

DEARBORN PARTNERS

Another Dearborn Partners Core Rising and High & Rising Dividend SMA Portfolio Increase: American Water Works Co.

On May 1, 2024, American Water Works Co. announced an 8.1% increase in its quarterly dividend per share to \$0.765 (\$3.06 annually) from \$0.7075 (\$2.83 annually). The cash dividend will be paid on June 3, 2024 to holders of record as of May 14, 2024. This is the 15th consecutive annual increase in the dividend paid by American Water Works Co.

From the press release:

"American Water continues to be an industry leader in dividend growth, which is a result of our successful execution of key strategic initiatives," said M. Susan Hardwick, President and Chief Executive Officer, American Water. "We recognize the value of our dividend and the role it plays in delivering exceptional shareholder value."

The company expects to continue its dividend growth within a 7 to 9 percent range over the long term, with a target dividend payout ratio of between 55 and 60 percent of earnings.

American Water (NYSE: AWK) is the largest regulated water and wastewater utility company in the United States. With a history dating back to 1886, We Keep Life Flowing^(R) by providing safe, clean, reliable and affordable drinking water and wastewater services to more than 14 million people with regulated operations in 14 states and on 18 military installations. American Water's 6,500 talented professionals leverage their significant expertise and the company's national size and scale to achieve excellent outcomes for the benefit of customers, employees, investors and other stakeholders.

American Water Works Co. is in the Utilities sector of both of our Dearborn Partners Rising Dividend separately managed account (SMA) portfolios. So far this year, 17 of 49 companies in our Core Rising Dividend portfolio have announced 17 dividend increases averaging about 7.3% more than these companies paid a year earlier. In our High & Rising Dividend Portfolio, 13 of 25 companies have announced 13 dividend increases averaging about 5.4% more than these companies paid a year earlier. No companies in these portfolios have reduced or suspended dividends so far this year.

Thank you for your continued interest in our Dearborn Partners Rising Dividend Strategy.

This dividend increase announcement is not a complete description of, nor a recommendation to invest in, any investment strategy (the "Strategy") mentioned herein. It is for informational purposes only and does not constitute an offer to sell nor a solicitation to buy, is not a recommendation regarding any securities transaction, nor is it an offer to provide advisory or other services by Dearborn Partners, L.L.C. The information contained in this writing should not be construed as financial or investment advice on any subject matter. Past performance is no guarantee of future results. There is no assurance the Strategy will be profitable, achieve its objectives, be suitable for you, or not incur losses. Some of the information herein has been obtained from third party sources. We believe such information is reliable but we have not in each case verified its accuracy or completeness. Any opinions herein are as of the date of this report and are subject to change without notice. Dividends are not guaranteed and must be authorized by the company's board of directors. There is no assurance that any Rising Dividend portfolio company will

DEARBORN PARTNERS

increase its dividend, or not reduce its dividend, or not have a significant decrease in its stock price. Dividend yield is one component of performance and should not be the only consideration for investment. Dearborn Partners L.L.C. is an investment adviser registered under the Investment Advisers Act of 1940, as amended. Registration does not imply a certain level of skill or training. For a complete list of all Dearborn Rising Dividend holdings that in the past year - increased their dividends, had no dividend increases, or had a dividend decrease, please contact the Dearborn Rising Dividend Team at RD@dearbornpartners.com. It should not be assumed that portfolio trades made in the future will be profitable, or will increase their dividends, or will equal the performance of the securities in this announcement.