

Cadence Capital Management LLC

Founded 1988
AUM \$4.2 billion
Headquarters Boston, MA

US Dividend Yield

Factor-focused beta exposure designed to capture the broad equity risk premium (total return), earn higher income, and provide reduced volatility.

- Active investment management resources applied where they provide benefit
- Systematic execution — designed to deliver the benefits of passive management
- Disciplined rebalancing
- Efficiently accommodates movement of capital
- Complementary to active management, index funds and other betas
- Lower overall costs than traditional active management

AUM/Strategy: \$885.5 million

Investment Team



J. Paul Dokas, CFA
Senior Portfolio Manager, Managing Director



Robert E. Ginsberg, CFA
Senior Portfolio Manager, Managing Director

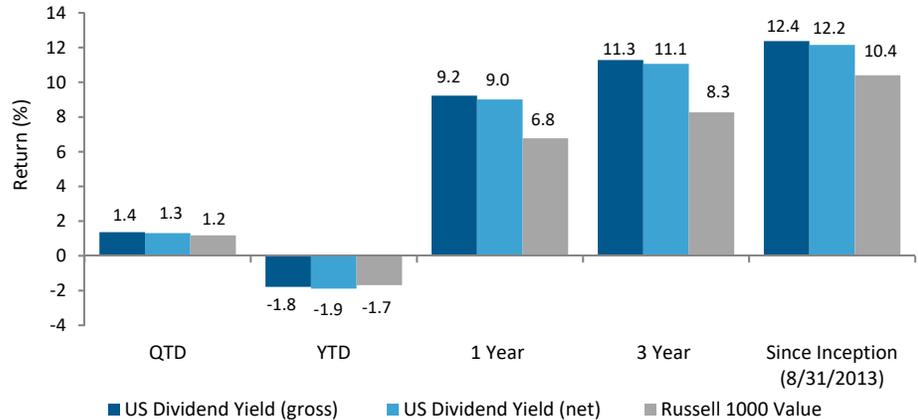


Austin M. Kairnes III
Portfolio Manager



Sophia H. Ru, CFA
Senior Analyst

Performance



Portfolio Characteristics

	US Dividend Yield	Russell 1000 Value
Total Number of Holdings	355	728
Wtd. Avg. Market Capitalization (\$B)	97.2	115.6
Dividend Yield	3.1	2.5
Price/Earnings Ratio (Last 12 Months)	16.8	16.6
Price/Book Ratio	2.7	2.1
Est. 3-5 Year EPS Growth	11.2	10.6
Return on Equity (%)	17.8	12.4
LT Debt/Capital	45.0	38.9

Economic Sectors

	US Dividend Yield (%)	Russell 1000 Value (%)	Difference
Consumer Staples	14.5	7.3	7.3
Industrials	14.3	7.9	6.4
Consumer Discretionary	12.3	8.3	3.9
Information Technology	10.5	9.9	0.6
Materials	4.6	4.1	0.5
Real Estate	4.1	4.9	-0.8
Telecommunication Services	2.5	3.6	-1.1
Health Care	12.0	13.9	-1.8
Utilities	2.8	5.7	-2.9
Energy	7.8	11.1	-3.4
Financials	14.6	23.3	-8.7

Top 10 Holdings

	Weight (%)	
GE	General Electric Company	1.3
WFC	Wells Fargo & Company	1.3
XOM	Exxon Mobil Corporation	1.3
CVX	Chevron Corporation	1.3
SLB	Schlumberger NV	1.3
CSCO	Cisco Systems, Inc.	1.3
VZ	Verizon Communications Inc.	1.3
PM	Philip Morris International Inc.	1.3
BA	Boeing Company	1.3
PG	Procter & Gamble Company	1.3
TOTAL		12.9

US Dividend Yield

June 30, 2018

Factor Focused Beta Portfolios

		US	International Developed	EM	Global
Growth	Momentum				
	Quality				
Value	Value				
	Yield	★			

Factor Focused Beta Strategies

Comprehensive — A suite of complementary factor-based and rules-driven beta portfolios; low correlation

Factor-focused — Designed to isolate and capture specific risk premia while avoiding the concentration risks of capitalization-based indexing

Versatile — Designed to work in stand-alone allocations or bundled as part of an investor's customized solution

Cost Effective — Lower fee and execution costs than traditional active management approaches

Disclosures

Past performance is no guarantee of future results. Cadence Capital Management LLC, is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Registration of an investment advisor is not meant to denote any form of recommendation or endorsement by the SEC or state securities regulators, and does not imply a certain level of skill or training. Cadence manages domestic equities for institutional investors using a conservative growth investment philosophy. Cadence manages domestic and international equities for institutional investors using rules-based strategies with periodic rebalancing. Cadence also acts as sub-advisor for several mutual funds. In November 2010, Cadence acquired a long/short domestic equity hedge fund and a long-only SMIDCap fund. Since March 31, 2014 these assets have been included in the definition of the firm for the purposes of GIPS presentations and verifications. Effective April 1, 2016, the SMIDCap fund has been closed, and Cadence consolidated the assets of the two private funds. Effective September 1, 2017, the hedge fund has been closed. The Cadence Composites are constructed of similarly managed, unconstrained, discretionary accounts in accordance with industry calculation standards. New accounts are included in their first full calendar month of operation. Performance is based on time-weighted, total returns including resigned accounts. Performance results reflect the reinvestment of dividends and other earnings. Valuations and returns are computed and stated in US dollars on a trade date basis. To obtain the calculation methodology and a list of each holding's contribution to the overall account's performance during the measurement period, contact Petra Stenta at (617) 624-3500.

Composite Characteristics:

The US Dividend Yield Composite was created in January 2014 and has an inception date of August 31, 2013. A complete list and description of all firm composites is available upon request. Accounts in the US Dividend Yield Composite have an initial universe comprised of stocks within the Russell 1000 Index.

The US Dividend Yield Composite is a rules-based portfolio that is rebalanced quarterly and typically holds between 200-350 securities. Stocks in the US Dividend Yield portfolio must have a higher than market dividend yield and must pass liquidity and bankruptcy screens. Holdings in the US Dividend Yield Composite will have modified capitalization based security weights. New accounts that fit the composite definition are added at the beginning of the first full calendar month for which the account is under management. Closed account data is included in the composite as mandated by the standards in order to eliminate a survivorship bias. US Dividend Yield restricted accounts (e.g., "sin-free" account) are not included in this composite. On January 1, 2017, the primary composite benchmark was changed from the Russell 1000 Index to the Russell 1000 Value Index in order to provide a more relevant comparison to the composite's investment universe.

Benchmark Definition:

The Russell 1000 Value Index measures the performance of the large-cap value segment of the US equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. The Russell 1000 Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics.

The volatility of the index may be materially different from that of the composite. You cannot invest directly in an index. Index results assume the re-investment of all dividends and capital gains. In addition, client's holdings will differ significantly from the securities that comprise the index. The benchmark returns are not covered by the report of independent verifiers.

Cadence Capital Management LLC claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of Cadence's composites and/or a presentation that adheres to the GIPS standards, contact Ms. Petra Stenta at (617) 624-3500.



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