STRATEGY SPOTLIGHT

Dividends

ALPINE SAXON WOODS

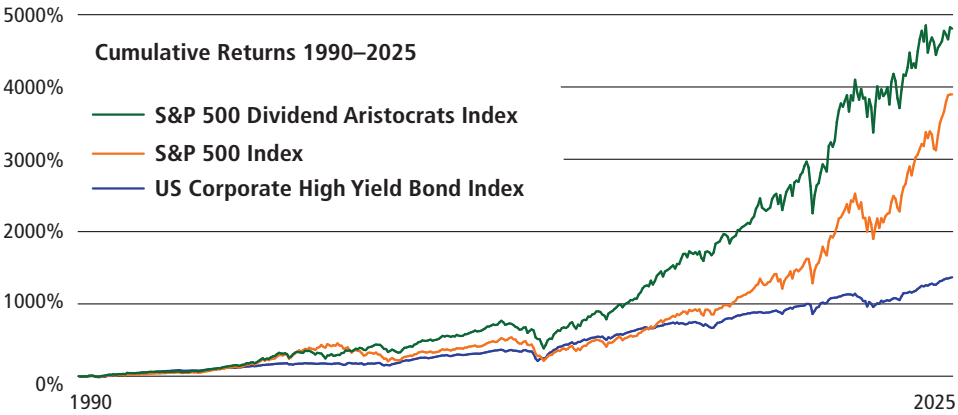


Dividends have historically been a meaningful contributor to equity returns and can play an important role in building more resilient portfolios. Dividend-paying companies can provide a combination of income, capital appreciation potential, and downside characteristics that complement broader equity exposure.

Why should dividends be a core allocation for portfolios?

- **31% of the S&P 500's total return** since 1926 has come from dividends *(Source: S&P Dow Jones Indices, 1926–2025)*
- Historically, Dividend Indices/Strategies have a lower beta[1] over the long term than the broad market. S&P Dividend Aristocrats had a **market beta of 0.80 which is 20% less volatile** than the S&P 500 Index. *(Source: S&P Down Jones Indices 1989–2025)*
- These companies **often have been more financially sound** than non-dividend-paying companies, with attractive cash flow / profitability characteristics.
- Dividends can enhance the total return profile of a portfolio **providing both income and capital appreciation potential.**
- Regular dividend payments provide an **opportunity to re-invest in a company** by averaging into a stock.

Dividend stocks have outperformed other income-producing risk assets

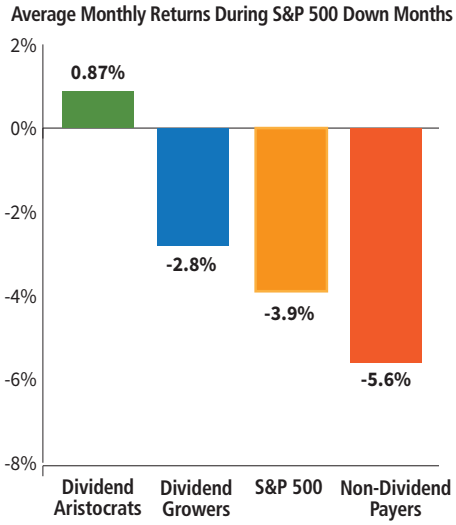


Index	1990s CAGR	2000 CAGR	2010s CAGR	2020s CAGR	1990–2025 CAGR
S&P 500 Dividend Aristocrats Index	15.22%	6.48%	14.74%	8.14%	11.41%
S&P 500 Index	18.17%	-0.95%	13.54%	15.04%	10.78%
US Corporate High Yield Bond Index	10.70%	6.71%	7.57%	4.93%	7.74%

Data through 12/31/25. Source: Bloomberg

Performance in down markets

When the S&P500 has declined, dividend stocks have historically fallen less and sometimes even delivered positive returns.



Source: S&P Dow Jones Indices 1989–2025.

Investing involves risks, including the loss of principal. Past performance does not guarantee future results.

1. Beta measures the sensitivity of a portfolio to the movement of its benchmark. A Beta less than 1.00 indicates a portfolio that has exhibited less volatility than its benchmark, while Beta greater than 1.00 has been more volatile.

Why should Alpine Saxon Woods Dividend Strategy be a core allocation?



- Recognized by independent data and research firm, Zephy PSN, as a Top Gun Strategy in the All-Cap Value category as of 6/30/26.
- A track record over 7 years with a Strategy inception date of 1/1/19.
- Attractive performance in both up markets and down markets.
- Experienced management team with an average of 25 years' industry experience.
- Attractive dividend yield, greater than 2.5%

ASW Dividend Strategy Investment Process

	OBJECTIVES	CRITERIA
Screening Process (1,500 stocks)	Generate a universe of investable stocks	• Market cap > $1.0B • Dividend yield > 0% • Results in ~ 1,200 stocks
Operating Test (300 – 500 stocks)	Focus on reasonably valued stocks with above average dividend yields	Current and projected dividend yield above that of the S&P 500
Financial Test (150 – 250 stocks)	Eliminate financially weak companies	Balance sheet scrutiny and financial ratio analysis
Catalyst Test (100 – 150 stocks)	Determine timeliness of investment	• Payout ratio ≤ S&P 500 • Total debt / cap < S&P 500 • Interest coverage > S&P 500 • Improving earnings and FCF trend
Focus List (50 – 100 companies)	Finalize fundamental analysis and create investment candidate pool	• Company and industry contact • Insider buying/selling activity • Technical attributes • Set a 12-month price target
Portfolio	Manage risk through diversification and quantitative risk assessment	**• Average position size of 3% – 5%** **• 35 – 45 stocks in normal portfolio**

Portfolio Construction

- Initial position size 2% to 5%
- Normal number of holdings 35 to 45
- Limit security concentration to no more than 10%
- Limit sector exposure: 25% or 1.5x the benchmark, whichever is greater
- Review quantitative risk management statistics to understand where and in what form risk exists

Reach out to your Financial Professional to learn more or visit our website at www.alpinesaxonwoods.com or call 1-914-417-6415.

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Investing involves risks, including the possible loss of the principal amount invested. Past performance is no guarantee of future results. Third-party information has been obtained from sources believed to be reliable, but its accuracy and completeness are not guaranteed. Opinions and estimates reflect the judgment of Alpine Saxon Woods and are subject to change without notice. This material is for information purposes only and is not intended as an offer, recommendation or solicitation for the sale of any financial product or service or as a determination that any investment strategy is suitable for a specific investor. Investors should seek financial advice regarding the suitability of any investment strategy based on the investor's objectives, financial situation and particular needs. No investment strategy is suitable for every investor and there is no assurance that any investment strategy will be successful. Yield estimates are provided for illustrative purposes only and are not an assurance or guarantee of future results. Yield is one component of total return, and is inherently positive – income from dividends and interest may be wholly or partially offset by negative price changes for a given security, resulting in a capital loss.

The S&P 500 Dividend Aristocrats Index is a stock market index composed of the companies in the S&P 500 Index that have increased their dividends in each of the past 25 consecutive years. It was launched in May 2005. The dividend growers category measure the performance of companies that have followed a policy of consistently increasing dividends every year for a specified number of years, excluding the top 25% highest-yielding eligible companies. The non-dividend payers category are companies with an indicated annual dividend of zero.

About the Top Guns Award

Alpine Saxon Woods' Dividend Strategy earned PSN Top Guns, 4-Star. 5-Star, and 6-Star awards for the All Cap Value style. Alpine Saxon Woods pays no compensation to PSN for its consideration for the Top Guns, but does pay a nominal fee for the rights to use the PSN Top Gun name and badges in its own marketing. These Top Gun ratings are awarded based on performance reported by Alpine Saxon Woods to PSN. Through a combination of PSN's proprietary performance screens, the PSN Top Guns awards investment strategies in six categories across more than 75 universes. PSN employs proprietary benchmark and peer group metrics, including correlation, volatility, performance, and information ratio evaluated over a five-year period.