

Focused U.S. Dividend Index



May 2025 Update

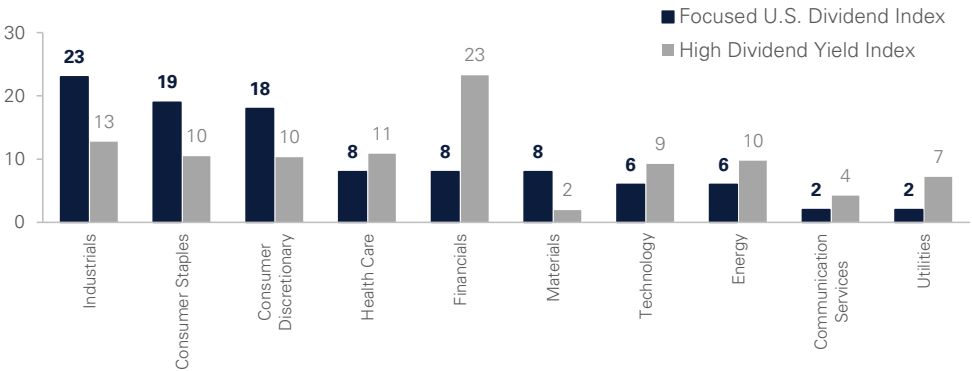
Performance Recap

The Focused U.S. Dividend Index was down -6.2% in April, trailing the Large Cap Value Index by -3%. The dividend yield is currently 3.4% vs the Large Cap Value Index's yield of 1.9%.

Monthly Commentary

- The Focused U.S. Dividend Index outperformed 8 out of 22 trading days in April.
- 23 of the 66 holdings outperformed the benchmark in April.
- Lockheed Martin, Fastenal, and A O Smith were the best performers during the month rising 6.9%, 5.0%, and 4.3%, respectively. Insperity, Matador Resources, and Civitas Resources were the worst performers in April returning -27.1%, -22.6%, and -21.9%, respectively.
- Health Care was the best performing sector in April. Stock selection in Energy weighed down this month's relative performance.
- The quantitative dividend model selected 11 new holdings at the start of May.

Sector Composition vs Dividend Universe (%)

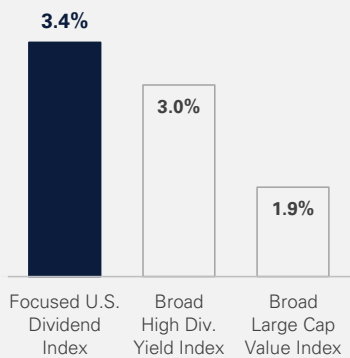


Important Disclosures: Forward Dividend Yields are based on indicated annual dividend which is the estimated amount of total dividends on a share of stock for the next 12-months. The stated yield assumes you hold the current portfolio for 12-months. Past performance does not guarantee future results. You cannot invest directly in an index. The information herein was obtained from sources which we believe to be reliable, but we do not guarantee its accuracy. Neither the information, nor any opinions expressed, constitute a solicitation of the purchase or sale of any securities or related instruments, nor does it constitute a recommendation to buy, sell, or hold that or any other security, nor does it constitute an opinion on the suitability of any security or index. The comments may not be relied upon as recommendations, investment advice or an indication of trading intent. We are not responsible for any losses incurred from any use of this information.

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Forward Dividend Yields



Holdings

Company & Ticker	Sector	Dividend Yield	Index Weight	Company & Ticker	Sector	Dividend Yield	Index Weight
Accenture (ACN)	Tech	2.0%	2.0%	Fedex (FDX)	Industrials	2.6%	1.0%
United Parcel Service (UPS)	Industrials	6.9%	2.0%	California Resources (CRC)	Energy	4.5%	1.0%
Toro (TTC)	Industrials	2.2%	2.0%	Qualcomm (QCOM)	Tech	2.4%	1.0%
Target (TGT)	Cons Stpls	4.6%	2.0%	Cabot Corp (CBT)	Materials	2.2%	1.0%
Best Buy (BBY)	Cons Disc	5.7%	2.0%	Nexstar Media Group (NXST)	Cons Disc	5.0%	1.0%
Robert Half (RHI)	Industrials	5.3%	2.0%	Chord Energy (CHRD)	Energy	5.6%	1.0%
Pepsico (PEP)	Cons Stpls	4.0%	2.0%	Gentex (GNTX)	Cons Disc	2.2%	1.0%
★🏢 UnitedHealth (UNH)	Health Care	2.0%	2.0%	🏢 Warner Music Group (WMG)	Cons Disc	2.4%	1.0%
Merck & Co (MRK)	Health Care	3.8%	2.0%	🏢 Knight-Swift (KNX)	Industrials	1.8%	1.0%
Oshkosh (OSK)	Industrials	2.4%	2.0%	CF Industries (CF)	Materials	2.6%	1.0%
T Rowe Price (TROW)	Financials	5.7%	2.0%	Snap On (SNA)	Industrials	2.7%	1.0%
Avery Dennison (AVY)	Materials	2.2%	2.0%	Johnson & Johnson (JNJ)	Health Care	3.3%	1.0%
Nike (NKE)	Cons Disc	2.8%	2.0%	Rockwell Automation (ROK)	Industrials	2.1%	1.0%
CSX Corp (CSX)	Industrials	1.9%	2.0%	🏢 Amgen (AMGN)	Health Care	3.3%	1.0%
Voya Financial (VOYA)	Financials	3.0%	2.0%	Illinois Tool (ITW)	Industrials	2.5%	1.0%
Insperty (NSP)	Industrials	3.7%	2.0%	Chevron (CVX)	Energy	5.0%	1.0%
A O Smith (AOS)	Industrials	2.0%	2.0%	Skyworks Solutions (SWKS)	Tech	4.4%	1.0%
Brown-Forman (BF.B)	Cons Stpls	2.6%	2.0%	🏢 Procter & Gamble (PG)	Cons Stpls	2.6%	1.0%
Nextera Energy (NEE)	Utilities	3.4%	2.0%	Sysco (SYY)	Cons Disc	3.0%	1.0%
Texas Instrument (TXN)	Tech	3.4%	2.0%	Essent Group Ltd. (ESNT)	Financials	2.2%	1.0%
Lamb Weston (LW)	Cons Stpls	2.8%	2.0%	🏢 Principal Financial (PFG)	Financials	4.1%	1.0%
Comcast (CMCSA)	Comm Svcs	3.9%	2.0%	🏢 Kimberly Clark (KMB)	Cons Stpls	3.8%	1.0%
American Financial (AFG)	Financials	2.5%	2.0%	Home Depot (HD)	Cons Disc	2.6%	1.0%
Dicks Sporting (DKS)	Cons Disc	2.6%	2.0%	Lockheed Martin (LMT)	Industrials	2.8%	1.0%
★🏢 Tractor Supply (TSCO)	Cons Disc	1.8%	2.0%	🏢 Eastman Chemical (EMN)	Materials	4.3%	1.0%
Flowers Foods (FLO)	Cons Stpls	5.5%	2.0%	Genuine Parts (GPC)	Cons Disc	3.5%	1.0%
General Mills (GIS)	Cons Stpls	4.2%	2.0%	Thor Industries (THO)	Cons Disc	2.8%	1.0%
★🏢 Lennar (LEN)	Cons Disc	1.8%	2.0%				
Clorox (CLX)	Cons Stpls	3.4%	2.0%				
Automatic Data (ADP)	Industrials	2.0%	2.0%				
Ppg Industries (PPG)	Materials	2.5%	2.0%				
★🏢 Bristol Myers Squibb (BMY)	Health Care	4.9%	2.0%				
Hershey Foods (HSY)	Cons Stpls	3.3%	2.0%				
Matador Resources (MTDR)	Energy	3.2%	1.0%				
Korn Ferry (KFY)	Industrials	3.1%	1.0%				
Northern Oil and Gas (NOG)	Energy	7.4%	1.0%				
Sylvamo (SLVM)	Materials	3.0%	1.0%				
Constellation Brands (STZ)	Cons Stpls	2.2%	1.0%				
Civitas Resources (CIVI)	Energy	7.3%	1.0%				
LCI Industries (LCII)	Cons Disc	6.0%	1.0%				

Removed Holdings

🏢 LANC, BG, NTAP, MDLZ, ABT, CL, GD, HRL, LYB, FAST

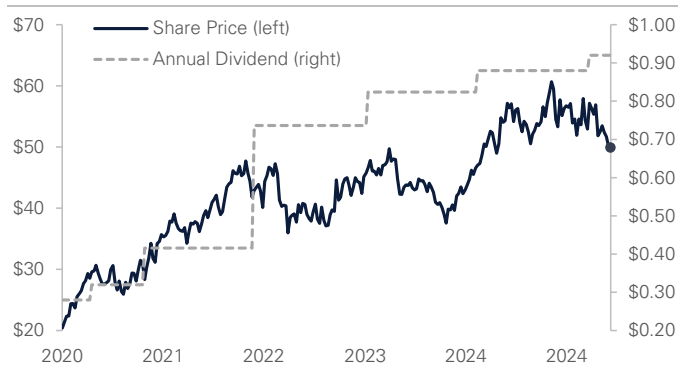
Index Actions	Additional Notes
🏢 Added	Data as of the most recent month end. Dividend Yield: Latest available indicated annual dividend rate . Position Weights: The methodology selects the top 50 companies for each category and equal weights the stocks at 1.0%, with a maximum 35% sector exposure. Companies ranked in the top 50 for both High Yield Dividend Growth and High Yield Dividend Stability receive a position weight of 2.0%. Removed Holdings: Companies removed this month from the portfolio. Rebalanced: Holdings are reconstituted and rebalanced the first business day of every month.
🏢 Removed	
★ Featured	

Featured New Holdings



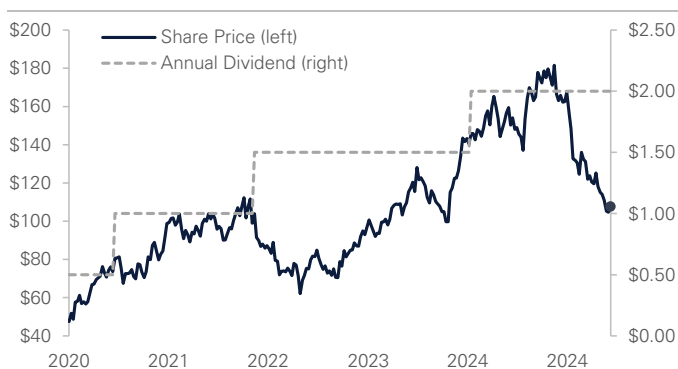
UnitedHealth	Yield	Mkt Cap	NTM P/E
Ticker: UNH	2.04%	\$374.5 B	14.7x

UnitedHealth provides health care coverage, software, and data consultancy services. The UnitedHealthcare segment utilizes Optum's capabilities to help coordinate patient care, improve affordability of medical care, analyze cost trends, manage pharmacy benefits, work with care providers more effectively, and create a simpler consumer experience. The OptumHealth segment provides health and wellness care, serving the broad health care marketplace including payers, care providers, employers, government, life sciences companies, and consumers.



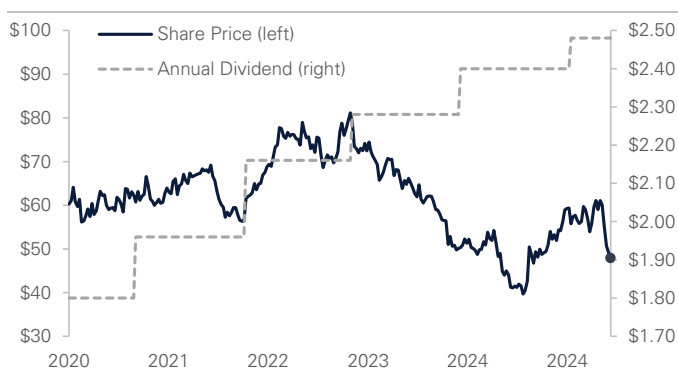
Tractor Supply	Yield	Mkt Cap	NTM P/E
Ticker: TSCO	1.82%	\$26.9 B	23.1x

Tractor Supply operates retail farm and ranch stores and focuses on supplying the lifestyle needs of recreational farmers and ranchers, as well as tradesmen and small businesses. The firm operates the retail stores under the names: Tractor Supply Company, Orscheln Farm & Home, and Petsense. Its product categories include equine, livestock, pet, and small animal, hardware, truck, towing, and tool, heating, lawn and garden items, power equipment, gifts, and toys, recreational clothing and footwear, and maintenance products for agricultural and rural use.



Lennar	Yield	Mkt Cap	NTM P/E
Ticker: LEN	1.84%	\$25.2 B	10.1x

Lennar provides real estate related financial and investment management services. It operates through the following segments: Homebuilding, Financial Services, Multifamily, and Lennar Other. The Homebuilding segment refers to the construction and sale of single-family attached and detached homes and the purchase, development, and sale of residential land directly and through entities. The Financial Services segment focuses on mortgage financing, title, and closing services for buyers. The Multifamily segment is involved in the development, construction, and property management of multifamily rental properties.



Bristol Myers Squibb	Yield	Mkt Cap	NTM P/E
Ticker: BMJ	4.94%	\$102.2 B	7.5x

Bristol Myers Squibb engages in the discovery, development, licensing, manufacture, marketing, distribution, and sale of biopharmaceutical products. It offers small molecules, products produced from biological processes called biologics, and chimeric antigen receptor (CAR-T) cell therapies.

Methodology – The selection of featured new holdings on this page is based on the four highest new weights on the prior page. If chart data is unavailable for a holding, the next new holding will be used.

Quantitative Methodology

- (1) Starting Universe: U.S. Companies greater than \$1 billion in market cap
- (2) Companies with the characteristics listed below are removed from the universe:
 - a. REITs Structured as a Real Estate Investment Trust
 - b. Yield Indicated Annual Dividend Yield Less Than 1.75%
 - c. Liquidity Average Daily Traded Volume Less Than \$25 Million
 - d. Free Float Less Than 40% of Market Capitalization
- (3) Remaining universe is grouped into the two categories listed below:
 - a. High Yield Dividend Growth (Top 50)
 - b. High Yield Dividend Stability (Top 50)
- (4) The methodology selects the top 50 companies for each category and equal weights each at 1.0%, with a maximum 35% sector exposure. Companies ranked in the top 50 for both High Yield Dividend Growth and High Yield Dividend Stability receive a position weight of 2.0%. Note: The number of holdings historically ranges between 60 and 80.
- (5) Holdings are reconstituted and rebalanced the first business day of every month

Strategy Overview

A quantitative dividend strategy focused on systematically generating above average income without sacrificing the potential for upside capital appreciation. The index is rooted in statistics and uses fundamental data and consensus estimates to maximize

Investment Approach

- Owning Quality U.S. Businesses with High Dividend Yields
- Rebalanced Monthly to Harvest

Index Characteristics

- Average # of Holdings: 60 to 80
- Passive, Quantitative Strategy
- Monthly Index Reconstitution
- 35% Maximum Sector Exposure
- Excludes REITs

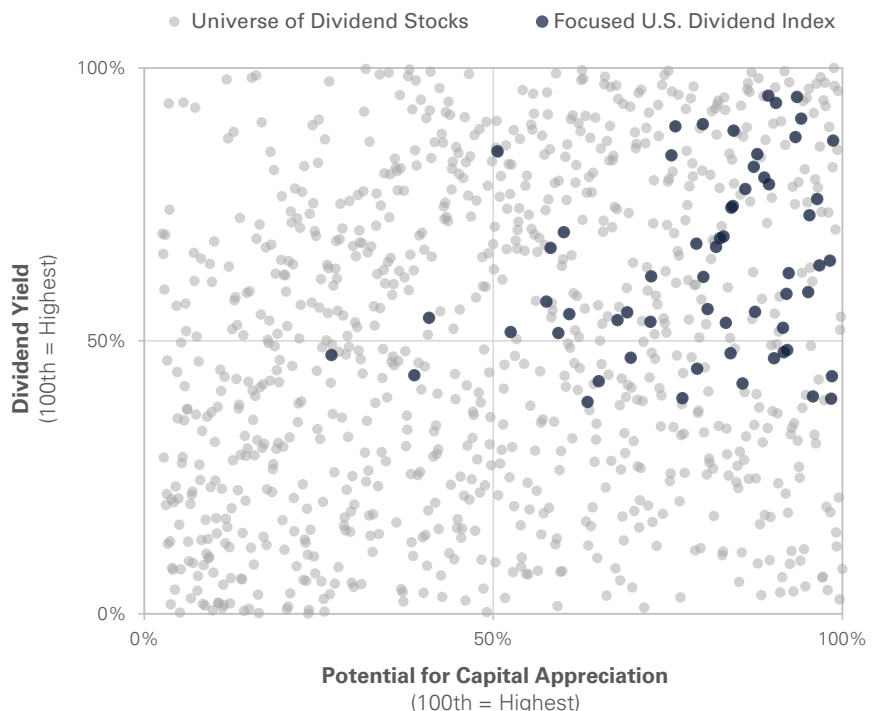
Calculating a Dividend Stock's Potential for Capital Appreciation

How do you quantify the potential for capital appreciation of a stock?

The strategy uses a bottom-up approach in security selection. Initial screens filter companies based on the following criteria: dividend yield, payout ratio, dividend growth, earnings growth, capital structure, and return on equity. The algorithm intakes a tremendous amount of data to project what the dividend yield should be for each stock given the current environment. The universe is then ranked by the confidence level and margin of safety between the current and projected yield.

Where does this strategy fit in a client's portfolio?

We believe index works best as a core portfolio building block. The strategy's combined focus on high income and above-average capital appreciation positions it well across different market environments in our opinion.



For illustrative purposes only.