

Focused U.S. Dividend Index



April 2024 Update

Performance Recap

The Focused U.S. Dividend Index was up +5.5% in March, leading the Large Cap Value Index by +48bps. The dividend yield is currently 3.0% vs the Broad High Dividend Index's yield of 2.8% and the Large Cap Value Index's yield of 1.9%.

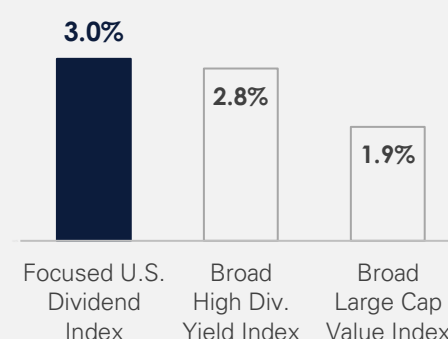
Monthly Commentary

- The Focused U.S. Dividend Index outperformed 10 out of 21 trading days in March.
- 34 of the 63 holdings outperformed the benchmark in March.
- Archer Daniels Midland, Target, and Nextera Energy were the best performers during the month rising 18.3%, 15.9%, and 15.8%, respectively. Abbott, Leggett & Platt, and Mondelez were the worst performers in March returning -4.2%, -4.0%, and -3.6%, respectively.
- Consumer Discretionary was the best performing sector in March with 7 of the 8 holdings leading the sector.
- The quantitative dividend model selected 8 new holdings at the start of April.

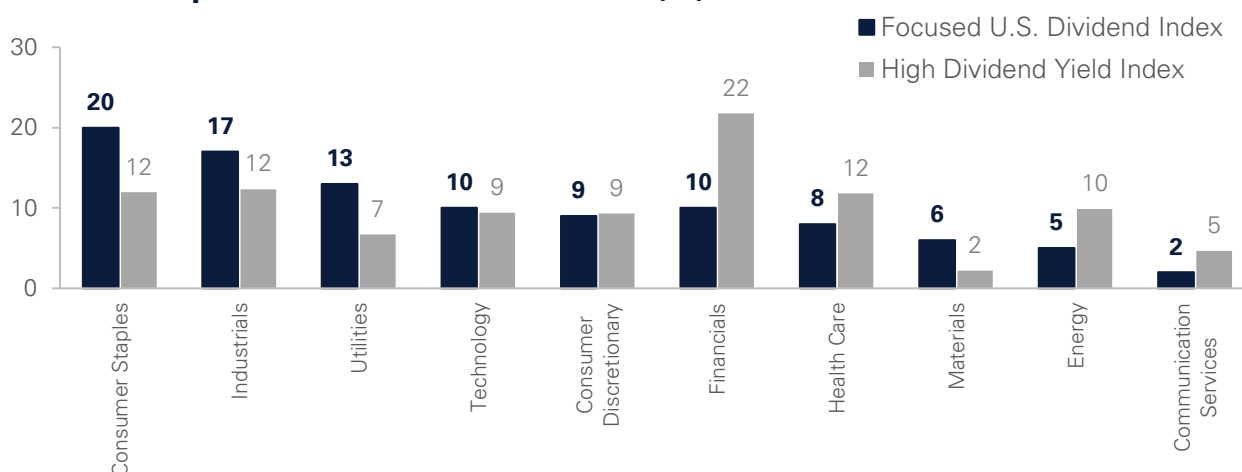
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Indicated Annual Dividend Yields



Sector Composition vs Dividend Universe (%)



Important Disclosures: 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.

Holdings

Company & Ticker	Sector	Dividend Yield	Index Weight	Company & Ticker	Sector	Dividend Yield	Index Weight
Hershey Foods (HSY)	Cons Stpls	2.8%	2.0%	Chesapeake Energy (CHK)	Energy	2.6%	1.0%
Microchip Technology (MCHP)	Tech	2.0%	2.0%	LKQ Corp. (LKQ)	Cons Disc	2.2%	1.0%
Voya Financial (VOYA)	Financials	2.2%	2.0%	Civitas Resources (CIVI)	Energy	2.6%	1.0%
Bristol Myers Squibb (BMY)	Health Care	4.4%	2.0%	Stifel Financial (SF)	Financials	2.1%	1.0%
Robert Half (RHI)	Industrials	2.7%	2.0%	Essent Group Ltd. (ESNT)	Financials	1.9%	1.0%
CH Robinson (CHRW)	Industrials	3.2%	2.0%	Whirlpool (WHR)	Cons Disc	5.9%	1.0%
Automatic Data (ADP)	Industrials	2.2%	2.0%	Conagra Brands (CAG)	Cons Stpls	4.7%	1.0%
United Parcel Service (UPS)	Industrials	4.4%	2.0%	★🛡️ Radian Group (RDN)	Financials	2.9%	1.0%
Best Buy (BBY)	Cons Disc	4.6%	2.0%	★🛡️ TEGNA (TGNA)	Cons Disc	3.0%	1.0%
Texas Instrument (TXN)	Tech	3.0%	2.0%	Xcel Energy (XEL)	Utilities	4.1%	1.0%
Skyworks Solutions (SWKS)	Tech	2.5%	2.0%	Cisco Systems (CSCO)	Tech	3.2%	1.0%
Johnson & Johnson (JNJ)	Health Care	3.0%	2.0%	Polaris (PII)	Cons Disc	2.6%	1.0%
Abbott Laboratories (ABT)	Health Care	1.9%	2.0%	Clorox (CLX)	Cons Stpls	3.1%	1.0%
Kimberly Clark (KMB)	Cons Stpls	3.8%	2.0%	Ameren (AEE)	Utilities	3.6%	1.0%
Air Products/Chemicals (APD)	Materials	2.9%	2.0%	Home Depot (HD)	Cons Disc	2.3%	1.0%
T Rowe Price (TROW)	Financials	4.1%	2.0%	American Water Works (AWK)	Utilities	2.3%	1.0%
Insperty (NSP)	Industrials	2.1%	2.0%	Coca-Cola (KO)	Cons Stpls	3.2%	1.0%
Mondelez Intl. (MDLZ)	Cons Stpls	2.4%	2.0%	🛡️ Entergy (ETR)	Utilities	4.3%	1.0%
Nexstar Media Group (NXST)	Cons Disc	3.9%	2.0%	Cincinnati Financial (CINF)	Financials	2.6%	1.0%
Paychex (PAYX)	Industrials	2.9%	2.0%	Archer Daniels Midland (ADM)	Cons Stpls	3.2%	1.0%
McCormick & Co. (MCK)	Cons Stpls	2.2%	2.0%	Flowers Foods (FLO)	Cons Stpls	3.9%	1.0%
Nextera Energy (NEE)	Utilities	3.2%	2.0%	🛡️ Black Hills (BKH)	Utilities	4.8%	1.0%
Lockheed Martin (LMT)	Industrials	2.8%	2.0%	🛡️ TE Connectivity Ltd. (TEL)	Tech	1.8%	1.0%
Comcast (CMCSA)	Comm Svcs	2.9%	2.0%	🛡️ Honeywell (HON)	Industrials	2.1%	1.0%
Pepsico (PEP)	Cons Stpls	2.9%	2.0%				
Hormel Foods (HRL)	Cons Stpls	3.2%	2.0%				
American Financial (AFG)	Financials	2.1%	2.0%				
Wec Energy Group (WEC)	Utilities	4.1%	2.0%				
Quest Diagnostics (DGX)	Health Care	2.3%	2.0%				
FMC (FMC)	Materials	3.6%	2.0%				
Atmos Energy (ATO)	Utilities	2.7%	2.0%				
ONE Gas (OGS)	Utilities	4.1%	2.0%				
Target (TGT)	Cons Stpls	2.5%	2.0%				
Snap On (SNA)	Industrials	2.5%	2.0%				
★🛡️ Genpact Limited (G)	Tech	1.9%	2.0%				
★🛡️ Mosaic (MOS)	Materials	2.6%	2.0%				
Northern Oil and Gas (NOG)	Energy	4.0%	1.0%				
California Resources (CRC)	Energy	2.3%	1.0%				
Chord Energy (CHRD)	Energy	2.8%	1.0%				
eBay (EBAY)	Cons Stpls	2.0%	1.0%				

Removed Holdings

■ TSCO, BC, WU, OVV, PEG, K, LEG

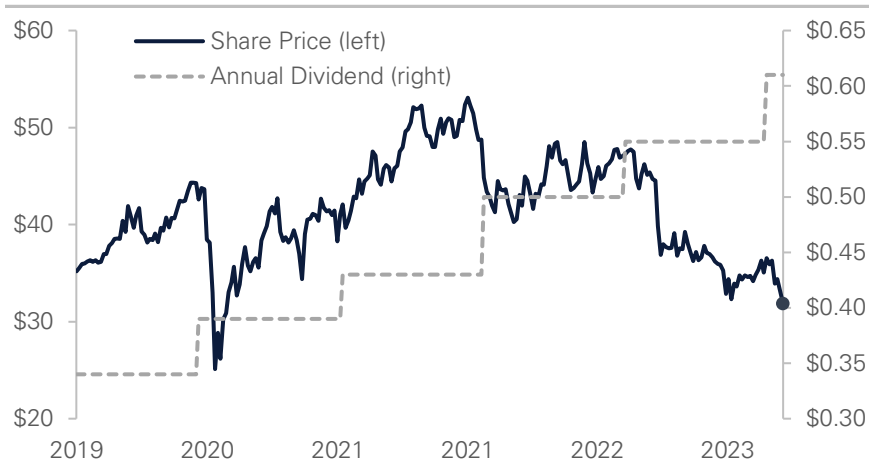
Index Actions

- 🛡️ Added
- Removed
- ★ Featured

Additional Notes

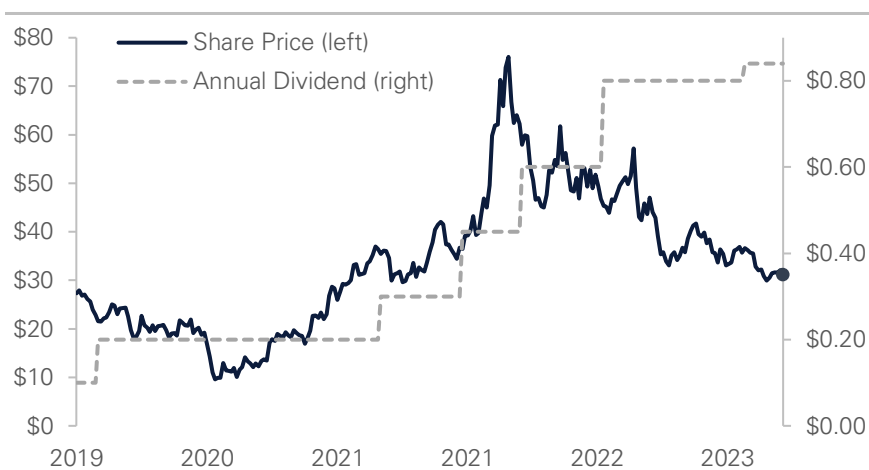
Data as of the most recent month end. **Dividend Yield:** Latest available indicated annual dividend rate. **Position Weights:** The methodology selects the top 50 companies for each category and equal weights the stocks at 1.0%, with a maximum 35% sector exposure. Companies ranked in the top 50 for 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.

Featured New Holdings



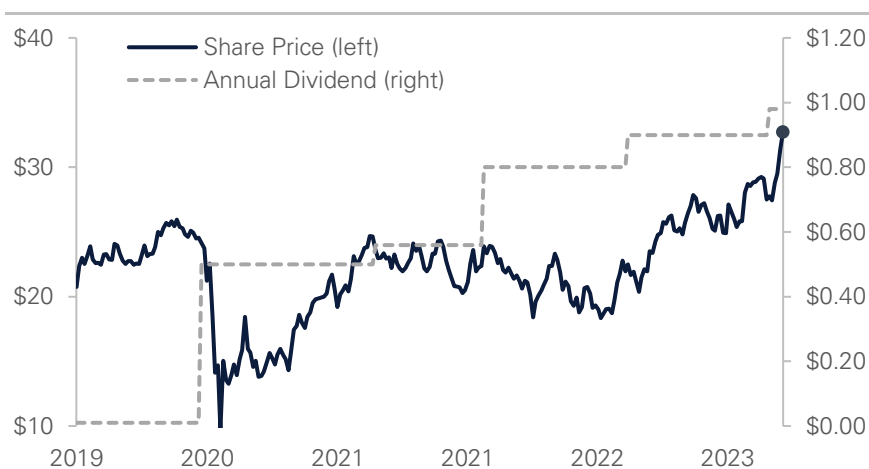
Genpact Limited	Yield	Mkt Cap	NTM P/E
Ticker: G	1.85%	\$6.0 B	10.6x

Genpact engages in the business process management, outsourcing, shared services and information outsourcing. The company operates through the following segments: Banking, Capital Markets and Insurance (BCMI), Consumer Goods, Retail, Life Sciences, and Healthcare (CGRLH) and High Tech, Manufacturing, and Services (HMS). The BCMI segment provides application processing, collections and customer services, equipment and auto loan servicing, mortgage origination and servicing, risk management and compliance services, reporting and monitoring services, wealth management operations support, end-to-end information technology services, application development and maintenance, managed services, financial crimes support, and



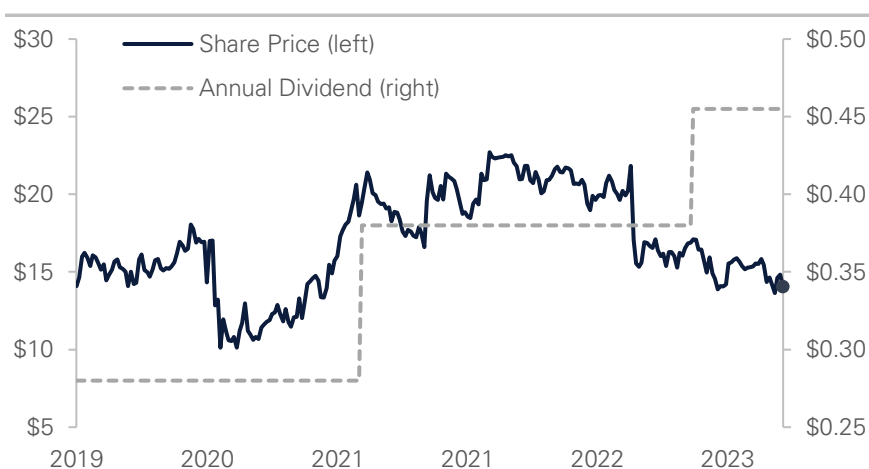
Mosaic	Yield	Mkt Cap	NTM P/E
Ticker: MOS	2.59%	\$10.4 B	10.3x

Mosaic produces and markets concentrated phosphate and potash crop nutrients. It operates through the following segments: Phosphates, Potash, and Mosaic Fertilizantes. The Phosphates segment is involved in the ownership and operation of mines and production facilities which produce concentrated phosphate crop nutrients and phosphate-based animal feed ingredients, and processing plants which produce concentrated phosphate crop nutrients. The Potash segment includes mining, processing, and selling potash. The Mosaic Fertilizantes segment focuses on mines, chemical plants, crop nutrient blending and bagging facilities, port terminals, and warehouses.



Radian Group	Yield	Mkt Cap	NTM P/E
Ticker: RDN	2.93%	\$5.1 B	9.7x

Radian Group provides mortgage insurance, risk management products, and real estate services to financial institutions. It operates through the Mortgage and Homegenius segments. The Mortgage segment is involved in credit-related insurance coverage, as well as other credit risk management solutions to mortgage lending institutions and mortgage credit investors. The Homegenius segment offers an array of products and services to market participants across the real estate value chain.



TEGNA	Yield	Mkt Cap	NTM P/E
Ticker: TGNA	3.05%	\$2.6 B	5.0x

TEGNA is a media company, which serves the greater good of its communities through empowering stories, impactful investigations and innovative marketing services. It also owns multicast networks Justice Network and Quest. The firm also offers marketing solutions to help businesses reach consumers across television, email, social and over-the-top (OTT) platforms, including Premion, TEGNA's OTT advertising service.

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

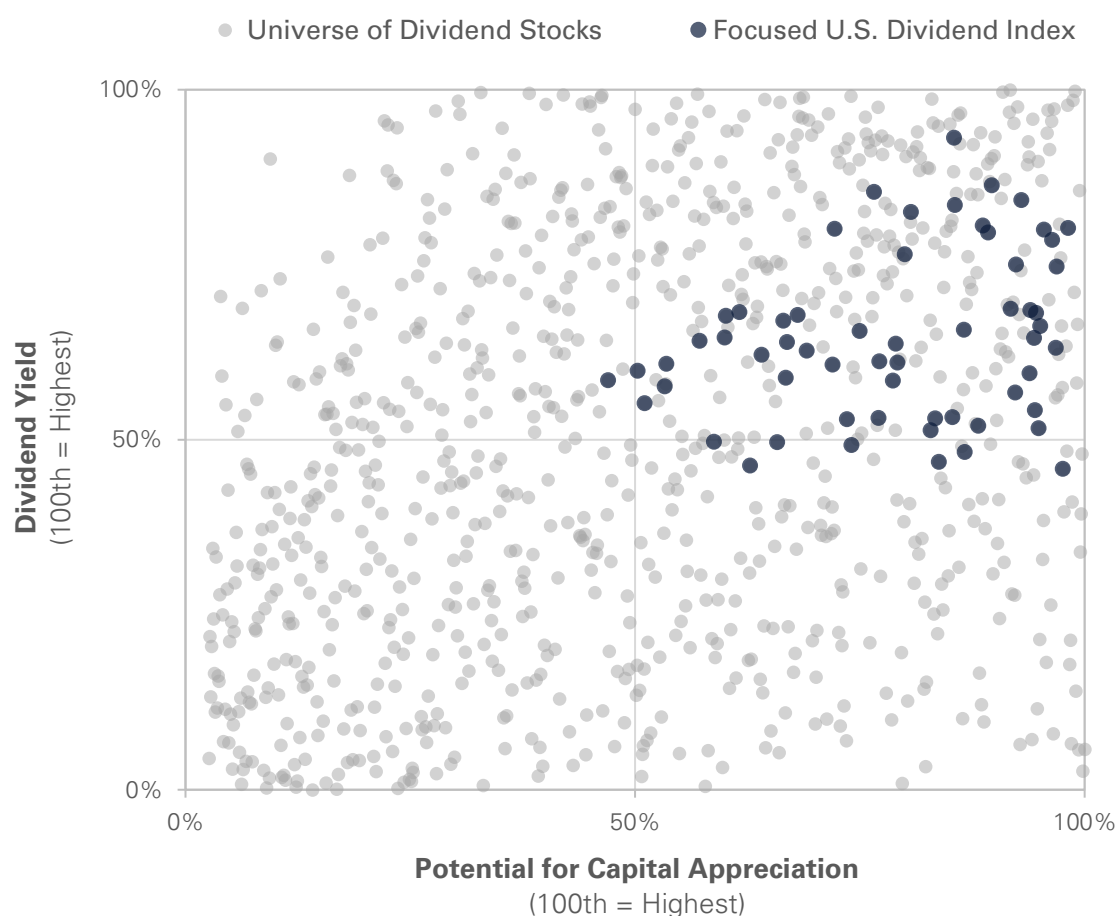
Calculating a Dividend Stock's Potential for Capital Appreciation

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.