

# Manning & Napier Fund, Inc.

## High Yield Bond Series



December 31, 2025

### Overall Morningstar Ranking (Class I)

★★★★★

MNHAX received a 5-Star Overall Rating out of 584 High Yield Bond funds, based on risk adjusted returns derived from a weighted average of the Fund's 3-, 5- and 10-year Morningstar metrics.

See next page for additional details

### Investment Objective

To provide a high level of long-term total return by investing principally in non-investment grade fixed income securities that are issued by corporate and government entities.

### Investment Strategy

A bottom-up approach is used to uncover securities with stable and/or improving fundamentals and, just as importantly, prevent purchasing or holding onto securities whose fundamentals are deteriorating (including risk of default).

- Typically 50 - 100 holdings
- Position size of ~1.5% to 2%
- No maturity or duration limits; expected duration: 3 to 6 years
- 0% - 20% investment-grade securities
- 80% - 100% high yield securities
- U.S. dollar-denominated securities only

### Portfolio Managers

Name	Experience
Marc Bushallow, CFA®	23 years industry 19 years Firm
Keith Harwood	27 years industry 27 years Firm
Scott Friedman, CFA®	21 years industry 16 years Firm

### Risk Statistics (Since Inception)

	ICE BofA HY	
	Class I	Cash Pay
Alpha	1.20%	--
Beta	0.88	--
Standard Deviation	6.41%	6.95%
Sharpe Ratio	0.91	0.77
Up Mkt Capture	93.75%	--
Down Mkt Capture	81.84%	--

### Credit Quality Distribution

	Series	ICE BofA HY Cash Pay
BBB	7.46%	1.82%
BB	40.73%	46.24%
B	36.59%	39.38%
CCC	3.89%	11.78%
D	0.09%	0.01%
NR	11.25%	0.25%

### Fund Information

	Ticker	Cusip	Inception	Minimum Investment	Gross Expenses	Net Expenses
Class Z	MHYZX	56382R241	03/01/2019	\$1,000,000	0.48%	0.48%
Class I	MNHAX	56382P195	08/01/2012	\$1,000,000	0.59%	0.59%
Class S	MNHYX	56382P583	09/14/2009	\$2,000	0.91%	0.91%

Minimum investment may be waived for Class Z and I in certain qualified retirement plans and discretionary investment accounts of the Advisor.

Minimum Investment may be waived for Class S in certain qualified retirement plans, participants in an automatic investment program, and discretionary investment accounts of the Advisor.

Net expenses for Class Z and I reflect the Advisor's contractual agreement to limit its fees and reimburse certain expenses. The contractual waiver may not be amended or terminated without the prior approval of the Fund's Board of Directors. Class Z shares do not make payments to financial intermediaries.

Expenses for Class S includes a 12b-1 fee of 0.25%, of which up to 0.25% is available as a shareholder servicing fee.

### Annualized Performance

	QTR	YTD	1Y	3Y	5Y	10Y	Inception (09/14/2009)
Class Z	1.33%	7.02%	7.02%	10.23%	6.50%	7.34%	7.12%
Class I	1.30%	6.89%	6.89%	10.08%	6.38%	7.33%	7.18%
Class S	1.31%	6.65%	6.65%	9.79%	6.11%	7.06%	6.95%
ICE BofA HY Cash Pay	1.33%	8.49%	8.49%	9.92%	4.46%	6.42%	6.70%

Performance data quoted represents past performance and does not guarantee future results. Performance for periods greater than one year is annualized. The investment return and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than that quoted; investors can obtain the most recent month-end performance at [www.manning-napier.com](http://www.manning-napier.com) or by calling (800) 466-3863.

Class Z and Class I since inception performance is based on the High Yield Bond Series Class S inception of 09/14/2009. For periods through 03/01/2019 (the inception date of the Class Z shares) and 08/01/2012 (the inception date of the Class I shares), performance for the Class Z and Class I shares is based on the historical performance of the Class S shares. Because the Class Z and Class I shares invest in the same portfolio of securities as the Class S shares, performance will be different only to the extent that the Class S shares have a higher expense ratio.

### 30-Day SEC Yield (as of 12/31/2025)

	Yield
Class I	7.15%

If fees had not been waived, the 30-day SEC Yield (as of 12/31/2025) would have been 7.15% for Class I.

### Sector Allocation (%)

	Series	ICE BofA HY Cash Pay
Mortgages	--	--
Corporate Credit	98.90%	99.75%
Non-US Govt & Supranational Credit	--	--
Municipals	--	--
Securitized Credit	0.22%	--
US Agency	--	0.03%
US Treasury	--	--
Preferred	--	--
Cash and Equivalents	-0.39%	--
Other	1.27%	0.22%

### A Word About Risk

All investments involve risks, including possible loss of principal. There is an inverse relationship between bond prices and interest rates; as interest rates rise, bond prices (and therefore the value of bond funds) fall. Likewise, as interest rates fall, bond prices and the value of bond funds rise. Investments in higher-yielding, lower-rated securities involve additional risks, including a higher risk of default and loss of principal. Investments in derivatives can be highly volatile and involve risks in addition to the risks of the underlying instrument on which the derivative is based, such as counterparty, correlation and liquidity risk. Also, the use of leverage increases exposure to the market and may magnify potential losses.

# Manning & Napier Fund, Inc.

## High Yield Bond Series



December 31, 2025

### Fund Characteristics

	Series
Average Effective Duration	3.08y
Average Effective Maturity	3.73y
Fund Assets (\$M)	\$1.4B
Number of Holdings	86
Annual Turnover	96%
5 Yr Avg Turnover	124%

### Industry Breakdown (%)

	Series	ICE BofA HY Cash Pay
Consumer Discretionary	5.57	11.32
Consumer Goods	5.25	3.62
Energy	8.58	11.06
Financials	30.00	10.65
Health Care	10.92	8.31
Industrials	23.24	26.75
Real Estate	5.82	3.92
Tech, Media, Telecom	7.40	20.41
Utility	3.61	3.96
Cash and Equivalents	-0.39	--

### Fund Commentary

Despite a volatile start to the year driven by heightened trade policy uncertainty, global markets finished 2025 on strong footing. Equity markets capped a third consecutive year of double-digit gains, while fixed income delivered solid high single-digit returns. Market performance was underpinned by resilient consumer spending, sustained investment tied to artificial intelligence and digital infrastructure, and an easing monetary policy backdrop that supported risk assets.

Within fixed income markets, short- and intermediate-term bonds outperformed both for the quarter and the full year, benefiting from declining yields at the front end of the curve. In contrast, longer-duration bonds posted more modest gains as long-term yields drifted higher amid persistent uncertainty around economic growth and inflation.

Credit overall was broadly positive for both the quarter and the year, however, there were some differences along credit quality lines within high yield markets. Specifically, CCC and Below rated securities experienced the weakest returns as they are generally more susceptible to negative investor sentiment and market volatility than their higher quality counterparts.

The High Yield Series experienced positive absolute returns for the quarter but slightly underperformed on a relative basis due to negative selection. Taking a look at the portfolio, Accendra Health (previously known as Owens & Minor) was the largest detractor to relative returns. Accendra Health is currently undergoing a shift where they divested their Products and Health Care Services (P&HS) segment, which distributes medical and surgical supplies to healthcare customers, to become a pure play home-based care business. While they received less than expected from the divestiture, negatively impacting its price, P&HS is ultimately a low margin business, and we believe its sale will allow the company to focus on its other, more profitable business, Patient Direct, which provides home medical equipment.

During the quarter, we found a handful of idiosyncratic opportunities where we found valuations attractive, including U.S./UK concrete pumping and waste management service provider Brundage Bone Concrete Pumping and Australian coal producer Futura. Conversely, we sold out of offshore drilling company Borr Drilling and broadband communications provider Cable One. While we continue to like the structure of Borr's debt (purchased under our cyclical strategy), we do not view the current energy dynamics and pricing attractive for offshore drilling contractors and thus decided to exit our position. With respect to Cable One, the company reported earnings that were below our expectations and higher than expected subscriber losses. Furthermore, the company is facing increasing competition which may cause them to enter a promotional phase in order to attract customers. Given these dynamics, we felt it was prudent to exit the position but will continue to monitor the company should things change.

The Series continues to have a notable overweight to Financial Services, however, it is diversified across industries such as litigation finance, student loans, consumer debt receivables, trading platforms, brokerage firms, mortgage originators, etc. Additionally, we maintain selective investment-grade exposure in the portfolio, driven by compelling individual opportunities (strong companies trading at attractive valuations relative to both the broader investment-grade and high-yield markets).

### Definitions

**Alpha:** A measure of an investment's performance relative to a benchmark index. It represents the excess return of an investment compared to the return of the benchmark.

**Beta:** A measure of an investment's volatility relative to the overall market.

**Standard Deviation:** A statistical measure of the dispersion of returns for a given investment. It quantifies the amount of variation or volatility from the average return.

**Sharpe Ratio:** A measure of risk-adjusted return, calculated by subtracting the risk-free rate from the investment's return and then dividing by its standard deviation.

**Duration:** A measure of the sensitivity of a fixed income security's price to changes in interest rates. It indicates the expected life of the security and how much its price will change with a 1% change in interest rates. Securities with shorter durations are generally less affected by interest rate changes than those with longer durations.

**For more information about any of the Manning & Napier Fund, Inc. Series, you may obtain a prospectus at [www.manning-napier.com](http://www.manning-napier.com) or by calling (800) 466-3863. Before investing, carefully consider the objectives, risks, charges and expenses of the investment and read the prospectus carefully as it contains this and other information about the investment company.**

The data presented in the commentary is for informational purposes only. It is not to be considered a specific recommendation. Analysis: Manning & Napier. Investments will change over time.

The "Other" category contains securities such as ETFs and others that cannot otherwise be classified. Portfolio Composition data for the Series (excluding SEC yield) provided by FactSet. Portfolio turnover provided by Morningstar. Industry Breakdown is provided by Bloomberg. Cash allocation may vary slightly given the different sources of data. Investments will change over time.

Manning & Napier Fund, Inc. High Yield Bond Series I was rated against Intermediate High Yield Bond funds and had a 4 star rating for the three year, a 5 star rating for the five year, a 5 star rating for the ten year, and a 5 star rating overall, as of 12/31/2025, out of 584, 548, 445, and 584 funds respectively. Ratings for other share classes may differ. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36 - 59 months of total returns, 60% five-year rating/40% three-year rating for 60 - 119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Morningstar, Inc. is a global investment research firm providing data, information, and analysis of stocks and mutual funds. ©2026 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied, adapted or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information, except where such damages or losses cannot be limited or excluded by law in your jurisdiction. Past financial performance is no guarantee of future results.

**Credit quality ratings:** are measured on a scale that generally ranges from AAA (highest) to D (lowest). Not Rated (NR) is used to classify securities for which a rating is not available. Credit quality ratings reflect the median of Moody's Investors Services and Standard & Poor's ratings. Data obtained from Bloomberg.

The Intercontinental Exchange (ICE) Bank of America (BofA) U.S. Cash Pay High Yield Index (Benchmark) tracks the performance of U.S. dollar denominated below investment grade corporate debt, currently in a coupon paying period, issued in the U.S. domestic market. Qualifying securities must have at least one year remaining term to final maturity as of the rebalancing date, at least 18 months to final maturity at the time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$250 million. The Index returns do not reflect any fees or expenses. Index returns provided by Intercontinental Exchange (ICE). Index data referenced herein is the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its third party suppliers and has been licensed for use by Manning & Napier. ICE Data and its third party suppliers accept no liability in connection with its use. Data provided is not a representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and none of these parties shall have any liability for any errors, omissions, or interruptions of any index or the data included therein. For additional disclosure information, please see: <https://go.manning-napier.com/benchmark-provisions>.

**NOTE: The High Yield Bond Series is closed to most new investors. For eligibility criteria, refer to the prospectus.**

The Manning & Napier Fund, Inc. is managed by Manning & Napier Advisors, LLC. Manning & Napier Investor Services, Inc., an affiliate of Manning & Napier Advisors, LLC, is the distributor of the Fund shares.