

# Small Cap Composite

As of September 30, 2020



## OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than our estimate of intrinsic value.

## INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. We seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality.
- Investments are sold when the stock price reaches our estimate of intrinsic value, our estimate of intrinsic value is revised such that there is no longer a discount to intrinsic value, a holding reaches our stated maximum position size, or to raise proceeds for a more attractive opportunity.

## TEAM

Aaron Monroe, CFA  
Portfolio Manager

Chris Welch, CFA  
Portfolio Manager

## PORTFOLIO GUIDELINES

- Typically 50–80 positions
- Maximum position size is 7%
- Top 10 holdings are typically greater than 25% of net assets
- Maximum industry exposure is 20%
- Maximum sector exposure is 30%

## Market Capitalization

The portfolio typically invests in companies with a market capitalization below \$3.0 billion (or, if greater, the maximum market capitalization of companies generally within the capitalization range of the Russell 2000 Index) at the time of purchase.

## TOP TEN EQUITY HOLDINGS

Vail Resorts, Inc.	Cons. Discretionary	5.1%
Sterling Bancorp	Financials	4.1
Cal-Maine Foods, Inc.	Consumer Staples	3.9
CubeSmart	Real Estate	3.9
Red Rock Resorts, Inc. (CI A)	Cons. Discretionary	3.8
Bank OZK	Financials	3.6
Live Nation Entertainment, Inc.	Communication Services	3.6
WNS Holdings Ltd.	Info. Technology	3.5
Enstar Group Ltd.	Financials	3.3
Colfax Corp.	Industrials	2.8
<b>Total as % of Net Assets</b>		<b>37.4%</b>
<b>Total number of equity holdings</b>		<b>54</b>

This is presented as supplemental information.

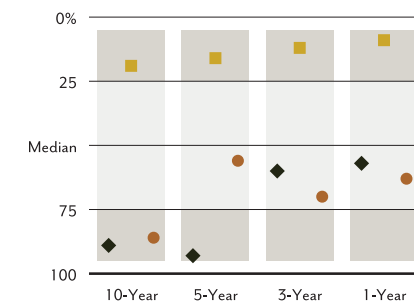
## SECTOR ALLOCATION

	SMALL CAP COMPOSITE	RUSSELL 2000 INDEX	RUSSELL 2000 VALUE INDEX
Financials	24.2%	14.8%	26.6%
Industrials	17.5	15.2	16.8
Cons. Discretionary	16.9	13.5	13.3
Consumer Staples	10.1	3.4	3.7
Info. Technology	6.6	13.5	6.0
Real Estate	5.5	6.6	9.9
Materials	4.1	4.0	5.6
Communication Services	3.6	2.3	2.4
Utilities	3.1	3.2	5.0
Health Care	3.1	21.6	6.9
Energy	1.1	1.9	3.9
Cash & Other <sup>1</sup>	4.1	0.0	0.0

This is presented as supplemental information.

<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

## PEER GROUP QUARTILE RANKINGS<sup>2</sup>



Diamond Hill Percentile: 89th 93rd 60th 57th

- ◆ Diamond Hill Small Cap Composite
- Russell 2000 Index
- Russell 2000 Value Index

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: December 31, 2000

	SINCE INCEPTION	10-YR	5-YR	3-YR	1-YR	YTD	3Q20
SMALL CAP COMPOSITE							
Gross of Fees	9.51	6.72	1.55	-4.43	-14.10	-20.66	6.21
Net of Fees	8.65	5.88	0.74	-5.19	-14.80	-21.15	6.01
BENCHMARKS							
Russell 2000 Index	7.36	9.85	8.00	1.77	0.39	-8.69	4.93
Russell 2000 Value Index	7.08	7.09	4.11	-5.13	-14.88	-21.54	2.56

<sup>2</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. Small Cap Value Equity universe based on monthly returns gross of fees. Ranking data calculated on 10/14/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.

PORTFOLIO CHARACTERISTICS VS. BENCHMARK<sup>3</sup>

	SMALL CAP COMPOSITE	RUSSELL 2000 INDEX	RUSSELL 2000 VALUE INDEX
Median Forward P/E	21.8x	17.3x	14.7x
Median Trailing P/E	29.0x	17.7x	13.9x
Weighted Average Dividend Yield	1.9%	1.6%	2.9%
Median Price / Book	1.5x	1.8x	1.2x
Median Price / Sales	1.4x	1.8x	1.4x
Median Market Cap.	\$3.0B	\$0.6B	\$0.5B
Weighted Average Market Cap.	\$4.2B	\$2.3B	\$1.8B
Portfolio Turnover (5-Year)	20%	—	—
Active Share <sup>4</sup> vs. Core <sup>5</sup> / Value <sup>6</sup> Benchmark	98% / 97%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Core Benchmark <sup>5</sup>	85% / 81%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Value Benchmark <sup>6</sup>	91% / 85%	—	—

<sup>3</sup> This is presented as supplemental information. Source: FactSet.

<sup>4</sup> Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

<sup>5</sup> The Russell 2000 Index is the core benchmark.

<sup>6</sup> The Russell 2000 Value Index is the value benchmark.

<sup>7</sup> Source: eVestment based on monthly returns (gross of fees) from 1/1/01 – 9/30/20.

## CALENDAR YEAR RETURNS (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
SMALL CAP COMPOSITE										
Gross of Fees	24.76	-5.90	14.32	41.64	5.97	-2.44	15.61	12.05	-14.03	22.92
Net of Fees	23.77	-6.63	13.43	40.55	5.17	-3.22	14.70	11.16	-14.73	21.96
BENCHMARKS										
Russell 2000 Index	26.85	-4.18	16.35	38.82	4.89	-4.41	21.31	14.65	-11.01	25.52
Russell 2000 Value Index	24.50	-5.50	18.05	34.52	4.22	-7.47	31.74	7.84	-12.86	22.39

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. DHCM has been independently verified for the period 5/31/00 - 6/30/20. DHCM's current verification firm is ACA Compliance Group. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. In addition the Small Cap Composite has received a Performance Examination from 12/31/00 - 6/30/20. The verification and performance exam reports are available upon request. DHCM is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The Small Cap Composite is comprised of discretionary fee paying non-wrap accounts managed according to the firm's Small Cap equity strategy. The strategy's investment objective is to achieve long-term capital appreciation by investing in small capitalization companies selling for less than our estimate of intrinsic value. The composite typically invests in small capitalization companies with a market capitalization between \$100 million and \$3 billion (or, if greater, the maximum market capitalization of companies generally within the capitalization range of the Russell 2000 Index) at the time of purchase. The composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Russell 2000 Index is the primary benchmark. This index is an unmanaged market capitalization-weighted index measuring the performance of the 2,000 smallest companies, on a market capitalization basis, in the Russell 3000 Index. The Russell 2000 Value Index is shown as additional information. This index is an unmanaged market capitalization-weighted index measuring the performance of the small cap value segment of the U.S. equity universe including those Russell 2000 Index companies with lower expected growth values. The Russell 3000 Index is an unmanaged market capitalization-weighted index measuring the performance of the 3,000 largest U.S. companies based on total market-capitalization. See [diamond-hill.com/disclosures](http://diamond-hill.com/disclosures) for a full copy of the disclaimer. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for Small Cap separate accounts is as follows: First \$20,000,000 = 0.90%; Over \$20,000,000 = 0.80%. The dispersion measure is the asset weighted standard deviation of the annual portfolio returns. Only portfolios represented in the composite for the entire year are included in the calculation. The calculation is not performed if the composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future results.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: London Stock Exchange Group PLC. See [diamond-hill.com/disclosures](http://diamond-hill.com/disclosures) for a full copy of the disclaimer.

AS OF YEAR-END	DHCM	SMALL CAP COMPOSITE				3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)		
		Assets Under Management	Number of Accounts	Assets Under Management	Dispersion (Gross of Fees)	Small Cap Composite	Russell 2000 Index	Russell 2000 Value Index
2019	\$23.4B	5 or fewer	\$752.9M	NA <sup>9</sup>	14.20%	15.71%	15.68%	
2018	19.1B	5 or fewer	1.0B	NA <sup>9</sup>	12.11	15.79	15.76	
2017	22.3B	5 or fewer	1.5B	NA <sup>9</sup>	9.44	13.91	13.97	
2016	19.4B	5 or fewer	1.8B	NA <sup>9</sup>	10.65	15.76	15.50	
2015	16.8B	5 or fewer	1.7B	NA <sup>9</sup>	10.58	13.96	13.46	
2014	15.7B	6	1.5B	0.03%	10.62	13.12	12.79	
2013	12.2B	7	1.4B	0.74	13.63	16.45	15.82	
2012	9.4B	16	911.6M	0.20	15.71	20.20	19.89	
2011	8.7B	16	910.2M	0.11	21.46	24.99	26.05	
2010	8.6B	19	938.0M	0.24	NA <sup>10</sup>	NA <sup>10</sup>	NA <sup>10</sup>	

<sup>9</sup> NA = Not Applicable

<sup>10</sup> Statistics are not presented because the 3-year annualized standard deviations are not required prior to 2011. This composite was created in October 2013.

Side Two. Not Valid Without Side One.

BEST & WORST PERFORMERS<sup>8</sup>

SECURITY NAME	3Q20 CONTRIBUTION	POSITION AS OF 3Q20
<b>Best</b>		
Red Rock Resorts, Inc. (CI A)	1.3%	3.8%
Mr. Cooper Group, Inc.	1.0	2.1
Hanesbrands, Inc.	0.7	2.3
CubeSmart	0.7	3.9
Vail Resorts, Inc.	0.7	5.1
<b>Worst</b>		
Kirby Corp.	-0.9%	1.2%
Cal-Maine Foods, Inc.	-0.5	3.9
Natus Medical, Inc.	-0.4	1.6
South Jersey Industries, Inc.	-0.4	1.8
Sterling Bancorp	-0.4	4.1

<sup>8</sup> This is presented as supplemental information. Source: FactSet. It should not be assumed that an investment in the securities identified was or will be profitable. The holdings identified do not represent all of the securities purchased, sold, or recommended for the adviser's clients. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, contact 855.255.8955 or [info@diamond-hill.com](mailto:info@diamond-hill.com).

# Small-Mid Cap Composite

(closed to new investors)

As of September 30, 2020



## OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than our estimate of intrinsic value.

## INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. We seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality.
- Investments are sold when the stock price reaches our estimate of intrinsic value, our estimate of intrinsic value is revised such that there is no longer a discount to intrinsic value, a holding reaches our stated maximum position size, or to raise proceeds for a more attractive opportunity.

## TEAM

Chris Welch, CFA  
Portfolio Manager

## PORTFOLIO GUIDELINES

- Typically 50-70 positions
- Maximum position size is 7%
- Top 10 holdings are typically greater than 25% of net assets
- Maximum industry exposure is 20%
- Maximum sector exposure is 30%

## Market Capitalization

The portfolio typically invests in small- and mid-capitalization companies defined as those companies with a market capitalization between \$500 million and \$10 billion (or if greater, the maximum market capitalization of companies generally within the capitalization range of the Russell 2500 Index), at the time of purchase.

## TOP TEN EQUITY HOLDINGS

Post Holdings, Inc.	Consumer Staples	4.3%
CubeSmart	Real Estate	3.5
Sensata Technologies Holding PLC	Industrials	3.1
NVR, Inc.	Cons. Discretionary	2.9
BorgWarner, Inc.	Cons. Discretionary	2.9
Colfax Corp.	Industrials	2.7
Vail Resorts, Inc.	Cons. Discretionary	2.5
Red Rock Resorts, Inc. (CIA)	Cons. Discretionary	2.4
UGI Corp.	Utilities	2.3
Cal-Maine Foods, Inc.	Consumer Staples	2.3
<b>Total as % of Net Assets</b>		<b>28.9%</b>
<b>Total number of equity holdings</b>		<b>59</b>

This is presented as supplemental information.

## SECTOR ALLOCATION

	SMALL-MID CAP COMPOSITE	RUSSELL 2500 INDEX	RUSSELL 2500 VALUE INDEX
Financials	22.1%	13.2%	19.7%
Industrials	18.9	15.2	17.8
Cons. Discretionary	17.3	12.8	13.3
Consumer Staples	8.9	3.4	3.6
Real Estate	7.9	8.1	12.0
Info. Technology	5.0	17.1	8.6
Utilities	3.9	3.1	4.5
Materials	3.4	5.3	6.8
Health Care	2.7	16.8	7.0
Communication Services	1.2	3.1	3.5
Energy	1.2	1.9	3.2
Cash & Other <sup>1</sup>	7.4	0.0	0.0

This is presented as supplemental information.

<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds. Includes a 1.2% investment in the Diamond Hill Short Duration Securitized Bond Strategy.

## PEER GROUP QUARTILE RANKINGS<sup>2</sup>



Diamond Hill Percentile: 34th 63rd 42nd 50th

◆ Diamond Hill Small-Mid Cap Composite  
■ Russell 2500 Index  
● Russell 2500 Value Index

<sup>2</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. Small-Mid Cap Value Equity universe based on monthly returns gross of fees. Ranking data calculated on 10/14/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: December 31, 2005

	SINCE INCEPTION	10-YR	5-YR	3-YR	1-YR	YTD	3Q20
SMALL-MID CAP COMPOSITE							
Gross of Fees	7.99	9.61	4.58	-1.19	-10.86	-17.21	6.57
Net of Fees	7.20	8.85	3.83	-1.90	-11.50	-17.66	6.39
BENCHMARKS							
Russell 2500 Index	7.93	10.81	8.97	4.45	2.22	-5.82	5.88
Russell 2500 Value Index	5.79	8.01	4.65	-2.69	-12.62	-18.39	3.54

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.

PORTFOLIO CHARACTERISTICS VS. BENCHMARK<sup>3</sup>

	SMALL-MID CAP COMPOSITE	RUSSELL 2500 INDEX	RUSSELL 2500 VALUE INDEX
Median Forward P/E	20.3x	18.2x	15.9x
Median Trailing P/E	20.5x	18.8x	16.3x
Weighted Average Dividend Yield	1.8%	1.7%	2.7%
Median Price / Book	1.6x	1.9x	1.4x
Median Price / Sales	1.4x	1.8x	1.5x
Median Market Cap.	\$4.3B	\$1.0B	\$0.9B
Weighted Average Market Cap.	\$6.2B	\$5.3B	\$4.8B
Portfolio Turnover (5-Year)	27%	—	—
Active Share <sup>4</sup> vs. Core <sup>5</sup> / Value <sup>6</sup> Benchmark	96% / 93%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Core Benchmark <sup>5</sup>	91% / 92%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Value Benchmark <sup>6</sup>	97% / 90%	—	—

<sup>3</sup> This is presented as supplemental information. Source: FactSet.

<sup>4</sup> Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

<sup>5</sup> The Russell 2500 Index is the core benchmark.

<sup>6</sup> The Russell 2500 Value Index is the value benchmark.

<sup>7</sup> Source: eVestment based on monthly returns (gross of fees) from 1/1/06 – 9/30/20.

## CALENDAR YEAR RETURNS (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
SMALL-MID CAP COMPOSITE										
Gross of Fees	24.74	-2.96	16.93	43.32	8.42	2.44	19.30	9.64	-11.71	28.84
Net of Fees	23.72	-3.62	16.19	42.39	7.69	1.76	18.47	8.86	-12.35	27.94
BENCHMARKS										
Russell 2500 Index	26.71	-2.51	17.88	36.80	7.07	-2.90	17.59	16.81	-10.00	27.77
Russell 2500 Value Index	24.82	-3.36	19.21	33.32	7.11	-5.49	25.20	10.36	-12.36	23.56

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. DHCM has been independently verified for the period 5/31/00 - 6/30/20. DHCM's current verification firm is ACA Compliance Group. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. In addition the Small-Mid Cap Composite has received a Performance Examination from 12/31/05 - 6/30/20. The verification and performance exam reports are available upon request. DHCM is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The Small-Mid Cap Composite is comprised of discretionary fee paying non-wrap accounts managed according to the firm's Small-Mid Cap equity strategy. The strategy's investment objective is to achieve long-term capital appreciation by investing in small and medium capitalization companies selling for less than our estimate of intrinsic value. The composite typically invests in small and medium capitalization companies which are defined as those companies with a market capitalization between \$500 million and \$10 billion (or, if greater, the maximum market capitalization of companies generally within the capitalization range of the Russell 2500 Index) at the time of purchase. The composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Russell 2500 Index is the primary benchmark. This index is an unmanaged market capitalization-weighted index measuring the performance of the 2,500 smallest companies, on a market capitalization basis, in the Russell 3000 Index. The Russell 2500 Value Index is shown as additional information. This index is an unmanaged market capitalization-weighted index measuring the performance of the small and midcap value segment of the U.S. equity universe including those Russell 2500 Index companies with lower expected growth values. The Russell 3000 Index is an unmanaged market capitalization-weighted index measuring the performance of the 3,000 largest U.S.

BEST & WORST PERFORMERS<sup>8</sup>

SECURITY NAME	3Q20 CONTRIBUTION	POSITION AS OF 3Q20
<b>Best</b>		
Mr. Cooper Group, Inc.	1.0%	1.8%
Red Rock Resorts, Inc. (CIA)	0.9	2.4
Hanesbrands, Inc.	0.7	2.2
CubeSmart	0.6	3.5
NVR, Inc.	0.6	2.9
<b>Worst</b>		
Kirby Corp.	-0.8%	2.2%
South Jersey Industries, Inc.	-0.3	1.6
W.R. Grace & Co.	-0.3	1.2
Cal-Maine Foods, Inc.	-0.3	2.3
Douglas Emmett, Inc.	-0.2	1.2

<sup>8</sup> This is presented as supplemental information. Source: FactSet. It should not be assumed that an investment in the securities identified was or will be profitable. The holdings identified do not represent all of the securities purchased, sold, or recommended for the adviser's clients. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, contact 855.255.8955 or info@diamond-hill.com.

AS OF YEAR-END	DHCM	SMALL-MID CAP COMPOSITE			3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)		
		Assets Under Management	Number of Accounts	Dispersion (Gross of Fees)	Small-Mid Cap Composite	Russell 2500 Index	Russell 2500 Value Index
2019	\$23.4B	10	\$3.0B	0.11%	13.55%	14.58%	14.23%
2018	19.1B	14	2.5B	0.04	11.90	14.10	13.58
2017	22.3B	16	3.2B	0.10	9.97	12.13	11.81
2016	19.4B	18	3.0B	0.05	11.25	13.67	13.17
2015	16.8B	12	1.9B	0.17	11.09	12.42	12.02
2014	15.7B	11	1.1B	0.13	11.20	11.67	11.25
2013	12.2B	9	586.7M	0.39	14.51	15.63	15.07
2012	9.4B	6	233.7M	0.10	16.13	18.97	18.41
2011	8.7B	6	189.2M	0.05	24.12	23.40	24.23
2010	8.6B	6	97.2M	0.16	NA <sup>9</sup>	NA <sup>9</sup>	NA <sup>9</sup>

<sup>9</sup> Statistics are not presented because the 3-year annualized standard deviations are not required prior to 2011. This composite was created in October 2013.

companies based on total market capitalization. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for Small-Mid Cap separate accounts is as follows: First \$20,000,000 = 0.85%; Over \$20,000,000 = 0.75%. The dispersion measure is the asset weighted standard deviation of the annual portfolio returns. Only portfolios represented in the composite for the entire year are included in the calculation. The calculation is not performed if the composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future results.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: London Stock Exchange Group PLC. See diamond-hill.com/disclosures for a full copy of the disclaimer.

Side Two. Not Valid Without Side One.

# Mid Cap Composite

As of September 30, 2020



## OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than our estimate of intrinsic value.

## INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. We seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality.
- Investments are sold when the stock price reaches our estimate of intrinsic value, our estimate of intrinsic value is revised such that there is no longer a discount to intrinsic value, a holding reaches our stated maximum position size, or to raise proceeds for a more attractive opportunity.

## TEAM

Chris Welch, CFA  
Portfolio Manager

Chris Bingaman, CFA  
Asst. Portfolio Manager

## PORTFOLIO GUIDELINES

- Typically 40–60 positions
- Maximum position size is 7%
- Top 10 holdings are typically greater than 25% of net assets
- Maximum industry exposure is 20%
- Maximum sector exposure is 30%

## Market Capitalization

The portfolio typically invests at least 80% of its net assets in medium market capitalization companies, defined as those companies with a market capitalization between \$1.5 billion and \$20 billion (or, if greater, the maximum market capitalization of companies generally within the capitalization range of the Russell Midcap Index) at the time of purchase.

## TOP TEN EQUITY HOLDINGS

Post Holdings, Inc.	Consumer Staples	4.1%
Loews Corp.	Financials	3.8
CubeSmart	Real Estate	3.5
NVR, Inc.	Cons. Discretionary	3.0
BorgWarner, Inc.	Cons. Discretionary	2.9
Colfax Corp.	Industrials	2.7
First Republic Bank	Financials	2.7
Parker-Hannifin Corp.	Industrials	2.6
Sensata Technologies Holding PLC	Industrials	2.6
Check Point Software Technologies Ltd.	Info. Technology	2.6
<b>Total as % of Net Assets</b>		<b>30.3%</b>
<b>Total number of equity holdings</b>		<b>56</b>

This is presented as supplemental information.

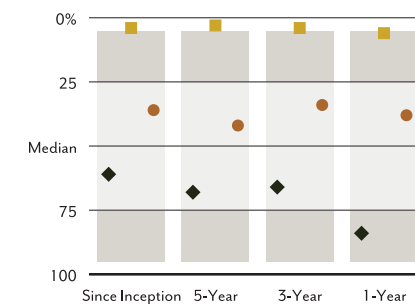
## SECTOR ALLOCATION

	MID CAP COMPOSITE	RUSSELL MIDCAP INDEX	RUSSELL MIDCAP VALUE INDEX
Financials	24.4%	10.7%	14.8%
Cons. Discretionary	16.9	11.7	12.0
Industrials	15.6	15.5	17.4
Consumer Staples	8.7	4.3	4.4
Real Estate	8.1	7.1	10.4
Info. Technology	7.2	19.3	9.6
Utilities	3.7	5.8	9.0
Materials	3.4	5.3	7.1
Health Care	2.2	13.4	7.9
Communication Services	1.2	4.6	4.1
Energy	0.9	2.3	3.4
Cash & Other <sup>1</sup>	7.5	0.0	0.0

This is presented as supplemental information.

<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds. Includes a 0.2% investment in the Diamond Hill Short Duration Securitized Bond Strategy.

## PEER GROUP QUARTILE RANKINGS<sup>2</sup>



Diamond Hill Percentile: 61st 68th 66th 84th

- ◆ Diamond Hill Mid Cap Composite
- Russell Midcap Index
- Russell Midcap Value Index

<sup>2</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. Mid Cap Value Equity universe based on monthly returns gross of fees. Ranking data calculated on 10/14/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: December 31, 2013

	SINCE INCEPTION	5-YR	3-YR	1-YR	YTD	3Q20
MID CAP COMPOSITE						
Gross of Fees	4.70	4.71	-1.25	-14.24	-19.20	6.52
Net of Fees	4.09	4.12	-1.77	-14.66	-19.49	6.39
BENCHMARKS						
Russell Midcap Index	8.43	10.13	7.13	4.55	-2.35	7.46
Russell Midcap Value Index	5.59	6.38	0.82	-7.30	-12.84	6.40

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.



PORTFOLIO CHARACTERISTICS VS. BENCHMARK<sup>3</sup>

	MID CAP COMPOSITE	RUSSELL MIDCAP INDEX	RUSSELL MIDCAP VALUE INDEX
Median Forward P/E	18.6x	22.5x	20.7x
Median Trailing P/E	18.2x	25.0x	23.1x
Weighted Average Dividend Yield	1.9%	1.8%	2.5%
Median Price / Book	1.7x	2.9x	2.3x
Median Price / Sales	1.6x	2.4x	1.9x
Median Market Cap.	\$6.2B	\$7.7B	\$7.0B
Weighted Average Market Cap.	\$11.2B	\$17.1B	\$15.3B
Portfolio Turnover (5-Year)	33%	—	—
Active Share <sup>4</sup> vs. Core <sup>5</sup> / Value <sup>6</sup> Benchmark	95% / 93%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Core Benchmark <sup>5</sup>	90% / 108%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Value Benchmark <sup>6</sup>	100% / 104%	—	—

<sup>3</sup> This is presented as supplemental information. Source: FactSet.

<sup>4</sup> Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

<sup>5</sup> The Russell Midcap Index is the core benchmark.

<sup>6</sup> The Russell Midcap Value Index is the value benchmark.

<sup>7</sup> Source: eVestment based on monthly returns (gross of fees) from 1/1/14 – 9/30/20.

## CALENDAR YEAR RETURNS (%)

	2014	2015	2016	2017	2018	2019
MID CAP COMPOSITE						
Gross of Fees	8.83	1.62	19.62	11.30	-9.55	26.73
Net of Fees	8.13	0.95	18.86	10.65	-10.09	26.12
BENCHMARKS						
Russell Midcap Index	13.22	-2.44	13.80	18.52	-9.06	30.54
Russell Midcap Value Index	14.75	-4.78	20.00	13.34	-12.29	27.06

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. DHCM has been independently verified for the period 5/31/00 - 6/30/20. DHCM's current verification firm is ACA Compliance Group. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The verification report(s) is/are available upon request. DHCM is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The Mid Cap Composite is comprised of discretionary, fee-paying, non-wrap accounts managed according to the firm's Mid Cap equity strategy. The strategy's investment objective is to achieve long-term capital appreciation by investing in medium market capitalization companies selling for less than our estimate of intrinsic value. Medium market capitalization companies are defined as those companies with a market capitalization between \$1.5 and \$20 billion (or, if greater, the maximum market capitalization of companies generally within the capitalization range of the Russell Midcap Index) at the time of purchase. The composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Russell Midcap Index is the primary benchmark. This index is an unmanaged market capitalization-weighted index measuring the performance of the 800 smallest companies, on a market capitalization basis, in the Russell 1000 Index. The Russell Midcap Value Index is shown as additional information. This index is an unmanaged market capitalization-weighted index measuring the performance of the mid cap value segment of the U.S. equity universe including those Russell Midcap Index companies with lower expected growth values. The Russell 1000 Index measures the performance of the largest 1,000 companies in the Russell 3000 Index. The Russell 3000 Index is an unmanaged market capitalization-weighted index measuring the performance of the 3,000 largest U.S. companies based on total market capitalization. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for Mid

AS OF YEAR-END	DHCM	MID CAP COMPOSITE			3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)		
		Assets Under Management	Number of Accounts	Assets Under Management	Dispersion (Gross of Fees)	Mid Cap Composite	Russell Midcap Index
2019	\$23.4B	5 or fewer	\$569.1M	NA <sup>9</sup>	13.22%	12.89%	12.79%
2018	19.1B	5 or fewer	143.5M	NA <sup>9</sup>	11.42	11.98	11.96
2017	22.3B	5 or fewer	129.6M	NA <sup>9</sup>	9.53	10.36	10.32
2016	19.4B	5 or fewer	58.8M	NA <sup>9</sup>	10.87	11.55	11.30
2015	16.8B	5 or fewer	18.6M	NA <sup>9</sup>	NA <sup>10</sup>	NA <sup>10</sup>	NA <sup>10</sup>
2014	15.7B	5 or fewer	16.3M	NA <sup>9</sup>	NA <sup>10</sup>	NA <sup>10</sup>	NA <sup>10</sup>

<sup>9</sup> NA = Not applicable

<sup>10</sup> Statistics are not presented because 36 monthly returns are not available. This composite was created in December 2013.

Side Two. Not Valid Without Side One.

BEST & WORST PERFORMERS<sup>8</sup>

SECURITY NAME	3Q20 CONTRIBUTION	POSITION AS OF 3Q20
<b>Best</b>		
Red Rock Resorts, Inc. (CI A)	0.9%	2.5%
Mr. Cooper Group, Inc.	0.7	1.3
CubeSmart	0.6	3.5
NVR, Inc.	0.6	3.0
Hanesbrands, Inc.	0.5	1.7
<b>Worst</b>		
Kirby Corp.	-0.8%	1.9%
South Jersey Industries, Inc.	-0.3	1.4
W.R. Grace & Co	-0.3	1.1
Douglas Emmett, Inc.	-0.2	1.2
American International Group, Inc.	-0.2	1.9

<sup>8</sup> This is presented as supplemental information. Source: FactSet. It should not be assumed that an investment in the securities identified do not represent all of the securities purchased, sold, or recommended for the adviser's clients. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, contact 855.255.8955 or info@diamond-hill.com.

# Large Cap Composite

As of September 30, 2020



## OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than our estimate of intrinsic value.

## INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. We seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality.
- Investments are sold when the stock price reaches our estimate of intrinsic value, our estimate of intrinsic value is revised such that there is no longer a discount to intrinsic value, a holding reaches our stated maximum position size, or to raise proceeds for a more attractive opportunity.

## TEAM

**Chuck Bath, CFA** Portfolio Manager  
**Austin Hawley, CFA** Portfolio Manager

**Matthew Stadelman, CFA** Senior Portfolio Specialist

## PORTFOLIO GUIDELINES

- Typically 40–60 positions
- Maximum position size is 7%
- Top 10 holdings are typically greater than 30% of net assets
- Maximum industry exposure is 20%
- Maximum sector exposure is 30%

## Market Capitalization

The portfolio typically invests in large capitalization companies with a market capitalization of \$5 billion or greater.

## TOP TEN EQUITY HOLDINGS

<b>Abbott Laboratories</b> Health Care	4.4%
<b>Berkshire Hathaway, Inc. (CI B)</b> Financials	3.7
<b>American International Group, Inc.</b> Financials	3.4
<b>Procter &amp; Gamble Co.</b> Consumer Staples	3.3
<b>PepsiCo, Inc.</b> Consumer Staples	3.1
<b>Mondelez International, Inc. (CI A)</b> Consumer Staples	3.0
<b>Walt Disney Co.</b> Communication Services	2.8
<b>Citigroup, Inc.</b> Financials	2.8
<b>KKR &amp; Co., Inc. (CI A)</b> Financials	2.7
<b>Charles Schwab Corp.</b> Financials	2.7
<b>Total as % of Net Assets</b>	<b>31.9%</b>
<b>Total number of equity holdings</b>	<b>51</b>

This is presented as supplemental information.

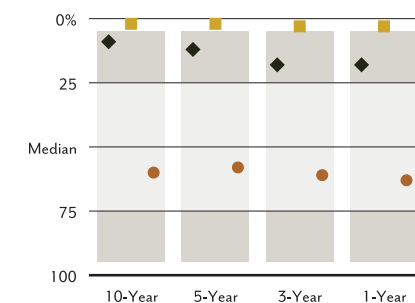
## SECTOR ALLOCATION

	LARGE CAP COMPOSITE	RUSSELL 1000 INDEX	RUSSELL 1000 VALUE INDEX
Financials	24.2%	9.6%	18.1%
Cons. Discretionary	15.0	12.3	7.6
Cons. Discretionary	15.0	12.3	7.6
Consumer Staples	14.0	6.5	8.4
Health Care	12.4	14.2	14.3
Communication Services	9.2	10.3	9.6
Industrials	8.1	8.6	13.1
Info. Technology	7.2	28.0	9.7
Info. Technology	7.2	28.0	9.7
Materials	3.0	2.7	4.7
Real Estate	2.3	3.1	4.6
Energy	1.9	1.9	4.0
Utilities	0.5	2.8	6.0
Cash & Other <sup>1</sup>	2.1	0.0	0.0

This is presented as supplemental information.

<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

## PEER GROUP QUARTILE RANKINGS<sup>2</sup>



Diamond Hill Percentile: 9th 12th 18th 18th

- ◆ Diamond Hill Large Cap Composite
- Russell 1000 Index
- Russell 1000 Value Index

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: June 30, 2001

	SINCE INCEPTION	10-YR	5-YR	3-YR	1-YR	YTD	3Q20
<b>LARGE CAP COMPOSITE</b>							
<b>Gross of Fees</b>	9.35	12.33	11.37	7.01	3.31	-4.55	9.88
<b>Net of Fees</b>	8.76	11.77	10.84	6.51	2.84	-4.88	9.76
<b>BENCHMARKS</b>							
<b>Russell 1000 Index</b>	7.75	13.76	14.09	12.38	16.01	6.40	9.47
<b>Russell 1000 Value Index</b>	6.33	9.95	7.66	2.63	-5.03	-11.58	5.59

<sup>2</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. Large Cap Value Equity universe based on monthly returns gross of fees. Ranking data calculated on 10/14/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.

PORTFOLIO CHARACTERISTICS VS. BENCHMARK<sup>3</sup>

	LARGE CAP COMPOSITE	RUSSELL 1000 INDEX	RUSSELL 1000 VALUE INDEX
Median Forward P/E	22.1x	22.8x	20.8x
Median Trailing P/E	23.8x	25.7x	23.5x
Weighted Average Dividend Yield	2.2%	1.7%	2.7%
Median Price / Book	3.8x	3.2x	2.5x
Median Price / Sales	3.0x	2.7x	2.1x
Median Market Cap.	\$70.1B	\$10.7B	\$9.1B
Weighted Average Market Cap.	\$127.9B	\$401.7B	\$112.7B
Portfolio Turnover (1-Year)	N/A	—	—
Active Share <sup>4</sup> vs. Core <sup>5</sup> / Value <sup>6</sup> Benchmark	83% / 76%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Core Benchmark <sup>5</sup>	103% / 96%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Value Benchmark <sup>6</sup>	107% / 93%	—	—

<sup>3</sup> This is presented as supplemental information. Source: FactSet.

<sup>4</sup> Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

<sup>5</sup> The Russell 1000 Index is the core benchmark.

<sup>6</sup> The Russell 1000 Value Index is the value benchmark.

<sup>7</sup> Source: eVestment based on monthly returns (gross of fees) from 7/1/01 – 9/30/20.

## CALENDAR YEAR RETURNS (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
LARGE CAP COMPOSITE										
Gross of Fees	10.61	3.60	13.35	37.79	11.59	-0.18	15.27	21.09	-8.81	32.96
Net of Fees	10.00	3.11	12.79	37.06	10.98	-0.71	14.71	20.50	-9.25	32.35
BENCHMARKS										
Russell 1000 Index	16.10	1.50	16.42	33.11	13.24	0.92	12.05	21.69	-4.78	31.43
Russell 1000 Value Index	15.51	0.39	17.51	32.53	13.45	-3.83	17.34	13.66	-8.27	26.54

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. DHCM has been independently verified for the period 5/31/00 - 6/30/20. DHCM's current verification firm is ACA Compliance Group. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. In addition the Large Cap Composite has received a Performance Examination from 6/30/01 - 6/30/20. The verification and performance exam reports are available upon request. DHCM is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The Large Cap Composite is comprised of discretionary fee paying non-wrap accounts managed according to the firm's Large Cap equity strategy. The strategy's investment objective is to achieve long-term capital appreciation by investing in large capitalization companies selling for less than our estimate of intrinsic value. The composite typically invests in large-capitalization companies, which are defined as companies with a market capitalization of \$5 billion or greater. However, the composite can invest in companies with a market capitalization as low as \$2.5 billion. The composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Russell 1000 Index is the primary benchmark. This index is an unmanaged market capitalization-weighted index measuring the performance of the 1,000 largest companies, on a market capitalization basis, in the Russell 3000 Index. The Russell 1000 Value Index is shown as additional information. This index is an unmanaged market capitalization-weighted index measuring the performance of the large cap value segment of the U.S. equity universe including those Russell 1000 Index companies with lower expected growth values. The Russell 3000 Index is an unmanaged market capitalization-weighted index measuring the performance of the 3,000 largest U.S. companies based on total market capitalization. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for Large Cap separate accounts is as follows: First \$20,000,000 = 0.60%; Over \$20,000,000 = 0.50%. The dispersion measure is the asset weighted standard deviation of the annual portfolio returns. Only portfolios represented in the composite for the entire year are included in the calculation. The calculation is not performed if the composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future result.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: London Stock Exchange Group PLC. See diamond-hill.com/disclosures for a full copy of the disclaimer.

AS OF YEAR-END	DHCM	LARGE CAP COMPOSITE			3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)		
		Assets Under Management	Number of Accounts	Assets Under Management (Gross of Fees)	Large Cap Composite	Russell 1000 Index	Russell 1000 Value Index
2019	\$23.4B	199	\$10.4B	0.19%	12.84%	12.05%	11.85%
2018	19.1B	199	8.0B	0.36	11.63	10.95	10.82
2017	22.3B	196	9.1B	0.12	11.36	9.97	10.20
2016	19.4B	185	7.1B	0.28	11.91	10.69	10.77
2015	16.8B	180	5.8B	0.30	11.83	10.48	10.68
2014	15.7B	155	5.8B	0.10	9.53	9.12	9.20
2013	12.2B	132	4.2B	0.24	12.48	12.26	12.70
2012	9.4B	135	3.7B	0.24	14.42	15.40	15.51
2011	8.7B	129	3.5B	0.21	18.88	18.95	20.69
2010	8.6B	123	3.2B	0.22	NA <sup>9</sup>	NA <sup>9</sup>	NA <sup>9</sup>

<sup>9</sup> Statistics are not presented because the 3-year annualized standard deviations are not required prior to 2011. This composite was created in October 2013.

Side Two. Not Valid Without Side One.

BEST & WORST PERFORMERS<sup>8</sup>

SECURITY NAME	3Q20 CONTRIBUTION	POSITION AS OF 3Q20
<b>Best</b>		
Abbott Laboratories	0.9%	4.4%
Berkshire Hathaway, Inc. (Cl B)	0.6	3.7
Procter & Gamble Co.	0.5	3.3
NVR, Inc.	0.5	2.4
Carrier Global Corp.	0.5	1.4
<b>Worst</b>		
Citigroup, Inc.	-0.5%	2.8%
Chevron Corp.	-0.4	1.9
American International Group, Inc.	-0.4	3.4
Gilead Sciences, Inc.	-0.2	1.2
L3Harris Technologies, Inc.	-0.1	1.2

<sup>8</sup> This is presented as supplemental information. Source: FactSet. It should not be assumed that an investment in the securities identified do not represent all of the securities purchased, sold, or recommended for the adviser's clients. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, contact 855.255.8955 or info@diamond-hill.com.



# Large Cap Concentrated Composite

As of September 30, 2020



## OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than our estimate of intrinsic value.

## INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. We seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality.
- Investments are sold when the stock price reaches our estimate of intrinsic value, our estimate of intrinsic value is revised such that there is no longer a discount to intrinsic value, a holding reaches our stated maximum position size, or to raise proceeds for a more attractive opportunity.

## TEAM

**Chuck Bath, CFA** Portfolio Manager  
**Austin Hawley, CFA** Portfolio Manager

**Matthew Stadelman, CFA** Senior Portfolio Specialist

## PORTFOLIO GUIDELINES

- Typically 20 positions
- Maximum position size is 10%
- Top 10 holdings are typically greater than 50% of net assets
- Maximum industry exposure is 25%
- Maximum sector exposure is 35%

## Market Capitalization

Holdings are derived from holdings in the Diamond Hill Large Cap strategy. The Large Cap strategy typically invests in large capitalization companies with a market capitalization of \$5 billion or greater.

## TOP TEN EQUITY HOLDINGS

<b>Abbott Laboratories</b> Health Care	8.3%
<b>Berkshire Hathaway, Inc. (CI B)</b> Financials	7.1
<b>American International Group, Inc.</b> Financials	6.2
<b>Mondelez International, Inc. (CI A)</b> Consumer Staples	5.8
<b>PepsiCo, Inc.</b> Consumer Staples	5.7
<b>Walt Disney Co.</b> Communication Services	5.3
<b>Citigroup, Inc.</b> Financials	5.0
<b>Charles Schwab Corp.</b> Financials	4.8
<b>Procter &amp; Gamble Co.</b> Consumer Staples	4.8
<b>KKR &amp; Co., Inc. (CI A)</b> Financials	4.6
<b>Total as % of Net Assets</b>	<b>57.6%</b>
<b>Total number of equity holdings</b>	<b>20</b>

This is presented as supplemental information.

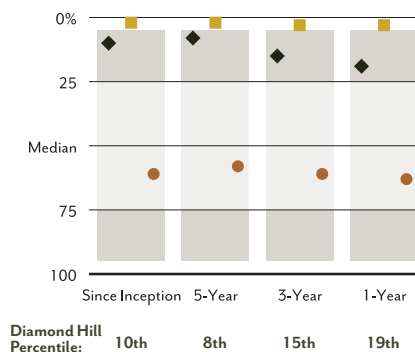
## SECTOR ALLOCATION

	LARGE CAP CONCENTRATED COMPOSITE	RUSSELL 1000 INDEX	RUSSELL 1000 VALUE INDEX
Financials	27.8%	9.6%	18.1%
Cons. Discretionary	16.6	12.3	7.6
Consumer Staples	16.3	6.5	8.4
Health Care	12.6	14.2	14.3
Communication Services	9.2	10.3	9.6
Info. Technology	7.9	28.0	9.7
Industrials	4.2	8.6	13.1
Energy	2.6	1.9	4.0
Real Estate	0.0	3.1	4.6
Utilities	0.0	2.8	6.0
Materials	0.0	2.7	4.7
Cash & Other <sup>1</sup>	2.9	0.0	0.0

This is presented as supplemental information.

<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

## PEER GROUP QUARTILE RANKINGS<sup>2</sup>



<sup>2</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. Large Cap Value Equity universe based on monthly returns gross of fees. Ranking data calculated on 10/14/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: December 31, 2011

	SINCE INCEPTION	5-YR	3-YR	1-YR	YTD	3Q20
<b>LARGE CAP CONCENTRATED COMPOSITE</b>						
<b>Gross of Fees</b>	12.40	11.90	7.32	3.03	-4.77	8.89
<b>Net of Fees</b>	11.99	11.59	6.80	2.56	-5.10	8.77
<b>BENCHMARKS</b>						
<b>Russell 1000 Index</b>	14.28	14.09	12.38	16.01	6.40	9.47
<b>Russell 1000 Value Index</b>	10.13	7.66	2.63	-5.03	-11.58	5.59

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.

PORTFOLIO CHARACTERISTICS VS. BENCHMARK<sup>3</sup>

	LARGE CAP CONCENTRATED COMPOSITE	RUSSELL 1000 INDEX	RUSSELL 1000 VALUE INDEX
Median Forward P/E	22.0x	22.8x	20.8x
Median Trailing P/E	25.6x	25.7x	23.5x
Weighted Average Dividend Yield	2.2%	1.7%	2.7%
Median Price / Book	3.2x	3.2x	2.5x
Median Price / Sales	2.7x	2.7x	2.1x
Median Market Cap.	\$78.7B	\$10.7B	\$9.1B
Weighted Average Market Cap.	\$122.5B	\$401.7B	\$112.7B
Portfolio Turnover (5-Year)	36%	—	—
Active Share <sup>4</sup> vs. Core <sup>5</sup> / Value <sup>6</sup> Benchmark	93% / 88%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Core Benchmark <sup>5</sup>	97% / 107%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Value Benchmark <sup>6</sup>	111% / 100%	—	—

<sup>3</sup> This is presented as supplemental information. Source: FactSet.

<sup>4</sup> Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

<sup>5</sup> The Russell 1000 Index is the core benchmark.

<sup>6</sup> The Russell 1000 Value Index is the value benchmark.

<sup>7</sup> Source: eVestment based on monthly returns (gross of fees) from 1/1/12 – 9/30/20.

## CALENDAR YEAR RETURNS (%)

	2012	2013	2014	2015	2016	2017	2018	2019
LARGE CAP CONCENTRATED COMPOSITE								
Gross of Fees	10.00	38.75	10.70	-0.59	19.17	19.27	-7.16	31.76
Net of Fees	9.74	37.22	10.62	-0.46	19.15	18.56	-7.63	31.18
BENCHMARKS								
Russell 1000 Index	16.42	33.11	13.24	0.92	12.05	21.69	-4.78	31.43
Russell 1000 Value Index	17.51	32.53	13.45	-3.83	17.34	13.66	-8.27	26.54

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Diamond Hill Capital Management Inc. (DHCM) has been independently verified for the periods 5/31/00 - 6/30/20. DHCM's current verification firm is ACA Compliance Group. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. In addition the Large Cap Concentrated Composite has received a Performance Examination from 12/31/11 - 6/30/20. The verification and performance exam reports are available upon request. DHCM is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The Large Cap Concentrated Composite is comprised of discretionary fee paying non-wrap accounts managed according to the firm's Large Cap Concentrated equity strategy. The strategy's investment objective is to achieve long-term capital appreciation by investing in large capitalization companies selling for less than our estimate of intrinsic value. Holdings are derived from holdings in the Diamond Hill Large Cap strategy. The Large Cap strategy typically invests in large-capitalization companies, which are defined as companies with a market capitalization of \$5 billion or greater. However, the Large Cap strategy can invest in companies with a market capitalization as low as \$2.5 billion. The composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Russell 1000 Index is the primary benchmark. This index is an unmanaged market capitalization-weighted index measuring the performance of the 1,000 largest companies, on a market capitalization basis, in the Russell 3000 Index. The Russell 1000 Value Index is shown as additional information. This index is an unmanaged market capitalization-weighted index measuring the performance of the large cap value segment of the U.S. equity universe including those Russell 1000 Index companies with lower expected growth values. The Russell 3000 Index is an unmanaged market capitalization-weighted index measuring the performance of the 3,000 largest U.S. companies based on total market capitalization. Our selection process may lead to portfolios that differ markedly from the benchmarks presented.

AS OF YEAR-END	DHCM	LARGE CAP CONCENTRATED COMPOSITE			3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)		
		Assets Under Management	Number of Accounts	Assets Under Management (Dispersion of Gross of Fees)	Large Cap Concentrated Composite	Russell 1000 Index	Russell 1000 Value Index
2019	\$23.4B	5 or fewer	\$27.7M	NA <sup>9</sup>	12.95%	12.05%	11.85%
2018	19.1B	5 or fewer	25.6M	NA <sup>9</sup>	12.34	10.95	10.82
2017	22.3B	5 or fewer	3.4M	NA <sup>9</sup>	12.41	9.97	10.20
2016	19.4B	5 or fewer	2.9M	NA <sup>9</sup>	12.77	10.69	10.77
2015	16.8B	5 or fewer	418.9M	NA <sup>9</sup>	12.07	10.48	10.68
2014	15.7B	5 or fewer	422.6M	NA <sup>9</sup>	9.29	9.12	9.20
2013	12.2B	5 or fewer	382.3M	NA <sup>9</sup>	NA <sup>10</sup>	NA <sup>10</sup>	NA <sup>10</sup>
2012	9.4B	5 or fewer	275.9M	NA <sup>9</sup>	NA <sup>10</sup>	NA <sup>10</sup>	NA <sup>10</sup>

<sup>9</sup> NA = Not applicable

<sup>10</sup> Statistics are not presented because 36 monthly returns are not available.

This composite was created in December 2011.

Side Two. Not Valid Without Side One.

BEST & WORST PERFORMERS<sup>8</sup>

SECURITY NAME	3Q20 CONTRIBUTION	POSITION AS OF 3Q20
<b>Best</b>		
Abbott Laboratories	1.6%	8.3%
Berkshire Hathaway, Inc. (CI B)	1.2	7.1
NVR, Inc.	1.0	4.4
Procter & Gamble Co.	0.8	4.8
Facebook, Inc. (CI A)	0.8	0.0
<b>Worst</b>		
Citigroup, Inc.	-0.9%	5.0%
American International Group, Inc.	-0.8	6.2
Chevron Corp.	-0.6	2.6
MetLife, Inc.	0.0	0.0
Charter Communications, Inc. (CI A)	0.1	3.9

<sup>8</sup> This is presented as supplemental information. Source: FactSet. It should not be assumed that an investment in the securities identified was or will be profitable. The holdings identified do not represent all of the securities purchased, sold, or recommended for the adviser's clients. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, contact 855.255.8955 or info@diamond-hill.com.

Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for Large Cap separate accounts is as follows: First \$20,000,000 = 0.65%; Over \$20,000,000 = 0.55%. The dispersion measure is the asset weighted standard deviation of the annual portfolio returns. Only portfolios represented in the composite for the entire year are included in the calculation. The calculation is not performed if the composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future results.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: London Stock Exchange Group PLC. See diamond-hill.com/disclosures for a full copy of the disclaimer.

# All Cap Select Composite

As of September 30, 2020



## OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than our estimate of intrinsic value.

## INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. We seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality.
- Investments are sold when the stock price reaches our estimate of intrinsic value, our estimate of intrinsic value is revised such that there is no longer a discount to intrinsic value, a holding reaches our stated maximum position size, or to raise proceeds for a more attractive opportunity.
- More concentrated and broader market capitalization strategy.

## TEAM

Austin Hawley, CFA  
Portfolio Manager

Rick Snowdon, CFA  
Portfolio Manager

## PORTFOLIO GUIDELINES

- Typically 30–40 positions
- Maximum position size is 7%
- Top 10 holdings are typically greater than 35% of net assets
- Maximum industry exposure is 20%
- Maximum sector exposure is 35%

## Market Capitalization

The portfolio typically invests in companies with a market capitalization greater than \$500 million.

## TOP TEN EQUITY HOLDINGS

Mr. Cooper Group, Inc.	Financials	6.5%
WESCO International, Inc.	Industrials	6.4
Hanesbrands, Inc.	Cons. Discretionary	6.1
Berkshire Hathaway, Inc. (Cl B)	Financials	6.1
American International Group, Inc.	Financials	5.5
KKR & Co., Inc. (Cl A)	Financials	4.3
Cal-Maine Foods, Inc.	Consumer Staples	4.3
Red Rock Resorts, Inc. (Cl A)	Cons. Discretionary	3.6
Kirby Corp.	Industrials	3.4
Seaboard Corp.	Consumer Staples	3.4
<b>Total as % of Net Assets</b>		<b>49.5%</b>
<b>Total number of equity holdings</b>		<b>32</b>

This is presented as supplemental information.

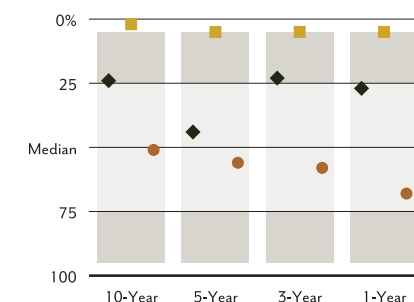
## SECTOR ALLOCATION

	ALL CAP SELECT COMPOSITE	RUSSELL 3000 INDEX	RUSSELL 3000 VALUE INDEX
Financials	31.0%	9.9%	18.6%
Industrials	19.5	9.0	13.3
Cons. Discretionary	17.0	12.3	7.9
Consumer Staples	13.0	6.3	8.1
Info. Technology	6.3	27.2	9.5
Materials	4.6	2.8	4.8
Utilities	2.1	2.8	5.9
Health Care	1.9	14.6	13.9
Communication Services	1.2	9.8	9.2
Real Estate	0.0	3.3	4.9
Energy	0.0	1.9	4.0
Cash & Other <sup>1</sup>	3.6	0.0	0.0

This is presented as supplemental information.

<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

## PEER GROUP QUARTILE RANKINGS<sup>2</sup>



Diamond Hill Percentile: 24th 44th 23rd 27th

- ◆ Diamond Hill All Cap Select Composite
- Russell 3000 Index
- Russell 3000 Value Index

<sup>2</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. All Cap Value Equity universe based on monthly returns gross of fees. Ranking data calculated on 10/15/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: June 30, 2000

	SINCE INCEPTION	10-YR	5-YR	3-YR	1-YR	YTD	3Q20
ALL CAP SELECT COMPOSITE							
Gross of Fees	10.03	11.41	8.10	5.50	1.90	-7.40	12.25
Net of Fees	9.30	10.76	7.46	4.84	1.20	-7.90	12.06
BENCHMARKS							
Russell 3000 Index	6.53	13.48	13.69	11.65	15.00	5.41	9.21
Russell 3000 Value Index	6.61	9.75	7.43	2.11	-5.67	-12.23	5.42

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.

PORTFOLIO CHARACTERISTICS VS. BENCHMARK<sup>3</sup>

	ALL CAP SELECT COMPOSITE	RUSSELL 3000 INDEX	RUSSELL 3000 VALUE INDEX
Median Forward P/E	18.8x	19.7x	17.2x
Median Trailing P/E	23.8x	21.2x	18.1x
Weighted Average Dividend Yield	1.7%	1.7%	2.7%
Median Price / Book	1.8x	2.2x	1.5x
Median Price / Sales	1.3x	2.0x	1.6x
Median Market Cap.	\$7.7B	\$1.5B	\$1.4B
Weighted Average Market Cap.	\$45.7B	\$379.3B	\$106.4B
Portfolio Turnover (5-Year)	73%	—	—
Active Share <sup>4</sup> vs. Core <sup>5</sup> / Value <sup>6</sup> Benchmark	96% / 93%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Core Benchmark <sup>5</sup>	111% / 96%	—	—
Upside / Downside Capture Ratio <sup>7</sup> vs. Value Benchmark <sup>6</sup>	112% / 96%	—	—

<sup>3</sup> This is presented as supplemental information. Source: FactSet.

<sup>4</sup> Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

<sup>5</sup> The Russell 3000 Index is the core benchmark.

<sup>6</sup> The Russell 3000 Value Index is the value benchmark.

<sup>7</sup> Source: eVestment based on monthly returns (gross of fees) from 7/1/00 – 9/30/20.

## CALENDAR YEAR RETURNS (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
ALL CAP SELECT COMPOSITE										
Gross of Fees	11.51	-0.58	12.70	45.86	12.59	-0.47	10.83	21.26	-11.19	31.92
Net of Fees	10.74	-1.21	12.00	45.11	12.05	-1.02	10.22	20.60	-11.74	31.14
BENCHMARKS										
Russell 3000 Index	16.93	1.03	16.42	33.55	12.56	0.48	12.74	21.13	-5.24	31.02
Russell 3000 Value Index	16.23	-0.10	17.55	32.69	12.70	-4.13	18.40	13.19	-8.58	26.26

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. DHCM has been independently verified for the period 5/31/00 - 6/30/20. DHCM's current verification firm is ACA Compliance Group. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. In addition the All Cap Select Composite has received a Performance Examination from 6/30/00 - 6/30/20. The verification and performance exam reports are available upon request. DHCM is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The All Cap Select Composite is comprised of discretionary fee paying non-wrap accounts managed according to the firm's All Cap Select equity strategy. The strategy's investment objective is to achieve long-term capital appreciation by investing in companies selling for less than our estimate of intrinsic value. The strategy typically invests in securities with a market capitalization of \$500 million or greater. The strategy's Adviser anticipates that each of the strategy's investments will also be held in one of the other Diamond Hill strategies. The composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Russell 3000 Index is the primary benchmark. This index is an unmanaged market capitalization-weighted index measuring the performance of the 3,000 largest U.S. companies based on total market capitalization. The Russell 3000 Value Index is shown as additional information. This index is an unmanaged market capitalization-weighted index measuring the performance of the broad value segment of the U.S. equity universe including those Russell 3000 Index companies with lower expected growth values. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for All Cap Select separate accounts is as follows: First \$20,000,000 = 0.80%; Over \$20,000,000 = 0.70%. The dispersion measure is the asset weighted standard deviation of the annual portfolio returns. Only portfolios represented in the composite for the entire year are included in the calculation. The calculation is not performed if the composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future results.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: London Stock Exchange Group PLC. See diamond-hill.com/disclosures for a full copy of the disclaimer.

AS OF YEAR-END	DHCM	ALL CAP SELECT COMPOSITE			3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)		
		Assets Under Management	Number of Accounts	Assets Under Management (Gross of Fees)	All Cap Select Composite	Russell 3000 Index	Russell 3000 Value Index
2019	\$23.4B	14	\$423.0M	0.30%	15.30%	12.21%	12.01%
2018	19.1B	13	310.7M	0.10	13.45	11.18	11.05
2017	22.3B	12	332.3M	0.16	11.85	10.09	10.33
2016	19.4B	13	324.6M	0.28	12.03	10.88	10.97
2015	16.8B	13	466.5M	0.16	11.66	10.58	10.74
2014	15.7B	13	374.9M	0.07	10.55	9.29	9.36
2013	12.2B	14	277.8M	0.24	13.39	12.53	12.90
2012	9.4B	18	227.2M	0.16	14.48	15.73	15.81
2011	8.7B	26	284.9M	0.42	18.81	19.35	21.04
2010	8.6B	28	189.0M	0.48	NA <sup>9</sup>	NA <sup>9</sup>	NA <sup>9</sup>

<sup>9</sup> Statistics are not presented because the 3-year annualized standard deviations are not required prior to 2011. This composite was created in October 2013.

Side Two. Not Valid Without Side One.

BEST & WORST PERFORMERS<sup>8</sup>

SECURITY NAME	3Q20 CONTRIBUTION	POSITION AS OF 3Q20
<b>Best</b>		
Mr. Cooper Group, Inc.	3.9%	6.5%
Hanesbrands, Inc.	2.0	6.1
WESCO International, Inc.	1.5	6.4
Red Rock Resorts, Inc. (CI A)	1.4	3.6
Berkshire Hathaway, Inc. (CI B)	1.1	6.1
<b>Worst</b>		
Kirby Corp.	-1.2%	3.4%
American International Group, Inc.	-0.6	5.5
Cal-Maine Foods, Inc.	-0.6	4.3
Citigroup, Inc.	-0.4	1.9
Copa Holdings S.A. (CI A)	-0.2	0.0

<sup>8</sup> This is presented as supplemental information. Source: FactSet. It should not be assumed that an investment in the securities identified was or will be profitable. The holdings identified do not represent all of the securities purchased, sold, or recommended for the adviser's clients. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, contact 855.255.8955 or info@diamond-hill.com.

# Global Composite

As of September 30, 2020



## OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than our estimate of intrinsic value.

## INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. We seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality.
- Investments are sold when the stock price reaches our estimate of intrinsic value, our estimate of intrinsic value is revised such that there is no longer a discount to intrinsic value, a holding reaches our stated maximum position size, or to raise proceeds for a more attractive opportunity.

## TEAM

Grady Burkett, CFA  
Portfolio Manager

## PORTFOLIO GUIDELINES

- Typically 40-60 positions
- Maximum sector exposure is 35%
- Minimum U.S. exposure is 30%
- Minimum non-U.S. exposure is 30%
- Maximum emerging market exposure is 20%

### Market Capitalization

The portfolio typically invests in securities with a market cap of \$5 billion or greater.

## TOP TEN EQUITY HOLDINGS

<b>Berkshire Hathaway, Inc. (CI B)</b> Financials	5.8%
<b>American International Group, Inc.</b> Financials	4.7
<b>Red Rock Resorts, Inc. (CI A)</b> Cons. Discretionary	4.3
<b>Diageo PLC</b> Consumer Staples	4.2
<b>Howden Joinery Group PLC</b> Industrials	4.0
<b>Scor SE</b> Financials	3.6
<b>EssilorLuxottica S.A.</b> Cons. Discretionary	3.6
<b>Anheuser-Busch InBev S.A./N.V.</b> Consumer Staples	3.2
<b>Seaboard Corp.</b> Consumer Staples	3.2
<b>Seven &amp; I Holdings Co. Ltd.</b> Consumer Staples	3.1
<b>Total as % of Net Assets</b>	<b>39.7%</b>
<b>Total number of equity holdings</b>	<b>38</b>

This is presented as supplemental information.

## TOP FIVE COUNTRIES (%)

	GLOBAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS INDEX
<b>United States</b>	52.5%	56.2%
<b>United Kingdom</b>	13.2	3.9
<b>France</b>	8.2	2.5
<b>Switzerland</b>	3.3	2.8
<b>Belgium</b>	3.2	0.3

This is presented as supplemental information.

## REGIONAL EXPOSURE (%)

	GLOBAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS INDEX
<b>North America</b>	55.0%	58.9%
<b>Europe</b>	33.0	17.5
<b>Asia &amp; Pacific</b>	6.8	21.5
<b>Middle East &amp; Africa</b>	3.0	1.1
<b>Latin America</b>	0.0	1.0

This is presented as supplemental information.

## DEVELOPED VS. EMERGING EXPOSURE (%)

	GLOBAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS INDEX
<b>Developed Markets</b>	96.6%	88.9%
<b>Emerging Markets</b>	1.2	11.1

This is presented as supplemental information.

## SECTOR ALLOCATION

	GLOBAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS INDEX
Financials	23.9%	12.6%
Consumer Staples	20.3	7.7
Industrials	15.5	10.7
Cons. Discretionary	12.9	12.9
Info. Technology	10.9	20.5
Communication Services	6.9	8.6
Materials	3.9	5.1
Utilities	2.4	3.1
Health Care	1.2	12.5
Real Estate	0.0	3.5
Energy	0.0	2.7
Cash & Other <sup>1</sup>	2.2	0.0

This is presented as supplemental information.

<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: December 31, 2013

	SINCE INCEPTION	5-YR	3-YR	1-YR	YTD	3Q20
GLOBAL COMPOSITE						
<b>Gross of Fees</b>	5.22	7.25	1.33	-5.54	-13.72	7.76
<b>Net of Fees</b>	4.93	6.85	0.70	-6.16	-14.15	7.59
BENCHMARK						
<b>Morningstar Global Markets Index</b>	6.84	9.98	6.58	9.54	0.50	8.01

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.



PORTFOLIO CHARACTERISTICS VS. BENCHMARK<sup>2</sup>

	GLOBAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS INDEX
Median Forward P/E	18.4x	19.7x
Median Trailing P/E	18.7x	19.5x
Weighted Average Dividend Yield	1.9%	2.1%
Median Price / Book	1.8x	1.8x
Median Price / Sales	1.5x	1.7x
Median Market Cap.	\$22.0B	\$2.8B
Weighted Average Market Cap.	\$65.9B	\$252.7B
Portfolio Turnover (1-Year)	72%	—
Active Share <sup>3</sup> vs. Benchmark <sup>4</sup>	96%	—
Upside / Downside Capture Ratio <sup>5</sup> vs. Benchmark <sup>4</sup>	109% / 116%	—

<sup>2</sup> This is presented as supplemental information. Source: FactSet.

<sup>3</sup> Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

<sup>4</sup> The Morningstar Global Markets Index is the benchmark.

<sup>5</sup> Source: eVestment based on monthly returns (gross of fees) from 1/1/14 - 9/30/20.

## CALENDAR YEAR RETURNS (%)

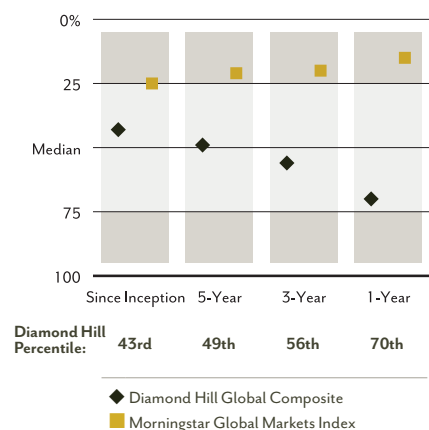
	2014	2015	2016	2017	2018	2019
GLOBAL COMPOSITE						
Gross of Fees	3.69	-4.58	11.42	30.84	-13.90	31.57
Net of Fees	3.69	-4.58	11.42	30.84	-14.51	30.73
BENCHMARK						
Morningstar Global Markets Index	4.00	-2.04	8.22	23.87	-9.82	26.24

<sup>6</sup> This is presented as supplemental information. Source: FactSet. It should not be assumed that an investment in the securities identified was or will be profitable. The holdings identified do not represent all of the securities purchased, sold, or recommended for the adviser's clients. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, contact 855.255.8955 or info@diamond-hill.com.

<sup>7</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment Global Large Cap Value universe based on monthly returns gross of fees. Ranking data calculated on 10/15/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

BEST & WORST PERFORMERS<sup>6</sup>

SECURITY NAME	3Q20 CONTRIBUTION	POSITION AS OF 3Q20
<b>Best</b>		
Hanesbrands, Inc.	1.5%	0.0%
Red Rock Resorts, Inc. (CI A)	1.2	4.3
Berkshire Hathaway, Inc. (CI B)	0.9	5.8
Cognizant Technology Solutions Corp. (CI A)	0.5	2.8
WESCO International, Inc.	0.5	3.1
<b>Worst</b>		
Kirby Corp.	-0.9%	3.1%
American International Group, Inc.	-0.5	4.7
Citigroup, Inc.	-0.3	1.6
BT Group PLC	-0.3	3.0
Kasikornbank Public Co. Ltd.	-0.3	1.2

PEER GROUP QUARTILE RANKINGS<sup>7</sup>

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. DHCM has been independently verified for the period 5/31/00–6/30/20. DHCM's current verification firm is ACA Compliance Group. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The verification and performance exam reports are available upon request. DHCM is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The Global Composite is comprised of discretionary fee paying non-wrap accounts managed according to the firm's Global equity strategy. The strategy's investment objective is to achieve long-term capital appreciation by investing in large capitalization companies selling for less than our estimate of intrinsic value. The composite typically invests in companies with a market capitalization of \$5 billion or greater. The composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Morningstar Global Markets Index is a net total return index designed to provide exposure to the top 97% of equity market capitalization in both developed and emerging markets. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for Global separate accounts is as follows: First \$20,000,000 = 0.75%; Over \$20,000,000 = 0.65%. The dispersion measure is the asset weighted standard deviation of the annual portfolio returns. Only portfolios represented in the composite for the entire year are included in the calculation. The calculation is not performed if the composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future result.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: Morningstar, Inc. See diamond-hill.com/disclosures for a full copy of the disclaimer.

AS OF YEAR-END	DHCM	GLOBAL COMPOSITE			3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)	
		Assets Under Management	Number of Accounts	Dispersion (Gross of Fees)	Global Composite	Morningstar Global Markets Index
2019	\$23.4B	5 or fewer	\$21.9M	NA <sup>8</sup>	14.75%	11.20%
2018	19.1B	5 or fewer	14.7M	NA <sup>8</sup>	12.62	10.55
2017	22.3B	5 or fewer	2.2M	NA <sup>8</sup>	11.56	10.26
2016	19.4B	5 or fewer	1.7M	NA <sup>8</sup>	11.66	10.98
2015	16.8B	5 or fewer	1.5M	NA <sup>8</sup>	NA <sup>9</sup>	NA <sup>9</sup>
2014	15.7B	5 or fewer	1.6M	NA <sup>8</sup>	NA <sup>9</sup>	NA <sup>9</sup>

<sup>8</sup> NA = Not Applicable

<sup>9</sup> Statistics are not presented because 36 monthly returns are not available.

This composite was created in January 2018.

Side Two. Not Valid Without Side One.

# International Composite

As of September 30, 2020



## OBJECTIVE

Long-term capital appreciation by investing in companies selling for less than our estimate of intrinsic value.

## INVESTMENT STRATEGY

- To estimate intrinsic value, the business must be understandable, and we must be able to reasonably forecast its cash flows. We seek businesses with sustainable competitive advantages, conservative balance sheets, and management with an ownership mentality.
- Investments are sold when the stock price reaches our estimate of intrinsic value, our estimate of intrinsic value is revised such that there is no longer a discount to intrinsic value, a holding reaches our stated maximum position size, or to raise proceeds for a more attractive opportunity.

## TEAM

Grady Burkett, CFA  
Portfolio Manager

Krishna Mohanraj, CFA  
Portfolio Manager

## PORTFOLIO GUIDELINES

- Typically 35–55 positions
- Maximum sector exposure is 35%
- Maximum single country exposure is 30%
- Maximum emerging market exposure is 30%

### Market Capitalization

The portfolio typically invests in securities with a market cap of \$1 billion or greater.

## TOP TEN EQUITY HOLDINGS

Anheuser-Busch InBev SA/NV Consumer Staples	4.1%
Diageo PLC Consumer Staples	3.9
Unilever N.V. Consumer Staples	3.6
Check Point Software Technologies Ltd. Info. Technology	3.4
Walt Disney Co. Communication Services	3.2
Howden Joinery Group PLC Industrials	3.1
Julius Baer Gruppe AG Financials	3.0
Samsung Electronics Co. Ltd. Info. Technology	2.9
Alphabet, Inc. (CI A) Communication Services	2.8
GlaxoSmithKline PLC Health Care	2.6
<b>Total as % of Net Assets</b>	<b>32.6%</b>
<b>Total number of equity holdings</b>	<b>44</b>

This is presented as supplemental information.

## TOP FIVE COUNTRIES (%)

	INTERNATIONAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS EX-U.S. INDEX
United Kingdom	21.4%	8.8%
Switzerland	11.4	6.2
United States	10.4	0.5
France	9.8	5.8
Belgium	5.6	0.7

This is presented as supplemental information.

## REGIONAL EXPOSURE (%)

	INTERNATIONAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS EX-U.S. INDEX
Europe	55.8%	39.7%
Asia & Pacific	17.4	48.9
North America	14.6	6.8
Latin America	3.9	2.0
Middle East & Africa	3.4	2.5

This is presented as supplemental information.

## DEVELOPED VS. EMERGING EXPOSURE (%)

	INTERNATIONAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS EX-U.S. INDEX
Developed Markets	81.1%	74.8%
Emerging Markets	14.0	25.2

This is presented as supplemental information.

## SECTOR ALLOCATION

	INTERNATIONAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS EX-U.S. INDEX
Communication Services	18.7%	6.8%
Consumer Staples	17.0	9.3
Financials	16.2	16.2
Cons. Discretionary	11.3	13.6
Health Care	10.8	10.2
Industrials	9.9	13.1
Info. Technology	8.3	11.4
Real Estate	1.5	3.9
Materials	1.3	8.2
Energy	0.0	3.8
Utilities	0.0	3.4
Cash & Other <sup>1</sup>	4.9	0.0

This is presented as supplemental information.

<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: December 31, 2016

	SINCE INCEPTION	3-YR	1-YR	YTD	3Q20
INTERNATIONAL COMPOSITE					
Gross of Fees	7.41	0.56	-3.75	-12.44	3.85
Net of Fees	7.18	0.29	-4.38	-12.87	3.68
BENCHMARK					
Morningstar Global Markets ex-U.S. Index	6.35	1.36	3.49	-5.21	6.64

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.

**PORTFOLIO CHARACTERISTICS VS. BENCHMARK<sup>2</sup>**

	INTERNATIONAL COMPOSITE	MORNINGSTAR GLOBAL MARKETS EX-U.S. INDEX
Median Forward P/E	24.5x	19.1x
Median Trailing P/E	21.7x	18.4x
Weighted Average Dividend Yield	1.9%	2.6%
Median Price / Book	2.6x	1.6x
Median Price / Sales	2.2x	1.5x
Median Market Cap.	\$27.4B	\$2.2B
Weighted Average Market Cap.	\$136.1B	\$80.2B
Portfolio Turnover (1-Year)	49%	—
Active Share <sup>3</sup> vs. Benchmark <sup>4</sup>	93%	—
Upside / Downside Capture Ratio <sup>5</sup> vs. Benchmark <sup>4</sup>	108% / 102%	—

<sup>2</sup> This is presented as supplemental information. Source: FactSet.

<sup>3</sup> Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

<sup>4</sup> The Morningstar Global Markets ex-U.S. Index is the benchmark.

<sup>5</sup> Source: eVestment based on monthly returns (gross of fees) from 1/1/17 - 9/30/20.

**CALENDAR YEAR RETURNS (%)**

	2017	2018	2019
INTERNATIONAL COMPOSITE			
Gross of Fees	32.22	-9.62	24.95
Net of Fees	32.22	-9.62	24.55
BENCHMARK			
Morningstar Global Markets ex-U.S. Index	27.37	-14.17	21.57

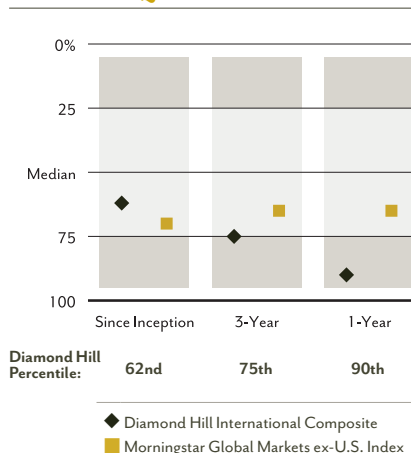
<sup>6</sup> This is presented as supplemental information. Source: FactSet. It should not be assumed that an investment in the securities identified was or will be profitable. The holdings identified do not represent all of the securities purchased, sold, or recommended for the adviser's clients. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, contact 855.255.8955 or info@diamond-hill.com.

<sup>7</sup> This is presented as supplemental information. Source: eVestment. Ranking within ACWI Ex-U.S. All Cap Core Equity universe based on monthly returns gross of fees. Ranking data calculated on 10/16/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

**BEST & WORST PERFORMERS<sup>6</sup>**

SECURITY NAME	3Q20 CONTRIBUTION	POSITION AS OF 3Q20
<b>Best</b>		
Taiwan Semiconductor Manufacturing Co. Ltd.	0.8%	2.0%
Unilever N.V.	0.6	3.6
Check Point Software Technologies Ltd.	0.4	3.4
Anheuser-Busch InBev S.A./N.V.	0.4	4.1
Walt Disney Co.	0.4	3.2
<b>Worst</b>		
Kasikornbank Public Co. Ltd.	-0.4%	1.8%
Beazley PLC	-0.4	1.8
BT Group PLC	-0.3	2.4
Astellas Pharma, Inc.	-0.2	1.9
Ashmore Group PLC	-0.2	1.9

**PEER GROUP QUARTILE RANKINGS<sup>7</sup>**



Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. DHCM has been independently verified for the period 5/31/00 – 6/30/20. DHCM's current verification firm is ACA Compliance Group. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The verification and performance exam reports are available upon request. DHCM is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The International Composite is comprised of discretionary fee paying non-wrap accounts managed according to the firm's International equity strategy. The strategy's investment objective is to achieve long-term capital appreciation by investing in foreign companies selling for less than our estimate of intrinsic value. The composite typically invests in companies with a market capitalization of \$1 billion or greater. The composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Morningstar Global Markets ex-U.S. Index is a net total return index designed to provide exposure to the top 97% market capitalization in each of two economic segments, developed markets, excluding the United States, and emerging markets. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for International separate accounts is as follows: First \$20,000,000 = 0.75%; Over \$20,000,000 = 0.65%.

The dispersion measure is the asset weighted standard deviation of the annual portfolio returns. Only portfolios represented in the composite for the entire year are included in the calculation. The calculation is not performed if the composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future result.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: Morningstar, Inc. See diamond-hill.com/disclosures for a full copy of the disclaimer.

AS OF YEAR-END	DHCM	3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)				
		INTERNATIONAL COMPOSITE			International Composite	Morningstar Global Markets ex-U.S. Index
	Assets Under Management	Number of Accounts	Assets Under Management	Dispersion (Gross of Fees)		
2019	\$23.4B	5 or fewer	\$13.5M	NA <sup>8</sup>	12.07%	11.15%
2018	19.1B	5 or fewer	3.5M	NA <sup>8</sup>	NA <sup>9</sup>	NA <sup>9</sup>
2017	22.3B	5 or fewer	4.0M	NA <sup>8</sup>	NA <sup>9</sup>	NA <sup>9</sup>

<sup>8</sup> NA = Not Applicable

<sup>9</sup> Statistics are not presented because 36 monthly returns are not available.

This composite was created in July 2019.

Side Two. Not Valid Without Side One.

# Short Duration Securitized Bond Composite

As of September 30, 2020



## OBJECTIVE

Maximize total return consistent with the preservation of capital.

## INVESTMENT STRATEGY

- Identify opportunities through a bottom-up approach to active investment management and disciplined risk control.
- Perform risk/reward analysis to evaluate credit risk, interest rate risk, prepayment risk, and security structure.
- Invest in securities we believe offer attractive prospects for income and/or capital appreciation relative to the risk borne. May invest in non-benchmark sectors, specifically structured product, to generate additional yield with a strong focus on security selection.

## TEAM

Henry Song, CFA  
Portfolio Manager

Mark Jackson, CFA  
Portfolio Manager

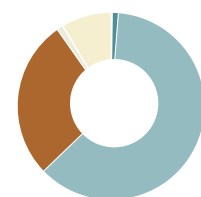
Douglas Gimple  
Senior Portfolio Specialist

## PORTFOLIO GUIDELINES

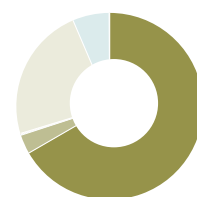
The portfolio generally invests at least 80% of its assets in securitized bond investments. The portfolio may invest up to 15% of its assets in below-investment grade securities at the time of purchase and will typically maintain an average portfolio duration of one to two, with a maximum of three.

## SECTOR ALLOCATION

### Short Duration Securitized Bond Composite



### Bloomberg Barclays U.S. 1-3 Yr. Gov./Credit Index



Treasury	0.0%	Treasury	65.3%
Agency	0.0	Agency	4.2
Agency RMBS/CMBS <sup>2</sup>	1.9	Agency RMBS/CMBS <sup>2</sup>	0.0
Asset-Backed Securities	59.9	Asset-Backed Securities	0.0
Non-Agency RMBS/CMBS <sup>2</sup>	27.3	Non-Agency RMBS/CMBS <sup>2</sup>	0.0
Corporate Credit	1.6	Corporate Credit	23.4
Non-Corporate Credit (includes covered)	0.0	Non-Corporate Credit (includes covered)	7.1
Cash & Other <sup>3</sup>	9.2	Cash & Other <sup>3</sup>	0.0

This is presented as supplemental information.

## CREDIT QUALITY<sup>1</sup>

QUALITY RATING	% OF PORTFOLIO
AAA	20.7%
AA	7.0
A	16.1
BBB	31.6
BB	12.6
B	3.7
CCC & Lower	0.4
Not Rated	7.8

<sup>1</sup> This is presented as supplemental information. Security quality ratings are derived from underlying portfolio securities by using the middle rating of Standard & Poor's, Moody's, and Fitch. If only two of Standard & Poor's, Moody's, and Fitch rates a security the higher of the two is selected. If only one of Standard & Poor's, Moody's, and Fitch rates a security the available rating is used. For securities that are not rated by Standard & Poor's, Moody's, or Fitch a rating from a secondary Nationally Recognized Statistical Rating Organization ("NRSRO") may be used. Ratings by any agency represent an opinion only, not a recommendation to buy or sell. Securities that are not rated by any agencies are reflected as Not Rated "NR".

## DURATION BREAKDOWN

	SHORT DURATION SECURITIZED BOND COMPOSITE	BLOOMBERG BARCLAYS U.S. 1-3 YR. GOV./CREDIT INDEX
Less than one	50.3%	1.5%
1-3	37.4	98.5
3-5	10.3	0.0
5-7	1.1	0.0
7-10	0.7	0.0
10-20	0.1	0.0
20+	0.1	0.0

This is presented as supplemental information.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: July 31, 2016

	SINCE INCEPTION	3-YR	1-YR	YTD	3Q20
SHORT DURATION SECURITIZED BOND COMPOSITE					
Gross of Fees	3.79	3.66	1.84	0.96	3.55
Net of Fees	3.43	3.30	1.49	0.70	3.46
BENCHMARK					
Bloomberg Barclays U.S. 1-3 Yr. Gov./Credit Index	2.20	2.84	3.73	3.12	0.23

<sup>2</sup> Residential Mortgage-Backed Securities/Commercial Mortgage-Backed Securities.

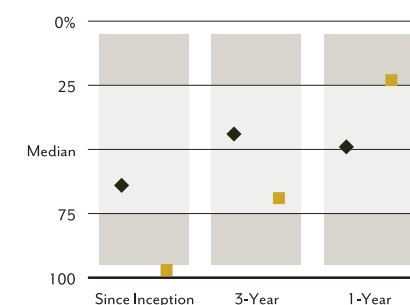
<sup>3</sup> Cash & Other may include cash and money market funds.

<sup>4</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. Short Duration Fixed Income universe based on monthly returns gross of fees. Ranking data calculated on 10/18/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.

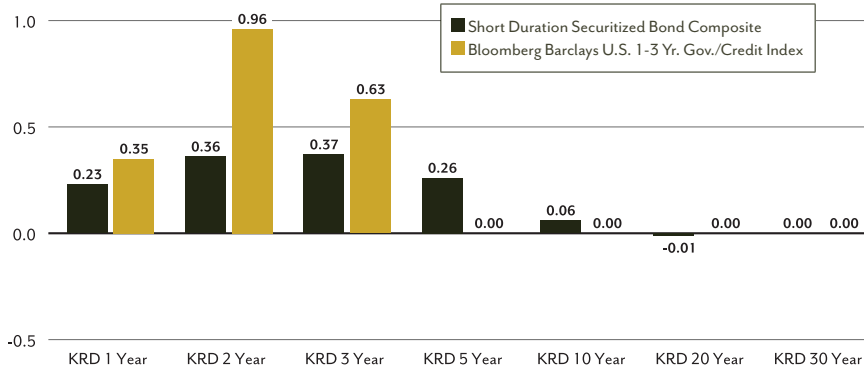
## PEER GROUP QUARTILE RANKINGS<sup>4</sup>



Diamond Hill  
Percentile: 64th 44th 49th

◆ Diamond Hill Short Duration Securitized Bond Composite  
■ Bloomberg Barclays U.S. 1-3 Yr. Gov./Credit Index

**KEY RATE DURATION**



**CALENDAR YEAR RETURNS (%)**

	July 31, 2016 – December 31, 2016	2017	2018	2019
<b>SHORT DURATION SECURITIZED BOND COMPOSITE</b>				
Gross of Fees	0.88	4.90	3.77	5.34
Net of Fees	0.73	4.53	3.41	4.97
<b>BENCHMARK</b>				
Bloomberg Barclays U.S. 1-3 Yr. Gov./Credit Index	-0.38	0.84	1.60	4.03

**PORTFOLIO CHARACTERISTICS**

	SHORT DURATION SECURITIZED BOND COMPOSITE	BLOOMBERG BARCLAYS U.S. 1-3 YR. GOV./CREDIT INDEX
Number of holdings	366	1,627
Yield to Maturity (%)	4.04	0.32
Yield to Worst (%)	3.91	0.29
Effective Duration	1.27	1.92
Weighted Average Life (years)	2.35	2.00
Convexity	0.05	0.02
Option-Adjusted Spread	385	15

This is presented as supplemental information.

**SINCE INCEPTION RISK STATISTICS**

	SHORT DURATION SECURITIZED BOND COMPOSITE	BLOOMBERG BARCLAYS U.S. 1-3 YR. GOV./CREDIT INDEX
Standard Deviation (%)	5.12	0.97
Sharpe Ratio	0.39	0.89
Beta (%) <sup>5</sup>	0.04	—
R-squared (%) <sup>5</sup>	0.01	—
Information Ratio <sup>5</sup>	0.20	—

This is presented as supplemental information.

<sup>5</sup> Relative to the Bloomberg Barclays U.S. 1-3 Yr. Gov./Credit Index.

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. DHCM has been independently verified for the period 5/31/00 – 6/30/20. DHCM's current verification firm is ACA Compliance Group. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. DHCM is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. DHCM provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The Short Duration Securitized Bond Composite is comprised of discretionary non-fee and fee paying non-wrap accounts with a market value over \$200M managed according to the firm's Short Duration Securitized Bond fixed income strategy. The strategy's investment objective is to maximize total return with the preservation of capital. The strategy generally invests in a diversified portfolio of investment grade, fixed income securities, including bonds, debt securities and other similar U.S. dollar-denominated instruments issued by various U.S. public- or private-sector entities, by foreign corporations or U.S. affiliates of foreign corporations or by foreign governments or their agencies and instrumentalities. The portfolio may invest a significant portion or all of its assets in asset-backed, mortgage-related and mortgage-backed securities at the discretion of DHCM. The portfolio may invest up to 20% of its assets in below-investment grade securities at the time of purchase and will typically maintain an average portfolio duration of less than three. The composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Bloomberg Barclays U.S. 1-3 Yr. Gov./Credit Index is an unmanaged index of investment grade government and corporate bonds with maturities of one to three years. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for Short Duration Securitized Bond separate accounts is as follows: First \$200,000,000 = 0.45%; Next \$200,000,000 = 0.35%. The dispersion measure is the asset weighted standard deviation of the annual portfolio returns. Only portfolios represented in the composite for the entire year are included in the calculation. The calculation is not performed if the composite contains 5 or fewer accounts for the full year. No

alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future result.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: Bloomberg Index Services Limited. See diamond-hill.com/disclosures for a full copy of the disclaimer.

Analytics provided by The Yield Book® Software.

As of September 30, 2020, the Short Duration Total Return Composite was renamed the Short Duration Securitized Bond Composite.

AS OF YEAR-END	DHCM	SHORT DURATION SECURITIZED BOND COMPOSITE			3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)	
		Assets Under Management	Number of Accounts	Assets Under Management (Gross of Fees)	Short Duration Securitized Bond Composite	Bloomberg Barclays U.S. 1-3 Yr. Gov./Credit Index
2019	\$23.4B	5 or fewer	\$808.7M	NA <sup>6</sup>	0.64%	0.92%
2018	19.1B	5 or fewer	579.3M	NA <sup>6</sup>	NA <sup>7</sup>	NA <sup>7</sup>
2017	22.3B	5 or fewer	312.9M	NA <sup>6</sup>	NA <sup>7</sup>	NA <sup>7</sup>
2016	19.4B	5 or fewer	197.5M	NA <sup>6</sup>	NA <sup>7</sup>	NA <sup>7</sup>

<sup>6</sup> NA = Not Applicable

<sup>7</sup> Statistics are not presented because 36 monthly returns are not available. This composite was created in July 2016.



# Core Bond Composite

As of September 30, 2020



## OBJECTIVE

Maximize total return consistent with the preservation of capital.

## INVESTMENT STRATEGY

- Identify opportunities through a bottom-up approach to active investment management and disciplined risk control.
- Perform risk/reward analysis to evaluate credit risk, interest rate risk, prepayment risk, and security structure.
- Invest in securities we believe offer attractive prospects for income and/or capital appreciation relative to the risk borne.

## TEAM

Henry Song, CFA  
Portfolio Manager

Mark Jackson, CFA  
Portfolio Manager

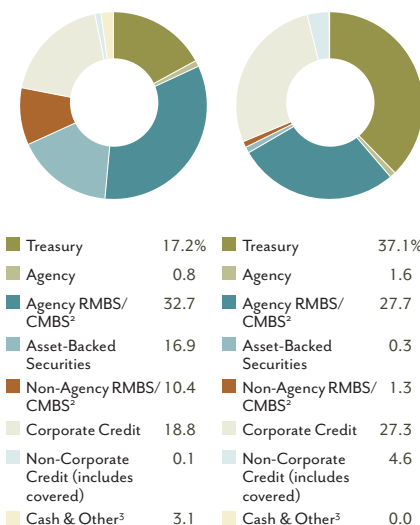
Douglas Gimple  
Senior Portfolio Specialist

## PORTFOLIO GUIDELINES

The portfolio generally invests at least 80% of its assets in a diversified portfolio of investment grade, fixed income securities and may invest a significant portion or all of its assets in mortgage-related and mortgage-backed securities. The portfolio will typically maintain an average portfolio duration within 20% of the duration of the Bloomberg Barclays U.S. Aggregate Bond Index.

## SECTOR ALLOCATION

Core Bond Composite vs. Bloomberg Barclays U.S. Aggregate Index



This is presented as supplemental information.

## CREDIT QUALITY<sup>1</sup>

QUALITY RATING	% OF PORTFOLIO
AAA	59.9%
AA	8.3
A	14.8
BBB	15.9
BB	0.4
B	0.0
CCC & Lower	0.0
Not Rated	0.6

<sup>1</sup> This is presented as supplemental information. Security quality ratings are derived from underlying portfolio securities by using the middle rating of Standard & Poor's, Moody's, and Fitch. If only two of Standard & Poor's, Moody's, and Fitch rates a security the higher of the two is selected. If only one of Standard & Poor's, Moody's, and Fitch rates a security the available rating is used. For securities that are not rated by Standard & Poor's, Moody's, or Fitch a rating from a secondary Nationally Recognized Statistical Rating Organization ("NRSRO") may be used. Ratings by any agency represent an opinion only, not a recommendation to buy or sell. Securities that are not rated by any agencies are reflected as Not Rated "NR".

## DURATION BREAKDOWN

	CORE BOND COMPOSITE	BLOOMBERG BARCLAYS U.S. AGGREGATE INDEX
Less than one	18.9%	9.8%
1-3	20.4	36.5
3-5	18.1	16.7
5-7	11.2	10.9
7-10	12.6	7.4
10-20	13.8	14.0
20+	5.0	4.8

This is presented as supplemental information.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: July 31, 2016

	SINCE INCEPTION	3-YR	1-YR	YTD	3Q20
CORE BOND COMPOSITE					
Gross of Fees	4.88	6.31	7.63	7.82	1.37
Net of Fees	4.60	6.04	7.43	7.67	1.32
BENCHMARK					
Bloomberg Barclays U.S. Aggregate Index	3.72	5.24	6.98	6.79	0.62

<sup>2</sup> Residential Mortgage-Backed Securities/Commercial Mortgage-Backed Securities.

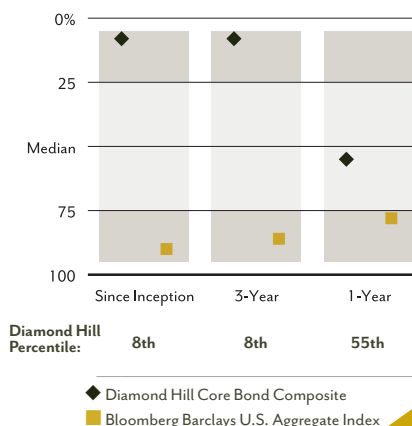
<sup>3</sup> Cash & Other may include cash, money market funds, and short duration fixed income funds.

<sup>4</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. Core Fixed Income universe based on monthly returns gross of fees. Ranking data calculated on 10/18/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

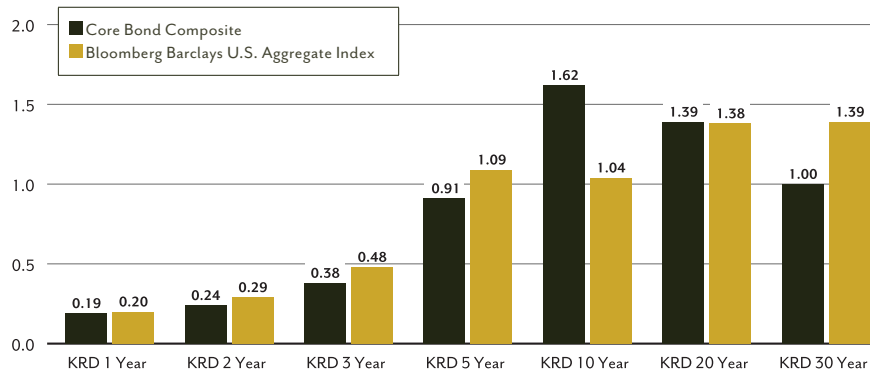
Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.

## PEER GROUP QUARTILE RANKINGS<sup>4</sup>



## KEY RATE DURATION



## CALENDAR YEAR RETURNS (%)

	July 31, 2016 - December 31, 2016	2017	2018	2019
<b>CORE BOND COMPOSITE</b>				
Gross of Fees	-2.45	4.64	2.06	8.56
Net of Fees	-2.56	4.33	1.76	8.28
<b>BENCHMARK</b>				
Bloomberg Barclays U.S. Aggregate Index	-3.14	3.54	0.01	8.72

## PORTFOLIO CHARACTERISTICS

	CORE BOND COMPOSITE	BLOOMBERG BARCLAYS U.S. AGGREGATE INDEX
Number of holdings	1,362	11,912
Yield to Maturity (%)	1.88	1.19
Yield to Worst (%)	1.38	1.18
Effective Duration	5.78	6.12
Weighted Average Life (years)	7.72	8.18
Convexity	0.59	0.43
Option-Adjusted Spread	137	60

This is presented as supplemental information.

## SINCE INCEPTION RISK STATISTICS

	CORE BOND COMPOSITE	BLOOMBERG BARCLAYS U.S. AGGREGATE INDEX
Standard Deviation (%)	3.54	3.29
Sharpe Ratio	1.00	0.72
Beta (%) <sup>5</sup>	1.02	—
R-squared (%) <sup>5</sup>	89.16	—
Information Ratio <sup>5</sup>	0.99	—

This is presented as supplemental information.

<sup>5</sup> Relative to the Bloomberg Barclays U.S. Aggregate Index.

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Diamond Hill has been independently verified for the period 5/31/00 – 6/30/20. Diamond Hill's current verification firm is ACA Compliance Group. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Diamond Hill is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. Diamond Hill provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The Core Bond Composite is comprised of discretionary non-fee and fee paying non-wrap accounts with a market value over \$10M managed according to the firm's Core Bond fixed income strategy. The strategy's investment objective is to maximize total return with the preservation of capital by investing in a diversified portfolio of intermediate and long-term debt securities. The portfolio generally invests at least 80% of its assets in a diversified portfolio of investment grade, fixed income securities and may invest a significant portion or all of its assets in mortgage-related and mortgage-backed securities. The portfolio will typically maintain an average portfolio duration within 20% of the duration of the Bloomberg Barclays U.S. Aggregate Index. The portfolio may invest a significant portion or all of its assets in asset-backed, mortgage-related and mortgage-backed securities at the discretion of Diamond Hill Capital Management, Inc. (the "Adviser"). The Composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the Composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The Bloomberg Barclays U.S. Aggregate Index is an unmanaged index representing the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through, and asset-backed securities. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for Core Bond separate accounts is as follows: First \$50,000,000 = 0.29%; Next \$50,000,000 = 0.22%; Above \$100 million = 0.18%. The dispersion measure is the asset weighted standard deviation of the annual portfolio returns.

Only portfolios represented in the Composite for the entire year are included in the calculation. The calculation is not performed if the Composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future results.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: Bloomberg Index Services Limited. See diamond-hill.com/disclosures for a full copy of the disclaimer.

Analytics provided by The Yield Book® Software.

AS OF YEAR-END	DHCM	CORE BOND COMPOSITE			3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)	
		Assets Under Management	Number of Accounts	Assets Under Management	Dispersion (Gross of Fees)	Core Bond Composite
2019	\$23.4B	5 or fewer	\$300.2M	NA <sup>6</sup>	2.78%	2.87%
2018	19.1B	5 or fewer	55.3M	NA <sup>6</sup>	NA <sup>7</sup>	NA <sup>7</sup>
2017	22.3B	5 or fewer	43.8M	NA <sup>6</sup>	NA <sup>7</sup>	NA <sup>7</sup>
2016	19.4B	5 or fewer	39.7M	NA <sup>6</sup>	NA <sup>7</sup>	NA <sup>7</sup>

<sup>6</sup> NA = Not Applicable

<sup>7</sup> Statistics are not presented because 36 monthly returns are not available.

This composite was created in July 2016.

Side Two. Not Valid Without Side One.

# Corporate Credit Composite

As of September 30, 2020



## OBJECTIVE

High current income, preservation of capital and total return over a five-year time horizon.

## INVESTMENT STRATEGY

- Our primary focus is on evaluating the underlying business fundamentals and credit risk of corporate securities.
- Securities are purchased when we believe the yield and total return potential are attractive relative to asset and interest coverage and relative to other securities with comparable risk.
- We are prepared to hold securities to maturity or until they are called. However, securities may be sold when price reaches our estimate of value, to raise proceeds for a more attractive opportunity or if the underlying fundamentals deteriorate.

## TEAM

**Bill Zox, CFA**  
Portfolio Manager

**John McClain, CFA**  
Portfolio Manager

**Suken Patel, CFA**  
Asst. Portfolio Manager

**Douglas Gimble**  
Senior Portfolio Specialist

## PORTFOLIO GUIDELINES

The portfolio generally invests at least 80% of its assets in investment grade and below-investment grade (high yield) corporate bonds, and will typically maintain an effective duration of less than five.

## TOP TEN ISSUES AS OF 7/31/2020

<b>Cimpress N.V. 7.00% 06/15/26</b>	2.1%
<b>Twitter, Inc. 3.88% 12/15/27</b>	2.0
<b>Apergy Corp. 6.38% 05/01/26</b>	1.9
<b>Alliance Data Systems Co 4.75% 12/15/24</b>	1.9
<b>RDN 4 7/8 03/15/27</b>	1.7
<b>Bankunited, Inc. 5.13% 06/11/30</b>	1.7
<b>Welltec A/S 9.50% 12/01/22</b>	1.7
<b>Magnolia Oil Gas/Mag Fin 6.00% 08/01/26</b>	1.7
<b>Energen Corp. 7.13% 02/15/28</b>	1.7
<b>Grubhub Holdings, Inc. 5.50% 07/01/27</b>	1.6
<b>Total as % of Net Assets</b>	<b>18.0%</b>

This is presented as supplemental information.

## SECTOR ALLOCATION

	CORPORATE CREDIT COMPOSITE	ICE BOFA U.S. CORPORATE & HIGH YIELD INDEX
<b>Corporate Bonds</b>	<b>96.9%</b>	<b>100.0%</b>
Retail	12.1	4.0
Energy	10.1	10.2
Financial Services	9.2	6.6
Leisure	8.4	1.1
Healthcare	6.2	9.6
Banking	6.1	14.1
Services	5.9	1.7
Basic Industry	5.5	5.0
Consumer Goods	5.5	6.0
Insurance	4.9	3.8
Real Estate	4.4	3.3
Media	4.1	4.7
Automotive	3.6	2.6
Telecom	3.4	4.4
Transportation	2.8	2.4
Technology & Electronics	2.6	7.2
Capital Goods	2.1	5.5
Utility	0.0	7.9
<b>Cash &amp; Other<sup>1</sup></b>	<b>3.1</b>	<b>0.0</b>

This is presented as supplemental information.

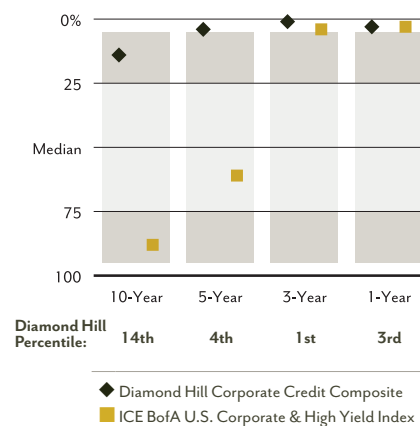
<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, collateralized debt/loan obligations, and short duration fixed income funds.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: September 30, 2002

	SINCE INCEPTION	10-YR	5-YR	3-YR	1-YR	YTD	3Q20
<b>CORPORATE CREDIT COMPOSITE</b>							
<b>Gross of Fees</b>	7.67	7.04	8.09	6.89	7.21	4.54	5.38
<b>Net of Fees</b>	7.17	6.54	7.61	6.41	6.73	4.19	5.26
<b>BENCHMARKS</b>							
<b>ICE BofA U.S. Corporate &amp; High Yield Index</b>	6.25	5.41	6.15	6.04	7.07	5.64	2.12
<b>ICE BofA U.S. High Yield Index</b>	8.36	6.28	6.61	3.83	2.30	-0.30	4.71

## PEER GROUP QUARTILE RANKINGS<sup>2</sup>



<sup>2</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. High Yield Fixed Income universe based on monthly returns gross of fees. Ranking data calculated on 10/18/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.

CREDIT QUALITY<sup>3</sup>

QUALITY RATING	% OF PORTFOLIO
Investment Grade <sup>4</sup>	16.9%
BB	46.4
B	30.9
CCC & Lower	3.5
Not Rated <sup>4</sup>	2.3

This is presented as supplemental information.

<sup>3</sup> Security quality ratings are derived from underlying portfolio securities by using the middle rating of Standard & Poor's, Moody's, and Fitch. If only two of Standard & Poor's, Moody's, and Fitch rates a security the higher of the two is selected. If only one of Standard & Poor's, Moody's, and Fitch rates a security the available rating is used. For securities that are not rated by Standard & Poor's, Moody's, or Fitch a rating from a secondary Nationally Recognized Statistical Rating Organization ("NRSRO") may be used. Ratings by any agency represent an opinion only, not a recommendation to buy or sell. Securities that are not rated by any agencies are reflected as Not Rated "NR."

<sup>4</sup> Investment Grade is a Bond Quality Rating of AAA, AA, A or BBB. Investment Grade grouping includes cash position. Not Rated grouping includes short duration fixed income funds.

## RISK STATISTICS

	SINCE INCEPTION	5-YR
Standard Deviation (%)	6.55	7.13
Beta (%) <sup>5</sup>	0.90	1.05
Sharpe Ratio	0.88	0.88

This is presented as supplemental information.

<sup>5</sup> Relative to the ICE BofA U.S. Corporate & High Yield Index.

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Diamond Hill has been independently verified for the period 5/31/00 – 6/30/20. Diamond Hill's current verification firm is ACA Compliance Group. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Diamond Hill is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. Diamond Hill provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The Corporate Credit Composite is comprised of discretionary fee paying non-wrap accounts with a market value over \$10M managed according to the firm's Corporate Credit fixed income strategy. The strategy's investment objective is to provide an attractive cash distribution and total return greater than the current rate of inflation, while minimizing the risk of a current loss of capital over a five-year time horizon. The strategy generally invests in investment grade and below-investment grade (high yield) corporate bonds and will typically maintain an effective duration less than five. The Composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the Composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The ICE BofA U.S. Corporate & High Yield Index is the primary benchmark. This index is comprised of U.S. dollar denominated investment grade and below investment grade corporate debt publicly issued in the U.S. domestic market. The ICE BofA U.S. High Yield Index is shown as additional information. This index is comprised of U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market. Ratings are based on an average of Moody's, S&P and Fitch. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for Corporate

Credit separate accounts is as follows: First \$50,000,000 = 0.55%; Over \$50,000,000 = 0.45%. The dispersion measure is the asset weighted standard deviation of the annual portfolio returns. Only portfolios represented in the Composite for the entire year are included in the calculation. The calculation is not performed if the Composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future results.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement.

The index data referenced herein is the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its third party suppliers and has been licensed for use by Diamond Hill Capital Management, Inc. ICE Data and its third party suppliers accept no liability in connection with its use. See diamond-hill.com/disclosures for a full copy of the disclaimer. Analytics provided by The Yield Book® Software.

AS OF YEAR-END	DHCM	CORPORATE CREDIT COMPOSITE				3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)		
		Assets Under Management	Number of Accounts	Assets Under Management	Dispersion (Gross of Fees)	Corporate Credit Composite	ICE BofA U.S. Corporate & High Yield Index	ICE BofA U.S. High Yield Index
2019	\$23.4B	5 or fewer	\$1.1B	NA <sup>6</sup>	2.69%	3.22%	4.13%	
2018	19.1B	5 or fewer	743.4M	NA <sup>6</sup>	3.35	3.43	4.64	
2017	22.3B	5 or fewer	652.4M	NA <sup>6</sup>	3.78	3.63	5.60	
2016	19.4B	5 or fewer	533.5M	NA <sup>6</sup>	3.96	3.93	6.03	
2015	16.8B	5 or fewer	333.5M	NA <sup>6</sup>	2.91	3.81	5.27	
2014	15.7B	5 or fewer	220.0M	NA <sup>6</sup>	2.37	3.77	4.44	
2013	12.2B	5 or fewer	186.7M	NA <sup>6</sup>	3.31	4.33	6.42	
2012	9.4B	5 or fewer	178.4M	NA <sup>6</sup>	3.80	4.00	7.03	
2011	8.7B	5 or fewer	146.0M	NA <sup>6</sup>	7.10	5.71	11.00	
2010	8.6B	5 or fewer	145.8M	NA <sup>6</sup>	NA <sup>7</sup>	NA <sup>7</sup>	NA <sup>7</sup>	

<sup>6</sup> NA = Not Applicable

<sup>7</sup> Statistics are not presented because 36 monthly returns are not available. This composite was created in April 2015.

Side Two. Not Valid Without Side One.

## PORTFOLIO CHARACTERISTICS

Number of Issues	153
Number of Issuers	112
Option-Adjusted Spread	495
Effective Duration	4.03
Spread Duration	3.90
Weighted Average Maturity (bonds only)	6.35
Yield to Maturity (%)	5.51
Current Yield (%)	4.93

This is presented as supplemental information.

## CALENDAR YEAR RETURNS (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
CORPORATE CREDIT COMPOSITE										
Gross of Fees	14.52	6.30	10.65	6.12	3.15	2.19	12.90	8.56	1.26	13.91
Net of Fees	13.96	5.78	10.11	5.60	2.64	1.72	12.40	8.07	0.81	13.41
BENCHMARKS										
ICE BofA U.S. Corporate & High Yield Index	10.76	6.80	11.37	0.34	6.43	-1.37	7.97	6.66	-2.21	14.28
ICE BofA U.S. High Yield Index	15.19	4.38	15.58	7.42	2.50	-4.64	17.49	7.48	-2.26	14.41

## DURATION BREAKDOWN

	% OF BONDS HELD
Less than one	5.7%
1-3	20.2
3-5	42.2
5-7	22.3
7-10	6.2
10-20	3.6

This is presented as supplemental information.

# High Yield Composite

As of September 30, 2020



## OBJECTIVE

High current income with the opportunity for capital appreciation.

## INVESTMENT STRATEGY

- Our primary focus is on evaluating the underlying business fundamentals and credit risk of high yield securities.
- Securities are purchased when we believe the yield and total return potential are attractive relative to asset and interest coverage and relative to other securities with comparable risk.
- We are prepared to hold securities to maturity or until they are called. However, securities may be sold when price reaches our estimate of value, to raise proceeds for a more attractive opportunity or if the underlying fundamentals deteriorate.

## TEAM

**Bill Zox, CFA**  
Portfolio Manager

**John McClain, CFA**  
Portfolio Manager

**Suken Patel, CFA**  
Asst. Portfolio Manager

**Douglas Gimple**  
Senior Portfolio Specialist

## PORTFOLIO GUIDELINES

The portfolio generally invests at least 80% of its net assets in a diversified portfolio of corporate debt securities that are rated below investment grade or are unrated.

## TOP TEN ISSUES AS OF 7/31/2020

<b>Cimpress N.V. 7.00% 06/15/26</b>	2.3%
<b>Magnolia Oil Gas/Mag Fin 6.00% 08/01/26</b>	2.2
<b>Apergy Corp. 6.38% 05/01/26</b>	2.1
<b>Welltec A/S 9.50% 12/01/22</b>	1.8
<b>Wynn Las Vegas Llc/Corp 5.50% 03/01/25</b>	1.7
<b>Grubhub Holdings, Inc. 5.50% 07/01/27</b>	1.7
<b>Alliance Data Systems Co 7.00% 01/15/26</b>	1.6
<b>Nordstrom, Inc. 4.38% 04/01/30</b>	1.6
<b>RDN 4 7/8 03/15/27</b>	1.6
<b>New Residential Inv Corp. 6.25% 10/15/25</b>	1.6
<b>Total as % of Net Assets</b>	<b>18.3%</b>

This is presented as supplemental information.

## SECTOR ALLOCATION

	HIGH YIELD COMPOSITE	ICE BOFA U.S. HIGH YIELD INDEX
<b>Corporate Bonds</b>	<b>95.8%</b>	<b>100.0%</b>
Retail	12.8	5.0
Energy	12.0	13.0
Leisure	10.9	5.9
Financial Services	10.2	4.3
Services	5.3	4.4
Healthcare	5.2	9.1
Consumer Goods	5.1	5.1
Real Estate	4.6	4.0
Basic Industry	4.3	10.0
Banking	4.3	1.3
Insurance	4.0	1.0
Technology & Electronics	3.9	4.9
Media	3.6	9.3
Automotive	3.5	5.2
Telecom	3.1	6.8
Transportation	1.6	1.4
Capital Goods	1.5	6.6
Utility	0.0	2.6
<b>Securitized</b>	<b>0.6</b>	<b>0.0</b>
<b>Cash &amp; Other<sup>1</sup></b>	<b>3.6</b>	<b>0.0</b>

This is presented as supplemental information.

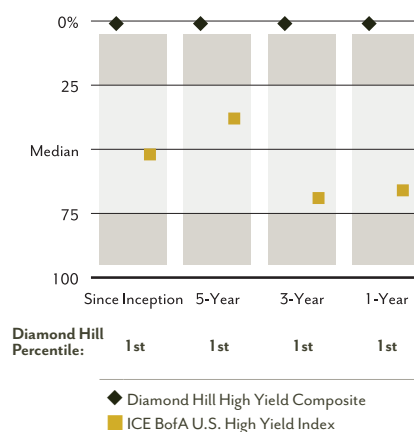
<sup>1</sup> Cash & Other may include cash, treasuries, money market funds, and short duration fixed income funds.

## PERIOD AND ANNUALIZED TOTAL RETURNS (%)

Inception Date: December 31, 2014

	SINCE INCEPTION	5-YR	3-YR	1-YR	YTD	3Q20
<b>HIGH YIELD COMPOSITE</b>						
<b>Gross of Fees</b>	9.04	10.02	8.87	10.56	7.27	6.10
<b>Net of Fees</b>	8.59	9.51	8.33	10.01	6.87	5.97
<b>BENCHMARK</b>						
<b>ICE BofA U.S. High Yield Index</b>	5.26	6.61	3.83	2.30	-0.30	4.71

## PEER GROUP QUARTILE RANKINGS<sup>2</sup>



<sup>2</sup> This is presented as supplemental information. Source: eVestment. Ranking within eVestment U.S. High Yield Fixed Income universe based on monthly returns gross of fees. Ranking data calculated on 10/18/20 (as of 9/30/20) and is subject to change as additional firms within the category submit data.

Please review GIPS® performance disclosure on the reverse side.

Side One. Not Valid Without Side Two.



**CREDIT QUALITY**

QUALITY RATING	% OF PORTFOLIO
<b>Investment Grade<sup>3</sup></b>	12.1%
<b>BB</b>	44.1
<b>B</b>	33.7
<b>CCC &amp; Lower</b>	5.6
<b>Not Rated</b>	4.5

This is presented as supplemental information.

<sup>3</sup> Investment Grade is a Bond Quality Rating of AAA, AA, A, or BBB. Security quality ratings are derived from underlying portfolio securities by using the middle rating of Standard & Poor's, Moody's, and Fitch. If only two of Standard & Poor's, Moody's, and Fitch rates a security the higher of the two is selected. If only one of Standard & Poor's, Moody's, and Fitch rates a security the available rating is used. For securities that are not rated by Standard & Poor's, Moody's, or Fitch a rating from a secondary Nationally Recognized Statistical Rating Organization ("NRSRO") may be used. Ratings by any agency represent an opinion only, not a recommendation to buy or sell. Securities that are not rated by any agencies are reflected as Not Rated "NR".

**PORTFOLIO CHARACTERISTICS**

<b>Number of Issues</b>	137
<b>Number of Issuers</b>	107
<b>Option-Adjusted Spread</b>	569
<b>Effective Duration</b>	3.83
<b>Spread Duration</b>	3.69
<b>Weighted Average Maturity (bonds only)</b>	6.01
<b>Yield to Maturity (%)</b>	6.20
<b>Current Yield (%)</b>	5.85

This is presented as supplemental information.

**RISK STATISTICS**

	SINCE INCEPTION	5-YR
<b>Standard Deviation (%)</b>	7.60	7.95
<b>Beta (%)<sup>4</sup></b>	0.94	0.95
<b>Sharpe Ratio</b>	0.96	1.01

This is presented as supplemental information.

<sup>4</sup> Relative to the ICE BofA U.S. High Yield Index.

**CALENDAR YEAR RETURNS (%)**

	2015	2016	2017	2018	2019
<b>HIGH YIELD COMPOSITE</b>					
<b>Gross of Fees</b>	1.02	15.40	11.12	1.85	16.20
<b>Net of Fees</b>	1.02	14.84	10.57	1.34	15.62
<b>BENCHMARKS</b>					
<b>ICE BofA U.S. High Yield Index</b>	-4.64	17.49	7.48	-2.26	14.41

Diamond Hill Capital Management Inc. (DHCM) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. Diamond Hill has been independently verified for the period 5/31/00 – 6/30/20. Diamond Hill's current verification firm is ACA Compliance Group. The verification report(s) is/are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Diamond Hill is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. Diamond Hill provides investment management services to individuals and institutional investors through mutual funds and separate accounts. A complete list and description of all composites and policies for valuing portfolios, calculating and reporting returns, and preparing compliant presentations are available upon request. The High Yield Composite is comprised of discretionary non-fee and fee paying non-wrap accounts with a market value over \$10M managed according to the firm's High Yield fixed income strategy. The strategy's investment objective is to generate high current income with the opportunity for capital appreciation over a five year time horizon. The strategy generally invests in corporate debt securities that are rated below investment grade or are unrated. The Composite results reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. Composite returns and benchmark returns are presented gross of withholding taxes on dividends, interest income and capital gains. Returns are calculated using U.S. Dollars. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the Composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. The ICE BofA U.S. High Yield Index is comprised of U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market. Our selection process may lead to portfolios that differ markedly from the benchmarks presented. Returns may be more volatile than, and/or may not be correlated to these indices, which are for comparative purposes only. The Firm's standard fee schedule for High Yield separate accounts is as follows: First \$50,000,000 = 0.60%; Over \$50,000,000 = 0.50%. For calendar year end 2015, the non-fee paying account percentage of the Composite is 100%. The dispersion measure is the asset weighted standard deviation of the annual portfolio

AS OF YEAR-END	DHCM	3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)				
		HIGH YIELD COMPOSITE			High Yield Composite	ICE BofA U.S. High Yield Index
	Assets Under Management	Number of Accounts	Assets Under Management	Dispersion (Gross of Fees)		
2019	\$23.4B	5 or fewer	\$134.8M	NA <sup>5</sup>	3.14%	4.13%
2018	19.1B	5 or fewer	54.4M	NA <sup>5</sup>	4.39	4.64
2017	22.3B	5 or fewer	31.1M	NA <sup>5</sup>	5.15	5.60
2016	19.4B	5 or fewer	31.9M	NA <sup>5</sup>	NA <sup>6</sup>	NA <sup>6</sup>
2015	16.8B	5 or fewer	10.1M	NA <sup>5</sup>	NA <sup>6</sup>	NA <sup>6</sup>

<sup>5</sup> NA = Not Applicable

<sup>6</sup> Statistics are not presented because 36 monthly returns are not available. This composite was created in January 2016.

returns. Only portfolios represented in the Composite for the entire year are included in the calculation. The calculation is not performed if the Composite contains 5 or fewer accounts for the full year. No alteration of composites as presented here has occurred because of changes in personnel at any time. **Past performance is not a guarantee of future results.** GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement.

The index data referenced herein is the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its third party suppliers and has been licensed for use by Diamond Hill Capital Management, Inc. ICE Data and its third party suppliers accept no liability in connection with its use. See [diamond-hill.com/disclosures](http://diamond-hill.com/disclosures) for a full copy of the disclaimer. Analytics provided by The Yield Book® Software.