

High Yield Fund

As of June 30, 2021



TICKERS

Investor: DHHAX Class Y: DHHYX
Class I: DHHIX

TEAM

Bill Zox, CFA **John McClain, CFA**
Portfolio Manager Portfolio Manager

Douglas Gimple
Senior Portfolio Specialist

PORTFOLIO GUIDELINES

Fund Guidelines

The Fund 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.

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 the gap between price and our estimate of value closes, to raise proceeds for a more attractive opportunity, or if the underlying fundamentals deteriorate.

CREDIT QUALITY¹

QUALITY RATING	% OF PORTFOLIO
Investment Grade²	4.1%
BB	33.5
B	49.1
CCC & Below	11.4
Not Rated	2.0

SECTOR ALLOCATION³

	HIGH YIELD FUND	ICE BOFA U.S. HIGH YIELD INDEX
Corporate Bonds	96.3%	100.0%
Financial Services	15.4	4.3
Energy	13.3	13.6
Leisure	12.6	6.7
Retail	10.3	4.9
Technology & Electronics	7.7	4.8
Healthcare	7.3	8.7
Insurance	7.3	1.1
Consumer Goods	5.4	4.8
Basic Industry	4.3	8.1
Services	4.1	5.3
Media	3.1	8.9
Capital Goods	1.9	6.4
Real Estate	1.7	4.2
Banking	1.0	1.4
Telecom	0.5	7.0
Transportation	0.3	1.9
Automotive	0.0	5.0
Utility	0.0	3.0
Securitized	0.0	0.0
Cash & Other	3.7	0.0

MORNINGSTAR RATINGSTM

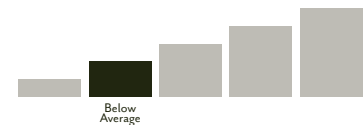
Overall Rating⁴ ★★★★★

Analyst Rating^{4,6}



The Overall Morningstar RatingTM among 634 High Yield Bond funds is derived from a weighted average of the performance figures associated with its 3-, and 5-year periods Morningstar Ratings as of 6/30/21.

MORNINGSTAR FEE LEVEL⁵ (CLASS I)



MORNINGSTAR CLASSIFICATION

High Yield Bond

TOP TEN ISSUES AS OF 4/30/2021

United Wholesale Mortgage 5.50% 04/15/29	2.3%
LD Holdings Group LLC 6.13% 04/01/28	2.0
Magnolia Oil & Gas Corp. 6.00% 08/01/26	2.0
Alliance Data Systems Corp. 7.00% 01/15/26	1.7
Grubhub Holdings, Inc. 5.50% 07/01/27	1.6
Credit Acceptance 6.63% 03/15/26	1.6
New Residential Investment Corp. 6.25% 10/15/25	1.5
National Financial Partners Corp. 6.88% 08/15/28	1.5
Akumin, Inc. 7.00% 11/01/25	1.5
Peninsula Pacific Entertainment LLC 8.50% 11/15/27	1.4
Total as % of Net Assets	17.1%

An investor should consider the Fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus or summary prospectus contain this and other important information about the Fund(s) and are available at diamond-hill.com or by calling 888.226.5595. Please read the prospectus or summary prospectus carefully before investing. The Diamond Hill Funds are distributed by Foreside Financial Services, LLC (Member FINRA). Diamond Hill Capital Management, Inc., a registered investment adviser, serves as Investment Adviser to the Diamond Hill Funds and is paid a fee for its services. Diamond Hill Funds are not FDIC insured, may lose value, and have no bank guarantee.

¹ 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."

² Investment Grade is a Bond Quality Rating of AAA, AA, A or BBB. Investment Grade grouping includes cash position.

³ Cash & Other may include cash, treasuries, money market funds, collateralized debt/loan obligations, and short duration fixed income funds.

⁴ **Overall Rating:** The Fund's Class I rating was 5 stars among 634 and 5 stars among 556 funds for the 3-, and 5-year periods ended 6/30/21, respectively. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. **Analyst Rating:** As of 6/30/21 there were 5 gold rated, 10 silver rated, 7 bronze rated, 27 neutral rated and 186 not rated funds in the High Yield Bond category based on the cheapest share class for each fund as defined by Morningstar. The cheapest share class does not necessarily equate to the highest rated share class. Class I shares are not the cheapest share class for the Diamond Hill High Yield Fund.

⁵ The Morningstar Broad Fee Level data point compares the fund's prospectus adjusted operating net expense ratio to the prospectus adjusted operating net expense ratio of all the other funds within its Morningstar Category. See Morningstar for fee level grouping methodology.

Side One. Not Valid Without Side Two.

PERIOD AND ANNUALIZED TOTAL RETURNS (%) AS OF JUNE 30, 2021

	SINCE INCEPTION	5-YR	3-YR	1-YR	YTD	2Q21	EXPENSE RATIO
HIGH YIELD FUND							
Investor (DHHAX)	8.64	9.96	10.28	16.97	3.78	2.19	0.96%
Class I (DHHIX)	8.95	10.28	10.62	17.29	4.01	2.26	0.67
Class Y (DHHYX)	9.08	10.41	10.76	17.50	3.96	2.28	0.55
BENCHMARK							
ICE BofA U.S. High Yield Index	6.08	7.30	7.15	15.62	3.70	2.77	—

The performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's current performance may be lower or higher than the performance data quoted. Investors may obtain performance information current to the most recent month-end, within 7 business days, at diamond-hill.com. Performance returns assume reinvestment of all distributions. Returns for periods less than one year are not annualized.

CALENDAR YEAR RETURNS (%)

	2015	2016	2017	2018	2019	2020
Class I	0.28	14.62	10.36	1.16	15.44	13.62
ICE BofA U.S. High Yield Index	-4.64	17.49	7.48	-2.26	14.41	6.17

Risk Disclosure: The value of fixed-income securities varies inversely with interest rates; as interest rates rise, the market value of fixed-income securities will decline. Lower quality debt (ie: "High Yield") securities involve greater risk of default or price changes due to potential changes in the issuer's credit quality.

Fund holdings, sector allocations and portfolio statistics subject to change without notice.

The quoted performance for the Fund reflects the past performance of Diamond Hill High Yield Fund L.P. (the "High Yield Partnership"), a private fund managed with full investment authority by the fund's Adviser. The Fund is managed in all material respects in a manner equivalent to the management of the predecessor unregistered fund. The performance of the High Yield Partnership has been restated to reflect the net expenses and maximum applicable sales charge of the fund for its initial years of investment operations. The High Yield Partnership was not registered under the Investment Company Act of 1940 and therefore was not subject to certain investment restrictions imposed by the 1940 Act. If the High Yield Partnership had been registered under the 1940 Act, its performance may have been adversely affected. Performance is measured from December 4, 2014, the inception of the High Yield Partnership and is not the performance of the fund. The assets of the High Yield Partnership were converted, based on their value on December 31, 2015, into assets of the fund prior to commencement of operations of the fund. The High Yield Partnership's past performance is not necessarily an indication of how the fund will perform in the future either before or after taxes.

The ICE BofA U.S. High Yield Index tracks the performance of the U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market. This index does not incur fees and expenses (which would lower the return) and is not available for direct investment. 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.

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⁶ The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's manager research group, which consists of various Morningstar, Inc. subsidiaries ("Manager Research Group"). In the United States, that subsidiary is Morningstar Research Services LLC, which is registered with and governed by the U.S. Securities and Exchange Commission. The Manager Research Group evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The Manager Research Group uses this five-pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark over the long term on a risk adjusted basis. They consider quantitative and qualitative factors in their research. For actively managed strategies, people and process each receive a 45% weighting in their analysis, while parent receives a 10% weighting. For passive strategies, process receives an 80% weighting, while people and parent each receive a 10% weighting. For both active and passive strategies, performance has no explicit weight as it is incorporated into the analysis of people and process; price at the share-class level (where applicable) is directly subtracted from an expected gross alpha estimate derived from the analysis of the other pillars. The impact of the weighted pillar scores for people, process and parent on the final Analyst Rating is further modified by a measure of the dispersion of historical alphas among relevant peers. For certain peer groups where standard benchmarking is not applicable, primarily peer groups of funds using alternative investment strategies, the modification by alpha dispersion is not used. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, and Negative. For active funds, a Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's expectation that an active fund will be able to deliver positive alpha net of fees relative to the standard benchmark index assigned to the Morningstar category. The level of the rating relates to the level of expected positive net alpha relative to Morningstar category peers for active funds. For passive funds, a Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's expectation that a fund will be able to deliver a higher alpha net of fees than the lesser of the relevant Morningstar category median or 0. The level of the rating relates to the level of expected net alpha relative to Morningstar category peers for passive funds. For certain peer groups where standard benchmarking is not applicable, primarily peer groups of funds using alternative investment strategies, a Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's expectation that a fund will deliver a weighted pillar score above a predetermined threshold within its peer group. Analyst Ratings ultimately reflect the Manager Research Group's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at least every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to <https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx>. The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause the Manager Research Group's expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund.

⁷ Measures the interest rate risk of the Fund. It is an estimate of the approximate percentage change in the Fund's net asset value resulting from a one percentage point change in interest rates.

⁸ Measures the weighted average of all maturities of the bonds in the portfolio, computed by weighting each maturity date by the market value of the security. Interest rate fluctuations have a greater impact on the price per share of funds holding bonds with longer average lives.

⁹ The 30-day Yield represents net investment income earned by the fund over the previous 30-day period, expressed as an annual percentage rate based on the Fund's share price at the end of the 30-day period.

¹⁰ **Risk Statistic Definitions:** **Standard Deviation** measures the volatility of the Fund's returns. **Sharpe Ratio** uses the Fund's standard deviation and average excess return over the risk-free rate to determine reward per unit of risk. Statistics for periods less than one year are not annualized. Relative to the ICE BofA U.S. High Yield Index.

Side Two. Not Valid Without Side One.

PORTFOLIO STATISTICS

Inception	December 4, 2014
Management Fee	0.50%
Total Net Assets	\$1.1B
Distributions	Monthly
Portfolio Turnover (12 months trailing)	150%
Number of Issues	120
Effective Duration ⁷	3.01
Weighted Average Maturity ⁸	5.69
30-day SEC Yield ⁹	
Investor	3.29%
Class I	3.70%
Class Y	3.83%

FIVE-YEAR RISK STATISTICS¹⁰ (CLASS I)

Standard Deviation (%)	7.44
Sharpe Ratio	1.20