

OBJECTIVE

The strategy aims to provide long-term capital appreciation, while focusing on the protection of principal, in a well-diversified portfolio of dividend and income paying securities.

STRATEGY DESCRIPTION

The Equity Income strategy attempts to generate yield at a reasonable price without sacrificing capital appreciation through a fundamental, bottom-up, contrarian investment philosophy.

Companies are selected through our disciplined investment process to identify, research and evaluate our highest conviction stocks. Thorough reviews are conducted on each company to ensure they are inline with our investment thesis and upside target potential return. The portfolio consists of core holdings, typically up to 3%, which are selected on the upside potential reflected in our target prices. They can include equity or debt securities, which offer yield at a reasonable price. This methodology seeks to construct a portfolio that will generate yield without sacrificing capital appreciation. The strategy has consistently demonstrated high active share versus the Russell 1000 Value index.

PERFORMANCE INFORMATION ^{†1}

	MTD	QTD	YTD	1 YEAR	3 YEAR	5 YEAR	7 YEAR	SINCE INCEPTION ^{††}
Composite (Gross)	2.07%	19.27%	-20.08%	-11.86%	-1.11%	2.36%	5.33%	8.31%
Composite (Net) ²	2.02%	19.09%	-20.34%	-12.42%	-1.92%	1.45%	4.38%	7.37%
Russell 1000 Value ³	-0.66%	14.29%	-16.26%	-8.84%	1.82%	4.64%	7.11%	9.74%

CALENDAR YEAR PERFORMANCE

	2019	2018	2017	2016	2015	2014	2013	2012
Composite (Gross)	27.17%	-11.41%	11.35%	28.71%	-13.19%	10.15%	36.29%	17.22%
Composite (Net) ²	26.38%	-12.31%	10.23%	27.45%	-14.07%	9.05%	35.31%	16.37%
Russell 1000 Value ³	26.54%	-8.27%	13.66%	17.34%	-3.83%	13.45%	32.53%	17.51%

[†] Performance is preliminary. Returns for periods greater than a year are annualized. **Past performance is not indicative of future results.**

^{††} Inception: 12/31/11

PORTFOLIO CHARACTERISTICS⁴

	EQUITY INCOME	RUSSELL 1000 VALUE
Market Cap (Billions)	\$70.54	\$114.12
Dividend Yield	4.39%	2.82%
Free Cash Flow Yield	10.95%	6.67%
Forward P/E Est.	13.08	17.14
Price-to-Book	1.61	1.89
PEG Ratio Forecast 12-Month	2.26	2.40
LT Debt/Capital	44.24	42.20
Active Share	84.60	

Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.

[†] 3-Year Average

^{††} 3-Year Average vs. the Russell 1000 Value Index

RISK STATISTICS⁴

	EQUITY INCOME	RUSSELL 1000 VALUE
Sharpe Ratio [†]	0.00	0.13
Standard Deviation [†]	24.01	22.83
R-Squared [†]	0.96	
Beta ^{††}	1.03	
Information Ratio ^{††}	-0.54	

Sharpe Ratio is used to help investors understand the return of an investment compared to its risk. The ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. **Information Ratio** is a measurement of portfolio returns beyond the returns of a benchmark compared to the volatility of those returns.

PORTFOLIO MANAGEMENT



ANNE S. WICKLAND, CFA

PORTFOLIO MANAGER/SENIOR ANALYST/PRINCIPAL

EDUCATION: MBA, NYU STERN SCHOOL OF BUSINESS; BA, DAVIDSON COLLEGE



JOSEPH F. ARTUSO, CFA

PORTFOLIO MANAGER/SENIOR ANALYST/PRINCIPAL

EDUCATION: BS, MBA, CARNEGIE MELLON UNIVERSITY

INVESTMENT PHILOSOPHY

Snow Capital Management employs a contrarian, fundamental, relative-value investment philosophy. We believe that attractive returns can be earned by constructing concentrated, diversified portfolios of well-managed, financially strong companies where the price is depressed because the company has experienced short-to intermediate-term difficulties. The philosophy is consistent with modern behavioral finance research, attempting to take advantage of investors' overreaction to negative events and looking for catalysts that will lead to a positive re-rating. Therefore, the upside potential may be enhanced by earnings turn-arounds, and more powerfully, the potential expansion of the price-to-earnings ratio that a positive change in behavioral sentiment can generate after an earnings recovery.

TOP 10 HOLDINGS⁴

	% OF HOLDINGS
Ally Floating Rate Preferred	4.37%
Whirlpool Corporation	2.77%
AbbVie, Inc.	2.76%
Sanofi-ADR	2.56%
NetApp, Inc.	2.48%
Emerson Electric Co.	2.32%
Amgen, Inc.	2.31%
Lam Research Corporation	2.29%
Verizon Communications, Inc.	2.28%
Truist Financial Corporation	2.26%
TOTAL	26.40%

MARKET CAP WEIGHTINGS⁴

Small (<\$2 billion)	2%
Mid (\$2 - 10 billion)	24%
Medium Large (\$10 - 50 billion)	36%
Large (>\$50 billion)	38%
Total	100%

INDUSTRY ALLOCATIONS⁴

Oil, Gas & Consumable Fuels	11%
Banks	9%
Consumer Discretionary (consolidated)	9%
Materials (consolidated)	9%
Industrials (consolidated)	8%
Information Technology (consolidated)	8%
Consumer Finance	6%
Insurance	6%
Communication Services	6%
Consumer Staples (consolidated)	5%
Biotechnology	5%
Cash	4%
Pharmaceuticals	4%
Utilities	3%
Capital Markets	2%
Mortgage Real Estate Investment Trusts	2%
Health Care Providers & Services	2%
Health Care Equipment & Supplies	1%

FOR MORE INFORMATION, CONTACT

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¹ Snow Capital Management L.P. is a registered investment adviser. Registration of an Investment Advisor does not imply any level of skill or training. Snow Capital Management L.P. claims compliance with the Global Investment Performance Standards (GIPS®). A fully compliant GIPS presentation along with a complete list and description of all composites is available at www.snowcm.com or by calling 724-934-5800. The Equity Income Composite contains fully discretionary equity income commission accounts consisting of an equity portfolio of at least 70% of assets invested in equity securities and remaining assets invested in foreign equities and/or fixed income securities, preferred stocks, and options and dates back to December 31, 2011. This composite has no minimum requirement and for comparison purposes is measured against the Russell 1000 Value. As of June 28, 2018, this composite changed its name from Dividend Plus to Equity Income.

The U.S. Dollar is the currency used to express performance. Leverage is not used in this composite. **Investing involves risk; clients may experience a profit or a loss. Past performance is not indicative of future results.**

Returns include the reinvestment of all income. Results are based on fully discretionary accounts under management that are eligible for inclusion in the composite during the performance reporting period, including those accounts no longer with the firm. The performance of any individual portfolio may vary from the Composite's performance. Gross returns are shown as supplemental information and presented after the deduction of trading costs.

² As of January 1, 2019 net of fee performance returns are calculated by deducting actual fees accrued by composite accounts on a monthly basis. Prior to January 1, 2019, net of fee performance returns were calculated by deducting a model fee of 1.00%, which represents the highest applicable annual fee in effect for the respective time period, applied monthly. As of January 1, 2014, net of fee performance returns were calculated by deducting 1.00%, which was the highest applicable annual fee in effect for the respective time period ("model fee") and includes management and custodial fees applied monthly. Prior to January 1, 2014, the model fee used to calculate net returns was 0.75%. Snow Capital's advisory fees are outlined in its Form ADV Part 2A (Brochure), which is available upon request. Actual investment advisory fees incurred by clients may vary.

³ The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. Indexes are unmanaged. It is not possible to invest directly in an index.

⁴ This information is presented as supplemental information to the GIPS compliant presentation to illustrate an example of selected characteristics of the Equity Income composite as of June 30, 2020 and how an individual portfolio might have been invested at that time. These illustrations may not be representative of the composite's or an individual portfolio's current or future investments or imply that investment in the securities identified was or will be profitable. There is no assurance that any of these stocks or sectors will be purchased in the future or are currently held in the portfolio. Top ten holdings reflect the composite's cash position, but cash is not included as a holding in the list. Risk statistics as of the most recent quarter end.