



CS McKee

Brand Refresh CS McKee

by Manda Szewczyk

Original Materials

CS McKee's materials looked like they were last updated in the 70s. Nobody on the team liked them, and the portfolio management team was embarrassed to show them during prospect and client meetings. They were ready for a complete change.

CS McKee INVESTMENT MANAGERS

Signatory of: Principles for Responsible Investment

Portfolios Clients Team Contact About Education & Information Portal (EIP)

Aggregate Fixed Income Portfolio Characteristics

Portfolio Characteristics as of June 30, 2020

	CS McKee Aggregate	Bloomberg Barclays Aggregate Index	Difference
Effective Duration	6.051	6.04	0.01
Average Convexity	0.244	0.233	0.01
Average Maturity	7.452	8.15	-0.70
Yield to Maturity	1.48%	1.29%	0.17%
Average Coupon	2.54%	3.06%	-0.52%
Average Quality	Aa2	Aa2	---

Credit Quality

Sector Allocation

Term Structure

* Holdings subject to risk. Holdings and allocations subject to change. The securities identified and described do not represent all of the securities purchased, sold, or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable. For information on the contribution calculation methodology and a list of every holding's contribution to the overall account's performance during the measurement period, please contact C. S. McKee at 412-566-1234. The above information is supplemental and complements the composite disclosure presentation at the end of this document, which includes net-of-fee returns for all periods presented. For additional information, contact C. S. McKee at 412-566-1234.

Fixed Income Investment Team

21 Years
Turnover: 0%

19 Years
Average Institutional Fixed Income Experience

17 Years
Average Tenure at CS McKee

Fixed Income Portfolio Managers

Brian S. Allen, BA, MBA, CFA, CMT
Senior Vice President, Portfolio Manager, Strategist
33 Total Years of Experience - 21 Years with Firm
Wharton School, University of Pennsylvania, MBA
James Madison University, BBA
Sector Focus - Agency & Commercial MBS, ABS, TIPS

Bryan R. Johanson, BS, MBA, CFA
Senior Vice President, Portfolio Manager, Strategist
33 Total Years of Experience - 26 Years with Firm
Indiana University, MBA
Bowling Green State University, B.S.BA
Sector Focus - Corporate Securities

Jack P. White, BS, MBA, CFA
Senior Vice President, Portfolio Manager, Strategist
23 Total Years of Experience - 23 Years with Firm
Youngstown State, MBA
Youngstown State, BSBA
Sector Focus - US Government, US Agencies, Rates

Andrew M. Faderewski, BS, CFA
Vice President, Portfolio Manager
13 Years Total Experience & with Firm
Duquesne University, BS

Fixed Income Analysts

Zachary K. Hubert, BS, CFA
Senior Fixed Income Investment Analyst
10 Years Total Experience & with Firm
Duquesne University, BS

David T. Nist, BS
Fixed Income Analyst
6 Years Total Experience & with Firm
Duquesne University, BS

CS McKee INVESTMENT MANAGERS

Aggregate Fixed Income Q3 | 2020

Strategy Facts

Vehicle Type	SMA
Inception	1/1/1992
AUM	\$2.572 Billion

Portfolio Managers

Brian S. Allen, CFA
Industry Experience: 33 Years

Andrew M. Faderewski, CFA
Industry Experience: 13 Years

Bryan R. Johanson, CFA
Industry Experience: 33 Years

Jack P. White, CFA
Industry Experience: 23 Years

Investment Philosophy: Disciplined Security Selection

C.S. McKee's fixed income philosophy is founded upon an opportunistic, yet risk-controlled bottom-up approach. Placing an emphasis on security analysis and selection allows the team to mitigate risk to the portfolio associated with Credit, Duration, or Yield Curve decisions. The portfolio is designed to outperform the Bloomberg Barclays US Aggregate Index on both an absolute and risk-adjusted basis, while delivering superior quality and liquidity.

Portfolio Characteristics

Effective Duration	6.204
Average Maturity	7.745
Current Yield	2.29%
Yield to Maturity	1.23%
Average Credit Rating	Aa2
Option-Adjusted Spread	71

Annualized Total Returns (Gross of Fees)

Period	CSM Agg	BBG US Agg
MRQ	1.06	0.62
YTD	7.27	6.79
1 Yr	7.61	6.98
3 Yr	5.66	5.24
5 Yr	4.56	4.18
10 Yr	4.11	3.64

Annualized Sharpe Ratio (vs. 3mo FTSE T-bill Index)

Period	CSM Agg	BBG US Agg
1 Yr	1.84	1.95
3 Yr	1.26	1.15
5 Yr	1.06	0.91
10 Yr	1.18	0.97

Sector Allocation

Government	48.44%
US Treasury	17.85%
US TIPS	5.51%
US Agency	11.26%
US MBS	13.82%
Corporate	40.11%
Financial	11.67%
Industrial	24.50%
Utility	3.94%
Credit (Non-Corp)	0.56%
Local Authority	0.29%
Sovereign	0.27%
Supranational	0.00%
Securitized	9.61%
CMO	2.23%
CMBS	3.02%
ABS	4.36%
Cash & Equivalents	1.28%

Quality & Maturity Allocation

Credit Quality

AAA	23%
AA	9%
A	8%
BBB	60%

Maturity Ranges

0-5 Years	56%
5-10 Years	26%
10-20 Years	13%
20+ Years	5%

Please see full disclosure presentation on the next page

CS McKee INVESTMENT MANAGERS

Managing equity, fixed income and balanced portfolios for institutional investors

C.S. McKee's Intermediate Core Fixed Income was named a **"PSN Top Gun Manager of the Decade"** for the ten year period ending December 31, 2019*

* The PSN Intermediate Core Fixed Income Universe is comprised of 128 firms and 188 products

C. S. McKee
One Gateway Center
Pittsburgh, PA 15222
www.csmckee.com - 412.566.1234

New Visual Brand

I started the process with mood boards so we could all get on the same page and choose a visual direction. I asked the team how they'd like to be perceived by their clients and used that feedback to guide my font and color decisions.

A

CS McKee
INVESTMENT MANAGERS

#031755 MIDNIGHT #455C86 DUSK #565656 CHARCOAL #DEE8FB CLOUDY #EBE8E8 STONE #3863B1 ROYAL #FFC43C SUNNY

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This is a Subheading

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Quarterly Update as of March 31, 2020

Total Returns	QTD ended 3/31/20											Annualized Trailing Returns				
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	1 Year	3 Years	5 Years	10 Years	
C.S. McKee	1.64%	9.02%	0.33%	3.64%	2.92%	1.55%	5.76%	-1.73%	5.09%	8.62%	7.05%	8.73%	7.51%	4.57%	3.43%	4.07%
BB Aggregate Index	6.68%	3.71%	3.36%	3.75%	3.19%	3.26%	3.75%	3.88%	4.22%	4.13%	4.40%	4.55%	4.40%	4.19%	4.27%	4.66%
Value-Added Return	-0.58%	-0.25%	-0.18%	0.07%	0.03%	0.07%	0.11%	0.21%	0.19%	0.32%	0.53%	0.61%	0.58%	0.62%	0.64%	0.61%

B

CS McKee
INVESTMENT MANAGERS

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BB Aggregate Index	6.68%	3.71%	3.36%	3.75%	3.19%	3.26%	3.75%	3.88%	4.22%	4.13%	4.40%	4.55%	4.40%	4.19%	4.27%	4.66%
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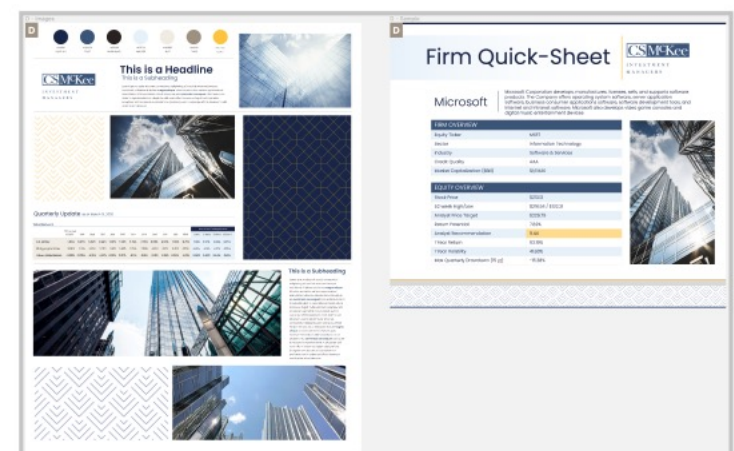
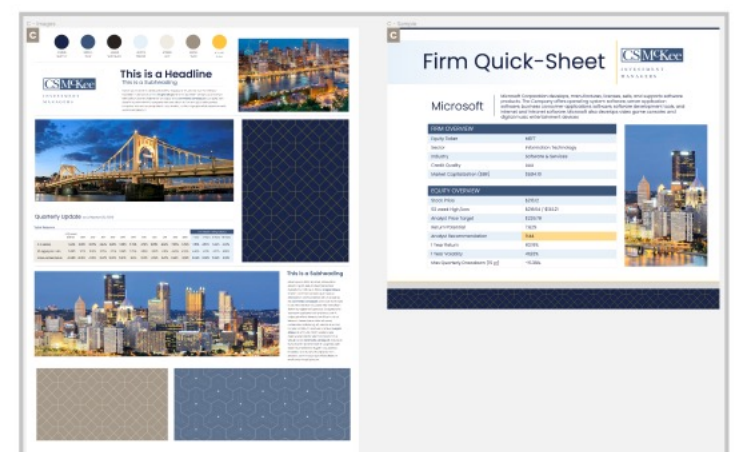
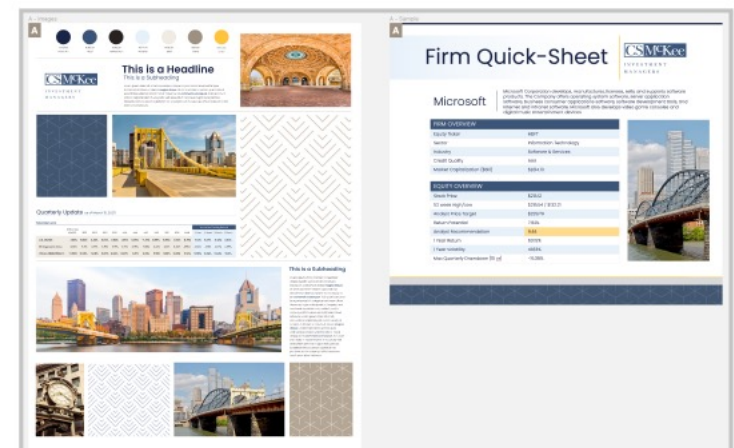
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Value-Added Return	-0.58%	-0.25%	-0.18%	0.07%	0.03%	0.07%	0.11%	0.21%	0.19%	0.32%	0.53%	0.61%	0.58%	0.62%	0.64%	0.61%



Located in Pittsburgh, they chose option A – with the accent yellow to match Pittsburgh’s bridges and athletic teams.

We did a second round of mood boards to narrow down the imagery and feel of the new brand.

As an established 90-year old company, they wanted to keep their logo, but we modernized the language and font. Special care was taken to make sure the new fonts would work well in financial tables.

Pitchbooks

I worked one-on-one with the portfolio managers to reinvent their pitchbooks – not just from a design perspective – but from a content and usability perspective. All tables and charts are connected to a back-end spreadsheet and are easy to update quarterly.



CS McKee
Who We Are

Our Purpose: To be a trusted financial partner and a responsible corporate citizen, aligning our foundational principles with those of our clients.

\$7.1 billion	ASSETS UNDER MANAGEMENT as of 9/30/20	FOUNDED 1931	HEADQUARTERS Pittsburgh, PA
34 Employees	Diverse Institutional Client Base	EMPLOYEE OWNERSHIP	More than 250 Accounts Nationwide

CS McKee
Investment Philosophy

Team Approach Focused On:

- Delivering consistent benchmark outperformance, net of fees, with below market volatility
- Adding value primarily through security selection, sector allocation and active risk management
- Principal preservation/ Low Downside Capture
- ESG Aware

High Quality and Liquidity are at the core of every portfolio

CS McKee
Fixed Income Process

PORTFOLIO STRUCTURE
Portfolios are constructed using a combination of top-down and bottom-up analysis.

SECURITY SELECTION
Portfolio managers identify undervalued securities:
- Government-secured opportunity set including TIPS, callable and structured agencies
- Credit: focus on quality and liquidity, near-issuance and reduce value loading
- Act as liquidity provider
- Primary source of portfolio performance

RISK MANAGEMENT
- Strict structural adherence to customizable client guidelines - Charles River system
- Emulation analysis, ex-ante and ex-post performance characteristics

ECONOMIC ANALYSIS
- Develop a range of economic and financial market scenarios
- Scenarios inform portfolio construction

"Seeking bonds that maximize performance in the economic scenarios with highest probabilities"

New Materials

I worked with various CS McKee teams to redesign all of their printed materials – creating new ad templates, trade show booth displays, quarterly commentary, security spotlights, quarterly market outlook, business cards, and letterhead. On the digital side, I created new PowerPoint presentation templates and email templates.

C.S. McKee: A Team Approach Focused on High Quality, Liquidity and Downside Protection



Mark Goodwin, CIO, North Square Investments
Brian Allen, Senior Vice President & Portfolio Manager, C.S. McKee
Mark Gensheimer, President, C.S. McKee

Mark Gensheimer, President of C.S. McKee, and Brian Allen, Senior Vice President and portfolio manager recently discussed taxable fixed income investing in a podcast conversation with Mark Goodwin, Chief Executive Officer of North Square Investments, and more specifically the investment approach that C.S. McKee has utilized for institutional investors for decades. Mark Gensheimer and Brian Allen shared their insights and outlook for the sector, which is described below:

Mark Goodwin: At North Square, we seek out best in class asset managers for our platform. And our partners at C.S. McKee have a proven reputation approach to taxable fixed income investing. Mark, your firm has primarily worked with institutional investors. So, financial advisors and individual investors may not be so familiar with C.S. McKee. Can you give us some background on the firm and your investment team?

Mark Gensheimer: C.S. McKee, which is headquartered in Pittsburgh, has been in business for almost 100 years. We've managed assets for institutions since the early 1970s. About 50% of our clients are public entities, which includes states and counties and municipalities and fire and police. And the rest are split pretty evenly between endowments and foundations, Taft-Hartley plans, hospitals, religious organizations, and insurance companies. About \$6 billion of our over \$7 billion of assets are investment grade fixed income portfolios. And our three senior portfolio managers, Brian, Mark, and Jack, have worked together for over 20 years, which as you know, is pretty unique in our industry.

C.S. McKee: A Team Approach Focused on High Quality, Liquidity and Downside Protection

Mark Goodwin: Now improved in terms of credit support. Really they are AAA securities that just hadn't been reviewed and upgraded to AAA. To the extent that our client's guidelines allow us, we will pursue AA-rated securities, taking on what appears to be slightly more quality risk. But again, we look deeper at the individual holdings themselves. It pays to take the risks that we really don't think are there. And again, with a firm our size, we can build a more meaningful position while maintaining liquidity than someone that's much larger.


Mark Goodwin: Over time, we've seen increasing growth in passive investment strategies, both in the institutional and retail channels and equities, as well as fixed income. Can you talk about the advantages of C.S. McKee's active style of fixed income management for investors who may be considering using passive for fixed income exposure?

Brian Allen: Definitely. And our long history shows that with our fairly conservative approach, with respect to managing core fixed income assets, we can consistently deliver better than benchmark returns net of fees, and certainly justify an active approach in that sense. But unlike others, we don't outperform simply by taking on more risk. That isn't a permanent feature of our portfolio to any degree that's evidenced by any number of our portfolio characteristics for almost any timeframe that you look at, Sharpe ratio, information ratio, downside capture, they're all more attractive than you'll find with a passive investment. And we do think now in particular, it makes sense to look at an active manager who has long demonstrated superior downside capture ratios.


Interest rates are admittedly low globally by any standard, certainly in real terms, artificially suppressed by central banks worldwide. And while we think that core fixed income still offers one of the better diversifying elements of a balanced portfolio, we certainly have to be aware of the risk that exists with not only lower rates, but longer durations in fixed income benchmarks. So, as a result, we are always balancing a trade-off between earning enough in active returns to exceed our benchmark net of fees.

"We are definitely a pure high quality investment grade manager. We'll always provide strong downside protection when there's instability in the credit markets."

Managing Institutional Portfolios Since 1972



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CS MCKEE MARKET OUTLOOK | 1Q 2021

Will Higher Rates Threaten the Recovery?

HIGHLIGHTS

The Democrats gained control of the U.S. Senate with surprising victories in the Georgia runoff elections. As a result, Democrats passed another \$1.9 trillion stimulus and are proposing an additional \$2.1 trillion infrastructure spending bill later this year.

In the U.S., incidence of COVID-19 spiked in early 2021 with over 1,000 daily deaths and increasing hospitalizations. Through March, however, serious cases of the virus have trended lower with the vaccine roll-out offering hope.

New virus variants, which appear more virulent than original strains, pose a threat to reopening plans worldwide. Slow vaccine distribution stymies the new virus strands have resulted in renewed lockdowns halting progress towards economic renormalization.

Global oil prices jumped to almost \$70 a barrel following the decision by OPEC to keep production steady despite improving consumer demand. The increase in energy prices has reduced production in U.S. shale.

Initial Jobless Claims continued to improve. February and March's strong positive reports of 488k and 516k, respectively, follow relatively disappointing reports in January and December.


After a surprising Democratic sweep in the Georgia Senate runoff elections, U.S. Treasury yields surged higher with ten-year yields standing 34 basis points above their August nadir of 0.85%. The election win in Georgia secured the Senate for the Democrats giving them limited control over both chambers of Congress and the Presidency, allowing for the possibility of larger fiscal spending this year. Vaccine distribution progress added to the ebullient outlook leading several states to loosen restrictions and push mobility indices close to pre-pandemic levels.

Only when Core PCE inflation actually surpasses their two-percent target will the Fed consider tighter policy.

Lower bond yields until 2023 despite massive fiscal stimulus, rising inflation expectations, and lower headline unemployment rates. The new FOMC framework differs from previous Fed regimes in that policy makers will not pre-emptively hike interest rates as labor market slack disappears, now preferring to see actual inflationary pressures building before tightening. Only when Core PCE inflation actually surpasses their two-percent target (by an undefined overshoot) will the Fed consider tighter policy.

HEADLINE UNEMPLOYMENT RATE MASKS UNDERLYING LABOR MARKET WEAKNESS

While the headline U-3 Unemployment Rate has improved to 6.0% from a high of 14.8% in April 2020, the Fed argues that the figure dramatically understates the amount of weakness in labor markets. Other broad employment indicators, such as the U-6 Unemployment Rate, Labor Force Participation Rate, and the percent of long-term unemployed (6 months or more) at strikingly high levels. With large amounts of slack still present in labor markets, the Fed



FED REMAINS COMMITTED TO PROVIDING ULTRA-DOVISH MONETARY POLICY

Since introducing their new Flexible Average Inflation Targeting (FAIT) framework last year, the Fed has remained committed to providing ultra-dovish monetary policy and promised to keep the Fed funds rate pegged at the zero-

A Trusted Financial Partner




Managing Institutional Assets since 1972




A Responsible Corporate Citizen




Will Higher Rates Threaten the Recovery?

PORTFOLIO POSITIONING

Our balanced accounts remained tilted towards equities with a 63% allocation to stocks and 37% to fixed income. Continued monetary accommodation from the Fed and an improving economic outlook will help equities outperform in 2021.

Within our fixed income portfolio, we remain short duration relative to the benchmark in anticipation of higher interest rates. We are maintaining a modest overweight to spread product sectors that will provide positive access returns despite relatively flat valuations. Our exposure to 30+ - which grew to nearly 2% in 2020 - declined to around one percent of the portfolio with broader inflation expectations fully accounting for the improved economic outlook.

The Russell 2000 Value outperformed the Russell 500 Growth by over 3% in the first quarter of 2021. We believe that value stocks still have more room to run because the valuation disparities between growth and value styles are still near historic extremes. Excess fiscal and monetary stimulus, higher long-term interest rates, and the prospect of short-term aggressive economic growth post-Covid all bode well for value stocks, as growth stocks tend to underperform in inflationary environments due to their heavy dependence on future earnings which are worth less with higher interest rates. We are positioned accordingly, with a value tilt, and continue to provide our clients with a portfolio of historically undervalued securities.

believes that wage-price spirals are unlikely and base their theory on the most recent economic episode when the U-3 unemployment rate hit 3.5% in September 2019 and inflationary pressures were minimal with Core PCE inflation struggling to break two percent.

The unprecedented size of the fiscal response in the U.S. and ultra-accommodative monetary policy has drawn severe criticism from unanticipated sources recently. Lawrence Summers, former U.S. Treasury Secretary and proponent of the secular stagnation thesis, lambasted the size of the stimulus package saying it was "the least responsible fiscal macroeconomic policy we have had for the last 40 years". The rapid rise in the money supply, further boosting of the Fed's balance sheet, and the largest Federal budget deficits since WWII are some of the factors pushing many to believe that the Fed's current policy prescription.


INFLATIONARY PRESSURES ARE INCREASING

- Container shipping costs from Asia to North America up 17%
- Oil prices increased 80% to over \$65 a barrel
- Used vehicle prices up 9.3% YoY
- Iron and steel costs are higher by 22% YoY
- 5yr Inflation Swaps Forward up to 2.43%

In response to heightened inflation expectations, market participants have questioned the Fed's ability to stick to their new FAIT framework. While the Fed's recent Summary of Economic Projections (SEP) forecasts the first rate hike sometime in 2023, market-based probabilities show an increasing chance of tighter policy sooner. Short-term Euro-dollar contracts - which closely track the Fed funds rate - now price-in tighter policy sometime in mid to late 2022. This rapid re-pricing by the market of the Fed's policy options comes before Chairman Powell has even discussed tapering the current pace of buying \$20B of U.S. Treasury and MBS securities per month, ignoring prior precedent of tapering and raising rates afterwards.

FED HAS CREDIBILITY AND TOOLS TO HANDLE INFLATION

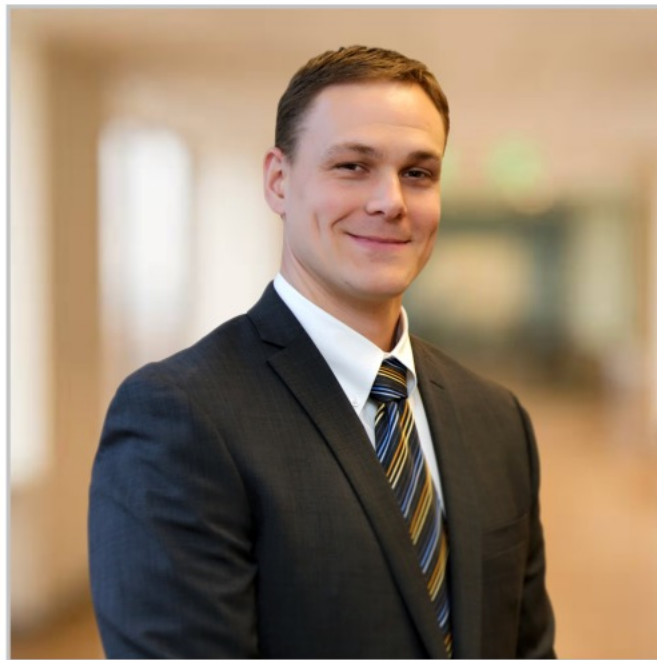
With increasing inflation expectations and higher interest rates derailed the economic recovery and sent financial markets into a tailspin? Should we be concerned that inflation is about to become a problem again like it did in the 1970s forcing the Fed to aggressively respond?



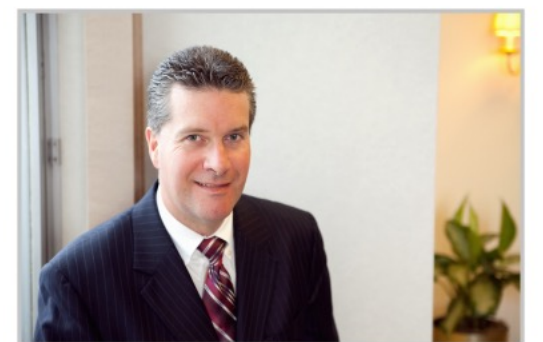
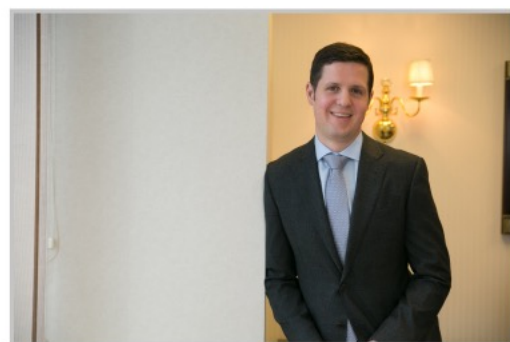
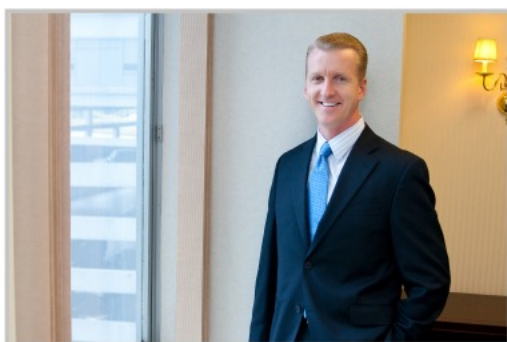
A growing crowd of economists and investors are now concerned that the massive amounts of stimulus and willingness by the Fed to keep policy loose will lead to problematic inflation soon.

Team Headshots

Without the budget for new headshots, I modernized the existing headshots in Photoshop. Newer employees took their own headshots on their phones and sent them to me to be edited to match the others.



Original Photos



ESG Presentation

I worked with the ESG team to create new presentation materials – including a detailed pitchbook and a one-pager they use as a leave-behind for presentations and conferences.



ESG Overview

Who We Are

Our Purpose: To be a trusted financial partner and a responsible corporate citizen, aligning our foundational principles with those of our clients.

\$7.2 billion ASSETS UNDER MANAGEMENT as of 12/31/20

FOUNDED 1931

HEADQUARTERS Pittsburgh, PA

34 Employees MANAGING SOCIALLY RESPONSIBLE PORTFOLIOS FOR **25** YEARS

EMPLOYEE OWNERSHIP More than **250** Accounts Nationwide

Core Principles

Our Purpose: To be a trusted financial partner and a responsible corporate citizen, aligning our foundational principles with those of our clients.

Initial Screening
Eliminate issuers from investable universe.

Align Values
Identify client values and refine the investable universe.

Identify Leaders
Analyze fundamentally attractive bonds with quality ESG practices.

Seek Impact
Identify attractive impact bonds for potential portfolio inclusion.

UN PRI Signatory

The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They capture the global challenges we face, including poverty, inequality, climate change, environmental degradation, peace and justice.

Investment Philosophy

Seamlessly blending sustainable goals with our history of superior risk-adjusted performance.

ESG Investment Philosophy

- Identify value drivers and the inherent risk of portfolio holdings, with a focus on climate change and social factors.
- Align values primarily through ESG research and active ownership.
- Apply ESG research and active ownership to all portfolio holdings.
- Identify and engage with issuers on ESG issues.
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ESG Filled Income Process

With a focus on sustainable factors, we seek bonds that maximize performance in the highest probability economic scenarios.

PORTFOLIO STRUCTURE

SECURITY SELECTION

RISK MANAGEMENT

ESG Final Scores

Holistic analysis using quantitative factors, transparency & current events

Holistic Stakeholder Score

Emphasis on Quantitative

- ESG Disclosure Score
- Company Questionnaire Responses
- ESG Improvements
- Qualitative Evaluation

ESG Integration

ESG Research Process

Portfolios can be tailored to each client's unique values and sustainability goals.

ESG Final Scores

ESG Research Process

Portfolios can be tailored to each client's unique values and sustainability goals.

ESG Final Scores

Holistic analysis using quantitative factors, transparency & current events

Holistic Stakeholder Score

Emphasis on Quantitative

- ESG Disclosure Score
- Company Questionnaire Responses
- ESG Improvements
- Qualitative Evaluation

Sector ESG Evaluation

Firm Sustainability Initiatives

Thank you.

Contact us questions or for more information:

412-566-1234
esg@csmk.com

Our Firm's Sustainability Initiatives

We are very proud of the steps our firm has taken to develop, promote and further sustainability. As a means of implementing firmwide sustainability initiatives we have established committees for Corporate Responsibility, including Sustainability, and ESG investment. To that end, we have established eco-friendly initiatives to reduce waste and energy use and reduce commuter emissions. We also plan to put into practice policies further reducing our waste and energy use while increasing our community involvement. When we put our ESG principles into practice, we get one step closer to achieving our mission statement for our clients and ourselves.

Our Proprietary Research Process

Tailored to help clients align their portfolio with their core values and sustainability goals, our ESG research process incorporates several factors including our proprietary quantitative scoring model, third-party data and the UN PRI's Sustainable Development Goals (SDG) alignment.

Determining Holistic ESG Scores

We determine ESG final scores for the securities in our portfolios by utilizing holistic analysis, which incorporates quantitative factors, transparency, and current events.

Holistic Stakeholder Score

Emphasis on Quantitative

- ESG Disclosure Score
- Company Questionnaire Responses
- ESG Improvements
- Qualitative Evaluation

ESG Components

Components of ESG are as important as the total score

ESG E, S & G Combined

ESG Scoring

ESG scores are calculated using a weighted average component score, based upon what is most material to each industry.

Sample Internal Reports

Reports are produced to monitor ESG factors on an ongoing basis in order to successfully integrate them into our investment process.

Firm Quick-Sheet

Issue Filter

Portfolio Monitor

CSMCKee Environmental, Social, and Corporate Governance (ESG) Overview

ASSET MANAGEMENT

CS McKee seeks to consistently exceed the performance of the stated benchmark both on an absolute and risk-adjusted basis while maintaining superior portfolio quality and liquidity. Active and disciplined management of all risk exposures allows us to meet these goals. Our fixed income methodology incorporates a largely bottom-up approach that is opportunistic, yet risk-controlled. The focus on security analysis and selection is designed to mitigate risk to the portfolio associated with credit, duration, or yield curve decisions.

At the same time, our organization is committed to making a difference in our society by contributing to the greater good. We do this by adhering to and implementing a set of Environmental, Social, and Corporate Governance (ESG) policies, whether we are managing investment portfolios, managing our business and its responsible use of resources, or engaging in the communities in which our employees live.

A Signatory to the UN-Supported Principles for Responsible Investment

As a sign of our firm's commitment, in 2020 C.S. McKee became a signatory to the United Nations-supported Principles for Responsible Investment (PRI). The PRI is recognized as the leading global network for investors who are committed to integrating ESG considerations into their investment practices and ownership policies.

Our ESG Investment Philosophy

We believe we have the resources, investment expertise, and core investment process to seamlessly blend sustainable goals with our history of superior risk-adjusted performance.

- Delivering consistent net of fee benchmark outperformance, with below-market volatility and superior sustainability characteristics.
- Adding value primarily through security selection, sector allocation and active risk management.
- Applying rigorous internal and/or client-directed ESG metrics combined with portfolio-level scoring targets.
- Building on the long-term efficacy of our quality and liquidity-focused investment philosophy.
- Emphasizing principal preservation.

Incorporating ESG Considerations into our Investment Process

With a focus on sustainable factors, we seek bonds that maximize performance in the highest-probability economic scenarios.

At the heart of our ESG offering are our core principles, listed here by increasing level of impact:

- Initial Screening** – Eliminate issuers with the lowest ESG scores.
- Align Values** – Identify client values and refine the investable universe. The PRI is recognized as the leading global network for investors who are committed to integrating ESG considerations into their investment practices and ownership policies.
- Identify Leaders** – Analyze fundamentally attractive bonds with quality ESG practices.
- Seek Impact** – Identify attractive impact bonds for potential portfolio inclusion.

Our Firm's Sustainability Initiatives

We are very proud of the steps our firm has taken to develop, promote and further sustainability. As a means of implementing firmwide sustainability initiatives we have established committees for Corporate Responsibility, including Sustainability, and ESG investment. To that end, we have established eco-friendly initiatives to reduce waste and energy use and reduce commuter emissions. We also plan to put into practice policies further reducing our waste and energy use while increasing our community involvement. When we put our ESG principles into practice, we get one step closer to achieving our mission statement for our clients and ourselves.

Our Proprietary Research Process

Tailored to help clients align their portfolio with their core values and sustainability goals, our ESG research process incorporates several factors including our proprietary quantitative scoring model, third-party data and the UN PRI's Sustainable Development Goals (SDG) alignment.

Determining Holistic ESG Scores

We determine ESG final scores for the securities in our portfolios by utilizing holistic analysis, which incorporates quantitative factors, transparency, and current events.

Holistic Stakeholder Score

Emphasis on Quantitative

- ESG Disclosure Score
- Company Questionnaire Responses
- ESG Improvements
- Qualitative Evaluation

Integrating SDG Alignment to Establish a Final Sustainability score

The PRI's Sustainable Development Goals address the global challenges we face, including poverty, inequality, climate change, environmental degradation, peace and justice. After calculating the Holistic ESG scores for each company, we establish a Final Sustainability Score by applying a multiplicative factor, based upon each company's alignment to the UN PRI's 17 Sustainable Development Goals.

CSMCKee ASSET MANAGEMENT

Our purpose: To be a trusted financial partner and a responsible corporate citizen; aligning our foundational principles with those of our clients. When we put our ESG policies into practice, we realize this objective for our clients, our firm and our employees.

Sustainable Development Goals

1. No Poverty
2. Zero Hunger
3. Good Health and Well-being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace, Justice and Strong Institutions
17. Partnerships

Fact Sheets

I worked with the portfolio managers to update the fact sheets so they were easier to read, more user-friendly, and easier to update. I then worked with the data team to set up the documents in PowerPoint so that they could be automated, greatly increasing turnaround time during quarter-end.

CS McKee
Aggregate Fixed Income

Q3 | 2020

Strategy Facts

Vehicle Type	SMA
Inception	1/1/1992
AUM	\$2,572 Billion

Portfolio Managers

Brian S. Allen, CFA
Industry Experience: 33 Years

Andrew M. Faderewski, CFA
Industry Experience: 13 Years

Bryan R. Johanson, CFA
Industry Experience: 33 Years

Jack P. White, CFA
Industry Experience: 23 Years

Portfolio Characteristics

Effective Duration	6.204
Average Maturity	7.745
Current Yield	2.29%
Yield to Maturity	1.23%
Average Credit Rating	Aa2
Option-Adjusted Spread	71

Sector Allocation

Government	48.44%
US Treasury	17.95%
US TIPS	5.51%
US Agency	11.26%
US MBS	13.82%
Corporate	40.17%
Financial	11.67%
Industrial	24.50%
Utility	3.94%
Credit (Non-Corp)	0.56%
Local Authority	0.29%
Sovereign	0.27%
Supranational	0.00%
Securitized	9.61%
CMO	2.23%
CMBS	3.02%
ABS	4.36%
Cash & Equivalents	1.28%

Investment Philosophy: Disciplined Security Selection

C.S. McKee's fixed income philosophy is founded upon an opportunistic, yet risk-controlled bottom-up approach. Placing an emphasis on security analysis and selection allows the team to mitigate risk to the portfolio associated with Credit, Duration, or Yield Curve decisions. The portfolio is designed to outperform the Bloomberg Barclays US Aggregate Index on both an absolute and risk-adjusted basis, while delivering superior quality and liquidity.

Composite Performance

Annualized Total Returns (Gross of Fees)

Period	CSM Agg	BGG US Agg
3Q20	1.06	0.62
YTD	7.27	6.79
1 Yr	7.61	6.98
3 Yr	5.66	5.24
5 Yr	4.56	4.10
10 Yr	4.31	3.64
15 Yr	4.31	3.64

Risk-Adjusted Returns

Annualized Sharpe Ratio (vs. 3mo FTSE T-bill Index)

Period	CSM Agg	BGG US Agg
3 Yr	1.26	1.15
5 Yr	1.06	0.91
10 Yr	1.18	0.97

Quality & Maturity Allocation

Credit Quality

Maturity Ranges

Please see full disclosure presentation on the next page

CS McKee
Aggregate Fixed Income

Disclosure

Aggregate Fixed Income Composite

Full Disclosure Presentation – September 30, 2020

	QTD	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	11 Yr	12 Yr	13 Yr	14 Yr	15 Yr	Since Incept. 1/1/1992
Gross Return (%)	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
Net Return (%)	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
Benchmark Return (%)	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00

Year-end	*Total Firm Assets (\$ Mil)	*GIPS Assets (\$ Mil)	Composite Assets (\$ Mil)	Composite Accounts	Gross Return (%)	Net Return (%)	Benchmark Return (%)	Dispersion (%)	Composite	Benchmark
2019	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2018	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2017	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2016	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2015	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2014	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2013	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2012	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2011	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2010	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2009	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2008	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2007	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2006	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
2005	100,000	100,000	100,000	1,000	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00

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The Aggregate Fixed Income Composite was created on January 1, 1992. All returns are based in U.S. Dollars and are computed using a daily time-weighted total rate of return. The composite is defined to include fee-paying discretionary accounts that are managed according to the Aggregate Fixed Income strategy, including those accounts no longer with the firm. For comparison purposes, the composite is measured against the Bloomberg Barclays Aggregate Bond Index, formerly known as the Lehman Brothers Aggregate Bond Index. The minimum account size for this composite is \$500,000. Prior to January 1, 2004, the minimum account size for this composite was \$15 million. The dispersion of annual returns is measured by the standard deviation of asset-weighted portfolio returns represented within the composite for the full year. The 3-year annualized standard deviation of the composite and benchmark is calculated using monthly returns over past 36 months as of each annual period end. Returns are presented gross and net of management fees and include the reinvestment of all dividends and capital gains. Net-of-fee performance is calculated on a quarterly basis using an asset-weighted composite actual management fee. The average of the composite fee is then applied monthly. Prior to 2002, an annual average of the management fees was calculated and applied quarterly. Actual investment advisory fees incurred by clients may vary. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request. Past performance is not indicative of future results. Effective September 1, 2006, any portfolios experiencing combined net flows (cash flows as well as in-kind contributions or withdrawals) greater than 25% of the portfolio's previous day's closing market value were removed from the composite for the month of the event. The fee schedule for the Aggregate Fixed Income strategy is as follows: First \$25 million: 0.35% per annum; next \$25 million: 0.30% per annum; next \$50 million: 0.25% per annum; over \$100 million: 0.20% per annum. *The fee for the first \$10 million is negotiable.

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Original Fact Sheets

CS McKee
Aggregate Fixed Income

Q3 | 2020

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CS McKee
Aggregate Fixed Income

Disclosure

Aggregate Fixed Income Composite

Full Disclosure Presentation – September 30, 2020

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Net Return (%)	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
Benchmark Return (%)	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00

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The Results



We have worked with Manda for the past six months to completely refresh our brand, a brand that has been in existence since the 1970s. She worked shoulder to shoulder with us to ensure that we were thrilled with our new look, and did so in an incredibly well-organized fashion.

Manda didn't force us into any decision. She educated and guided us every step of the way as we refreshed every part of our brand, including our website, pitch books, stationery, client reports, business cards, etc, etc.

Thanks to Manda, our clients, consultant partners, and employees love our new look.

Mark Gensheimer
President, CS McKee