

## PORTFOLIO STRATEGY

Dearborn Partners' High & Rising Dividend Separately Managed Account (SMA) invests in a diversified set of companies with consistently rising dividends that offer a potential yield greater than the S&P 500. Companies selected offer the potential for mid-single digit annual dividend growth over the long term. The combination of this attractive current yield plus potential regular dividend increases offers investors a portfolio that we believe will perform well in both rising and falling markets.

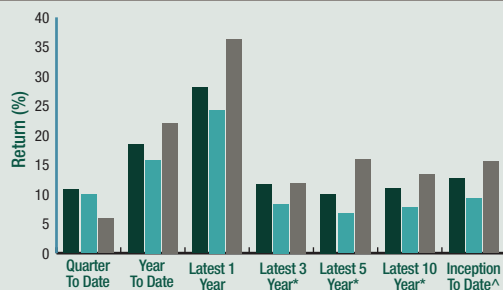
## INVESTMENT PHILOSOPHY

- ▶ Growth of dividend income
- ▶ Disciplined stock selection
- ▶ Participate in the long-term wealth-building potential of investing in great businesses
- ▶ Relatively low turnover
- ▶ Long-term investment time horizon (5+ years)

## PORTFOLIO COMPANY CHARACTERISTICS

- ▶ Solid financial condition with very strong balance sheets
- ▶ Investment-grade debt (if company has debt)
- ▶ Dividends well covered by cash flow and earnings
- ▶ Operations in generally defensive businesses
- ▶ The potential to raise dividends consistently year after year

## RETURNS



## RETURNS (%)

	Quarter To Date	Year To Date	Latest 1 Year	Latest 3 Year*	Latest 5 Year*	Latest 10 Year*	Inception To Date^
■ High & Rising Dividend (Pure Gross)	10.78%	18.44%	28.06%	11.63%	10.03%	11.04%	12.61%
■ High & Rising Dividend (Net)	9.96%	15.81%	24.28%	8.33%	6.78%	7.76%	9.28%
■ S&P 500 TR	5.89%	22.08%	36.35%	11.91%	15.98%	13.38%	15.53%

\*Average annualized return

^Inception date: 9/30/2011

## CHARACTERISTICS

Dividend Yield (%)	2.9
P/E (Next Four Quarters) (X)	21.4
Est. 3-5 yr. EPS Growth (%)	12.0
P/E to Growth Ratio (X)	1.8
ROE (%)	25.7
LT Debt/Cap (%)	50.4
Beta - 5 Year	0.80
Standard Deviation 5Y - Portfolio (%)	15.8
Standard Deviation 5Y - S&P 500 (%)	18.0
Turnover - 5 Year Annualized (%)	11.2

## TOP TEN HOLDINGS (% PORTFOLIO)

Republic Services Inc	5.6%	Mid-America Apt Communities Inc	4.6%
Watsco, Inc.	5.6%	Home Depot Inc	4.5%
Ares Management Corporation	5.3%	WEC Energy Group Inc	4.3%
Automatic Data Processing	5.0%	Qualcomm Inc.	4.3%
Oneok, Inc.	4.7%	Exxon Mobil Corp	4.2%
<b>Total</b>		<b>48.3%</b>	

**Number of Holdings** 25

## DIVIDEND INCREASE ANNOUNCEMENTS

Companies	Quarter	YTD
Reporting Increase	5 of 25	18 of 25
Average Increase	4.8%	5.2%

## SECTORS

Industrials	20.0%
Health Care	13.2%
Information Technology	12.1%
Consumer Staples	9.1%
Energy	9.0%
Consumer Discretionary	8.8%
Utilities	7.9%
Real Estate	7.5%
Financials	5.3%
Materials	3.6%
Communication Services	3.6%

## MARKET CAP

Weighted Average Market Cap. (B)	\$134.7
Median Market Cap (B)	\$66.2
Large Cap	90.6%
Mid Cap	9.4%
Small Cap	0.0%

## THE PREMISE FOR OUR STRATEGY

An objective of our Dearborn Partners Rising Dividend strategy is to reduce vulnerability. Among the ways we attempt to achieve that objective are to include in our portfolios companies that are in strong financial condition with little or no debt, that we believe are capable of increasing dividends at rates above the historic average annual 3% rate of inflation regardless of the economic environment, and to diversify properly across and within the sectors. We further believe that rising dividends offer the potential to reduce vulnerability in challenging markets.

Our Rising Dividend portfolios have representation from all 11 sectors into which Standard & Poor's divides the marketplace. Proper diversification with stocks of high-quality companies can help modify downside risk, i.e., reduce vulnerability, and enhance results in both challenging and favorable market environments.

We believe that the solid companies in our portfolios are likely to not only survive long term but continue to pay dividends with the potential to increase with regularity. Successful investing typically requires patience. Every company in our portfolio pays us while we patiently hold.

Time Period	Composite TWR - Pure Gross* (%)	Composite TWR - Net (%)	S&P 500 (%)	Standard Dispersion (%)	3-Yr Ann Deviation Composite (%)	3-Yr Ann Deviation S & P 500 (%)	Portfolios in Composite	End of Period Composite Assets (\$ thousands)	End of Period Strategy Assets (\$ thousands)	Pct of Composite \$ in Bundled-Fee	End of Period Total Firm GIPS Assets (\$ millions)
4 Qtr 11	10.96	10.13	11.82	N/A	N/A	18.71	8	\$1,393	\$1,393	68%	\$2,016
2012	10.60	7.34	16.00	0.23	N/A	15.09	75	\$19,182	\$59,961	95%	\$2,150
2013	21.75	18.15	32.39	0.26	N/A	12.23	175	\$50,914	\$122,235	98%	\$1,235
2014	18.32	14.83	13.69	0.33	8.03	8.97	235	\$70,046	\$215,241	91%	\$1,452
2015	-2.25	-5.14	1.38	0.12	9.02	10.47	278	\$68,020	\$271,267	94%	\$1,384
2016	17.40	13.93	11.96	0.37	9.58	10.59	361	\$92,515	\$337,089	94%	\$1,600
2017	13.98	10.61	21.83	0.20	8.88	9.92	461	\$125,789	\$441,983	95%	\$2,057
2018	0.68	-2.30	-4.38	0.17	10.13	10.80	395	\$105,144	\$446,788	95%	\$2,297
2019	30.10	26.26	31.49	0.32	9.21	11.93	462	\$145,213	\$745,040	95%	\$3,103
2020	2.77	-0.26	18.40	0.35	15.62	18.53	450	\$136,995	\$844,348	95%	\$3,389
2021	22.30	18.69	28.71	0.26	15.25	17.17	457	\$162,695	\$1,085,317	91%	\$4,048
2022	-3.77	-6.61	-18.11	0.22	18.11	20.87	459	\$154,394	\$1,124,780	93%	\$3,564
2023	7.87	4.69	26.29	0.21	14.95	17.29	474	\$162,948	\$1,274,864	93%	\$3,804

## INVESTMENT TEAM

### Carol M. Lippman, CFA

Portfolio Manager, Rising Dividend Strategy  
30+ years investment experience

### Michael B. Andelman

Portfolio Manager, Rising Dividend Strategy  
15+ years investment experience

### Peter J. Deakos, CFA

Portfolio Manager, Rising Dividend Strategy  
20+ years investment experience

### Matthew Guttosch, CFA

Analyst, Rising Dividend Strategy  
15+ years investment experience

### Jonathan Woo, CFA

Analyst, Rising Dividend Strategy  
10+ years investment experience

### \*This statistic is Supplemental Information.

**Dividend Yield %** is a percentage calculated by dividing total dividends by the current market price and multiplying by 100. **P/E (Next Four Quarters)** is the most-recent stock price divided by the mean analyst EPS (earnings per share) estimate for the forward four quarters. This number gives some indication of how cheap or expensive a stock is compared with consensus earnings estimates. The lower the forward P/E, the cheaper the stock. FactSet Estimates data is used in the denominator of this calculation. **Standard Deviation** is the annualized standard deviation of monthly portfolio returns, according to Bloomberg. **Estimated 3-5 Year EPS Growth** is the FactSet mean analyst estimate for annualized future EPS growth for a minimum of 3 years and maximum of 5 years, depending on available analyst estimate data. **P/E to Growth** is the P/E (Next Four Quarters) divided by the Estimated 3-5 Year EPS Growth. **Beta** is a measure of the degree of change in value one can expect in a portfolio given a change in value in a benchmark index. A portfolio with a beta greater than one is generally more volatile than its benchmark index, and a portfolio with a beta of less than one is generally less volatile than its benchmark index. **The Return on Equity (ROE)** is the percentage a company earns on its shareholders' equity in a given year. The calculation is net income divided by end-of-year net worth, multiplied by 100. **Long-Term Debt as a Percentage of Capital** is calculated by dividing long-term debt by total capitalization (the sum of common equity plus preferred equity plus long-term debt). **TWR** is the Time Weighted Return, also known as the Geometric Mean Return. **YTD**: year to date. **Turnover** is the lesser of purchases or sales as a percentage of the average portfolio value of a representative portfolio in the composite, annualized.

The High & Rising Dividend Composite contains discretionary accounts with a minimum size of \$100,000 that Dearborn manages pursuant to the Dearborn Partners High & Rising Dividend strategy (the "Strategy"), which is one of Dearborn's Rising Dividend strategies. For comparison purposes the composite is measured against the S&P 500 Index. The composite's inception and creation date was September 30, 2011. The Dearborn Partners High & Rising Dividend composite invests in companies diversified across numerous sectors, which offer the potential for a yield greater than that offered by the S&P 500, plus the potential for at least mid-single digit annual dividend growth. Our objective is to identify companies that are likely to raise their dividends with regularity over time. The combination of a current yield greater than the S&P 500 plus the potential for dividend increases offers investors a portfolio that we believe will perform well in both rising and falling markets. Dearborn claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Dearborn has been independently verified for the periods April 1, 1997 through December 31, 2022. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with the applicable requirements for 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 the 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 annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year, using their annual gross returns. The composite and benchmark three-year annualized deviation is not presented prior to 2014 as the composite did not have 36 months of consecutive performance. For periods that the composite three-year standard deviation is shown, it is calculated with composite gross returns. Dearborn maintains a list of broad distribution pooled funds, and a list of composite descriptions, which are both available upon request. Results are based on discretionary accounts under management, including those accounts no longer managed by Dearborn. The U.S. Dollar is the currency used to express performance. Returns are presented on a "pure gross" and net basis and include the reinvestment of all income. Pure gross returns do not reflect the deduction of any expenses, including trading costs, and are supplemental to net returns. For non-wrap fee-paying accounts, the gross returns are calculated net of transactions costs and net returns are calculated net of transaction costs and actual management fees. Net of fee returns are calculated using a model fee of 3%. Model fees are based on the highest fee payer in the composite. Net of fee returns are calculated by deducting the applicable monthly rate of the model fee from the monthly gross returns of the composite. In August 2023 we discovered that the net composite returns in the table above were not reflecting the disclosed net calculation methodology, which resulted in a material error. The net returns have now been corrected. Wrap fees include trading expenses, third party management fees, custodial fees, and other administrative expenses. Wrap accounts pay an all-inclusive fee which can range up to 3% and includes all management fees and expenses involved in managing the account. Dearborn's non-wrap management fees range from 0.30% to 1.0%. Some portfolios may pay \$0 trading commissions. Actual fees and expenses may vary. The End of Period Strategy Assets include the assets managed by model managers and is supplemental to the assets in the composite. Dearborn's policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request. Past performance is no guarantee of future results. This report is not a complete description of or recommendation to invest in the Strategy. There is no assurance the Strategy will be profitable, achieve its objectives, be suitable for you, or not incur losses. 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 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. The S&P 500 Index is a market-capitalization-weighted index of the 500 largest U.S. publicly traded companies. Inclusion of this index is for illustrative purposes only. You cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance. Sector classifications are generally determined by referencing the Global Industry Classification Standard (GICS®). GICS was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor's Financial Services LLC (S&P). GICS is a service mark of MSCI and S&P and has been licensed for use by Dearborn Partners, LLC. Dearborn is an SEC-registered investment adviser. Registration does not imply a certain level of skill or training.