

Core Bond Composite

As of 30 Sep 2024

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

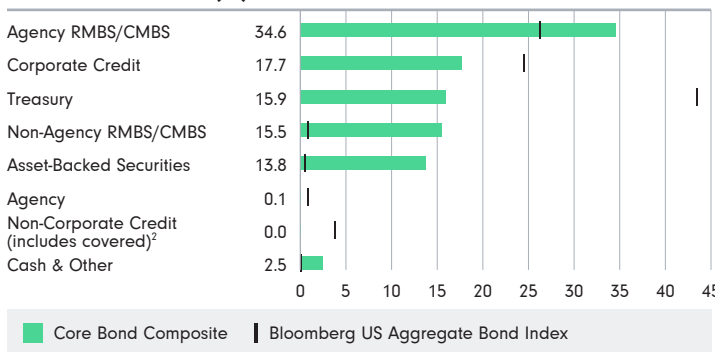
We believe successful, long-term fixed income investing starts with small, individual security decisions.

- 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 Aggregate Bond Index.

Sector Allocation (%)¹



Credit Quality Rating³

Credit Quality Rating	% of Portfolio
AAA	8.3
AA	55.6
A	14.7
BBB	17.9
BB	0.3
B	0.0
CCC & Below	0.0
Not Rated	3.3

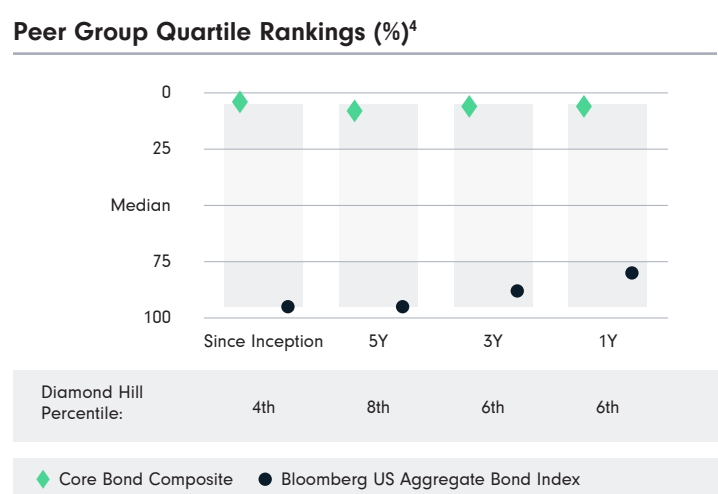
Duration Breakdown (%)

Duration	Core Bond Composite (%)	Bloomberg US Aggregate Bond Index (%)
Less than one	15.3	1.4
1-3	20.6	26.4
3-5	16.6	23.5
5-7	19.0	23.4
7-10	9.7	8.7
10-20	18.0	16.4
20+	0.8	0.3

Key Rate Duration (%)

Key Rate	Core Bond Composite (%)	Bloomberg US Aggregate Bond Index (%)
1Y	0.10	0.12
2Y	0.17	0.25
3Y	0.38	0.49
5Y	0.92	1.20
10Y	1.69	1.33
20Y	1.93	1.55
30Y	0.59	1.09

Peer Group Quartile Rankings (%)⁴



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

² Portfolio weight is 0.006%.

³ 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."

⁴ Source: eVestment. Ranking within eVestment US Core Fixed Income universe based on monthly returns gross of fees. Ranking data calculated on 17 October 2024 (as of 30 September 2024) 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.

Core Bond Composite

As of 30 Sep 2024

Portfolio Characteristics	Core Bond Composite	Bloomberg US Aggregate Bond Index	Five-Year Risk Statistics ⁵	Core Bond Composite	Bloomberg US Aggregate Bond Index
Number of holdings	1,479	13,702	Beta (%)	0.91	N/A
Yield to Maturity (%)	5.60	4.23	R-squared (%)	94.75	N/A
Yield to Worst (%)	5.57	4.23	Information Ratio	0.88	N/A
Effective Duration	5.79	6.20	Standard Deviation (%)	5.84	6.26
Weighted Average Life (years)	7.51	8.36	Sharpe Ratio	-0.13	-0.33
Convexity	0.36	0.53	⁵ Relative to the Bloomberg US Aggregate Bond Index.		
Option-Adjusted Spread	162	36			

Period and Annualized Total Returns (%)	Since Inception (31 Jul 2016)	5Y	3Y	1Y	YTD	3Q24
Gross of Fees	2.54	1.62	0.27	13.25	6.29	5.20
Net of Fees	2.25	1.32	-0.02	12.92	6.06	5.12
Bloomberg US Aggregate Bond Index	1.25	0.33	-1.39	11.57	4.45	5.20

Calendar Year Returns (%)	31 Jul 2016 - 31 Dec 2016	2017	2018	2019	2020	2021	2022	2023
Gross of Fees	-2.44	4.64	2.06	8.56	8.34	-0.55	-11.47	7.06
Net of Fees	-2.56	4.33	1.77	8.24	8.03	-0.84	-11.73	6.75
Bloomberg US Aggregate Bond Index	-3.14	3.54	0.01	8.72	7.51	-1.54	-13.01	5.53

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 institutional investors through mutual funds and separate accounts. DHCM claims compliance with the Global Investment Performance Standards (GIPS®). The Core Bond Composite is comprised of all discretionary, non-fee and fee-paying, non-wrap accounts managed according to the firm's Core 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 by investing in a diversified portfolio of intermediate and long-term fixed income securities. The Core Bond strategy 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 Aggregate Bond Index. The Bloomberg US 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). 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.