

# Reams Low Duration Strategy

## Investment Philosophy

Reams defines risk as permanent loss of principal or the inability to meet investment objectives. This is distinct from other investors who may define risk as volatility or tracking error versus a benchmark. Another differentiating feature is that Reams focuses on reacting to relative value opportunities and taking advantage of volatility, rather than relying on economic forecasting and predicting market movements. These guiding beliefs lead the team to:

- Focus on long-term value and total return
- Employ both top-down macro and bottom-up strategies to uncover unique opportunities
- React opportunistically to valuation discrepancies and volatility in the bond market
- Create diversified bond portfolios in an attempt to outperform over a full market cycle
- Seek opportunities to add value in niche parts of the market overlooked by larger managers

## Strategy Overview

- Reams defines risk as permanent loss of principal or the inability to meet investment objectives. This is distinct from other investors who may define risk as volatility or tracking error versus a benchmark. Another differentiating feature is that Reams focuses on reacting to relative value opportunities and taking advantage of volatility, rather than relying on economic forecasting and predicting market movements. These guiding beliefs lead the team to:
- Focus on long-term value and total return
- Employ both top-down macro and bottom-up strategies to uncover unique opportunities
- React opportunistically to valuation discrepancies and volatility in the bond market
- Create diversified bond portfolios in an attempt to outperform over a full market cycle
- Seek opportunities to add value in niche parts of the market overlooked by larger managers

## Investment Process

### Step One: Duration and Yield-Curve Decision

Goal: Determine whether the bond market is cheap or expensive

- Emphasize real interest rates and formulate a long-term view
- Take advantage of yield curve opportunities

### Step Two: Sector Decision and Bond Selection

Goal: Identify bonds with the highest risk-adjusted returns

- Focus on over/underweight sectors based on relative value and select bonds expected to perform well in dynamic interest rate and credit environments
- Focus on senior positions within the capital structure and use stress testing/scenario analysis to evaluate potential outcomes

### Step Three: Risk Analysis and Control

Goal: Continually measure and control exposure to key risk factors

- Employ external and proprietary analytical tools to manage and control risk at security, sector and portfolio levels
- Avoid backward looking risk measures and “risk budgeting” approaches to portfolio construction

## Total Strategy Assets

\$2,951.4 million

## Portfolio Management Team

### Mark Egan, CFA

Lead Portfolio Manager

- Joined Reams Asset Management in 1990
- 37 years of investment experience

### Todd Thompson, CFA

Co-Portfolio Manager

- Joined Reams Asset Management in 2001
- 29 years of investment experience

### Clark Holland, CFA

Co-Portfolio Manager

- Joined Reams Asset Management in 2002
- 29 years of investment experience

### Jason Hoyer, CFA

Co-Portfolio Manager

- Joined Reams Asset Management in 2015
- 20 years of investment experience

### Dimitri Silva, CFA

Co-Portfolio Manager

- Joined Reams Asset Management in 2021
- 16 years of investment experience

### Neil Aggarwal

Co-Portfolio Manager

- Joined Reams Asset Management in 2022
- 20 years of investment experience

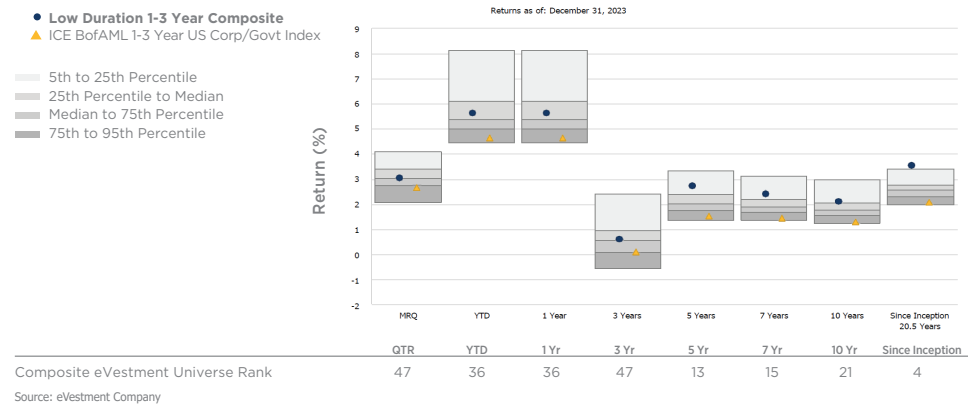
### Performance Summary (USD)

Reams 1-3 Year Low Duration Fixed Income Composite

	1-3 Year Low Duration Composite Gross	1-3 Year Low Duration Composite Net	ICE® BofAML® 1-3 Year U.S. Corp/Gov't. Index	Net Excess Return
Quarter	3.04%	2.98%	2.64%	0.34%
YTD	5.64%	5.43%	4.63%	0.80%
1 Year	5.64%	5.43%	4.63%	0.80%
3 Year	0.59%	0.39%	0.08%	0.31%
5 Year	2.72%	2.52%	1.52%	1.00%
7 Year	2.40%	2.20%	1.44%	0.76%
10 Year	2.09%	1.89%	1.28%	0.61%
Since Inception	3.54%	3.33%	2.07%	1.26%

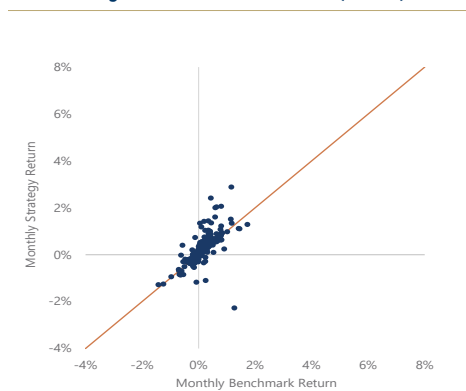
Inception Date: 7/1/2003

### Reams 1-3 Year Low Duration Fixed Income vs. eVestment U.S. Short Duration Fixed Income Universe†



Ranking within eVestment US Short Duration Fixed Income universe based on monthly returns gross of fees. Ranking data calculated on Jan. 24, 2024 (as of Dec. 31, 2023) and is subject to change as additional firms within the category submit data. Reams Asset Management pays an annual fee to eVestment to access their platform and to use their data, including peer group rankings, in marketing materials. Reams Asset Management does not pay for the ranking.

### Monthly Total Returns (Net)



Number of Periods	246
Avg. Monthly Excess Return	0.10%
% of Periods with Positive Excess Return	69%
Avg. Excess Return when Positive	0.24%
% of Periods with Negative Excess Return	31%
Avg. Excess Return when Negative	-0.21%

### Rolling 60-Month Total Returns (Net), Since Inception



Number of Periods	187
Avg. 60-Month Excess Return (Anlzd)	1.42%
% of Periods with Positive Excess Return	99%
Avg. Excess Return when Positive (Anlzd)	1.42%
% of Periods with Negative Excess Return	1%
Avg. Excess Return when Negative (Anlzd)	-0.12%

Attribution versus ICE® BofAML® 1-3 Year U.S. Corp/Gov't. Index Indices do not reflect management fees or transaction costs. It is not possible to invest directly in an unmanaged index.

Performance data quoted represents past performance. Past performance is no guarantee of future results. Performance figures are stated as gross and net, which is calculated using the highest management fee of 0.20% for this strategy. The firm's management fees are detailed in its Form ADV Part 2A. Please see the Disclosures for further information. Totals may not equal due to rounding. Please see the back page for further information.

Each observation in the rolling 60-month returns chart represents the rolling 60-month composite gross of fees return as of month end from July 1, 2007, through Dec. 31, 2023. The trend line is a hypothetical representation of identical composite and index returns. The data does not represent outperformance during each month; the composite did not outperform the index 69% of the months during the time period stated. Percentage of outperformance is based on the rolling 60-month observations during the time period stated.

†Based on Gross of Fee Performance

### Performance Attribution†

Reams 1-3 Year Low Duration Fixed Income Composite

(Q4-2023)

Sector	Impact %
Duration Difference	0.00
Yield Curve Difference	-0.06
<b>Total Macro</b>	<b>-0.06</b>
Sector Selection	0.39
Security Selection	0.06
<b>Total Selection</b>	<b>0.45</b>
<b>Fees</b>	<b>-0.06%</b>

### Contributors and Detractors

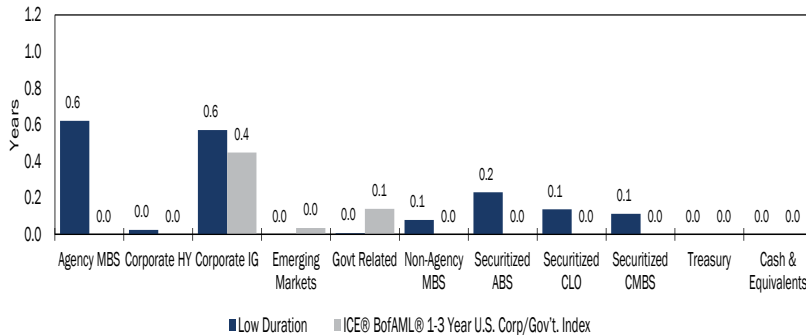
1-3 Year Low Duration Fixed Income Composite

- U.S. Treasury rates declined sharply, as investors priced in an end to the Federal Reserve's tightening cycle and a pivot toward a series of rate cuts in 2024. Despite this decline in rates and an above-benchmark duration stance, duration positioning had no impact overall due to dynamic intra-quarter shifts.
- Yield curve positioning detracted due to an underweight to the outperforming 1- to 2-year duration segment.
- Sector allocation contributed due to non-index exposure to the outperforming MBS sector, which benefited from the ongoing normalization of interest rate volatility.
- An overweight to the outperforming IG corporates sector also contributed.
- Security selection contributed within the IG corporates, CMBS, and ABS sectors.
- These gains were partially offset by negative selection within the MBS sector, as exposure was biased toward higher-coupon agency MBS, which underperformed lower-coupon agency MBS due to the higher sensitivity of lower-coupon MBS to changes in Treasury rates.

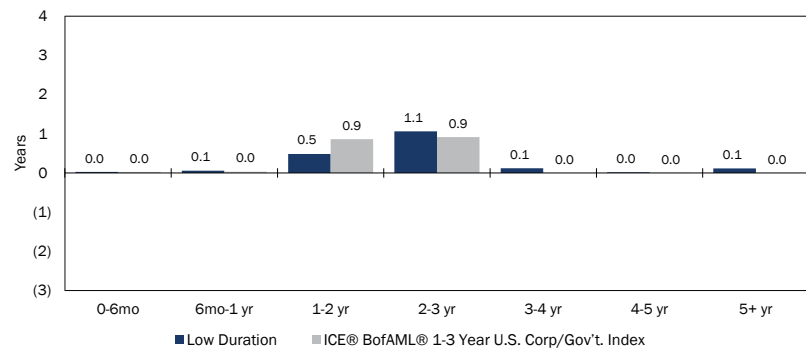
Portfolio Summary

1-3 Year Low Duration Fixed Income Composite

Contribution to Spread Duration (Years)



Contribution to Interest Rate Duration (Years)



Sector and Quality Exposure may not sum to 100% in some cases. To the extent derivative instruments are held and shown at full notional, collateral will be assigned to its defined Sector or Quality Exposure. Cash & Equivalents may include securities with an effective duration less than one year and rated investment grade.

Portfolio Characteristics

	1-3 Year Low Duration Fixed Income Composite	ICE® BofAML® 1-3 Year U.S. Corp/Gov't. Index
Average Duration	1.9 years	1.8 years
Average Convexity	-0.14	0.04
Average Yield to Worst	5.3%	4.6%
Average Maturity	2.5 years	1.9 years
Average Quality	Aa2	Aa2

Sector Allocation (%)

	1-3 Year Low Duration Fixed Income Composite	ICE® BofAML® 1-3 Year U.S. Corp/Gov't. Index
Agency MBS	15.7	0.0
Corporate HY	0.7	0.0
Corporate IG	31.3	25.2
Emerging Markets	0.0	2.0
Govt Related	0.6	8.1
Non-Agency MBS	3.8	0.0
Securitized ABS	16.4	0.0
Securitized CLO	6.6	0.0
Securitized CMBS	8.0	0.0
Treasury	18.2	64.8
Cash & Equivalents	0.6	0.0
<b>Total</b>	<b>102%</b>	<b>100%</b>

Quality Allocation (%)\*

	1-3 Year Low Duration Fixed Income Composite	ICE® BofAML® 1-3 Year U.S. Corp/Gov't. Index
AAA	35.0	4.0
AA	36.7	71.5
A	13.7	13.1
BBB	15.1	11.4
Below Investment Grade	0.7	0.0
Cash & Equivalents	0.6	0.0
<b>Total</b>	<b>102%</b>	<b>100%</b>

Positioning and Rationale

1-3 Year Low Duration Fixed Income Composite

- Exposure to IG corporates was unchanged and remained overweight relative to the index. The weight in HY corporates (where allowed by client guidelines) declined to a minimal absolute level.
- Non-index exposure to agency MBS was down slightly, while non-index exposure to nonagency residential mortgage-backed securities (RMBS) increased. The mortgage sector continued to represent a meaningful allocation, as relative valuations remained attractive despite recent outperformance.
- Non-index exposure to ABS and CMBS both increased during the fourth quarter.
- The allocation to U.S. Treasuries declined and continued to represent a significant underweight versus the index, to accommodate the overweight to IG corporates and non-index exposures to ABS, agency MBS, CMBS, and non-agency RMBS.
- Portfolio duration declined in response to the significant move lower in rates but remained above that of the index, reflecting real rates that remained attractive on a long-term basis.
- Yield curve exposure featured modest non-index exposure to the 0- to 1-year, 3- to 4-year, and 5+ year duration segments, along with an overweight to the 2- to 3-year segment, offset by an underweight to the 1- to 2-year segment.

\*The bond quality ratings indicated are assigned by credit rating agencies Standard & Poor's, Moody's, and Fitch as an indication of an issuer's creditworthiness. Unless specified by client investment guidelines, the middle of three or highest of two credit quality ratings available from these rating agencies is used. Credit quality is subject to change. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Credit ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the appropriateness of securities or the appropriateness of securities for investment purposes, and should not be relied on as investment advice.

The information provided is based on the aggregate characteristics of all securities held in a representative portfolio as of the date listed. The data provided in this report is for informational purposes only and should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the holdings discussed were or will prove to be profitable. Holdings may change daily and may vary among accounts. Data is obtained from third party sources and is believed to be accurate and reliable.

Please see the back page for further information.

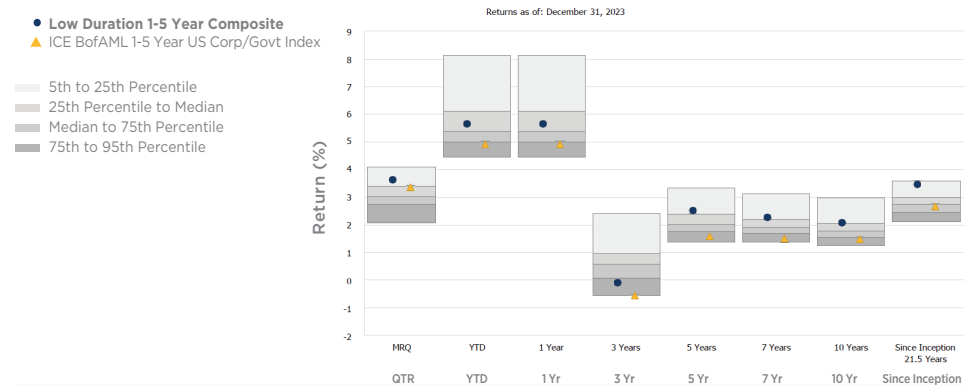
**Performance Summary (USD)**

Reams 1-5 Year Low Duration Fixed Income Composite

	1-5 Year Low Duration Fixed Income Composite Gross	1-5 Year Low Duration Fixed Income Composite Net	ICE® BofAML® 1-5 Year U.S. Corp/Gov't. Index	Net Excess Return
Quarter	3.61%	3.56%	3.34%	0.22%
YTD	5.63%	5.42%	4.89%	0.53%
1 Year	5.63%	5.42%	4.89%	0.53%
3 Year	-0.12%	-0.32%	-0.60%	0.28%
5 Year	2.49%	2.29%	1.55%	0.74%
7 Year	2.25%	2.04%	1.49%	0.55%
10 Year	2.06%	1.86%	1.46%	0.40%
Since Inception	3.44%	3.23%	2.64%	0.59%

Inception Date: 4/1/2009.

**1-5 Year Low Duration Fixed Income Composite vs. eVestment U.S. Short Duration Fixed Income Universe**



Composite eVestment Universe Rank  
Source: eVestment Company

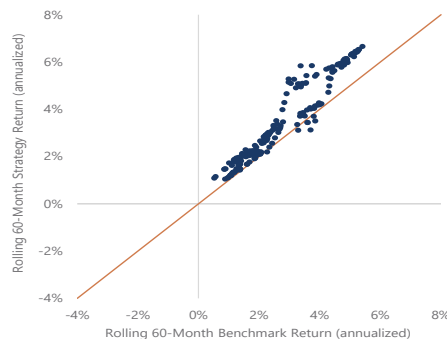
Ranking within eVestment US Short Duration Fixed Income universe based on monthly returns gross of fees. Ranking data calculated on Jan. 24, 2024 (as of Dec. 31, 2023) and is subject to change as additional firms within the category submit data. Reams Asset Management pays an annual fee to eVestment to access their platform and to use their data, including peer group rankings, in marketing materials. Reams Asset Management does not pay for the ranking.

**Monthly Total Returns (Gross)**



Number of Periods	258
Avg. Monthly Excess Return	0.05%
% of Periods with Positive Excess Return	58%
Avg. Excess Return when Positive	0.20%
% of Periods with Negative Excess Return	42%
Avg. Excess Return when Negative	-0.16%

**Rolling 60-Month Total Returns (Gross), Since Inception**



Number of Periods	199
Avg. 60-Month Excess Return (Anlzd)	0.69%
% of Periods with Positive Excess Return	96%
Avg. Excess Return when Positive (Anlzd)	0.72%
% of Periods with Negative Excess Return	4%
Avg. Excess Return when Negative (Anlzd)	-0.23%

Attribution versus ICE® BofAML® 1-5 Year U.S. Corp/Gov't. Index Indices do not reflect management fees or transaction costs. It is not possible to invest directly in an unmanaged index.

Performance data quoted represents past performance. Past performance is no guarantee of future results. Performance figures are stated as gross and net, which is calculated using the highest management fee of 0.20% for this strategy. The firm's management fees are detailed in its Form ADV Part 2A. Please see the Disclosures for further information. Totals may not equal due to rounding. Please see the back page for further information.

Each observation in the rolling 60-month returns chart represents the rolling 60-month composite gross of fees return as of month end from July 1, 2007, through Dec. 31, 2023. The trend line is a hypothetical representation of identical composite and index returns. The data does not represent outperformance during each month; the composite did not outperform the index 58% of the months during the time period stated. Percentage of outperformance is based on the rolling 60-month observations during the time period stated. Please see the back page for further information.

**Performance Attribution**

1-5 Year Low Duration Fixed Income Composite

(Q4-2023)

Sector	Impact %
Duration Difference	-0.05
Yield Curve Difference	-0.04
<b>Total Macro</b>	<b>-0.09</b>
Sector Selection	0.50
Security Selection	-0.14
<b>Total Selection</b>	<b>0.36</b>
<b>Fees</b>	<b>-0.05%</b>

**Contributors and Detractors**

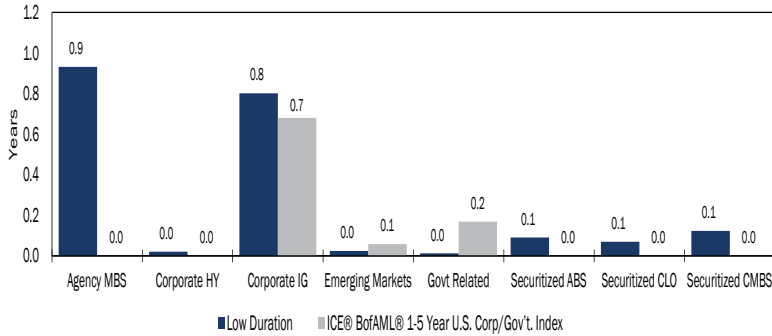
1-5 Year Low Duration Fixed Income Composite

- U.S. Treasury rates declined sharply, as investors priced in an end to the Federal Reserve's tightening cycle and a pivot toward a series of rate cuts in 2024. Despite this decline in rates and an above-benchmark duration stance, duration positioning detracted overall due to dynamic intra-quarter shifts.
- Yield curve positioning also detracted due to an underweight to the outperforming 1- to 2-year duration segment.
- Sector allocation contributed due to non-index exposure to the outperforming MBS sector, which benefited from the ongoing normalization of interest rate volatility.
- An overweight to the outperforming IG corporates sector also contributed.
- Security selection detracted within the MBS sector, as exposure was biased toward higher-coupon agency MBS, which underperformed lower-coupon agency MBS.
- Security selection contributed within the ABS and CMBS sectors, partially offsetting the negative selection impact within the MBS sector.

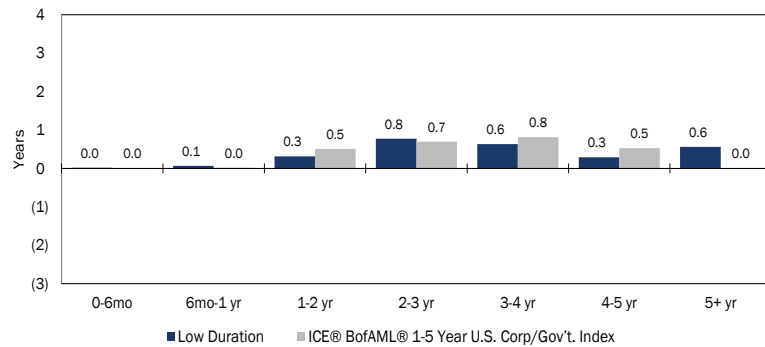
## Portfolio Summary

1-5 Year Low Duration Fixed Income Composite

### Contribution to Spread Duration (Years)



### Contribution to Interest Rate Duration (Years)



Sector and Quality Exposure may not sum to 100% in some cases. To the extent derivative instruments are held and shown at full notional, collateral will be assigned to its defined Sector or Quality Exposure. Cash & Equivalents may include securities with an effective duration less than one year and rated investment grade.

### Portfolio Characteristics

	1-5 Year Low Duration Fixed Income Composite	ICE® BofAML® 1-5 Year U.S. Corp/Gov't. Index
Average Duration	2.7 years	2.6 years
Average Convexity	-0.24	0.08
Average Yield to Worst	5.1%	4.4%
Average Maturity	3.7 years	2.8 years
Average Quality	Aa2	Aa2

### Sector Allocation (%)

	1-5 Year Low Duration Fixed Income Composite	ICE® BofAML® 1-5 Year U.S. Corp/Gov't. Index
Agency MBS	20.4	0.0
Corporate HY	0.8	0.0
Corporate IG	32.6	26.8
Emerging Markets	0.9	2.3
Govt Related	1.0	7.1
Non-Agency MBS	3.6	0.0
Securitized ABS	6.8	0.0
Securitized CLO	3.3	0.0
Securitized CMBS	8.0	0.0
Treasury	22.1	63.8
Cash & Equivalents	0.7	0.0
<b>Total</b>	<b>100%</b>	<b>100%</b>

### Quality Allocation (%)\*

	1-5 Year Low Duration Fixed Income Composite	ICE® BofAML® 1-5 Year U.S. Corp/Gov't. Index
AAA	21.3	3.8
AA	47.0	69.5
A	17.8	13.6
BBB	11.7	13.1
Below Investment Grade	9.2	8.3
Cash & Equivalents	1.7	0.0
<b>Total</b>	<b>100%</b>	<b>100%</b>

## Positioning and Rationale

1-5 Year Low Duration Fixed Income Composite

- Exposure to IG corporates declined but remained overweight relative to the index. The weight in HY corporates (where allowed by client guidelines) declined to a minimal absolute level.
- Non-index exposure to agency MBS and nonagency residential mortgage-backed securities (RMBS) both increased. The overall mortgage sector continued to represent a meaningful allocation, as relative valuations remained attractive despite recent outperformance.
- Non-index exposure to ABS was up slightly, while the weight in CMBS was unchanged.
- The allocation to U.S. Treasuries declined and continued to represent a significant underweight versus the index, to accommodate the overweight to IG corporates and non-index exposures to agency MBS, CMBS, ABS, and non-agency RMBS.
- Portfolio duration declined in response to the significant move lower in rates but remained above that of the index, reflecting real rates that remained attractive on a long-term basis.
- Yield curve exposure featured modest non-index exposure to the 0- to 1-year and 5+ year duration segments, offset by underweights to the 1- to 2-year, 3- to 4-year, and 4- to 5-year segments.

\*The bond quality ratings indicated are assigned by credit rating agencies Standard & Poor's, Moody's, and Fitch as an indication of an issuer's creditworthiness. Unless specified by client investment guidelines, the middle of three or highest of two credit quality ratings available from these rating agencies is used. Credit quality is subject to change. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Credit ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the appropriateness of securities or the appropriateness of securities for investment purposes, and should not be relied on as investment advice.

The information provided is based on the aggregate characteristics of all securities held in a representative portfolio as of the date listed. The data provided in this report is for informational purposes only and should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the holdings discussed were or will prove to be profitable. Holdings may change daily and may vary among accounts. Data is obtained from third party sources and is believed to be accurate and reliable.

Please see the back page for further information.

### Firm Overview

Reams Asset Management, founded in 1981, is a fixed income investment management firm whose mission is to provide high-quality investment expertise and unmatched client service. We apply our consistent investment process across a range of strategies, seeking to take advantage of volatility and react opportunistically to price and valuation dislocation in the bond market. Reams offers clients customized solutions that seek to maximize risk-adjusted total returns over a full market cycle and across a range of fixed income strategies.

Reams Asset Management is a division of Scout Investments, which is a wholly owned subsidiary of Raymond James Investment Management. Raymond James Investment Management, which is itself a wholly owned subsidiary of Raymond James Financial, is a global asset-management company that combines the exceptional insight and agility of individual investment teams with the strength and stability of a full-service firm. Raymond James Investment Management's multi-boutique structure provides scalable business-support solutions to distinct and talented investment teams.

For more information about Reams Asset Management, please contact Matt Waz 415-308-1933.

### Product Overview

#### Investment Vehicles

Separate Accounts  
Commingled Funds  
Mutual Funds

#### Fixed Income Strategies

Core  
Core Plus  
Intermediate  
Long Duration  
Low Duration  
Ultra Low Duration  
Unconstrained

To learn more about Reams' products, visit [reamsasset.com](https://reamsasset.com).

*This material is provided for informational purposes only and contains no investment advice or recommendations to buy, sell or hold any specific securities. You should not interpret the statements in this material as investment, tax, legal, or financial planning advice. All investments involve risk, including the possible loss of principal. Past performance does not guarantee or indicate future results. There is no assurance the investment strategy will meet its investment objective. Graphs or other illustrations, if included, are provided for illustrative purposes only and not intended as a recommendation to buy or sell securities displaying similar characteristics. Reams Asset Management is a division of Scout Investments, Inc. Scout Investments is a wholly owned subsidiary of Raymond James Investment Management, which in turn is a wholly owned subsidiary of Raymond James Financial, Inc. Neither Scout Investments, nor its affiliates, directors, officers, employees or agents accept any liability for any loss or damage arising out of your use of all or any part of this material. Additional information is available at [www.reamsasset.com](https://www.reamsasset.com) or [www.scoutinv.com](https://www.scoutinv.com).*

*The 1-3 Year Low Duration Fixed Income Strategy invests primarily in investment grade securities, while maintaining an average portfolio duration of generally between one and three years. The ICE<sup>®</sup> BofAML<sup>®</sup> 1-3 Year U.S. Treasury Index is an unmanaged index that tracks the performance of the direct Sovereign debt of the U.S. Government having a maturity of at least 1 year and less than 3 years. The eVestment U.S. Short Duration Fixed Income Universe consists U.S. fixed income products that invest primarily in high quality debt (as rated by Moody's or Standard & Poor's) with an emphasis on bonds with a short duration. The expected benchmarks for this universe would include the Bloomberg 1-3 Year Gov't/Credit, or Merrill Lynch US Treasuries 1-3 Yrs. Managers in this category will typically indicate a "Fixed Income Style Emphasis" equal to Gov't/Agency Only or Core and a "Product Duration Emphasis" equal to Short. The 1-5 Year Low Duration Fixed Income Strategy invests primarily in investment grade securities, while maintaining an average portfolio duration of generally between one and five years. The ICE<sup>®</sup> BofAML<sup>®</sup> 1-5 Year U.S. Treasury Index is an unmanaged index that tracks the performance of the direct Sovereign debt of the U.S. Government having a maturity of at least 1 year and less than 5 years. The eVestment U.S. Short Duration Fixed Income Universe consists U.S. fixed income products that invest primarily in high quality debt (as rated by Moody's or Standard & Poor's) with an emphasis on bonds with a short duration. The expected benchmarks for this universe would include the Bloomberg 1-3 Year Gov't/Credit, or Merrill Lynch US Treasuries 1-3 Yrs. Managers in this category will typically indicate a "Fixed Income Style Emphasis" equal to Gov't/Agency Only or Core and a "Product Duration Emphasis" equal to Short.*

*eVestment, a Nasdaq platform, collects peer ranked, institutional investment data and information from active institutional managers, investment consultants, plan sponsors, asset managers, and other similar financial institutions and are believed to be reliable sources. This platform does not guarantee or affirm the accuracy, timeliness, or completeness of the information provided. Performance numbers may be provided with additional disclosures and other important information, which should be reviewed, such as fees that may be applicable. The data and information provided is not intended for general distribution. Some categories may not be included and totals might not equal 100%. The eVestment platform is not responsible for any errors or omissions. The composite peer rankings represent a percentile ranking as indicated in eVestment's platform. eVestment provides third party databases, including the institutional investment database where this information was obtained. Any additional information regarding eVestment rankings is available on eVestment's website. Copyright © eVestment All Rights Reserved*

*The eVestment US Short Duration Fixed Income universe consists of US Fixed Income products that primarily invest in short duration, investment grade debt. Common benchmarks include the Bloomberg 1-3 Year Gov't/Credit and ICE BofAML 1-3 Year US Treasury.*

*Reams Asset Management obtained some information used in this presentation from third party sources it believes to be reliable, but this information is not necessarily comprehensive and Reams Asset Management does not guarantee that it is accurate. Reproduction and distribution of third party content in any form is prohibited except with the prior written permission of the related third party. Third party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs or losses caused by negligence) in connection with any use of their content, including ratings.*

*The bond quality ratings indicated are assigned by credit rating agencies Standard & Poor's, Moody's, and Fitch as an indication of an issuer's creditworthiness. Unless specified by client investment guidelines, the middle of three or highest of two credit quality ratings available from these rating agencies is used. Credit quality is subject to change. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Credit ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the appropriateness of securities or the appropriateness of securities for investment purposes, and should not be relied on as investment advice.*

*BLOOMBERG, BLOOMBERG INDICES and Bloomberg Fixed Income Indices (the "Indices") are trademarks or service marks of Bloomberg Finance L.P. Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited, the administrator of the Indices (collectively, "Bloomberg") or Bloomberg's licensors own all proprietary rights in the Indices. Bloomberg does not guarantee the timeliness, accuracy or completeness of any data or information relating to the Indices.*

*GIPS<sup>®</sup> 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.*

Copyright © 2024. Raymond James Investment Management. All Rights Reserved.

**Investment Professional Use Only / Not for Public Use**

**M-491339 Exp. 05/15/2024**

# Reams

## 1-3 Year Low Duration Strategy

### GIPS Report

Year End	Total Firm Assets (USD millions)	Composite Assets		Annual Performance Results					
		USD (millions)	Number of Accounts	Composite Gross (%)	Composite Net (%)	Composite Dispersion (%)	Composite 3-Yr Std Dev (%)	ICE BofA 1-3 Year U.S. Corp/Gov't Index	Index 3-Yr Std Dev (%)
2023	26,706	1,413	21	5.64	5.43			4.63	
2022	26,355	1,463	23	-3.31	-3.51	0.2	2.55	-3.79	1.68
2021	31,030	1,694	27	-0.35	-0.55	0.1	1.86	-0.41	0.96
2020	28,556	1,611	26	6.86	6.65	0.6	1.77	3.34	0.95
2019	25,163	1,387	27	5.17	4.95	0.3	0.88	4.07	0.90
2018	25,366	1,808	29	1.68	1.49	0.1	0.80	1.63	0.80
2017	26,887	1,788	30	1.54	1.34	0.1	0.76	0.86	0.72
2016	27,268	1,853	32	2.09	1.92	0.2	0.77	1.28	0.73
2015	27,185	2,128	28	0.82	0.62	0.1	0.76	0.67	0.57
2014	31,187	2,169	24	1.21	1.00	0.1	1.09	0.78	0.49
2013	31,171	1,834	19	1.51	1.29	0.2	1.26	0.70	0.54
2012	23,570	1,540	7	5.29	5.08	1.0	1.47	1.48	0.62

**Performance data quoted represents past performance. Past performance is no guarantee of future results.** Performance figures are stated as gross and net, which is calculated using the highest management fee of 0.20% for this strategy. The firm's management fees are detailed in its Form ADV Part 2A. Please see the Disclosures for further information. Totals may not equal due to rounding. Please see the back page for further information.

**Compliance Statement** - Scout Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Scout Investments has been independently verified by The Spaulding Group for the periods 2000-2022.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Long Government/Credit Focus Fixed Income Composite has had a performance examination for the periods 2011-2022. The verification and performance examination reports are available upon request.

Prior to being acquired by Scout Investments, Reams Asset Management's compliance was verified for the period 1987 through 2009 by Ashland Partners & Company LLP. The verification and performance examination reports are available upon request.

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.

**Definition of the Firm** - Scout Investments, Inc. is a registered investment advisor that offers investment management services for both managed accounts and mutual funds. Scout Investments is a wholly owned subsidiary of Raymond James Investment Management, which is in turn a wholly owned subsidiary of Raymond James Financial. Reams Asset Management is a division of Scout Investments. The firm was previously defined as UMB Institutional Asset Management, a subsidiary of UMB Bank, which managed both institutional and high net worth, trust, and estate assets. On July 1, 2009 the firm transitioned from UMB Bank and became a subsidiary of UMB Financial Corporation in order to focus on institutional investment management. On November 30, 2010, the firm acquired the advisory business of Reams Asset Management, LLC. On December 28, 2010 the firm changed its name from Scout Investment Advisors to Scout Investments. On November 3, 2017, Scout Investments was acquired by Raymond James Investment Management.

**Composite Description** - Low Duration 1-3 Year Government/Credit Fixed Income Composite contains fully discretionary fixed income accounts and for comparison purposes is measured against the ICE BofA 1-3 Year U.S. Corporate/Government Index as a general market indicator. This composite generally invests in investment-grade U.S. dollar denominated fixed income securities, including Treasury, agency, corporate, asset-backed and mortgage-backed sectors. The composite permits limited exposure to below investment grade securities as well as non-U.S. dollar denominated securities and has a minimum duration range of +/- 20% around the benchmark. Prior to January 1, 2013, the composite did not include commingled fund accounts. The minimum account size for this composite is \$5 million. The Low Duration 1-3 Year Government/Credit Fixed Income Composite was created May 1, 2012, and the inception date is July 1, 2003.

**Additional Details** - Reams defines a derivative as an instrument or contract whose value is derived from the performance of an underlying financial asset, index or obligation. Derivatives are employed infrequently, yet opportunistically, when a strategy is unavailable or not cost effective through the cash market. Derivatives used are strictly constrained by client investment policy.

In the Low Duration 1-3 Year Government/Credit Fixed Income strategy, Credit Default Swaps (CDS) are used as substitutes for cash bonds and do not introduce leverage into the portfolios. Index products (CDX) are used for efficient, diversified exposure to the high yield and investment grade markets.

**Performance** - The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using highest management fee for this strategy. The internal composite dispersion presented is an equal-weighted standard deviation calculated for the fully discretionary, fee-paying accounts in the composite the entire year. The three-year annualized ex-post standard deviation, presented as a measure of volatility, measures the variability of the composite and the benchmark returns over the preceding 36-month period. Three-year annualized ex-post standard deviation of the composite and benchmark are not shown for periods where there were less than 36 months available. Gross returns were used to calculate the risk measures presented in this GIPS Report.

Returns presented are time-weighted returns and are based on fully discretionary accounts under management. Past performance is not indicative of future results.

#### Fee Schedule

Vehicle	Management Fee
Separate Account	.20% on first \$50M
	.15% on next \$50M
	Fees negotiable over \$100M

Actual management fees incurred by clients may vary.

**Availability** - Lists of the firm's composite and limited distribution pooled fund descriptions, as well as a list of broad distribution pooled funds, are available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

# Reams

## 1-5 Year Low Duration Strategy

### GIPS Report

Year End	Total Firm Assets (USD millions)	Composite Assets		Annual Performance Results					
		USD (millions)	Number of Accounts	Composite Gross (%)	Composite Net (%)	Composite Dispersion (%)	Composite 3-Yr Std Dev (%)	Bloomberg U.S. Long Credit Index*	Index 3-Yr Std Dev (%)
2023	26,706	1,503	10	5.63	5.42			4.89	
2022	26,355	1,379	10	-5.16	-5.35	0.2	2.98	-5.54	2.47
2021	31,030	1,494	11	-0.54	-0.74	0.1	1.88	-0.87	1.42
2020	28,556	1,340	11	7.63	7.42	1.1	1.82	4.65	1.43
2019	25,163	1,495	12	5.46	5.25	0.6	1.24	5.08	1.33
2018	25,366	1,443	10	1.51	1.30	0.1	1.20	1.40	1.32
2017	26,887	1,403	10	1.77	1.57	0.2	1.11	1.28	1.28
2016	27,268	1,413	10	2.12	1.92	0.5	1.11	1.61	1.35
2015	27,185	1,196	8	1.10	0.89	0.2	0.99	1.05	1.21
2014	31,187	1,160	9	1.65	1.45	0.3	1.15	1.51	1.09
2013	31,171	976	7	1.06	0.86	0.3	1.34	0.32	1.18
2012	23,570	776	7	4.82	4.61	1.0	1.47	2.47	1.31

**Performance data quoted represents past performance. Past performance is no guarantee of future results.** Performance figures are stated as gross and net, which is calculated using the highest management fee of 0.20% for this strategy. The firm's management fees are detailed in its Form ADV Part 2A. Please see the Disclosures for further information. Totals may not equal due to rounding. Please see the back page for further information.

**Compliance Statement** - Scout Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Scout Investments has been independently verified by The Spaulding Group for the periods 2000-2022.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Long Credit Focus Fixed Income Composite has had a performance examination for the periods 2011-2022. The verification and performance examination reports are available upon request. Prior to being acquired by Scout Investments, Reams Asset Management's compliance was verified for the period 1987 through 2009 by Ashland Partners & Company LLP. The verification and performance examination reports are available upon request. 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.

**Definition of the Firm** - Scout Investments, Inc. is a registered investment advisor that offers investment management services for both managed accounts and mutual funds. Scout Investments is a wholly owned subsidiary of Raymond James Investment Management, which is in turn a wholly owned subsidiary of Raymond James Financial. Reams Asset Management is a division of Scout Investments. The firm was previously defined as UMB Institutional Asset Management, a subsidiary of UMB Bank, which managed both institutional and high net worth, trust, and estate assets. On July 1, 2009 the firm transitioned from UMB Bank and became a subsidiary of UMB Financial Corporation in order to focus on institutional investment management. On November 30, 2010, the firm acquired the advisory business of Reams Asset Management, LLC. On December 28, 2010 the firm changed its name from Scout Investment Advisors to Scout Investments. On November 3, 2017, Scout Investments was acquired by Raymond James Investment Management.

**Composite Description** - Low Duration 1-5 Year Government/Credit Fixed Income Composite contains fully discretionary fixed income accounts and for comparison purposes is measured against the ICE BofA 1-5 Year U.S. Corporate/Government Index as a general market indicator. This composite generally invests in investment-grade U.S. dollar denominated fixed income securities, including Treasury, agency, corporate, asset-backed and mortgage-backed sectors. The composite permits limited exposure to below investment grade securities as well as non-U.S. dollar denominated securities and has a minimum duration range of +/- 20% around the benchmark. The minimum account size for this composite is \$5 million. The Low Duration 1-5 Year Government/Credit Fixed Income Composite was created May 1, 2012, and the inception date is July 1, 2002.

**Additional Details** - Reams defines a derivative as an instrument or contract whose value is derived from the performance of an underlying financial asset, index or obligation. Derivatives are employed infrequently, yet opportunistically, when a strategy is unavailable or not cost effective through the cash market. Derivatives used are strictly constrained by client investment policy.

In the Low Duration 1-5 Year Government/Credit Fixed Income strategy, Credit Default Swaps (CDS) are used as substitutes for cash bonds and do not introduce leverage into the portfolios. Index products (CDX) are used for efficient, diversified exposure to the high yield and investment grade markets.

**Performance** - The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using highest management fee for this strategy. The internal composite dispersion presented is an equal-weighted standard deviation calculated for the fully discretionary, fee-paying accounts in the composite the entire year. The three-year annualized ex-post standard deviation, presented as a measure of volatility, measures the variability of the composite and the benchmark returns over the preceding 36-month period. Three-year annualized ex-post standard deviation of the composite and benchmark are not shown for periods where there were less than 36 months available. Gross returns were used to calculate the risk measures presented in this GIPS Report. Returns presented are time-weighted returns and are based on fully discretionary accounts under management. Past performance is not indicative of future results.

#### Fee Schedule

Vehicle	Management Fee
Separate Account	.20% on first \$50M
	.15% on next \$50M
	Fees negotiable over \$100M

Actual management fees incurred by clients may vary.

**Availability** - Lists of the firm's composite and limited distribution pooled fund descriptions, as well as a list of broad distribution pooled funds, are available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.