



# EQUITY DIVIDEND PLUS STRATEGY

## STRATEGY OVERVIEW

The Equity Dividend Plus Strategy is an income oriented strategy that invests in companies paying above-average dividends that we believe have the required financial strength to sustain and increase dividend payouts over time. The Strategy aims to achieve an overall portfolio yield consistent with, or in excess of, the yield of the benchmark.

- ▶ **Style:** All Cap, Income Oriented
- ▶ **Approach:** Active; Bottom Up
- ▶ **Benchmark:** S&P 500 Index
- ▶ **Inception:** 11/1/2003
- ▶ **Strategy Assets:** \$1,257 MM

## STRATEGY HIGHLIGHTS

- ▶ **Income Oriented:** Focus on dividend paying stocks to produce a portfolio with both dividend growth and above-benchmark yield characteristics
- ▶ **All-Cap Approach:** Seek opportunities among dividend payers across market cap spectrum
- ▶ **Research Intensive:** Emphasize financial strength of companies and their ability to sustain and grow current dividend payout

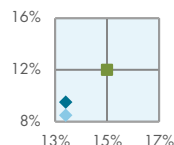
## PORTFOLIO MANAGEMENT TEAM

**Aaron C. Clark, CFA** | 13 Domestic Equity Investment Professionals  
**Daniel L. Miller, CFA** | 24 Average Years Experience

PORTFOLIO CHARACTERISTICS		
	Strategy	Index
Return on Assets	11.7%	11.8%
Return on Equity	29.5%	24.1%
Return on Total Capital	21.9%	23.5%
LT Debt/Capital	49.6%	42.5%
Dividend Yield	3.2%	1.6%
Historical 3 Yr. Sales Growth	12.8%	14.5%
Historical 3 Yr. EPS Growth	15.0%	20.8%
Historical 5 Yr. EPS Volatility	19.8%	23.1%
Estimated PE (FY1)	20.0x	23.1x
Wtd. Avg. Market Cap (\$MM)	\$284,079	\$631,035
Trailing 12-Month Turnover	27.8%	-
Number of Holdings	39	503

MARKET CAP ANALYSIS		
	Strategy	Index
< \$5 Billion	9.0%	0.1%
\$5 - \$25 Billion	21.6%	9.1%
> \$25 Billion	69.4%	90.9%

PERFORMANCE ANALYSIS				
10-Year Risk / Return			10-Year Market Capture Ratios	
	Risk	Return	Upside	Downside
Strategy – Gross	13.0%	9.3%	Strategy – Gross	77.6% 81.7%
Index	14.9%	11.9%	Index	100.0% 100.0%
Strategy – Net	13.0%	8.2%	Strategy – Net	74.9% 83.7%

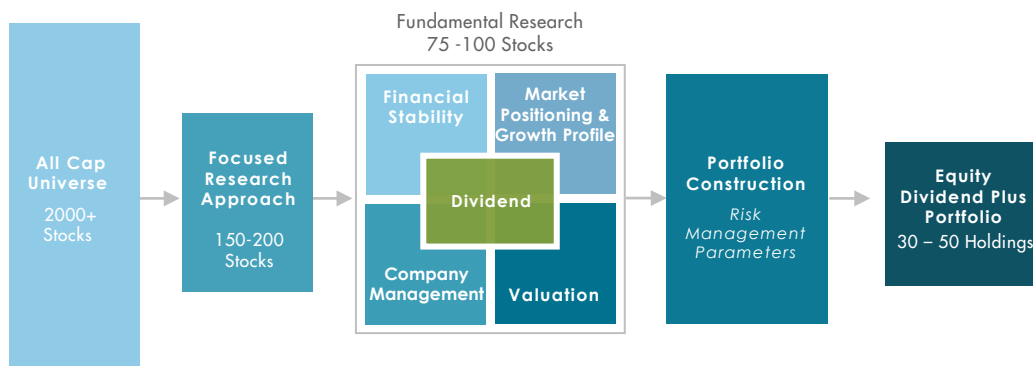


TOP TEN HOLDINGS		
	% of Portfolio	Sector
Microsoft Corporation	7.4%	Information Technology
Broadcom Limited	4.6%	Information Technology
Watsco, Inc.	4.0%	Industrials
AbbVie, Inc.	3.9%	Health Care
Canadian Natural Resources Ltd.	3.8%	Energy
Philip Morris International, Inc.	3.5%	Consumer Staples
Broadridge Financial Solutions, Inc.	3.4%	Industrials
Paychex, Inc.	3.3%	Industrials
UnitedHealth Group, Inc.	3.2%	Health Care
Restaurant Brands International, Inc.	3.0%	Consumer Discretionary

SECTOR DISTRIBUTION		
	Strategy	Index
Industrials	18.4%	8.3%
Information Technology	17.2%	27.5%
Financials	13.9%	12.8%
Health Care	13.3%	13.4%
Consumer Staples	9.1%	6.6%
Energy	7.6%	4.7%
Consumer Discretionary	7.2%	10.7%
Real Estate	5.6%	2.4%
Materials	2.9%	2.4%
Utilities	2.9%	2.4%
Communication Services	0.0%	8.9%
Cash	2.0%	0.0%

Past performance is no guarantee of future results. There is a risk that invested capital may be lost. Source: Factset. Risk/return is based on historical monthly composite returns. Market capture is based on historical quarterly returns. Holdings are based on a representative account. There is no guarantee the holdings from the representative account will form part of any future implementation of the Strategy, and should not be considered a recommendation to purchase or sell any security. Please refer to page 2 for GW&K's Disclosure Statement, which is an integral part of our presentation, for an explanation of our composite criteria, calculations and index descriptions. All data as of 9/30/2023

## INVESTMENT PROCESS



## FUNDAMENTAL RESEARCH

- Dividend**
  - Companies that deliver consistent dividend yield and growth
- Financial Stability**
  - Stable or improving financial metrics
- Market Positioning & Growth Profile**
  - Companies in attractive markets delivering consistent growth
- Valuation**
  - Attractive valuation metrics in relation to industry, peers and own company history
  - Avoid companies with unsustainable payout ratios
- Company Management**
  - Experienced, tenured, high-quality management



## EQUITY DIVIDEND PLUS STRATEGY

## ANNUALIZED RETURNS

Period Ending 9/30/2023

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
GW&K Equity Dividend Plus Composite – Gross	-3.77%	1.19%	8.66%	9.04%	7.42%	9.27%
S&P 500 Index	-3.27%	13.07%	21.62%	10.15%	9.92%	11.91%
GW&K Equity Dividend Plus Composite – Net	-4.01%	0.44%	7.59%	7.96%	6.36%	8.20%

Returns less than one year are not annualized.

## CALENDAR YEAR RETURNS

Inception Date 11/1/2003

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
GW&K Equity Dividend Plus Composite – Gross	-7.15%	26.20%	6.52%	26.05%	-5.80%	12.71%	18.50%	0.87%	12.89%	22.99%
S&P 500 Index	-18.11%	28.71%	18.40%	31.49%	-4.38%	21.83%	11.96%	1.38%	13.69%	32.39%
GW&K Equity Dividend Plus Composite – Net	-8.08%	24.98%	5.47%	24.82%	-6.74%	11.60%	17.34%	-0.13%	11.79%	21.79%

Source: FactSet

Past performance is no guarantee of future results. There is a risk that invested capital may be lost. Net of fee performance based on highest fee. All data as of date noted and is subject to change.

## PERFORMANCE DISCLOSURE

Past performance is no guarantee of future results. There is a risk that invested capital may be lost.

The composite performance results displayed herein represent the investment performance record of GW&K Investment Management, LLC. GW&K is an SEC-registered investment management firm that offers active equity and fixed income investment solutions. Founded in 1974, GW&K is an independent and autonomous investment management firm that is an affiliate of Affiliated Managers Group, Inc. (NYSE: AMG), a publicly traded global asset management company. On February 1, 2019 the investment team of Trilogy Global Advisors, LP (TGA), an AMG Affiliate located in Winter Park, FL and New York City joined GW&K Investment Management. Effective March 30, 2015, the legal name of the firm was changed from Gannett Welsh & Kotler, LLC to GW&K Investment Management, LLC.

GW&K claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. GW&K has been independently verified for the periods January 1, 1995 through December 31, 2021. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

The Equity Dividend Plus Strategy is an income oriented strategy that invests in companies paying above-average dividends that we believe have the required financial strength to sustain and increase dividend payouts over time. The Strategy aims to achieve an overall portfolio yield consistent with, or in excess of, the yield of the benchmark. The Equity Dividend Plus Composite (composite) includes all portfolios invested in the Equity Dividend Plus Strategy with a minimum market value of \$250,000. The composite was created on September 30, 2004. On July 1, 2016, the composite was redefined to exclude portfolios with directed brokerage arrangements that do not pay explicit trading costs. These accounts were removed from the composite because their trading processes more closely resemble the trading processes of wrap portfolios. The Equity Dividend Plus segments of multi-asset portfolios are included in the composite. Each segment of multi-asset portfolios is managed with its own cash account. Accounts are included in the composite after one full month under management. Closed accounts are included through the last full month under management. Inception date is November 1, 2003.

All results reflect the reinvestment of dividends and income, and factor in commission costs. Performance is expressed in US dollars. Composite portfolio income may be net or gross of withholding tax depending on the accounting methodology of the custodian bank. The performance results presented may not equal the rate of return experienced by any particular GW&K portfolio due to various reasons, including differences in brokerage commissions, fees, client contributions or withdrawals, position size in relation to account size, diversification among securities and

market conditions. Additional information regarding the policies for valuing investments, calculating performance, and preparing GIPS reports, as well as a complete list and description of the firm's composites and pooled funds is available upon request by contacting info@gwkinvest.com.

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. Gross returns are used for the composite calculation. The standard deviation measure is presented annually, for periods where 36 monthly returns are available.

The firm uses an asset-weighted standard deviation calculation to measure dispersion, which is reported on a yearly basis. Dispersion is used to measure the volatility of gross portfolio returns within the composite. Only portfolios that have been included in the composite for the full year are included in the dispersion calculation. Where dispersion is listed as N/A, the information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

To account for advisory fees, net performance results reflect the deduction of the maximum fee (1.00% annually, applied monthly) GW&K Investment Management would charge for managing portfolios in this Strategy. Client fees may vary.

The performance shown is compared to the S&P 500 Index. The S&P 500 Index is a capitalization-weighted index designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Indexes are not subject to fees and expenses typically associated with managed accounts or investment funds. Investments cannot be made directly in an index. Index data has been obtained from third-party data providers that GW&K believes to be reliable, but GW&K does not guarantee its accuracy, completeness or timeliness. Third-party data providers make no warranties or representations relating to the accuracy, completeness or timeliness of the data they provide and are not liable for any damages relating to this data. The third-party data may not be further redistributed or used without the relevant third-party's consent. Sources for index data include Bloomberg, FactSet, ICE, FTSE Russell, MSCI, and Standard & Poor's.

Investing in securities or investment strategies, including GW&K's Investment Strategies presented in this document, involves risk of loss that clients should be prepared to bear. No investment process is free of risk; no strategy or risk management technique can guarantee returns or eliminate risk in any market environment. There is no guarantee that GW&K's investment processes will be profitable, and you therefore may lose money. The value of investments, as well as any investment income, is not guaranteed and can fluctuate based on market conditions. Diversification does not assure a profit or protect against loss. GW&K's active management styles include equity and fixed income strategies that are subject to various risks, including those described in GW&K's Form ADV Part 2A, Item 8. GW&K's Form ADV Part 2A may be found at the SEC's website under Firm 121942, or is available from GW&K upon request.

## 3-YEAR STANDARD DEVIATION

Year	GW&K Equity Dividend Plus Composite (%)	S&P 500 Index (%)
2022	18.76	20.87
2021	15.30	17.17
2020	15.62	18.53
2019	9.41	11.93
2018	9.40	10.80
2017	8.44	9.92
2016	9.35	10.59
2015	9.89	10.47
2014	8.43	8.97
2013	9.69	11.94

## COMPOSITE STATISTICS

Year	Number of Portfolios	Internal Dispersion (%)	Total Composite Assets (\$000s)	Total Firm Assets (\$000s)
2022	513	0.20	\$598,908	\$46,803,858
2021	610	0.21	\$814,277	\$54,720,660
2020	575	0.45	\$664,435	\$51,431,909
2019	491	0.22	\$543,800	\$42,154,892
2018	465	0.13	\$386,421	\$34,395,747
2017	574	0.10	\$595,081	\$36,503,378
2016	505	0.19	\$525,886	\$32,193,721
2015	421	0.16	\$433,387	\$26,646,814
2014	402	0.20	\$415,092	\$22,823,427
2013	387	0.30	\$375,548	\$18,994,569