Logan Dividend Performers

DP

CONSISTENT RETURNS WITH LESS RISK

Q3 | 2020

LOGAN DIVIDEND PERFORMERS PORTFOLIOS Q3 | 2020 REVIEW[1]

MARKET ENVIRONMENT

A substantial mid-quarter correction failed to deter a strong rally in the US equity markets during the third quarter. Fading pandemic concerns inspired steady reopening efforts leading to improving economic indicators as well as sparking one of the largest jumps in consumer confidence in September. However, the landscape remains fraught with risk as investors face the prospect of a pivotal presidential election, fading fiscal stimulus, political sparring over a fiscal stimulus plan and lengthy wait times for vaccines. This presidential election has much at stake as it could substantially change the fundamental underpinnings of key assets classes and business sectors.

The third quarter featured a continued hyper focus on growth-related equities to the detriment of value and in many regards, pretty much everything else. The S&P 500 Growth Index outperformed the S&P 500 Value Index by nearly 7% during the quarter and by approximately 32% since the beginning of the year. This phenomenon has been affecting the performance of dividend growth equities as well. However, September offered a different picture as investors finally worried about the valuation of growth-related names and weighed the prospects of renewed economic growth. Consequently, value and dividend stocks tended to outperform growth stocks as well as the S&P 500 Index. Importantly, dividend stocks showed their typical resilience in tougher markets, outperforming the S&P 500 Index during the late quarter sell-off.

The Dividend Performers strategy modestly underperformed the S&P 500 Index during the quarter, showing resilience during the sell-off in September, capturing only a modest portion of the downturn. This resilience stems from our continued focus on quality dividend growth stocks as well as our disciplined stock selection process.

PORTFOLIO REVIEW

The health care, materials and utilities sectors contributed to relative performance during the quarter.

Health care stocks generally underperformed the S&P 500 Index for the quarter. However, stock selection within health care made up the difference and was the key to our relative outperformance in the quarter. This was led by strong performance from holdings with exposure to diagnostics as a result of COVID-19 and medical devices which experienced a quicker rebound than expected.

Our allocation to and stock selection within the materials sector positively impacted performance. Both of our holdings reported second quarter results that beat consensus expectations which supported strong performance. The overweight allocation to the materials sector also contributed as the sector outperformed the overall benchmark return.

Finally, results within the utilities sector also contributed to performance. The main driver of outperformance was stock selection. Our lone utility holding reported solid second quarter results helping it to outpace the sector and the market during the third quarter.

Conversely, the information technology, financials and industrials sectors detracted from relative performance during the quarter.

Information technology was one of the strongest performing sectors in the S&P 500 Index during the quarter.

[1]Dividend Performers results discussed herein should be read in conjunction with the attached performance and disclosures

However, our stock selection was negatively impacted by several companies whose performance was disrupted by COVID-19 for the time being as well as investor's preference for non-dividend paying stocks within the sector.

The financial sector continues to be a market laggard as concerns persist that low interest rates are negatively impacting net interest revenue at the banks and COVID-19 related shutdowns will lead to higher loan losses. In addition, the Federal Reserve has limited bank use of capital to reward shareholders in the short term. Currently, Dividend Performers has a slightly higher weight in banks. We believe they are in a much stronger position today than they were during the last crisis and the reopening of the economy will drive faster loan growth and a steepening yield curve. During the quarter, our position in a large trust and custody bank was negatively impacted by guidance that suggested earnings would be adversely impacted by lower net interest income.

Finally, stock selection within the industrials sector detracted from performance. Aerospace & defense names tended to underperform within the industrials sector including both of our holdings in this industry. Both holdings reported second quarter revenue and adjusted earnings per share results that beat expectations. However, concerns related to the trajectory of future defense budgets and aerospace business trends weighed on sentiment.

The following is a summary of the new buy(s) and sale(s) implemented in the portfolio during the quarter.

We initiated a position in a data center REIT. This company is a global interconnection and data center company with more than 210 data centers in 55 metro centers, 24 countries and five continents. It provides carrier-neutral colocation centers that facilitate interconnection across an organization's ecosystem of service providers, including network service providers (NSPs), cloud service providers (CSPs), internet service providers (ISPs), and software-as-a-service (SaaS) providers. Its International Business Exchange (IBX) data centers host more than 8,000 customers across various industry verticals.

Organizations primarily use this data center REIT in two ways: 1) to outsource the hosting and management of physical data infrastructure and 2) to achieve faster, cheaper, and more secure connectivity across networks. Key to the thesis is putting more focus on the need for smaller data centers near where the need is (edge data centers) such as drones, robots, sensors, etc. that necessitate no latency.

The business model supports high margins and a high percentage of recurring revenues as well as an outlook of continued strong growth that should support double digit dividend growth into the future. The company is well positioned to benefit from the evolution of edge computing which should support long term growth for its primary interconnect-oriented data center business as more data is created that needs to move between the edge and core hyper-scale locations. At the same time it is in the process of expanding its product portfolio including its Network Edge and ECX Fabric services which expand its consumption-enablement model. While the stock carries a high valuation multiple, it is a key part of the data usage, storage and interconnected world architecture and thus should see above average growth justifying the premium. In addition, due to its global model it has built a considerable moat that should protect cash flows going forward. This data center REIT checks the financial strength and business momentum boxes for us and the recent pull back gives us a relatively attractive entry point.

Conversely, we sold our position in a retail holding, the largest off-price retailer of apparel and home product. This retailer has historically been a consistent and stable grower, generating large amounts of cash allowing it to invest in the business and receive the best terms on inventory and real estate, while at the same time returning large amounts of cash to shareholders. While consumers still value the treasure hunt quality of the retail experience the company provides, the company's lack of a cohesive omni-channel strategy is proving to be a competitive disadvantage in the current environment. We expect this dynamic will lead to structurally lower cash flows and highlight a need to make significant investments, putting dividends as a lower priority. Given the worsening dynamics, we believe it is unlikely the company will resume its prior dividend cadence this year, so we sold the stock in favor of names with better near-term momentum which have shown the ability to raise the dividend even in these dynamic times.

PORTFOLIO OUTLOOK

The Federal Reserve, with its massive stimulus programs, continues to hold back the worst of the negative impacts from the pandemic. We believe by next year the US economy, if not global economies, will be near "normal" growth rates and unemployment rates, while sluggish, will also find a new normal.

However, the current environment is full of short-term challenges that may try the patience of even the most seasoned investor.

While the Federal Reserve may have committed to "do what it takes" to support markets, the current election may lead to pivotal changes creating volatility as investors reposition. At play are tax policy, China trade policy as well as the impact of fiscal stimulus. In simple terms, winners of the current administration may become the new losers in the next. In addition, a rancorous presidential election cycle would impede the size and success of further fiscal stimulus. We would not bet on too much more help there. By many measures, the impact of the pandemic may be waning, with positive consumer sentiment a good sign. However, without a successful and readily available vaccine, we are subject to potential outbreaks which will act as brakes on the economy.

On the positive side, we see investors more willing to move beyond the very narrow growth trade as vaccine success nears and valuations among growth stocks look stretched. In addition, there are many companies thriving in this pandemic time with very attractive, growing and durable dividend payouts. We favor the housing-related companies and health care sectors. In addition, when we look at our major detractors for the year, they originate from areas impacted by the pandemic such as financials and underweights in higher risk, non-dividend paying growth stocks. We believe as the economy moves from stimulus life support to steady state growth, these areas will return to favor, particularly those with outstanding dividend growth track records.

Similar to last quarter, we anticipate increased interest in stocks with growing dividends and attractive yields due to their stability in volatile times and investor's need for adequate portfolio dividend yield. Overall, we would stay the course of seeking longer duration, durable dividend growth stocks that will not only survive but thrive in what may be a more challenging environment going forward.

This material represents an assessment of the market and economic environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. Forward looking statements are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied. Information is based on data gathered from what we believe are reliable sources. It is not guaranteed as to accuracy, does not purport to be complete and is not intended to be used as a primary basis for investment decisions. It should also not be construed as advice meeting the particular investment needs of any investor. Past performance does not guarantee future returns.

Indices are unmanaged, and investors cannot invest directly in an index. Unless otherwise noted, performance of indices do not account for any fees, commissions or other expenses that would be incurred. Returns do not include reinvested dividends.

The Standard and Poor's 500 is an unmanaged group of securities considered to be representative of the stock market in general. It is a market value weighted index with each stock's weight in the index proportionate to its market value.

The Dow Jones Industrial Average (DJIA) is a price-weighted average of 30 actively traded "blue chip" stocks, primarily industrials, but includes financials and other service-orientated companies. The components, which change from time to time, represent between 15%-20% of the market value of NYSE stocks.

The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price to book ratios and higher forecasted growth values. The Russell 1000 Growth Index is constructed to provide a comprehensive and unbiased barometer of the large-cap growth segment.

The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price to book ratios and lower forecasted growth values.

The S&P 500/Citigroup Pure Value Index is a score weighted index developed by Standard and Poor's consisting only of those stocks within the S&P 500 Index that exhibit strong value characteristics.

S&P 500/Citigroup Growth Index is a market-capitalization-weighted index developed by Standard and Poor's in conjunction with Citigroup. It consists of stocks within the S&P 500 Index that exhibit strong growth characteristics. The S&P 500/Citigroup Growth Index is the outcome of a numerical ranking system based on three growth factors and four value factors to determine the constituents and their weightings.

TEN LARGEST PORTFOLIO HOLDINGS

TEN LARGEST PORTFOLIO HOLDINGS	% OF PORTFOLIO
Microsoft Corporation	6.7%
Apple Inc.	5.7%
Abbott Laboratories	4.4%
Visa Inc. Class A	4.2%
Johnson & Johnson	3.9%
Procter & Gamble Company	3.3%
Mondelez International, Inc. Class A	3.2%
Medtronic Plc	3.2%
McDonald's Corporation	3.1%
PepsiCo, Inc.	3.0%

LONG-TERM TRACK RECORD

LONG-TERM TRACK RECORD	TOTAL RETURN NET OF FEES	TOTAL RETURN PURE GROSS OF FEES	S&P 500
QTD	7.5%	8.0%	8.9%
YTD	-1.1%	0.4%	5.6%
1 Yr	5.9%	8.0%	15.1%
3 Yrs	9.6%	12.3%	12.3%
5 Yrs	10.2%	13.2%	14.1%
10 Yrs	8.5%	11.7%	13.7%
Since Inception†	5.6%	8.7%	10.1%

Annualized Returns (as of 9/30/2020). Time period greater than YTD is annualized.
†Inception of (12/31/2002)
Reference performance disclosure

LOGAN AUM+AUA

Strategy AUM	$80M
Strategy AUA	$470M
Firm AUA	$1,211M
Firm AUM	$2,086M
Total Firm AUM+AUA	$3,297M

Numbers are subject to rounding differences
AUA has a one month data lag

Supplemental to a fully compliant GIPS Report.
Past performance does not guarantee future results. The holding identified do not represent all of the securities purchased, sold or recommended for advisory clients. The views expressed are those of Logan Capital. Any securities, sectors or industries discussed should not be perceived as investment recommendations; any security discussed may no longer be held in an account's portfolio. It should not assumed that investment in any of the securities, sectors or industries listed were or will prove to be profitable. Sector or industry weights of any specific account can vary based on investment restrictions applicable to that account. The securities discussed do not represent an account's entire portfolio and in aggregate may only represent a small percentage of an account's portfolio holdings.

Performance Disclosure

DP

Logan Capital Management, Inc.
Performance Results: Dividend Performers Wrap Composite
December 31, 2002 through September 30, 2020

Year	Total Return Net of Fees	Total Return Pure Gross of Fees	S&P 500	Number of Accounts	Composite Dispersion Gross of Fees	Composite 3-Yr Gross Std Dev	S&P 500 3-Yr Gross Std Dev	Composite 3-Yr Gross Sharpe Ratio	Assets in Composite ($millions)	% of Firm Assets	Firm Assets ($millions)
YTD 2020	-1.1%	0.4%	5.6%	147	N.M.	15.5%	17.5%	0.7	$70	3.4%	$2,086
2019*	29.4%	32.0%	31.5%	155	N/A	10.3%	11.9%	1.5	$82	4.0%	$2,050
2018	-3.5%	-0.5%	-4.4%	237	N/A	9.8%	10.8%	0.9	$78		
2017	18.1%	21.7%	21.8%	341	0.2%	9.4%	9.9%	1.0	$130		
2016	6.9%	10.2%	12.0%	430	0.5%	9.8%	10.6%	0.6	$130		
2015	-5.1%	-2.1%	1.4%	922	0.2%	9.8%	10.5%	1.1	$248		
2014	5.9%	9.2%	13.7%	1124	0.2%	8.3%	9.0%	1.9	$400		
2013	23.3%	27.2%	32.4%	1303	0.2%	11.5%	11.9%	1.2	$445		
2012	7.2%	10.6%	16.0%	1569	0.2%	14.5%	15.1%	0.6	$479		
2011	1.2%	4.3%	2.1%	2655	0.2%	17.5%	18.7%	0.7	$640		

Annualized Returns (09/30/2020)

Year	Total Return Net of Fees	Total Return PureGross of Fees	S&P 500
YTD	-1.1%	0.4%	5.6%
1 Yr	5.9%	8.0%	15.1%
3 Yrs	9.6%	12.3%	12.3%
5 Yrs	10.2%	13.2%	14.1%
10 Yrs	8.5%	11.7%	13.7%
Since Inception†	5.6%	8.7%	10.1%

†Inception 12/31/02
*Logan Capital data starts 02/01/19
N.M. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.
N/A – Data is not available for time period.

Performance Disclosure

Logan Dividend Performers Wrap Composite contains fully discretionary dividend performers equity accounts, measured against the S&P 500. You cannot invest directly in an index. The S&P 500 Index seeks to reflect the risk and return of all large cap companies and is also is used as a proxy for all of the total stock market. It tracks the 500 most widely held stocks on the NYSE or NASDAQ and is widely regarded as the best single gauge of large-cap U.S. equities. The benchmark selected includes the reinvestment of dividends and income, but does not reflect fees, brokerage commissions, withholding taxes, or other expenses of investing. This benchmark is used for comparative purposes only and generally reflects the risk and investment style of the composite. The sharpe ratio is included to help investors understand the return of an investment compared to its risk. The ratio is the average return earned in excess of the risk-free rate (90 Day U.S. TBill) per unit of volatility or total risk.

The strategy invests in US securities with a market capitalization over $2 billion at time of purchase. A small portion of the strategy (<15%) can be invest in ADR's. Turnover is low, typically under 35% and holdings range between 35 and 50 positions. Only accounts paying wrap fees are included. There is no minimum account size for this composite currently, but prior to April 1, 2009 there was a $100,000 asset minimum required to be included in the strategy.

Logan Capital Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Logan Capital Management, Inc. has been independently verified for the periods April 1, 1994 through December 31, 2019. A copy of the verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedure 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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Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Accounts in the composite pay a bundled wrap fee based on a percentage of assets under management. Other than portfolio management, this fee includes brokerage commissions, portfolio monitoring, consulting services, and in some cases, custodial services. Wrap fee accounts make up 100% of the composite for all periods shown. Pure gross returns are shown as supplemental information, as gross returns are not reduced by transaction costs. Net of fee performance was calculated by reducing the gross return by the highest wrap fee (0.50% quarterly fee). The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Additional information regarding the policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request

The investment management fee schedule for non-wrap accounts is as follows: 65 basis points on the first $25 million, 55 basis points on the next $25 million, 45 basis points on the next $25 million and 35 basis points on the next $25 million. Fees for accounts with over $100 million in assets are negotiable. Minimum fee is $32,500. Actual investment advisory fees incurred by clients may vary. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Total annual fees charged by wrap sponsors are generally in the range of 2.0% to 3.0% annually.

The Logan Dividend Performers Wrap Composite was created February 1, 2019. Performance presented prior to February 1, 2019 occurred while the original members of the Portfolio Management Team were affiliated with a prior firm and those Portfolio Management Team members were the only individuals primarily responsible for selecting the securities to buy and sell.