



INCOME RESEARCH + MANAGEMENT

CORE PLUS STRATEGY

4th QUARTER 2020

IR+M's Core Plus Strategy utilizes the firm's deep investment team and experience as bottom-up security selectors to add value over the Index. Unlike other 'Plus' strategies, we take a more conservative approach, with an emphasis on transparency and quality. We focus on high-quality high-yield corporates, preferreds, and non-agency mortgage-backed securities (MBS). In addition to these sectors, we use many best ideas from our Aggregate Strategy, particularly those further out on the risk spectrum. Our Core Plus Strategy provides an opportunity to earn additional yield without taking undue risk.

PORTFOLIO CONSTRUCTION

- Duration neutral to benchmark
- Opportunistically invest in non-benchmark "plus" sectors
- Capitalize on our strengths: experience and security selection
- Take what the market gives you
 - Introduce incremental risk to portfolios when compensation is attractive; reduce risk when spreads are narrow
- Emphasize undervalued sectors
- Seek securities with embedded, often over-looked value
- Invest in markets that offer structural and price advantages

KEY FACTS

Inception Date: 7/31/2017
 Assets: \$346.3 million
 Benchmark: Bloomberg Barclays US Aggregate Index

- Separately Managed Account
- Private Investment Fund

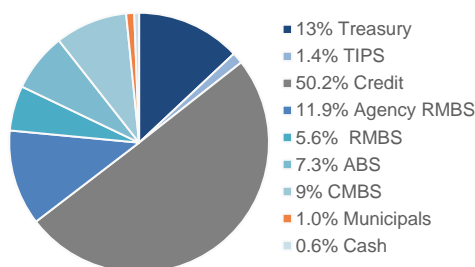
STRATEGY PROFILE

	Conservative	Core	Opportunistic
Cash	■	■	■
Short	■	■	■
Int	■	■	■
Core	■	■	■
Long	■	■	■

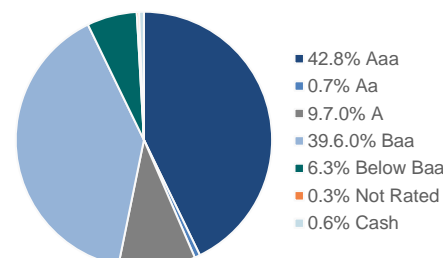
IR+M CORE PLUS CHARACTERISTICS

	IR+M Core Plus Portfolio	IR+M Aggregate Portfolio	Bloomberg Barclays Aggregate Index
Yield (%)	1.82	1.35	1.12
Spread to Tsy (bp)	129	76	42
Effective Duration (yrs)	6.13	6.12	6.22
Convexity	0.77	0.58	0.34
Number of Issues	253	283	11,984
Average Quality	A2/A	Aa3/A+	Aa2/AA-

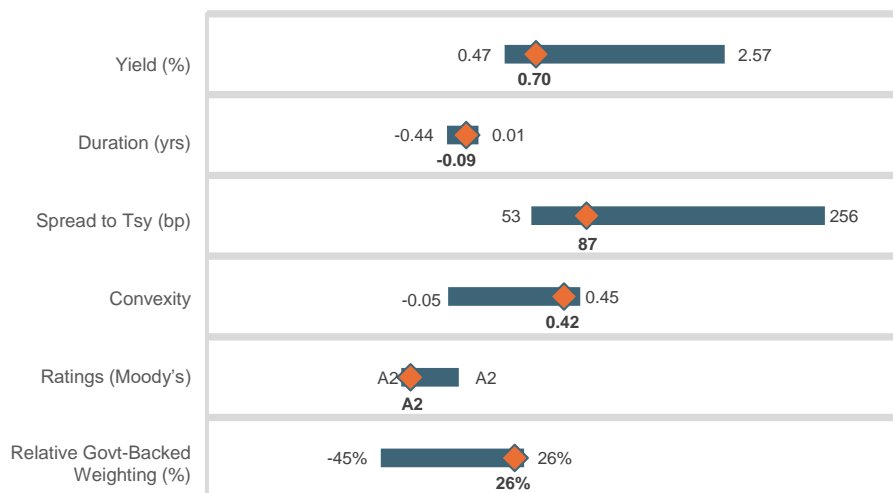
Sector Distribution



Quality Distribution



3-Year Historical Characteristics Relative to Index



Sources: Bloomberg Barclays, IR+M Analytics, Barclays POINT® and Bloomberg PORT+ All data as of 12/31/20. Representative portfolio characteristics. Some statistics require assumptions for calculations which can be disclosed upon request. A similar analysis can be provided for any portfolio we manage. Yields are represented as of the above date and are subject to change. Totals may not sum to 100 due to rounding. The blue bars show the 3-year historical range and the orange diamond represents the value as of 9/30/20. Ratings (Moody's) shows the number of rating notch differences between the portfolio and index. The relative gov't-backed weighting is the aggregate weighting for Treasuries, Agency, Govt Guaranteed, Agency RMBS and Agency CMBS versus the benchmark weighting for those sectors.

The views contained in this report are those of IR+M and are based on information obtained by IR+M from sources that are believed to be reliable. This report is for informational purposes only and is not intended to provide specific advice, recommendations, or projected returns for any particular IR+M product. It should not be assumed that the yields or any other data presented exist today or will in the future. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission from Income Research & Management. IR+M claims compliance with the CFA Institute Asset Manager Code of Professional Conduct. This claim has not been verified by the CFA Institute. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

- + INDEPENDENT FIRM
- + COLLABORATIVE CULTURE
- + VALUE-ORIENTED APPROACH
- + CLIENT FOCUS

IR+M is a privately owned investment management firm specializing in managing US fixed income portfolios for institutional and private clients. We believe that an open, collaborative culture promotes excellence from an investment team of high energy, curious individuals. Our investment philosophy is based on the belief that careful security selection and actively managing portfolio risk provides superior results over the long-term. Our focus is on two primary goals – providing consistent year-over-year investment results and outstanding service to our clients.

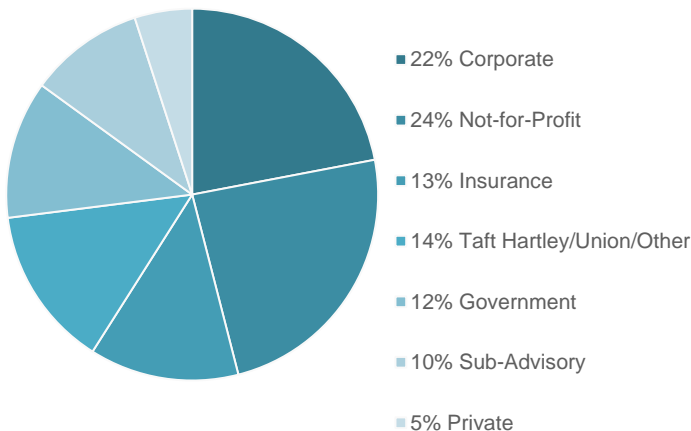
FIRM FACTS

- 30+ years since firm’s inception
- \$88.3 billion in assets under management
- Exclusively US dollar-denominated fixed income
- Consistent, team-oriented, bottom-up investment approach
 - 14-year average portfolio manager tenure
- Material ESG factors fully integrated within our investment process
- Privately owned with 64 employee shareholders

IR+M STRATEGIES

- Short • Intermediate • Core • Government/Credit • Long Corporate • Municipal • Inflation Protection • Government
- Liability Driven Investing • Convertible • Socially Responsible Core • Tax Sensitive / Crossover • Extended Cash • Core Plus
- Short Diversified Income

ASSETS BY CLIENT TYPE



INVESTMENT PHILOSOPHY

Actively manage portfolio risk

- Target duration neutral to benchmark
- Balance opportunity and discipline
- Take what the market gives you

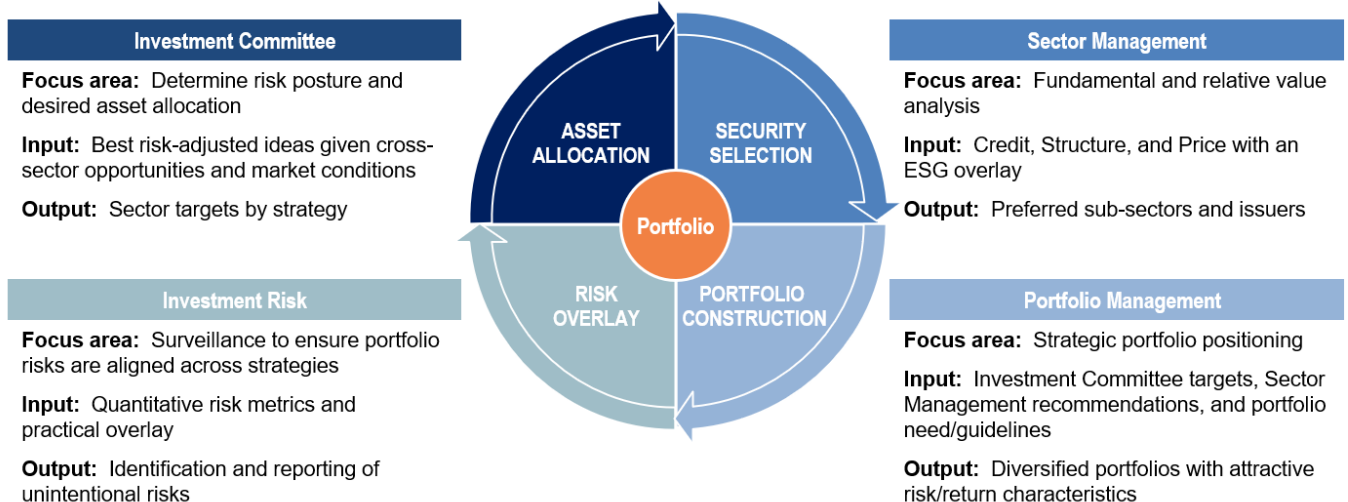
Emphasize undervalued sectors

- Introduce incremental risk when compensation is attractive
- Reduce risk when spread sectors are rich
- Utilize bottom-up philosophy as an influence on sector decisions

Capitalize on our experience and security selection

- Seek securities with embedded, often over-looked, value
- Focus on credit, structure, and price to arrive at our best ideas
- Rely on senior investment team for ultimate decisions

INVESTMENT PROCESS



AUM as of 12/31/20. Shareholders as of 1/5/21. The views contained in this presentation are those of IR+M and are based on information obtained by IR+M from sources that are believed to be reliable. This report is for informational purposes only and is not intended to provide specific advice, recommendation for, or projected returns of any particular IR+M product. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission from Income Research & Management.