclose the offering price and the total stockholder transaction expenses as a percentage of the offering price.

<sup>(5)</sup> The Adviser receives an annual fee, payable monthly, in an amount equal to 0.60% of the Fund's average daily Managed Assets. "Managed Assets" means net assets plus the amount of any Borrowings and assets attributable to any Preferred Shares that may be outstanding. For the purposes of this table, we have assumed that the Fund has utilized leverage in an aggregate amount of 31.1% of its Managed Assets (the actual average amount of Borrowings during the fiscal year ended March 31, 2024). If the Fund were to use leverage in excess of 31.1% of its Managed Assets, the management fees shown would be higher.

<sup>(6)</sup> For the purposes of this table, we have assumed that the Fund has utilized Borrowings in an aggregate amount of 31.1% of its Managed Assets (which equals the average level of leverage for the Fund's fiscal year ended March 31, 2024). The expenses and rates associated with leverage may vary as and when Borrowings or issuances of Preferred Shares are made.

<sup>(7)</sup> Estimated based on amounts incurred in the fiscal year ended March 31, 2024.

## Example<sup>1</sup>

The following example illustrates the hypothetical expenses that you would pay on a \$1,000 investment in Common Shares, assuming (i) "Total Annual Fund Operating Expenses" of 4.14% of net assets attributable to Common

Shares (which assumes the Fund's use of leverage in an aggregate amount equal to 31.1% of the Fund's Managed Assets) and (ii) a 5% annual return:

<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
\$41	\$127	\$216	\$450

<sup>1</sup> **The example above should not be considered a representation of future expenses. Actual expenses may be higher or lower than those shown.** The example assumes that all dividends and distributions are reinvested at net asset value. Actual expenses may be greater or less than those assumed. Moreover, the Fund's actual rate of return may be greater or less than the hypothetical 5% return shown in the example.

## Market and Net Asset Value (NAV) Information

The Fund's Common Shares are listed on the NYSE under the symbol "PHT." The Fund's Common Shares commenced trading on the NYSE on April 26, 2002.

The Fund's Common Shares have traded both at a premium and at a discount in relation to the Fund's net asset value per share. Although the Fund's Common Shares have traded at a premium to net asset value, it has recently been the case that the Fund's Common Shares have traded at a discount to net asset value. The Fund cannot predict whether its Common Shares will trade in the future at a premium or discount to net asset value, or the level of any premium or discount. See "Market price of Common Shares risk" on page 85.

The following table sets forth for each of the periods indicated the range of high and low closing sale price of the Fund's Common Shares and the quarter-end sale price, each as reported on the NYSE, the net asset value per share of Common Shares and the premium or discount to net asset

value per share at which the Fund's shares were trading. Net asset value is generally determined on each business day that the NYSE is open for business.

Fiscal Quarter Ended	Quarterly Sale Prices		Quarter-End Closing		
	High	Low	Quarter-End Closing Sale Price	Net Asset Value Per Common Share <sup>(1)</sup>	Premium/(Discount) of Quarter-End Sale Price to Net Asset Value <sup>(2)</sup>
June 30, 2021	10.10	9.32	9.71	9.76	(0.51)%
September 30, 2021	11.15	9.65	9.76	9.64	1.24%
December 31, 2021	10.44	9.05	9.70	9.52	1.89%
March 31, 2022	9.70	7.12	8.12	8.93	(9.07)%
June 30, 2022	8.27	6.87	7.06	7.56	(6.61)%
September 30, 2022	7.51	6.40	6.46	7.35	(12.11)%
December 31, 2022	6.98	6.26	6.50	7.52	(13.56)%
March 31, 2023	7.16	6.26	6.63	7.60	(12.76)%
June 30, 2023	6.94	6.57	6.72	7.64	(12.04)%
September 30, 2023	6.98	6.65	6.71	7.65	(12.29)%
December 31, 2023	7.46	6.44	7.15	8.04	(11.07)%
March 31, 2024	7.66	7.12	7.66	8.17	(6.24)%

Source of market prices: Bloomberg.

<sup>(1)</sup> Net asset value per share is determined as of close of business on the last day of the relevant quarter and therefore may not reflect the net asset value per share on the date of the high and low closing sales prices, which may or may not fall on the last day of the quarter.

<sup>(2)</sup> Calculated as of the quarter-end closing sales price divided by the quarter-end net asset value.

The NAV per Common Share on May 9, 2024 was \$8.15 and the market price of the Fund's Common Shares on the NYSE at the close of business on May 9, 2024 was \$7.52, representing a discount of 7.73% to such net asset value. As of May 9, 2024, the Fund has 29,341,635 outstanding Common Shares.



## Senior Securities

The table below sets forth the senior securities outstanding as of the end of the Fund's five (5) fiscal years indicated below. Please refer to the Fund's Financial Highlights for the most recent five years of senior securities outstanding.

<b>Fiscal Year Ended</b>	<b>Type of Senior Security</b>	<b>Total Amount Outstanding (in thousands)</b>	<b>Asset Coverage Per \$1,000 indebtedness</b>
March 31, 2015	Revolving Credit Facility	\$151,000 <sup>(1)</sup>	\$3,280
March 31, 2016	Revolving Credit Facility	\$125,000 <sup>(1)</sup>	\$3,175
March 31, 2017	Revolving Credit Facility	\$125,000 <sup>(1)</sup>	\$3,502
March 31, 2018	Revolving Credit Facility	\$125,000 <sup>(1)</sup>	\$3,459
March 31, 2019	Revolving Credit Facility	\$125,000 <sup>(1)</sup>	\$3,316

<sup>(1)</sup> Calculated by subtracting the Fund's total liabilities (not including borrowing outstanding under the revolving credit facility) from the Fund's total assets and dividing this by the borrowing outstanding under the revolving credit facility, and by multiplying the result by 1,000.

## Unresolved Securities and Exchange Commission Staff Comments

The Fund believes that there are no material unresolved written comments, received 180 days or more before March 31, 2024 from the Staff of the Securities and Exchange Commission regarding any of the Fund's periodic or current reports under the Securities Exchange Act of 1934 or the Investment Company Act of 1940, or the Fund's registration statement.

## Financial Highlights for the fiscal years ended March 31, 2015 - March 31, 2019

For a common share of capital stock outstanding throughout each year ended March 31:

## Financial Highlights (unaudited)

	Year Ended 3/31/19	Year Ended 3/31/18	Year Ended 3/31/17	Year Ended 3/31/16	Year Ended 3/31/15
<b>Per Share Operating Performance</b>					
Net asset value, beginning of period	\$ 10.52	\$ 10.70	\$ 9.34	\$ 11.89	\$ 14.19
Increase (decrease) from investment operations:(a)					
Net investment income	\$ 0.80	\$ 0.85	\$ 0.95	\$ 1.19	\$ 1.36
Net realized and unrealized gain (loss) on investments, swap contracts, and foreign currency transactions	(0.62)	(0.25)	1.38	(2.40)	(2.05)
<b>Net increase (decrease) from investment operations</b>	<b>\$ 0.18</b>	<b>\$ 0.60</b>	<b>\$ 2.33</b>	<b>\$ (1.21)</b>	<b>\$ (0.69)</b>
Distributions to common stockholders from:					
Net investment income and previously undistributed net investment income	\$ (0.79)	\$ (0.78)	\$ (0.97)*	\$ 1.34*	\$ (1.61)*
<b>Total distributions</b>	<b>\$ (0.79)</b>	<b>\$ (0.78)</b>	<b>\$ (0.97)</b>	<b>\$ (1.34)</b>	<b>\$ (1.61)</b>
<b>Net increase (decrease) in net asset value</b>	<b>\$ (0.61)</b>	<b>\$ (0.18)</b>	<b>\$ 1.36</b>	<b>\$ (2.55)</b>	<b>\$ (2.30)</b>
Net asset value, end of period(b)	\$ 9.91	\$ 10.52	\$ 10.70	\$ 9.34	\$ 11.89
Market value, end of period(b)	\$ 8.95	\$ 9.39	\$ 9.87	\$ 10.04	\$ 12.87
<b>Total return at net asset value</b>	<b>2.79%</b>	<b>6.38%</b>	<b>26.13%</b>	<b>(10.54)%</b>	<b>(7.38)%</b>
<b>Total return at market value(c)</b>	<b>4.00%</b>	<b>2.94%</b>	<b>8.23%</b>	<b>(11.37)%</b>	<b>(20.28)%</b>
Ratios to average net assets of stockholders:					
Total expenses plus interest expense(d)(e)	2.41%	2.14%	2.10%	1.67%	1.33%
Net investment income available to stockholders	7.93%	7.88%	9.36%	11.23%	10.30%
Portfolio turnover rate	33%	29%	48%	24%	37%
Net assets, of common stockholders end of period (in thousands)	\$289,556	\$307,410	\$312,757	\$271,900	\$344,349
Total amount of debt outstanding (in thousands)	\$125,000	\$125,000	\$125,000	\$125,000	\$151,000
Asset coverage per \$1,000 of indebtedness	\$ 3,316	\$ 3,459	\$ 3,502	\$ 3,175	\$ 3,280

\* The amount of distributions made to stockholders during the period were in excess of the net investment income earned by the Fund during the period. The Fund has accumulated undistributed net investment income which is part of the Fund's NAV. A portion of the accumulated net investment income was distributed to stockholders during the period. 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) Net asset value and market value are published in Barron's on Saturday, The Wall Street Journal on Monday and The New York Times on Monday and Saturday.
- (c) Total investment return is calculated assuming a purchase of common shares at the current market value on the first day and a sale at the current 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.
- (d) Expense ratios do not reflect the effect of distribution payments to preferred stockholders.
- (e) Includes interest expense of 1.42%, 1.05%, 1.11%, 0.63%, and 0.38%, respectively.

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

## CHANGES OCCURRING DURING 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 investment objective is a high level of current income. The Fund may, as a secondary objective, also seek capital appreciation to the extent consistent with its investment objective. The Fund's investment objective is a fundamental policy 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. The Fund makes no assurance that it will realize its objective.

## PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the Fund invests at least 80% of its assets (net assets plus borrowing for investment purposes) in below investment grade ("high yield") debt securities, loans and preferred stocks. This is a non-fundamental policy and may be changed by the Board of Directors of the Fund provided that stockholders are provided with at least 60 days prior written notice of any change as required by the rules under the 1940 Act.

The Fund may invest in 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.

The Fund may invest in securities of issuers that are in default or that are in bankruptcy.

The Adviser considers both broad economic and issuer specific factors in selecting a portfolio designed to achieve the Fund's investment objective. In assessing the appropriate maturity, rating, sector and country weightings of the Fund's portfolio, the Adviser considers a variety of factors that are expected to influence economic activity and interest rates. These factors include fundamental economic indicators, such as the rates of economic growth and inflation, Federal Reserve monetary policy and the relative value of the U.S. dollar compared to other currencies. Once the Adviser

determines the preferable portfolio characteristics, 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 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's analysis of issuers may include, among other things, historic and current financial conditions, current and anticipated cash flow and borrowing requirements, value of assets in relation to historical costs, strength of management, responsiveness to business conditions, credit standing, and current and anticipated results of operations. While the Adviser considers as one factor in its credit analysis the ratings assigned by the rating services, the Adviser performs its own independent credit analysis of issuers and, consequently, the Fund may invest, without limit, in unrated securities. As a result, the Fund's ability to achieve its investment objective may depend to a greater extent on the Adviser's own credit analysis than investment companies which invest in higher rated securities.

In making these portfolio decisions, the Adviser relies on the knowledge, experience and judgment of its staff who have access to a wide variety of research. The Fund may continue to hold securities that are downgraded after the Fund purchases them and will sell such securities only if, in the adviser's judgment, it is advantageous to sell such securities.

**High yield securities.** The high yield securities in which the Fund invests are rated Ba or lower by Moody's or BB or lower by Standard & Poor's or are unrated but determined by the Adviser to be of comparable quality. Debt securities rated below investment grade 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 debt securities involve greater risk of loss, are subject to greater price volatility and are less liquid, especially during periods of economic uncertainty or change, than higher rated debt securities. An investment in the Fund may be speculative in that it involves a high degree of risk and should not constitute a complete investment program. For purposes of the Fund's credit quality policies, if a security receives different ratings from nationally recognized securities rating organizations, the Fund will use the rating chosen by the portfolio manager as most representative of the security's credit quality. The Fund's high yield 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 invests in high yield securities with a broad range of maturities.

**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. The Fund will not invest more than 50% of its total in convertible securities. Depending upon 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. Consistent with its objective and other investment policies, the Fund may also invest a portion of its assets in equity securities, including common stocks, depositary receipts, warrants, rights and other equity interests.

**Loans.** The Fund may invest a portion of its assets in loan participations and other direct claims against a borrower. The Fund considers corporate loans to be high yield debt instruments if the issuer has outstanding debt securities rated below investment grade or has no rated securities, and includes corporate loans in determining whether at least 80% of its assets are invested in high yield debt instruments. The corporate loans in which the Fund invests primarily consist of direct obligations of a borrower and may include debtor in possession financings pursuant to Chapter 11 of the U.S. Bankruptcy Code, obligations of a borrower issued in connection with a restructuring pursuant to Chapter 11 of the U.S. Bankruptcy Code, leveraged buy-out loans, leveraged recapitalization loans, receivables purchase facilities, and privately placed notes. The Fund may invest in a corporate loan at origination as a co-lender or by acquiring in the secondary market participations in, assignments of or novations of a corporate loan. By purchasing a participation, the Fund acquires some or all of the interest of a bank or other lending institution in a loan to a corporate or government borrower. The participations typically will result in the Fund having a contractual relationship only with the lender, not the borrower. The Fund will have the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the participation and only upon receipt by the lender of the payments from the borrower. Many such loans are secured, although some may be unsecured. Such loans may be in default at the time of purchase. Loans that are fully secured offer the Fund more protection than an unsecured loan in the event of non-payment of scheduled interest or principal. However, there is no assurance that the liquidation of collateral from a secured loan would satisfy the corporate borrower's obligation, or that the collateral can be liquidated. Direct debt instruments may involve a risk of loss in case of default or insolvency of the borrower and may offer less legal protection to the Fund in the event of fraud or misrepresentation. In addition, loan participations

involve a risk of insolvency of the lending bank or other financial intermediary. The markets in loans are not regulated by federal securities laws or the Securities and Exchange Commission (SEC).

As in the case of other high yield investments, such corporate loans may be rated in the lower rating categories of the established rating services (Ba or lower by Moody's or BB or lower by Standard & Poor's), or may be unrated investments considered by the Adviser to be of comparable quality. As in the case of other high yield investments, such corporate loans can be expected to provide higher yields than lower yielding, higher rated fixed income securities, but may be subject to greater risk of loss of principal and income. There are, however, some significant differences between corporate loans and high yield bonds. Corporate loan obligations are frequently secured by pledges of liens and security interests in the assets of the borrower, and the holders of corporate loans are frequently the beneficiaries of debt service subordination provisions imposed on the borrower's bondholders. These arrangements are designed to give corporate loan investors preferential treatment over high yield investors in the event of a deterioration in the credit quality of the issuer. Even when these arrangements exist, however, there can be no assurance that the borrowers of the corporate loans will repay principal and/or pay interest in full. Corporate loans generally bear interest at rates set at a margin above a generally recognized base lending rate that may fluctuate on a day-to-day basis, in the case of the prime rate of a U.S. bank, or which may be adjusted on set dates, typically 30 days but generally not more than one year, in the case of the London Interbank Offered Rate (LIBOR). Consequently, the value of corporate loans held by the Fund may be expected to fluctuate significantly less than the value of other fixed rate high yield instruments as a result of changes in the interest rate environment. On the other hand, the secondary dealer market for certain corporate loans may not be as well developed as the secondary dealer market for high yield bonds and, therefore, presents increased market risk relating to liquidity and pricing concerns.

**Distressed securities.** The Fund may invest up to 10% of its total assets in distressed securities, including corporate loans, which are the subject of bankruptcy proceedings or otherwise in default as to the repayment of principal and/or payment of interest at the time of acquisition by the Fund or are rated in the lower rating categories (Ca or lower by Moody's or CC or lower by Standard & Poor's) or which are unrated investments considered by the Adviser to be of comparable quality. Investment in distressed securities is speculative and involves significant risk. Distressed securities frequently do not produce income while they are outstanding and may require the Fund to bear certain extraordinary expenses in order to protect

and recover its investment. Therefore, to the extent the Fund seeks capital appreciation through investment in distressed securities, the Fund's ability to achieve current income for its stockholders may be diminished. The Fund also will be subject to significant uncertainty as to when and in what manner and for what value the obligations evidenced by the distressed securities will eventually be satisfied (e.g., through a liquidation of the obligor's assets, an exchange offer or plan of reorganization involving the distressed securities or a payment of some amount in satisfaction of the obligation). In addition, even if an exchange offer is made or a plan of reorganization is adopted with respect to distressed securities held by the Fund, there can be no assurance that the securities or other assets received by the Fund in connection with such exchange offer or plan of reorganization will not have a lower value or income potential than may have been anticipated when the investment was made. Moreover, any securities received by the Fund upon completion of an exchange offer or plan of reorganization may be restricted as to resale. As a result of the Fund's participation in negotiations with respect to any exchange offer or plan of reorganization with respect to an issuer of distressed securities, the Fund may be restricted from disposing of such securities.

**Preferred Shares.** The Fund may invest in preferred shares. Preferred shares 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.

**Non-U.S. investments.** While the Fund primarily invests in securities of U.S. issuers, the Fund may invest up to 25% of its total assets in securities of corporate and governmental issuers located outside the United States, including debt and equity securities of corporate issuers and debt securities of government issuers in developed and emerging markets. Non-U.S. securities may be issued by non-U.S. governments, banks or corporations, or private issuers, and certain supranational organizations, such as the World Bank and the European Union. The Fund considers emerging market issuers to include issuers organized under the laws of an emerging market country, issuers with a principal office in an emerging market country, issuers that derive at least 50% of their gross revenues or profits from goods or services produced in emerging market countries or sales made in emerging market countries, or issuers that have at least 50% of their assets in emerging market countries and emerging market governmental issuers. Emerging markets generally will include, but not be limited to, countries



included in the Morgan Stanley Capital International (MSCI) Emerging + Frontier Markets Index.

**Illiquid securities.** The Fund may invest in bonds, corporate loans, convertible securities, preferred stocks and other securities that lack a secondary trading market or are otherwise considered illiquid. Liquidity of a security relates to the ability to easily dispose of the security and the price to be obtained upon disposition of the security, which may be less than would be obtained for a comparable more liquid security. The Fund may invest up to 50% of its total assets in investments that are not readily marketable, and it may also invest in securities that are subject to contractual restrictions on resale. Such investments may affect the Fund's ability to realize the net asset value in the event of a voluntary or involuntary liquidation of its assets.

**Structured securities.** The Fund may invest in structured securities. The value of the principal and/or interest on such securities is determined by reference to changes in the value of specific currencies, interest rates, commodities, indices or other financial indicators (Reference) or the relative change in two or more References. The interest rate or the principal amount payable upon maturity or redemption may be increased or decreased depending upon changes in the Reference. The terms of the structured securities may provide in certain circumstances that no principal is due at maturity and, therefore, may result in a loss of the Fund's investment. Changes in the interest rate or principal payable at maturity may be a multiple of the changes in the value of the Reference. Consequently, structured securities may entail a greater degree of market risk than other types of fixed income securities.

**Mortgage-backed securities.** The Fund may invest in mortgage-backed and asset-backed securities. Mortgage-backed securities may be issued by private issuers, by government-sponsored entities such as the Federal National Mortgage Association ("FNMA") or Federal Home Loan Mortgage Corporation ("FHLMC") or by agencies to the U.S. government such as the Government National Mortgage Corporation ("GNMA"). Mortgage-backed securities represent direct or indirect participation in, or are collateralized by and payable from, mortgage loans secured by real property. The Fund's investments in mortgage-related securities may include mortgage derivatives and structured securities.

The Fund may invest in mortgage pass-through certificates and multiple-class pass-through securities, and mortgage derivative securities such as real estate mortgage investment conduits (REMIC) pass-through certificates, collateralized mortgage obligations (CMOs) and stripped mortgage-backed securities (SMBS), interest only mortgage-backed

securities and principal only mortgage-backed securities and other types of mortgage-backed securities that may be available in the future. A mortgage-backed security is an obligation of the issuer backed by a mortgage or pool of mortgages or a direct interest in an underlying pool of mortgages. Some mortgage-backed securities, such as CMOs, make payments of both principal and interest at a variety of intervals; others make semiannual interest payments at a predetermined rate and repay principal at maturity (like a typical bond). Mortgage-backed securities are based on different types of mortgages including those on commercial real estate or residential properties. Mortgage-backed securities often have stated maturities of up to thirty years when they are issued, depending upon the length of the mortgages underlying the securities. In practice, however, unscheduled or early payments of principal and interest on the underlying mortgages may make the securities' effective maturity shorter than this, and the prevailing interest rates may be higher or lower than the current yield of the Fund's portfolio at the time the Fund receives the payments for reinvestment. Mortgage-backed securities may have less potential for capital appreciation than comparable fixed income securities, due to the likelihood of increased prepayments of mortgages as interest rates decline. If the Fund buys mortgage-backed securities at a premium, mortgage foreclosures and prepayments of principal by mortgagors (which may be made at any time without penalty) may result in some loss of the Fund's principal investment to the extent of the premium paid. The value of mortgage-backed securities may also change due to shifts in the market's perception of issuers. In addition, regulatory or tax changes may adversely affect the mortgage securities markets as a whole. Non-governmental mortgage-backed securities may offer higher yields than those issued by government entities but also may be subject to greater price changes than governmental issues.

**Asset-backed securities.** The Fund may invest in asset-backed securities. 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 asset-backed securities may include derivative and structured securities. The Fund may invest in asset-backed securities issued by special entities, such as Fund, that are backed by a pool of financial assets. The Fund may invest in collateralized debt obligations (CDOs), which include collateralized bond obligations (CBOs), collateralized loan obligations (CLOs) and other similarly structured securities. A CDO is a fund backed by a pool of fixed income securities. The Fund typically is split into two or more portions, called tranches, which vary in credit quality, yield, credit support and right to repayment of principal and interest. Lower tranches pay higher interest rates but represent lower degrees of

credit quality and are more sensitive to the rate of defaults in the pool of obligations. Certain CDOs may use derivatives, such as credit default swaps, to create synthetic exposure to assets rather than holding such assets directly.

**REITs.** REITs primarily invest in income producing real estate or real estate related loans or interests. REITs are generally classified as equity REITs, mortgage REITs or a combination of equity and mortgage REITs. Equity REITs invest the majority of their assets directly in real property and derive income primarily from the collection of rents. Equity REITs can also realize capital gains by selling properties that have appreciated in value. Mortgage REITs invest the majority of their assets in real estate mortgages and derive income from the collection of interest payments. REITs are not taxed on income distributed to stockholders provided they comply with the applicable requirements of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code). The Fund will in some cases indirectly bear its proportionate share of any management and other expenses paid by REITs in which it invests in addition to the expenses paid by the Fund. Debt securities issued by REITs are, for the most part, general and unsecured obligations and are subject to risks associated with REITs.

**U.S. government securities.** U.S. government securities in which the Fund invests include debt obligations of varying maturities issued by the U.S. Treasury or issued or guaranteed by an agency or instrumentality of the U.S. government, including the Federal Housing Administration, Federal Financing Bank, Farmers Home Administration, Export-Import Bank of the United States, Small Business Administration, Government National Mortgage Association (GNMA), General Services Administration, Central Bank for Cooperatives, Federal Farm Credit Banks, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), Maritime Administration, Tennessee Valley Authority, District of Columbia Armory Board, Student Loan Marketing Association, Resolution Fund Corporation and various institutions that previously were or currently are part of the Farm Credit System (which has been undergoing reorganization since 1987). Some U.S. government securities, such as U.S. Treasury bills, Treasury notes and Treasury bonds, which differ only in their interest rates, maturities and times of issuance, are supported by the full faith and credit of the United States. Others are supported by: (i) the right of the issuer to borrow from the U.S. Treasury, such as securities of the Federal Home Loan Banks; (ii) the discretionary authority of the U.S. government to purchase the agency's obligations, such as securities of the FNMA; or (iii) only the credit of the issuer. No assurance can be given that the U.S. government will provide financial support in the future to U.S. government agencies, authorities or

instrumentalities that are not supported by the full faith and credit of the United States. Securities guaranteed as to principal and interest by the U.S. government, its agencies, authorities or instrumentalities include:

(i) securities for which the payment of principal and interest is backed by an irrevocable letter of credit issued by the U.S. government or any of its agencies, authorities or instrumentalities; and (ii) participations in loans made to non-U.S. governments or other entities that are so guaranteed. The secondary market for certain of these participations is limited and, therefore, may be regarded as illiquid.

**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.

**Investments in equity securities.** Consistent with its objective, the Fund may invest in equity securities. Equity securities, such as common stock, generally represent an ownership interest in a company. While equity securities have historically generated higher average returns than fixed income securities, equity securities have also experienced significantly more volatility in those returns. An adverse event, such as an unfavorable earnings report, may depress the value of a particular equity security held by the Fund. Also, the price of equity securities, particularly common stocks, are sensitive to general movements in the stock market. A drop in the stock market may depress the price of equity securities held by the Fund.

**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."

**Other investments.** Normally, the Fund will invest substantially all of its assets to meet its investment objectives. The Fund may invest the remainder of its assets in securities with remaining maturities of less than one year or cash equivalents, or it may hold cash. For temporary defensive purposes, the Fund may depart from its principal investment strategies and invest part or all of its assets in securities with remaining maturities of less than one year or cash equivalents, or it may hold cash. During such periods, the Fund may not be able to achieve its investment objectives.

**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.

**Mortgage dollar rolls.** The Fund may enter into mortgage dollar roll transactions to earn additional income. In these transactions, the Fund sells a U.S. agency mortgage-backed security and simultaneously agrees to repurchase at a future date another U.S. agency mortgage-backed security with the same interest rate and maturity date, but generally backed by a different pool of mortgages. The Fund loses the right to receive interest and principal payments on the security it sold. However, the Fund benefits from the interest earned on investing the proceeds of the sale and may receive a fee or a lower repurchase price. The benefits from these transactions depend upon the Adviser's ability to forecast mortgage prepayment patterns on different mortgage pools. The Fund may lose money if, during the period between the time it agrees to the forward purchase of the mortgage securities and the settlement date, these securities decline in value due to market conditions or prepayments on the underlying mortgages.

**Insurance-linked securities.** The Fund may invest in insurance-linked securities (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 securities issued by 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. The Fund may invest in interests in pooled entities that invest primarily in ILS.

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.

**Other debt securities.** The Fund may invest in other debt securities. 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.

**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.

**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 Common Shares risk.** The Fund's Common Shares have traded both at a premium and at a discount to its net asset value. The last reported sale price, as of May 9, 2024 was \$7.52 per share. The Fund's net asset value per share and percentage discount to net asset value per share

of its Common Shares as of May 9, 2024 were \$8.15 and 7.73%, respectively. There is no assurance the Fund's Common Shares will not continue to trade at a discount.

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, 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.

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 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 Investments in real estate related securities.** Investments in real estate securities are affected by economic conditions, interest rates, governmental actions and other factors. In addition, investing in REITs involves unique risks. They are significantly affected by the market for real estate and are dependent upon management skills and cash flow. REITs may have lower trading volumes and may be subject to more abrupt or erratic price movements than the overall securities markets. Mortgage REITs are particularly subject to interest rate and credit risks. In addition to its own expenses, the Fund will indirectly bear its proportionate share of any management and other expenses paid by REITs in which it invests. Many real estate companies, including REITs, utilize leverage.

**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 stockholder 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 financials segment, such as banks, insurance companies, broker-dealers and real estate investment trusts (REITs), may be sensitive to changes in interest rates, credit rating downgrades, decreased liquidity in credit markets, 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 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 and the rules and interpretive positions of the SEC thereunder.
- (2) Borrow money, other than as permitted by the 1940 Act and the rules and interpretive positions of the SEC thereunder.
- (3) Invest in real estate, except that 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 and mortgage-backed securities.
- (4) Make loans, except by the purchase of debt obligations, loans or direct claim against a borrower, by entering into repurchase agreements or through the lending of portfolio securities.

(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) Act as an underwriter, except as it may be deemed to be an underwriter in a sale of restricted securities held in its portfolio.

(7) With respect to 75% of its total assets, purchase securities of an issuer (other than the U.S. government, its agencies or instrumentalities), 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.

(8) Concentrate its investments in securities of companies in any particular industry.

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.

### **More Information**

For more detailed descriptions of the Fund's investment policies, strategies and risks, see the Fund's registration statement on Form N-2 that was declared effective by the Securities and Exchange Commission on November 19, 2021. The information in this report supersedes the information in the Fund's registration statement to the extent there is any inconsistency.

## 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 reflects the Fund's continued use of leverage through borrowings under a credit agreement as of March 31, 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 March 31, 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)	31.15%
Annual effective interest rate payable by Fund on borrowings	6.37%
Annual return Fund portfolio must experience (net of expenses) to cover interest rate on borrowings	1.98%
Common share total return for (10.00)% assumed portfolio total return	(17.41)%
Common share total return for (5.00)% assumed portfolio total return	(10.14)%
Common share total return for 0.00% assumed portfolio total return	(2.88)%
Common share total return for 5.00% assumed portfolio total return	4.38%
Common share total return for 10.00% assumed portfolio total return	11.64%

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 I Director since 2006. 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 II 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 III 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

## 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>Benjamin M. Friedman (79)</b> Director	Class III 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 I 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)



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 (67)</b> Director	Class II 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

## 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>Fred J. Ricciardi (77)</b> Director	Class I 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 II 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 III 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 officers or directors 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 I Director from 2003 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 2003. 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 (58)</b> Assistant Treasurer	Since 2002. 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

## Fund Officers (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 Officer During At Least The Past Five Years
<b>Gary Sullivan (65)</b> Assistant Treasurer	Since 2002. 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 (41)</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

# 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:**

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**Account Information**

1-800-710-0935

## **Or write to EQ:**

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### **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 advisor 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>.**

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# Amundi

**ASSET MANAGEMENT**

Amundi Asset Management US, Inc.

60 State Street

Boston, MA 02109

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