

As of 6/30/2022



## Navigator Short Duration Taxable Fixed Income

### Navigate Fixed Income with Short Duration Individual Bonds

As interest rates change, an active strategy focused on adding value may deliver better client outcomes. Clark Capital believes investors will benefit from a disciplined active approach to security selection that is designed to deliver capital preservation and income by investing in a broad range of investment grade short duration fixed income with a portfolio weighted average of 2 years or less.

#### Take an Active Approach to Security Selection

**Actively seek attractive opportunities in the current environment.**

The strategy is based on the conviction that fundamental analysis provides greater value than speculating through interest rate forecasting. It seeks to exploit potentially undervalued short-term bonds opportunities and provide excess returns through sector and security selection.

#### Utilize a Disciplined Approach to Eliminate Uncompensated Risk

**Aims to provide current income with lower levels of risk.**

The portfolio seeks to achieve strong adjusted returns by building a curated portfolio of individual bonds. Shorter duration maturities may offer attractive yields at a lower level of risk than longer-term securities.

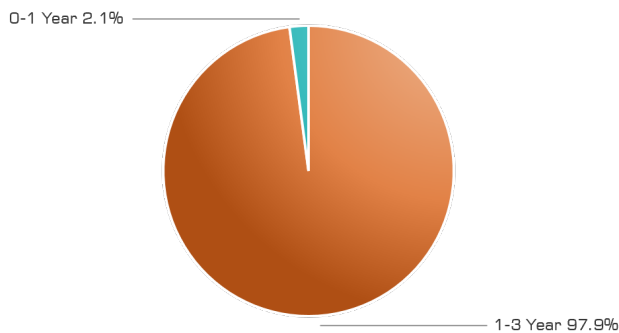
#### Add Value in a Changing Rate Environment with Individual Bonds

**Attempt to opportunistically add value.**

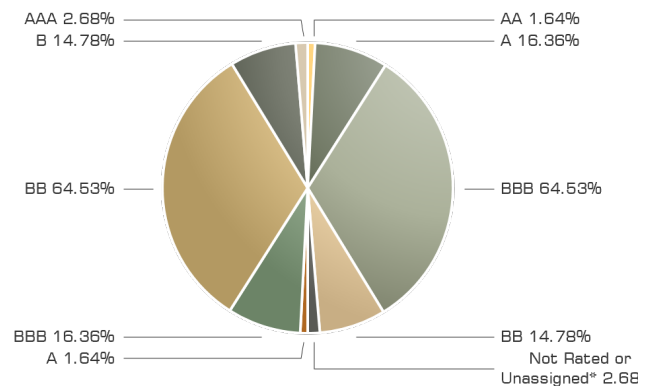
Because interest rates do not rise or fall in a linear fashion, our active approach seeks to take advantage of opportunities by building par value. The strategy seeks to take advantage of price inefficiencies during interest rate changes or volatility.

This strategy focuses on shorter-term, undervalued fixed income opportunities. It is appropriate for investors seeking income, the relative safety of fixed income, and the potential for some capital appreciation.

#### Duration



#### Credit



Past performance not indicative of future results. Returns greater than one year are annualized. Please see attached disclosures. Pure gross returns do not include the deduction of transaction costs, and are shown as supplemental information. The net 3.00% performance is shown because 3.00% is the highest possible industry standard platform fee.

\*Percentage of the portfolio unassigned (the issuer did not submit for rating to S&P) or not rated by Standard & Poor's credit ratings.

# Navigator Short Duration Taxable Fixed Income

## Our Approach & Process

### Step 1

Top Down Analysis of:

- Economic Cycle & Monetary and Fiscal Policy
- Determines:
  - Portfolio Diversification
  - Yield Curve Positioning
  - Credit Positioning
  - Sector Selection

### Step 2

Bottom Up Individual Security Analysis:

- Credit Quality at Security Level
- Maturity Structure Risk
- Identify Relative Value

### Step 3

Daily Risk Assessment:

- Average Credit Quality Analysis
- Duration Analysis
- Liquidity
- Market Volatility

Performance (as of 6/30/2022)	Portfolio (Pure Gross)*	Portfolio (Net of 3.0%)**	Benchmark
MTD	-0.30	-0.55	-0.76
3 Months	-0.18	-0.93	-0.73
YTD	-1.45	-2.92	-2.56
1 Year	-1.41	-4.33	-2.80
3 Year	1.25	-1.74	0.73
5 Year			
7 Year			
10 Year			
Since Inception (As of 9/1/2017)	1.59	-1.41	1.45
Cumulative Return	7.91	-6.65	7.19

### Risk Measures

Standard Deviation	1.28	1.28	1.71
Beta	0.70	0.70	1.00
Alpha	0.24	-2.72	0.00
Sharpe Ratio	0.39	-1.96	0.21
R Squared	88.82	88.82	100.00

### Calendar Year Performance

2021	0.36	-2.61	-0.01
2020	3.53	0.48	3.18
2019	3.42	0.37	4.65
2018	1.84	-1.17	1.76

### Characteristics

Characteristics	Portfolio
Coupon Rate	3.48
Current Yield	3.5
S&P Credit Rating (Current Only)	BBB
Port. Ending Yield to Maturity	3.57
Port. Ending Yield to Worst	3.53
Years to Maturity	1.25
Port. Ending Modified Duration	1.04
Port. Ending Modified Duration to Worst	1.05

Past performance is not indicative of future results. Please see attached disclosures.

\*Pure gross returns do not include the deduction of transaction costs, and are shown as supplemental information.

\*\*The net 3.00% performance is shown because 3.00% is the highest possible industry standard platform fee.

Risk statistics are calculated against the BBgBarc US Corporate 0-3 Year Index.

# Navigator Short Duration Taxable Fixed Income

Compliant Presentation (as of 12/31/2020)

Past performance is not indicative of future results. This material is not financial advice or an offer to sell any product. Not every client's account will have these exact characteristics. The actual characteristics with respect to any particular client account will vary based on a number of factors including but not limited to: (i) the size of the account; (ii) investment restrictions applicable to the account, if any; and (iii) market exigencies at the time of investment. Clark Capital Management Group, Inc. reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities transactions, holdings or sectors discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

Firm Information: Clark Capital Management Group, Inc. (Clark Capital) is an investment advisor registered with the United States Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended. Registration does not imply a certain level of skill or training. Clark Capital is a closely held, mostly employee-owned C Corporation with all significant owners currently employed by the firm in key management capacities. The firm specializes in managing equity and fixed income portfolios for individuals and institutions. More information about Clark Capital's advisory services and fees can be found in its Form ADV which is available upon request.

Calculation Methodology: Composite returns assume reinvestment of income and other earnings, are gross of withholding taxes, if any, and are reported in U.S. dollars. Net returns presented reflect the deduction of a model investment advisory fee of 3% which is the highest wrap fee charged by any sponsor. Trade date accounting is used. Leverage is not used in the composite. The composites are comprised of all fully discretionary accounts managed in the strategy for one full month, including those accounts no longer with the firm. Closed accounts are included through the completion of the last full month of eligibility. A copy of the complete list and description of Clark Capital's composites, list of broad distribution pooled funds, verification and performance examination reports, and policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

## Navigator Short Duration Taxable Fixed Income Composite

Composite Inception and Creation Date: 9/1/2017

	<b>Note A: Pure Gross Total Return</b>	<b>Net of 3.0%</b>	<b>BBgBarc US Corporate 0-3 Year Index</b>	<b>Internal Dispersion</b>	<b>Number of Portfolios</b>	<b>Composite Assets (in Millions)</b>	<b>Wrap Fee</b>	<b>Total Firm Assets (in Millions)</b>
1/1/2020 to 12/31/2020	3.53%	0.48%	3.18%	0.23%	7	\$148.874	100%	\$17,305.2 †
1/1/2019 to 12/31/2019	3.42%	0.00%	4.65%	*	4	\$12.291	100%	\$14,519.0 †
1/1/2018 to 12/31/2018	1.84%	-1.10%	1.76%	*	3	\$18.151	100%	\$10,563.7 †
9/1/2017 to 12/31/2017	0.06%	-0.94%	0.12%	*	2	\$10.022	100%	\$7,088.8 †
Annualized Since	2.65%	-0.38%	2.90%	*Internal dispersion is not presented for periods of less than a full year, or for annual periods that include less than 5 accounts for the full year.				
Cumulative Since	9.11%	-1.26%	10.01%					

**Note A:** Pure gross-of-fees performance returns are presented as supplemental information and do not reflect the deduction of any trading costs, fees, or expenses. Therefore, returns will be reduced by advisory and other expenses.

Internal dispersion is calculated using the equal-weighted standard deviation of annual pure gross account returns for those accounts included in the composite for the entire year. Prior to 2020, dispersion was calculated using the equal-weighted average deviation of annual pure gross account returns for those accounts included in the composite for the entire year.

# Navigator Short Duration Taxable Fixed Income

The 3-year annualized ex-post standard deviation measures the variability of the composite's pure gross returns and benchmark returns over the preceding 36-month period. It is not required to be presented for periods prior to 2011 or when there are less than 36 monthly composite returns.

Past performance does not guarantee future results. Client account values will fluctuate and may be worth more or less than the amount invested. Clients should not rely solely on this performance or any other performance illustrations when making investment decisions.

Clark Capital claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. 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. Clark Capital has been independently verified for the periods January 1, 2002 through December 31, 2020. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

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**Composite Description:** The Navigator Short Duration Taxable Fixed Income composite typically invests in U.S. Treasuries, government-related and investment grade U.S. corporate securities. The portfolio may invest in below investment grade or securitized securities, to a lesser extent. The composite is managed to opportunistically take advantage of credit spreads, and sector valuation. The average duration of the composite typically seeks to maintain at the short term range of approximately 1 to 2 years in order to limit interest rate and credit risk. The composite typically seeks bonds with a maturity of 36 months or less. The strategy may, at times, purchase bonds with longer maturities. The composite is generally fully invested and is appropriately diversified by sector, issuer, and credit quality. The composite seeks to provide current income.

**Fee Schedule:** The maximum total wrap fee is 3.00%. The total wrap fee includes all charges for trading costs, portfolio management, custody, and other administrative fees. Actual fees may differ from the fees used in this presentation depending upon account size, investments, and agreement with the client.

**Benchmark Description:** The Bloomberg US Corporate 0-3 Year Index tracks U.S. Dollar-denominated corporate bond market for fixed-rate, investment grade securities with a maturity of less than 3 years.

The volatility (beta) of the Composite may be greater or less than its respective benchmarks. It is not possible to invest in these indices.

# Navigator Short Duration Taxable Fixed Income

## Statistic Descriptions

**Standard Deviation:** A statistical measure of dispersion about an average which depicts how widely the returns varied over a certain period of time.

**3-Year Standard Deviation:** The 3-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period.

**Beta:** A measure of systematic risk with respect to a benchmark. Systematic risk is the tendency of the value of the composite and the value of the benchmark to move together. Beta measures the sensitivity of the composite's excess return (total return minus the risk-free return) with respect to the benchmark's excess return that results from their systematic co-movement. It is the ratio of what the excess return of the composite would be to the excess return of the benchmark if there were no composite-specific sources of return. If beta is greater than one, movements in value of the composite that are associated with movements in the value of the benchmark tend to be amplified. If beta is one, they tend to be the same, and if beta is less than one, they tend to be dampened. If such movements tend to be in opposite directions, beta is negative. Beta is measured as the slope of the regression of the excess return on the composite as the dependent variable and the excess return on the benchmark as the independent variable.

The beta of the market is 1.00 by definition. Morningstar calculates beta by comparing a portfolio's excess return over T-bills to the benchmark's excess return over T-bills, so a beta of 1.10 shows that the portfolio has performed 10% better than its benchmark in up markets and 10% worse in down markets, assuming all other factors remain constant. Conversely, a beta of 0.85 indicates that the portfolio's excess return is expected to perform 15% worse than the benchmark's excess return during up markets and 15% better during down markets.

**Alpha:** A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. A positive alpha figure indicates the portfolio has performed better than its beta would predict. In contrast, a negative alpha indicates the portfolio has underperformed, given the expectations established by beta. Alpha is calculated by taking the excess average monthly return of the investment over the risk free rate and subtracting beta times the excess average monthly return of the benchmark over the risk free rate.

**Sharpe Ratio:** A risk-adjusted measure developed by Nobel Laureate William Sharpe. It is calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the composite's historical risk-adjusted performance. The Sharpe ratio is calculated for the past 36-month period by dividing a composite's annualized excess returns by the standard deviation of a composite's annualized excess returns. Since this ratio uses standard deviation as its risk measure, it is most appropriately applied when analyzing a composite that is an investor's sole holding. The Sharpe Ratio can be used to compare two composites directly as to how much risk a composite had to bear to earn excess return over the risk-free rate.

**R-Squared:** Reflects the percentage of a portfolio's movements that can be explained by movements in its benchmark.

**Downside Capture Ratio:** Measures a manager's performance in down-markets. A down-market is defined as those periods (months or quarters) in which market return is less than 0. In essence, it tells you what percentage of the down-market was captured by the manager. For example, if the ratio is 110%, the manager has captured 110% of the down-market and therefore underperformed the market on the downside.

**Upside Capture Ratio:** Measures a manager's performance in up markets relative to the market (benchmark) itself. It is calculated by taking the security's upside capture return and dividing it by the benchmark's upside capture return.

**Bull Beta:** A measure of the sensitivity of a composite's return to positive changes in its benchmark's return.

**Bear Beta:** A measure of the sensitivity of a composite's return to negative changes in its benchmark's return.

**Best Month:** The highest monthly return of the investment since its inception or for as long as data is available.

**Worst Month:** The lowest monthly return of the investment since its inception or for as long as data is available.

**Maximum Gain:** The peak to trough incline during a specific record period of an investment or composite. It is usually quoted as the percentage between the peak to the trough.

**Maximum Drawdown:** The peak to trough decline during a specific record period of an investment or composite. It is usually quoted as the percentage between the peak to the trough.