Income Growth | SECOND QUARTER 2024

STRATEGY OBJECTIVES

1. **High current and growing income:** 2.6% yield[1]; +5.7% growth in trailing-twelve-month (TTM) income as of 2Q2024[2]
2. **Downside protection:** Daily downside capture of 65.1% across all S&P 500 down days during the quarter[3]
3. **Capital appreciation:** Since inception Sharpe ratio of 0.66 gross / 0.41 net versus the S&P 500 Sharpe ratio of 0.58[4]

2Q2024 RESULTS RELATIVE TO STRATEGY OBJECTIVES:

Income Growth

- The Income Growth strategy grew TTM income by +5.7%, compared to S&P 500 income growth of +6.6%.[2]
- During the quarter, 9 strategy holdings announced dividend hikes; average TTM increase was +6.3%, signaling continued financial health of the portfolio.

Downside Protection

- Daily downside capture of 65.1% quarter-to-date and 66.6% year-to-date across all S&P 500 down days, a competitive ratio amidst an index propelled by the largest market capitalization stocks.[3]

Capital Appreciation

- The strategy returned +1.13% gross / +0.38% net versus the S&P 500's +4.28% total return during the quarter.
- Strong stock selection resulted in strategy outperformance relative to the S&P 500 Equal Weight returning -2.63%.
- The strategy also outperformed its investible universe of S&P 500 companies with a dividend yield of 2.0% or greater, which returned -1.13% during the period.
- U.S. large-cap stocks, specifically growth, led the way in 2Q2024 building on the 1Q2024 momentum. The Information Technology sector accounted for 52% of the S&P 500's year-to-date return and 95% of the quarter-to-date return, with outsized contribution from "Magnificent 7" stock, NVIDIA (NVDA).
- Market breadth narrowed further during the quarter. Outside of the Information Technology sector's 13.79% return, only Communication Services, primarily driven by another "Magnificent 7" stock Alphabet (GOOG/L), and Utilities outpaced the S&P 500, with returns of 9.36% and 4.66%, respectively.
- The Fed kept the short-term Federal Fund's rate unchanged throughout the year's first half, extending the current environment defined by the tightest monetary conditions over the last decade. We continue to believe this environment benefits quality companies with strong balance sheets and the ability to self-fund.

2Q2024 Dividend Increases		
Company	**TTM % Increase**	**Current Yield**
Kinder Morgan (KMI)	1.8%	5.8%
Paychex (PAYX)	10.1%	3.3%
PepsiCo (PEP)	7.1%	3.3%
Phillips 66 (PSX)	9.5%	3.3%
Procter & Gamble (PG)	7.0%	2.4%
Qualcomm (QCOM)	6.3%	1.7%
Realty Income (O)	2.9%	6.0%
RTX (RTX)	6.8%	2.5%
Travelers (TRV)	5.0%	2.1%

2Q2024 Trades Executed	
Initiations	**Eliminations**
HP Inc (HPQ)	
ONEOK (OKE)	
Increases	**Reductions**
AbbVie (ABBV)	Abbott Laboratories (ABT)
Exxon Mobil (XOM)	Air Products & Chemicals (APD)
General Dynamics (GD)	Cisco Systems (CSCO)
HP Inc (HPQ)	Eaton (ETN)
JPMorgan Chase (JPM)	Keurig Dr. Pepper (KDP)
Merck (MRK)	Prologis (PLD)
NextEra Energy (NEE)	Starbucks (SBUX)
ONEOK (OKE)	United Parcel Service (UPS)
Paychex (PAYX)	US Bancorp (USB)
PepsiCo (PEP)	
PPL (PPL)	
Williams (WMB)	

Source: Bahl & Gaynor and Factset, 2024.

continued>

Portfolio Review

The Income Growth portfolio returned +1.13% gross / +0.38% net versus the S&P 500's +4.28% during 2Q2024. Stock selection in Health Care, Materials, and Utilities contributed positively to performance. However, an underweight position in Information Technology and stock selection in Consumer Discretionary and Consumer Staples detracted from results.

The largest positive drivers of current quarter performance:

- Stock selection within Health Care, specifically in pharmaceuticals, remained a standout in the year's second quarter after being a top contributor in 1Q2024. An overweight position in Eli Lilly (LLY) and the avoidance of underperformers Johnson & Johnson (JNJ) and Bristol-Myers Squibb (BMY) positively impacted strategy performance.
- An overweight position in the strategy's only Materials sector holding, Air Products & Chemicals (APD), stood out in an otherwise poorly performing sector. Its 6.51% return outpaced the benchmark, one of five stocks in the sector to do so.
- Despite no exposure to typically lower-quality and non-regulated Independent Power Producers, stock selection within Utilities contributed positively to strategy performance. An overweight to NextEra Energy (NEE), which posted a 1Q2024 earnings beat and robust renewables origination results, coupled with no ownership of gas utilities supported strategy performance.

The largest negative drivers of current quarter performance:

- An underweight to the quarter's best-performing sector, Information Technology, detracted from strategy performance. No ownership of low-dividend-paying technology companies Apple (AAPL) and NVIDIA (NVDA) presented a headwind given their prominent position in the index—second and third largest holdings, respectively. The strategy's top holding Broadcom (AVGO) helped mitigate some of the relative underperformance within the sector. Broadcom was one of the top-performing semiconductor companies during the quarter.
- Stock selection within Consumer Discretionary had a negative impact on results, primarily due to overweight positions in restaurants Starbucks (SBUX) and McDonald's (MCD), as well as home improvement retailer Home Depot (HD). No ownership of non-dividend payers Amazon (AMZN) and Tesla (TSLA) also detracted from results.
- An overweight to a more defensive sector like Consumer Staples contributed negatively to strategy performance. Furthermore, packaged snacks companies continued to face pressure as investors weigh the impact of obesity drug readouts.

Largest Portfolio Contributors

1. **Broadcom (AVGO):** During the quarter, AVGO delivered better-than-expected results due to continued design wins and demand for its custom silicon chips primarily used in Generative AI applications. Furthermore, initial recognition of VMware synergies and a cyclical bottoming within its analog business demonstrated broad-based business health. We believe AVGO's fundamentals and recent strategic acquisitions support earnings growth visibility and a growing dividend.
2. **Eli Lilly (LLY):** LLY outperformed in 2Q2024 as the market remained enthusiastic toward LLY's entrenched leadership in the large and emerging diabetes and obesity landscape. Furthermore, during the quarter the FDA overwhelmingly approved LLY's drug for early-stage Alzheimer's, a new addressable market for the company. LLY's R&D leadership has produced paradigm shifting drugs over the last few years, enabling a runway for robust earnings and dividend growth through the end of the decade.
3. **Dell Technologies (DELL):** DELL's share price continued to benefit from investor discovery of its "AI story" which supported the stock's multiple expansion during the period. The company's data server segment has seen accelerated capture of new AI server orders, while the PC cycle appears to show signs of bottoming. While investors expressed concern on terminal margins for the AI server business, we view this as a shorter-term headwind and a potential portfolio cross-selling opportunity longer-term.

Largest Portfolio Detractors

1. **Merck (MRK):** MRK continues to work through the loss of exclusivity of its blockbuster cancer drug KEYTRUDA. Despite this, the company's R&D efforts remain robust as demonstrated by recent late-stage clinical trial success within its pneumococcal vaccine and pulmonary hypertension portfolio. Additionally, at the beginning of 2024, MRK management raised long-term sales guidance attributable to its oncology and cardio products, both of which support future earnings and dividend growth.
2. **Phillips 66 (PSX):** During the quarter, PSX underperformed alongside the oil & gas refiners due to near-term weakness in crack spreads. Still, PSX maintains the highest bond rating of any domestic refiner and benefits from lower earnings volatility, achieved through its diversity of operations across refining, mid-stream, retail gasoline and chemicals. We remain convicted in the company's forward-looking cash flow profile and balance sheet health.
3. **McDonald's (MCD):** MCD underperformed amid fear that pricing actions taken in recent years may impact sales from lower income consumers and as international comps lagged due to boycotts in the Middle East. As a global restaurant leader, however, MCD continues to find innovative ways to fuel growth, as evidenced by ongoing accelerated unit growth and initiatives around value-based menu items. We remain confident in the earnings and dividend growth trajectory for the business.

continued>

STRATEGY STYLE CATEGORIZATION:

Asset Class	Benchmark	Mandate
Domestic Equity	S&P 500	Large Cap Core

Investment Philosophy

Bahl & Gaynor employs a Growth at a Reasonable Price discipline to purchase high-quality companies at sensible valuations. It is our goal to seek competitive performance while preserving capital in declining markets. In addition, our focus on companies that pay a growing dividend has benefited our clients in the form of a reliable income stream.

We are long-term investors and seek to identify companies that are managed conservatively and for growth, have stable and sustainable business models, and reward shareholders with a growing dividend. It is our intention to identify the best companies that meet these criteria and hold them for long periods of time.

Bahl & Gaynor's investment philosophy exemplifies our firm belief in the power of long-term investing and compounding dividend income.

Income Growth Positioning

Our Income Growth strategy focuses on generating a high level of current income that will grow over time. Protection in falling markets is a secondary goal, with long-term capital appreciation as a tertiary goal.

Bahl & Gaynor's equity selection process yields an investable universe of companies that are managed conservatively and for long-term growth, have stable and sustainable business models, and reward shareholders of the company with a growing dividend. From this investable universe, the Income Growth strategy seeks larger companies that reward shareholders with a high current dividend and have the ability to grow their dividend payments consistently in the future.

Over a full market cycle, Bahl & Gaynor's Income Growth strategy seeks to outperform its benchmark and large-capitalization core peers all in the context of a lower-than-average portfolio risk profile.

Client portfolios will generally be diversified among a selection of 40 to 50 common stock issues with each security typically held for three to five years. Low to moderate portfolio turnover combined with the favorable tax treatment of dividend income can result in a cost and tax-efficient portfolio.

Portfolio Management Parameters

1. 100% of companies held in the portfolio pay a cash dividend
2. New positions must have a minimum current dividend yield of 2% at initiation
3. Portfolio typically managed to maximum 5% capital and 6% income contributions per stock
4. Cash is frictional and generally represents 1% to 3% of portfolio value
5. Annual portfolio turnover is low to moderate
6. Sell or trim decisions are based upon fundamentals, dividend policy, and better opportunities for yield or income growth
7. The strategy employs no derivatives, funds, preferred shares, MLPs, or convertible issues

FOR FINANCIAL PROFESSIONAL USE ONLY. NOT FOR USE WITH THE GENERAL PUBLIC.

continued>

Portfolio Details (as of June 30, 2024)

Top 10 Holdings	Income Growth Weight
Broadcom (AVGO)	6.9%
Eli Lilly (LLY)	5.8%
Merck (MRK)	4.4%
AbbVie (ABBV)	4.2%
PepsiCo (PEP)	3.6%
Procter & Gamble (PG)	3.4%
Mondelez (MDLZ)	3.2%
Eaton (ETN)	3.1%
NextEra Energy (NEE)	3.0%
Chevron (CVX)	3.0%
Total:	40.4%

Sector	Income Growth Weight	S&P 500 Weight
Information Technology	18.6%	32.4%
Health Care	15.5%	11.7%
Industrials	12.8%	8.1%
Consumer Staples	11.6%	5.8%
Financials	11.2%	12.4%
Energy	10.4%	3.6%
Utilities	6.9%	2.3%
Consumer Discretionary	6.5%	10.0%
Real Estate	2.9%	2.2%
Materials	1.7%	2.2%
Communication Services	0.0%	9.3%
Money Market	1.9%	-

Portfolio Statistics	Income Growth	S&P 500
P/E Ratio (TTM)	23.7x	26.2x
P/B Ratio	4.0x	4.7x
Weighted Average Market Cap	$314.9 B	$1,010.5 B
Dividend Yield – Gross of Fees [1]	2.6%	1.3%
Beta since inception (Gross / Net)	0.79 / 0.80	1.00
Sharpe ratio	0.66 / 0.41	0.58
TTM Turnover	14.2%	-

Source: FactSet, Zephyr, Bahl & Gaynor, 2024. Inception date 12/31/2005.

Performance (Annualized)	Income Growth WRAP (Pure Gross)	Income Growth WRAP (Net)	S&P 500
1 Year	15.20%	11.80%	24.56%
3 Years	6.92%	3.77%	10.01%
5 Years	9.75%	6.52%	15.05%
10 Years	10.16%	6.92%	12.86%
15 Years	13.18%	9.85%	14.82%
Since Inception	10.07%	6.83%	10.47%

Standard Deviation (Annualized)	Income Growth WRAP (Pure Gross)	Income Growth WRAP (Net)	S&P 500
1 Year	11.16%	11.19%	13.98%
3 Years	15.12%	15.25%	17.61%
5 Years	15.75%	15.91%	17.93%
10 Years	13.35%	13.51%	15.24%
15 Years	12.48%	12.58%	14.64%
Since Inception	13.06%	13.14%	15.39%

Source: Bahl & Gaynor, Zephyr, 2024. Inception date 12/31/2005.

[1]Dividend yield includes cash holdings.
[2]The income growth rate for the Bahl & Gaynor Income Growth strategy is calculated as of the most recent quarter-end using the trailing twelve months of income earned in a model portfolio, with income reinvestment, compared to the income earned in the twelve-month period one year prior. The income growth rate for the S&P 500 is proxied by the SPDR® S&P 500 ETF Trust (SPY) as an investable proxy for the Index that pays out real distributions of dividend income paid by the index constituents. SPY was chosen versus other S&P 500 Index Tracking ETFs due to its status as the largest ETF tracking the S&P 500 Index and its longer history, with an inception date of 1/22/1993, versus peers. SPY income is calculated as of the most recent quarter-end using the trailing twelve months of income earned per the distribution rate paid by the ETF, with income reinvestment at the end of each quarter, compared to the income earned in the twelve-month period one year prior.
[3]Source: Bahl & Gaynor; historical downside (upside) capture is the sum of strategy returns on all S&P 500 down (up) days divided by the sum of index returns on all respective down (up) days. Down (Up) days are defined as any trading day the index posts a negative (positive) total return. Strategy performance is derived from the internal rate of return (IRR) of a single non-fee paying representative/model account.
[4]Sharpe Ratio measures the efficiency, or excess return per unit of risk (volatility), of a manager's returns. Inception: 12/31/2005.
Source: FactSet, Bahl & Gaynor, 2024. Statistics and weight data is drawn from the Income Growth model portfolio that is fully discretionary, unconstrained and subject to change. Individual Bahl & Gaynor clients may or may not hold these positions or have similar characteristics. Risk and return data are representative of the Income Growth WRAP composite. Net of fee performance information shown is calculated by subtracting the highest applicable wrap fee (3.00% on an annual basis, or 0.75% quarterly) on a quarterly basis from the gross composite quarterly return and reflects the reinvestment of income and other earnings. The standard fee schedule in effect is 3.00% on total assets. ***Past performance does not guarantee future results.*** *Other methods may produce different results and the results for individual accounts and for different periods may vary depending on market conditions and the composition of the account. Care should be used when comparing these results to those published by other investment advisers, other investment vehicles and unmanaged indices due to possible differences in calculation methods. No alteration of the composite as presented here has occurred because of changes in personnel or other reasons at any time.*

FOR FINANCIAL PROFESSIONAL USE ONLY. NOT FOR USE WITH THE GENERAL PUBLIC.

continued>

THANKS!

Your continued support and interest are much appreciated.

Everyone at Bahl & Gaynor would like to thank you for the opportunity to serve your investment needs. If you would like to speak in greater detail with a member of the B&G Team, please reach out to us through our Institutional Consulting Group. Additional details on the Institutional Consulting Group can be found on the following page.

Contact Us

IMPORTANT DISCLOSURES

Past performance does not guarantee future results. Historical performance results for investment indices and/or categories have been provided for general comparison purposes only, and generally do not reflect the deduction of transaction and/or custodial fees, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that your account holdings do or will correspond directly to any comparative indices. The index and other amounts shown above do not relate to the Bahl & Gaynor Income Growth strategy and are for illustrative purposes only.

The "S&P 500" is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by Bahl & Gaynor. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Bahl & Gaynor. Income Growth is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product nor do they have any liability for any errors, omissions, or interruptions of the S&P 500.

The Strategy is designed for long-term investors who are willing to accept short-term market price fluctuations. Principal risks of investing in this strategy include stock market risk, management risk, recent market events risk, and large cap company risk. All equity investments inherently have aspects of risk associated with them; past performance does not guarantee future results. Investment involves a risk of loss. An issuer of a security may be unwilling or unable to pay income on a security. Common stocks do not assure dividend payments and are paid only when declared by an issuer's board of directors. The amount of any dividend may vary over time.

Certain information contained herein has been obtained from third party sources and such information has not been independently verified by Bahl & Gaynor. No representation, warranty, or undertaking, expressed or implied, is given to the accuracy or completeness of such information by Bahl & Gaynor or any other person. While such sources are believed to be reliable, Bahl & Gaynor does not assume any responsibility for the accuracy or completeness of such information. Bahl & Gaynor does not undertake any obligation to update the information contained herein as of any future date.

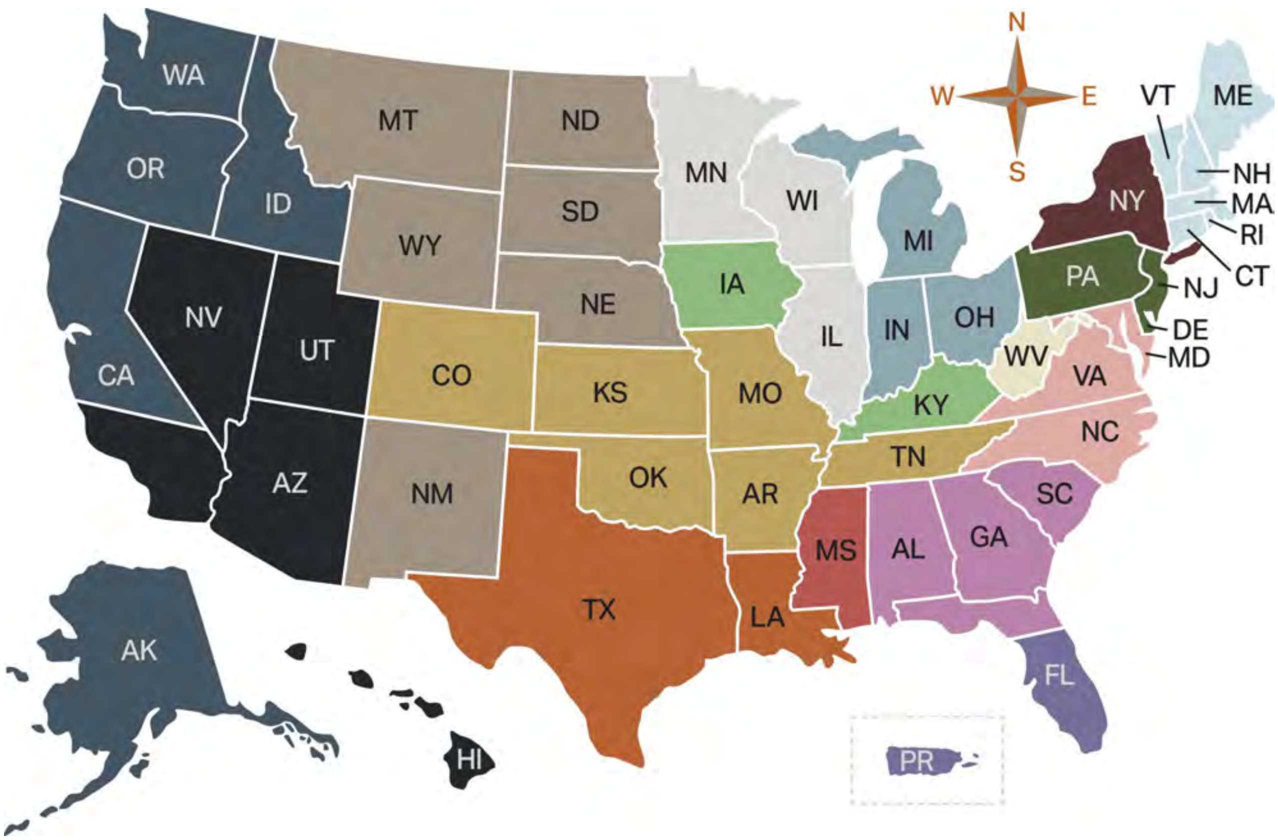
Certain information contained herein constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "project," "estimate," "intend," "continue," or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events, results or actual performance may differ materially from those reflected or contemplated in such forward-looking statements. Nothing contained herein may be relied upon as a guarantee, promise, assurance or a representation as to the future.

Investment advisory services provided through Bahl & Gaynor Investment Counsel ("B&G"), a federally registered investment adviser under the Investment Advisers Act of 1940. Registration does not imply Information or a certain level of skill or training. More information about B&G can be found by visiting www.adviserinfo.sec.gov and searching by the adviser's name. This is prepared for informational purposes only and may not be applicable to your particular situation or need(s). It does not address specific investment objectives. Information in these materials are from sources B&G deems reliable, however we do not attest to their accuracy. Past performance is not indicative of future results. Indices and benchmarks are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Index return information is provided by vendors and although deemed reliable, is not guaranteed by B&G. No fiduciary relationship exists because of this commentary. If you have any questions regarding the indices or investments referenced in this presentation, contact your B&G investment professional.

Bahl & Gaynor Investment Counsel, Inc. (Bahl & Gaynor) claims compliance with the Global Investment Performance Standards (GIPS®). Bahl & Gaynor, an independent, privately held corporation registered as an investment adviser under the Investment Advisers Act of 1940, includes all accounts managed by the firm. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. The currency used to express performance is U.S. dollars. More information about Bahl & Gaynor, including fee information, is available by request and may also be found in Form ADV Part 2A. To request a list and description of Bahl & Gaynor's composites and/or a presentation that complies with the GIPS standards, please call 888-355-6962 or email bginvestmentspecialist@bahl-gaynor.com.

FOR FINANCIAL PROFESSIONAL USE ONLY. NOT FOR USE WITH THE GENERAL PUBLIC.

continued>



	Territory	Name	Phone #	Email
	CT / MA / ME / NH / RI / VT	Ryan Welch	(857) 500-2438	rwelch@bahl-gaynor.com
	NY	Steven Mazzuchelli	(917) 581-4419	smazzuchelli@bahl-gaynor.com
	DE / NJ / PA	Jeremy Kees	(973) 508-3293	jkees@bahl-gaynor.com
	WV	Tony Saba*	(513) 926-0069	tsaba@bahl-gaynor.com
	DC / MD / NC / VA	Neal Lee	(410) 829-9709	nlee@bahl-gaynor.com
	AL / GA / SC / N. FL	Jeffrey Rosen	(404) 491-6157	jrosen@bahl-gaynor.com
	Central & S. FL / PR	Joseph Beshara	(513) 713-4837	jbeshara@bahl-gaynor.com
	IN / MI / OH	Shane Russell	(248) 312-9821	srussell@bahl-gaynor.com
	KY / IA	Nick Werthman*	(513) 713-4838	nwerthman@bahl-gaynor.com
	AR / CO / KS / MO / OK / TN	Brian Ridgeway	(720) 749-0434	bridgeway@bahl-gaynor.com
	MS	Chloe Hunt*	(513) 926-0075	chunt@bahl-gaynor.com
	IL / MN / WI	Andrew Raia	(312) 520-0256	araia@bahl-gaynor.com
	LA / TX	Rob Macchi	(281) 414-1438	rmacchi@bahl-gaynor.com
	MT / ND / NE / NM / SD / WY	Aaron Krauss*	(770) 639-3139	akrauss@bahl-gaynor.com
	AK / ID / OR / N. CA / WA	Jack Schultz	(925) 393-3460	jschultz@bahl-gaynor.com
	AZ / S. CA / HI / NV / UT	Isida DeLillo (Izzy)	(858) 339-0527	idelillo@bahl-gaynor.com

**Strategy Specialist*