



**Tradition's Research Goal:  
Identify Stocks with Growing Dividends**

- Dividends have historically accounted for approximately 40% of historical stock market returns
- Academic research has demonstrated that dividend strategies offer an improved risk/reward tradeoff\*
- Growing dividends and sustainable payout ratios lead to:
  - ❖ better profits
  - ❖ greater increases in shareholder value
  - ❖ confidence in sustaining future cash flows

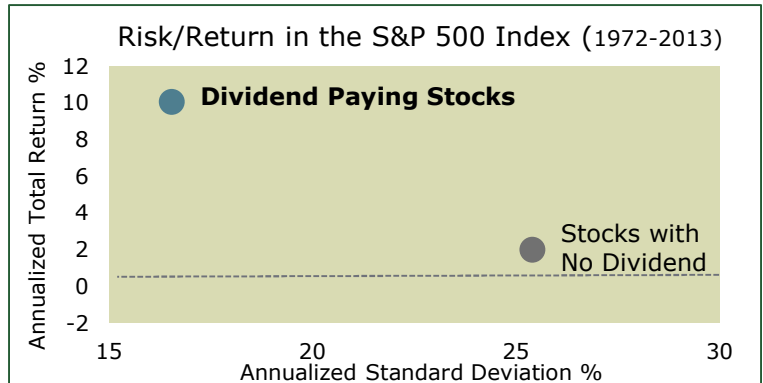
**A Proven Approach**

- A portfolio with above-average dividend growth and yield has historically outperformed the market and experienced less volatility
- Tradition's disciplined, research-driven process identifies opportunities that:
  - ❖ source potential alpha
  - ❖ generate above-market income
  - ❖ control and manage risk
- Strategy seeks alpha across the entire capitalization spectrum
- Tradition's approach may offer a high probability of success

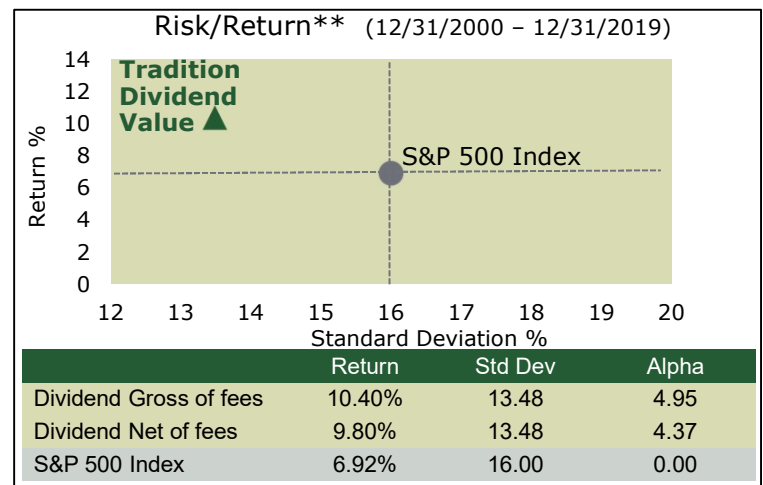
**The Tradition Client Experience**

- A long-term track record of outperformance relative to benchmark indices.
- Consistent income
- Consistent risk-adjusted returns
- Investors have benefitted from:
  - ❖ a repeatable and sustainable research-driven investment process
  - ❖ protection during volatile bear market cycles

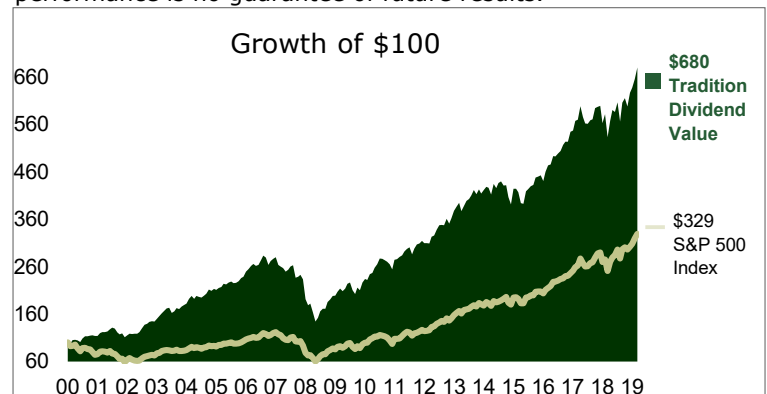
\*\* PSN - an investment manager database and is a division of Informa Investment Solutions, Inc.



1/31/1972 – 09/30/2013; the average annual returns and annualized standard deviation are based on the sub-components of the S&P 500 Index, equal-weighted on a total return basis.  
\*Source: S&P Capital IQ Compustat and Ned Davis Research, Inc.



\*\*Source: PSN. Please read the firm's full performance and general disclosures at the end of this presentation. Past performance is no guarantee of future results.

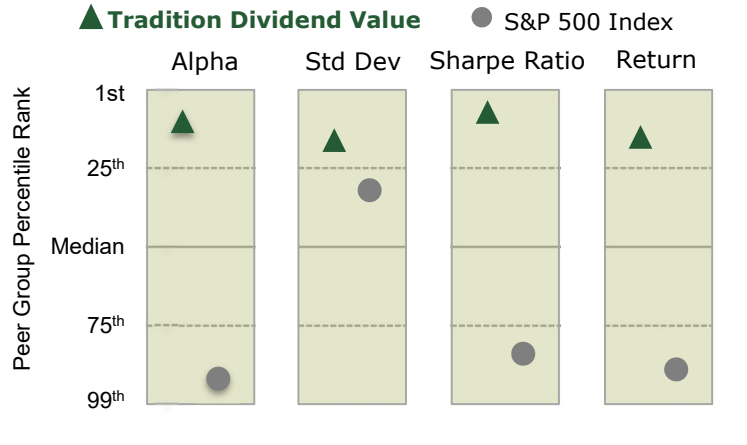


10/31/2000 – 12/31/2019. Past performance is no guarantee of future results. See traditioncm.com for additional important disclosure information.



**Tradition Dividend Value:  
A Peer Group Leader**

- ❑ Top quartile rankings across key portfolio metrics\*\*
- ❑ Portfolio managed by an experienced management team supported by research analyst specialists
- ❑ Thorough research leads to conviction in our top holdings
- ❑ Key metrics are indicative of a focus on the longer-term time horizon

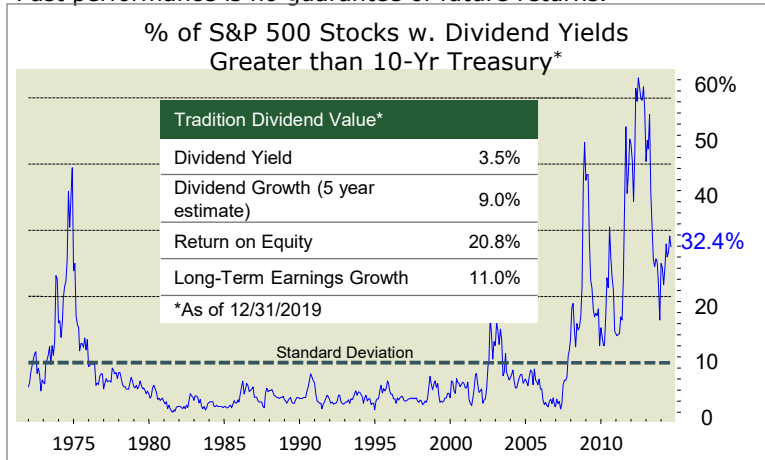


**Potential for Growth and Above-Market Income**

- ❑ Many investors are looking for additional sources of income; dividend paying stocks offer attractive yields with less risk compared to non-dividend stocks.
- ❑ A portfolio of well-researched, high-quality companies with growing dividends can offer yields higher than 10-year Treasury bonds
- ❑ Roughly 1/3 of all stocks in the S&P 500 Index pay dividends; Tradition invests in the stocks which our research indicates are likely to continue growing their dividend payout (Source: Bloomberg)

12/31/2000 – 12/31/2019.

\*\*Source: PSN All Cap Value peer group as of 12/31/2019. Past performance is no guarantee of future returns.

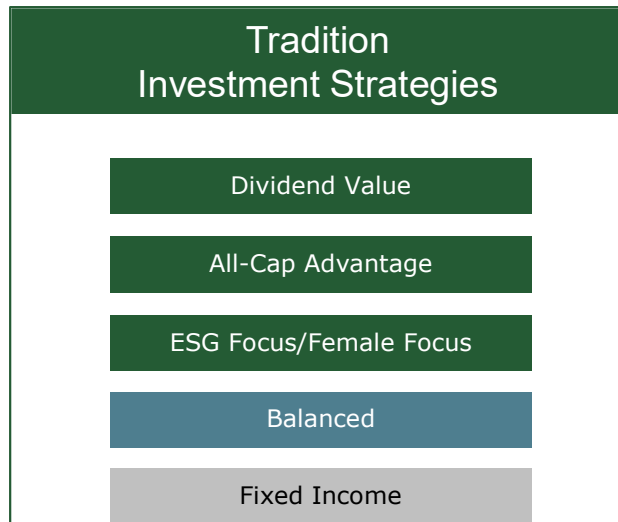


1/31/1972 - 10/31/2014.

Source: Ned Davis Research, Inc., S&P Capital IQ Compustat

**Tradition: A Specialist Boutique Firm**

- ❑ **People:** Portfolio management team offers 250 years of collective investment experience (31 years on average)
- ❑ **Philosophy:** Active, value-oriented
- ❑ **Process:** Consistent, repeatable, and risk-management focused
- ❑ **Performance:** Highly-ranked among peers across key metrics; consistently strong risk-adjusted returns over long-term periods\*\*
- ❑ **Portfolio Construction:** A solid “core” portfolio holding available in balanced, socially-responsible and tax-efficient mandates



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# TRADITION ASSET MANAGEMENT

A LUXON FINANCIAL COMPANY

Dividend Value  
December 31, 2019

Disclosure: Tradition Asset Management is an SEC Registered Investment Advisor. The S&P 500 is an unmanaged index. An investor cannot invest directly in an index. All investing involves a risk of loss. Past performance is no guarantee of future results. Some of this information was prepared by or obtained from sources believed to be reliable, but Tradition Asset Management does not guarantee its accuracy or completeness. The material has been prepared or is distributed solely for information purposes and is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy.

908.598.0909

Tradition Asset Management, LLC  
129 Summit Avenue  
Summit, NJ 07901

[Traditioncm.com](http://Traditioncm.com)