

# Core Total Return Fixed Income Composite

## INVESTMENT STRATEGY

Core Total Return Fixed Income strategy emphasizes duration neutrality, sector rotation, yield curve management and individual security selection. This approach is designed to capture the bulk of the excess returns available in the investment-grade market while minimizing the variability of those returns. Key to the process is the responsiveness, focus and unbiased analysis provided by our dedicated in-house sector specialists, credit analysts and trading professionals.

## PERFORMANCE<sup>1</sup>

Fixed Income + Cash	Core Total Return Composite (gross) %	Core Total Return Composite (net) %	Bloomberg Aggregate Index %
3Q2022	-4.33	-4.37	-4.75
YTD 2022	-14.17	-14.29	-14.61
1 year	-14.30	-14.46	-14.60
3 year	-2.71	-2.90	-3.26
5 year	0.15	-0.05	-0.27
10 year	1.18	0.98	0.89
15 year	3.29	3.10	2.74
20 year	3.53	3.36	3.08
Since inception [Inception: 12.31.1999]	4.42	4.25	3.95
5-year standard deviation	4.87	4.87	4.77

Note: 1-, 3-, 5-, 10-, 15-, 20-year and since inception periods are annualized.

## CHARACTERISTICS

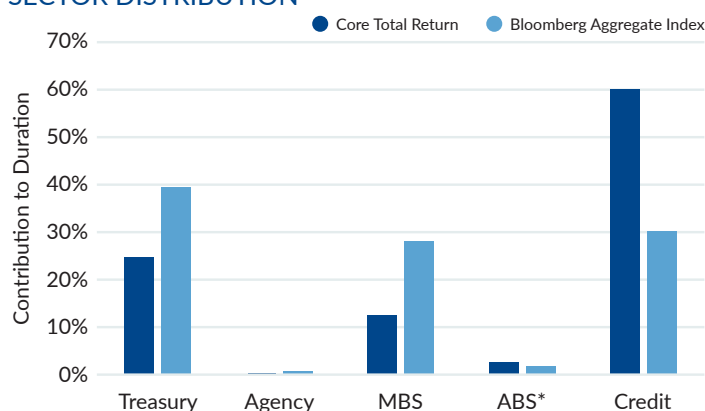
	Core Total Return Composite	Bloomberg Aggregate Index
Duration (%)	6.09	6.28
Yield to maturity (%)	4.92	4.68
Average maturity (years)	8.55	8.80
Quality	AA-	AA

Please see the reverse side for additional disclosures regarding the deduction of advisory fees.

## KEY ADVANTAGES

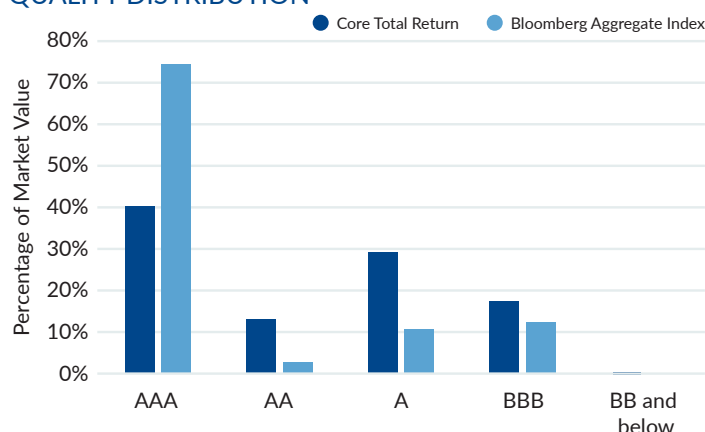
- Proven, experienced leadership through many market cycles.
- Time-tested investment process that focuses on the most consistent sources of excess return.
- Size that allows us to efficiently exploit relative value opportunities, apply a unique client service model and create customized investment strategies for our clients.

## SECTOR DISTRIBUTION



\*ABS includes CMBS

## QUALITY DISTRIBUTION



1. The composite numbers listed are linked with performance numbers generated by Mesirow Financial Investment Management's Fixed Income team while they were employed at a prior firm. The investment team joined Mesirow on 03.15.2005 and is employing the same strategy used at their prior firm. The performance information provided above is supplemental. Past performance is not necessarily indicative of future results. Please refer to the GIPS Report on the reverse side for complete information, including fees, composite and benchmark descriptions.

## GIPS REPORT – CORE TOTAL RETURN COMPOSITE

Gross and Net of Fees Total Returns from January 1, 2000 – September 30, 2022

Year	No. of portfolios	Year end		Annual performance results				3-year annualized dispersion <sup>(2)</sup>	
		Composite Asset at end of period (\$MM)	Total Firm Assets (\$MM)	MFIM (gross) Composite (%)	MFIM (net) Composite (%)	Bloomberg US Aggregate Index <sup>(3)</sup> (%)	Composite Dispersion <sup>(4)</sup> (%)	MFIM (gross) Composite (%)	Bloomberg US Aggregate Index (%)
2000	5 or fewer	290	n/a	12.51	12.37	11.63	n/a	—	—
2001	5 or fewer	562	n/a	8.59	8.46	8.44	n/a	—	—
2002	5 or fewer	575	n/a	10.69	10.55	10.25	n/a	—	—
2003	5 or fewer	643	n/a	4.49	4.36	4.10	n/a	—	—
2004	5 or fewer	830	n/a	4.83	4.70	4.34	n/a	—	—
2005	5 or fewer	665	1,911	2.53	2.43	2.34	n/a	—	—
2006	9	997	2,258	4.64	4.47	4.33	0.15	—	—
2007	9	1,198	2,684	6.20	6.05	6.96	0.14	—	—
2008	10	1,313	2,971	3.39	3.25	5.24	0.41	—	—
2009	12	1,378	3,251	11.97	11.81	5.93	0.93	—	—
2010	16	1,386	3,241	7.34	7.19	6.54	0.28	—	—
2011	14	1,387	3,516	7.37	7.21	7.84	0.40	2.92	2.78
2012	12	658	4,106	6.00	5.78	4.22	0.33	2.32	2.38
2013	14	805	4,871	-1.90	-2.10	-2.02	0.09	2.73	2.71
2014	15	987	4,972	6.47	6.24	5.97	0.18	2.70	2.63
2015	14	858	4,532	0.04	-0.17	0.55	0.17	2.93	2.88
2016	14	863	4,410	3.27	3.05	2.65	0.26	2.97	2.98
2017	14	941	4,772	3.53	3.32	3.54	0.12	2.74	2.78
2018	13	719	4,161	-0.04	-0.21	0.01	0.15	2.72	2.84
2019	9	612	3,895	9.16	8.94	8.72	0.14	2.80	2.87
2020	10	789	6,706	8.84	8.62	7.51	0.16	3.57	3.36
2021	11	1,099	6,168	-1.65	-1.84	-1.54	0.10	3.67	3.35
<b>Current Performance Results - PRELIMINARY</b>									
2022 YTD	8	788	3,825	-14.17	-14.29	-14.61	n/a	5.48	5.29

Past performance is not necessarily indicative of future results

Mesirow Financial Investment Management Institutional Fixed Income claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Mesirow Financial Institutional Fixed Income has been independently verified for the periods 01.01.1996 - 12.31.2021. A firm that claims compliance with the GIPS standard 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 GIPS standards and have been implemented on a firm-wide basis. The Core Total Return Composite has had a performance examination for the periods 01.01.2006 - 12.31.2021. The verification and performance examination reports are available upon request.

Mesirow Financial Investment Management, Inc. ("MFIM") is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. The "Entity" as shown represents Mesirow Financial Investment Management Equities and Fixed Income, which is comprised of the GIPS-compliant units of MFIM which specialize in managing portfolios for institutional clients adhering to an investment process geared towards institutional investors. The historical performance presented prior to the creation of the division was managed by MFIM or its predecessor firms prior to 01.01.2005. For purposes of claiming GIPS compliance, as of 01.01.2010, the "Firm" is further defined as the Fixed Income business unit, which manages portfolios primarily for institutional investors adhering to an investment process, incorporating fundamental analysis of security valuation factors and drivers. The composites within this business unit vary primarily by duration and the type of originator of the security. Please note that the 2018 percentage of firm assets have been restated to properly include the addition of assets obtained through the acquisition of the High Yield Team from a former and unaffiliated registered Investment Advisor, effective 10.23.2017. On 05.29.2020, MFIM Fixed Income completed the lift out of the Analytic Fixed Income Team from a former and unaffiliated registered Investment Advisor, Chicago Equity Partners (CEP) which its team, became an integral part of MFIM Fixed Institutional Fixed Income. On 05.29.2020, MFIM acquired the asset management rights for a portion of the managed portfolios from an independent investment advisory firm and retained all of the principals and employees related to such portfolios.

The above composite was created on 01.01.2000, the inception date is 01.01.2000.

Core Total Return Fixed Income Composite is defined as U.S. dollar dominated fixed income investment grade securities primarily rated BBB- or better and with a maturity range of one to thirty years at the

time of purchase. The Core Total Return composite consists of fixed income fee-paying discretionary portfolios with a minimum of \$7,500,000 under management. The benchmark is the Bloomberg Aggregate Index. In March of 2005, the Core Total Return fixed income portfolio management team of an independent investment advisor joined the MFIM Fixed Income portfolio management team. The performance results shown prior to 03.15.2005 reflect the team's performance prior to joining MFIM Fixed Income. Such returns have been incorporated into the MFIM Core Total Return Fixed Income composite. Upon receipt of client consent, MFIM-Fixed Income obtained the required custody and holdings information from the independent custody firms, or other similar sources, for all clients that have been managed on a continuous basis and that information has been incorporated into the MFIM Core Total Return Fixed Income composite. The list of composite descriptions, the list of pooled fund descriptions for limited distribution pooled funds, and the firm's list of broad distribution pooled funds is available upon request. For the period, portfolios below \$7,500,000 are considered nondiscretionary, as MFIM-Fixed Income may be unable to fully and efficiently implement the intended investment strategy of the composite. Effective 01.01.2019, accounts will be temporarily removed from the composite due to significant cash flows of 15% or more of market value. Prior to 01.01.2019, accounts had been temporarily removed from the composite due to significant cash flows of 10% or more of market value. Additional information regarding the significant cash flow policy is available upon request.

### Calculation of Risk Measures: Annual / 3 Years Dispersion

(1) Composite dispersion presented is the equal-weighted standard deviation of the gross annual returns of portfolios in the composite for the entire year. Because it is not statistically meaningful, MFIM Fixed Income does not calculate the dispersion of annual returns for the years the composite held five or fewer accounts.

(2) The three-year annualized ex-post standard deviation measures the variability of the composite gross returns and the benchmark returns over the preceding 36-month period. It is not required to be presented for annual periods prior to 2011 or when a full three years of composite performance is not yet available.

#### Performance / Net of Fee Disclosure

MFIM-Fixed Income's investment management fees vary based upon account size, with breakpoint deductions for larger accounts and a minimum annual fee of \$20,000. The standard fee schedule for Core Total Return Portfolios is listed below:

- 0.350% on the first \$10 million
- 0.250% on the next \$40 million
- 0.200% on the next \$100 million
- 0.150% on the next \$150 million
- 0.125% on the next \$200 million
- 0.100% over \$500 million

Performance information that is provided gross of fees does not reflect the deduction of advisory fees. Client returns will be reduced by such fees and other expenses that may be incurred in the management of the account. Advisory fees are described in Form ADV Part 2 of Mesirow Financial Investment Management, Inc. Net of fee performance is presented utilizing actual client net of fee performance for all accounts included in the composite. We do, however, have clients that pay lower fees than the maximum. Any stated results include the reinvestment of dividend and other earnings. Policies for

valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Benchmark returns are not covered by the report of independent verifiers.

#### Benchmark Definition

(3) The Bloomberg U.S. Aggregate Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indexes that are calculated and reported on a regular basis.

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## About Mesirow

Mesirow is an independent, employee-owned financial services firm founded in 1937. Headquartered in Chicago, with locations around the world, we serve clients through a personal, custom approach to reaching financial goals and acting as a force for social good. With capabilities spanning Global Investment Management, Capital Markets & Investment Banking, and Advisory Services, we invest in what matters: our clients, our communities and our culture. To learn more, visit [mesirow.com](https://www.mesirow.com) and follow us on LinkedIn.

If you have questions or would like to receive additional materials, please contact [portfoliospecialist@mesirow.com](mailto:portfoliospecialist@mesirow.com) or 312.595.7300.