

INTERMEDIATE GOVERNMENT/CREDIT FIXED INCOME STRATEGY

Fourth Quarter 2019 Fact Sheet

Strategy Objective

The PNC Capital Advisors **Intermediate Government/Credit Fixed Income Strategy** seeks to provide stable income and deliver superior risk-adjusted returns versus the benchmark. The strategy typically invests in investment-grade corporate bonds, mortgage-backed securities, AAA-rated asset-backed securities, and U.S. Treasury bonds.

Assets under management¹ **\$1,303 MILLION**

Inception **12/31/1994**

Benchmark **Bloomberg Barclays U.S. Government/Credit Index**

Investment Team

Sean Rhoderick, CFA *Chief Investment Officer*

Jeffrey Bryant, CFA *Head of Credit Trading
Assistant Portfolio Manager*

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21 Investment Professionals

18 Team Years Average Industry Experience

Firm Overview

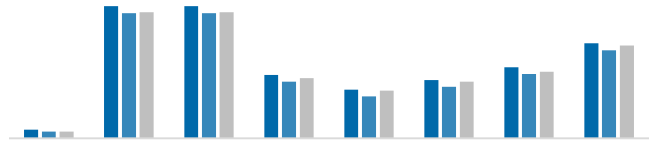
We seek to tailor fixed income investment solutions to meet the complex, evolving needs of institutional asset management clients.

Our investment solutions:

	Assets Under Management ¹
Liquidity Solutions	\$9.9 BILLION
Custom Fixed Income	\$7.8 BILLION
Broad Market Strategies	\$6.2 BILLION

¹Data as of 12/31/19.

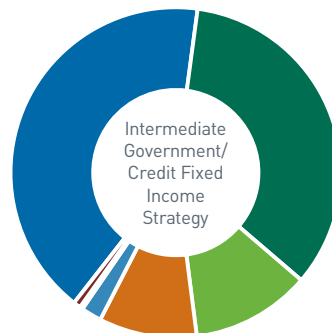
Investment Results



(all values in %)	Annualized							
	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception
Intermediate Government/Credit Fixed Income Composite (Gross)	0.46	7.12	7.12	3.42	2.62	3.14	3.83	5.12
Intermediate Government/Credit Fixed Income Composite (Net)	0.37	6.74	6.74	3.06	2.26	2.78	3.47	4.74
Bloomberg Barclays Int U.S. Government/Credit Index	0.37	6.80	6.80	3.24	2.57	3.05	3.59	5.00
Relative Investment Results	0.09	0.32	0.32	0.18	0.05	0.09	0.24	0.12

Data as of 12/31/19. Source: Advent Portfolio Exchange[®] (APX). Performance returns are presented gross and net of fees and include the reinvestment of all income. Gross of fee performance returns do not reflect the payment of investment advisory fees and other expenses related to your account. Actual returns will be reduced by the advisory fee specific to your account and other expenses that may be incurred in the management of the account. **Past performance is no guarantee of future results.**

Sector Allocation (%)



	Intermediate Government/Credit Fixed Income Strategy	Bloomberg Barclays Int U.S. Government/Credit Index
Corporate Credit	41.6	30.8
Treasury	34.2	61.3
Mortgaged-Backed	11.7	0.0
Asset-Backed	9.6	0.0
Commercial Mortgage-Backed	2.0	0.0
Agency	0.3	1.8
Non-Corporate Credit	0.0	6.1
Cash & Cash Equivalents	0.7	0.0

Portfolio Characteristics

	Intermediate Government/Credit Fixed Income Strategy	Bloomberg Barclays Int U.S. Government/Credit Index
Weighted Average Life (Years)	4.3	4.3
Effective Duration (Years)	3.9	3.9
Average Quality	Aa3	Aa2
Yield to Maturity	2.1%	1.9%
Turnover (12-month trailing)	94.0%	NA
Number of Holdings	148	4,907

Duration Distribution

(% market value)	Intermediate Government/Credit Fixed Income Strategy	Bloomberg Barclays Int U.S. Government/Credit Index
<1 Year	5.9	0.7
1-3 Years	36.3	40.6
3-4 Years	13.0	14.7
4-6 Years	25.7	24.5
6-8 Years	16.5	16.0
>8 Years	2.5	3.5

Quality Allocation

(% market value)	Intermediate Government/Credit Fixed Income Strategy	Bloomberg Barclays Int U.S. Government/Credit Index
AAA	58.5	66.8
AA	2.3	3.5
A	17.9	13.4
BBB	21.3	16.2
BB or Lower	0.0	0.0

Top 10 Credit Holdings

(% market value)	Intermediate Government/Credit Fixed Income Strategy	Bloomberg Barclays Int U.S. Government/Credit Index
Bank of America Corp.	1.40	0.77
JPMorgan Chase & Co.	1.13	0.76
The Kroger Co.	1.08	0.05
Citigroup, Inc.	1.04	0.58
Morgan Stanley	1.03	0.52
Westpac Banking Corp.	0.88	0.15
HSBC Holdings Plc	0.84	0.39
Credit Suisse Group AG	0.84	0.15
KeyCorp	0.81	0.08
CVS Health Corp.	0.80	0.33
Total	9.85	3.78

Investment Process Key Elements



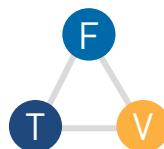
Opportunistic Sector Allocation

We frame relative value across a matrix of more than 50 market subsectors using historical excess returns and volatility.



Dynamic Position Limits Based on Duration

The concepts of contribution to duration (CTD) and duration times spread (DTS) provide a common lens to evaluate relative risk and potential volatility.



Security Selection Integrity

Research teams partner with portfolio managers to evaluate sectors, issuers, and securities using a consistent Fundamentals-Valuation-Tactics framework.



Ongoing Quantitative Analysis

We seek to ensure primary dimensions of risk (key rates, sector, issuer/securities) are consistent across each strategy.

Data as of 12/31/19 unless otherwise noted. Source: BondEdge®, The Yield Book® Software and Services, Advent Portfolio Exchange® (APX), Bloomberg. The information shown is derived from a representative account deemed to appropriately represent this investment strategy and is for illustration purposes only. Portfolio characteristics are subject to change periodically and may not be representative of your account's current characteristics. Sector and quality distributions for both the portfolio and the benchmark are calculated using the Bloomberg Barclays index methodology. Sector allocations are subject to change; securities within a sector may no longer be held in your account's portfolio. The Top Ten Credit Holdings, which exclude cash and cash equivalents, do not represent all securities purchased, sold, or recommended for clients; individual account holdings will vary. There is no assurance that any of these securities will be purchased or held in the future and it should not be assumed that investments in the securities identified were or will be profitable. A complete list of holdings for previous 12 months is available upon request.

Disclosures

This publication is for informational purposes only. Information contained herein is believed to be accurate, but cannot be guaranteed. Opinions represented are not intended as an offer or solicitation with respect to the purchase or sale of any security and are subject to change without notice. Statements in this material should not be considered investment advice, a forecast, or a guarantee of future results.

PNC Capital Advisors, LLC claims compliance with the Global Investment Performance Standards (GIPS®). To receive a list of composite descriptions of PNC Capital Advisors, LLC and/or a presentation that complies with the GIPS® standards, please send an email to Compliance at pcacompliancegroup@pnc.com.

PNC Capital Advisors, LLC is an indirect subsidiary of The PNC Financial Services Group, Inc. PNC Capital Advisor's strategies and the investment risks and advisory fees associated with each strategy can be found within Part 2A of the firm's Form ADV, which is available at <https://pnccapitaladvisors.com>.

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Firm Description: PNC Capital Advisors, LLC (PCA), a registered investment adviser and direct wholly owned subsidiary of The PNC Financial Services Group, Inc. (PNC Bank), offers investment management services with respect to taxable fixed income securities for a variety of clients. The firm's list of composite descriptions is available upon request.

Significant Events: As of December 1, 2019, PNC Bank migrated the Municipal Investment Group and the Advantage Equity Portfolio Management Group from PCA to the PNC Investment Strategy & Services division of PNC Bank's Asset Management Group. As of November 15, 2019, PCA transitioned away, through acquisition, its International Growth Equity, Select Small Cap Equity, and Structured Equity teams. The transaction also included the reorganization of PNC Bank's family of mutual funds, formally managed by PCA into corresponding third party mutual funds.

Compliance Statement: PNC Capital Advisors, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. PCA has been independently verified for the period beginning September 29, 2009 through December 31, 2016 by Ashland Partners and Company, LLP, and for the periods January 1, 2017 through December 31, 2018 by ACA Performance Services, LLC. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Intermediate Government/Credit Fixed Income Composite has had a performance examination by Ashland Partners & Company LLP for the period February 11, 2008 through December 31, 2016, and for the period January 1, 2017 through December 31, 2018 by ACA Performance Services, LLC. The verification and performance examination reports are available upon request.

PNC Capital Advisors
Intermediate Government/Credit Fixed Income Composite

Composite Inception Date: December 31, 1994
Composite Creation Date: September 30, 2003

Year	Gross of Fees Return %	Net of Fees Return %	3 Yr Ex-Post Std Dev Comp %	Benchmark Return %	3 Yr Ex-Post Std Dev Benchmark %	Number of Portfolios (Year-end)	Composite Dispersion (Std Dev %)	Composite Assets (\$ millions)	Firm Assets (\$ millions)
2018	0.80	0.45	2.01	0.88	2.09	27	0.17%	\$ 652.7	\$ 53,549
2017	2.45	2.10	1.94	2.14	2.11	25	0.32%	769.6	50,300
2016	2.09	1.74	1.99	2.08	2.22	30	0.27%	946.5	48,659
2015	0.78	0.43	1.85	1.07	2.10	35	0.28%	1,577.8	41,592
2014	2.96	2.60	1.87	3.13	1.94	41	0.09%	1,759.7	41,062
2013	(0.52)	(0.87)	2.10	(0.86)	2.11	43	0.15%	1,680.5	36,882
2012	4.92	4.55	2.09	3.89	2.16	51	0.25%	1,782.5	34,425
2011	4.82	4.45	2.46	5.80	2.55	45	0.17%	1,753.1	35,113
2010	6.23	5.86		5.89		35	0.34%	1,365.8	33,318
2009	7.69	7.31		5.24		64	1.56%	1,353.4	32,318

Composite Description: The investment objective of the Intermediate Government/Credit Fixed Income Composite is to seek current income as well as preservation of capital by investing in a portfolio of high- and medium-grade fixed income securities, with portfolio duration and structure characteristics benchmarked to the Bloomberg Barclays Capital Intermediate U.S. Government/Credit Index. The composite is a mix of unrestricted Intermediate Government/Credit portfolios. The Intermediate Government/Credit Fixed Income Composite was created September 30, 2003 with an inception date of December 31, 1994.

Benchmark: The benchmark for the composite is the Bloomberg Barclays Intermediate Government/Credit Index. The Bloomberg Barclays Intermediate Government/Credit Index is an unmanaged index based on all publicly issued intermediate government and corporate debt securities with maturities of 1-10 years and represent the investment grade, U.S. dollar-denominated, fixed-rate, taxable corporate and government related bond markets.

Minimum Account Size: All discretionary accounts in excess of \$5 million have been included in the composite. Prior to December 31, 2019, the minimum account size was \$10 million.

Calculation of Results: Accounts are valued using trade date accounting and are denominated in U.S. dollars. Performance results reflect the reinvestment of interest, dividends, and realized capital gains and include cash, cash equivalents, convertible securities, and preferred securities, if applicable. Dividends and interest are recorded on an accrual basis and are gross of all applicable foreign withholding taxes, if any. Performance results are presented on a gross and net basis and include the reinvestment of all income. The net results reflect the deduction of 0.35%, representing the maximum advisory fees charged to client accounts during the respective periods in the Intermediate Government/Credit Fixed Income Composite. The actual fees paid by a client may vary based on assets under management and other factors. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. **Past performance is no guarantee of future results.**

Significant Cash Flows: As of January 1, 2012, PCA defines a significant cash flow for the portfolios of the Intermediate Government / Credit Fixed Income Composite as one or more external cash flows during the month equaling an absolute value greater than 10% of the portfolio's assets at the beginning of the month.

Dispersion: The dispersion of annual return is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for a full year. Prior to January 1, 2010, the dispersion of annual return was calculated across equal-weighted portfolio returns. For periods during which five or fewer accounts were included in the composite for a full year, standard deviation is not disclosed because it is not considered meaningful.

Fee Schedule: The management fee schedule is as follows: 0.35% on first \$15 million, 0.30% on next \$35 million, 0.25% on next \$50 million, 0.20% on next \$100 million, and 0.15% on anything over \$200 million. The actual fees paid by a client may vary based on assets under management and other factors.