Logan Dividend Performers Balanced

DPB

CONSISTENT RETURNS WITH LESS RISK

Q1 | 2023

LOGAN DIVIDEND PERFORMERS BALANCED PORTFOLIOS Q1 | 2023 REVIEW[1]

MARKET ENVIRONMENT

US stocks rallied early in the first quarter buoyed by relatively positive inflation data and the burgeoning hope the Federal Reserve was edging closer to a finale in their monetary tightening program. Coming off a big decline last year, the S&P 500 Index rebounded nearly 9% early in the quarter with strength from more economically sensitive and long duration sectors such as information technology and consumer discretionary. Unfortunately, strong consumer spending and labor markets have slowed the progress in the fight against inflation, keeping the Fed on its path of hiking interest rates. This historically rapid tightening policy designed to generate demand destruction is leading to financial instability in some areas, particularly in the form of the surprising failure of two US regional banks with spill over into European banks. These factors turned market sentiment negative later in the quarter, pushing stocks down from their highs but still ending with the S&P 500 up over 7%.

Ultimately, a significant amount of performance for the quarter was driven by large capitalization information technology, communication services and consumer discretionary names. These stocks tend to benefit when interest rates decline but many of which do not pay a dividend. Conversely, some of the best performing sectors of 2022 tended to lag in the quarter, such as health care, utilities and consumer staples which tend to be more defensive but more likely to consistently grow their dividends. Energy, a Ukraine war beneficiary last year ended up a significant laggard in the quarter as were financials given the banking crisis.

Switching to fixed income , the Federal Reserve increased the federal funds rate two additional times for a total of 50 bps (a basis point is one-hundredth of a percentage point) during the quarter. The Federal Reserve has increased rates nine times for a total of 475 bps since it began this aggressive tightening effort in 2022. The latest increase was implemented following the beginning of the recent banking crisis exhibiting the resolve it has for fighting inflation. In its March 22, 2023 press release, the Committee communicated that job gains accelerated, the unemployment rate remained low but inflation remains elevated. Conveying some confidence related to the crisis, the Committee described the U.S. banking system as sound and resilient. Additionally, 2023 and 2024 GDP growth expectations moved lower while 2023 PCE inflation ticked higher in the latest Summary of Economic Projections from the Federal Reserve. The strategy's fixed income benchmark posted a positive quarterly return for the second quarter in a row. The benchmark 10-year US Treasury yield traded with some volatility likely influenced by inflation data and the banking news. The yield curve remains inverted and a potential concern as historically many yield curve inversion periods have preceded an economic recession. The target range for the federal funds rates is now 4.75% - 5.00%. During the quarter, the benchmark 10-year US Treasury yield decreased from 3.88% to 3.47%. The strategy's fixed income benchmark, the Bloomberg Barclays Intermediate U.S. Government/Credit Index, was up 2.33% during the quarter, while the Bloomberg Barclays US Aggregate index was up 2.96% (yield and index information sourced from Bloomberg).

PORTFOLIO REVIEW

After significant outperformance in 2022, the Logan Dividend Performers Balanced strategy underperformed its benchmark in the first quarter of 2023. However, performance over the trailing one year remains relatively strong.

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

Related to equity performance, our higher quality, dividend growth stocks tended to lag the overall market in the quarter as investors preferred longer duration stocks expected to benefit from a potential end of Fed interest rate hikes. Given the large outperformance of more defensive stocks last year, it was no surprise to see some mean reversion by other sectors. In particular, the S&P 500 Index performance was influenced by a rebound in some of the largest, non-dividend paying stocks in the index. Notably, while we see the trouble in the banking sector to be largely idiosyncratic, we avoided any major damage from the recent drawdowns.

Our best performing sectors* during the quarter were reflective of our quality bias in what remains a volatile market and fluid economic outlook. Our strongest contributor to performance during the quarter was the financials sector. The rapid rise in interest rates placed stress on the banking system as their relatively long duration bond portfolios lost value and depositors sought higher yields elsewhere. Our focus on fundamental strength led us to avoid the worst of the bank sell-off and a recent decision to reduce our bank exposure was also helpful. Energy, one of last year's best performers, was the worst performing sector in the quarter as oil and natural gas prices fell in the face of softer demand. Our underweight in energy stocks was helpful in this environment. Lastly, real estate generally underperformed as worries about higher rates for longer pressured these typically highly leveraged companies. Our underweight positioning and good stock selection helped lead to positive attribution.

On the negative side, our underweight in information technology (note the recent GICS changes) was a detractor and, in particular, not owning one of the larger non-dividend paying semiconductor stocks was a headwind. Information technology performance was also reflective of the underlying risk-on sentiment of the market during most of the quarter. Our selection within consumer discretionary was also a detractor to performance. Like the information technology sector, two large non-dividend paying stocks were highly influential to performance as were lower quality stocks. Lastly, selection and our overweight in industrials was also a detractor in the quarter as this sector lagged due in some part to a pullback among defense contractor names that were strong performers last year.

Market volatility can be an active managers' friend, and we saw plenty of opportunities in the quarter. We added to what we feel is an undervalued health care sector with a new position in an animal health company. We also added to beaten up utilities which tend to underperform in rising rate environments. Lastly, we see opportunities in industrials and added in this area as well. In financials, we reduced our overall exposure to banks earlier in the year in favor of wealth management. There we see more predictable earnings growth that is readily able to fund dividend growth as capital tends to be more robust. Finally, we reduced our weight in materials and real estate as we saw better opportunities elsewhere.

Related to fixed income performance, the fixed income portion of the portfolio posted a positive return for the quarter. Overall selection and allocation results contributed to fixed income performance. Selection within US Treasuries was the driver of the positive selection results. From an allocation standpoint, the overweight position in corporate bonds contributed to fixed income performance as corporate bonds outperformed US Treasuries within the benchmark and the strategy's fixed allocation is overweight corporates and underweight US Treasuries. Conversely, the performance of two of the portfolio's shortest duration bonds underperformed as 1-10 year yields declined during the quarter. While both posted positive returns, each underperformed the benchmark return and detracted from performance. Selection within corporate bonds also detracted from performance.

PORTFLIO OUTLOOK

We continue to see the coming quarters as transitional for the US and global markets, with heighted financial stability risks. In many ways it's a different quarter, but similar trends as the last. The economy is in the midst of a historic reset from post-pandemic days with the Fed having fully unleashed its key tightening tool, interest rates. We are likely to be struck occasionally by rolling financial stability challenges, similar to the banks recently. Credit is tightening, liquidity is contracting, and consumers will feel the bite of higher interest rates in more places. In some areas the prospect of re-financing at higher rates with greater scrutiny could lead to a credit crunch. We would expect consumer confidence to slip while on the industrial side there will likely be distinct winners and losers. The second driver of valuation besides interest rates is earnings. Earnings estimates have been falling and we would expect that to continue at a modest pace until we get a better read on Fed intentions.

Much of the success of this year leans on how persistent current inflation is and how determined the Fed is to act against it. We think current conditions are still possible for domestic markets to manage. Consumer fundamentals are still in good shape and interest rates are not that high from a historical perspective. Some of the key engines of the economy such as cloud, digitalization and electrification are still very much in play. Our preference is to look towards an end to the tightening cycle and for opportunities offered up by the market volatility. Risks of a longer than expected recession are certainly a consideration, but in many cases, this is being baked into earnings estimates and valuations already.

We reiterate from last quarter that a year featuring multiple sources of elevated risk and earnings challenges, investors should prefer higher quality stocks with predictable cash flow and earnings growth that can fund consistent dividend growth. The move up the risk scale this quarter may have run its course in our view as investors contemplate a year with financial stress and no quick return to easy money. We continue to think we will see a more historical, high single-digit price return with dividends driving an important part of total return. We remind clients the power of compounding dividends is one of the most formidable in historical return results and dividend stocks tend to outperform in times of challenged economic growth. Once again, sticking to our dividend growth focus should be a winning formula in 2023.

In this uncertain environment, bonds could perform well and provide potential diversification benefits as investors seek to meet their investment objectives. The Logan Dividend Performers Balanced portfolio provides the potential for growth, income and stability by combining high quality dividend growth stocks with higher quality fixed income investments.

*Note that sector composition was changed in March according to the Global Industry Classification Standards managed by MSCI. This led to significant changes to some sectors, in particular information technology, financials and industrials. Sector weights are not comparable to the fourth quarter.

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 results.

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

The Standard & Poor's 500 (S&P 500) Index is a free-float weighted index that tracks the 500 most widely held stocks on the NYSE or NASDAQ and is 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.

Fixed income securities are subject to increased loss of principal during periods of rising interest rates. Fixed income investments are subject to various other risks, including changes in credit quality, liquidity, prepayments, and other factors. REIT risks include changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and creditworthiness of the issuer.

The PCE price index (PCEPI), also referred to as the PCE deflator, PCE price deflator, or the Implicit Price Deflator for Personal Consumption Expenditures (IPD for PCE) by the BEA, and as the Chain-type Price Index for Personal Consumption Expenditures (CTPIPCE) by the Federal Open Market Committee (FOMC), is a United States-wide indicator of the average increase in prices for all domestic personal consumption. It is benchmarked to a base of 2012 = 100. Using a variety of data including U.S. Consumer Price Index and Producer Price Index prices, it is derived from the largest component of the GDP in the BEA's National Income and Product Accounts, personal consumption expenditures.

Bloomberg Barclays Intermediate US Government/Credit Index includes both corporate (publicly-issued, fixed-rate, nonconvertible, investment grade, dollar-denominated, SEC-registered, corporate dept.) and government (Treasury Bond index, Agency Bond index, 1-3 Year Government index, and the 20+-Year treasury) indexes, including bonds with maturities up to ten years. The returns published for the index are total returns, which include reinvestment of dividends.

The Bloomberg Barclays US Aggregate Bond Index, or the Agg, is a broad base, market capitalization-

weighted bond market index representing intermediate term investment grade bonds traded in the United States. Investors frequently use the index as a stand-in for measuring the performance of the US bond market.

Active portfolio management, including market timing, can subject longer term investors to potentially higher fees and can have a negative effect on the long-term performance due to the transaction costs of the short-term trading. In addition, there may be potential tax consequences from these strategies. Active portfolio management and market timing may be unsuitable for some investors depending on their specific investment objectives and financial position. Active portfolio management does not guarantee a profit or protect against a loss in a declining market.

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Logan Capital Management, Inc.
Performance Disclosure Results
Dividend Performers Balanced Wrap Composite
December 31, 2002 through March 31, 2023

DPB

Year	Total Return Net of Fees	Total Return Pure Gross of Fees	60 % S&P 500/40% Barclays Int. Gov't Credit	Number of Accounts	Composite Dispersion Gross of Fees	Composite 3-Yr Gross Std Dev	60 % S&P 500/40% Barclays Int. Gov't Credit 3-Yr Gross Std Dev	Composite 3-Yr Gross Sharpe Ratio	Assets in Composite ($millions)	% of Firm Assets	Firm Assets ($millions)
YTD 2023	1.2%	1.9%	5.5%	394	N/A	11.7%	12.6%	0.8	$162	6.9%	$2,343
2022	-11.1%	-8.5%	-13.7%	368	0.3%	12.8%	13.5%	0.3	$142	6.3%	$2,261
2021	12.3%	15.7%	15.9%	374	2.0%	10.4%	10.6%	1.4	$172	6.5%	$2,635
2020	5.3%	8.4%	14.3%	375	0.5%	10.2%	11.2%	0.9	$146	6.5%	$2,240
2019*	18.8%	22.0%	21.3%	347	0.0%	6.2%	7.1%	1.8	$144	7.0%	$2,050
2018	-0.3%	2.8%	-2.0%	893	0.0%	5.8%	6.3%	1.2	$250		
2017	10.5%	13.9%	13.6%	1112	1.3%	5.8%	5.8%	1.0	$323		
2016	3.6%	6.8%	8.1%	1047	0.6%	6.1%	6.3%	0.6	$279		
2015	-3.8%	-0.9%	1.5%	1051	0.3%	6.2%	6.3%	1.1	$273		
2014	3.1%	6.3%	9.4%	1117	0.6%	5.5%	5.5%	0.2	$324		
2013	13.2%	16.7%	18.1%	1270	0.2%	7.4%	7.2%	0.1	$363		

Annualized Returns (March 31, 2023)

YTD is not annualized

Year	Total Return Net of Fees	Total Return PureGross of Fees	60 % S&P 500/40% Barclays Int. Gov't Credit
1 Year	-5.2%	-2.3%	-4.8%
3 Year	6.9%	10.1%	10.7%
5 Year	5.2%	8.4%	7.6%
10 Year	4.3%	7.5%	8.0%
Since Inception†	3.8%	7.0%	7.5%

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

Logan Dividend Performers Balanced Wrap Composite contains fully discretionary dividend performers balanced accounts, measured against a blended index of 60% S&P 500 and 40% Bloomberg Intermediate Government/Credit. 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 Bloomberg Intermediate US Government/Credit Bond Index is a broad-based flagship benchmark that measures the non-securitized component of the US Aggregate Index with less than 10 years to maturity. The index includes investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities. The blended benchmark selected is rebalanced monthly and 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.

60% of 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 to 50 equity positions and 6 to 14 fixed income positions. 40% of the strategy invests in investment grade notes and bonds with a short to intermediate-term duration. 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, 2022. 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 returns are calculated by geometrically linking monthly gross returns reduced by the highest wrap fee (3% annually). Prior to 2020, the annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Equal-weighted dispersion is presented for 2021 and going forward. 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 Balanced 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.