

IR+M's Core ESG Strategy utilizes the firm's deep investment team experience as bottom-up security selectors along with our proprietary ESG research methodology to seek to add value over the Bloomberg Aggregate Index. The strategy emphasizes corporate, securitized, and municipal issuers that meet certain environmental, social, and governance ("ESG") standards.

The Strategy's duration profile is similar to that of the Index. We strive to enhance returns by focusing on high-quality spread product and avoiding issuers that do not align with ESG and sustainability principles. High-conviction investments in well-valued securities enable us to develop meaningful position sizes while maintaining sufficient diversification. Using a positive ESG tilt, we endeavor to construct a no-surprises portfolio that brings together IR+M's best ideas across maturities and sectors.

### PORTFOLIO CONSTRUCTION

- Duration neutral to benchmark
- Utilize entire IR+M toolkit
- Bottom-up security selection with a focus on material ESG factors
- 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
- Focus on material ESG factors within each sector

### KEY FACTS

Strategy Inception Date 10/1/2020  
 Strategy Assets \$499.8 million  
 Benchmark  
 • Bloomberg US Aggregate Index  
 Available vehicles  
 • Separately Managed Account  
 • Private Investment Fund [3(c)(7)]

### STRATEGY RESTRICTIONS

- **Negative Screens**
  - Tobacco
  - Weapons
  - Top thermal coal and oil sands reserve holders
- **ESG Laggard Limits**
  - Minimizes issuers deemed to be misaligned with ESG principles

### IR+M CORE ESG STRATEGY CHARACTERISTICS

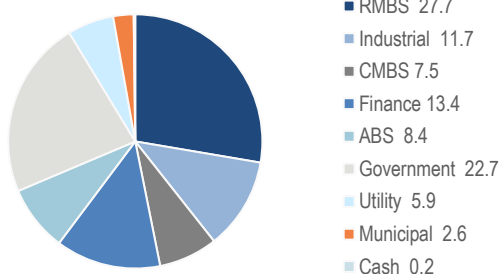
Characteristics	IR+M Core ESG Portfolio (6/30/23)	IR+M Aggregate Portfolio (6/30/23)	Bloomberg Aggregate Index (6/30/23)
Yield (%)	5.12	5.18	4.81
Spread to Tsy (bp)	86	89	49
Effective Duration (yrs)	6.25	6.26	6.31
Convexity	0.64	0.65	0.60
Number Of Issues	407	342	13,358
Average Quality (M/S&P)	Aa2/AA-	Aa2/AA-	Aa2/AA

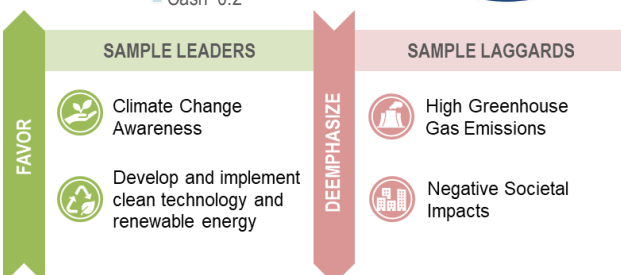
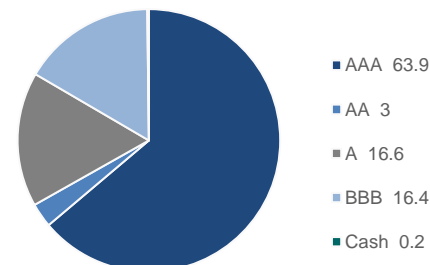
ESG Ranking	IR+M Core ESG Portfolio (6/30/23)	IR+M Aggregate Portfolio (6/30/23)	Bloomberg Aggregate Index (6/30/23)
Leader (%)	55.8	44.0	37.9
Neutral (%)	26.0	31.6	15.5
Laggard (%)	0.0	4.8	3.9
Unrated* (%)	18.1	19.7	42.9

\*Unrated includes Cash, Treasuries, and any unranked securities.

#### Sector Distribution



#### Quality Distribution



Sources: Bloomberg, IR+M Analytics, and Bloomberg PORT+  
 All data as of 6/30/23. 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. ESG Rankings determined using IR+M's proprietary research. The above list of screens does not include all sectors that are screened out of the IR+M Core ESG Strategy. This is not a recommendation to purchase or sell the issuers/securities of issuers from the sectors listed. A full list of screens is available upon request.

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- + 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.

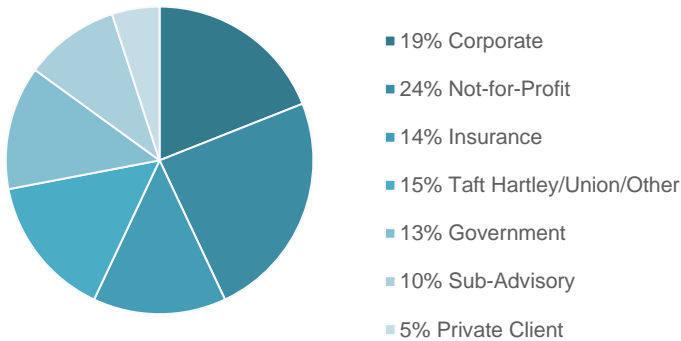
**FIRM FACTS**

- 35 years since firm’s inception
- \$93.2 billion in assets under management
- Exclusively US dollar-denominated fixed income
- Consistent, team-oriented, bottom-up investment approach
  - 13-year average portfolio manager tenure
- Privately owned with 68 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 • Short ESG • Core ESG

**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**

**Sector Management**

Fundamental and relative value analysis incorporating **Credit, Structure, and Price**

**Investment Risk**

Surveillance to ensure portfolio risks are aligned across strategies with quantitative risk metrics and practical overlay



**Investment Committee**

Determine risk posture and desired asset allocation using best risk-adjusted ideas given cross-sector opportunities and market conditions

**Portfolio Management**

Strategic portfolio positioning with input from Investment Committee targets, Sector Management recommendations, and portfolio need/guidelines

AUM as of 6/30/23. Average portfolio manager tenure and shareholder count as of 6/30/23. 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 but IR+M makes no guarantee as to the accuracy or completeness of the underlying third-party data used to form IR+M's views and opinions. 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. 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.