Dividend Growth

Portfolio Update: Second Quarter 2025

During the quarter ending June 30, 2025, the Dividend Growth Strategy (the "Strategy") returned +0.66% net of fees, compared to the +3.48% return for the Morningstar U.S. Dividend Growth Index (MSDGI) benchmark index and the broader market's +10.94% 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)	+0.66%	+1.46%	+4.16%	+9.63%	+11.92%	+11.08%	+8.25%
Dividend Growth (net of IM & WM fees)	+0.41%	+0.94%	+3.13%	+8.56%	+10.83%	+9.99%	+7.19%
Morningstar U.S. Dividend Growth Index	+3.48%	+4.28%	+11.03%	+10.36%	+11.14%	+9.39%	+7.52%
S&P 500 Index	+10.94%	+6.20%	+15.16%	+19.71%	+16.64%	+13.65%	+10.70%

Inception date: April 1, 2005. Performance is presented net of Curi Capital'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 June 30, 2025.

The second quarter brought significant trade and geopolitical headwinds for U.S. equity markets, but U.S. large cap stocks ultimately gained ground. Markets started off the quarter with a sharp risk-off response to details of the "Liberation Day" tariff rates. The Russell 1000® Value index and the Russell 1000® Growth index declined 11.8% and 12.8% respectively in the days following the announcement. At the same time, the 10-year treasury yield spiked nearly 50 basis points, leading to the Trump administration to pause implementation of the new tariffs for 90 days. Following this announcement, the markets made a notable comeback. The value benchmark recovered its losses, increasing 16.4% between April 9th and June 30th. The growth index had a much more impressive rebound, increasing 32.6% over the same period. We believe growth stocks were in favor due to several factors: 1) the lower threat from a spike in long-term interest rates that could have outsized impact on longer-duration securities like growth stocks; 2) the reduced risk of an all-out trade war that could put our large tech exports (including services) at risk; and 3) a continuation of the long-standing "buy the dip" and "nothing ever happens" mentality of market participants. Beyond sentiment, there were also fundamental reasons for the growth-led recovery – namely around spending for Artificial Intelligence, which is one of the most important factors driving the mega-cap tech stocks. Microsoft Corp. (MFST), Alphabet Inc. (GOOGL), Amazon.com Inc. (AMZN), and Meta Platforms Inc. (META) are expected to increase capex an average of ~40%. These four companies alone are expected to spend approximately $325Billion in 2025 based on current guidance.

Later in the quarter, geopolitical risks spiked with the U.S. and Israeli strikes on Iranian nuclear sites. While this led to a modest decline in stocks and a flight to safe havens like the dollar and gold, the impact was not long-lasting. Oil prices briefly increased above $75 per barrel, but fears of supply disruptions quickly dissipated, and oil prices slipped back below $67 per barrel by the end of the quarter.

The Strategy returned +0.66% in the quarter, compared to +3.48% for the Morningstar U.S. Dividend Growth Index (MSDGI) benchmark and the broader market's +10.94% total return for the S&P 500 benchmark. Companies in the Information Technology and Financials sectors contributed positively to results, while companies in the Healthcare, Materials, and Consumer Staples sectors detracted from results.

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Contributors and Detractors

Microsoft Corp. (MSFT) was a positive contributor to performance during the quarter. Microsoft is a tech giant historically best known for Windows and Office, but these days it also runs one of the world's biggest cloud platforms (Azure), owns LinkedIn and Xbox, and builds everything from AI tools to enterprise software. On its fiscal third quarter earnings report, growth in Microsoft's overall cloud business accelerated with Azure's growth specifically improving to 35% year-over-year, particularly impressive given peer Google Cloud decelerated during the quarter. While all three of the major cloud services providers (Amazon, Microsoft, Alphabet) have recently cited capacity constraints as headwind to growth, Microsoft managed that a bit better this quarter. We see it as a clear artificial intelligence software leader with multiple ways to benefit from the rise of AI.

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SECOND QUARTER 2025 CONTRIBUTION REPORT
Ranked by Basis Point Contribution

	Basis Point Contribution	Average Weight
Top Contributors		
Microsoft Corp.	+267	8.99%
Intuit Inc.	+113	4.20%
Morgan Stanley	+100	4.57%
JPMorgan Chase & Co.	+95	4.89%
Analog Devices Inc.	+66	3.36%
Bottom Detractors		
UnitedHealth Group Inc.	-256	2.33%
Becton, Dickinson and Co.	-83	2.53%
Marsh & McLennan Companies Inc.	-46	3.89%
Amgen Inc.	-37	3.13%
International Paper Co.	-32	1.16%

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 Curi Capital'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.

Analog Devices Inc. (ADI) was a positive contributor to performance. Analog Devices designs and manufactures high performance analog, mixed-signal and power management semiconductors. Its hybrid manufacturing model helps to mitigate supply chain shocks and respond to changes in demand. ADI ended the quarter just a touch below at all-time highs, reflecting optimism about the long-awaited industrial and automotive recovery as bookings and backlogs both grew and book-to-bill exceeded 1.0x.

UnitedHealth Group Inc. (UNH) detracted from performance in the quarter. UnitedHealth Group is the largest U.S. health insurer and healthcare provider through its technology-enabled Optum platform, which also offers data analytics, pharmacy benefit management, pharmacy services, and consulting to help improve outcomes for patients and providers. UNH had been in the headlines since late 2024 with criticism for not approving treatments and the PBM business model in general. However, our research showed that UNH's practices in these areas were better than industry average and would see limited impact from proposed regulations. This changed on May 14th, when the *Wall Street Journal* reported that the DoJ is investigating UNH for Medicare fraud. The news alleged that UNH fraudulently bills for health conditions its members do not have to boost its revenues and profits. This allegation introduced an entirely new, non-fundamental risk that we do not have an edge in evaluating. Based on the non-fundamental tail risk and our assessment that reversion to industry-average Economic Returns could result in an additional 40%+ of downside, we decided to exit the position.

Becton, Dickenson and Co. (BDX) detracted from performance in the quarter. As a broad provider of products across almost all healthcare segments, BDX is exposed to the ups and downs of the healthcare industry. Proposed changes to policies regarding broad tariffs, pharma specific tariffs, NIH and other research funding, drug pricing, and more have created massive uncertainty in BDX's end markets that is expected to severely curb spending. The impact of some of these policy proposals can be seen in BDX's reaction to President Trump's "Liberation Day" announcements, which sent BDX almost 10% lower. The issue was exacerbated when BDX reported earnings and management noted limited ability to adjust to the proposals, suggesting $0.25 per quarter negative earnings impact beginning in Q4 2025. Beyond the U.S., governmental policies and a languishing economy in China continue to hinder healthcare companies. In particular, China's Volume-Based Pricing (VBP) policy has been a severe headwind for commoditized products including many of BDX's offerings, which can range from commodity products like tongue depressors and cotton swabs to differentiated products like digital infusion pumps. BDX's management called out a worse than expected impact from VBP on earnings during their conference call discussing Q1 earnings, and given that China is BDX's second largest market, these headwinds notably impacted BDX's earnings and outlook.

Portfolio Activity

During the quarter, we exited our position in UnitedHealth Group Inc. (UNH), as noted above. For taxable accounts, we also completed the reversal of a tax loss harvest transaction for Target Corporation (TGT), which we initiated in March and completed in April. Such trades are designed to harvest tax losses without sacrificing market exposure through the use of "blocker" ETFs. Such trades are always short-term in nature, typically about 31 days. We believe these tax loss harvest trades contribute to after-tax returns by helping to offset taxable gains recognized in the normal course of managing the portfolio.

Outlook

As we write this letter, the S&P 500 sits at all-time highs despite what could constitute a "wall of worry." That includes the uncertainty around trade policy and its effects on supply chains, structurally higher inflation that doesn't seem to be tamed by restrictive policy rates, geopolitical tensions, chronic budget deficits and growing interest costs on debt, rumblings about global central banks shifting more reserves away from U.S. Dollars which could put upward pressure on interest rates, etc.

So, what might the market be discounting that could help overcome these larger concerns? In the short-to-medium term, it could amount to the direction of travel. That is, tariffs will likely settle below the Liberation Day announcements, the interest rate cutting cycle is expected to begin in September, and permanent tax policy and incentives for investments could lead to an improving economic picture and sow the seeds for a strong economic cycle. As mentioned previously, the largest and most profitable tech companies in the world are located in the U.S. and are investing massive amounts of capital into Artificial Intelligence, which could drive material advances the productivity of our resources. And we must always remember that the world remains awash in liquidity and equities likely still offer a positive real return.

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. Businesses with strong value propositions should be able to raise prices to offset inflation. Well-managed companies can invest capital in R&D, production capacity, AI agents, and people to drive innovation that creates growth and supports higher returns on capital. 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

TOP TEN HOLDINGS AS OF 6/30/25

Company	**% of Assets**
Microsoft Corp.	10.17%
JPMorgan Chase & Co.	5.47%
Morgan Stanley	5.22%
CME Group Inc.	4.97%
Stryker Corp.	4.86%
Intuit Inc.	4.81%
American Tower Corp.	3.93%
Chubb Ltd.	3.86%
Union Pacific Corp.	3.84%
Illinois Tool Works Inc.	3.83%

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.

Past performance is not indicative of future results, and there is a risk of loss of all or part of your investment. The opinions and analyses expressed in this newsletter are based on Curi Capital, LLC's ("Curi Capital") research and professional experience are expressed as of the date of our mailing of this newsletter. Certain information expressed represents an assessment at a specific point in time and is not intended to be a forecast or guarantee of future results, nor is it intended to speak to any future time periods. Curi Capital makes no warranty or representation, express or implied, nor does Curi Capital accept any liability, with respect to the information and data set forth herein, and Curi Capital specifically disclaims any duty to update any of the information and data contained in this newsletter. The information and data in this newsletter does not constitute legal, tax, accounting, investment or other professional advice. Returns are presented net of fees. An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not bear fees, taxes, or transaction 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.

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A complete list of security recommendations made during the past 12 months is available upon request. An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not account for fees, taxes or transaction 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. The Morningstar U.S. Dividend Growth Index is designed to provide exposure to securities in the Morningstar U.S. Markets Index with a history of uninterrupted dividend growth and the capacity to sustain that growth. The S&P 500 includes 500 leading companies in leading industries of the U.S. economy. The S&P 500 focuses on the large-cap segment of the market and covers approximately 75% of U.S. equities. High-quality stocks are those that we believe offer greater reliability and less risk. The quality assessment is made based on a combination of soft (e.g., management credibility) and hard (e.g., balance sheet stability) criteria.

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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

			Composite Assets		Annual Performance Results						
Year End	Total Firm Assets as of 12/31 ($M)	USD ($M)	# of Accounts Managed	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 (%)
2024	6,885.9	213.9	197	5.93	5.42	13.86	25.02	14.94	15.01	17.15	0.23
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

***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.*

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***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.*