



SiM U.S. High Yield Opportunities

Performance data (eVestment) as of 30/06/2024, gross of fees

Morningstar Rating ★★★★★




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Agenda

1. About Strategic Income Management (SiM)
2. Strategy Overview
3. US HY Market
4. Performance & Characteristics
5. Important Information



Section One:

About Strategic Income Management



Candoris

Access to the world's best investment strategies.

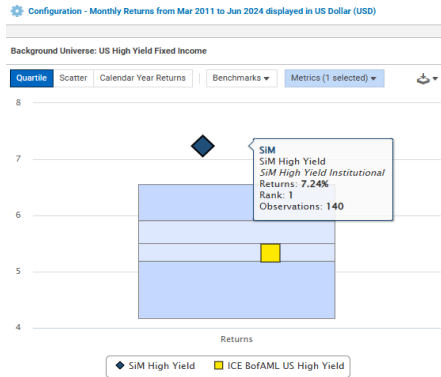
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Strategic Income Management (SiM)

Recent success of the SiM US HY Opportunities strategy

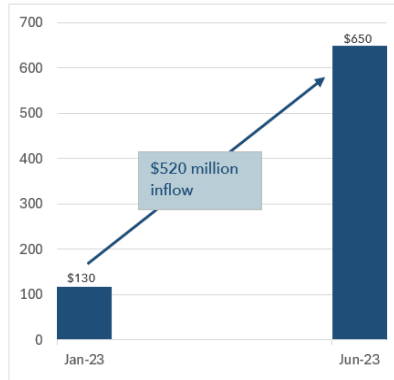


SiM beats all US and GHY peers since inception in largest global database, eVestment:



AUM in Europe grows fast!

Institutional investors invested, including: a State Pension fund and Large Family office



Morningstar Rating:



SiM won the Lipper award for best GHY manager all periods, 3,5,10 year



American Beacon SiM High Yield Opportunities Fund; R5

American Beacon Advisors Inc
Best Fund over 3 Years
Global High Yield Funds



American Beacon SiM High Yield Opportunities Fund; R5

American Beacon Advisors Inc
Best Fund over 5 Years
Global High Yield Funds



American Beacon SiM High Yield Opportunities Fund; R5

American Beacon Advisors Inc
Best Fund over 10 Years
Global High Yield Funds



Candoris

Access to the world's best investment strategies.

Strategic Income Management (SiM)

Value Driven, Income Focused



SiM: Utilizing the Same High Yield Team and Philosophy Since 1998 to Achieve Top Decile Performance

- Same strategy for 25 years managing dedicated high yield portfolios, long term continuity secured by second generation Co-Lead PM Ryan Larson and PM Kevin Power.
- Public US mutual fund track record from 1998-2009 at Principal and under current fund with American Beacon from 2011-present achieving top decile performance across 3, 5, and 10-year periods, as ranked by Morningstar.
- Total firm AUM: \$2.4 billion as of 06/30/24
 - Clients include: Public Pension Funds, Insurance Companies, sub-advisor for US '40 Act registered Mutual Fund and UCITs Fund.
- Focused on one strategy applied across all portfolios
- Based in Seattle, Washington
- Partnership between Candoris and SiM dates back to 2014



Strategic Income Management (SiM)

Value Driven, Income Focused



Performance

20+ years of *Top Decile Performance*

13-Years American Beacon, 10-Years Principal/WM

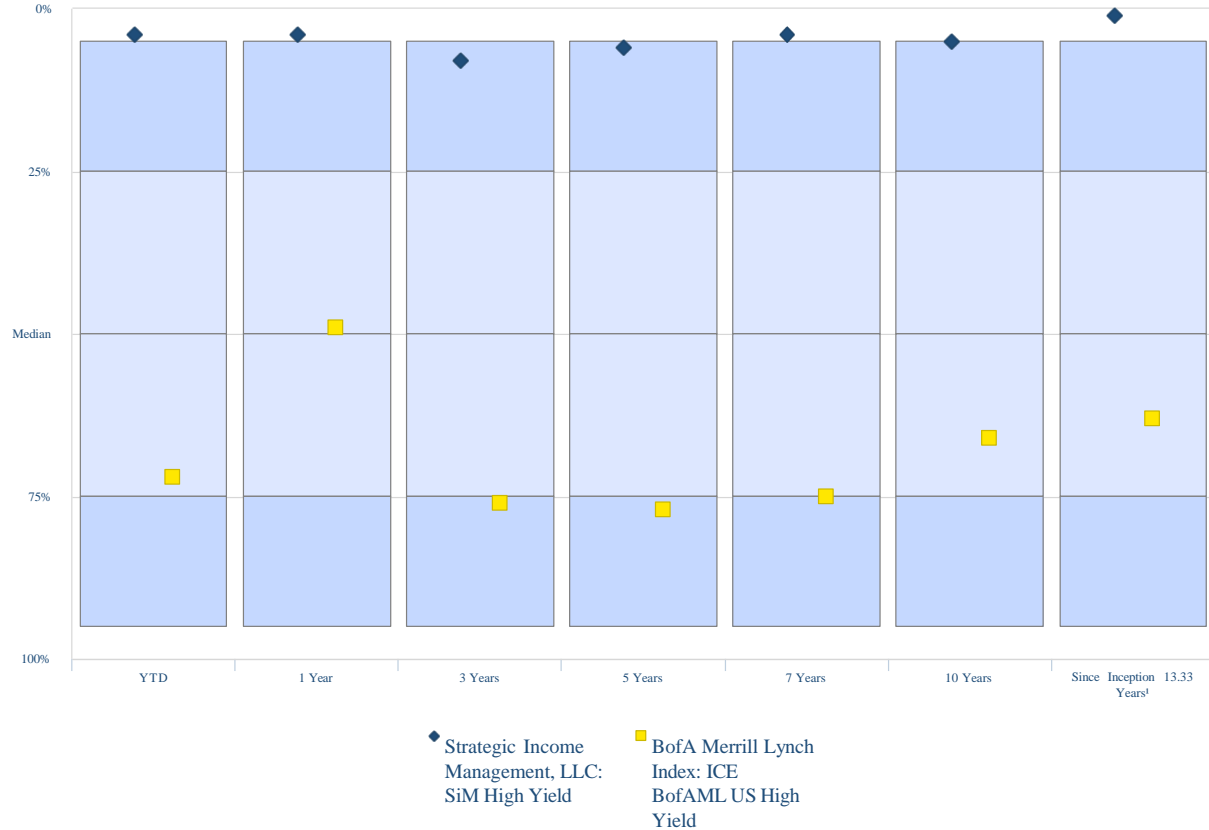
	5/31/1999 - 4/30/2009			
	<i>Peer Group Ranking</i>			
	1yr	3yr	5yr	10yr
Principal High Yield Inst (PHYTX)	27	5	2	3

	06/30/2014 - 06/30/2024			
	<i>Peer Group Ranking</i>			
	1yr	3yr	5yr	10yr
American Beacon SiM High Yld Opps R5 (SHOYX)	5	8	5	4



Performance v. Peers

SiM US High Yield Opportunities v. Benchmark & Peers



Universe: eVestment US High Yield Fixed Income

Results displayed in USD using Spot Rate (SR).

¹03/2011 - 06/2024

Source: eVestment; based on GIPS Compliant Composite Performance
 Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

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SiM's Unique Investment Philosophy

"The wind at your back"



SiM's Principles of Investing:

- Capture long-term trends that put "the wind at the back" of the investments
- Invest in the "right" industries - avoid those inappropriate for High Yield
- Analyze companies as if CFO/sole owner

These principles lead to a core portfolio of companies that has historically been less cyclical and provided better downside protection and repeatable alpha over the long run.

SiM then applies these same principles to supplement the core with:

- Industries out-of-favor due to intermediate dislocations
- Non-traditional HY out-of-favor with their natural buyers
- Small cap issuers that offer attractive risk premia



SiM's Unique Investment Philosophy

"The wind at your back"



Philosophy

- SiM believes that active management based on a long investment horizon is able to outperform the markets over time.
- The investment philosophy is based on the premise that a core portfolio, built around long-term trends, and within the appropriate industries will outperform over a cycle and provide stability and downside protection.
- Additional alpha is added by investing in small cap bond issuers, out-of-favor industries, and non-traditional high-yield instruments.

Investment Style

- SiM's strategy places emphasis on maximizing current income while allowing for capital appreciation to enhance risk adjusted returns.
- The portfolio may be totally absent in sectors SiM feels are inappropriate to high yield.
- The portfolio is well-diversified, but concentrated in 70 to 100 names, with a focus on credit and long-term trends.
- Managers seek to be relatively neutral to the duration and the quality of the benchmark while being fully invested.



What makes SiM US High Yield Opportunities unique?

A distinctive approach to High Yield investing



High Conviction, Capacity Constrained and Benchmark Agnostic.

Typical US High Yield Manager:

- Closet indexers + or minus 1-2% of an industry
- 250+ Issuers/Names
- Diluted by Large Teams
- Match index performance as a goal

The SiM US High Yield Opportunities Approach:

- Differentiated
- Unique Strategy
 - Core - Appropriate Companies for HY
 - Out-of-Favor - Exploit Greed and Fear
 - Small Cap - Extra 100 bps Coupon
- Index Agnostic
- High Conviction ~80 Issuers/Names
- Portfolio Managers are Analysts first
- Differentiation has allowed SiM to consistently outperform



Organization

An experienced team with a long history

Ownership Structure

Strategic Income Management, LLC

Ryan Larson, CFA, CAIA

Co-Lead Portfolio Manager

20%

Experience: 15 years SIM: 13 years

Gary Pokrzywinski, CFA

Co-Lead Portfolio Manager

45%

Experience: 37 years SIM: 13 years

Kevin Power, CFA

Portfolio Manager

8.75%

Experience: 11 years SIM: 8 years

Tim Black, JD

CCO

17.5%

Experience: 23 years SIM: 13 years

- 100% employee owned (8.75% owned by retired co-founder Brian Placzek)
- Ownership sold to key employees





Section Two:
Strategy Overview

SiM's Unique Investment Approach

3 X 3

Core

- Long-term secular trends
- Suitable Industries
- Good Businesses

Out of Favor

- Viable Industry
- Catalyst for Change
- Long Runway

Small Cap

- Rating Agency
- Neglected by larger peers
- More accessible management



SiM's Unique Investment Approach

A distinctive approach to High Yield investing

Principle One:
Identify long term trends
and themes

Principle Two:
Focus on the right industries

Principle Three:
Analyze as a CFO/owner

The Portfolio



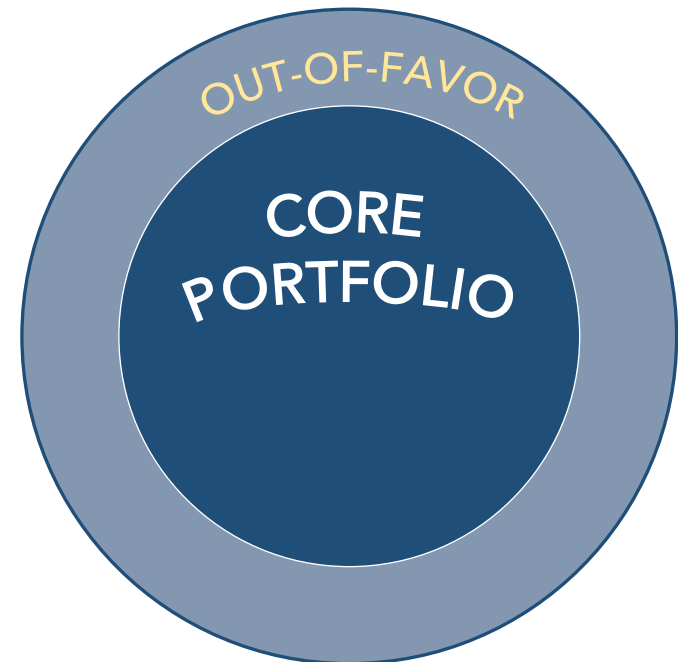
The Core Portfolio

Building SiM's High Yield Opportunities Portfolio

SiM's three principles - Identifying long-term trends, focusing on the "right industry," and performing a "CFO-level analysis" - are applied to create the *core* of the portfolio.

The core results in a portfolio that:

- Tends to be less cyclical
- Provides better downside protection
- Provides more alpha over the long run

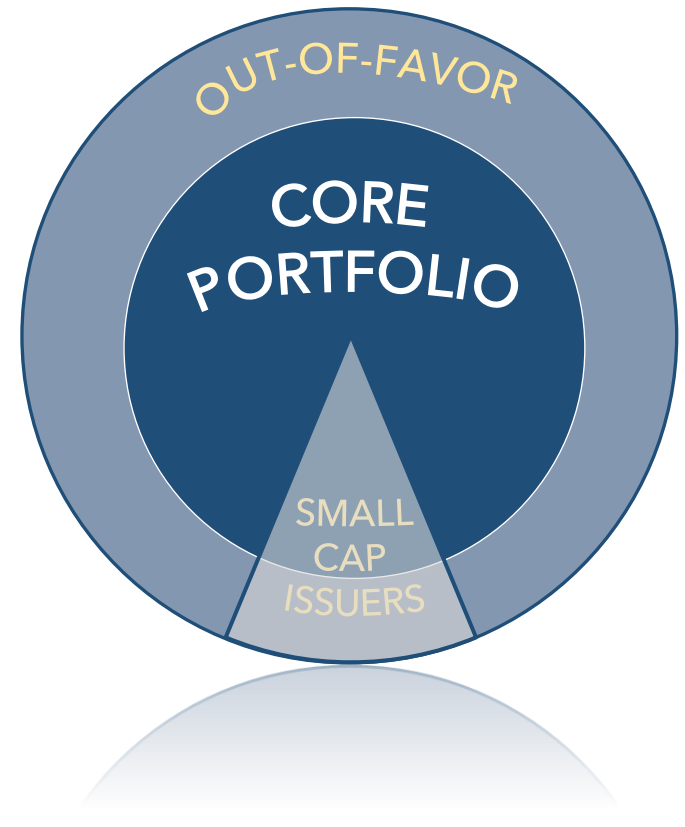


Out-of-Favor Sectors

Building SiM's High Yield Opportunities Portfolio

Same Principles applied to Core are applied in Out-of-Favor Sectors:

- Invest in sectors supported by long term trends.
 - Invests in out-of-favor sectors that have long-term viability and only suffer from temporary dislocations.
- Invest in the right industries.
 - There should be a clear pathway to a rebalancing of the industry, usually through a removal of excess supply.
- Analyze as a CFO to ascertain that the company can endure.
 - Rebalancing of industry can take years. Company should have the cashflow, balance sheet, product and management to endure.



Out-of-Favor Sectors

Supplementing the core of the portfolio



Market continually offers Out-of-Favor opportunities

Throughout cycles over the past 18 years, the SiM team has consistently exploited out-of-favor opportunities.

1998	Asian Crisis
2000	Tech Bubble
2002	Telecom Bubble
2004	Healthcare
2008	Auto
2008	Financial Crisis
2011	European Financial Crisis
2012	Airlines
2013	Farm Economy
2015	Oil collapse
2018	Shipping
2020	Leisure
2023	Real Estate & Retail

SiM often has little or no exposure to some of the more cyclical sectors, but when they fall deeply out-of-favor SiM may take an overweight position.

Once a sector recovers, SiM may exit and not return for years. (One argument against a pool of specialized analysts.)



Investing in Small Cap Issuers

Rounding out the portfolio

Advantages of Investing in Small Cap Issuers

(w/ total bonds outstanding <\$500m)

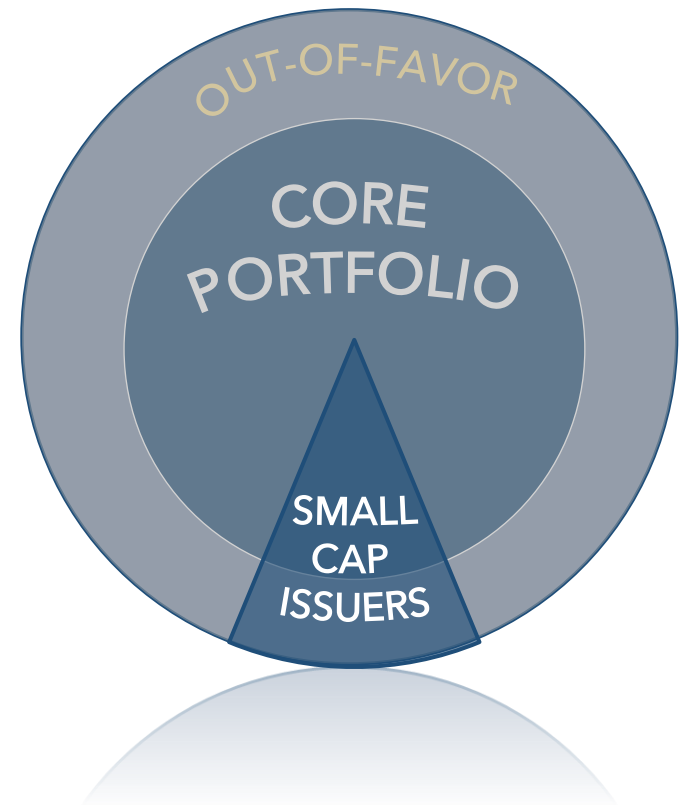
- Small Cap single-B issuers in the index offer higher OAS than Large Caps with same rating.

Nature of Small Cap

- Comprise more than third of issuers in the Index.
- Large AUM investors ignore—cannot take position large enough to make a significant contribution.
- Rating agencies penalize companies just for being small.

Liquidity

- 96% of SiM Small Cap classified as moderate to highly liquid by a third party. Liquidate position in <7 days.
- 70% of SiM Small Cap has publicly traded equity.
- Team has managed liquidity with small cap for 18 years.
- More focused portfolio of 80+ issuers enables SiM trader to be more in touch with buyers/sellers than large funds juggling hundreds of names.



Investing in Small Cap Issuers

Rounding out the portfolio



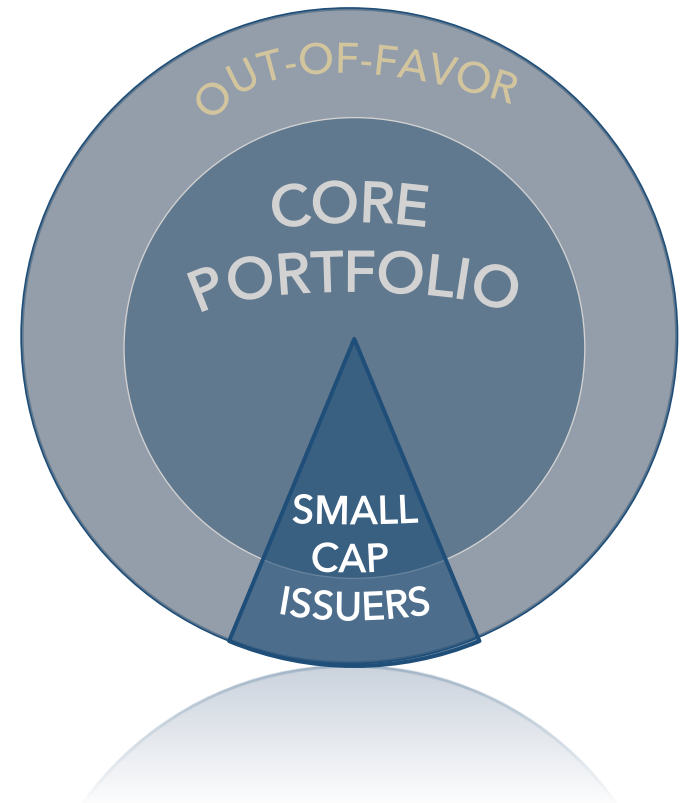
Persistent liquidity premiums for taking on smaller cap structure risk



Source: BofA Global Research

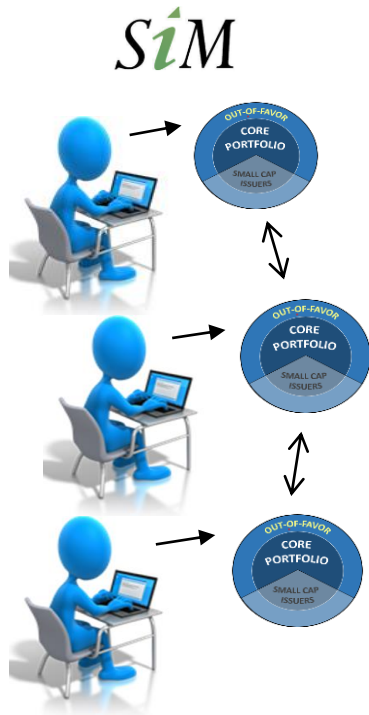
Spread Premium

- 75-125bps premium for BB small cap issuers
- 150-200bps premium for single B small cap issuers

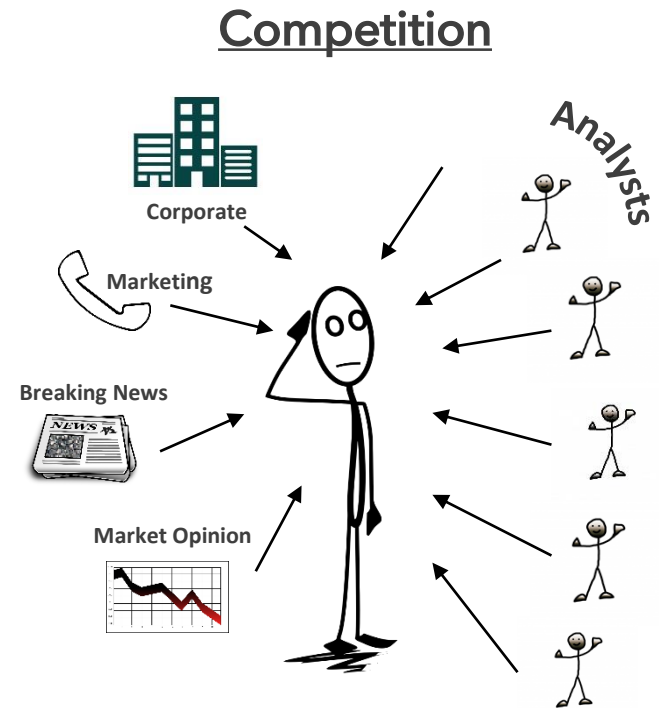


The Resulting Portfolio

SiM's distinctive approach to High Yield investing



VS.



➤ All Day Analysis and Portfolio Management

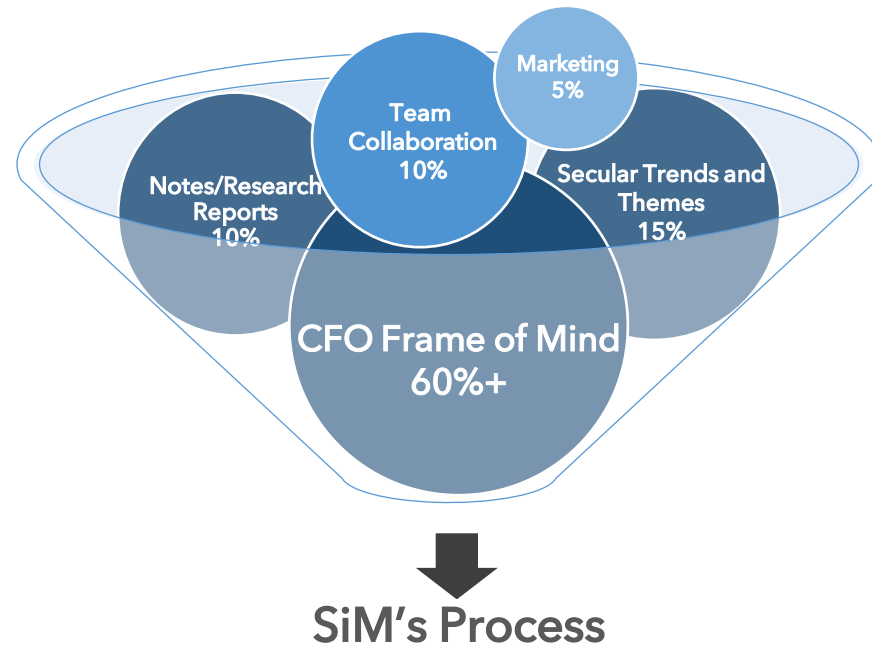
➤ What does my calendar look like today?

	Resulting Portfolios	
<ul style="list-style-type: none">• Defined Strategy• High Conviction• 80 Holdings		<ul style="list-style-type: none">• Index Following• Broad Market Calls• 250+ Holdings

SiM's Unique Process

- Process is a product of SiM strategy
 - ✓ Secular themes
 - ✓ Industry first
 - ✓ CFO Frame of Mind
- Small team allows for
 - ✓ Effective communication
 - ✓ No jockeying
- Corporate partnerships allow the SiM team to focus on Research not Marketing

How SiM team spends their time



SiM's Unique Process

A distinctive approach to High Yield Investing



High Yield Universe

2000+ issuers
100+ Unique Industries



Identify long term trends and themes



Focus on Core Industries ideally suited for HY Bonds



Evaluate Out of Favor Industries and Asset Classes



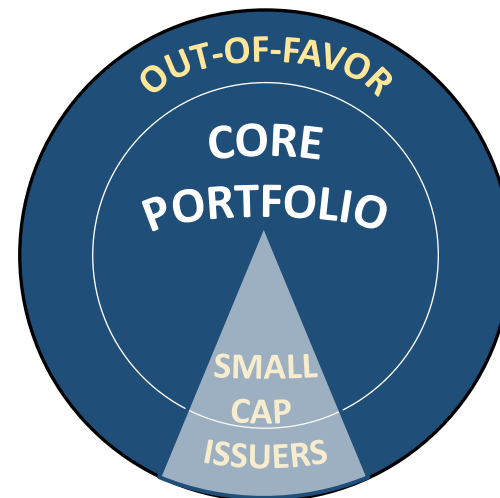
500 issuers
30-40 Unique Industries



SiM Portfolio

80-100 issuers
30-40 Unique Industries

The Portfolio





Position Sizing

- Initial positions will vary in size between 0.5% and 2.25% based on risk return profile and liquidity of issue
- Positions are typically trimmed if they grow to >2.75%
- No more than 10% in any given issuer
- Rarely more than 20% exposure to any industry (especially Out of Favor)
- We target cash to be 0.5%-1% of the portfolio. We maintain a cash position strictly for liquidity purposes
- Country allocation is predominately US and Canada with any FX exposure hedge back to the USD





Sell Discipline

- 5 circumstances that will cause us to sell a position
 - Position gets too large (>2.75% of portfolio). *STNG*
 - Selling a core position to fund the purchase of an out of favor position.
BWXT
 - Selling a position when it becomes too rich. *HCA*
 - Selling a position when results differ materially from management guidance and our expectations (~2 quarters). *SN/TECHNIPLAS*
 - Our rationale is challenged by changing Industry dynamic.
CNK/DSPORT
- Historical Portfolio Turnover 30%-50% (Currently ~40%)





Risk Management Philosophy/Process

➤ Qualitative

- Non-cyclical/counter-cyclical Core
- Low CAPEX/Predictable cashflow
- SiM doesn't reach (best of breed businesses)
- PM's are Analysts first

➤ Quantitative

- Core vs. Out of Favor
- Ex-Post & Ex-Anti Beta
- Standard Deviation, Tracking Error, Correlation
- Scenario Analysis (Bloomberg Port)
- Stress test Individual Issuers (Out of Favor)



SiM's Unique Process

A distinctive approach to High Yield Investing

Liquidity

- ~96% of SiM holdings are classified as moderate to highly liquid by a third party. Liquidate position in <7 days
- ~90% of SiM holdings are Public Companies vs. ~75% for Index
- No more than ~10% of any given issue to reduce liquidity risk
- Team has managed liquidity for 24 years through multiple cycles and various large redemptions without a problem
- More focused portfolio of ~80 issuers enables SiM trader to be more in touch with buyers/sellers than large funds juggling hundreds of names



ESG Investing

Environmental, Social, and Governance (ESG) Criteria for investing

Strategic Income Management, LLC is UN PRI Signatory since 2018



The SIM U.S. High Yield Opportunities Fund is invested in accordance with the Environmental, Social and Governance (ESG) Criteria set forth by Norges Bank.

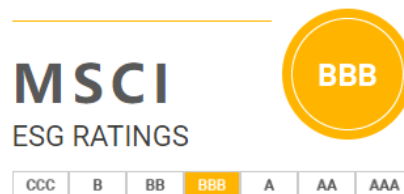
- **Product based exclusions lead to no investments in companies (including entities under control) that:**
 - Produce weapons that violate fundamental humanitarian principles through their normal use
 - Produce Tobacco
 - Sell weapons or military material to states subject to investment restrictions on Gov't Bonds
 - Observation or exclusion may be decided for mining companies and power producers (including controlling entities) that derive 30% or more of their income (or operation) from thermal coal.
- **Conduct based exclusions lead to the fact that companies may be put under observation or be excluded if there is unacceptable risk that the company contributes to or is responsible for:**
 - Serious or systematic human rights violations, forced labor and the worst forms of child labor
 - Serious violations of the rights of individuals in situations of war or conflict
 - Severe environmental damage
 - Acts or omissions that on aggregate company level lead to unacceptable greenhouse emissions
 - Gross corruption
 - Other particularly serious violations of fundamental ethical norms

ESG Investing

Environmental, Social, and Governance (ESG) Criteria for investing

The fund ranks in the 52nd percentile within the Bond Global High Yield USD peer group according to MSCI, the higher the better.

The fund is classified as an article 8 fund under SFDR.

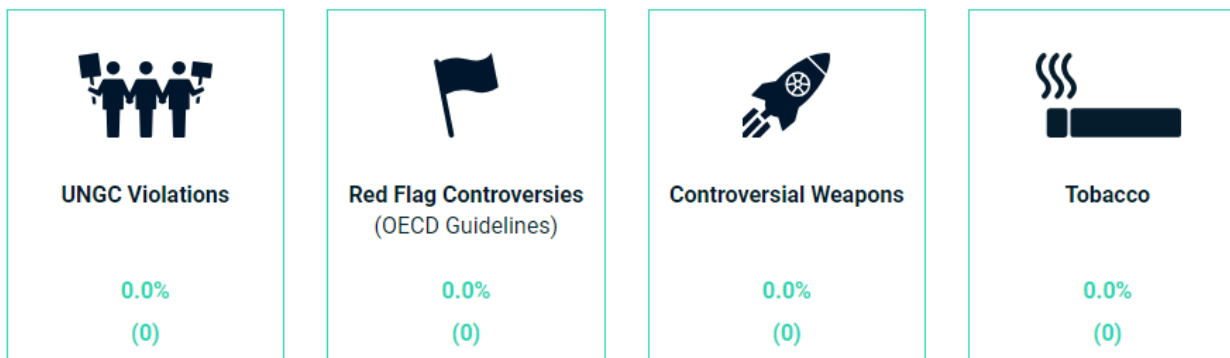


ESG Rating distribution of fund holdings

17% of the fund's holdings receive an MSCI ESG Rating of AAA or AA (ESG Leaders) and 10% receive an MSCI ESG Rating of B or CCC (ESG Laggards).

Social safeguards screens

The fund's exposure to companies flagged for certain frequently used social safeguards screens.



Portfolio Management

- Portfolio management team in the industry for 30 years, in charge of dedicated High Yield since 1998 and managed risk through multiple business cycles while achieving top decile performance
- Dedicated trader and systems to monitor daily trading, price movement, and company news
- Monitoring of credit and liquidity is possible by the smaller number of names (70 - 110) in the portfolio
- Attribution analysis run monthly and if needed to analyze portfolio risk and beta

Operations Compliance

- CCO/COO oversees compliance and adherence to code of ethics
- Portfolio monitored and reconciled daily
- Pre- and post-trade compliance systems to ensure investments within client guidelines
- American Beacon provides additional layer of oversight
- SEC completed an examination of SiM in August 2016



Section Three:
US High Yield Market

Strategic Income Management (SiM)

Value Driven, Income Focused



Rising Stars

~20% of HY Market

Examples:



Long-term HY

~60% of HY Market

Examples:



Fallen Angels

~20% of HY Market

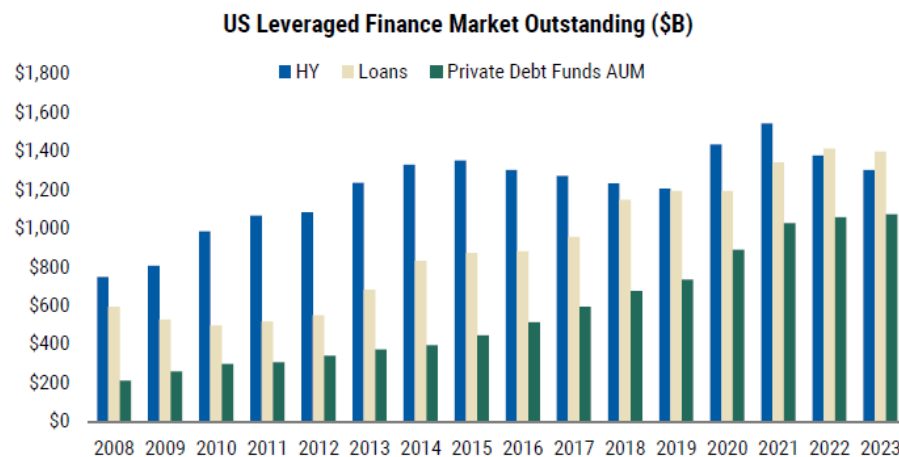
Examples:



Global Leveraged Credit is a \$5 trillion market



Source: Morgan Stanley Research, Bloomberg, Federal Reserve Bank of New York



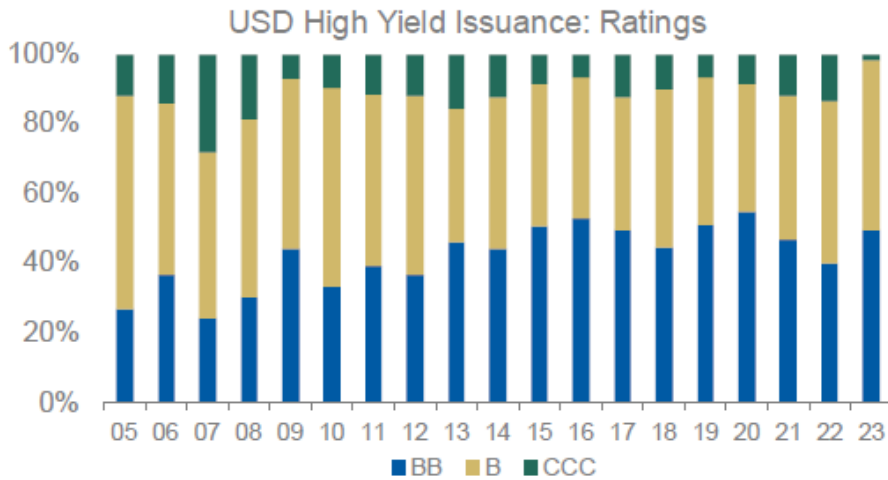
Source: ICE, Pitchbook, Morgan Stanley Research estimates; Note: Private debt data as of 3/31/2023

- Since 2008, Private Credit and Leveraged Loans AUM have grown substantially more than High Yield.

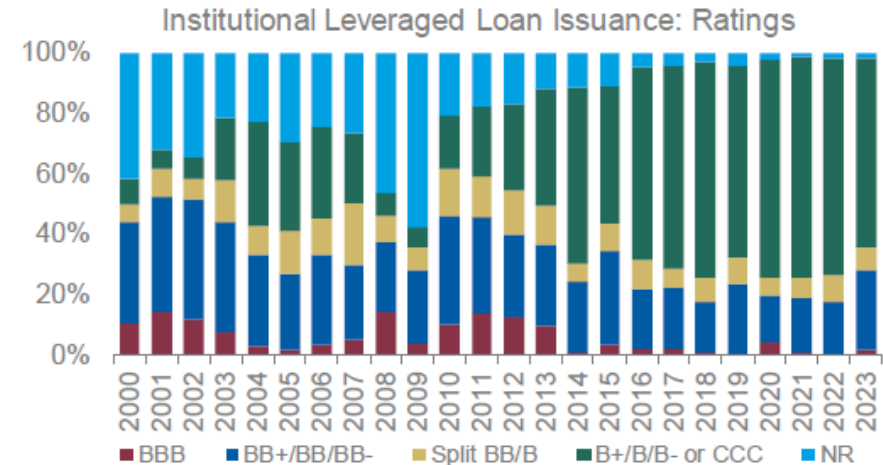




High-Yield Bonds have Structurally Improved over Time vs Loans



Source: Morgan Stanley Research, PitchBook LCD

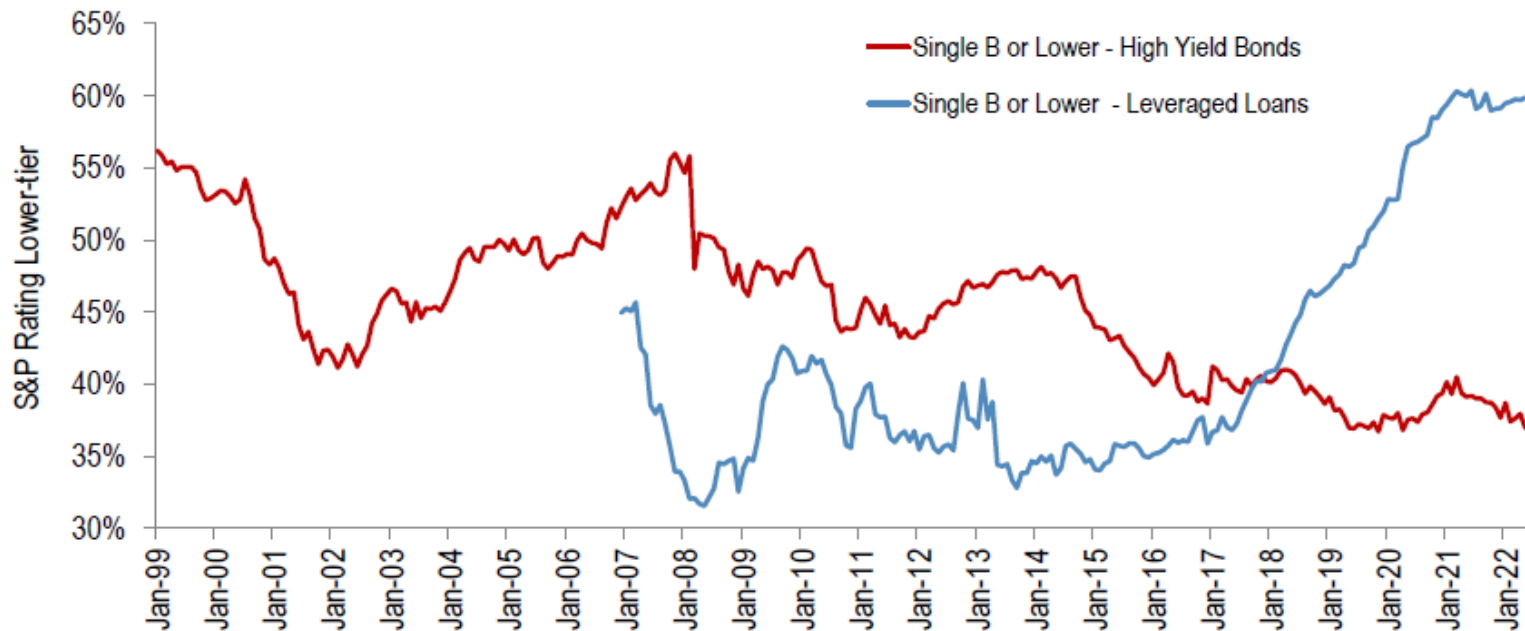


Source: Morgan Stanley Research, PitchBook LCD





High-Yield Bonds have Structurally Improved over Time vs Loans

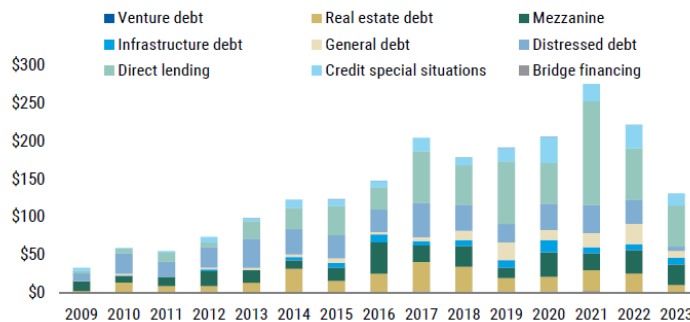


Source: J.P. Morgan.



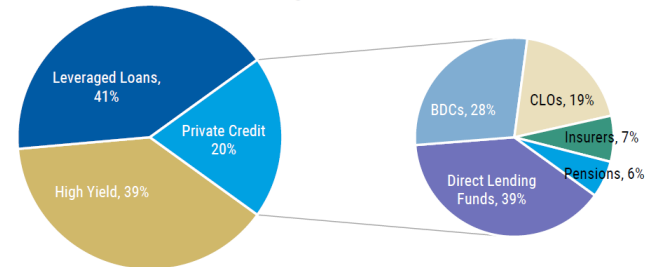
Private Credit has emerged and takes on the most risk

Global Private Debt Capital Raised By Type (\$bn)



Source: Pitchbook, Morgan Stanley Research; Note: Data as of 9/30/2023

US Leveraged Credit Market



Source: ICE, Pitchbook LCD, Morgan Stanley Research

Middle Market Companies

Fitch

S&P

Lincoln International

Public Credit Companies

HY (Public Reporters)

Loans (Public Reporters)

S&P's Spec-Grade Universe (Public + Private)

Median LTM EBITDA

\$38 million

~\$30 million, with 70% less than \$50 million

\$30-50 million, with 60% less than \$50 million

Median LTM EBITDA

\$565 million

\$282 million

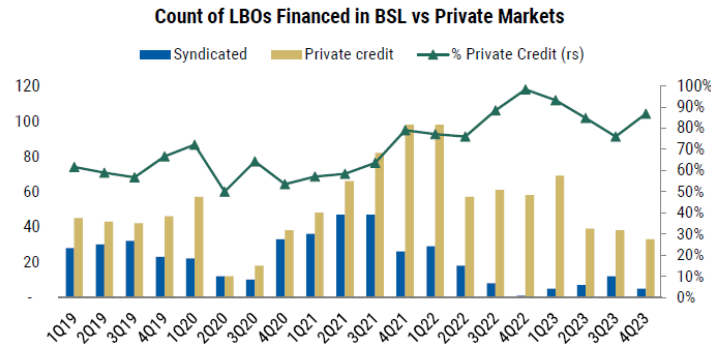
~\$300 million

Source: S&P, Fitch, PitchBook LCD, Lincoln International, ICE, Bloomberg, S&P CapIQ, Morgan Stanley Research; Note: data as of 3Q23

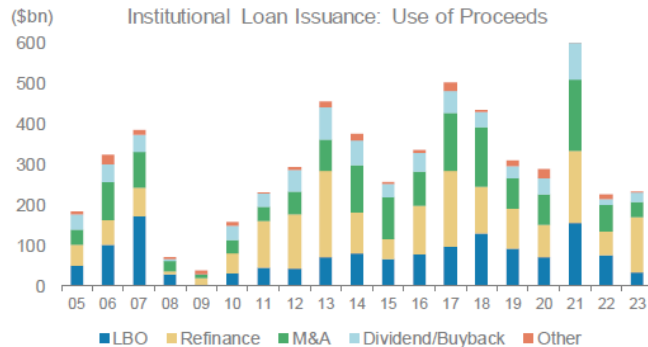




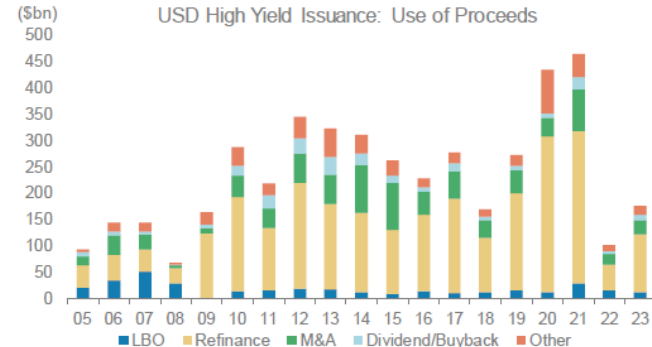
Private Credit has emerged and takes on the most risk



Source: Pitchbook, Morgan Stanley Research



Source: Morgan Stanley Research, PitchBook LCD



Source: Morgan Stanley Research, PitchBook LCD



Strategic Income Management (SiM)

Value Driven, Income Focused

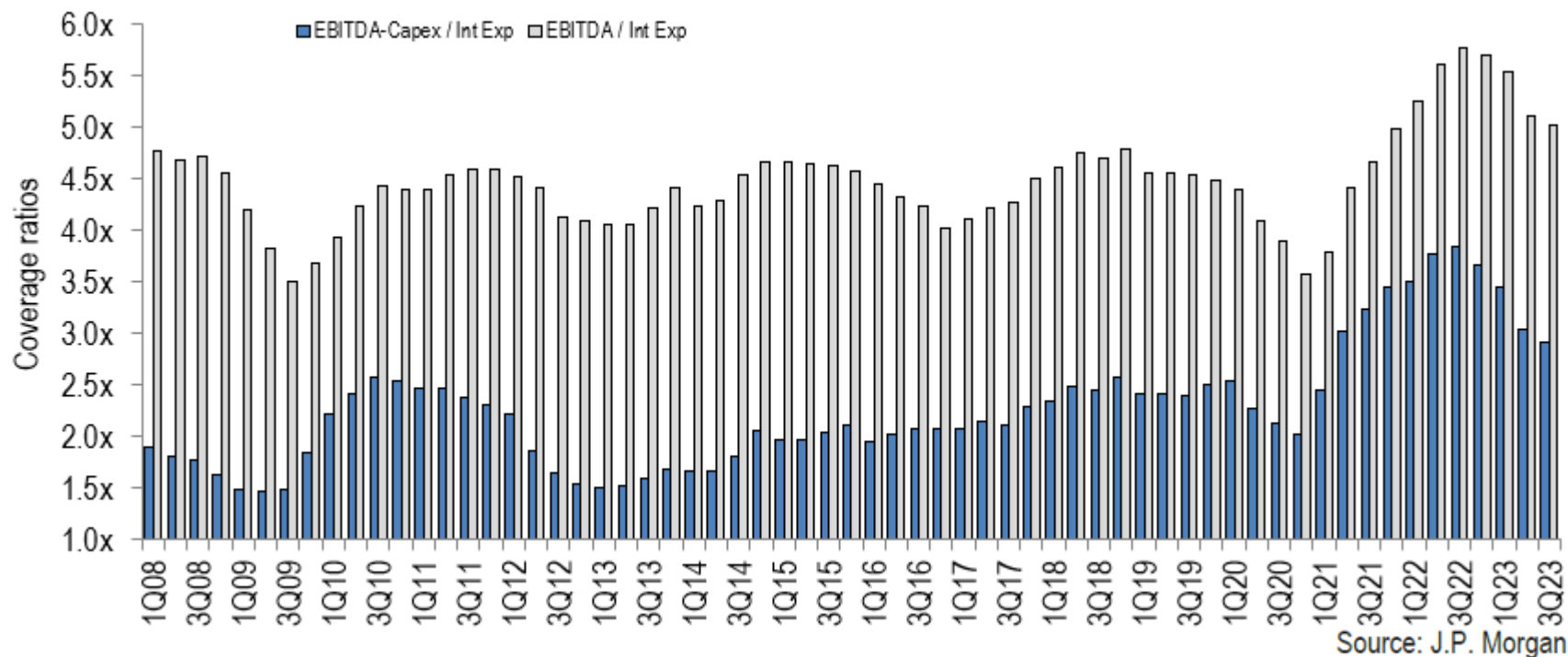


High-Yield Bonds are very strong structural



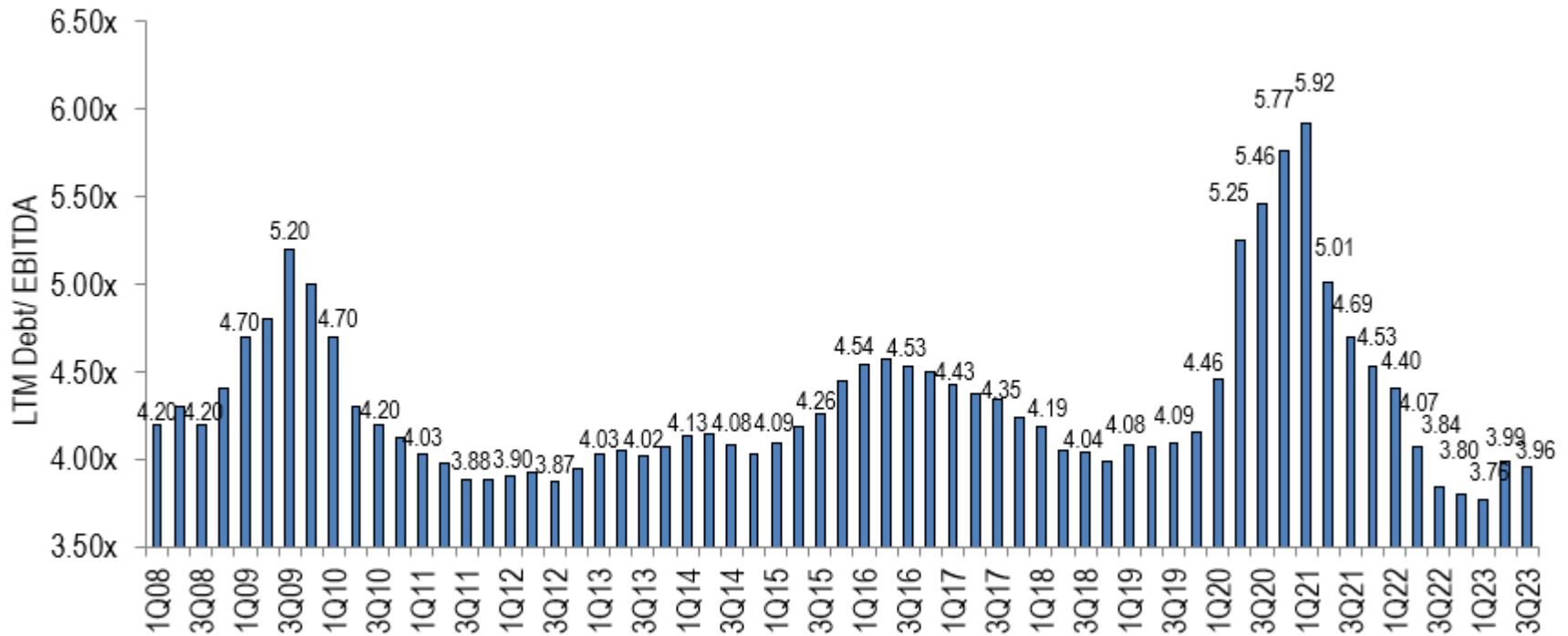


High-Yield Bonds are very strong structural





High-Yield Bonds are very strong structural



Source: J.P. Morgan





High-Yield Bonds are structurally stronger than Leveraged Loans and Private Credit

High Yield credit metric highlights

LTM	4Q23
Leverage (Debt/EBITDA)	3.89x
Net Leverage ((Debt-Cash)/EBITDA)	3.37x
EBITDA Margin	16.1%
Coverage (EBITDA/Net Int Exp)	5.02x
EBITDA-Capex/Net Int Exp	2.85x

Source: J.P. Morgan; S&P Capital IQ

Leveraged Loan credit metric highlights

LTM	4Q23
Leverage (Debt/EBITDA)	4.81x
Net Leverage ((Debt-Cash)/EBITDA)	4.31x
EBITDA Margin	16.4%
Coverage (EBITDA/Net Int Exp)	3.35x
EBITDA-Capex/Net Int Exp	2.24x

Source: J.P. Morgan; Capital IQ; Bixby Research and Analytics Inc.

	Credit Metrics Comparison		
	High Yield	Leveraged Loans	Ares Capital (Largest publicly trade BDC)
Net Leverage Ratio	3.4x	4.3x	5.9x
Interest Coverage Ratio	5x	3.4x	1.6x

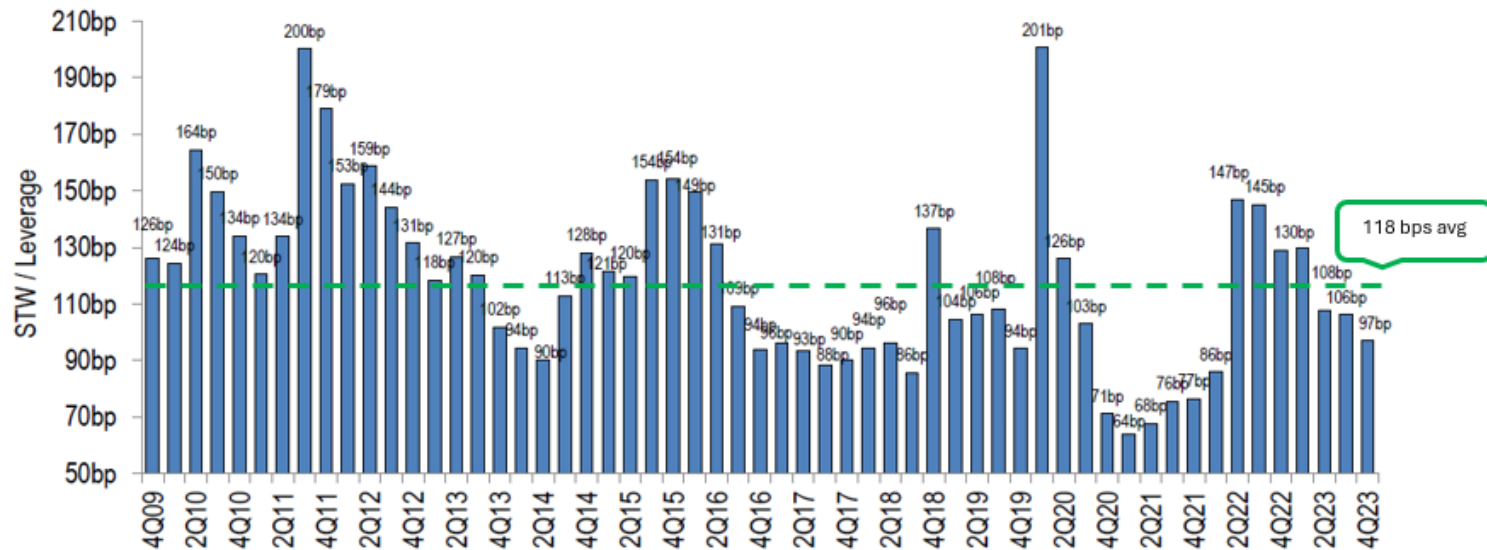
Source: Ares Capital ARCC Q1-24 Earnings Presentation





High-Yield spreads per turn of leverage

Spread per unit of leverage declined for a sixth consecutive quarter

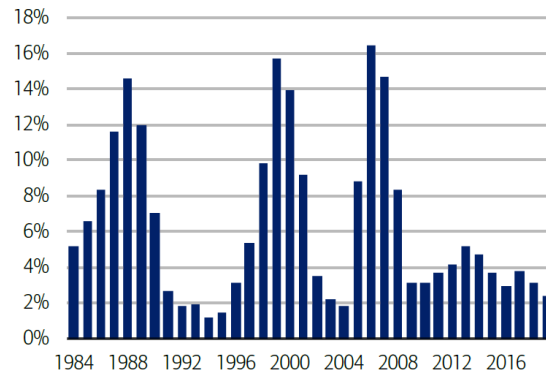


Source: J.P. Morgan; S&P Capital IQ



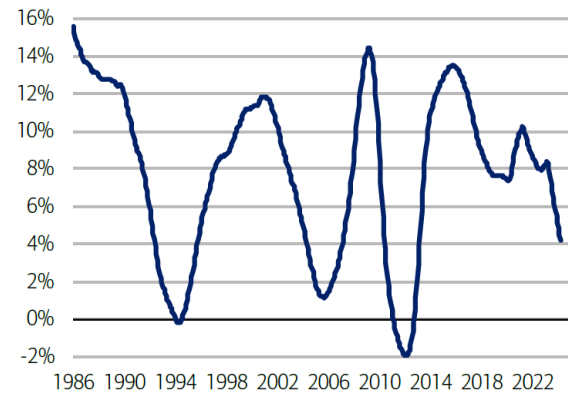
US Credit Cycle & Defaults

Figure 1: Cumulative next-3yr corporate default rate
Aggregate across IG, HY, loans



Source: BofA Global Research, Moody's

Figure 2: Cumulative last-3yr corporate debt growth
Aggregate across IG, HY, loans, private debt



In previous US corporate credit cycles the cumulative 3-year default rate in IG, HY & Loans peaked at ~15%. It's predicted that US corporate credit defaults will be lower in the next recession, roughly 8%, due to

- 1) 5% excess defaults experienced since the GFC with peaks in 2015-16 & 2019-20.
- 2) lower debt growth in US corporate credit.

An 8% cumulative 3-year default rate in US corporate credit implies a 12% default rate in HY.

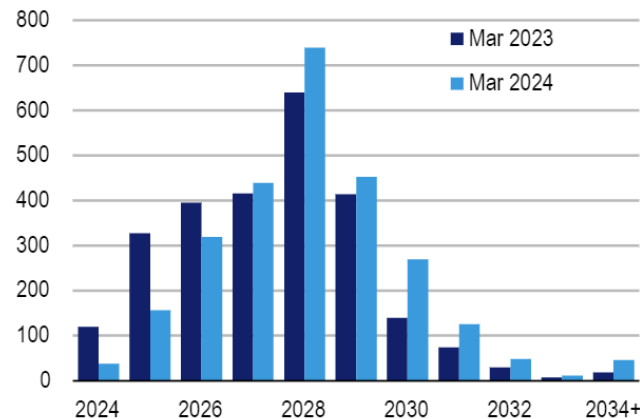
If 12% of the most distressed HY bonds restructure (currently trading a ~\$70 price) over a 3-year period and have a 40% recovery (25-year average recovery rate), the HY market would have an annual default rate of 4% with a ~1.7% loss from defaults/restructures during the next recession.





High Yield Bonds and Leveraged Loan Maturity Wall

Latest vs one year ago



Source: BofA Global Research

- 2024-2026 Maturities have dropped 40% from March 2023 though March 2024. Syndicated bond and loan market is open to high quality issuers.





High-Yield has Fewer Drawdowns Vs. Equity

Drawdowns over past 44 years

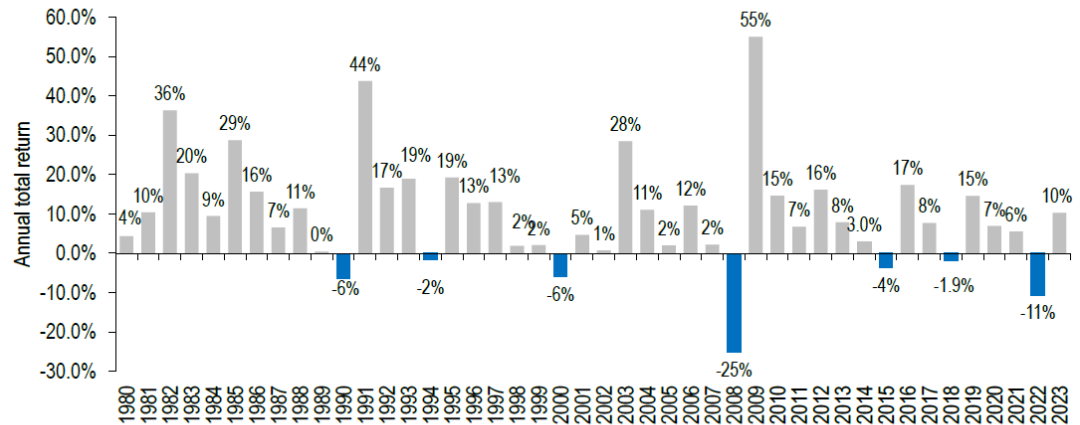
S&P 500

- 9 down years
- 4 years 10% or greater loss
- Tech Bubble ~6yrs to recover
- GFC ~4.5yrs to recover

High Yield Bonds

- 7 down years
- 1 year 10% or greater loss
- Tech Bubble ~2yrs to recover
- GFC ~2yrs to recover

High-yield bonds have only posted seven losses in 44yrs



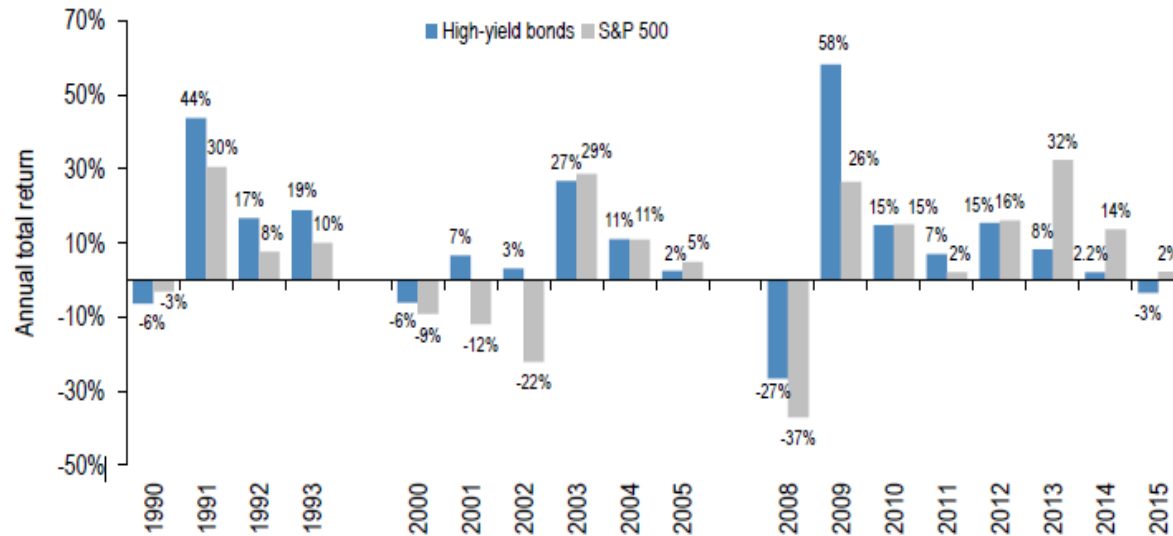
Source: J.P. Morgan.





High-Yield has Recovered Quicker vs. Equities

Figure 11: High-yield bond versus equity performance during and emerging from recessions



Source: J.P. Morgan.

- High-Yield bonds have outperformed equities during down years, while exhibiting equal or greater performance in the years leading out of a recession.



High-Yield is an Ideal Diversifier

25-yrs ended November 30, 2023	5-yr Trsy	10-yr Trsy	JPM JULI	JPM HY Bd Idx	S&P 500	Russell 2000	JPM EMBI
10-yr Trsy	0.93						
Investment-grade bonds	0.59	0.65					
JPM HY Bond Index	-0.10	-0.07	0.57				
S&P 500	-0.21	-0.18	0.33	0.68			
Russell 2000	-0.26	-0.24	0.27	0.68	0.84		
JPM EMBI- Global Composite	-	-	-	-	-	-	-
Leveraged loans	-0.32	-0.31	0.33	0.79	0.52	0.54	-

Source: J.P. Morgan; S&P/ IHS Markit; Bloomberg Finance L.P.

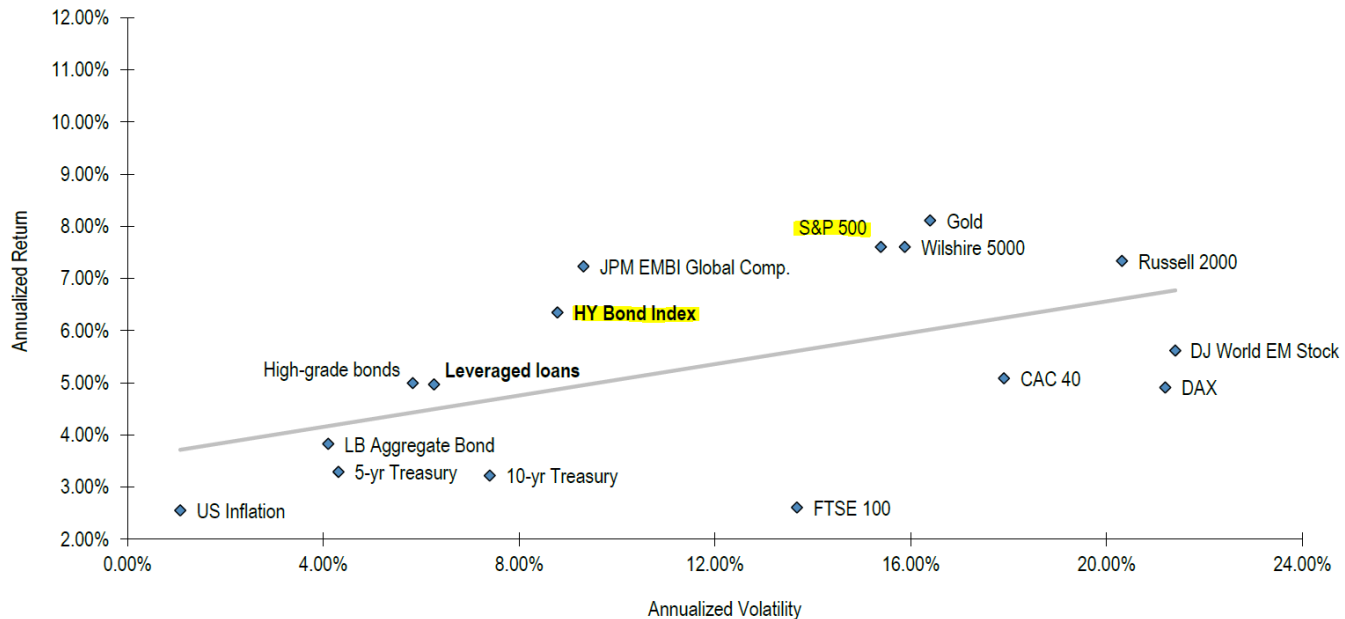
➤ Historically lower correlations during market downturns



High-Yield remains excellent substitute for equity

(Statistics over past 25 years as of November 2023)

Twenty-five-years ended November 30, 2023



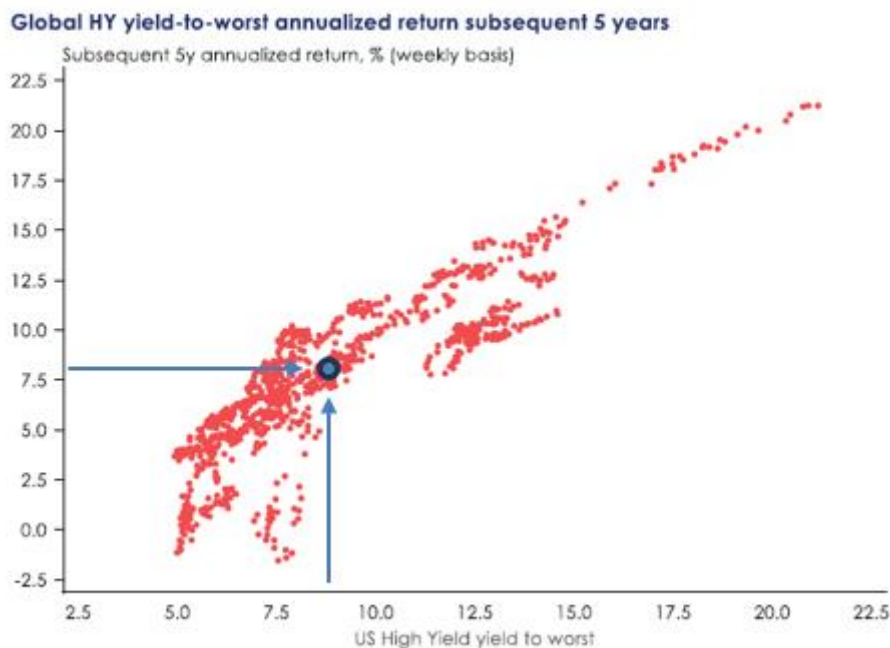
Source: J.P. Morgan; S&P/IHS Markit; Bloomberg Finance L.P.





Historical Yield to Worst vs HY subsequent annualized returns

Correlation between yield to worst and annual returns next 5 yrs.



Sources: Clarksons Securities AS, Macrobond, Bloomberg





Section Four:
Performance & Characteristics

SiM Portfolio Characteristics

06/30/2024

Characteristics Summary			Top 10 Holdings	
	SiM	HY Index*	Security	Port Weight %
Price	94.71	94.74	BORRNO 10 ³ / ₈ 11/15/30	2.06
Yield To Worst	7.87%	8.00	NM 10 ³ / ₄ 07/01/25	2.02
Option Adjusted Spread	322	318	SBBBSS 1 08/12/27	1.82
Coupon	6.29%	6.33%	TGI 9 03/15/28	1.75
Rating	B+	B+	RIG 7 ¹ / ₂ 04/15/31	1.75
Current Yield	6.54%	6.74	EHC 4 ³ / ₄ 02/01/30	1.74
Yield To Maturity	7.95%	8.09%	AIR 6 ³ / ₄ 03/15/29	1.74
Maturity (Yrs)	4.71	5.23	CHDN 6 ³ / ₄ 05/01/31	1.72
Effective Duration	3.09	3.11	BRY 7 02/15/26	1.71
OAS Convexity	0.17	0.18	BYD 4 ³ / ₄ 06/15/31	1.67
Deep-Out-of-Favor	Out-of-Favor	Core	Small Cap Exposure	
14%	30%	56%	13%	

*ICE BofA ML US High Yield Master II

Source: SiM; Data as of 30/06/2024. Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

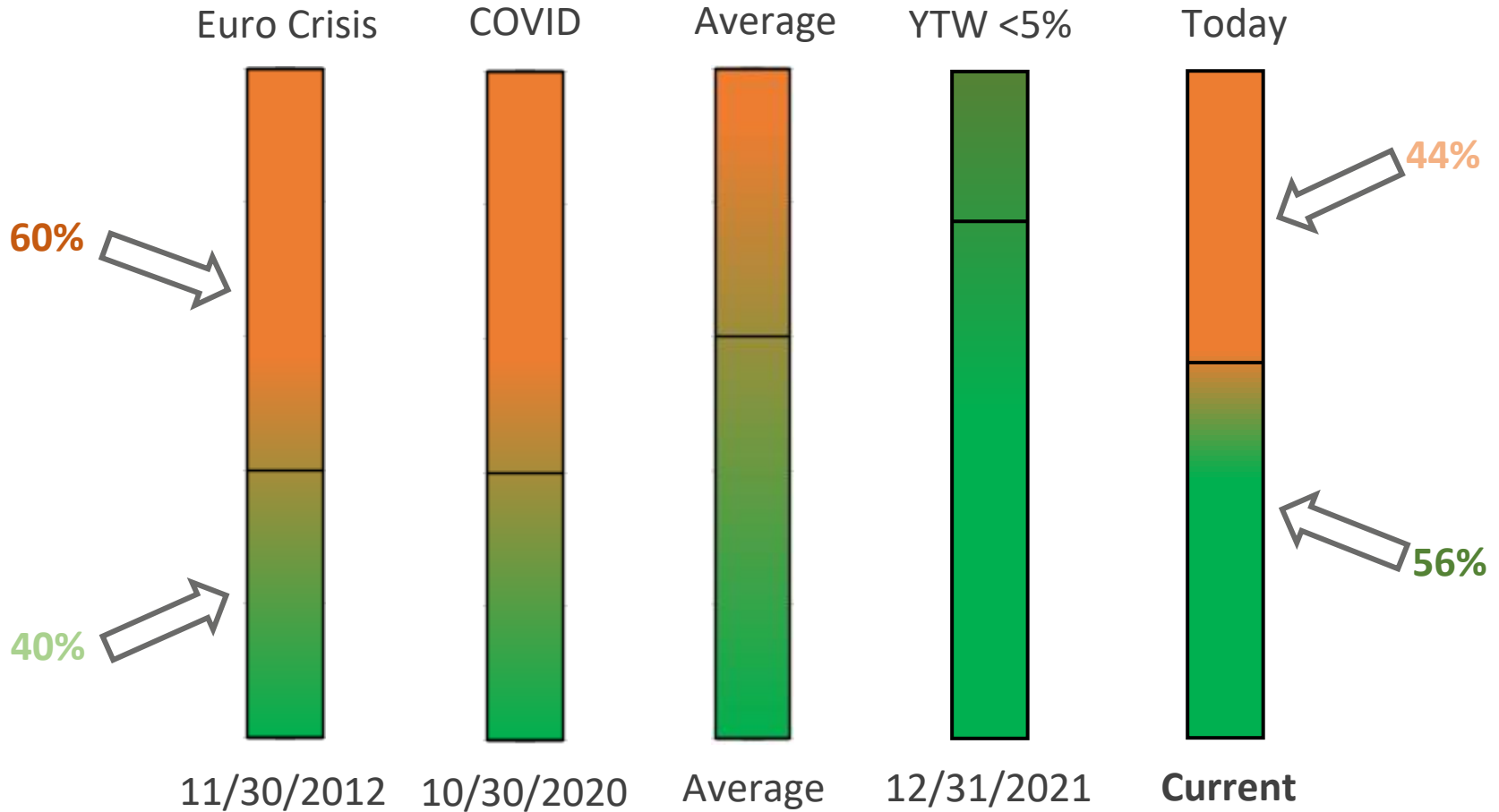


Strategic Income Management (SiM)

Value Driven, Income Focused



Out of Favor VS. Core Range



2022 & 2023 Additions to Out of Favor

- Increased Out of Favor from 19% to 48%
- Added high quality energy names
- Added to beaten-up Retail names and Real Estate
- Increased exposure to Europe (Hedged back to USD)
- Increased counter-cyclical exposure
- Market pullback has been orderly thus far so no industry specifically Out of Favor

Sample Company additions

Encore Capital
PRA Group
QVC Inc
Victoria's Secret
EZ Corp
Crestwood Midstream
Partners
Calumet Specialty Products
Anywhere Now
AGNC
Heimstaden
Samhallsbygg (SBB)
Transocean Inc
Tidewater
Seadrill
Odfjell Rig



SiM Default Rate (6/30/2024)

Year	SiM Default (%)	US HY Default (%)**	SiM Recovery Rate (%)	US HY Recovery Rate (%)**
YTD 2024	0.00%	1.79%	NA	39.00%
2023	2.87%	2.84%	25.20%	32.80%
2022	0.00%	1.65%	NA	56.50%
2021	0.00%	0.29%	NA	47.00%
2020	5.19%	6.76%	14.04%	20.90%
2019	0.00%	2.50%	NA	23.20%
2018	0.00%	2.00%	NA	39.80%
2017	0.00%	1.30%	NA	52.55%
2016	0.00%	3.57%	NA	31.10%
2015	1.04%	1.80%	80.00%	25.19%
2014	0.00%	2.90%	NA	48.05%
2013	1.34%	0.70%	14.00%	52.74%
2012	0.00%	1.30%	NA	53.23%
2011*	0.00%	1.70%	NA	48.56%
Avg	0.73%	1.96%	30.02%	40.75%

*Since Inception **JP Morgan Statistics

*ICE BofA ML US High YieldMaster II
 Source: SiM; Data as of 30/06/2024. Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

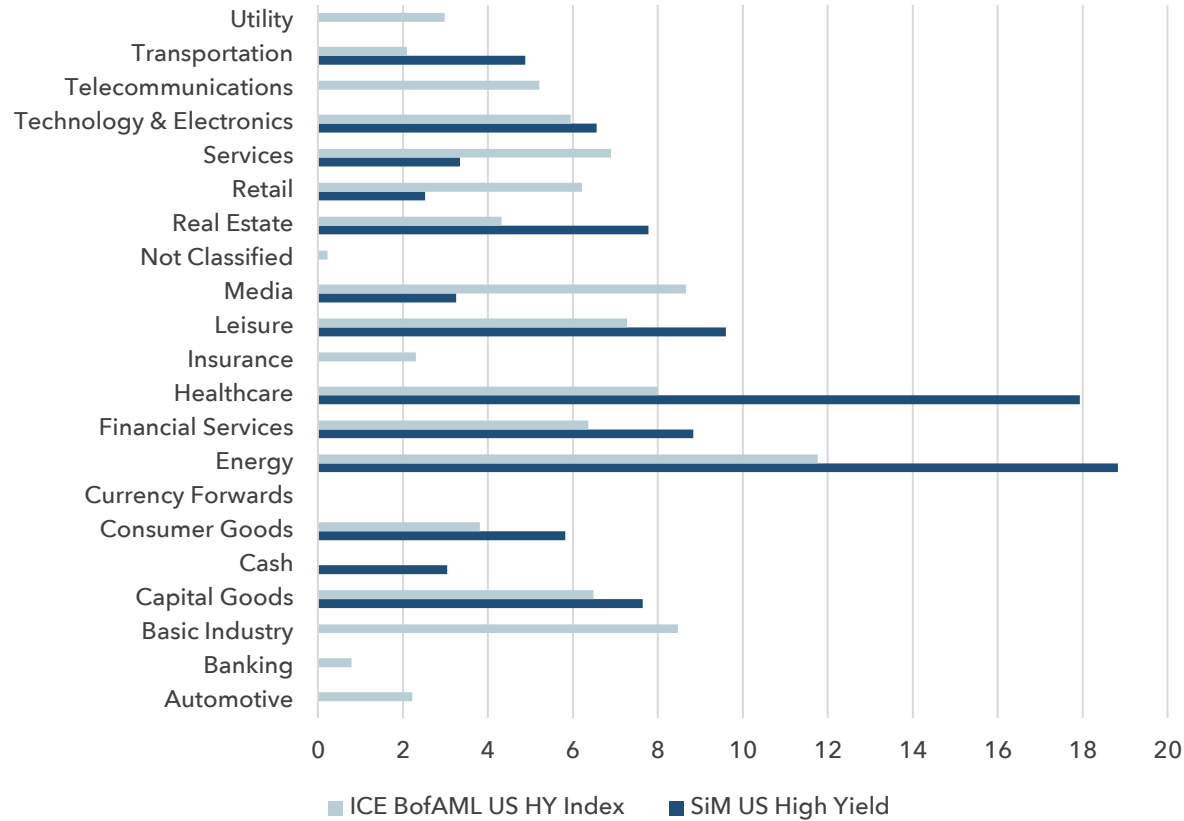


Strategic Income Management (SiM)

Portfolio Characteristics

SiM Sector Distribution

06/30/2024

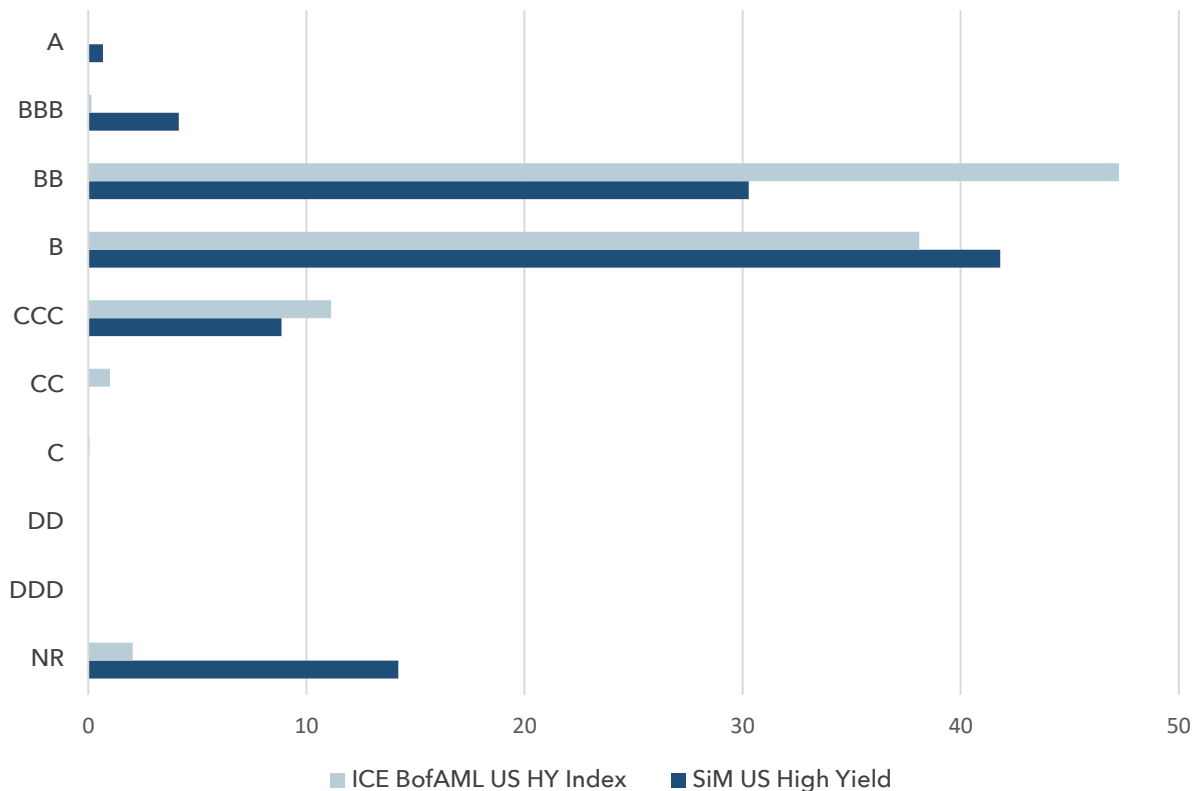


Strategic Income Management (SiM)

Portfolio Characteristics

SiM Rating Distribution

06/30/2024



Changes during COVID-19

Additions

- Leisure/Consumer Discretionary +6.75%
 - Theme Parks (1%)
 - Restaurants (0.5%)
 - Auto Retail (1.25%)
 - Online Retail (1%)
 - Theaters (1.5%)
 - Vacation Time Share (1%)
 - Airline Supplier (0.5%)
- Busted Convertibles +5.5%
 - Technology (1.75%)
 - Consumer Discretionary (3%)
 - Other (0.75%)
- Energy +8.5%
 - High Quality BB-Rated E&P (8.5%)

Sample Companies

Winnebago
Marriot Vacations
Square
Six Flags
Boyd Gaming
Chefs' Warehouse
Twitter
Etsy
Cinemark
Brinker (Chili's)
QVC
Cenovus Energy
Canadian Natural Resources
Penske Auto Group



Performance SiM US High Yield Opportunities

Historical Performance



GIPS Compliant Gross Composite Performance

Data as of 30-06-2024	YtD	1 Year	3 Year	5 Year	10 Year	Since Inception
US High Yield (in USD)						
SiM US High Yield (Inception - Feb 11)	4.91%	13.00%	4.07%	6.27%	6.06%	7.24%
BofA ML US High Yield Master II	2.62%	10.45%	1.65%	3.73%	4.21%	5.33%
Performance versus BofA ML US High Yield Master II	+2.29%	+2.56%	+2.42%	+2.54%	+1.84%	+1.90%

Performances in the table above is annualized

Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

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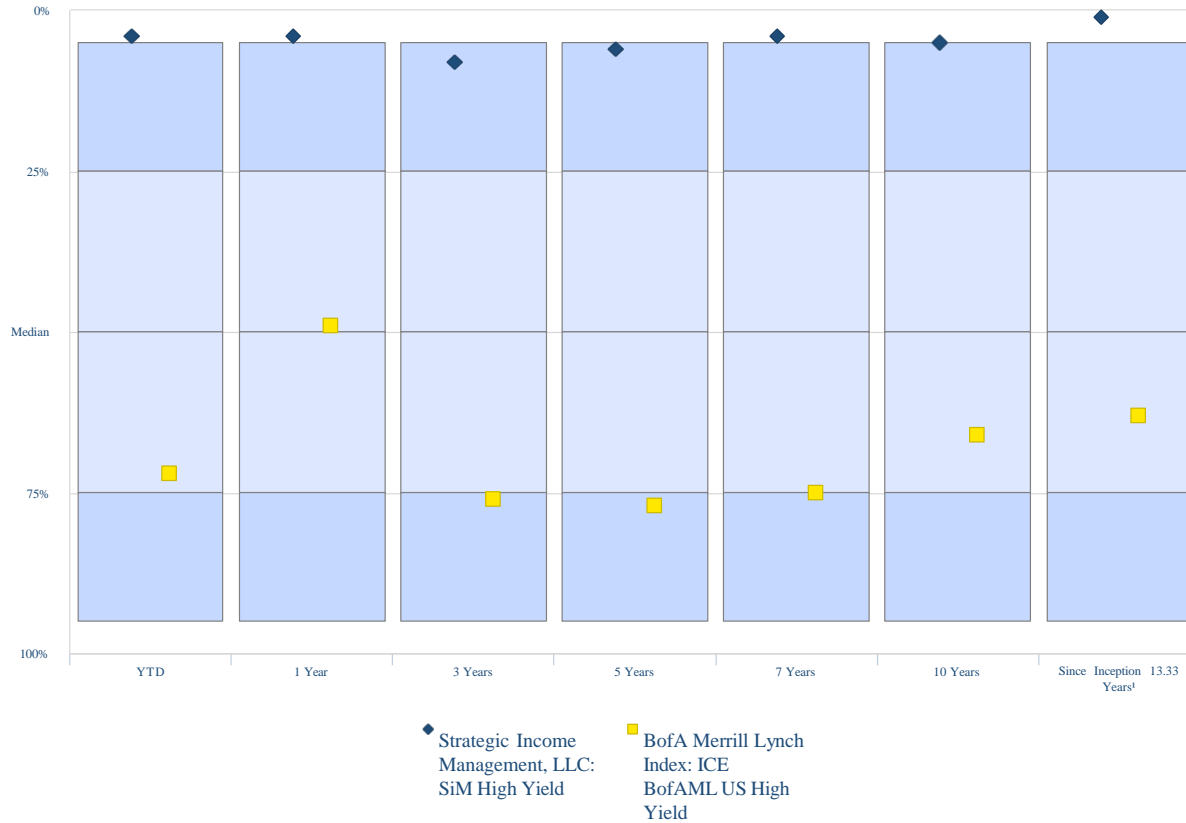


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Returns

SiM US High Yield Opportunities v. Benchmark & Peers



Universe: [eVestment US High Yield Fixed Income](#)

Results displayed in USD using Spot Rate (SR).

'03/2011 - 06/2024

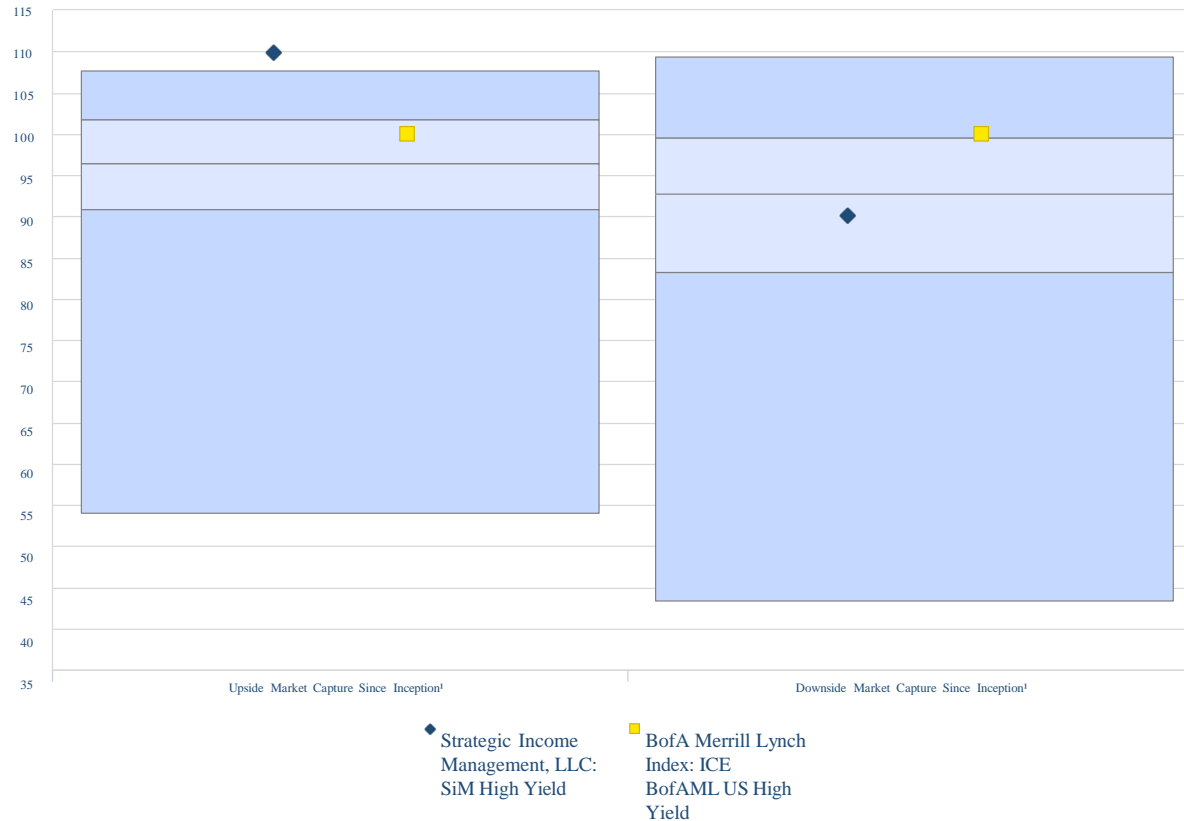
Source: eVestment; based on GIPS Compliant Composite Performance
 Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

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Upside/Downside Market Capture

SiM US High Yield Opportunities v. Benchmark & Peers



Universe: eVestment US High Yield Fixed Income

Results displayed in USD using Spot Rate (SR).

¹03/2011 - 06/2024

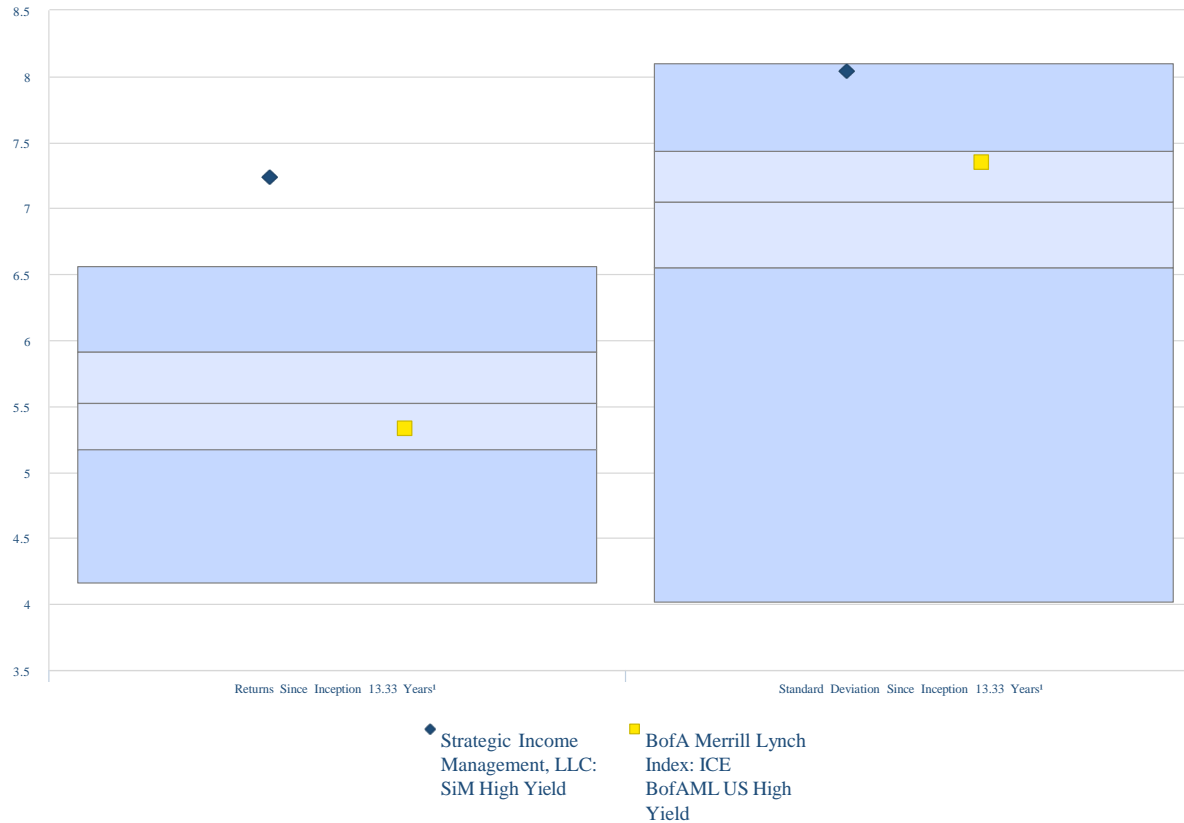
Source: eVestment; based on GIPS Compliant Composite Performance
Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

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Return and Standard Deviation

SiM US High Yield Opportunities v. Benchmark & Peers



Universe: eVestment US High Yield Fixed Income

Results displayed in USD using Spot Rate (SR).

'03/2011 - 06/2024

Source: eVestment; based on GIPS Compliant Composite Performance
 Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

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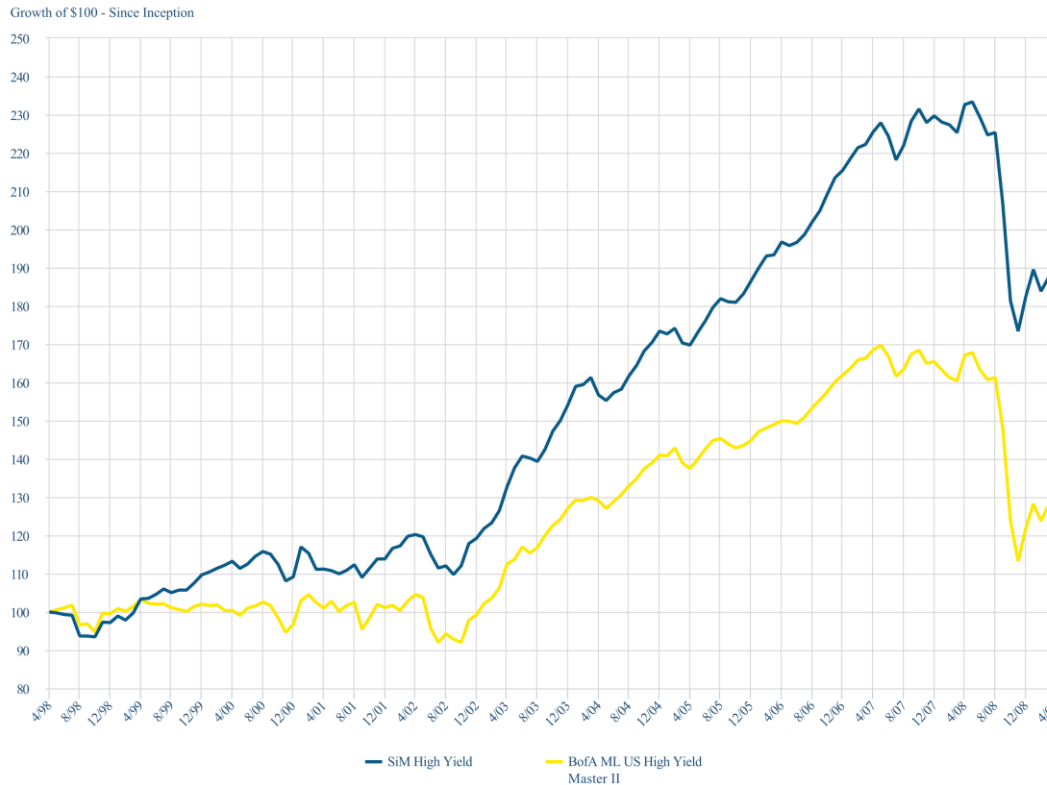
Performance SiM team at previous employer

SiM US High Yield Opportunities v. Benchmark



Growth of \$100

Hypothetical growth of \$100 versus benchmark May 1998- April 2009



Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

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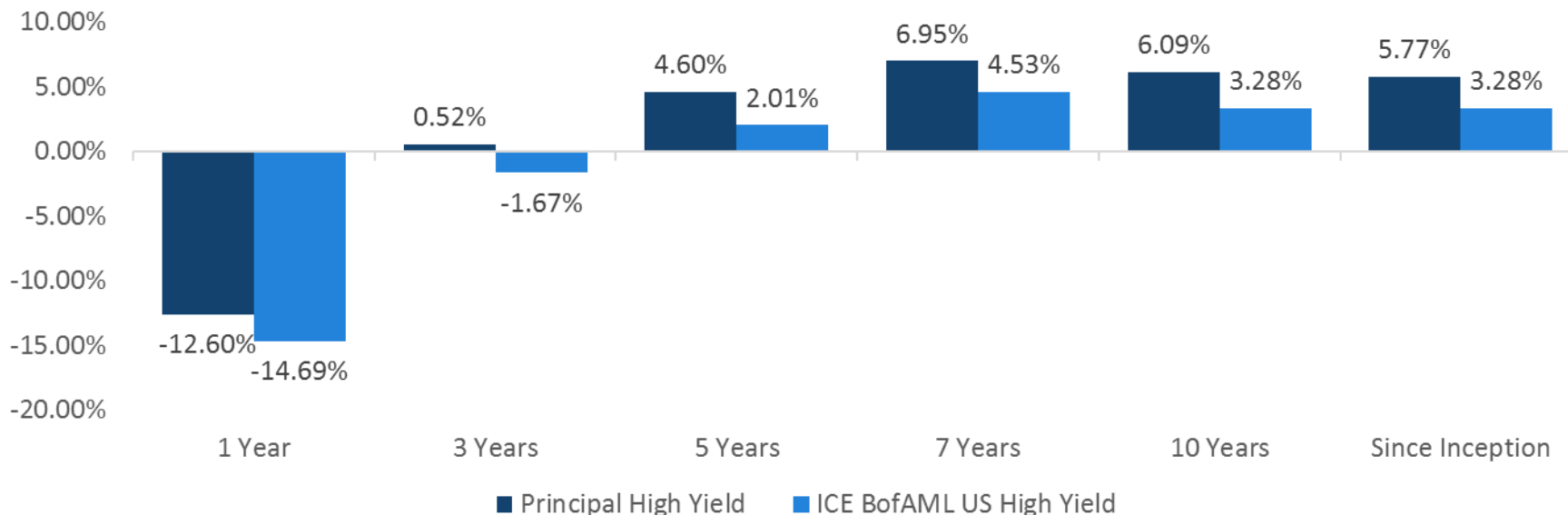
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Portfolio Performance



**Principal Global Investors High Yield – Gross Annualized Returns
May 1998 – April 2009**



	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
Principal High Yield	-12.60%	0.52%	4.60%	6.95%	6.09%	5.77%
ICE BofAML US High Yield	-14.69%	-1.67%	2.01%	4.53%	3.28%	3.28%
Active Return	2.09%	2.19%	2.59%	2.42%	2.81%	2.49%

*The track record shown is based on the Principal Global Advisors US High Yield composite portfolio managed by the Strategic Income Management investment team while at Principle Global Advisors from 8 April 1998 to 4 May 2009. Inception date for the Strategy is 8 April 1998. Annual Returns for the Strategy and benchmark in 1998 were for a period of 8 months from May through December and in 2009 were for a period of 4 months January through April. Performance is computed on a gross of fees basis, US Dollar based. Returns for periods in excess of 1 year are annualised. Past performance is not indicative of future performance. Any comparison between an actively managed portfolio and a benchmark may have material inherent limitations and therefore should not be relied upon.

Performance returns do not reflect the deduction of investment advisory fees. Stated returns would be reduced by investment advisory fees and any other expenses.

Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.



Performance SiM team at previous employer

SiM US High Yield v. Benchmark



Full Calendar year returns

The years 1998 and 2009 were no full performance years and are therefore not included in the graph below



Universe: eVestment US High Yield Fixed Income

Results displayed in USD.

Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

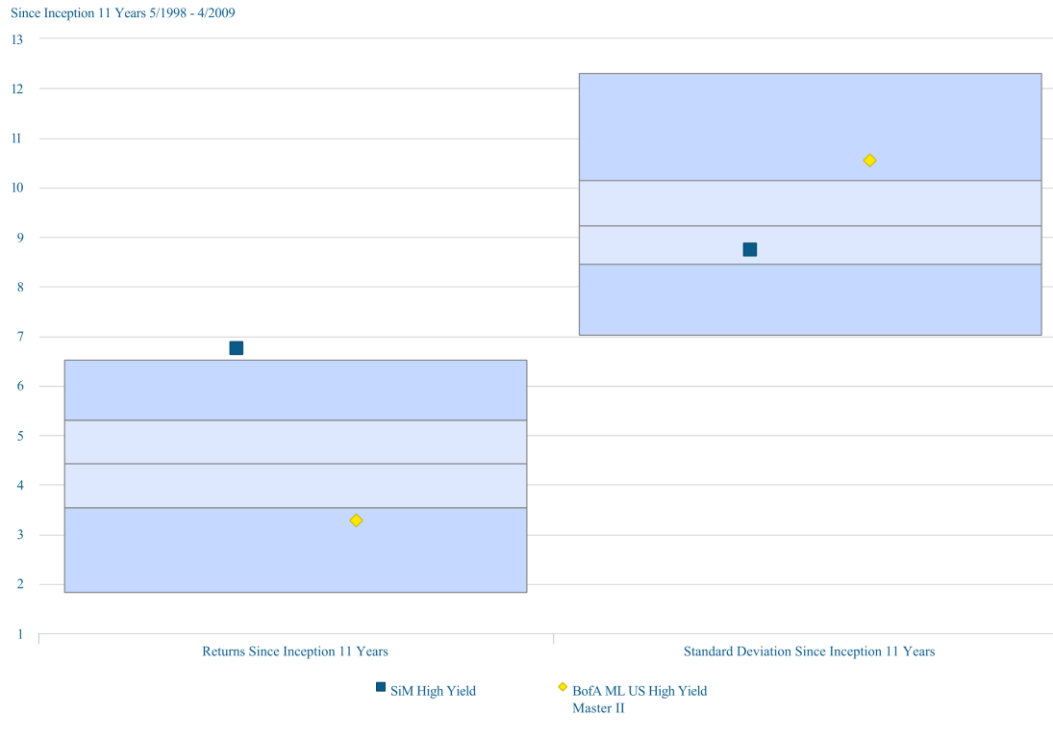


Performance SiM team at previous employer

SiM US High Yield v. Benchmark

Returns and Standard Deviation

SiM provided superior returns with a much lower risk.



Universe: eVestment US High Yield Fixed Income

Results displayed in USD.

Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

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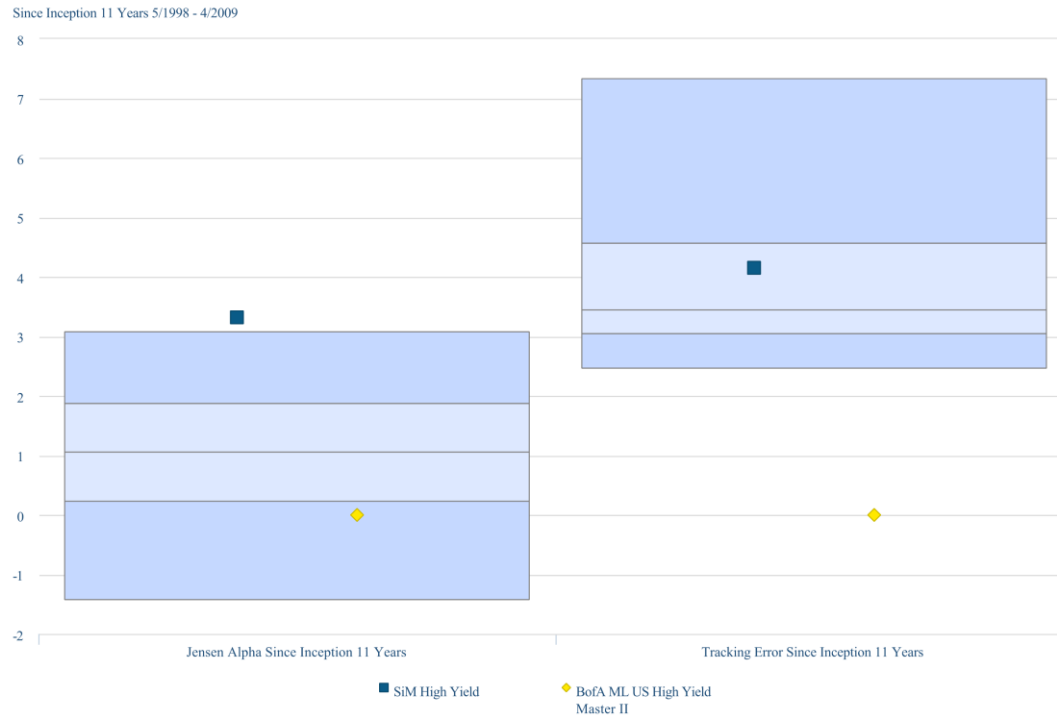
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Performance SiM team at previous employer

SiM US High Yield v. Benchmark



Superior Alpha and higher Tracking Error



Universe: eVestment US High Yield Fixed Income

Results displayed in USD.

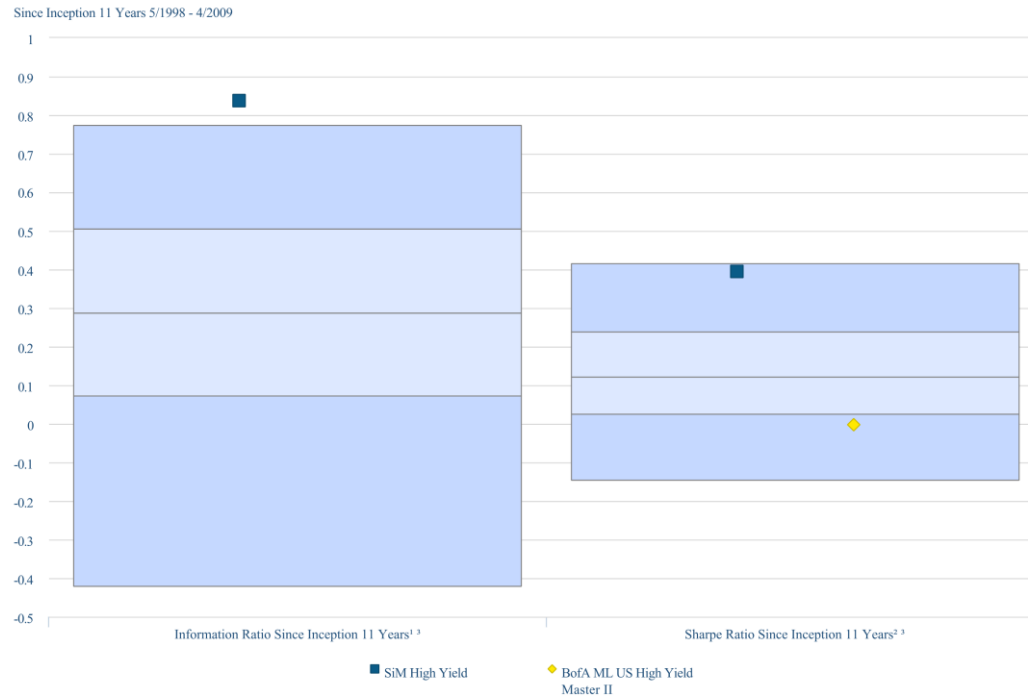
Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.



Performance SiM team at previous employer

SiM US High Yield v. Benchmark

Higher Information Ratio and Sharpe Ratio have led to superior performance



Universe: eVestment US High Yield Fixed Income

Results displayed in USD.

¹BofA ML US High Yield Master II; ²Citigroup 3-Month T-Bill; ³05/1998 - 04/2009

Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.



Performance SiM team at previous employer

SiM US High Yield v. Benchmark



Prior Firm Performance

Prior to founding Strategic Income Management in October of 2010, Gary Pokrzywinski and Brian Placzek were, respectively, the Portfolio Manager and Head of Fixed Income/Research for the Principal High Yield Fund (the "Prior High Yield Fund") from April 8, 1998 until May 4, 2009. Performance results for the Prior High Yield Fund during their management of that fund are set forth below. Peer group was comprised of between 270 members in 1998 to 476 members in 2009.

Prior High Yield Fund Performance (Class A)

Year	Fund at NAV	Lipper Peer Group Median	Lipper Peer Group % Rank
2009 ¹	14.6%	14.8%	53%
2008	-21.9%	-25.0%	24%
2007	5.7%	1.9%	2%
2006	14.5%	9.9%	3%
2005	6.5%	2.4%	3%
2004	11.4%	9.8%	17%
2003	28.1%	24.0%	23%
2002	3.7%	-1.1%	10%
2001	3.1%	2.9%	48%
2000	-1.5%	-7.6%	14%
1999	12.0%	4.2%	7%
1998 ²	-3.3%	-4.1%	41%

¹Results for 2009 are through 5/4/2009

²Results for 1998 are from 4/8/1998

Prior High Yield Fund Performance (Class A)

Time Period ¹	Fund at NAV	Lipper Peer Group Median	Annualized Difference	Cumulative Difference	Lipper Peer Group % Rank
1 Year	-11.1%	-14.6%	3.5%	3.5%	21%
3 Year	1.2%	-2.2%	3.4%	10.5%	3%
5 Year	5.1%	1.4%	3.7%	19.9%	1%
10 Year	6.2%	2.5%	3.7%	43.8%	3%

¹Results are as of 5/4/2009

Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.



Performance SiM team at previous employer

SiM US High Yield v. Benchmark



Principal High Yield Fund 10 Years of Remarkable Performance

The Principal High Yield Fund has outperformed the Morningstar High Yield Bond Category every calendar year since its inception in 1998. In the overall category, as well as the 5- and 10-year periods, the Fund has achieved five-star ratings from Morningstar.

Morningstar Ratings for Class A Shares				
Morningstar Category: High Yield Bond Funds (as of 3/31/09)				
Principal High Yield Fund	Overall	3-year	5-year	10-year
Class A (load-waived)	★★★★★	★★★★★	★★★★★	★★★★★
Class A	★★★★★	★★★★	★★★★★	★★★★★
# Funds	-	473	405	259

The Principal High Yield Fund scored just as strongly in the Lipper rankings, placing the Fund within the top 1-6% for the 3-, 5- and 10-year periods.

Lipper Rankings for Class A Shares				
Lipper Classification: High Current Yield Fund (as of 3/31/09)				
Principal High Yield Fund	Overall	3-year	5-year	10-year
	Top 36%	Top 6%	Top 3%	Top 4%
Lipper Rankings	#165 of 461	#20 of 390	#9 of 335	#7 of 207

The Fund has performed with remarkable consistency within its Lipper High Current Yield category, earning high rankings for each period.

Morningstar Star Rating- For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating(TM) based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its three-, five-, and ten-year (if applicable) Morningstar Rating metrics.

Data quoted is past performance gross of fee and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.



SiM US High Yield Opportunities

Portfolio Characteristics & Construction

Portfolio Construction*

Targeted Universe:	Full High Yield universe, Senior Loans and other non-traditional investments such as REITs, preferreds, convertible bonds
High Yield Bonds:	Minimum of 80%
Exposure outside US	Maximum 35% (Benchmark has 18.5% as a maximum)
Maximum capacity	~5 billion
Minimum average rating	B-
Swing Pricing	To protect existing investors (<i>As of 30/06/2021</i>)
Number of holdings	Between 70-100
Liquidity:	Maximum 10% of an issue
Sector Allocation:	Minimum 15 industries; maximum 25% in one industry
Diversification:	Maximum 5% per issuer
Duration:	+/- 15% of the Index duration
Foreign Currency Exposure:	Unhedged exposure to non-USD limited to 5%
Cash:	Minimize cash to levels sufficient for liquidity. No tactical allocation to cash.
Leverage	None
Derivatives	Only for currency hedging purposes
ESG	ESG criteria of Norges Bank are implemented
UNPRI	SIM is UNPRI Signatory



SiM US High Yield Opportunities Fund

Fund information

Fund Launch:

September 2017

Structure:

UCITS

Investment Policy

The SiM US High Yield Opportunities invests in fixed income securities and is actively managed. The fund is not managed in reference to a benchmark index, but a benchmark is solely used for performance comparison purposes.

AUM:

\$364 million as of 30/06/2024

Exchange:

Ireland

Benchmark:

BofA ML US High Yield Master II

Liquidity:

Daily Liquidity & Valuation

Management Fee:

Institutional	60bps
Retail	100bps

Other Fees:

Institutional	Fixed at 15bps
Retail	Fixed at 25bps

Euro Hedging Costs (Execution only)	Fixed at 7bps
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Active Share Classes	ISIN
----------------------	------

Euro Hedged Institutional (Cap):	IE00BF1XKR94
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Euro Hedged Institutional (Dis):	IE00BF1XKQ87
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Euro Hedged Retail (Cap):	IE00BF1XKS02
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USD Institutional (Cap):	IE00BF1XKP70
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GBP Hedged Institutional (Cap):	IE00BMT7P228
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Custodian:

CACEIS

Central Admin:

CACEIS

Transfer Agent:

CACEIS

Auditor:

Deloitte

Morningstar Rating:

5 Stars



Composite data since inception in 2011: High Yield Institutional*

Alpha	1.67
Beta	1.04
Std Dev	8.04
UMC	109.86
DMC	90.05
Information Ratio	0.74
Tracking Error	2.58
Sharpe Ratio	0.76

Copies of the Prospectus, Supplement and PRIIPS KIDs are available free of charge from: www.candoris.nl

Source: eVestment SiM US High Yield Opportunities as of 30/06/2024 since inception
Data quoted is past gross of fee performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate.

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Section Five:

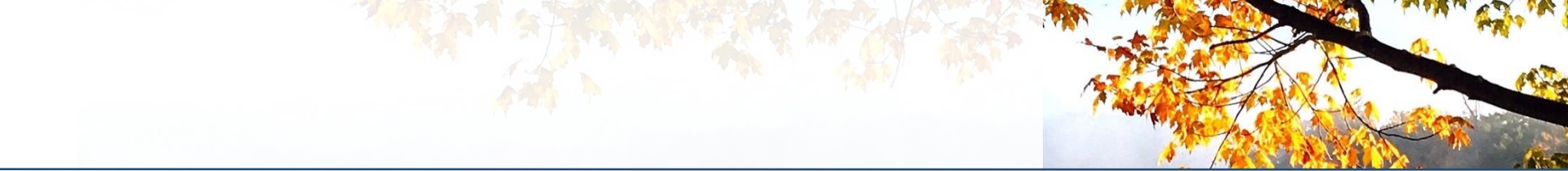
Important Information



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Past performance is no guarantee of future results.

Swiss disclaimer

In Switzerland, the Fund is considered foreign investment schemes pursuant to Art. 119 of the Swiss Federal Collective Investment Schemes Act (CISA). No application has been submitted to the Federal Financial Market Supervisory Authority (FINMA) to obtain approval within the meaning of Art. 120 CISA to offer or distribute the investment in or from Switzerland to "Non-Qualified Investors", and no other steps have been taken in this direction. Consequently, investors do not benefit from the specific investor protection and/or FINMA supervision pursuant to the CISA and its implementing ordinances.

Any offer or sale must therefore be in strict compliance with Swiss law, and in particular with the provisions of the Collective Investment Schemes Act and its implementing ordinances, and FINMA circular 2013/9 on distribution of collective investment schemes. No person or entity is authorized to offer or sell the Shares or distribute any Fund Documentation, including the Prospectus, the Articles of Incorporation and annual reports issued by the Fund from time to time or promotional material pertaining to the Fund in or from Switzerland other than to "Qualified Investors", as defined in Article 10 of the CISA and Articles 6 and 6a of the CISO and any circulars issued by FINMA.

The Fund has appointed as Swiss Representative Waystone Fund Services (Switzerland) SA, Av. Villamont 17, 1005 Lausanne, Switzerland, Tel: +41 21 311 17 77. The Fund's paying agent is Helvetische Bank AG. Any Fund Documentation may be obtained free of charge from the Swiss Representative in Lausanne. In respect of the Shares distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Swiss Representative.