Short Duration Securitized Bond Fund

As of 31 Dec 2025

DIAMOND HILL

INVESTED IN THE LONG RUN

Team

Henry Song, CFA
Portfolio Manager

Mark Jackson, CFA
Portfolio Manager

Douglas Gimple
Senior Portfolio Specialist

Tickers

Investor: DHEAX

Class I: DHEIX

Class Y: DHEYX

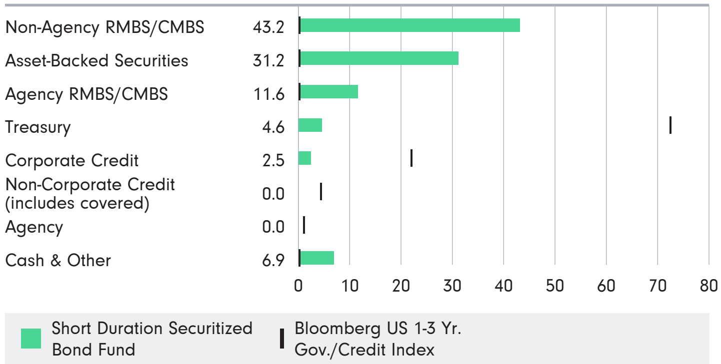
Philosophy and Process Highlights

- We believe careful selection of undervalued securities and spread sectors offering incremental yield and total return relative to the index is the best way to generate successful long-term investment outcomes.
- We focus on securitized products as we believe this differentiated approach provides more opportunities to achieve higher credit quality while maintaining a yield advantage as compared to those invested in government or corporate credit-focused strategies.
- We constantly look for value-add opportunities, which can lead to allocations outside of the benchmark with a focus on the securitized market.

Portfolio Guidelines

The portfolio generally invests at least 80% of its assets in securitized bond investments. The portfolio may invest up to 15% of its assets in below-investment grade securities at the time of purchase and will typically maintain an average portfolio duration of one to two, with a maximum of three.

Sector Allocation (%)[1]



Credit Quality Rating[2]

	% of Portfolio
AAA	18.2
AA	26.3
A	16.0
BBB	18.2
BB	6.6
B	3.6
CCC & Below	0.2
Not Rated	10.9

Duration Breakdown (%)

	% of Portfolio	Bloomberg US 1-3 Yr. Gov./Credit Index
Less than 1Y	44.0	2.3
1-3Y	47.1	97.7
3-5Y	8.3	0.0
5-7Y	0.4	0.0
7-10Y	0.1	0.0
10-20Y	0.0	0.0
20+Y	0.0	0.0

Key Rate Duration (%)[4]

	% of Portfolio	Bloomberg US 1-3 Yr. Gov./Credit Index
1Y	0.34	0.38
2Y	0.33	0.93
3Y	0.30	0.54
5Y	0.22	0.00
10Y	0.09	0.00
20Y	0.01	0.00
30Y	0.00	0.00

Portfolio Characteristics[3]

Total Net Assets	$4.9B
Distributions	Monthly
Portfolio Turnover (1Y)	37%
Yield to Maturity (%)	6.41
Yield to Worst (%)	6.31
30-day SEC Yield	
Investor	5.78%
Class I	6.08%
Class Y	6.20%

[1] Cash & Other may include cash and money market funds. RMBS: Residential Mortgage-Backed Securities, CMBS: Commercial Mortgage-Backed Securities.

[2] Security quality ratings are derived from underlying portfolio securities by using the middle rating of Standard & Poor's, Moody's and Fitch. If only two of Standard & Poor's, Moody's and Fitch rates a security the higher of the two is selected. If only one of Standard & Poor's, Moody's and Fitch rates a security the available rating is used. For securities that are not rated by Standard & Poor's, Moody's or Fitch a rating from a secondary Nationally Recognized Statistical Rating Organization ("NRSRO") may be used. Ratings by any agency represent an opinion only, not a recommendation to buy or sell. Securities that are not rated by any agencies are reflected as Not Rated "NR."

[3] **Yield to Maturity** is the anticipated total return received if the bond is held to its maturity date and all coupon payments are made on time and are then reinvested at the same interest rate. **Yield to Worst** is the lowest potential bond yield received without the issuer defaulting, it assumes the worst-case scenario, or earliest redemption possible under terms of the bond. **30-day SEC Yield** represents net investment income earned by the fund over the previous 30-day period, expressed as an annual percentage rate based on the Fund's share price at the end of the 30-day period. Must be preceded or accompanied by a prospectus.

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Period and Annualized Total Returns (%)

	Since Inception (5 Jul 2016)	5Y	3Y	1Y	YTD	4Q25	Expense Ratio (%)
Investor (DHEAX)	3.94	4.41	7.91	6.22	6.22	0.86	0.82
Class I (DHEIX)	4.25	4.73	8.27	6.60	6.60	0.92	0.53
Class Y (DHEYX)	4.37	4.85	8.39	6.62	6.62	0.95	0.41
Bloomberg US 1-3 Yr. Gov./Credit Index	2.02	1.97	4.77	5.35	5.35	1.16	—

The performance quoted represents past performance. Past performance is not indicative of future results. Investment returns and principal values will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The Fund's current performance may be lower or higher than the performance quoted. For current to most recent month-end performance, visit diamond-hill.com. Performance assumes reinvestment of all distributions. Returns for periods less than one year are not annualized.

Portfolio Statistics[4]

	Short Duration Securitized Bond Fund	Bloomberg US 1-3 Yr. Gov./Credit Index
Number of Holdings	574	2,031
Effective Duration	1.30	1.85
Weighted Average Life	2.09	1.95
Convexity	-0.05	0.03
Option-Adjusted Spread	276	12

Five-Year Risk Statistics[5] (Class I)

	Short Duration Securitized Bond Fund	Bloomberg US 1-3 Yr. Gov./Credit Index
Beta (%)	0.64	N/A
R-squared (%)	48.04	N/A
Information Ratio	1.93	N/A
Standard Deviation (%)	1.98	2.03
Sharpe Ratio	0.75	-0.75

Calendar Year Returns (%)

	2017	2018	2019	2020	2021	2022	2023	2024	2025
Class I	4.33	3.18	4.85	3.08	2.74	-3.38	8.91	9.33	6.60
Bloomberg US 1-3 Yr. Gov./Credit Index	0.84	1.60	4.03	3.33	-0.47	-3.69	4.61	4.36	5.35

Risk disclosure: In general, when interest rates rise, fixed income values fall. Lower quality/high yield securities involve greater default risk or price changes than bonds with higher credit ratings. Mortgage- and asset-backed securities are influenced by factors affecting the housing market and the assets underlying such securities. The securities may decline in value, face valuation difficulties and become more volatile and/or illiquid. They are also subject to prepayment risk, which occurs when mortgage holders refinance or repay loans sooner than expected, creating an early return of principal to loan holders.

Fund holdings, sector allocations and portfolio statistics subject to change without notice.

The Bloomberg US 1-3 Year Government/Credit Index measures the performance of investment grade government and corporate bonds with maturities of one to three years. The index is unmanaged, includes net reinvested dividends, does not reflect fees or expenses (which would lower the return) and is not available for direct investment. Index data source: Bloomberg Index Services Limited. See diamond-hill.com/disclosures for a full copy of the disclaimer.

Analytics provided by The Yield Book® Software.

[4] **Key Rate Duration** measures the contribution to duration to the entire portfolio from each part of the yield curve. **Effective Duration** measures the interest rate risks of bonds with optionality, such as mortgage-backed securities (MBS), where the timing of principal repayment is highly dependent on interest rate levels. **Weighted Average Life** is the average number of years each dollar of unpaid principal remains outstanding. **Convexity** estimates how the effective duration of a portfolio changes as interest rates change. **Option-Adjusted Spread** is the difference between the portfolio yield and the risk-free rate, accounting for embedded options. Source: The Yield Book.

[5] **Standard Deviation** measures the volatility of a portfolio's returns. **Sharpe Ratio** is the measure of risk-adjusted return of an investment portfolio. **Beta** measures a portfolio's sensitivity to market movements. **R-squared** represents the percentage of a portfolio's movements that can be explained by general market movements. **Information Ratio** is a measurement of excess returns beyond a benchmark compared to the volatility of those returns. Relative to the Bloomberg US 1-3 Yr. Gov./Credit Index.