

Focused U.S. Dividend Index



March 2025 Update

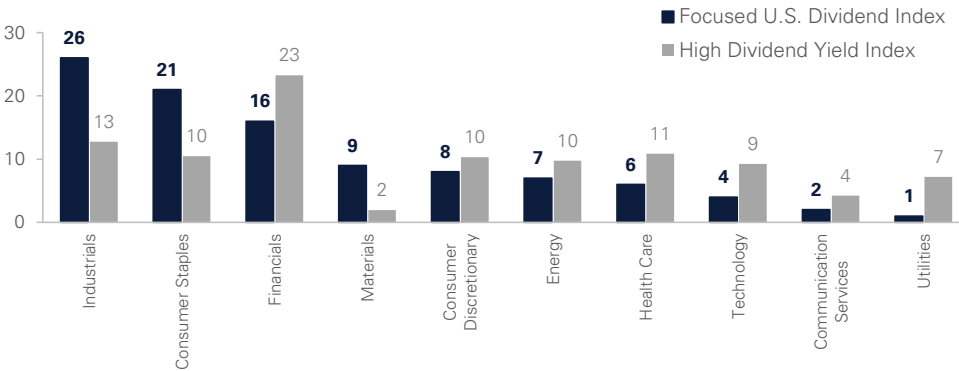
Performance Recap

The Focused U.S. Dividend Index was up +0.8% in February, leading the Large Cap Value Index by +42bps. The dividend yield is currently 3.0% vs the Broad High Dividend Index's yield of 2.6% and the Large Cap Value Index's yield of 1.8%.

Monthly Commentary

- The Focused U.S. Dividend Index outperformed 10 out of 20 trading days in February.
- 37 of the 68 holdings outperformed the benchmark in February.
- Insperty, Hershey Foods, and Abbvie were the best performers during the month rising 17.3%, 16.6%, and 13.7%, respectively. Civitas Resources, Skyworks Solutions, and Kulicke And Soffa Industries were the worst performers in February returning -24.5%, -24.1%, and -13.7%, respectively.
- Consumer Discretionary was the best performing sector in February with 5 of the 6 holdings leading the sector. Stock selection in Energy weighed down this month's relative performance.
- The quantitative dividend model selected 16 new holdings at the start of March.

Sector Composition vs Dividend Universe (%)

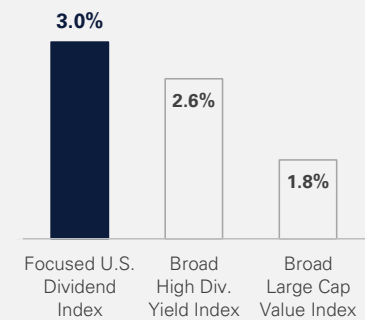


Important Disclosures: Forward Dividend Yields are based on indicated annual dividend which is the estimated amount of total dividends on a share of stock for the next 12-months. The stated yield assumes you hold the current portfolio for 12-months. Past performance does not guarantee future results. 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
American Financial (AFG)	Financials	2.5%	2.0%	Dollar General (DG)	Cons Stpls	3.2%	1.0%
United Parcel Service (UPS)	Industrials	5.5%	2.0%	General Dynamics (GD)	Industrials	2.2%	1.0%
★🏠 UnitedHealth (UNH)	Health Care	1.8%	2.0%	Bunge Global (BG)	Cons Stpls	3.7%	1.0%
Target (TGT)	Cons Stpls	3.6%	2.0%	Fedex (FDX)	Industrials	2.1%	1.0%
Lockheed Martin (LMT)	Industrials	2.9%	2.0%	Everest Re Group (EG)	Financials	2.3%	1.0%
Toro (TTC)	Industrials	1.9%	2.0%	Ovintiv Inc (OVV)	Energy	2.8%	1.0%
Merck & Co (MRK)	Health Care	3.5%	2.0%	🏠 Federated Hermes (FHI)	Financials	3.2%	1.0%
T Rowe Price (TROW)	Financials	4.8%	2.0%	🏠 Hormel Foods (HRL)	Cons Stpls	4.1%	1.0%
Oshkosh (OSK)	Industrials	2.0%	2.0%	🏠 MGIC (MTG)	Financials	2.1%	1.0%
★🏠 Northrop Grumman (NOC)	Industrials	1.8%	2.0%	Sysco (SYY)	Cons Disc	2.7%	1.0%
Lamb Weston (LW)	Cons Stpls	2.9%	2.0%	Nike (NKE)	Cons Disc	2.0%	1.0%
Pepsico (PEP)	Cons Stpls	3.5%	2.0%	Automatic Data (ADP)	Industrials	2.0%	1.0%
A O Smith (AOS)	Industrials	2.0%	2.0%	LCI Industries (LCII)	Cons Disc	4.4%	1.0%
Voya Financial (VOYA)	Financials	2.5%	2.0%	🏠 Cincinnati Financial (CINF)	Financials	2.4%	1.0%
★🏠 Selective Insurance (SIGI)	Financials	1.8%	2.0%	Kimberly Clark (KMB)	Cons Stpls	3.5%	1.0%
Avery Dennison (AVY)	Materials	1.9%	2.0%	Lancaster Colony (LANC)	Cons Stpls	2.0%	1.0%
Essent Group Ltd. (ESNT)	Financials	2.2%	2.0%	🏠 Honeywell (HON)	Industrials	2.1%	1.0%
Robert Half (RHI)	Industrials	4.0%	2.0%	Huntington Ingalls (HII)	Industrials	3.1%	1.0%
Comcast (CMCSA)	Comm Svcs	3.7%	2.0%	🏠 Becton Dickinson (BDX)	Health Care	1.8%	1.0%
Brown-Forman (BF.B)	Cons Stpls	2.7%	2.0%	🏠 CH Robinson (CHRW)	Industrials	2.4%	1.0%
Cabot Corp (CBT)	Materials	2.0%	2.0%	🏠 Nextera Energy (NEE)	Utilities	3.2%	1.0%
Skyworks Solutions (SWKS)	Tech	4.2%	2.0%	Hershey Foods (HSY)	Cons Stpls	3.2%	1.0%
Insperty (NSP)	Industrials	2.7%	2.0%	Lyondellbasell Industries (LYB)	Materials	7.0%	1.0%
Flowers Foods (FLO)	Cons Stpls	5.1%	2.0%	Chevron (CVX)	Energy	4.3%	1.0%
Nexstar Media Group (NXST)	Cons Disc	4.4%	2.0%	Mondelez Intl. (MDLZ)	Cons Stpls	2.9%	1.0%
★🏠 Qualcomm (QCOM)	Tech	2.2%	2.0%	Snap On (SNA)	Industrials	2.5%	1.0%
Constellation Brands (STZ)	Cons Stpls	2.3%	2.0%	Illinois Tool (ITW)	Industrials	2.3%	1.0%
Ppg Industries (PPG)	Materials	2.4%	2.0%	Johnson & Johnson (JNJ)	Health Care	3.0%	1.0%
General Mills (GIS)	Cons Stpls	4.0%	2.0%				
🏠 Principal Financial (PFG)	Financials	3.4%	2.0%				
Fastenal (FAST)	Industrials	2.3%	2.0%				
Genuine Parts (GPC)	Cons Disc	3.3%	2.0%				
🏠 Matador Resources (MTDR)	Energy	2.4%	1.0%				
Civitas Resources (CIVI)	Energy	5.2%	1.0%				
Northern Oil and Gas (NOG)	Energy	5.7%	1.0%				
Sylvamo (SLVM)	Materials	2.5%	1.0%				
Chord Energy (CHRD)	Energy	4.4%	1.0%				
California Resources (CRC)	Energy	3.5%	1.0%				
🏠 CF Industries (CF)	Materials	2.5%	1.0%				
🏠 Gentex (GNTX)	Cons Disc	2.0%	1.0%				

Removed Holdings

🏠 BBY, ASH, TEL, AMGN, MCHP, NXPI, LKQ, ADM, HIG, THG, ABBV, TXN, PAYX, AES, BC, KLIC

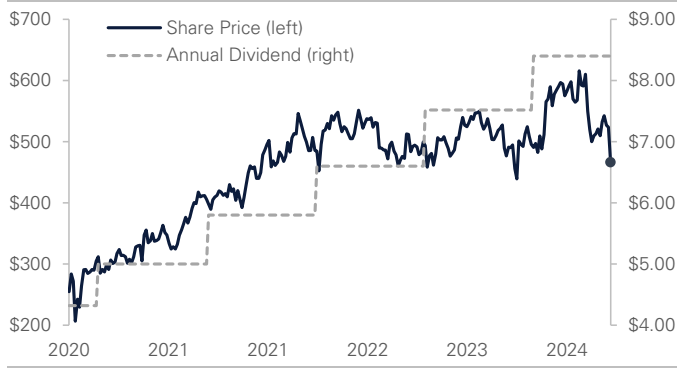
Index Actions

- 🏠 Added
- 🏠 Removed
- ★ Featured

Additional Notes

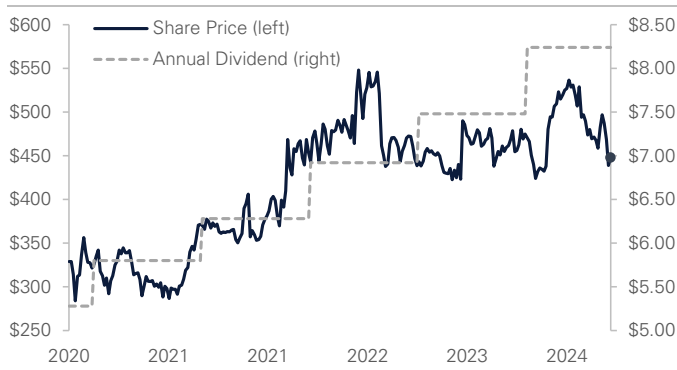
Data as of the most recent month end. **Dividend Yield:** Latest available indicated annual dividend rate. **Position Weights:** The methodology selects the top 50 companies for each category and equal weights the stocks at 1.0%, with a maximum 35% sector exposure. Companies ranked in the top 50 for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



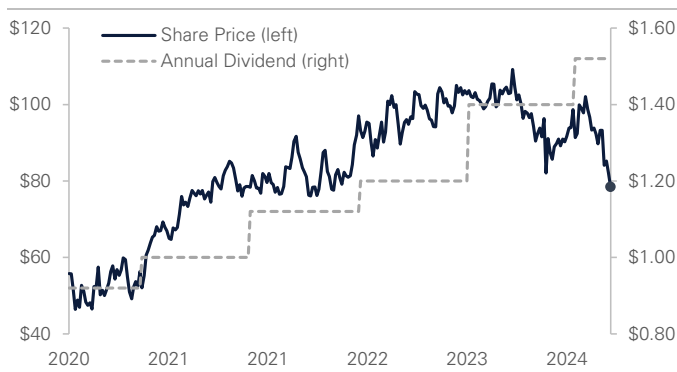
UnitedHealth	Yield	Mkt Cap	NTM P/E
Ticker: UNH	1.77%	\$437.1 B	15.5x

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. The OptumInsight segment focuses on data and analytics, technology, and information to help major participants in the healthcare industry. The OptumRx segment offers pharmacy care services.



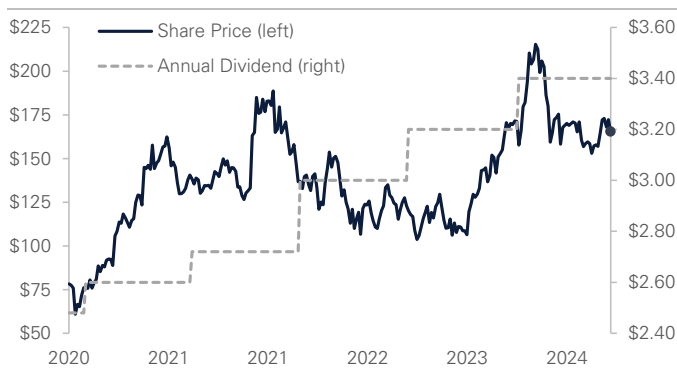
Northrop Grumman	Yield	Mkt Cap	NTM P/E
Ticker: NOC	1.78%	\$66.8 B	16.3x

Northrop Grumman provides advanced aircraft systems. The Aeronautics Systems segment is involved in the development and production of advanced aircraft systems for the U.S. Air Force, the U.S. Navy, other U.S. government agencies, and international customers. The Defense Systems segment includes integrated battle management systems, weapons systems and aircraft, and mission systems sustainment and modernization. The Mission Systems segment offers advanced mission solutions. The Space Systems segment delivers end-to-end mission solutions for space and missile defense.



Selective Insurance	Yield	Mkt Cap	NTM P/E
Ticker: SIGI	1.77%	\$5.2 B	11.1x

Selective Insurance provides property and casualty insurance products. The Standard Commercial Lines segment offers insurance products and services to commercial customers, such as non-profit organizations and local government agencies. The Standard Personal Lines segment consists of insurance products and services, including flood insurance coverage. The E&S Lines segment includes insurance products and services provided to customers who have not obtained coverage in the standard marketplace. The Investments segment refers to premiums collected by various segments and engages in the issuance of debt and equity securities.



Qualcomm	Yield	Mkt Cap	NTM P/E
Ticker: QCOM	2.16%	\$173.8 B	12.9x

QUALCOMM engages in developing and commercializing foundational technologies and products used in mobile devices and other wireless products. The QCT segment develops and supplies integrated circuits and system software based on technologies for use in voice and data communications, networking, application processing, multimedia, and global positioning system products. The QTL segment grants licenses and provides rights to use portions of the firm's intellectual property portfolio. The QSI segment focuses on new opportunities for its technologies and introduction of new products and services.

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

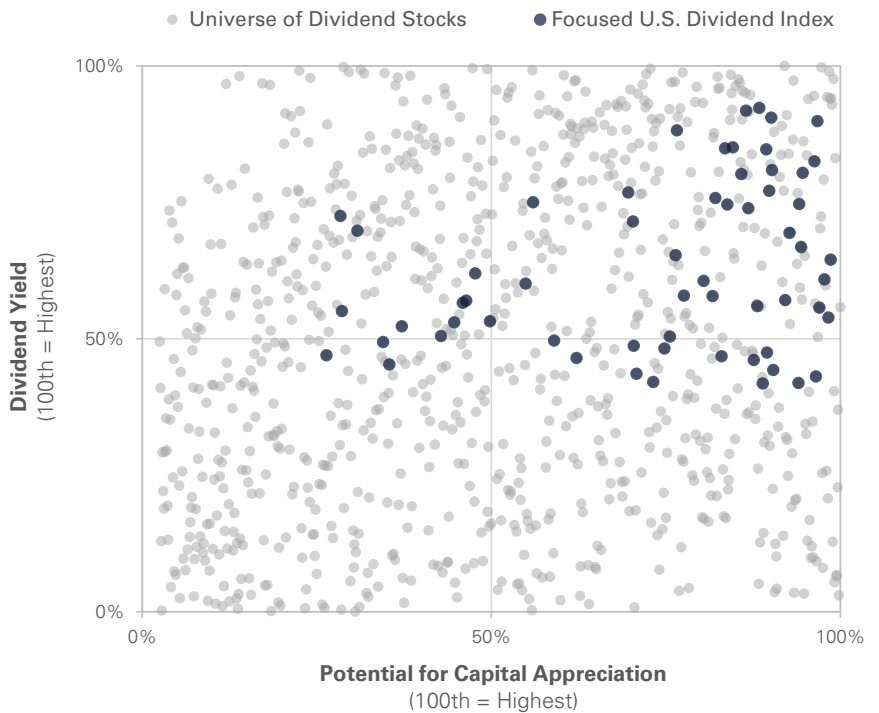
Calculating a Dividend Stock's Potential for Capital Appreciation

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.