

GOLUB CAPITAL

EXTRA CREDIT ✓

A Superior Credit Allocation: Improved Returns, Risk & Income



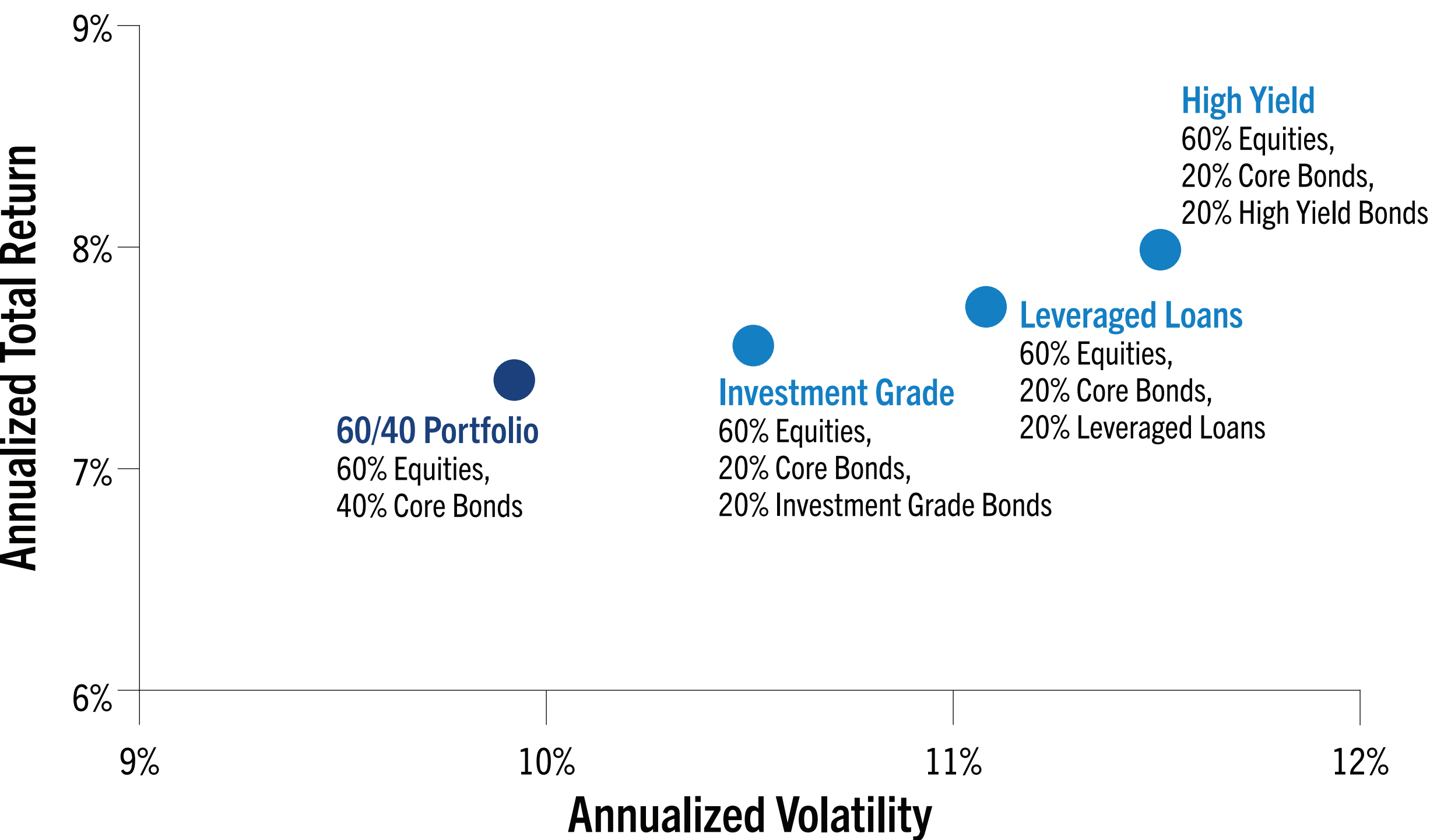
Historical analysis shows that replacing a typical investor's **public** credit allocation with **private** direct lending increased portfolio income, enhanced total return and reduced volatility.*

* Time period analyzed Q4 2004 to Q2 2024.



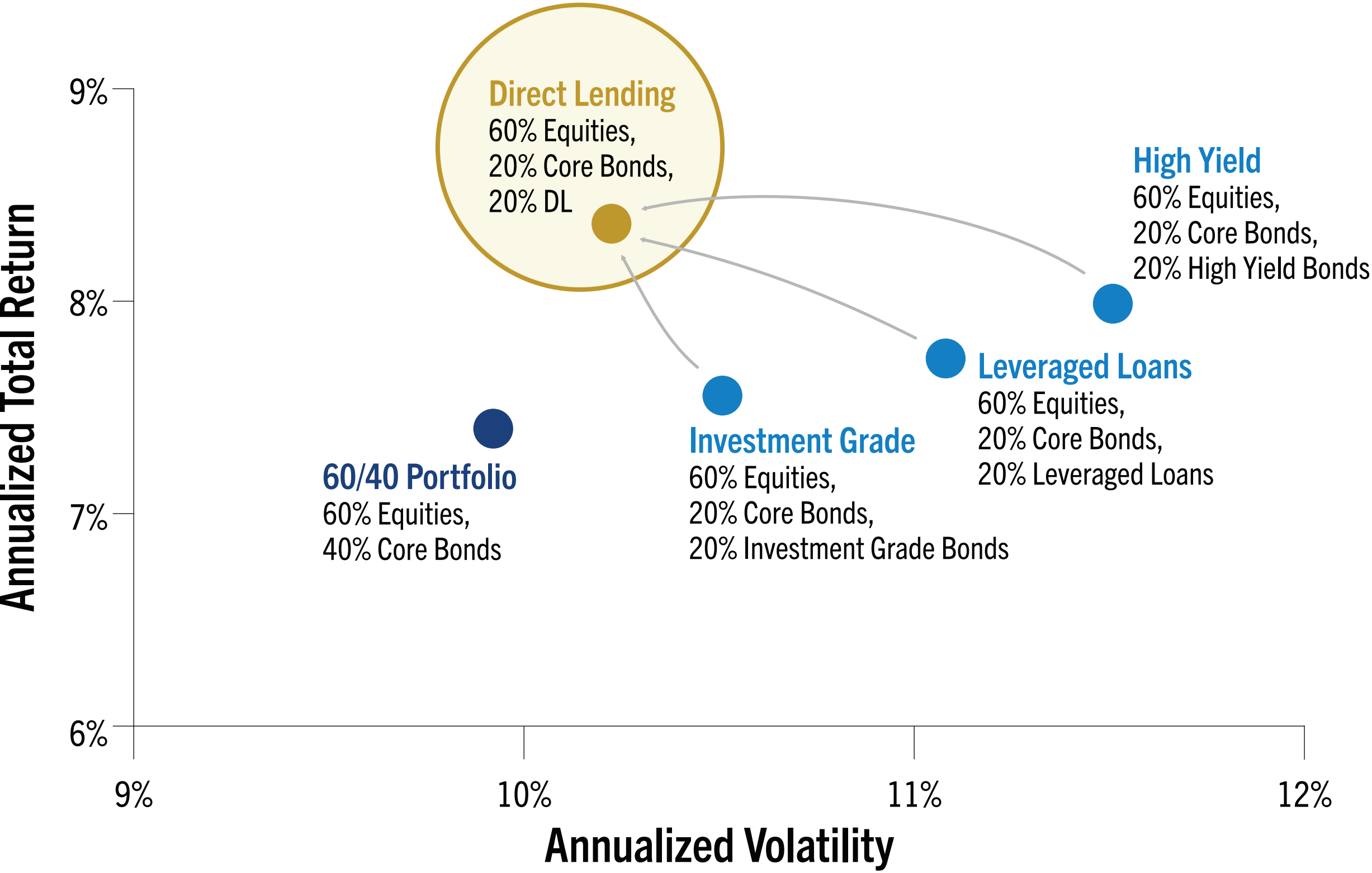
Credit Replacement—Public to Private

Many investors incorporate public credit exposure *alongside* their “core” bond allocation to drive higher portfolio returns¹



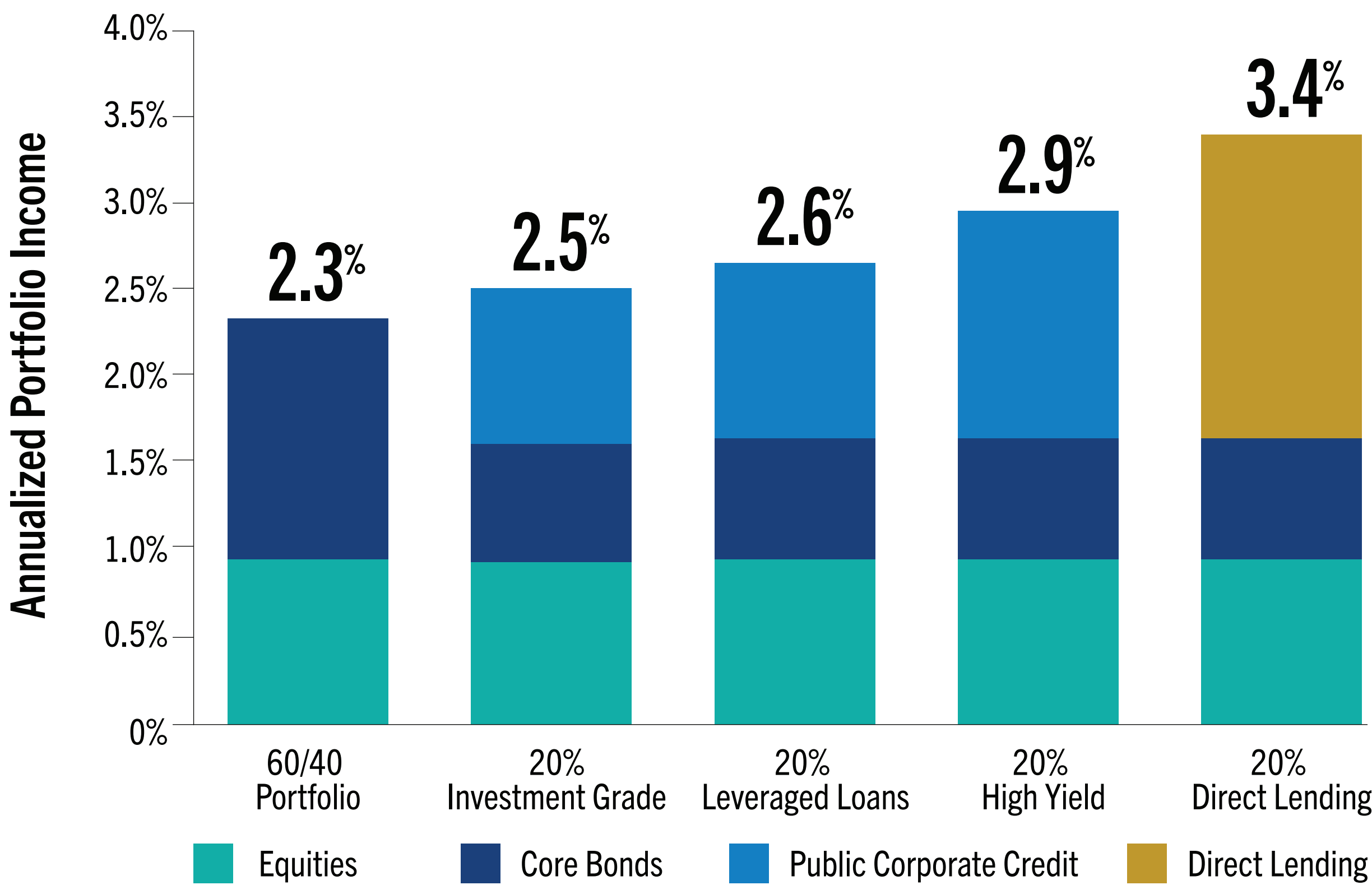
Credit Replacement—Public to Private

Replacing **public** credit exposure with **private** direct lending historically delivered higher net-of-fee total returns, but with lower risk¹



Credit Replacement—Public to Private

Private direct lending has proven more effective than public credit in achieving investors’ yield enhancement goals, substantially increasing annual portfolio income¹



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Footnotes

1. Equities returns are represented by the S&P 500, Core bonds, Investment Grade and High Yield by Bloomberg U.S. Agg, Bloomberg U.S. IG and Bloomberg U.S. HY respectively. Leveraged loans are represented by Morningstar LSTA. DLs are represented by the unlevered CDLI index. Net NAV DL income and total return are reduced by estimated fund-level fees and expenses totaling 193 bps. Stock income/total return are reduced by estimated fees = 42 bps, Agg by 37 bps, IG by 27 bps, HY by 63 bps, Loans by 65 bps. Time period analyzed Q4 2004 (since CDLI inception) to Q2 2024, returns and volatilities presented on an annualized basis. Suggested allocations will vary depending on constraints applied; recommended sourcing is derived from many factors, including relative correlations, volatilities, returns and income for each asset alone and in combination with the other two.