

## Overview

# Investment Capabilities

**Our approach to Intelligent Personalization<sup>®</sup> begins by providing clients access to a broad spectrum of asset classes. Our investment professionals have a thorough understanding of both equity and fixed income investments, which typically form the foundation of client portfolios.**

Depending on each client's investment objective, we may complement our selections with those from best-in-class external managers specializing in alternative investment or unique areas of the market. This disciplined investment process provides opportunity for greater diversification, as each client portfolio is constructed within our strategic allocation framework and then personalized to align with each client's personal goals and risk tolerance.

### Equities

The precise stock selection process we have developed employs both quantitative and qualitative processes to help identify what we believe are the most attractive companies within sectors. Our portfolio management team leverages the resources of our internal equity research team to provide a broad array of equity strategies.

- Domestic Equities
- International and Emerging Markets

### Core Fixed Income

We have developed a deep knowledge base in the bond markets, allowing us to offer diversified taxable and tax-exempt strategies. We actively manage fixed income portfolios and seek to enhance the total portfolio's outcome across varying interest rate environments. Our seasoned bond professionals are in the market daily to find the best opportunities and pricing, while our well-established institutional trading network gives clients access to a broad range of municipal, government, and corporate securities, as well as other segments of the market.

- Taxable
- Tax-Exempt
- Liquidity Management

### Real Assets

Real assets can provide valuable performance enhancements in inflationary environments. By targeting specific segments of the commodity or real estate markets with compelling risk/return expectations, we are able to offer clients a differentiated total.

### Opportunistic Income

We offer clients access to investment strategies in a wide range of non-traditional fixed income markets. Through a combination of unique strategy design and creative implementation, we capture attractive yields with minimal interest rate sensitivity.

- High Yield
- Inflation Risk Mitigation
- Hedged (for qualified investors)
- Structured Credit (for qualified investors)

### Alternative Investments\*

For qualified investors, we provide access to a range of alternative strategies designed to enhance the risk/return profile of the portfolios we manage. Portfolios can gain greater diversification by supplementing traditional stock and bond holdings with non-correlated, non-traditional strategies.



\*Alternative investments are speculative, entail substantial risks, offer limited or no liquidity, and are not suitable for all investors.

## IMPORTANT INFORMATION

The information presented does not involve the rendering of personalized investment, financial, legal, or tax advice. This presentation is not an offer to buy or sell, or a solicitation of any offer to buy or sell any of the securities mentioned herein.

Certain statements contained herein may constitute projections, forecasts and other forward-looking statements, which do not reflect actual results and are based primarily upon a hypothetical set of assumptions applied to certain historical financial information. Readers are cautioned that such forward-looking statements are not a guarantee of future results, involve risks and uncertainties, and actual results may differ materially from those statement. Certain information has been provided by third-party sources and, although believed to be reliable, it has not been independently verified and its accuracy or completeness cannot be guaranteed. Any opinions, projections, forecasts, and forward-looking statements presented herein are valid as on the date of this document and are subject to change.

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Investing in international markets carries risks such as currency fluctuation, regulatory risks, economic and political instability. Emerging markets involve heightened risks related to the same factors as well as increased volatility, lower trading volume, and less liquidity. Emerging markets can have greater custodial and operational risks, and less developed legal and accounting systems than developed markets.

There are inherent risks with fixed income investing. These risks may include interest rate, call, credit, market, inflation, government policy, liquidity, or junk bond. When interest rates rise, bond prices fall. This risk is heightened with investments in longer duration fixed-income securities and during periods when prevailing interest rates are low or negative.

Investments in below-investment-grade debt securities which are usually called "high-yield" or "junk bonds," are typically in weaker financial health and such securities can be harder to value and sell and their prices can be more volatile than more highly rated securities. While these securities generally have higher rates of interest, they also involve greater risk of default than do securities of a higher-quality rating.

Investments in emerging markets bonds may be substantially more volatile, and substantially less liquid, than the bonds of governments, government agencies, and government-owned corporations located in more developed foreign markets. Emerging markets bonds can have greater custodial and operational risks, and less developed legal and accounting systems than developed markets.

The yields and market values of municipal securities may be more affected by changes in tax rates and policies than similar income-bearing taxable securities. Certain investors' incomes may be subject to the Federal Alternative Minimum Tax (AMT) and taxable gains are also possible.

Because the liquidity management strategy will subject investors to principal risk, the strategy shouldn't be viewed as a substitute for a money market fund. The strategy's income will decline because of falling interest rates. Income risk is generally high for this strategy, so investors should expect monthly income to fluctuate.

Concentrating assets in a particular industry, sector of the economy, or markets can increase volatility because the investment will be more susceptible to the impact of market, economic, regulatory, and other factors affecting that industry or sector compared with a more broadly diversified asset allocation.

Investments in Master Limited Partnerships (MLP) are susceptible to concentration risk, illiquidity, exposure to potential volatility, tax reporting complexity, fiscal policy and market risk. Investors of MLPs are subject to increased tax reporting requirements. MLP investors typically receive a complicated Schedule K-1 form rather than Form 1099. MLPs may not be appropriate investments for tax-advantaged accounts because of potential negative tax consequences (Unrelated Business Income Tax).

Investments in commodities can be very volatile and direct investment in these markets can be very risky, especially for inexperienced investors.

Alternative investments are speculative, entail substantial risks, offer limited or no liquidity and are not suitable for all investors. These investments have limited transparency to the funds' investments and may involve leverage which magnifies both losses and gains, including the risk of loss of the entire investment. Alternative investments have varying, and potentially lengthy lockup provisions.

All investing is subject to risk, including the possible loss of the money you invest. As with any investment strategy, there is no guarantee that investment objectives will be met and investors may lose money. Diversification does not ensure a profit or protect against a loss in a declining market. Past performance is no guarantee of future performance.

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