

Intermediate Bond Composite

As of 31 Dec 2023

DIAMOND HILL

INVESTED IN THE LONG RUN

Team

Henry Song, CFA
Portfolio Manager

Mark Jackson, CFA
Portfolio Manager

Douglas Gimple
Senior Portfolio Specialist

Philosophy and Process Highlights

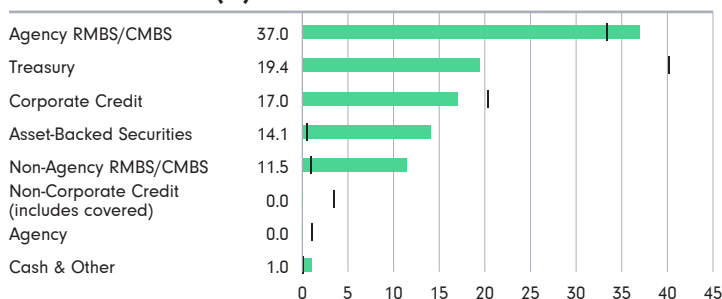
We believe successful, long-term fixed income investing starts with small, individual security decisions.

- We look for undervalued securities and spread sectors that offer incremental yield and total return relative to the index.
- With a focus on securitized products, we have the potential to achieve higher credit quality while maintaining a yield advantage over government or corporate credit-focused strategies.
- We regularly look outside the benchmark for value-add opportunities.

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 US Intermediate Aggregate Bond Index.

Sector Allocation (%)¹



■ Intermediate Bond Composite | ■ Bloomberg US Intermediate Aggregate Bond Index

Duration Breakdown (%)

Duration	Intermediate Bond Composite (%)	Bloomberg US Intermediate Aggregate Bond Index (%)
Less than one	14.4	1.3
1-3	18.5	30.7
3-5	32.0	28.3
5-7	24.8	29.5
7-10	8.6	10.1
10-20	1.7	0.0
20+	0.0	0.0

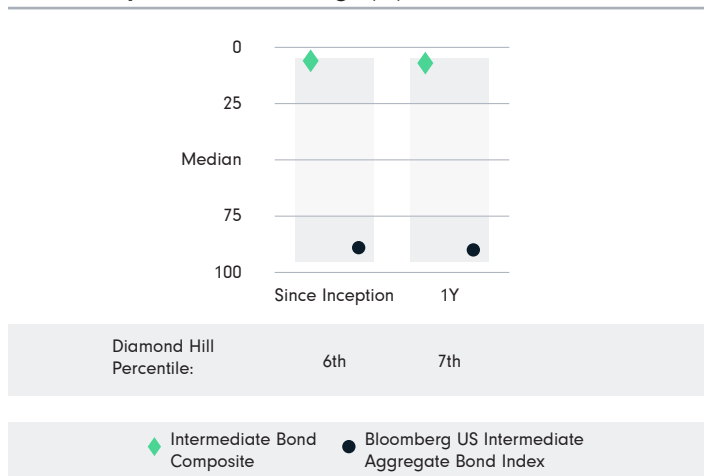
Key Rate Duration (%)

Key Rate	Intermediate Bond Composite (%)	Bloomberg US Intermediate Aggregate Bond Index (%)
1Y	0.11	0.14
2Y	0.17	0.30
3Y	0.56	0.59
5Y	1.48	1.51
10Y	1.43	1.33
20Y	0.32	0.37
30Y	0.02	0.04

Credit Quality Rating²

Rating	% of Portfolio
AAA	34.0
AA	32.6
A	13.6
BBB	16.2
BB	0.2
B	0.0
CCC & Below	0.0
Not Rated	3.3

Peer Group Quartile Rankings (%)³



¹ Cash & Other may include cash and money market funds. RMBS: Residential Mortgage-Backed Securities, CMBS: Commercial Mortgage-Backed Securities.

² 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."

³ Source: eVestment. Ranking within eVestment US Intermediate Duration - Gov/Cred Fixed Income universe based on monthly returns gross of fees. Ranking data calculated on 19 January 2024 (as of 31 December 2023) and is subject to change as additional firms within the category submit data. Diamond Hill pays an annual fee to eVestment to access their platform and to use their data, including peer group rankings, in marketing materials. Diamond Hill does not pay for the ranking.

Intermediate Bond Composite

As of 31 Dec 2023

Portfolio Characteristics	Bloomberg US Intermediate Aggregate Bond Index		Since Inception Risk Statistics ⁴	Bloomberg US Intermediate Aggregate Bond Index	
	Intermediate Bond Composite	Intermediate Aggregate Bond Index		Intermediate Bond Composite	Intermediate Aggregate Bond Index
Number of holdings	285	9,949	Standard Deviation (%)	5.21	6.19
Yield to Maturity (%)	5.99	4.53	Sharpe Ratio	-0.75	-0.85
Yield to Worst (%)	5.94	4.53	Beta (%)	0.65	N/A
Effective Duration	4.09	4.47	R-squared (%)	96.56	N/A
Weighted Average Life (years)	4.99	5.31	Information Ratio	0.93	N/A
Convexity	0.04	0.08			
Option-Adjusted Spread	180	37			

⁴Relative to the Bloomberg US Intermediate Aggregate Bond Index.

Period and Annualized Total Returns (%)

	Since Inception (31 Jul 2021)	1Y	YTD	4Q23
Gross of Fees	-1.14	6.60	6.60	5.13
Net of Fees	-1.43	6.29	6.29	5.06
Bloomberg US Intermediate Aggregate Bond Index	-2.50	5.18	5.18	5.50

Calendar Year Returns (%)

	31 Jul 2021 - 31 Dec 2021	2022	2023
Gross of Fees	-1.02	-7.83	6.60
Net of Fees	-1.14	-8.09	6.29
Bloomberg US Intermediate Aggregate Bond Index	-1.17	-9.51	5.18

Diamond Hill Capital Management Inc. (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. Diamond Hill provides investment management services to individuals and institutions through mutual funds and separate accounts. DHCM claims compliance with the Global Investment Performance Standards (GIPS®). The Intermediate Bond Composite is comprised of discretionary, non-fee and fee-paying non-wrap accounts managed according to the firm's Intermediate Bond strategy, including those clients no longer with the firm. The strategy's investment objective is to maximize total return consistent with the preservation of capital. The Intermediate Bond strategy generally invests in a diversified mix 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 Bloomberg US Intermediate Aggregate Bond Index duration. The Bloomberg US Intermediate Aggregate Bond Index measures the performance of investment grade, fixed-rate taxable bond market and includes government and corporate bonds, agency mortgage-backed, asset-backed and commercial mortgage-backed securities (agency and non-agency) with a maturity greater than 1 year and less than 10 years. The index is unmanaged, includes net reinvested dividends, does not reflect fees or expenses (which would lower the return) and is not available for direct investment. Index data source: Bloomberg Index Services Limited. See diamond-hill.com/disclosures for a full copy of the disclaimer. To receive a complete list and description of all Diamond Hill composites and/or a GIPS® report, contact Scott Stapleton at 614.255.3329, ssapleton@diamond-hill.com or 325 John H. McConnell Blvd., Suite 200, Columbus, OH 43215. The performance data quoted represents past performance; past performance does not guarantee future results. Composite results reflect the reinvestment of dividends, capital gains and other earnings when appropriate. Net returns are calculated by reducing the gross returns by the highest stated fee in the composite fee schedule. Only transaction costs are deducted from gross of fees returns. Prior to 30 September 2022, actual fees were used in calculating net returns. All net returns were changed retroactively to reflect the highest fee in the composite fee schedule. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. The US Dollar is the currency used to express performance.