



# Altrius Global Dividend Income Strategy

## 4<sup>th</sup> Quarter 2025

Participate in Rising Markets | Perform in Sideways Markets | Protect with Income in Falling Markets



# Altrius Highlights

Altrius Capital Management, Inc. was founded in 1997

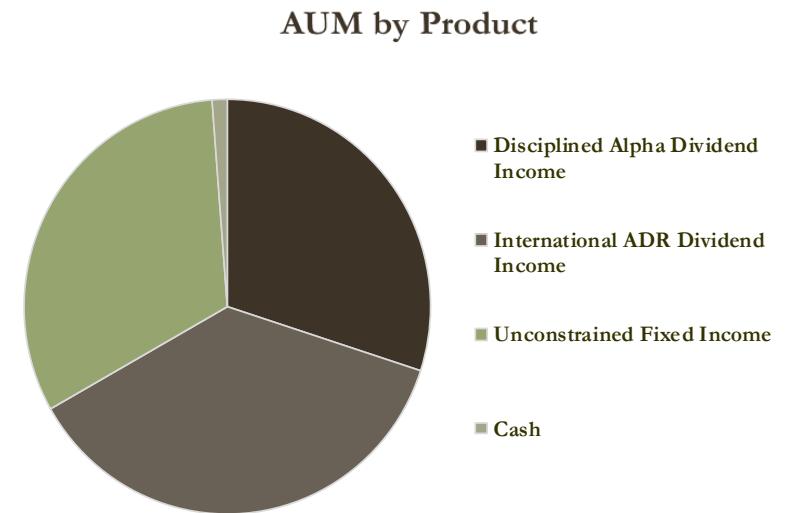
Altrius is 100% employee & disabled-veteran owned

Altrius is an SEC registered investment advisor

The Firm currently manages over \$640mm in assets by offering separately managed account solutions

Having managed client assets for over two decades, Altrius claims compliance with Global Investment Performance Standards (GIPS®)

Altrius maintains a 22+ year track record in the following strategies: Global Income, Disciplined Alpha Dividend and Unconstrained Fixed Income; and a 15+ year track record for the Global Dividend Income and International ADR Dividend Income



Data as of 12.31.2025



# Altrius Organization

## MANAGEMENT



**James M. Russo**  
Chief Investment Strategist



**Sharon Boyd**  
Chief Technology Officer



**Claudia Cardenas**  
Chief Operations Officer

## INVESTMENTS



**Anu N. Prabhu, CFA**  
Portfolio Manager



**Zachary Q. Smith, CFA**  
Portfolio Manager



**Brady Gingrich**  
Portfolio Manager



**Christopher C. Rolf, CFA**  
Executive Vice President



**Hannah Russo**  
Trader & Analyst



**Dionicio Espino III**  
Trader & Analyst

## OPERATIONS



**Rita A. Hendrick-Smith**  
Director of Client Services



**Nicki Yim**  
Operations Analyst

## SALES



**Max Greenberg, CFP®**  
Director of Sales



# Different by Design

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GLOBAL MACRO  
DRIVES OUR  
INVESTMENT ANALYSIS

*Top down economics drive market cycles, market segments, and ultimately individual security prices.*

TOTAL RETURN  
DRIVES OUR  
PORTFOLIO CONSTRUCTION

*Total return matters, which includes sources of returns often overlooked by investment managers and investors, such as dividends.*

VALUE  
DEFINES OUR  
SECURITY SELECTION

*Value is critical; the market will reward the intrinsic value inherent in a security over time.*

# Investment Philosophy

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- **Income** is our focus; we employ a flexible investment strategy seeking high, current income and long-term capital growth by investing in stocks, bonds and alternative investments such as commodities, MLPs, REITs and preferred issues.
- **Global macro conditions** are the basis for investing; top-down economics drive market cycles, market segments, and ultimately individual security prices. The strategy retains asset class and sector flexibility to unearth unique opportunities.
- **Value** is critical; we will not pay more for a security than we believe it is worth, with full confidence that the market will reward the intrinsic value inherent in the security over time.
- **Patience** is vital; we do not make extreme short-term changes in response to fleeting market events, we invest for the long term and believe returns are driven by consistency of process.
- **Risk management** is required to ensure long term preservation of capital.

# Economic Scenario Analysis

At Altrius, we believe that global asset allocation valuations matter. Predicated on this belief, we maintain a series of three economic scenarios under which the economy may fall at any one time. By analyzing the valuations inherent in the current economic scenario, we are better positioned to identify securities at the sector, industry and individual company level that are best positioned to add significant value to our portfolio over time.

## ECONOMIC SCENARIOS

*\*Our likely scenario*

	Bear	Base	Bull
<i>S&amp;P 500 at 6846, 5-Year Treasury Yield at 3.73%, MSCI Europe Index at 2643, ICE BofA US High Yield Index at 6.5%.</i>			
Equities	Estimate	Estimate	Estimate
U.S. Equities	-10.4%	2.8%	7.0%
Developed Int'l – Europe	-7.1%	8.2%	9.1%
REITs	-3.3%	5.3%	6.1%
Fixed Income			
Investment-Grade Bonds	5.7%	4.8%	4.6%
High-Yield Bonds	-4.3%	5.2%	5.6%

# Why Global Matters

## A Sampling of Major US and non-US Brands with Foreign Revenues Above 50% of Total Revenues

Are domestic companies really domestic anymore? While a company may be headquartered in the United States, investing requires understanding the drivers of a company's bottom line.

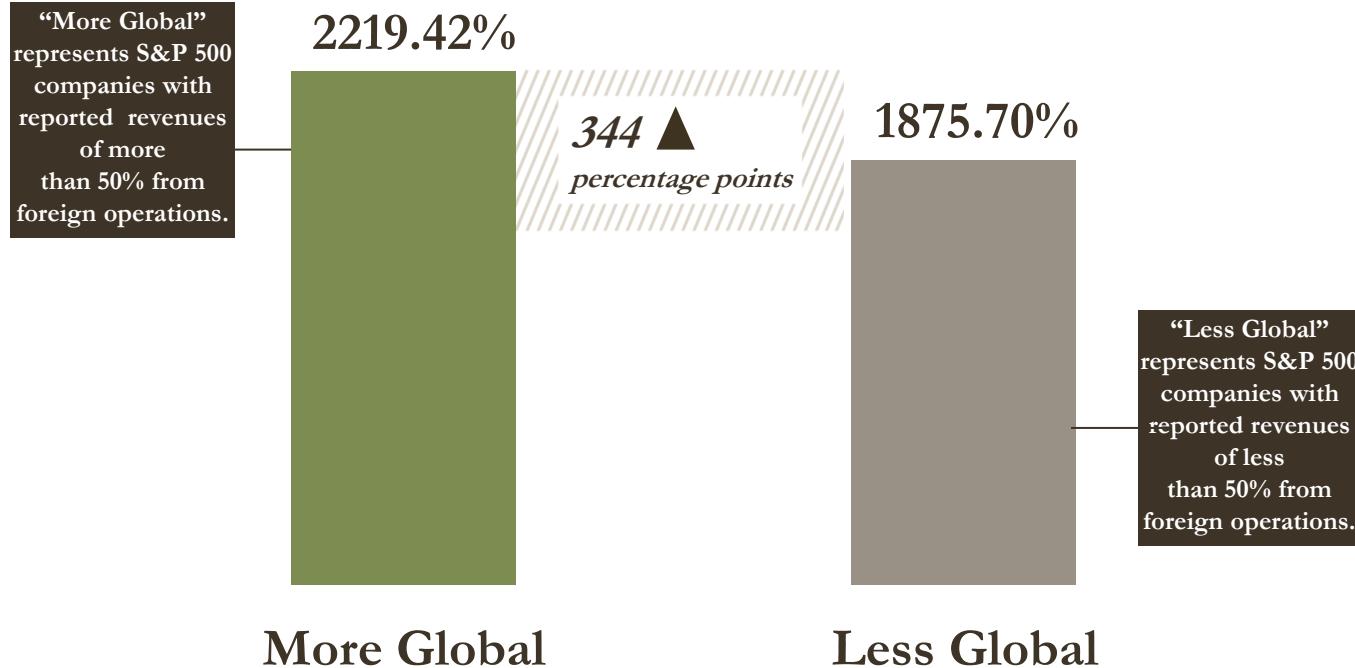


Sources: Data represented is as of company's latest 10-K filing as of 03.31.25. Foreign Revenue is based on Total Revenue – Domestic Revenue. Logos are trademarks of their respective owners and are used for illustrative purposes and should not be construed as an endorsement or sponsorship of Altrius.

# Why Global Matters

## Comparison of S&P 500 Companies' Returns

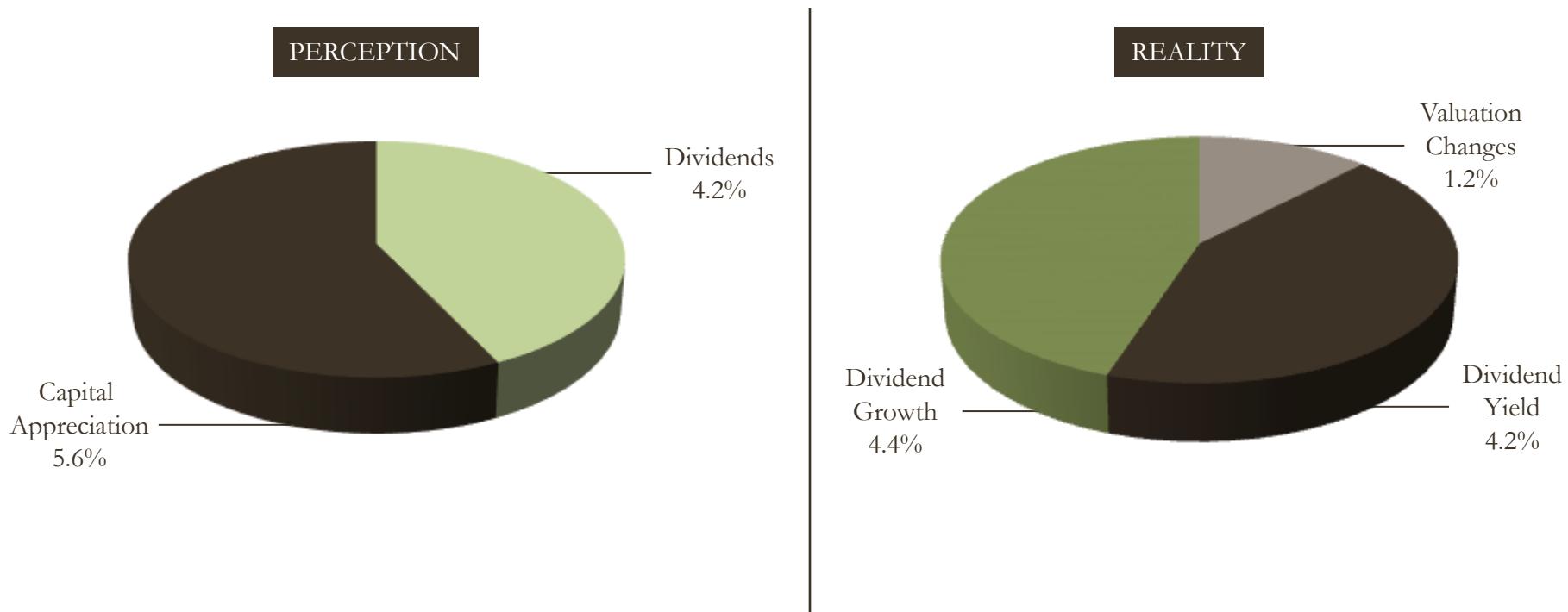
Cumulative Total Return for the 20-Year Period Ended 06.30.2023



Source: Altrius Capital, Bloomberg LP.

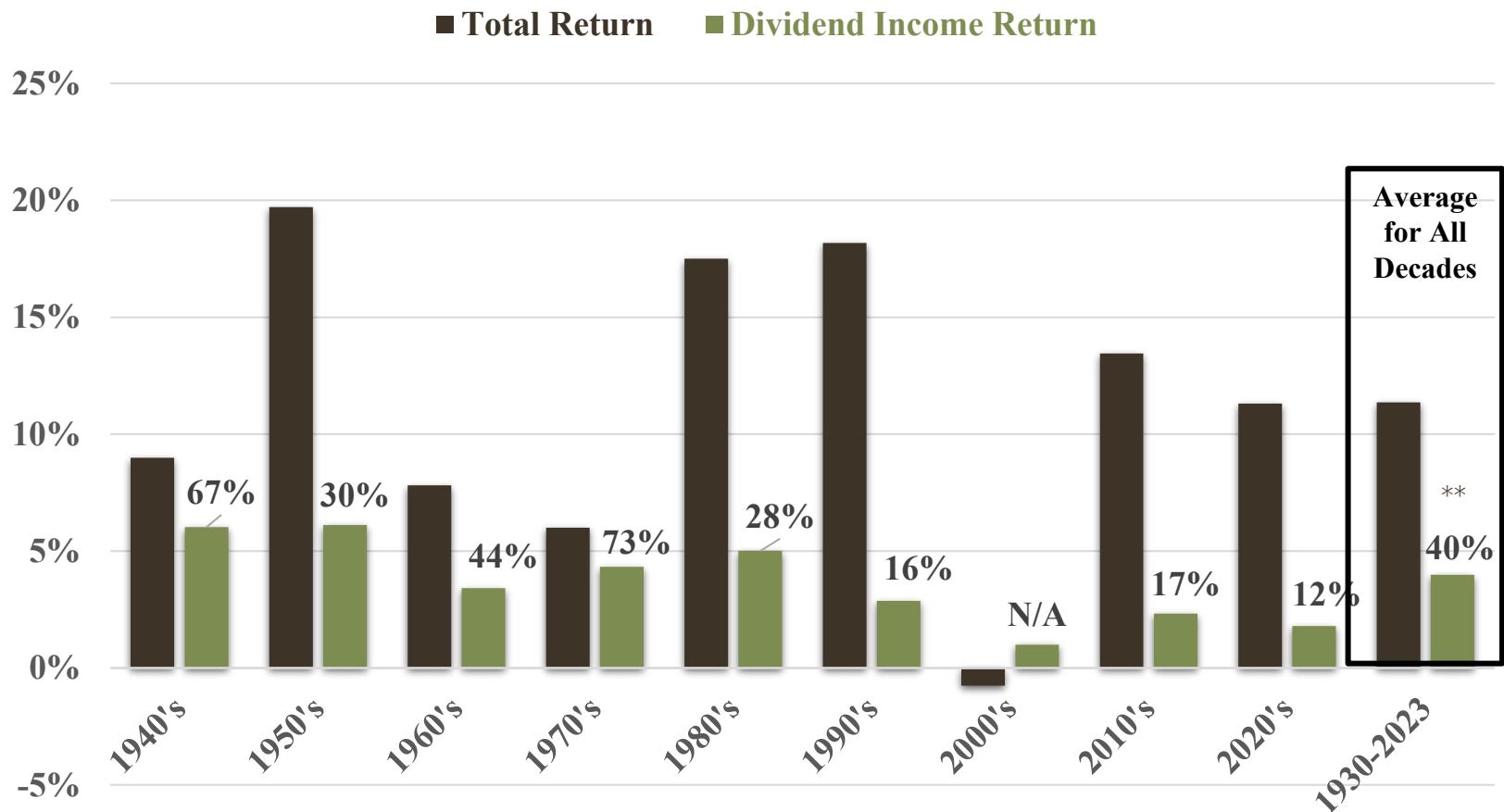
# Why Dividends Matter

Since Altrius' inception in 1997, the Firm has been committed to dividend growth, viewing dividends as a critical component of total return.



Source: Federated Advisors

# Why Dividends Matter

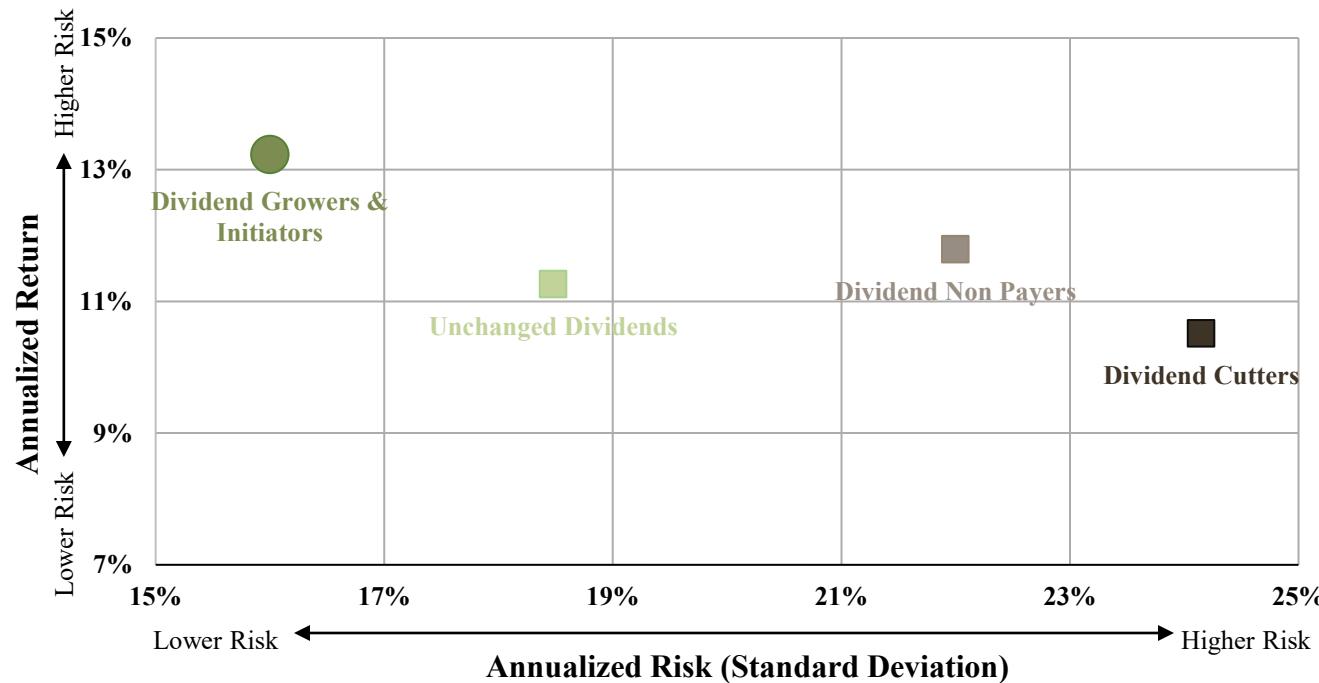


\*\* Dividends as a percent of total returns. 2023 is through 06.30.2023  
 Source: Altrius Capital, Bloomberg LP

# Why Dividends Matter

## Dividend Payers Risk/Reward

01.31.1973 to 12.31.2020



Source of chart data: Ned Davis Research, 12/31/20. © Copyright 2020 Ned Davis Research, Inc. Further distribution prohibited without prior permission. All Rights Reserved. See NDR Disclaimer at [www.ndr.com/copyright.html](http://www.ndr.com/copyright.html). For data vendor disclaimers, refer to [www.ndr.com/vendorinfo](http://www.ndr.com/vendorinfo). Returns based on equal-weighted geometric average of total return of dividend-paying and non-dividend paying historical S&P 500 Index stocks, rebalanced annually. The chart uses actual annual dividends to identify dividend-paying stocks and changes on a calendar-year basis. The performance shown is not the performance of any Washington Crossing Advisors strategy. Past performance does not guarantee future results. Indices are unmanaged, do not reflect fees and expenses, and are not available for direct investment. Recessions and expansion dates are from the National Bureau of Economic Research. \* Risk is based on the variation of monthly returns (standard deviation). A higher standard deviation indicates greater risk.

# Why Dividends Matter

## Agency Dilemma

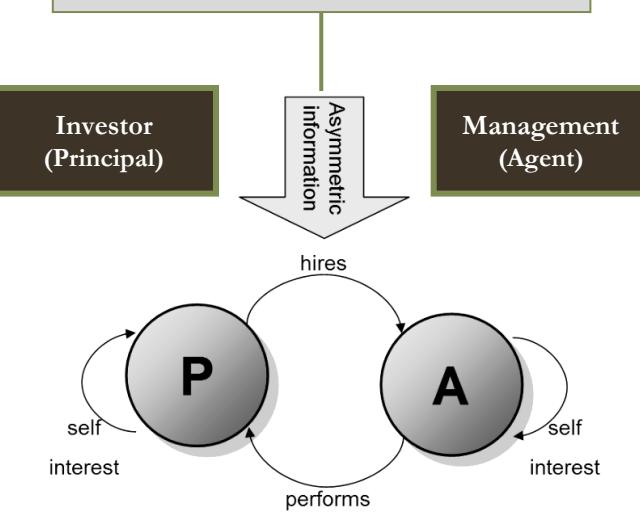
Dividends help reduce problems arising from asymmetric information and conflicts of interest between investors and company management.

## Signaling

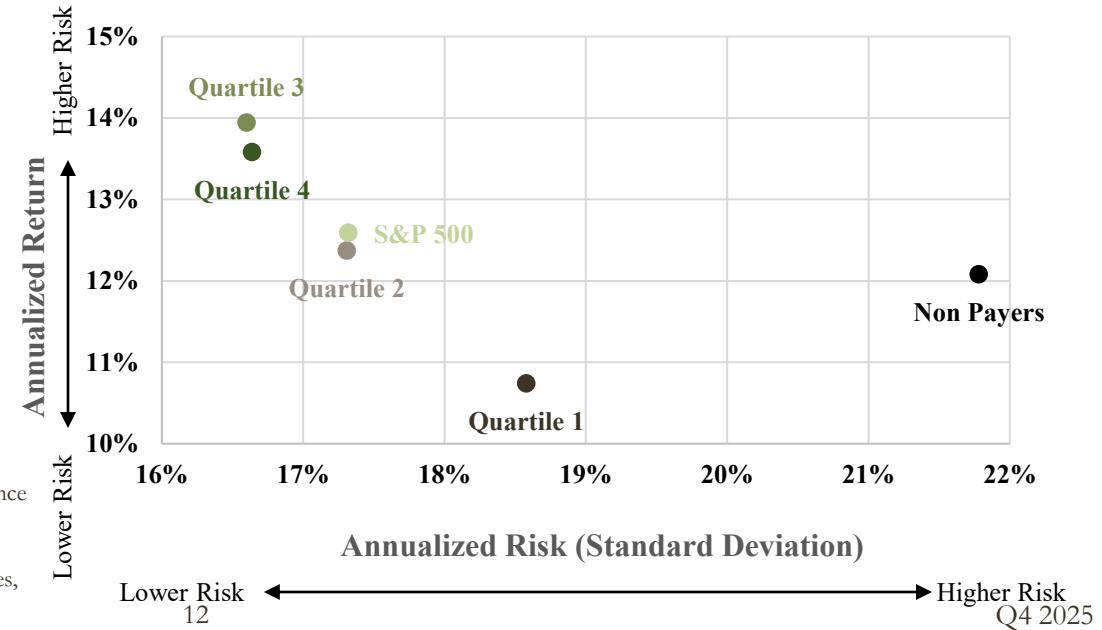
Company management makes decisions about dividend policies using internal forecasts; a stable and rising dividend can signal superior future return potential.

## Reliability

Earnings & cash flows can be manipulated while dividends are a more certain measure of the return-generating capacity of a business model; academic research has found that dividends provide information about the quality of earnings.<sup>1</sup>



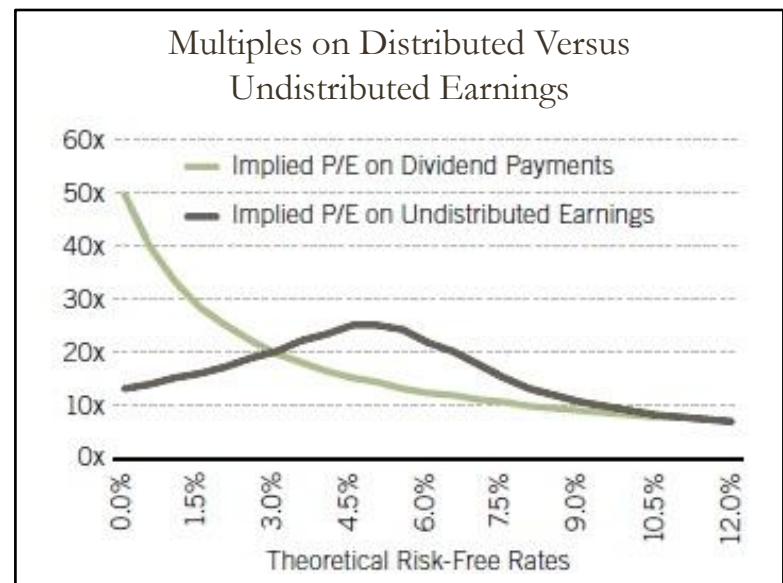
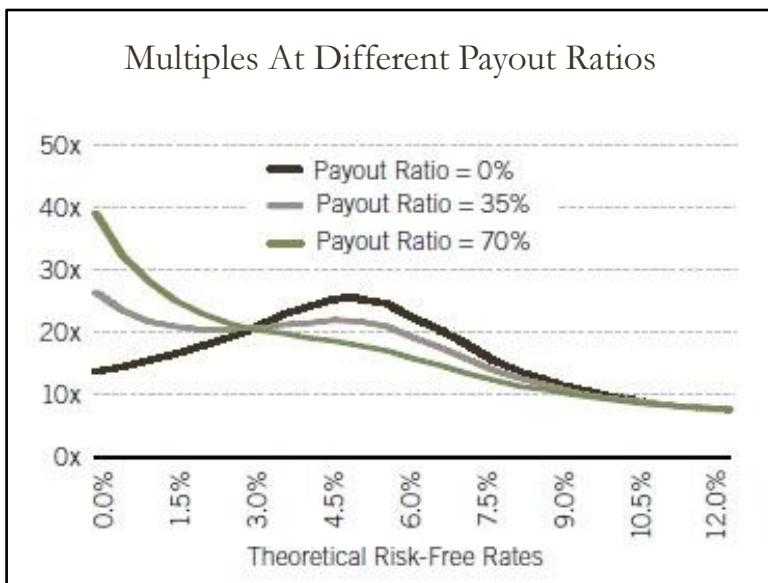
## Dividend Stocks by Quartile vs. S&P 500 01.31.1973 to 12.31.2020



Source: Ned Davis Research. The chart illustrates the historical performance of S&P 500 dividend-paying stocks grouped by dividend payout ratio quartiles. Quartile 1 represents the lowest payout ratio and Quartile 4 represents the highest. The returns do not reflect the deduction of any fees, expenses or taxes, and assume reinvestment of all income.

# Why Dividends Matter

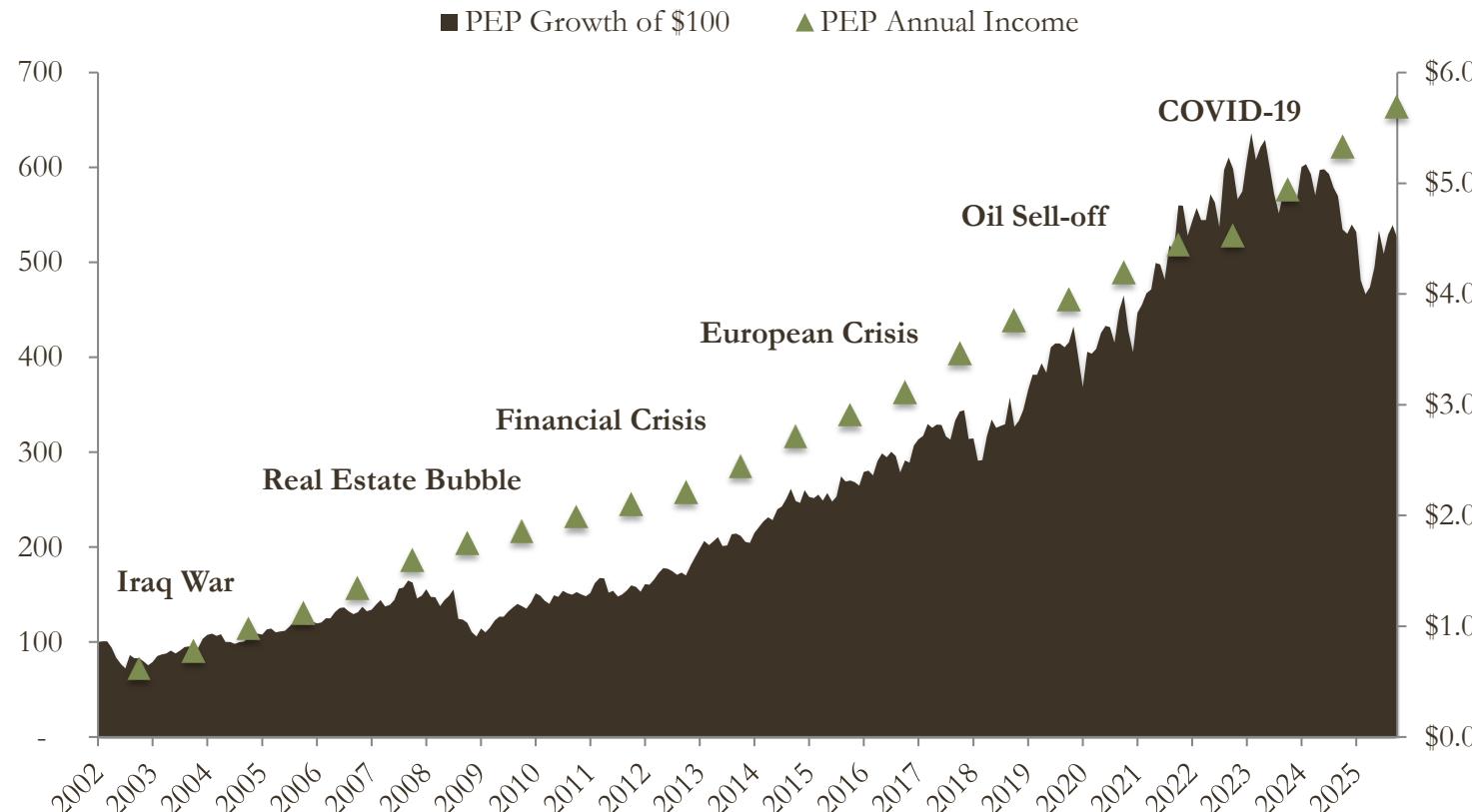
In low interest rate environments, investors substitute toward dividend-paying stocks, resulting in higher multiples for higher payout ratios.



Source: "What if the Market is Revaluing Dividends,"  
Fidelity Asset Management, March 2012

# Case Study: PepsiCo & Annual Dividends

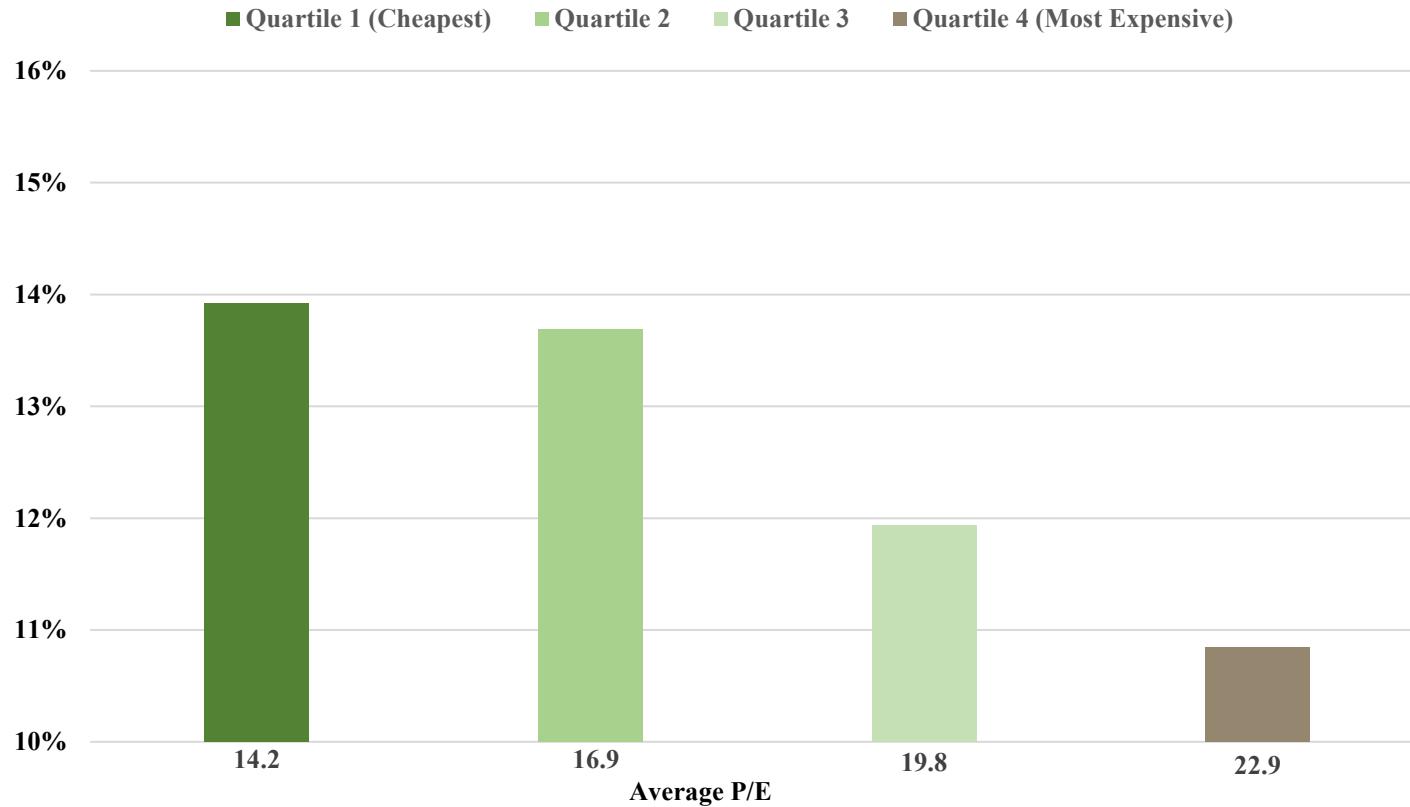
PepsiCo has continually increased its dividend, year over year, even amid some of the most difficult economic periods over the last two decades. Since 1965, PepsiCo has paid consecutive quarterly dividends. PepsiCo's announced 2025 dividend increase marks the company's 53<sup>rd</sup> consecutive annual dividend increase.



Source: Morningstar Direct, Refinitiv

# Why Value Matters

## S&P 500 Average 10-Year Real Annualized Total Returns by Average P/E Quintiles (6/30/2003 - 6/30/2023)

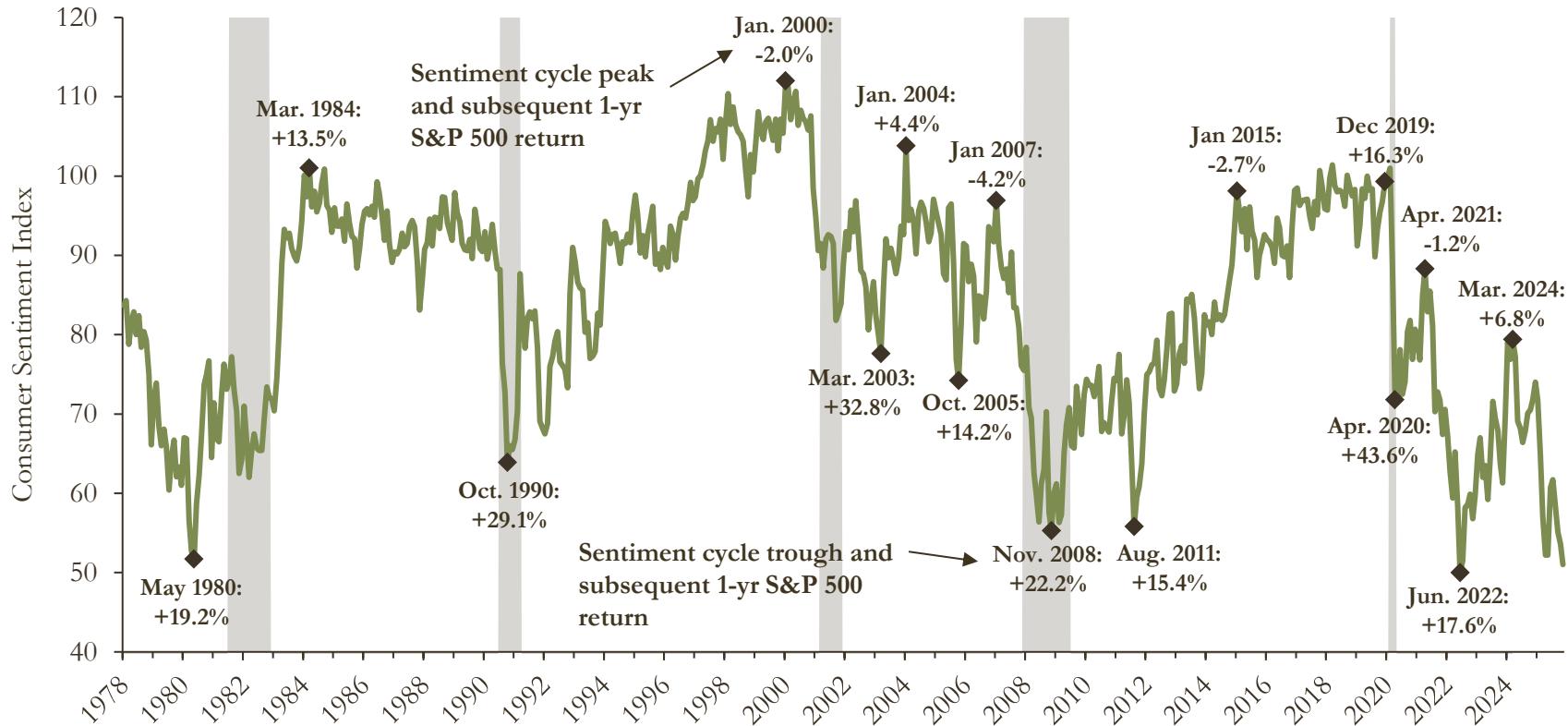


Source: Altrius Capital, Bloomberg LP

# Why Value Matters

At Altrius, we often view crisis as an opportunity and invest when others won't, allowing us to capitalize on potential upside performance.

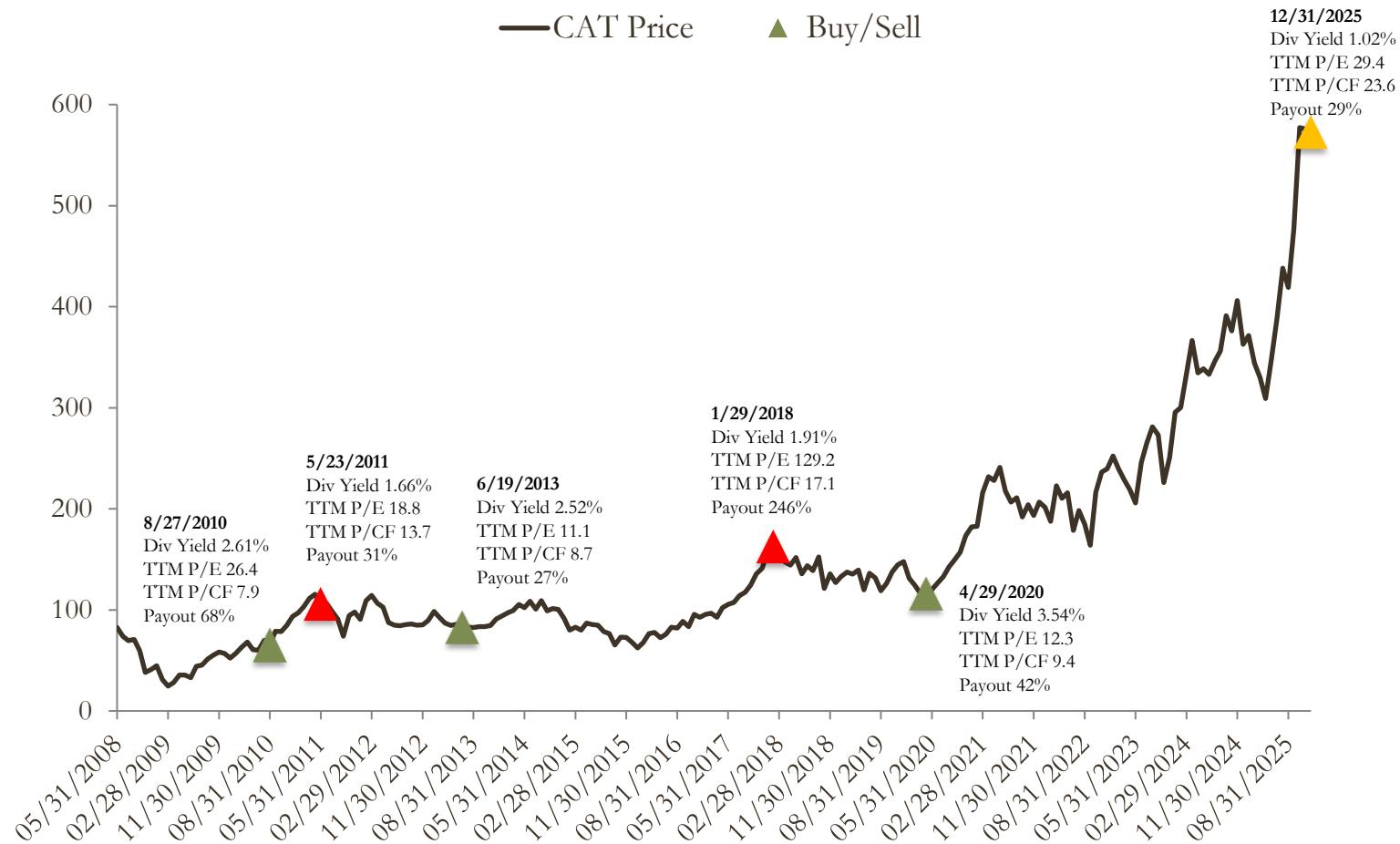
## Stock Returns During Periods of Uncertainty



Source: University of Michigan, Yahoo Finance. Data as of 12/31/2025.

Peak is defined as highest index value before a series of lower lows, while trough is defined as lowest index value before a series of higher highs. Shaded areas indicate US recessions.

# Case Study: Caterpillar Trades



# Altrius Investment Philosophy

## A process designed to outperform driven by total return:

### GLOBAL MACRO

TOP DOWN PERSPECTIVE  
DRIVES INITIAL UNIVERSE

Top down strategy employed to identify the most compelling geographic, industry and/or sector set:

- National GDP Growth
- Demographics- Where is the Growth?
- Durable Businesses Exploiting Growth
- Demand Changes: What's growing, moving, slowing?

### VALUE

BOTTOM UP VALUE DRIVEN  
INVESTMENT ANALYSIS  
DRIVES SECURITY SELECTION

Bottom up process seeks to identify companies selling below their intrinsic value:

- Seek high-yielding, durable businesses
- Screen P/E ratio, the 'real' earnings of a company
- Seeking companies generally selling for <15x earnings

### DIVIDENDS

FOCUSED ON DIVIDEND YIELD  
AS A KEY ELEMENT OF RETURN

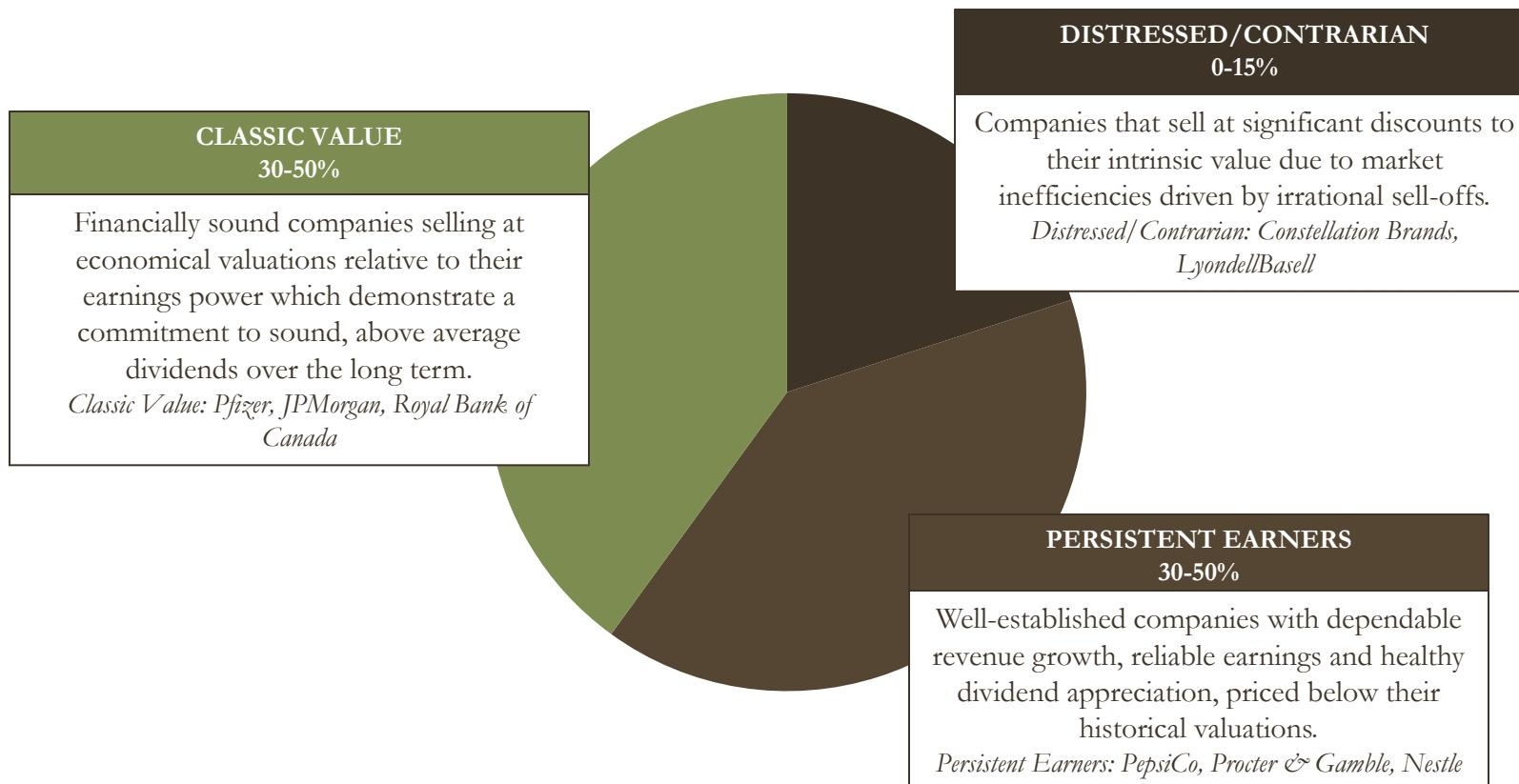
Invest at least 80% of assets in a diversified portfolio of income-producing equity securities paying higher than average dividends and positioned to increase their dividends over time:

- Target companies paying an increasing dividend for past 15 years
- Avoid 'the agency effect': companies spending vs. paying a dividend

Approximately 200-300 securities are generated by Altrius' initial screens.

# Altrius Investment Process

Further fundamental analysis is designed to determine which companies are increasing top line revenue growth, earnings and dividend payments. We target a portfolio of 25-50 companies that fall into three value categories: Distressed/Contrarian, Classic Value and Persistent Earners.

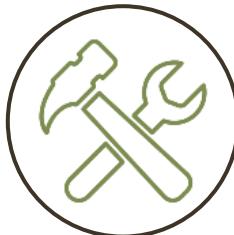


# What Smart Beta Means to Us

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Since 1997, we have employed a “smart beta” active management process characterized by three aspects of portfolio management which we believe lead to potentially superior risk-adjusted returns.



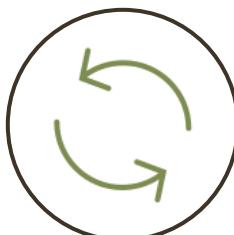
## Portfolio Selection

We craft our portfolios based on three “factors” – macro outlook, value, and dividends – which we believe are crucial in generating total return. We don’t attempt to follow an index, but rather tactically position ourselves where we see opportunity.



## Equal Weighting

Our portfolio holdings are weighted equally in order to diversify adequately and prevent a small number of securities from driving portfolio performance.



## Contrarian Rebalancing

We employ a process of contrarian rebalancing on a conditional basis to bring holdings back to equal weights. When deemed necessary, we trim positions that have grown in value and use proceeds to purchase those which have declined without a deterioration of fundamental growth potential.

# Risk Management & Sell Discipline

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- At Altrius we employ a structured risk management perspective throughout our security selection, monitoring, and sell process. By maintaining a **data driven, facts oriented investment management process** we avoid the bias that can often result in poor risk management decisions.
- As an added risk management component to our investment process, we create **worst case and best case scenarios** for evaluating market opportunities and risk.
- We **do not hesitate to sell securities** that we believe are ‘at risk’ based on fundamental factors; we remain agile and focused on our portfolio holdings at all times, prepared to sell securities that are not performing or for which we believe we have identified better candidates to maximize portfolio return and to minimize portfolio risk.
- Companies that **eliminate their dividend** are **almost always an automatic sell**.
- Valuations that exceed **20x earnings** become **too pricey** and typically result in a sell.



# Portfolio Construction Guidelines

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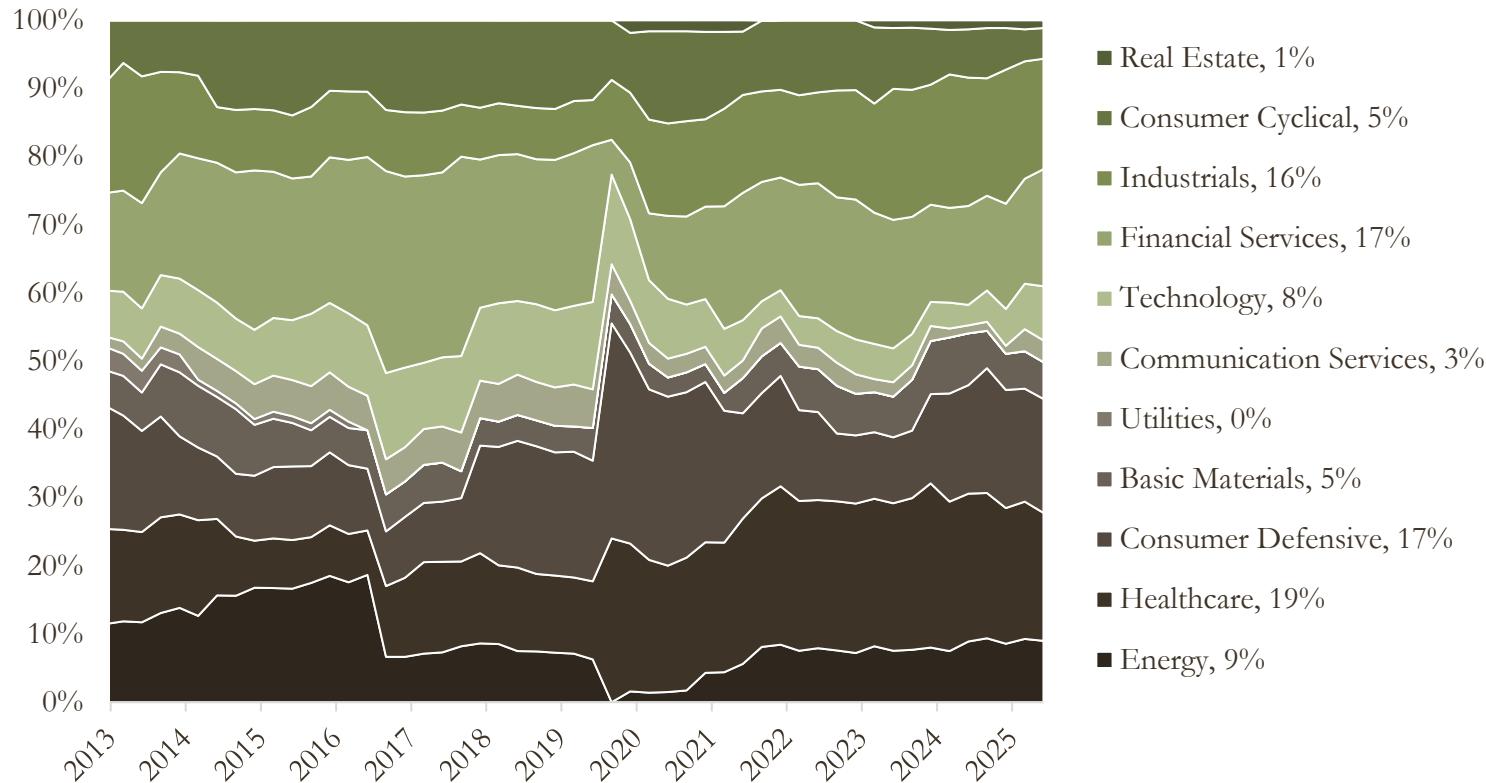
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<b>Benchmarks</b>	50% iShares Russell 1000 Value ETF & 50% iShares MSCI EAFE Value (Net) ETF
<b>Number of Holdings</b>	50-100
<b>Average Market Cap</b>	\$30 - \$100B
<b>Minimum Market Cap</b>	\$2B
<b>Max Position Size</b>	5%
<b>Turnover</b>	10 - 40%



# Sector Diversification

## Global Dividend Sector Allocation\*



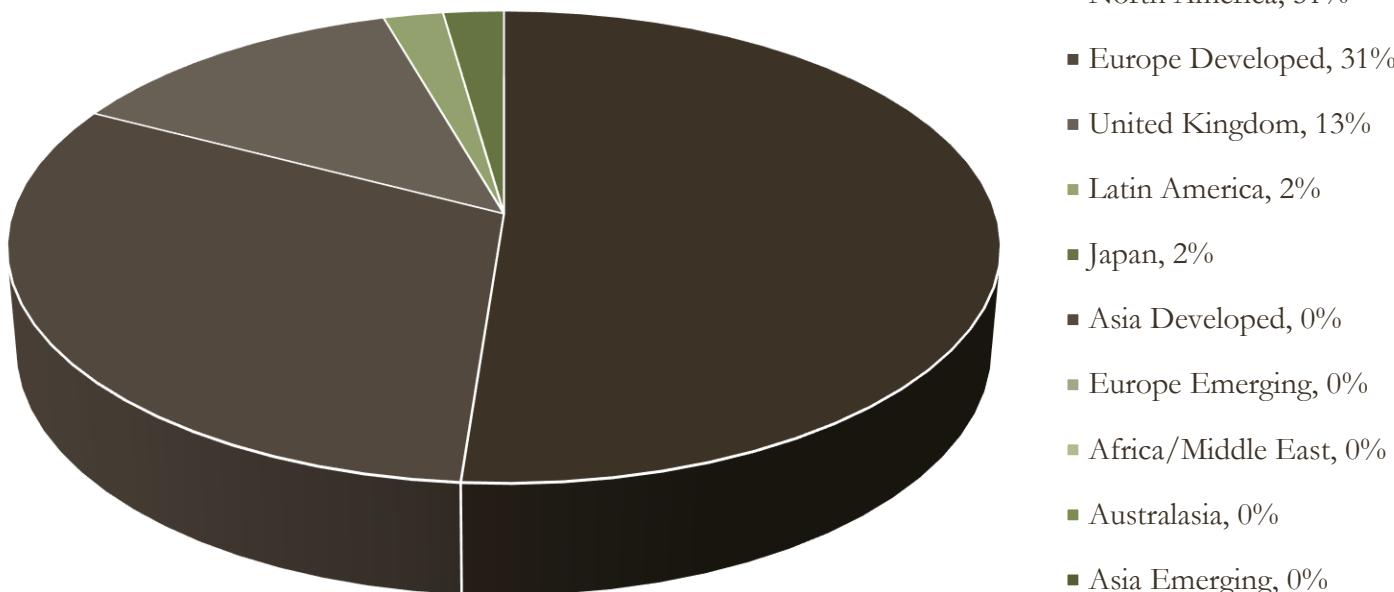
As of 12.31.2025

\*Sector allocation data is reported quarterly since 01.31.2013.



# Geographic Diversification

## Global Dividend Income Geographic Exposure

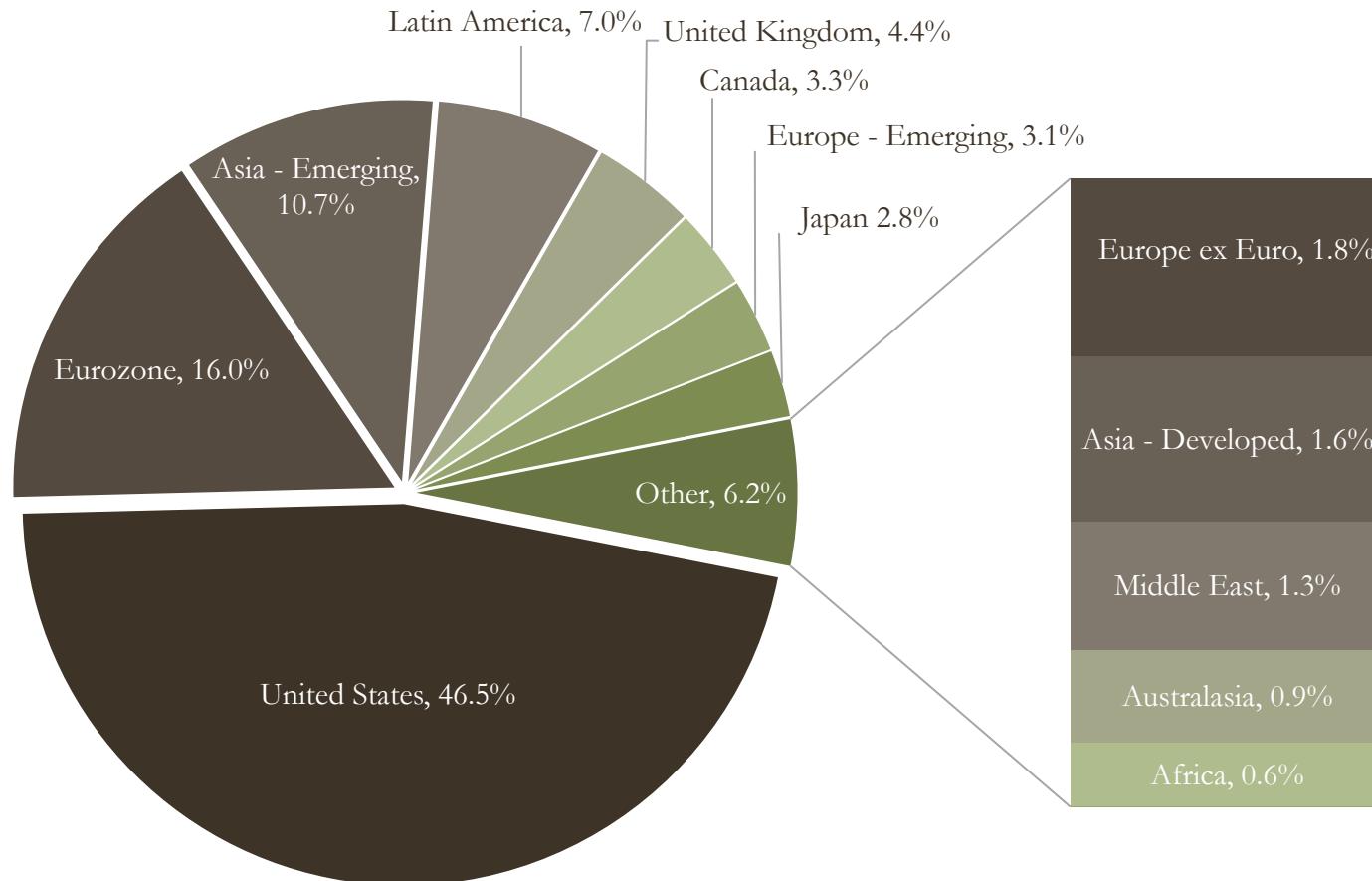


As of 12.31.2025



# Global Revenue Generation

## Revenue by Geography



As of 12.31.2025



# Portfolio Analytics

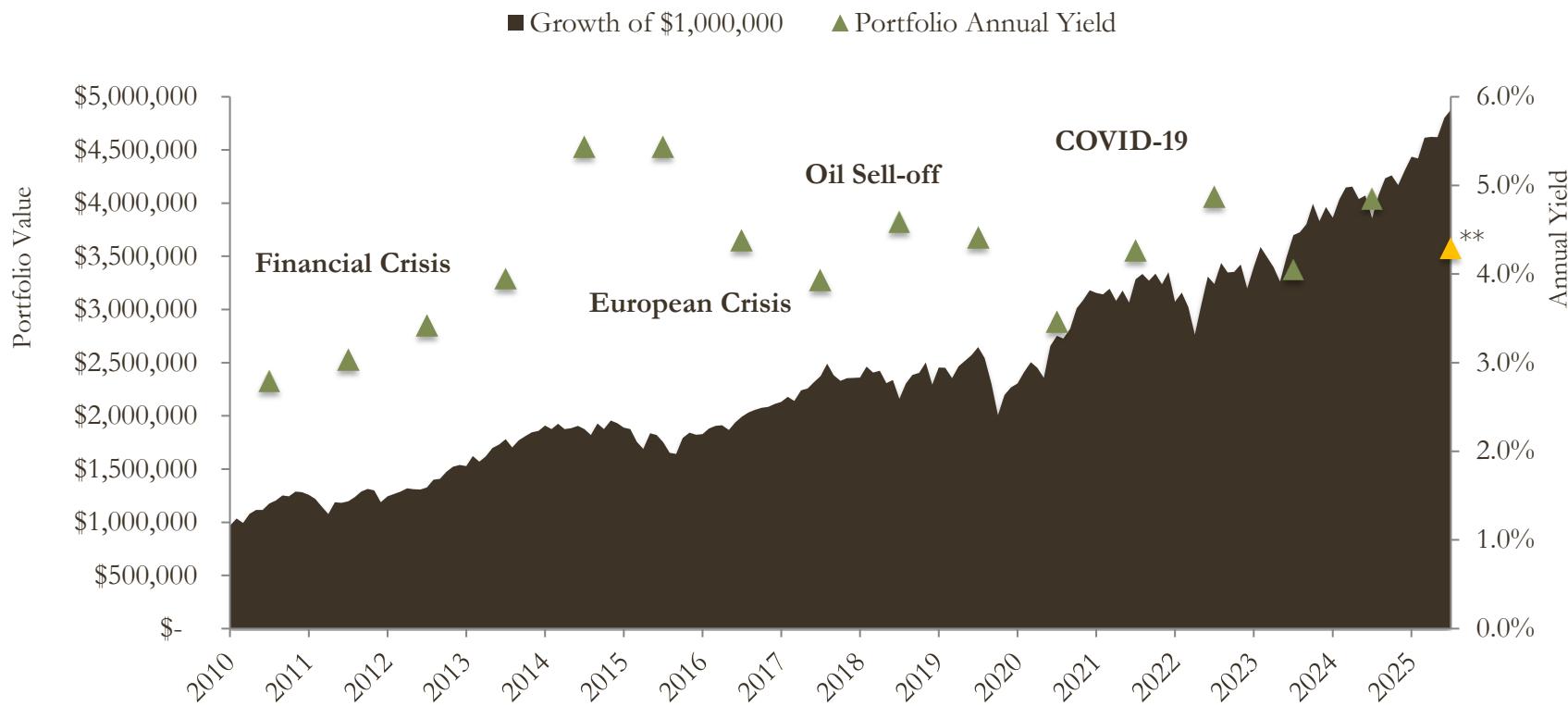
<b>Benchmark</b>	50% iShares Russell 1000 Value ETF & 50% iShares MSCI EAFE Value (Net) ETF
<b>Trailing P/E</b>	17.28
<b>Dividend Yield</b>	4.29%
<b>Price/Book</b>	2.17
<b>Standard Deviation</b>	10 YR: 14.83
<b>Alpha (annualized)</b>	10 YR: 1.26
<b>Beta</b>	10 YR: 0.95
<b>Tracking Error</b>	10 YR: 3.90

\* 10-year statistics for the time period: 01.01.2016 to 12.31.2025

As of 12.31.2025

# Altrius Value Proposition

Global Dividend Income Growth of \$1,000,000 and Dividend Yield\*

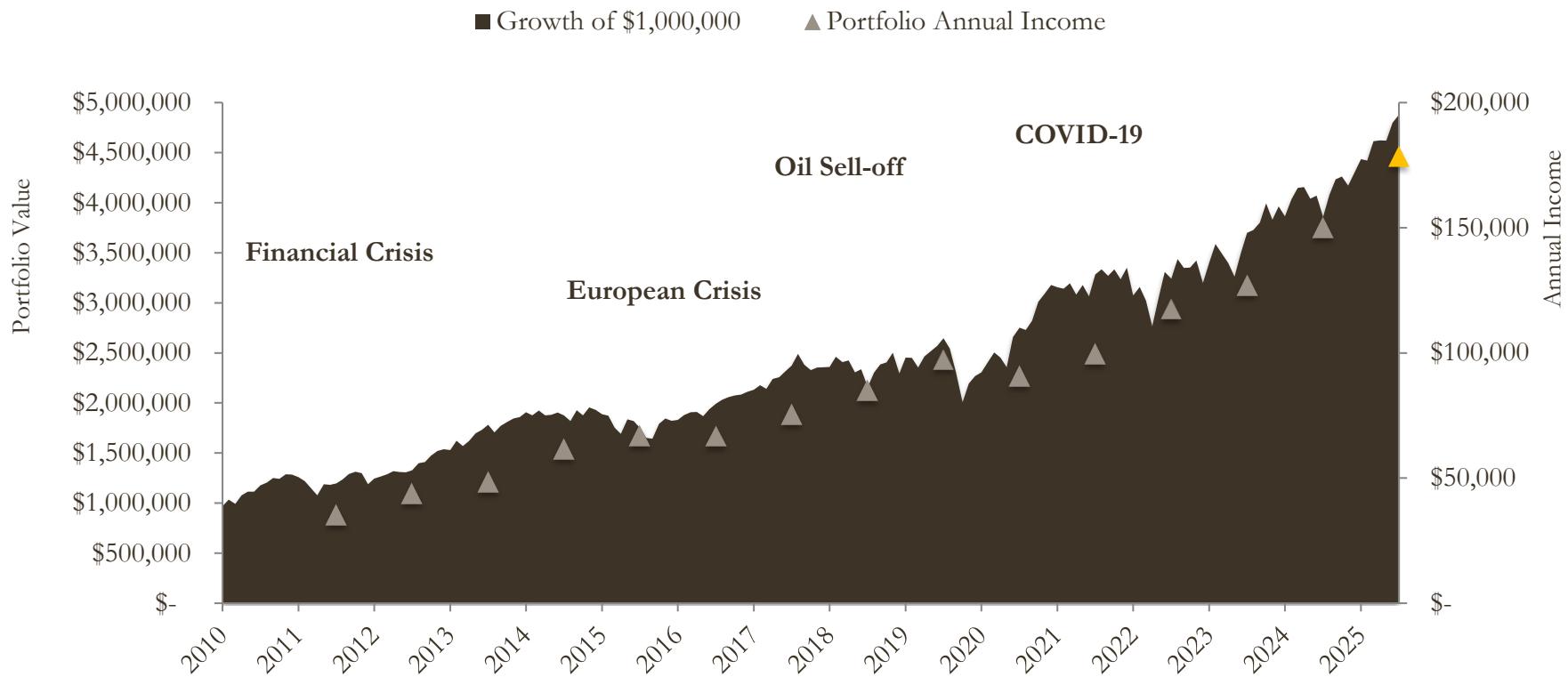


\*Portfolio Growth of \$1,000,000 assumes reinvestment of all dividends since inception. Assumes no subsequent additions or withdrawals. All data represented is gross of fees.

\*\* Most recent Portfolio Annual Yield is 4.29% as of 12/31/2025 based on Morningstar data.

# Altrius Value Proposition

Global Dividend Income Growth of \$1,000,000 and Dividend Income\*

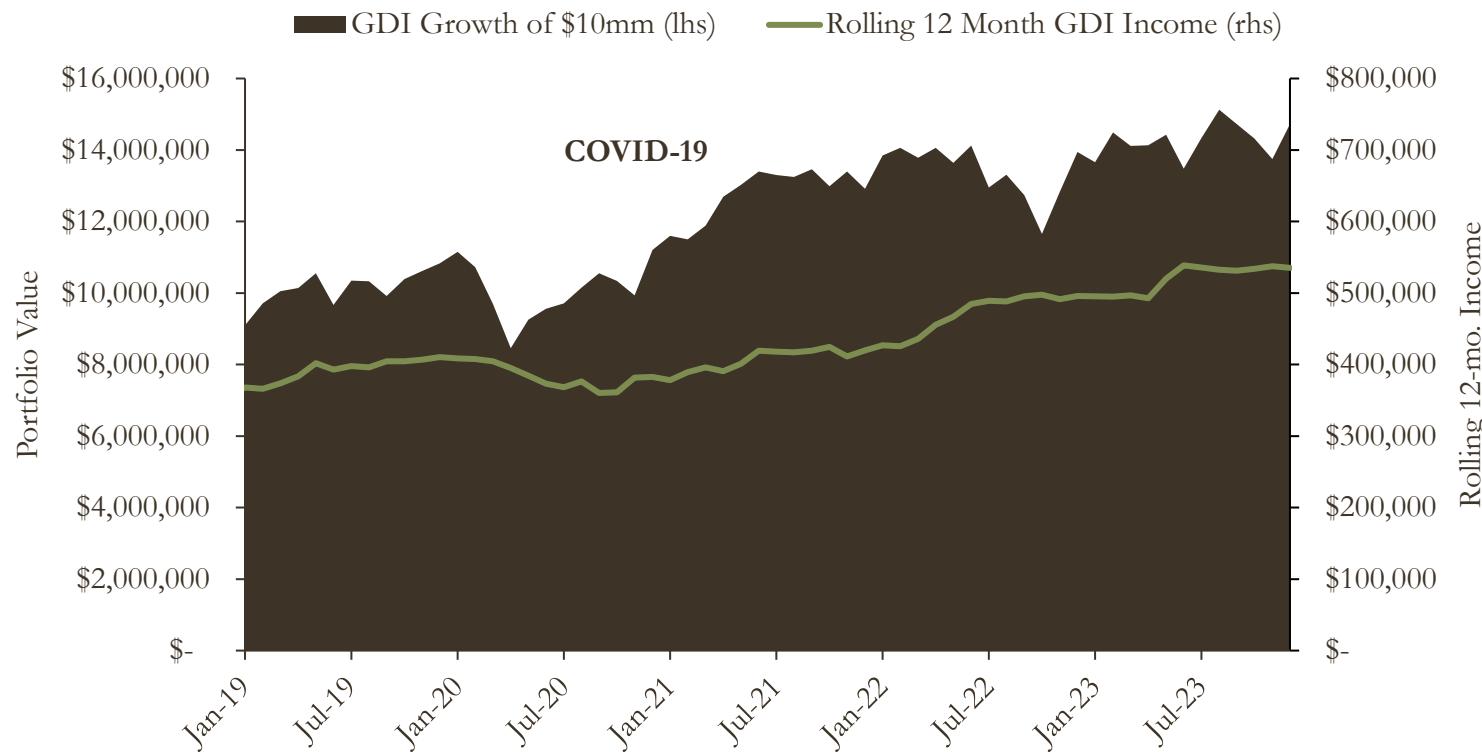


\*Portfolio Growth of \$1,000,000 and Annual Income assume dividends reinvested since inception. Assumes no subsequent additions or withdrawals. All data represented is gross of fees. Portfolio Annual Income represents trailing twelve month income.

# COVID-19 Income Case Study

Despite a dramatic drop in portfolio value during the COVID-19 pandemic recession, our clients maintained their income over the period.

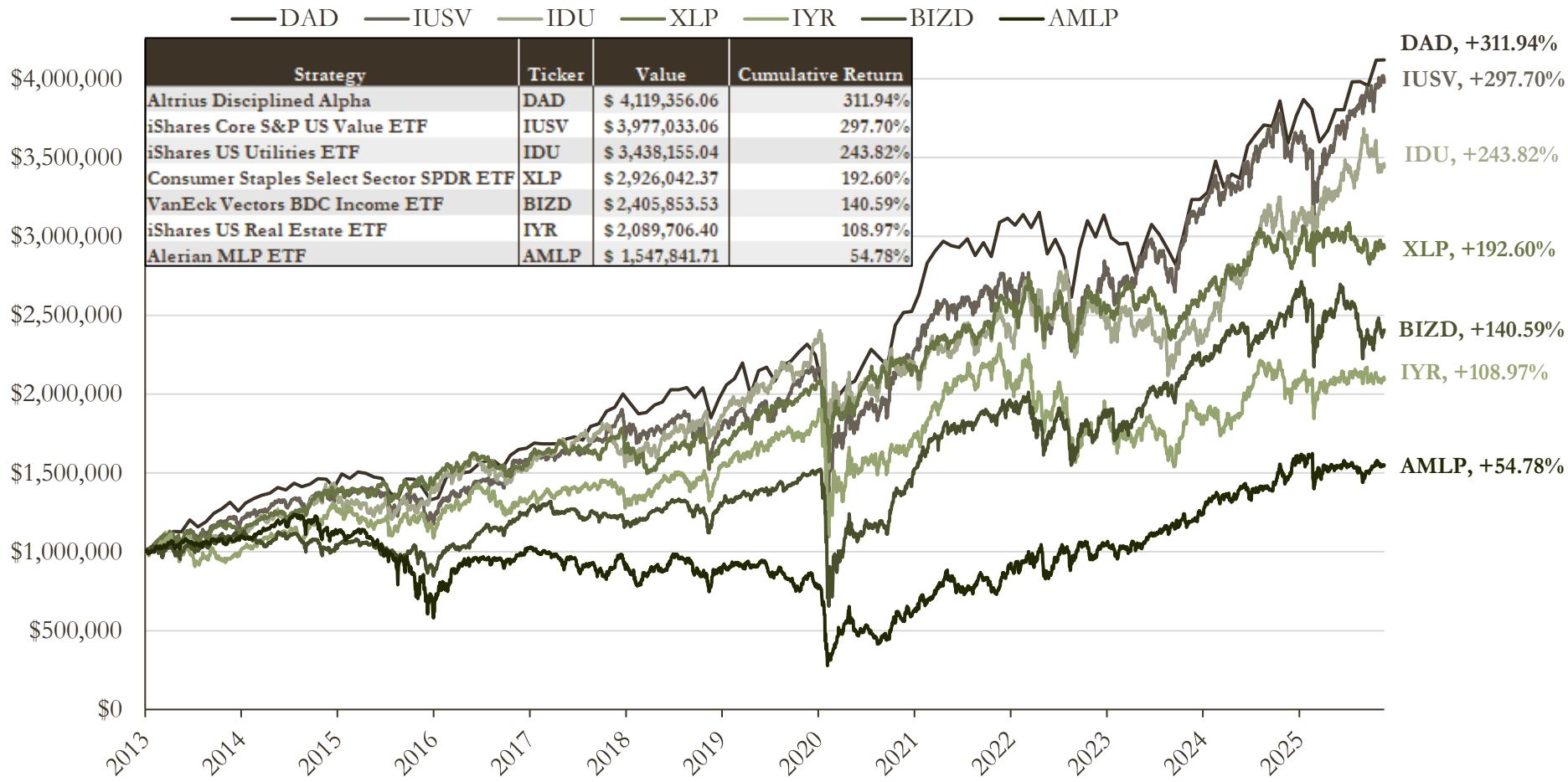
## Portfolio Value and Income During COVID-19



Portfolio Growth assumes \$10,000,000 invested in Global Dividend Income strategy on 1/1/2018 and dividends and other sources of income reinvested since inception. Assumes no subsequent additions or withdrawals. Rolling 12-month income represents total income over preceding 12-month period. All data represented is gross of fees.

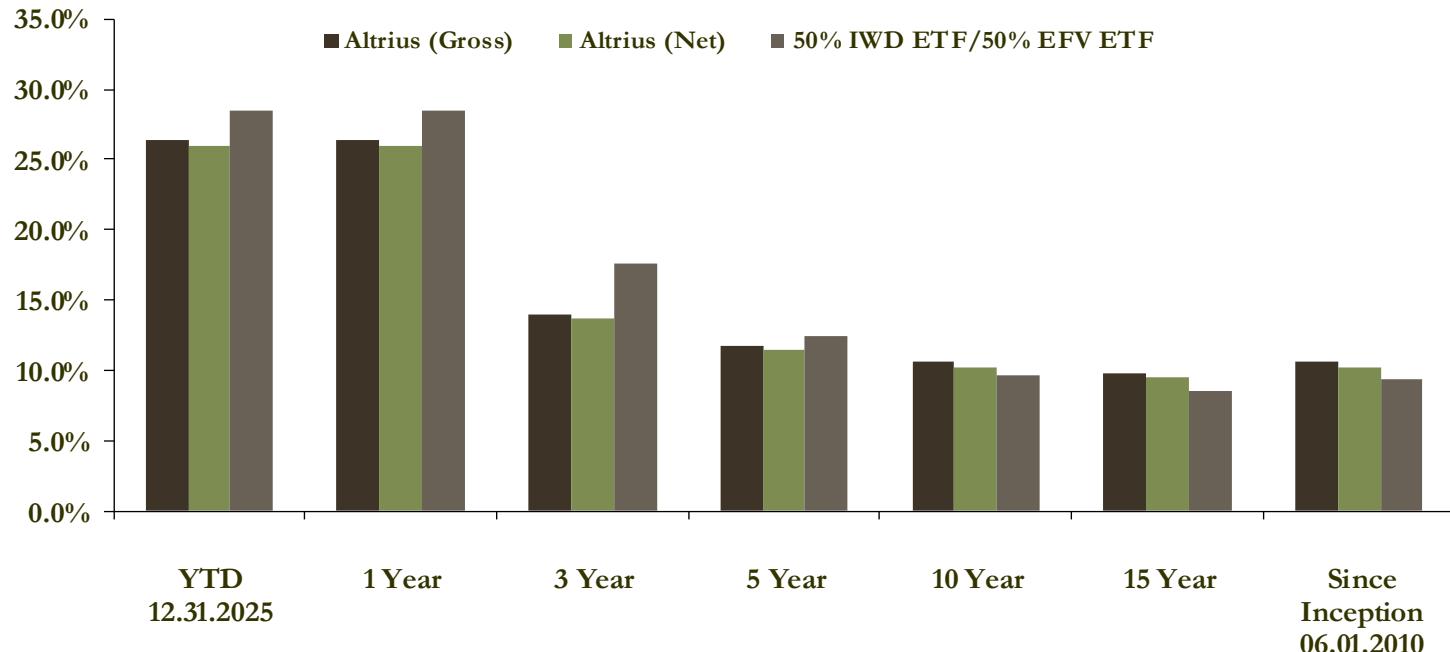
# Altrius Tactical Positioning

## Altrius Disciplined Alpha Growth of \$1,000,000\* vs. Income Strategies



\*Portfolio Growth of \$1,000,000 assumes reinvestment of all dividends since inception. Time period represented is 2/12/2013 – 12/31/2025. All data represented is gross of fees.

# Global Dividend Income



PERIOD	YTD 12.31.2025	1 YEAR	3 YEAR	5 YEAR	10 YEAR	15 YEAR	Since Inception
Altrius (Gross)	26.44	26.44	14.03	11.79	10.61	9.83	10.60
Altrius (Net)	26.01	26.01	13.63	11.40	10.23	9.45	10.21
50% iShares Russell 1000 Value ETF / 50% iShares MSCI EAFE Value (Net) ETF	28.45	28.45	17.54	12.38	9.60	8.60	9.42

# Composite Overview

Altrius Global Dividend Income Composite Performance									
<i>December 31, 2014 – December 31, 2024</i>									
Year	Gross Return %	Net Return %	Benchmark Return %	Composite 3-Yr St Dev %	Benchmark 3-Yr St Dev %	# of Portfolios	Composite Dispersion %	Total Composite Assets	Percent of Firm Assets
2015	(6.59)	(7.62)	(4.86)	12.04	11.40	114	0.41	52,728,523	28.71
2016	13.72	12.41	11.12	12.38	11.34	133	0.80	73,484,472	27.50
2017	19.06	17.75	17.36	11.94	10.48	142	0.45	81,672,155	23.96
2018	(9.01)	(10.01)	(11.48)	11.08	10.52	148	0.71	75,835,171	22.85
2019	22.61	21.30	20.90	12.20	11.27	146	0.69	99,494,550	29.24
2020	3.95	2.88	(0.04)	18.50	19.87	127	0.93	142,570,754	39.46
2021	19.39	18.26	17.87	18.09	19.40	173	0.33	224,989,748	52.29
2022	(1.37)	(2.32)	(6.34)	19.67	21.55	225	0.56	243,317,147	55.97
2023	14.14	13.06	15.10	16.48	16.37	241	0.35	292,101,061	58.33
2024	2.73	1.75	9.83	16.35	16.21	238	0.45	234,466,514	41.83

# Disclosure

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## Performance Reporting

Altrius Capital Management, Inc. (Altrius) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Altrius has been independently verified for the periods January 31, 2001 – December 31, 2024 by ACA Performance Service, LLC. 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 ensure the accuracy of any specific composite presentation. 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 Firm is defined as Altrius Capital Management, Inc. (Altrius), a registered investment advisor with the Securities and Exchange Commission. Altrius was founded in 1997 and manages equity, fixed income and balanced portfolios for high net worth individuals and families.

## Composite Characteristics

The Global Dividend Income composite is a subaccount from the Altrius Global Income Composite. The composite was created in March 2022 with a performance inception date of June 2010. The subaccount strategy seeks long-term capital appreciation and income by investing at least 80% of its assets in a diversified portfolio of income-producing equity securities paying higher than average dividends. 50-100 positions are chosen from a universe of stocks with market capitalization generally greater than \$10 billion. A complete list and description of firm composites is available upon request.

Accounts are included on the last day of the month in which the account meets the composite definition. Accounts no longer under management are withdrawn from the composite on the first day of the month in which they are no longer under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias.

# Disclosure

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## Benchmark

The benchmark is a combination of 50% the iShares® Russell 1000 Value ETF (IWD) and 50% iShares® MSCI EAFE Value ETF (Net) (EFV) calculated by weighting the respective ETF returns monthly. The IWD ETF tracks the securities included in the Russell 1000 Value Index and the EFA ETF tracks the MSCI EAFE Value Index. Both ETF returns are before the deduction of all expenses and transaction costs incurred by the respective ETFs and are net of withholding taxes. The ETF returns are before the deductions of all expenses and transaction costs incurred by the ETF and net of withholding taxes. As of 12/31/2025, the expense ratio was 0.18% for the IWD ETF and 0.31% for the EFA ETF. The ETF returns are the total returns based off net asset values and distributions from the fund. The volatility of the ETFs may be materially different from that of the performance composite. In addition, the composite's holdings may differ significantly from the securities that comprise the ETFs. The ETFs have not been selected to represent appropriate benchmarks to compare the composite's performance, but rather are disclosed to allow for comparison of the composite's performance to those of well-known and widely recognized indices.

Economic factors, market conditions, and investment strategies will affect the performance of any portfolio, and there are no assurances that it will match or outperform any particular benchmark.

## Performance Calculations

Valuations and returns are computed and stated in U.S. dollars. Results reflect the reinvestment of dividends and other earnings.

Gross of fees return is net of transaction costs and gross of management and custodian fees. Net of fees returns are calculated using actual management fees that were paid and are presented before custodial fees and but after management fees and all trading expenses. Returns can be net or gross of withholding taxes, depending on how taxes are recorded at the custodian. Some accounts pay fees outside of their accounts; thus, we enter a non-cash transaction in the performance system such that we can calculate a net of fees return.

The standard management fee for the Altrius Global Dividend Income is 1.40% per annum on the first \$500,000 USD, 1.00% per annum on the next \$500,000 and 0.80% per annum thereafter. Additional information regarding Altrius Capital Management fees are included in its Part II Form ADV.

# Disclosure

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Internal dispersion is calculated using gross of fee performance numbers using the asset-weighted standard deviation of all accounts included in the composite for the entire year; it is not presented for periods less than one year or when there were five or fewer portfolios in the composite for the entire year. The three-year annualized standard deviation measures the variability of the composite and the benchmark (50% IWD ETF/50% EFV ETF) returns over the preceding 36-month period.

Policies for valuing investments, calculating performance, and preparing GIPS® compliant reports are available upon request. A complete list and description of firm composites is available upon request.

**Past performance does not guarantee future results.** The information provided in this material should not be considered an offer nor a recommendation to buy, sell or hold any particular security.

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