Dividend Equity

SWS Partners

As of December 31, 2025

Inception
June 20, 2019

AUM
$94.5M

Benchmark
Russell 1000 Value Index

Strategic Objective

SWS Dividend Equity seeks to generate attractive risk-adjusted total returns with an emphasis on income generation via dividend-paying common equities. The strategy remains nearly fully invested across most sectors comprising its stated benchmark, the Russell 1000 Value Index, and focuses on issuers with superior competitive advantage prospects within their relative sector constituency.

Process

SWS Dividend Equity follows a systematic, fundamentals-based process focused on **competitive advantage durability, business quality, and cash-flow strength.** The team prioritizes businesses capable of sustaining dividends through multiple cycles, with free cash flow underwriting at the core of every decision. By applying the same framework across sectors and rebalancing dynamically, the strategy seeks to deliver reliable income, downside resilience, and attractive total returns over time.

Portfolio Managers

Mike Parker, CFA® 23 years industry, 8 years firm

Kurt Grove, CFA® 11 years industry, 6 years firm

Performance (%)

	QTD	YTD	1-Year	● 3-Year	● 5-Year	● Since Inception
SWS Dividend Equity (net)	-1.09%	12.62%	12.62%	12.02%	11.39%	10.83%
SWS Dividend Equity (gross)	-0.78%	13.93%	13.93%	13.09%	12.37%	11.78%
Russell 1000 Value	3.81%	15.91%	15.91%	13.90%	11.33%	10.47%
S&P 500	2.66%	17.88%	17.88%	23.01%	14.42%	15.51%

● = Annualized All performance as of 12/31/2025, SWS Dividend Equity inception 6/20/2019. Please see performance disclousures on Page 2

Portfolio Characteristics

Holdings	35
Domestic Stock	88.80%
Foreign Stock	10.20%
Cash & Equivalents	1.00%
Wtd. avg. market cap	$317.0B
Wtd. avg. P/E (last 12 mo.)	30.1x
Wtd. avg. P/B	6.3x
Wtd. avg. P/S (last 12 mo.)	4.1x

Risk Metrics

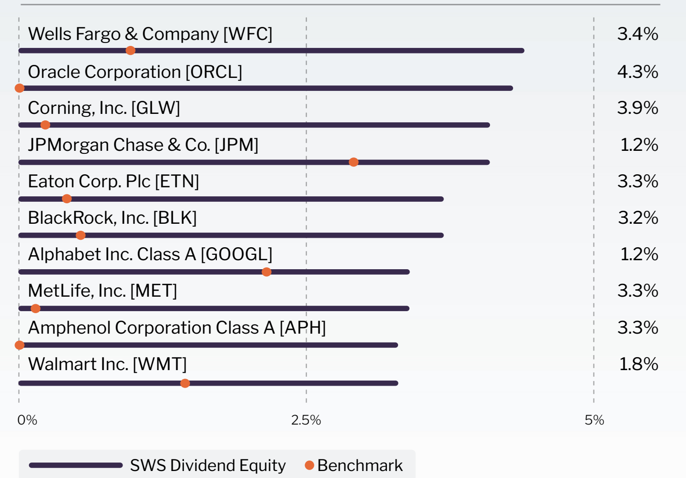
Information Ratio	0.34
Sharpe Ratio	0.55
Beta (Last 12 mo., vs S&P 500 Index)	0.81
Upside/Downside Capture	1.06/1.01
R-squared	0.96
Standard Deviation	18.2%
Standard Deviation, Benchmark	16.9%
Active Share	82.6%

All risk metrics since 6/20/2019 inception.

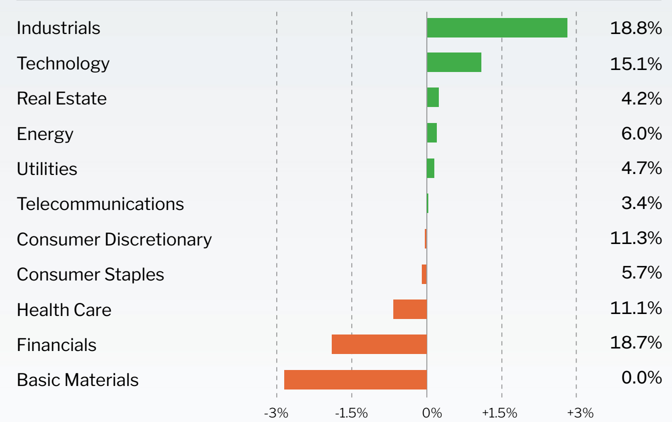
Dividend Yield

SWS Dividend Equity	S&P 500	Russell 1000 Value
2.22%	1.10%	1.80%

Top Positions



Sector Exposure



Dividend Equity

As of December 31, 2025

Methodology

Focus on Yield

Targets dividend paying issuers and seeks a portfolio dividend yield at/above 1.5x that of the S&P 500 Index. Secondarily, the portfolio looks to achieve long-term capital appreciation.

Stock Selection Emphasis

Mitigates large sector bets, in turn reducing active risk relative to its stated benchmark and achieving a lower beta compared to the broader equity market.

Dynamic Quarterly Rebalances

Remains nearly fully invested with position weight variability, allowing for sector allocation precision. The portfolio rebalances towards the end of each quarter, with possible position weight modifications in order to mitigate sector drift.

Scan the QR Code to read more Dividend Equity strategy related insights and research.

Important Disclosures

Data are shown as of 12/31/2025; source: FactSet, Interactive Brokers, and Charles Schwab & Co. Performance results and comparisons are made on a total-return basis, which includes all income from dividends and interest, and realized and unrealized gains or losses. Prior to Jan 1, 2020, SWS Dividend Equity was named Strategic Dividend Growth (SDG). SWS Dividend Equity's stated benchmark is the Russell 1000 Value Index, with S&P 500 Index results provided for reference. The investment results are that of the Dividend Equity Composite. GIPS® Reports and additional disclosures for the related composites may be found in the SWS Partners GIPS® Reports. SWS Dividend Equity returns are shown both gross and net of fees and are calculated by asset weighting total returns of the strategy's composite accounts. These results are geometrically linked monthly for all periods shown. Gross return excludes advisory, investment management, and financial planning fees paid to the firm and are reflected net of trading costs, if applicable. Net return includes the time-weighted deduction of the strategy accounts' weighted average advisory, investment management, and financial planning fees; includes tradings costs; and assumes all cash flows occur at month-end. Dividend yield shown as weighted average projected yield, gross of fees, per FactSet. Sectors as defined by FTSE Russell. Geographic data defined by corporate headquarters domicile of the issuer. Price-to-earnings ("P/E"), price-to-book ("P/B"), and price-to-sales ("P/S") ratios are presented on a GAAP basis. Companies with negative trailing 12-mos earnings and negative book value are excluded from the weighted average P/E and P/B ratio calculations. Top holdings, portfolio allocation, sector exposure, and weightings utilized within portfolio stats calculations all assume model target allocation at the time of measurement. This investment strategy is subject to management risk such that no assurance may be given that the portfolio's value will be more than the original investment. The investment return and principal value of SWS Partners, LLC portfolios will fluctuate as the stock and bond markets fluctuate such that an investor's shares and/or portfolio value, when redeemed, may be worth more or less than their original cost. This portfolio of individual equity and pass-through securities is subject to risks including but not limited to portfolio concentration risk, company-specific risk, regulatory risk, financial market risk, global economic risk, credit risk, interest rate risk, foreign market risk that may involve currency, political, and social risk. Diversified portfolio strategies do not assure or guarantee better performance and do not eliminate the risk of investment losses. The portfolio holdings list shown should not be considered a recommendation to purchase or sell any particular security and it should not be assumed that any security holding shown was or will be profitable. The portfolio's holdings and allocation are subject to change based on the discretion of SWS Partners, LLC. In conjunction with the manager change, SWS Dividend Equity has also implemented variable position sizing versus its prior methodology of equal-weighting individual positions. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment will be suitable for a client's portfolio. Investors should consider the risks, charges, and expenses carefully before investing in this or any other strategy. Investors should ensure the strategy presented fits within their investment objectives. The Russell 1000 Value Index is a market cap-weighted index of common stocks incorporated within the US and its territories and may not necessarily be substantially similar to your portfolio. It is not possible to invest directly in an index. Investment advisory services are offered through SWS Partners, LLC ("SWS"). SWS is an investment advisor registered with the Securities & Exchange Commission. Registration as an investment advisor does not imply any particular level of skill or training. If you would like a copy of SWS's disclosure brochure(s), you may request a copy by emailing us at info@swspartners.com or download a copy by going to www.adviserinfo.sec.gov.

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