Dividend Growth

Portfolio Update: First Quarter 2025

For the quarter ending March 31, 2025, the Dividend Growth Strategy (the "Strategy") returned +0.79% net of fees, compared to the +0.77% return for the Morningstar U.S. Dividend Growth Index (MSDGI) benchmark index and the broader market's -4.27% total return for the S&P 500 Index.

Performance	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (4/1/2005)
Dividend Growth (net of IM fees)	+0.79%	+0.79%	+1.73%	+5.30%	+16.21%	+10.80%	+8.33%
Dividend Growth (net of IM & WM fees)	+0.53%	+0.53%	+0.74%	+4.27%	+15.08%	+9.72%	+7.26%
Morningstar U.S. Dividend Growth Index	+0.77%	+0.77%	+6.36%	+4.99%	+13.58%	+8.83%	+7.43%
S&P 500 Index	-4.27%	-4.27%	+8.25%	+9.06%	+18.59%	+12.50%	+10.27%

Inception date: April 1, 2005. Performance is presented net of RMB Asset Management's maximum management fee and transaction costs. Performance is annualized for periods greater than one year. Please see important disclosures at the end of this document. Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. All data is as of March 31, 2025.

U.S. equity markets came into the year with a high bar for success after two consecutive years of 20%+ returns. Accordingly, the S&P 500 retraced some of those gains in the first quarter. Technology and Consumer discretionary stocks were hit the hardest, while defensive sectors like consumer staples, healthcare, and utilities were up in the quarter. This presents itself as "value" outperforming "growth" and can be observed in the returns of the Russell 1000® Growth Index declining -10.0% compared to the Russell 1000® Value index increasing 2.1%. The S&P 500 declined -4.27%

In January, a Chinese AI outfit, DeepSeek, released a surprisingly efficacious AI model while claiming to use much less in the way of compute power (costing much less and using less energy). While leading edge AI would still require leading edge chips, DeepSeek's open-source nature and much lower cost shocked markets and called into question whether the U.S. and leading companies have sustainable competitive advantages and whether the capital expenditure arms race could sustain pace. Investors used this shock as a catalyst to sell mega-cap tech stocks. Meta, (who's open-source Llama model was used by DeepSeek) was the only one of the Magnificent 7[1] that wasn't down double-digits.

It would be an understatement to say that changes in Washington influenced markets during the quarter. In his first days in office, President Trump made it clear that tariffs were going to be an important tool for reducing the trade deficits with our trading partners, including Mexico and Canada and especially China. This began by declaring a national emergency related to Fentanyl trafficking and undocumented immigration. There were retaliations, escalations, postponements, and exemptions, but by March, Trump was focused on promoting April 2nd as "Liberation Day" when "reciprocal" tariffs would be announced. Even in advance of these tariff details, companies, consumers, and investors began adjusting expectations and behaviors in anticipation of the changes. It is worthwhile mentioning that the shift towards fiscal policy and executive orders has taken the spotlight off of monetary policy. That continued into the second quarter, but investors are closely watching how the Fed will respond to the impacts on inflation and employment, which could face the unusual tension of slowing economic growth and rising prices (stagflation).

The Financials, Health Care, and Real Estate sectors were the largest positive contributors, while Information Technology, Consumer Discretionary, Industrials, and Material were the largest detractors from results.

[1] The "Magnificent 7" refers to the following stocks: Apple Inc. (AAPL), Microsoft Corp. (MSFT), Alphabet Inc. (GOOG), Amazon.com Inc. (AMZN), Tesla Inc. (TSLA), Meta Platforms Inc. (META), and NVIDIA Corp. (NVDA).

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Contributors and Detractors

American Tower Corp. (AMT) was a positive contributor to returns in Q1. AMT is a leading owner and operator of multitenant communications towers. AMT performed well in the first quarter, where falling longer term interest rates were a tailwind to REIT performance and especially 'longer duration' Tower REITs. Furthermore, AMT also had a strong fourth quarter with increased customer activity on the Tower side and their newer Data Center business (CoreSite) delivering upside. The stock popped 6% on the day of earnings, its best earnings day performance in years.

CME Group Inc. (CME) was also a positive contributor in the quarter. CME is the world's leading derivatives exchange, offering a wide range of products across interest rates, equity indexes, FX, agriculture, energy, and metal commodities. Volumes on their exchanges rose as economic and policy uncertainty increased hedging and positioning by its customers. CME tends to benefit during times of uncertainty and market volatility, which was a feature of the first quarter. CME also raised its dividend from $1.15 to $1.25 in the quarter and paid out a sizable special dividend.

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FIRST QUARTER 2025 CONTRIBUTION REPORT
Ranked by Basis Point Contribution

	Basis Point Contribution	Average Weight
Top Contributors		
American Tower Corp.	+62	3.60%
CME Group Inc.	+62	4.54%
Amgen Inc.	+55	3.15%
CDW Corp.	+53	1.28%
Marsh & McLennan Companies Inc.	+52	3.71%
Bottom Detractors		
Microsoft Corp.	-86	7.98%
Target Corp.	-49	1.91%
Accenture PLC	-45	4.05%
Apple Inc.	-43	3.40%
Vail Resorts Inc.	-38	1.36%

Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. The above does not represent all holdings in the Strategy. Holdings listed might not have been held for the full period. To obtain a copy of RMB Asset Management's calculation methodology and a list of all holdings with contribution analysis, please contact your service team. The data provided is supplemental. Please see important disclosures at the end of this document.

Accenture PLC (ACN) detracted from performance in the quarter. On its fiscal second quarter 2025 earnings report, management noted increased economic and geopolitical uncertainty resulting in slower government procurement which negatively affected ACN's bookings and revenues in the quarter. Federal agencies are reviewing contracts with the top 10 consulting firms which includes Accenture Federal Services (8% of its total revenues). However, about half of this revenue is for application implementation and managed services which should prove relatively more resilient to spending cuts. We remain optimistic for positive long-term change as ACN emerges from a multi-year digestion period of the huge demand pull-forward experienced 2020-2022 during the COVID pandemic. GenAI-related bookings, another contributor to long-run growth, rose to 7% of total bookings in the quarter.

Target Corp. (TGT) detracted from performance in the quarter. Target is one of the largest U.S.-based retailers, operating over 1,900 stores across the country. The quarterly results reflected continued weakness in higher-margin discretionary spending, as shoppers remained cost-conscious, favoring lower-margin essentials. Early indications of a soft start in the first quarter led to FY25 guidance that was below street consensus expectations, with management expecting flat sales and EPS growth relative to 2024.

Portfolio Activity

During the quarter, we initiated new positions in Merck & Co. Inc. (MRK), Comcast Corp. (CMCSA) and International Paper Co. (IP).

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Merck & Co. Inc. (MRK) is a global biopharmaceutical company with three primary businesses: pharmaceuticals, vaccines, and animal health. In addition to its blockbuster Keytruda cancer immunotherapy treatment, investors pay close attention to its Gardasil human papillomavirus (HPV) vaccine. After a couple of quarters of disappointing shipments to China, MRK stopped shipments of Gardasil to China due to weak sell through and inventory accumulating with their distributor, and mgmt. pulled the LT $11B global Gardasil target (which contains $8-9B of ex-China sales). Investors see growth in Gardasil, including geographic growth and from the expansion from females to males, as an important contributor to backfilling the potential headwinds left by the Keytruda Loss of Exclusivity (LoE) at the end of the decade. MRK has $50B of potential in its pipeline, a strong balance sheet for business development, and the desire to deploy it. We believe that efforts to stem share loss in Keytruda, pipeline, and BD efforts provide cushion against LOE cliff and current price overly discounts the risks and we used the price decline to initiate a position.

Comcast Corp. (CMCSA) is a media conglomerate that offers broadband, wireless, and video through its Xfinity, Comcast business, and Sky brands. It also produces and distributes content through brands like NBC, Universal, and Peacock. In addition, the company operates theme parks including Universal Studios and the upcoming Epic Universe. We initiated a position in CMCSA after weakness related to its domestic residential broadband and mobile net additions. In response to the competitive pressures, management plans to place a strategic priority on growing the converged business (broadband + wireless) that brings greater customer stickiness/loyalty and leverages CMCSA's broad service portfolio. Additionally, CMCSA announced the rollout of a new Sports & News TV package for $70/month (vs. YoutubeTV- $83) designed to compete with streaming services. CMCSA maintains a healthy balance sheet, ending the year with net leverage at 2.3x, and returning $13.5B to shareholders, including over $8.5B in share repurchases (~5% of shares outstanding). Since restarting the buyback program in 2021, CMCSA has reduced the share count by ~20%. Increased dividend by 6.5% to $1.32 on an annualized basis (~4% market yield at 1/30 close). Comcast ended the quarter with a % dividend yield.

International Paper Co. (IP) is one of the world's leading producers of corrugated packaging in a consolidating global industry. IP provides fiber-based packaging products for diverse consumer and industrial applications. This company sits in the "turnaround" portion of the corporate life cycle, requiring significant changes to reverse several years of falling margins. Our interest in this company stems from the recent CEO hire, who we believe is likely to drive the necessary change. Andy Silvernail developed his skills as an operator while he was at Danaher Corporation (DHR), and subsequently at IDEX Corp. where he successfully used 80/20 management techniques to drive over 500bps of margin expansion during his CEO tenure. We believe he has strong leadership skills and that the 80/20 approach is well-suited to reduce complexity, reset profitability, and begin to build a culture of productivity and continuous improvement at IP.

We funded these purchases with the sale of CDW Corp. (CDW) and Vail Resorts Inc. (MTN), which have not been progressing towards our investment theses.

Outlook

The near-term outlook is cautious given the likely behavior of companies and consumers in the face of heightened uncertainty. As Q1 earnings results and conference calls begin, we expect many companies to reduce, widen, or remove 2025 earnings guidance. We expect companies to slow capital allocation decisions such as capital expenditures and mergers & acquisitions. Consumers may pull forward some purchases in advance or tariffs or defer purchases and tighten their belts. The likelihood of a recession has increased dramatically. Investors tend to pay a premium for greater visibility, predictability and growth, all of which have likely decreased. Unlike the onset of the COVID-19 pandemic or the Great Financial Crisis, the forward path can change with the stroke of a Sharpie or a social media post. We saw some of this volatility shortly after quarter-end when President Trump delayed the reciprocal tariffs by 90 days, likely in response to an increasingly adverse stock market and higher treasury yields. We remain cautious and aware that delays and deferrals help with the magnitude of the disruption, but do not negate the risks.

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Longer-term, we believe this may be a turning point in the global economic order. The U.S. has benefited from the U.S. dollar as a reserve currency, access to global markets, and influence over global institutions. Through the benefits of comparative advantage, globalization delivered low-cost goods to US manufacturers and consumers at the expense of domestic manufacturing jobs. The costs of globalization became increasingly apparent as the wealth gap widened to the highest levels since the 1920s. The disruptions from the COVID-19 pandemic revealed the fragility of tight global supply chains. The Russian invasion of Ukraine shed light on the strategic benefits of producing some essential goods locally (defense, steel, pharmaceuticals, etc.). Retreating globalization began years ago, but the pace of the current transformation is accelerating.

The magnitude of the changes occurring may lead to a more rapid evolution of winning and losing companies. Companies adapting to the changing competitive environment will likely outperform those that are either stuck on the status quo or have more structural impediments to change. This should create opportunities for active investors like us to differentiate performance vs. the indexes and the passive investors that follow them.

We focus on identifying companies that we believe can beat market expectations for growth and returns on capital. Economic cycles, interest rates, and investor preferences all influence short-term absolute and relative performance. Over the long-term, we believe that investing in high quality companies that create value for shareholders can result in long-term shareholder returns that beat the overall market.

Thank you for your confidence in the team and the Strategy. If you have any questions, please do not hesitate to contact us.

Sincerely,

Tom Fanter
Portfolio Manager

John O'Connor, CFA
Portfolio Manager

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TOP TEN HOLDINGS AS OF 3/31/25

Company	% of Assets
Microsoft Corp.	7.58%
UnitedHealth Group Inc.	4.86%
CME Group Inc.	4.71%
JPMorgan Chase & Co.	4.58%
Stryker Corp.	4.48%
Morgan Stanley	4.13%
Marsh & McLennan Companies, Inc.	4.04%
Chubb Ltd.	3.93%
American Tower Corp.	3.87%
Union Pacific Corp.	3.81%

Holdings are subject to change. Past performance is not indicative of future results, and there is risk of loss of all or part of your investment. The data provided is supplemental. Please see disclosures at the end of this document.

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RMB Asset Management

Dividend Growth Strategy // GIPS Report

Organization | Curi RMB Capital, LLC ("Curi RMB Capital") is an independent investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940 and established in 2005. The GIPS firm is defined as RMB Asset Management ("RMB AM"), a division of Curi RMB Capital. Previously, the firm was defined as RMB Capital and was redefined on January 1, 2016 to only include the asset management business due to the difference in how its investment strategies and services are offered. RMB AM claims compliance with the Global investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. RMB AM has been independently verified for the periods April 1, 2005 through December 31, 2022. The verification report(s) is/are 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.

Description | The Dividend Growth Strategy reflects the performance of fully discretionary equity accounts, which have an investment objective of long-term growth using a portfolio of primarily large-cap stocks and, for comparison purposes, is measured against the S&P 500 index. Effective 1/1/2023, the Morningstar U.S. Dividend Growth Index was added as secondary benchmark for the strategy retroactively in order to provide an income-oriented benchmark alongside the primary benchmark. The inception date of the Dividend Growth Composite is April 1, 2005 and the Composite was created on April 1, 2005. Valuations and returns are computed and stated in U.S. Dollars.

ANNUAL PERFORMANCE RELATIVE TO STATED BENCHMARK

Year End	Total Firm Assets as of 12/31 ($M)	Composite Assets USD ($M)	Composite Assets # of Accounts Managed	Annual Performance Results Composite Gross-of-Fees (%)	Composite Net-of-Fees (%)	MS Div Growth (%)	S&P 500 (%)	Composite 3-YR ST DEV (%)	MS Div Growth 3-YR ST DEV (%)	S&P 500 3-YR ST DEV (%)	Composite Dispersion (%)
2023	6,235.5	265.7	225	18.2	17.63	7.58	26.29	15.78	15.51	17.29	0.33
2022	5,228.7	242.7	208	-12.27	-12.72	-9.98	-18.11	20.36	19.54	20.87	0.35
2021	6,277.6	307.8	221	31.58	30.97	23.89	28.71	17.69	16.96	17.17	0.27
2020	5240.6	168.9	154	16.14	15.58	6.48	18.40	18.58	17.76	18.53	0.92
2019	4,947.9	243.7	460	37.62	37.00	26.74	31.49	11.39	11.28	11.93	0.45
2018	4,196.9	204.2	474	-2.11	-2.61	-4.56	-4.38	10.89	10.2	10.80	0.36
2017	3,610.6	219.4	507	19.21	18.64	19.90	21.83	10.11	9.42	9.92	0.40
2016	3,047.5	204.6	516	14.77	14.23	12.21	11.96	10.95	10.03	10.59	0.41
2015	3,706.0	215.8	571	-6.54	-7.01	-3.20	1.38	10.47	10.49	10.47	0.40
2014	3,312.9	260.4	640	12.48	11.95	10.80	13.69	9.68	8.41	8.97	0.38

Fees | *Effective January 1, 2011, Curi RMB Capital's asset management fee schedule for this Composite is as follows: 0.50% on the first $3.0 million, 0.475% on the next $2.0 million, 0.450% on the next $5.0 million, 0.425% on the next $15.0 million, and 0.400% over $25.0 million. Net returns are computed by subtracting the highest applicable fee (0.50% on an annual basis) on a quarterly basis from the gross composite quarterly return, and the resulting quarterly net figures are compounded to calculate the annual net return. Actual asset management fees charged by Curi RMB Capital may vary. Composite performance is presented on a gross-of-fees and net-of-fees basis and includes the reinvestment of all income. Gross-of-fees returns means it is net of transaction costs but gross of asset management fees and custodian fees. The payment of actual fees and expenses would reduce gross returns. The compound effect of such fees and expenses should be considered when reviewing gross returns. The composite includes accounts that pay asset-based pricing for trading expenses. The maximum fee is 15 basis points per year; however, many accounts pay lower amounts due to household break-point relief. Returns for those accounts prior to 3/1/19 do not reflect the deduction of asset-based pricing and are therefore gross of trading expenses. These accounts represent approximately 81% of composite assets. In addition to an asset management fee, some accounts pay a wealth management fee based on the percentage of assets under management to Curi RMB Capital. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the Composite the entire year. Risk measures presented are calculated using gross-of-fees performance. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.*

Minimum Value Threshold | *The account minimum in the Dividend Growth composite is currently $500 thousand. Prior to July 2020, the composite did not have a minimum.*

Comparison with Market Indices | *Curi RMB Capital compares its Composite returns to a variety of market indices such as the S&P 500. The index represents unmanaged portfolios whose characteristics differ from the Composite portfolios; however, it tends to represent the investment environment existing during the time period shown. The S&P 500 Index is widely regarded as the best single gauge of the U.S. equity market. It includes 500 leading companies in leading industries of the U.S. economy. The index focuses on the large-cap segment of the market and covers approximately 75% of the U.S. The index includes dividends reinvested. An investment cannot be made directly in an index. The returns of the index do not include any transaction costs, management fees, or other costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by your account in the Composite. Benchmark returns presented are not covered by the report of independent verifiers.*

Other | *Past performance is no guarantee of future performance. Historical rates of return may not be indicative of future rates of return. Individual client performance returns may be different than the composite returns listed. Total Firm Assets as of 12/31 for the years 2011 and 2012 have been revised to exclude assets from personal trading accounts that were included in previously reported figures. 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. A list of Composite Descriptions and a list of Broad Distribution Pooled Funds are available upon request.*