

TOM JOHNSON INVESTMENT MANAGEMENT, LLC

Firm Overview

Tom Johnson Investment Management, LLC was founded in 1983 and is based in Oklahoma City, Oklahoma. TJIM's investment team averages over 20 years of experience. Five of TJIM's six investment committee members are CFA charterholders who collectively hold three MBA's, one Financial Risk Manager (FRM) designation and one CFP® Professional. TJIM's team draws on the diverse knowledge and experience of each underlying member to provide the best investment decisions for client portfolios. TJIM manages all accounts as separate accounts with individual securities.

TJIM DSI Equity Process

The primary goal of TJIM's Diversified Stock Income (DSI) portfolio is to generate a stable and growing income stream by buying and managing a diversified portfolio of common stocks that pay or are expected to initiate above-market dividend yields with prospects for future dividend growth. The portfolio has a secondary goal of appreciation. Under normal circumstances, portfolios are managed with the following guidelines:

Diversification

- 5% max position size
- Own at least 8 of 11 sectors
- Max sector allocation of 2x the S&P or 10%, whichever is larger

Valuation

- Aggregate PE less than the market
- Low price-to-cash flow
- Sustainable and growing dividend
- Sum-of-parts analysis

Security Selection

- Focus on dividend payers & growers
- Rigorous fundamental analysis
- Primarily large/mid companies
- Tactical macro-economic opportunities

Risk Management

- Favorable up/down capture
- Unsystematic risk review
- Historically lower standard deviation than the S&P 500

Why Diversified Stock Income?

There are multiple benefits to dividend focused investing – increased income, reduced volatility, an income stream that grows over time, and better downside protection. While the portfolio was developed to generate a growing income stream and not necessarily to exploit any specific market inefficiency, by its nature it exploits the intersection of several related market inefficiencies—value anomaly, low volatility, dividends and dividend growth.

TJIM General Information

Investment Style

Dividend focused

Investment Approach

Combination of top-down macro analysis coupled with bottom-up fundamental research —focus on growing income stream

Strategy Inception date

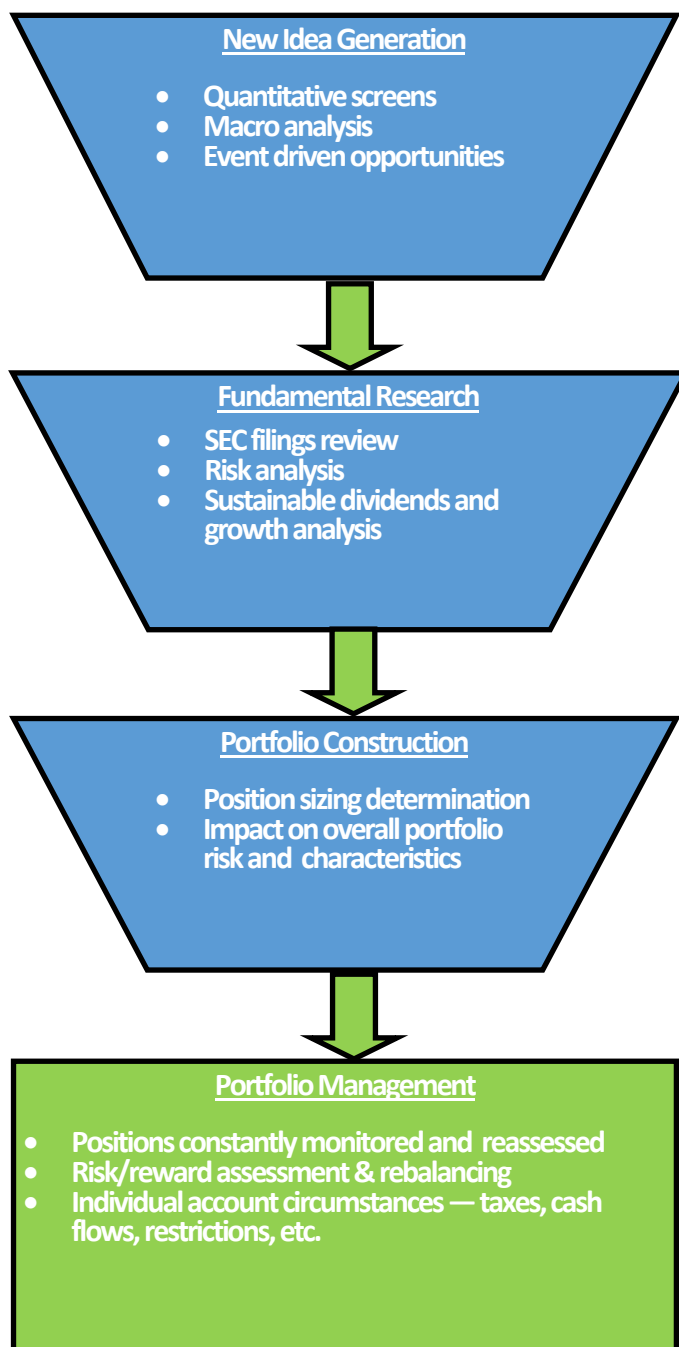
7/1/2003

Investment Team

Richard Parry, CFA, Douglas Haws, CFA, Nicholas Pointer, CFA, Cory Robinson, CFA, FRM, Jeremy Wilcox, CFA, CFP®, Jenny Davis

TJIM Philosophy

TJIM has a conservative philosophy for investing client assets. TJIM believes that attractive risk-adjusted performance is best achieved by building a prudent, well-diversified, high-quality portfolio that addresses capital preservation and risk. TJIM's over-riding goal is to provide good returns in up markets while protecting wealth when down markets inevitably occur, which should lead to outperformance over a full market cycle.





TOM JOHNSON INVESTMENT MANAGEMENT, LLC

Product Profile | Diversified Stock Income (DSI)

Wrap

Period Ending 09/30/23

Portfolio Characteristics

	TJIM DSI Equity	S&P 500 Index	BIGC
P.E Forecast 1-year	13.3	22.6	N/M
Dividend Yield (%)	3.46%	1.62%	5.23%
Wtd. Avg. Market Cap (\$B)	118.5	628.7	N/M
Avg. Market Cap (\$B)	95.5	79.4	N/M
% EPS Growth Next 5 Yrs.	5.9%	14.8%	N/M
Number of Holdings	41	504	N/M

Top 10 Holdings

Aflac Inc	4.20%
Merck & Co Inc	4.07%
Exxon Mobil Corp	3.96%
NetApp Inc	3.59%
ConocoPhillips	3.58%
Allison Transmission Holding	3.54%
Cisco Systems Inc	3.34%
Pfizer Inc	3.08%
United Parcel Service	3.06%
Bank of New York Mellon Corp	2.98%

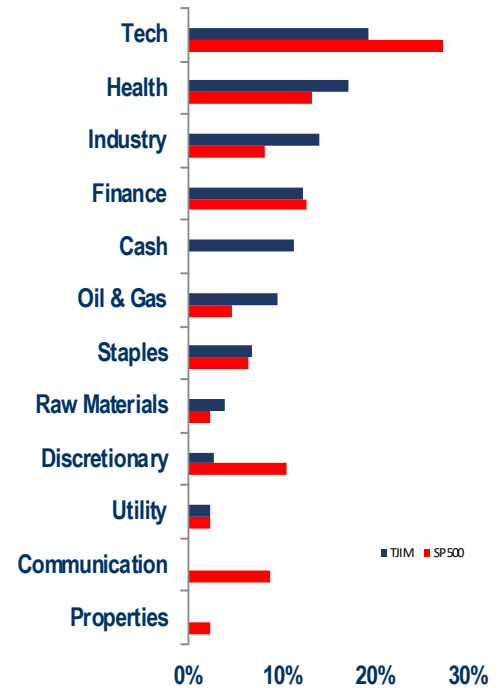
*N/M = Not Meaningful

Performance Statistics

Diversified Stock Income (DSI) Wrap Composite

10 Year Statistics	TJIM "Pure" Gross	Net of Fees	Net Max 3%	S&P 500
Upside Capture	79.5%	76.3%	71.5%	100.0%
Downside Capture	89.8%	92.2%	95.4%	100.0%
Annual Std. Deviation	13.92%	13.88%	13.87%	14.96%
Sharpe Ratio	0.22	0.13	0.00	0.49
Annualized as of 09/30/23	TJIM "Pure" Gross	Net of Fees	Net Max 3%	S&P 500
1 Year	10.76%	9.25%	7.60%	21.61%
3 Year	10.25%	8.60%	7.03%	10.15%
5 Year	5.31%	3.91%	2.23%	9.92%
10 Year	7.66%	6.36%	4.50%	11.91%
Inception (3/2007)	7.27%	5.87%	4.11%	9.09%

Sector Weightings



Tom Johnson Investment Management is an independent investment management firm specializing in the management of equity and fixed income securities. The firm is a registered investment advisor with the SEC. The TJIM Diversified Stock Income Wrap Portfolio composite was created April 1, 2007 and contains all fully discretionary equity portfolios managed to the TJIM Diversified Stock Income Portfolio who are participants in a sponsored wrap program. The portfolio emphasizes a conservative investment philosophy to obtain income with adequate diversification with a secondary consideration toward total return. Portfolios are concentrated in issues paying, increasing, or likely to initiate a dividend. Convertible securities may also be used for yield. Covered option writing may also be periodically used to enhance yield and reduce risk. Tom Johnson Investment Management claims compliance with the Global Investment Performance Standards (GIPS®). The above information is presented as "supplemental information" included as part of our GIPS Report. "Pure" Gross returns are shown as supplemental information and are stated gross of all fees and transaction costs. Net returns are reduced by all actual fees and transaction costs incurred, or the maximum program fee of 3% when unknown. Net Max 3% fee assumes the maximum annual program fee of 3%, which is calculated by deducting 0.75% quarterly in the month after quarter-end from "pure" gross returns.

This portfolio will be subject to equity risk, market risk, manager risk, liquidity risk, with a secondary risk exposure to international markets. Diversification does not protect against losses. There is a risk of loss inherent in any investment. Past performance does not guarantee future results.

TJIM Diversified Stock Income Wrap Portfolio

GIPS Report

Tom Johnson Investment Management, LLC

Year	TJIM "Pure" Gross Return	Net Return	3% Net Return	S&P 500 Index %	Number of Portfolios	Internal Dispersion	Composite 3-Yr St Dev	S&P 500 3-Yr St Dev	Composite Assets (\$MM)	Total Firm Assets (\$MM)
2022	-5.57%	-6.80%	-8.31%	-18.11%	< 5	n/a	19.27%	21.16%	\$0.9	\$654.0
2021	27.48%	25.38%	23.77%	28.71%	< 5	n/a	16.94%	17.41%	\$0.9	\$778.8
2020	-0.22%	-1.60%	-3.15%	18.40%	< 5	n/a	17.51%	18.79%	\$0.7	\$749.9
2019	22.05%	20.86%	18.50%	31.49%	5	0.47%	10.98%	12.10%	\$4.0	\$764.2
2018	-2.86%	-3.81%	-5.72%	-4.38%	5	0.22%	10.55%	10.95%	\$3.5	\$747.3
2017	10.91%	9.74%	7.62%	21.83%	5	0.48%	10.55%	10.06%	\$1.7	\$839.6
2016	17.35%	16.11%	13.85%	11.96%	7	0.41%	10.86%	10.74%	\$6.4	\$761.6
2015	-5.21%	-6.31%	-7.99%	1.38%	7	0.16%	10.72%	10.62%	\$1.5	\$645.2
2014	9.66%	8.36%	6.38%	13.69%	5	0.62%	8.35%	9.10%	\$2.3	\$629.5
2013	35.73%	34.25%	31.86%	32.39%	5	1.07%	9.36%	12.11%	\$4.5	\$594.2

Time Period Returns as of 12/31/2022

1 Yr	-5.57%	-6.80%	-8.31%	-18.11%
3 Yr	6.30%	4.77%	-3.20%	7.66%
5 Yr	7.32%	5.98%	4.19%	9.43%
10 Yr	10.09%	8.79%	6.86%	12.56%

* 3 Yr, 5 Yr and 10 Yr are annualized returns

Tom Johnson Investment Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards.

Tom Johnson Investment Management has been independently verified for the period January 1, 2003 to December 31, 2021. The verification report is 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 provide assurance on the accuracy of any specific performance report.

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Firm Information

Tom Johnson Investment Management is an independent investment management firm specializing in the management of equity and fixed income securities. The firm is a registered investment advisor with the SEC. Total Firm Assets above are presented per GIPS definition.

Composite Information

The TJIM Diversified Stock Income Equity Wrap Portfolio composite contains all discretionary accounts managed to the TJIM Diversified Stock Income Portfolio who are participants in a sponsored wrap program. The objective of the portfolio is to obtain income through diversification in equities with a secondary consideration toward total return. The focus is on purchasing common stock of companies that have valuations lower than their peer group in industries and sectors that provide the best opportunity in the foreseeable future. The portfolio will be concentrated in issues paying, increasing or likely to initiate a dividend.

Wrap fee accounts make up 100% of the composite for all periods shown.

The creation date and the inception date for this composite is April 1, 2007.

A list of composite descriptions is available upon request.

Benchmarks

The S&P 500 Total Return Index.

Performance Calculations

Valuations and returns reflect the reinvestment of dividend and interest income and are computed and stated in U.S. dollars.

"Pure" Gross returns are shown as supplemental information and are stated gross of all fees and transaction costs. Net returns are reduced by all actual fees and transaction costs incurred, or the maximum program fee of 3% when unknown. Three percent (3%) Net fee assumes maximum annual program fee of 3%, which is calculated by deducting 0.75% quarterly in the month after quarter-end from "pure" gross returns.

TJIM's standard fee schedule is 1% on the first \$1,000,000, 0.75% on the next \$4,000,000, 0.60% on the next \$5,000,000, 0.50% on the next \$15,000,000, 0.45% of the next \$25,000,000, 0.40% of the next \$50,000,000, over \$100,000,000 is quoted upon request. Fees may be negotiated depending upon a variety of variables.

Account fees in Direct and Sub-Advisor Wrap Programs are determined by the advisor and the program sponsor. Actual investment advisory fees incurred by clients may vary.

Composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow of 50% or greater of portfolio assets. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite at the beginning of the month after the cash flow or the beginning of the month after the account has achieved representativeness to the style portfolio. Prior to 01/01/2020 accounts were removed and re-entered the composite on a quarterly basis.

Internal dispersion is calculated using the asset-weighted standard deviation of the annual gross-of-fees returns of those portfolios that were included in the composite for the entire year. For those years when less than five portfolios were included in the composite for the full year, no dispersion measure is presented.

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. It is calculated based on the 36 monthly gross-of-fees returns of the composite and the benchmark.

Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

Performance presented herein represents past performance and does not guarantee future results.

This portfolio will be subject to equity risk, market risk, manager risk, liquidity risk, with a secondary risk exposure to international markets. Diversification does not protect against losses. There is no guarantee any investment or TJIM's portfolios will meet their objectives. All investments involve the risk of loss as well as the potential for gains. Individual clients may realize different results due to differing circumstances. This information is not intended to constitute legal, tax, accounting or investment advice. No bank guarantee. Not FDIC insured. May lose value.

TJIM