



DIVIDEND ASSETS CAPITAL, LLC

INVESTMENT ADVISORS

EQUITY INCOME STRATEGY

INVESTMENT STRATEGIES FOR RISING INCOME & GROWTH | 6/30/2026

The **DAC Equity Income Strategy** is a diversified portfolio focused on both growth and income, investing in dividend-growth companies alongside midstream energy companies and Master Limited Partnerships (MLPs). It is designed for investors seeking enhanced current income, long-term capital appreciation, and reduced exposure to market volatility. The majority of holdings are in large, well-established companies selected through

STRATEGY OVERVIEW

Objective: The strategy seeks to achieve long-term capital appreciation and steadily rising income by investing in companies identified through DAC's proprietary screening process. It also aims to enhance current income by investing in companies positioned to benefit from the transformation occurring in the U.S. energy sector.

Ideal For: Investors seeking higher current income and long-term capital appreciation with reduced market risk.

Strategy Inception: 4/30/2006

Composite Inception: 12/31/2011

Primary Benchmark: S&P 500 ® Index

Investment Category: Large Cap Core

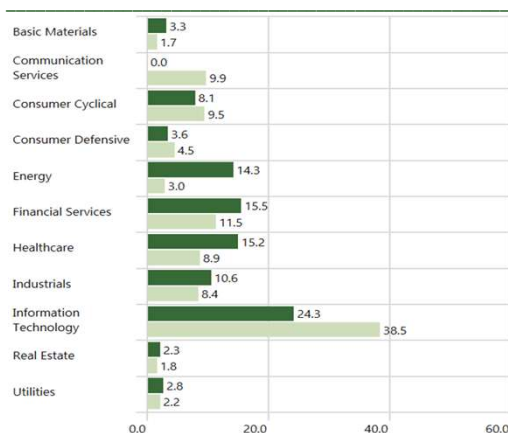
Investment Structures: SMA/UMA

Securities: ≥ 90% Equity, 30-40 holdings

HOLDINGS

Top 5 Holdings Portfolio %	10-Year Average Dividend Increase	Years of Dividend Growth
Williams Companies Inc 5.0	-2.0%	8
KLA Corp 4.7	12.9%	15
Broadcom Inc 4.6	31.3%	15
Microsoft Corp 4.5	9.9%	15
Goldman Sachs Group Inc 4.2	18.6%	14

SECTOR DIVERSIFICATION (%)



■ DAC Equity Income

■ S&P 500 (TR)

DAC's proprietary **"3D – Double Digits for a Decade or More"**™ screening process, which identifies businesses that have increased their dividends by at least 10% annually, on average, for a minimum of 10 consecutive years. The remainder of the portfolio is allocated to publicly traded midstream MLPs and C-Corporations, offering the potential for higher current income than traditional investment sources.

IMPORTANCE OF DIVIDEND GROWTH

Dividend-growing stocks have outperformed over time.

(January 31, 1973 – June 30, 2026)	Annual Gain	\$100 Became
Dividend Cutters or Eliminators	- 1.0%	\$60
Non-Dividend Paying Stocks	4.2%	\$897
Dividend Payers with No Change in Dividends	7.0%	\$3,747
S&P 500 (Equal-Weight TR)	7.8%	\$5,570
Dividend Growers and Initiators	10.3%	\$18,825

Past performance does not guarantee future results.

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- Since 1926, dividends have accounted for approximately one-third of the total return of the stock market, while capital appreciation contributed two-thirds.
- Dividend yield, as a component of total return, is historically less volatile than price appreciation.
- "Good companies pay dividends. Great companies grow dividends." (C.Troy Shaver, Jr.)

OPPORTUNITIES OF MIDSTREAM ENERGY INVESTMENTS

- Midstream energy companies and MLPs operate high quality, irreplaceable assets that transport and/or store energy commodities generating **stable cash flows**.
- They offer investment opportunities in the energy sector with consistently **higher income than more traditional sources** but without exposure to exploration risk.
- We believe an overweight allocation to midstream energy may lower overall portfolio volatility, through **diversification**, without negatively impacting long term returns.
- Fees charged by midstream energy companies are often long-term, contractual obligations, regulated by Federal agencies and **indexed to inflation**.

INVESTMENT PROCESS

Proprietary research, complemented by Wall Street analyses and conversations with management, evaluates:

- Company growth rates and financial strength
- Consistent earnings growth across economic cycles
- Evidence of strong leadership
- Growing, global brands and exposure
- Transparency



DISTINGUISHING CHARACTERISTICS

- Higher current income and long-term growth of principal and portfolio income
- Exposure to holdings that may benefit from the U.S. energy revolution
- Diversified, multi-capitalization holdings with a focus on quality over quantity

Clarity. Simplicity. Devotion.

PORTFOLIO CHARACTERISTICS

	DAC Equity Income	S&P 500®	US Div'd Growers
Yield	2.16%	1.12%	1.58%
Beta (5yr)	0.76	1.00	-
Std. Deviation (5yr)	13.4%	15.8%	13.8%
Sharpe Ratio (5yr)	0.38	0.61	0.53
Payout Ratio	44.8%	27.1%	36.3%
P/E Ratio	23.6x	26.9x	26.3x
Return On Equity	33.9%	36.4%	35.0%
Average Mkt Cap	\$155B	\$487B	\$267B

DIVIDEND INCREASES

	1 Yr*	10 Yr*
DAC Equity Income	12.1%	13.8%
S&P 500® Index	5.0%	5.9%
S&P U.S. Dividend Growers	7.0%	7.8%
CPI	3.1%	3.3%

* Data provided as of 06/30/2026

INVESTMENT TEAM

Marc D. Saurborn, CFA®
CEO and Chief Investment Officer

Evan Carpenter, CFA®
Senior Analyst

William Ford, CFP®
Portfolio Manager
Managing Director, Institutional Asset Management

Michael Davidoff, CFA®, CFP®
Portfolio Manager
Senior Advisor, Private Client Group

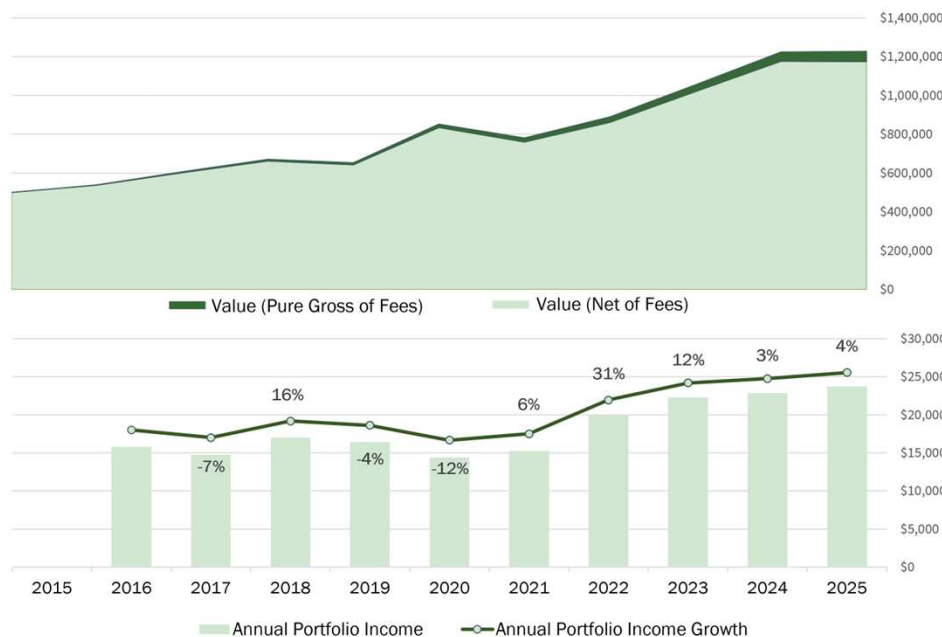
HISTORICAL PERFORMANCE

Historical Performance							Annualized			
Total Returns	Qtr	YTD	1 YR	3 YR	5 YR	10YR	Since Incep*			
DAC Equity Income (Pure Gross of Fees)	5.7%	6.9%	6.9%	12.4%	8.2%	9.7%	9.6%			
DAC Equity Income (Net of Fees)	5.5%	6.5%	6.1%	11.2%	6.2%	7.1%	6.8%			
DAC Equity Income (Net of Wrap Fees)	5.7%	6.9%	6.9%	12.4%	8.2%	9.7%	9.6%			
S&P 500® Index	14.9%	9.6%	20.9%	19.0%	11.8%	13.6%	15.5%			
S&P U.S. Dividend Growers Index	10.1%	7.7%	15.6%	13.4%	8.9%	11.2%	13.5%			

Calendar Year Performance	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
DAC Equity Income (Pure Gross)	4.8%	16.8%	16.9%	-10.1%	18.1%	8.3%	28.6%	-4.7%	16.0%	2.8%
DAC Equity Income (Net of Fees)	4.1%	16.1%	13.5%	-12.8%	14.7%	5.1%	24.9%	-7.5%	12.6%	-0.3%
DAC Equity Income (Net of Wrap Fees)	3.4%	13.4%	13.5%	-12.8%	14.7%	5.1%	24.9%	-7.5%	12.6%	-0.3%
S&P 500® Index	17.8%	25.0%	26.3%	-18.1%	28.7%	18.4%	31.5%	-4.4%	21.8%	12.0%
S&P U.S. Dividend Growers Index	14.2%	17.1%	14.5%	-9.7%	24.2%	18.3%	29.8%	-2.3%	22.2%	13.2%

* Inception Date: 12/31/2011

Hypothetical Growth of \$500,000 (10-years as of 6/30/2026)



The "Pure Gross of Fees" results are calculated gross of all fees. The "Net of Fees" value reflects the deduction of DAC's investment management fee for the representative account in the strategy's GIPS Composite (currently .45% annually).

Sources: Morningstar and Dividend Assets Capital, LLC ("DAC").

The Portfolio Composition, Top Five Holdings, Portfolio Characteristics information as well as the graphs representing Growth of \$500,000 and Annual Portfolio Income and Growth are based on information pertaining to a representative account in the strategy's GIPS composite. Individual holdings, statistics and characteristics may differ from those of the composite and representative account due to the size of the portfolio, client-specific constraints, tax considerations or other factors. A complete list of holdings is available upon request.

Past performance is not indicative of future results. Returns are presented gross and net of management fees and include the reinvestment of all income. "Pure Gross of Fees" returns are shown as gross of all fees and transaction costs. The inclusion of transaction, custodial and/or advisory fees as well as other expenses such as "bundled" fees charged by a platform sponsor, will reduce actual returns. After 1/1/2024, "Net of Fees" returns are presented net of actual investment management fees, net of trading expenses, net of actual "bundled" fees, net of withholding taxes, and gross of custodial fees for "non-bundled" portfolios. "Net of Wrap Fees" returns are calculated by subtracting 1/12th of 3.00% from the monthly pure gross return. 3.00% represents the maximum "bundled" wrap fee that a sponsor may charge clients seeking investment management services in the designated strategy. Other than brokerage commissions this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. Actual fees may vary by wrap program. DAC receives a portion of the total wrap fee paid to the wrap program sponsor for its portfolio management services. Prior to 1/1/2024, Net returns were calculated using just the "Net of Wrap Fees" methodology.

Data is deemed to be reliable, but DAC does not guarantee reliability or accuracy. You should carefully consider the investment objectives, potential risks, management fees, and charges and expenses before investing.

The S&P 500® Index is a market-capitalization-weighted composite of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The S&P U.S. Dividend Growers Index is a market capitalization weighted composite of about 300 stocks, designed to measure the performance of U.S. companies that have followed a policy of consistently increasing dividends every year for at least 10 years. These indexes are unmanaged, and you cannot invest directly in an index. The index returns do not reflect the deduction of fees.

Dividend Assets Capital, LLC claims compliance with the Global Investment Performance Standards (GIPS®). The GIPS compliant presentation, as well as a full list of the Firm's composite descriptions, is available upon request by contacting DAC at (866) 348-4769.

Dividend Assets Capital, LLC is a Registered Investment Adviser with the U.S. Securities and Exchange Commission. Registration does not imply any certain level of skill or training. The Firm's Investment Adviser Brochure, Form ADV Part 2, contains this and other information about the Firm, and should be read carefully before investing. You may obtain a current copy of DAC's Form ADV Part 2 by visiting our website at www.DACapitalSC.com, emailing info@DACapitalSC.com, or by calling us at (866) 348-4769. Additional information about Dividend Assets Capital, LLC is also available on the United States Securities and Exchange Commission's website at www.adviserinfo.sec.gov. You may search this site using a unique identifying number known as a CRD. DAC's CRD is 129973. DAC-26-041