

February 2025 Update

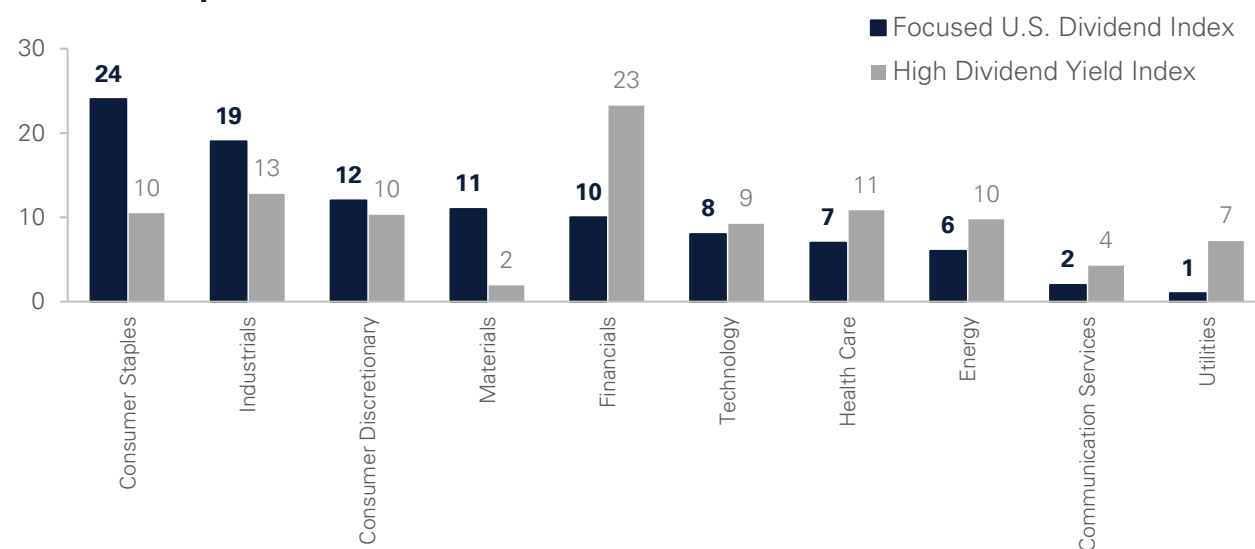
Performance Recap

The Focused U.S. Dividend Index was flat at -0.1% in January, trailing the Large Cap Value Index by -4.7% and the High Dividend Index by -3.9%. The dividend yield is currently 3.2% vs the 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 4 out of 23 trading days in January.
- 14 of the 69 holdings outperformed the benchmark in January.
- Oshkosh, FMC, and Abbott Laboratories were the best performers during the month rising 22.4%, 14.8%, and 13.6%, respectively.
- Constellation Brands, Polaris, and Brown-Forman were the worst performers in January returning -18.2%, -17.2%, and -13.1%, respectively.
- Technology was the best performing sector in January with 4 of the 6 holdings leading the sector. Stock selection in Communication Services weighed down this month's relative performance with CMCSA trailing the sector during the month.
- The quantitative dividend model selected 11 new holdings at the start of February.

Sector Composition vs Dividend Universe (%)

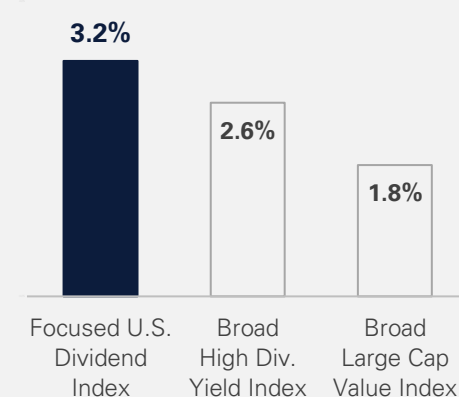


Important Disclosures: Forward Dividend Yields are based on indicated annual dividend which is the estimated amount of total dividends on a share of stock for the next 12-months. The stated yield assumes you hold the current portfolio for 12-months. Past performance does not guarantee future results. 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
Pepsico (PEP)	Cons Stpls	3.6%	2.0%	★🇺🇸 LKQ Corp. (LKQ)	Cons Disc	3.2%	1.0%
Hershey Foods (HSY)	Cons Stpls	3.7%	2.0%	Oshkosh (OSK)	Industrials	1.8%	1.0%
Voya Financial (VOYA)	Financials	2.5%	2.0%	Archer Daniels Midland (ADM)	Cons Stpls	3.9%	1.0%
Lockheed Martin (LMT)	Industrials	2.9%	2.0%	★🇺🇸 General Dynamics (GD)	Industrials	2.2%	1.0%
American Financial (AFG)	Financials	2.3%	2.0%	Hartford Financial (HIG)	Financials	1.9%	1.0%
United Parcel Service (UPS)	Industrials	5.7%	2.0%	Hanover Insurance (THG)	Financials	2.4%	1.0%
Cabot Corp (CBT)	Materials	2.0%	2.0%	★🇺🇸 Abbvie (ABBV)	Health Care	3.6%	1.0%
Brown-Forman (BF.B)	Cons Stpls	2.7%	2.0%	🇺🇸 Fedex (FDX)	Industrials	2.1%	1.0%
Merck & Co (MRK)	Health Care	3.3%	2.0%	Ovintiv Inc (OVV)	Energy	2.8%	1.0%
Dollar General (DG)	Cons Stpls	3.3%	2.0%	California Resources (CRC)	Energy	3.2%	1.0%
Mondelez Intl. (MDLZ)	Cons Stpls	3.2%	2.0%	Texas Instrument (TXN)	Tech	2.9%	1.0%
A O Smith (AOS)	Industrials	2.0%	2.0%	🇺🇸 Fastenal (FAST)	Industrials	2.3%	1.0%
Johnson & Johnson (JNJ)	Health Care	3.3%	2.0%	Constellation Brands (STZ)	Cons Stpls	2.2%	1.0%
Comcast (CMCSA)	Comm Svcs	3.9%	2.0%	Paychex (PAYX)	Industrials	2.7%	1.0%
T Rowe Price (TROW)	Financials	4.2%	2.0%	🇺🇸 Aes (AES)	Utilities	6.4%	1.0%
General Mills (GIS)	Cons Stpls	4.0%	2.0%	Nike (NKE)	Cons Disc	2.1%	1.0%
★🇺🇸 Best Buy (BBY)	Cons Disc	4.4%	2.0%	Robert Half (RHI)	Industrials	3.3%	1.0%
Sysco (SYY)	Cons Disc	2.8%	2.0%	🇺🇸 Lancaster Colony (LANC)	Cons Stpls	2.3%	1.0%
Genuine Parts (GPC)	Cons Disc	3.4%	2.0%	Skyworks Solutions (SWKS)	Tech	3.2%	1.0%
Avery Dennison (AVY)	Materials	1.9%	2.0%	🇺🇸 LCI Industries (LCII)	Cons Disc	4.4%	1.0%
Kimberly Clark (KMB)	Cons Stpls	3.9%	2.0%	Huntington Ingalls (HII)	Industrials	2.7%	1.0%
Target (TGT)	Cons Stpls	3.2%	2.0%	Automatic Data (ADP)	Industrials	2.0%	1.0%
Flowers Foods (FLO)	Cons Stpls	4.9%	2.0%	Illinois Tool (ITW)	Industrials	2.3%	1.0%
Lamb Weston (LW)	Cons Stpls	2.5%	2.0%	Chevron (CVX)	Energy	4.6%	1.0%
Ppg Industries (PPG)	Materials	2.4%	2.0%	Insperty (NSP)	Industrials	3.2%	1.0%
Toro (TTC)	Industrials	1.8%	2.0%	Brunswick (BC)	Cons Disc	2.5%	1.0%
Ashland Global (ASH)	Materials	2.6%	2.0%	🇺🇸 Kulicke And Soffa Industries (KLI)	Tech	1.8%	1.0%
TE Connectivity (TEL)	Tech	1.8%	2.0%	🇺🇸 Snap On (SNA)	Industrials	2.4%	1.0%
Lyondellbasell Industries (LYB)	Materials	7.1%	2.0%				
Amgen (AMGN)	Health Care	3.3%	2.0%				
Nexstar Media Group (NXST)	Cons Disc	4.9%	2.0%				
Microchip Technology (MCHP)	Tech	3.4%	2.0%				
Civitas Resources (CIVI)	Energy	3.9%	1.0%				
Bunge Global (BG)	Cons Stpls	3.6%	1.0%				
Everest Re Group (EG)	Financials	2.3%	1.0%				
Northern Oil and Gas (NOG)	Energy	5.0%	1.0%				
Essent Group Ltd. (ESNT)	Financials	1.9%	1.0%				
NXP Semiconductors (NXPI)	Tech	1.9%	1.0%				
Chord Energy (CHRD)	Energy	4.4%	1.0%				
Sylvamo (SLVM)	Materials	2.2%	1.0%				

Removed Holdings

■ NUE, MTDR, KFY, FMC, MTG, FNF, QCOM, ELV, ABT, HRL, PII, UNP

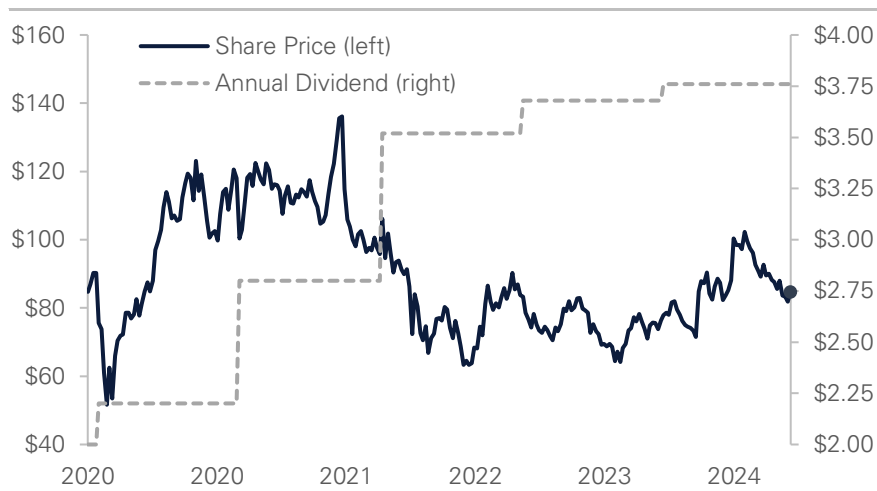
Index Actions

- 🇺🇸 Added
- Removed
- ★ Featured

Additional Notes

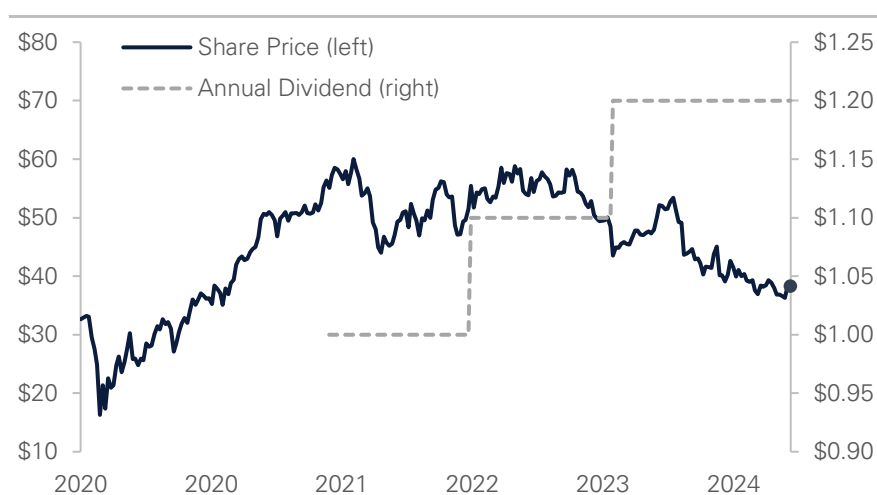
Data as of the most recent month end. **Dividend Yield:** Latest available indicated **annual dividend rate**. **Position Weights:** The methodology selects the top 50 companies for each category and equal weights the stocks at 1.0%, with a maximum 35% sector exposure. Companies ranked in the top 50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



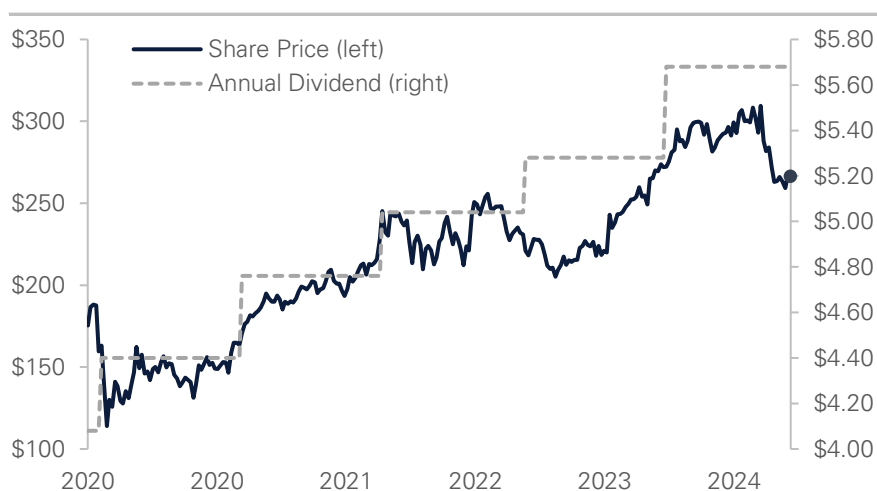
Best Buy	Yield	Mkt Cap	NTM P/E
Ticker: BBY	4.38%	\$18.4 B	13.2x

Best Buy provides consumer technology products and services. The Domestic segment includes operations in all states, districts, and territories of the U.S., operating under various brand names, including Best Buy, Best Buy Mobile, Geek Squad, Magnolia Audio Video, Napster, and Pacific Sales. The International segment is made up of all operations outside the U.S. and its territories, including Canada, Europe, China, Mexico, and Turkey. It also markets its products under the brand names: Best Buy, bestbuy.com, Best Buy Direct, Best Buy Express, Best Buy Mobile, Geek Squad, GreatCall, Magnolia and Pacific Kitchen and Home.



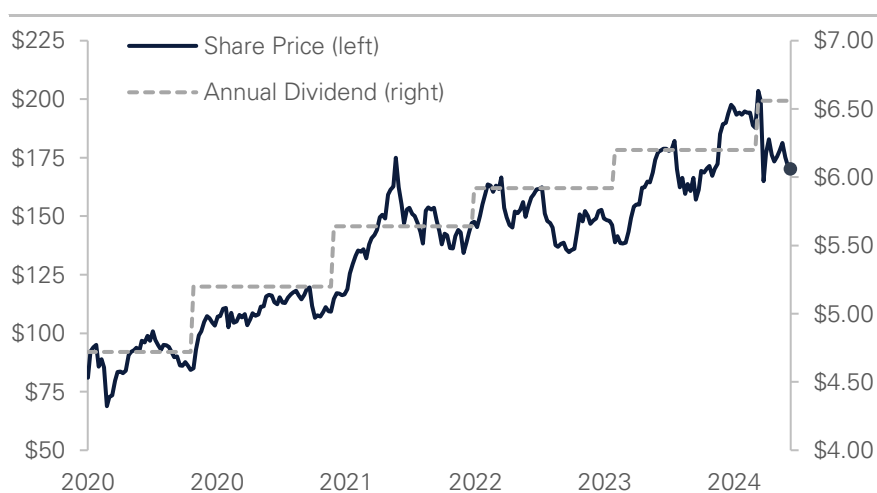
LKQ Corp.	Yield	Mkt Cap	NTM P/E
Ticker: LKQ	3.21%	\$9.7 B	10.3x

LKQ Corp. is a distributor of vehicle products and its parts to repair, maintain, and accessorize automobiles. It operates through the following segments: Wholesale-North America, Europe, and Specialty. The Wholesale-North America segment includes Glass and Self-Service segments.



General Dynamics	Yield	Mkt Cap	NTM P/E
Ticker: GD	2.21%	\$70.7 B	16.7x

General Dynamics is a global aerospace and defense company, which engages in design, engineering, and manufacturing to deliver solutions. The Aerospace segment includes the production of business jets, technology aircraft, repair, support and completion services. The Marine Systems segment involves the design and building of nuclear-powered submarines, surface combatant, and auxiliary ship design and construction. The Combat Systems segment focuses on manufacturing and integrating land combat solutions, wheeled and tracked combat vehicles, weapons systems and munitions. The Technologies segment consists of services, technologies, and products for electronic hardware with its software.



AbbVie	Yield	Mkt Cap	NTM P/E
Ticker: ABBV	3.57%	\$325.0 B	14.3x

AbbVie is a research-based biopharmaceutical company, which engages in the development and sale of pharmaceutical products. It focuses on treating conditions such as chronic autoimmune diseases in rheumatology, gastroenterology, and dermatology, oncology, including blood cancers, virology, hepatitis C virus (HCV) and human immunodeficiency virus (HIV), neurological disorders, such as Parkinson's, metabolic, comprising thyroid disease and complications associated with cystic fibrosis, pain associated with endometriosis, and other serious health conditions.

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 objectivity in security selection.

Investment Approach

- Owning Quality U.S. Businesses with High Dividend Yields
- Rebalanced Monthly to Harvest Market Inefficiencies & Opportunities

Index Characteristics

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

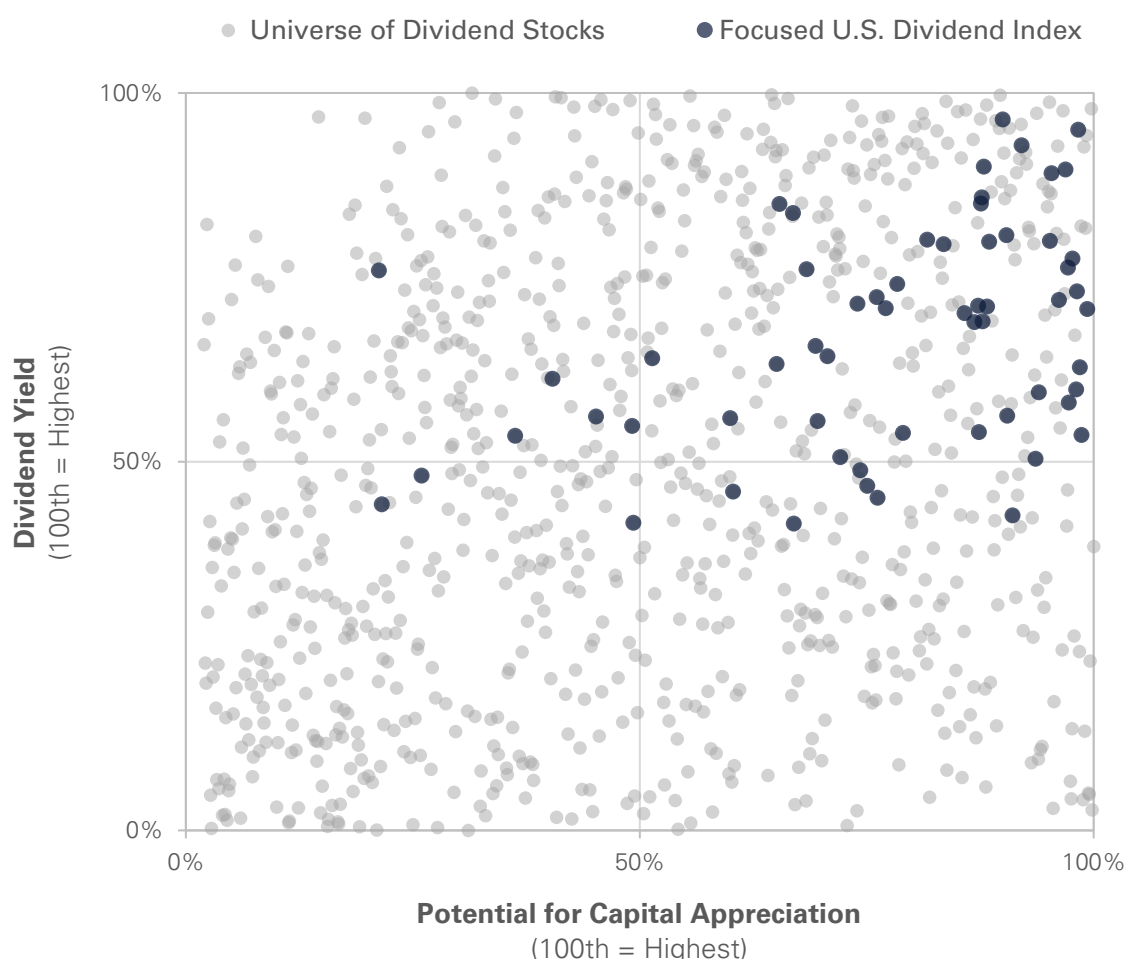
Calculating a Dividend Stock's Potential for Capital Appreciation

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.