



Galliard Fixed Income Executive Summary

FIRST QUARTER 2024

Galliard was founded with the premise that fixed income active management can be successfully implemented to provide **LONG-TERM**, consistent outperformance while generating income and providing **SAFETY OF PRINCIPAL**.

Throughout our history, the foundation of our investment approach is based on a **CONSISTENT** and repeatable investment style that seeks to **DELIVER** competitive risk-adjusted returns based on the following investment beliefs.

OUR INVESTMENT BELIEFS

- High quality spread sectors provide a stable source of income and are the building blocks for constructing an efficient portfolio
- Fundamental research is the key to identifying the sectors and issuers that offer the best value
- Strategic diversification, across sectors and issuers, reduces risk and enhances return

For more information, visit www.galliard.com

Fixed Income Executive Summary

FIRST QUARTER 2024

CONSISTENT OUTPERFORMANCE AND SUPERIOR RISK-ADJUSTED RETURNS

95+

FIXED INCOME
SEPARATE ACCOUNTS

- Exceeding primary benchmarks over greater than **97%** of rolling 5-year time periods¹
- Delivering a strong information ratio over many market cycles

A FOCUSED, REPEATABLE MULTI- SECTOR INVESTMENT STYLE

- Employing a diversified, **high quality** spread sector emphasis
- Rigorous **fundamental analysis** coupled with relative value assessment

28 YEARS

OF EXCLUSIVE
FOCUS ON

Fixed Income

The Galliard

Fixed Income Advantage

A STABLE, EXPERIENCED TEAM OF INVESTMENT PROFESSIONALS

Senior Fixed Income
Investment Professionals
Average Years of Experience:



23 years in investment industry

20 years with Galliard

- Team approach to managing client portfolios lead by a **core group** of seasoned investors
- **Dedicated** Client Portfolio Managers work closely with clients to provide tailored solutions

ABILITY TO LEVERAGE A “BEST OF BOTH WORLDS” SIZE ADVANTAGE

- Large enough to have **excellent** dealer relationships
- Small enough to benefit from **niche** investment opportunities

\$83.3 B

TOTAL AUM

¹: Representative composites: Short Core, Short/Intermediate, Intermediate Aggregate, and Broad Market Core as of March 31, 2024. These representative composites account for 55% of total firm assets.
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FIRST QUARTER 2024

Galliard Capital Management has a history of delivering **CUSTOM** fixed income investment solutions designed to meet **CLIENT INVESTMENT OBJECTIVES**.

We manage portfolios across the curve, incorporating clients' **SPECIFIC GUIDELINES AND LIQUIDITY NEEDS**.

STRATEGIES & ASSETS

| | | | |
|-------------------------------|---------------------------------------|---------------------------------|-------------------------|
| Short Core \$24.3 B | Short Intermediate \$10.4 B | Intermediate \$22.8 B | Broad \$7.6 B |
|-------------------------------|---------------------------------------|---------------------------------|-------------------------|

CAPABILITIES

| | | | |
|--------------------------------------|-----------------------------------|-------------------------------------|---|
| Core Ultra-Short ABS Custom | Core Target Duration Custom | Core Government/Credit Custom | Core Enhanced Core Custom Long Duration Custom |
|--------------------------------------|-----------------------------------|-------------------------------------|---|

HOW TO ACCESS

| | | | |
|---|------------------|---|---|
| Separate Account Commingled Funds ¹ -CITs -3(C)7 ¹ | Separate Account | Separate Account Commingled Funds ¹ -CITs -3(C)7 ¹ | Separate Account -3(C)7 ¹ |
|---|------------------|---|---|

As of March 31, 2024. All investments are subject to minimum requirements.

1: Commingled funds are only available in core strategies.

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Fixed Income Executive Summary

FIRST QUARTER 2024

Annualized Investment Performance

REPRESENTATIVE COMPOSITES AS OF 3/31/2024¹

| | 1 Yr | 3 Yr | 5 Yr | 10 Yr | 15 Yr | 15 Yr eVestment Data ⁵ | |
|---|------|--------|------|-------|-------|-----------------------------------|------|
| | | | | | | Information Ratio | Rank |
| Broad Market Core (before fees) | 2.50 | (1.94) | 1.04 | 2.20 | 3.43 | 1.34 | 4 |
| Broad Market Core (after fees) | 2.25 | (2.18) | 0.77 | 1.91 | 3.13 | | |
| Bloomberg U.S. Aggregate Bond Index | 1.70 | (2.46) | 0.36 | 1.54 | 2.62 | | |
| Value Added (before fees) ² | 0.81 | 0.52 | 0.68 | 0.66 | 0.81 | | |
| Intermediate Aggregate (before fees) | 3.24 | (1.17) | 1.15 | 1.92 | 2.89 | 1.01 | 12 |
| Intermediate Aggregate (after fees) | 2.99 | (1.41) | 0.88 | 1.63 | 2.59 | | |
| Bloomberg U.S. Intermediate Aggregate Bond Index | 2.30 | (1.66) | 0.60 | 1.45 | 2.37 | | |
| Value Added (before fees) ² | 0.94 | 0.50 | 0.55 | 0.47 | 0.52 | | |
| Short Intermediate (before fees) | 4.35 | 0.15 | 1.68 | 1.81 | 2.29 | 0.87 | 18 |
| Short Intermediate (after fees) | 4.09 | (0.10) | 1.41 | 1.52 | 2.00 | | |
| Bloomberg U.S. 1-5 Year Government/Credit Bond Index ³ | 3.16 | (0.38) | 1.24 | 1.30 | 1.43 | | |
| Value Added (before fees) ² | 1.20 | 0.54 | 0.44 | 0.51 | 0.86 | | |
| Short Core (before fees) | 4.78 | 0.80 | 1.88 | 1.75 | 2.14 | 1.17 | 15 |
| Short Core (after fees) | 4.52 | 0.55 | 1.60 | 1.46 | 1.84 | | |
| Bloomberg U.S. 1-3 Year Government/Credit Bond Index ⁴ | 3.49 | 0.25 | 1.36 | 1.19 | 1.20 | | |
| Value Added (before fees) ² | 1.29 | 0.55 | 0.52 | 0.55 | 0.94 | | |

All endnotes are located on the final page. Returns for periods less than one year are not annualized. Past performance is not an indication of how the investment will perform in the future.
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Fixed Income Executive Summary

FIRST QUARTER 2024

Annualized Investment Performance

ADDITIONAL COMPOSITES AS OF 3/31/2024¹

| | 1 Yr | 3 Yr | 5 Yr | 10 Yr | 15 Yr | 15 Yr eVestment Data ⁵ | |
|---|------|--------|------|-------|-------|-----------------------------------|------|
| | | | | | | Information Ratio | Rank |
| Liability Driven (before fees) | 3.30 | (2.57) | 1.70 | 3.66 | - | N/A | N/A |
| Liability Driven (after fees) | 3.05 | (2.82) | 1.42 | 3.37 | - | | |
| Custom Benchmark ² | 2.55 | (3.17) | 0.97 | 2.78 | - | | |
| Value Added (before fees) ³ | 0.75 | 0.60 | 0.73 | 0.88 | - | | |
| Broad Market Enhanced Core (before fees) | 3.00 | (1.48) | 1.40 | 2.47 | 4.04 | 1.25 | 8 |
| Broad Market Enhanced Core (after fees) | 2.74 | (1.73) | 1.12 | 2.18 | 3.74 | | |
| Bloomberg U.S. Aggregate Bond Index | 1.70 | (2.46) | 0.36 | 1.54 | 2.62 | | |
| Value Added (before fees) ³ | 1.30 | 0.98 | 1.04 | 0.93 | 1.42 | | |
| Intermediate Gove't/Credit Composite (before fees) | 3.95 | (0.65) | 1.54 | 2.07 | 3.00 | 0.93 | 25 |
| Intermediate Government/Credit (after fees) | 3.69 | (0.90) | 1.26 | 1.78 | 2.71 | | |
| Bloomberg U.S. Intermediate Government/Credit Bond Index | 2.69 | (1.06) | 1.09 | 1.61 | 2.46 | | |
| Value Added (before fees) ³ | 1.25 | 0.41 | 0.44 | 0.46 | 0.55 | | |
| Ultra Short (before fees) | 4.98 | 1.93 | 2.07 | 1.65 | 1.57 | 1.11 | N/A |
| Ultra Short (after fees) | 4.72 | 1.67 | 1.80 | 1.36 | 1.23 | | |
| ICE BofA 1 Year U.S. Treasury Index ⁴ | 4.30 | 1.44 | 1.34 | 1.04 | 0.73 | | |
| Value Added (before fees) ³ | 0.67 | 0.49 | 0.73 | 0.60 | 0.83 | | |

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ENDNOTES FROM PAGE 4 1: Representative composites account for 55% of total firm assets. Returns designated as being “before fees” are before investment management fees and include all income, realized and unrealized gains and losses, and all transactional costs. Returns designated as “after fees” are the “before fees” returns less the maximum investment management fee of 0.25% which may be charged by Galliard for management of each client’s account. Prior to 4/1/21 the maximum fee which could be charged by Galliard was 0.30%. Historical composite returns shown as after maximum fees reflect this fee reduction on the respective date. Returns also include the effect of compounding these fees and will be rounded to the nearest basis point. A client’s return will be reduced by any fees and other expenses it may incur in the management of its account. Galliard’s advisory fees are disclosed in the firm’s Form ADV Part 2 which is available upon request. Benchmark returns do not include potential transaction costs or management fees. For comparison purposes each benchmark is fully invested and includes the reinvestment of income. While it is believed that the benchmarks used here represent an appropriate point of comparison for the composites referenced above, prospective investors should be aware that the volatility of the above referenced benchmarks may be substantially different from that of the composites; and holdings in the composites may differ significantly from the benchmarks if the investment guidelines and criteria are different than the composites. 2: Value added before fees; may not add due to rounding. 3: Linked Benchmark: Prior to 7/1/18 was the ICE BofA 1-5 Yr U.S. Treasury & Agency Index. 4: Linked Benchmark: Prior to 7/1/18 was the Bloomberg U.S. 1-3 Yr Government Bond Index. 5: All rankings are reflected before fees and reported on 4/24/2024. Short Core ranks shown versus the eVestment U.S. Short Duration Fixed Income Universe. Statistics reported versus the Bloomberg U.S. 1-3 Year Government/Credit Bond Index. Short Intermediate Core ranks shown versus the eVestment U.S. Short Duration Fixed Income Universe. Statistics reported versus the Bloomberg U.S. 1-5 Year Government/Credit Bond Index. Intermediate Aggregate ranks shown versus the eVestment U.S. Intermediate Duration Fixed Income Universe. Statistics reported versus the Bloomberg U.S. Intermediate Aggregate Bond Index. Intermediate Government/Credit ranks shown versus the eVestment U.S. Intermediate Duration Fixed Income Universe. Statistics reported versus the Bloomberg U.S. Intermediate Government/Credit Bond Index. Broad Market Core ranks shown versus the eVestment U.S. Core Fixed Income Universe. Statistics reported versus the Bloomberg U.S. Aggregate Bond Index.

ENDNOTES FROM PAGE 5 1: Returns designated as being “before fees” are before investment management fees and include all income, realized and unrealized gains and losses, and all transactional costs. Returns designated as “after fees” are the “before fees” returns less the maximum investment management fee of 0.25% which may be charged by Galliard for management of each client’s account. Prior to 4/1/21 the maximum fee which could be charged by Galliard was 0.30%. Historical composite returns shown as after maximum fees reflect this fee reduction on the respective date. Returns also include the effect of compounding these fees and will be rounded to the nearest basis point. A client’s return will be reduced by any fees and other expenses it may incur in the management of its account. Galliard’s advisory fees are disclosed in the firm’s Form ADV Part 2 which is available upon request. Benchmark returns do not include potential transaction costs or management fees. For comparison purposes each benchmark is fully invested and includes the reinvestment of income. While it is believed that the benchmarks used here represent an appropriate point of comparison for the composites referenced above, prospective investors should be aware that the volatility of the above referenced benchmarks may be substantially different from that of the composites; and holdings in the composites may differ significantly from the benchmarks if the investment guidelines and criteria are different than the composites. 2: Accounts in the composite are managed to the structure of the individual plan liabilities. The benchmark is shown for informational purposes only and is calculated based on weighted allocation of the benchmarks of portfolios in the composite. The benchmark is rebalanced monthly based on the beginning values of portfolios included in the composite. As of 2/1/23 the breakdown of the benchmark is 55.0% Bloomberg U.S. Long Credit, 10.0% Bloomberg U.S. Long Gov’t, 22.5% Bloomberg U.S. Int. Credit, 12.5% Bloomberg U.S. Int. Gov’t. The breakdown of the informational benchmark for different time periods is available upon request. 3: Value added before fees; may not add due to rounding. 4: Linked Benchmark: Prior to 1/1/21 was the ICE BofA 3 Mo U.S. T-Bill. 5: All rankings are reflected before fees and reported on 4/24/2024. Ultra Short ranks are not applicable. Intermediate Government/Credit ranks shown versus the eVestment U.S. Intermediate Duration Fixed Income Universe. Statistics reported versus the Bloomberg U.S. Intermediate Government/Credit Bond Index. Broad Market Enhanced Core ranks shown versus the eVestment U.S. Core Fixed Income Universe. Statistics reported versus the Bloomberg U.S. Aggregate Bond Index. Liability Driven ranks are not applicable.

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