

Hamlin Equity Income Strategy

"Compounding Income is a Potent Force of Growth"

March 31, 2021

Investment Philosophy & Objectives

Recognizing that compounding income is a potent force of growth, we invest exclusively in dividend-paying equities. Investors deserve cash compensation for risking capital, and our analysis suggests that dividend-paying stocks have historically outperformed the broader market with lower volatility.¹ We believe that a healthy and consistent dividend policy enhances investor total return, endorses historic accounting statements, acts as an effective governor on capital allocation, and has the potential to smooth performance in down years. We focus on stocks with dividend yields at least 50% above the S&P500 index yield. Within this high income universe, we search for companies with low debt, ample free cash flow and attractive returns on equity. Typically candidates for purchase have a history of increasing dividends, and company management should be committed to a generous dividend policy. We are dedicated to rigorous financial statement analysis, focusing on our companies’ true quality of earnings and capacity to cover an increasing dividend payment. While our strong balance sheet and dividend discipline generates mostly large company holdings, we invest across all capitalizations. Believing that growth and income are not mutually exclusive, we are focused on companies with attractive and sustainable revenue growth profiles.

¹ Kenneth French, "Portfolios Formed on Dividend Yield 1928-2019"

Investment Team

Charles S. Garland, CFA
Portfolio Manager
32 years of industry experience

Joined Hamlin in 2008
Yale University, BA English 1989

Christopher M. D'Agnes, CFA
Portfolio Manager
22 years of industry experience

Joined Hamlin in 2001
Bucknell University, BS Accounting 1999

Michael M. Tang, CFA
Portfolio Manager
14 years of industry experience

Joined Hamlin in 2013
Princeton University, BA Economics, Summa Cum Laude, 2007

Jaclyn Hourihan
Analyst
11 years of industry experience

Joined Hamlin in 2017
Trinity College, BA Economics, 2010

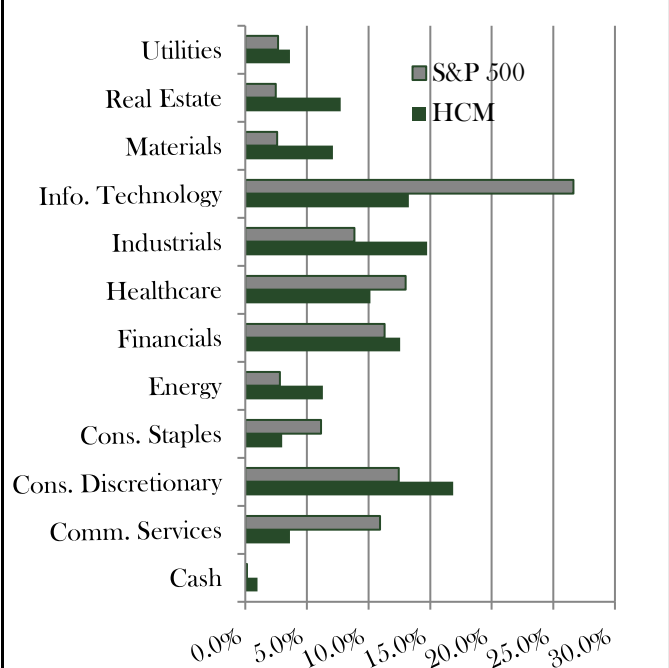
Portfolio Profile

Number of Securities	28
Weighted Average Equity Yield	3.2%
Median Price/Earnings (NTM)	17.4
Harmonic Price/Earnings (NTM)	15.3
Price/Book	3.2
Trailing 1 Year Beta	0.92
Net Debt/Capital	32.1%
ROE (LTM)	26.6%
Active Share	92.4%
Average Market Capitalization (in millions)	\$89,231
Median Market Capitalization (in millions)	\$47,858

Top 10 Holdings†

Old Republic International Corporation
Genuine Parts Company
KeyCorp
Steel Dynamics, Inc.
Broadcom Inc
3M Co
Lamar Advertising Company
AbbVie Inc
STORE Capital Corporation
M.D.C. Holdings, Inc.

Sector Allocations



Portfolio Capture

	Instances	Frequency
S&P 500 Up Quarters	59	73%
HCM Up Quarters	61	75%
S&P Down Quarters	22	27%
HCM Down Quarters	20	25%
Avg. S&P 500 Perf in Up Quarters		6.31%
Avg. HCM Perf in S&P Up Quarters		5.44%
Upside Capture Ratio Since Inception		86%
Avg. S&P 500 Perf in Down Quarters		-8.70%
Avg. HCM Perf in S&P Down Quarters		-4.56%
Downside Capture Ratio Since Inception		52%

Dividend Yield Comparison (Gross of Fees)

HCM *	S&P 500	DVY ¹	IWD ²
3.2%	1.5%	4.0%	1.7%

*Weighted Average Equity Yield

Annualized Performance Comparison

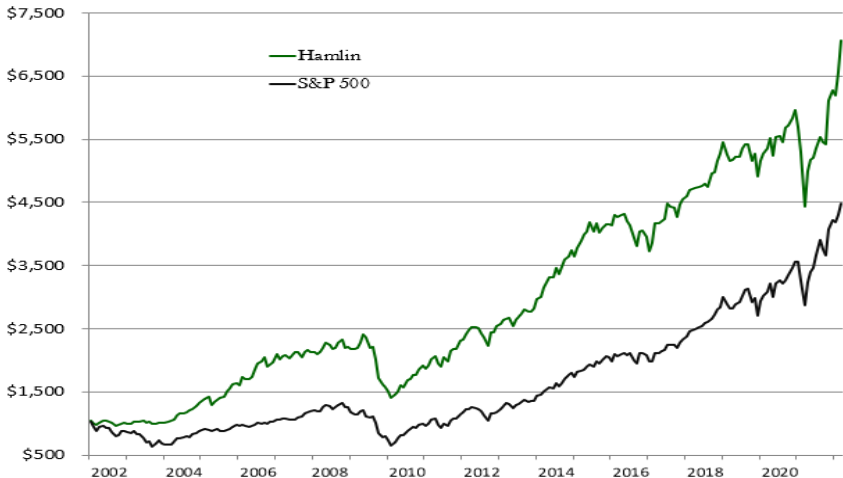
	HCM	S&P 500	DVY ¹	IWD ²
1 Year	59.53%	56.40%	61.33%	56.07%
3 Year	11.04%	16.78%	10.33%	10.82%
5 Year	11.14%	16.29%	10.76%	11.58%
10 Year	11.08%	13.91%	11.97%	10.80%
Since Inception	10.14%	7.69%	N/A	7.11%

¹ DVY iShares Select Dividend ETF

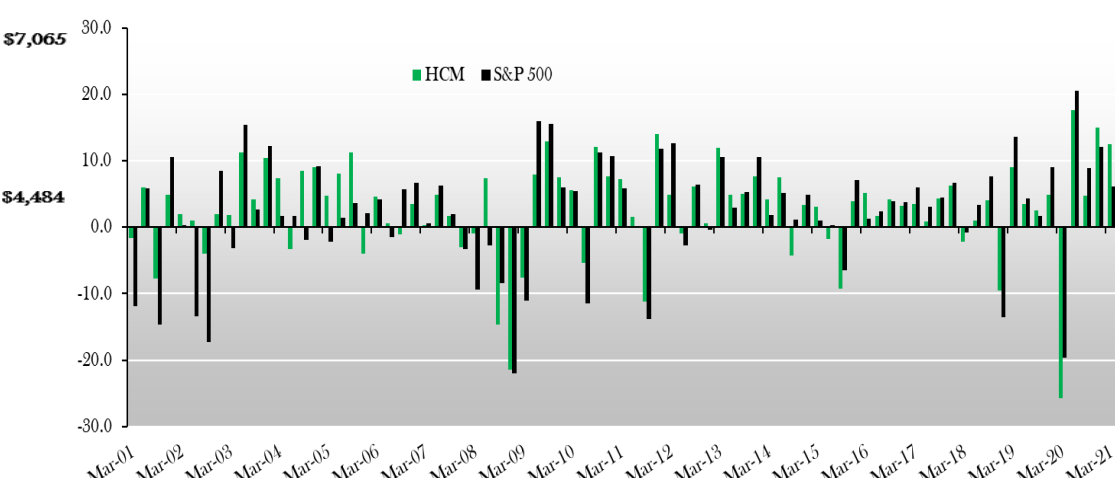
² IWD iShares Russell 1000 Value ETF

Capital Growth and Portfolio Capture

Hamlin Equity Growth of \$1,000 vs. S&P 500
(Cumulative Performance Since Inception, Net of Fees)



Hamlin Equity Portfolio Capture vs. S&P 500



†The above information represents Hamlin’s ten largest holdings, by market value, as of March 31, 2021. Each quarter, Hamlin uses this same objective, non-performance based criteria to select the ten largest holdings. It should not be assumed that investments in the securities identified were or will be profitable. Information shown in the portfolio profile is presented as of the date indicated and is subject to change at any time without prior notice. Hamlin portfolio managers and analysts closely monitor the securities held in client portfolios. If a company’s underlying fundamentals or valuation measures change, Hamlin may reevaluate its holdings and may sell or cover part or all of its position. Data shown is for the Hamlin Equity Composite with unmanaged and client requested positions excluded. This information is supplemental to the compliant presentation. on the reverse page.

This document is intended for informational purposes only, contains the opinions of Hamlin, and Hamlin does not undertake any duty to update the information herein. Nothing herein constitutes an offer to sell, a solicitation of an offer to purchase any securities nor does it constitute an endorsement with respect to any investment area or vehicle. All investments involve risk including loss of principal. Performance shown is of the Hamlin equity composite and individual accounts may vary.

The iShares Select Dividend ETF ("DYY") tracks the Dow Jones U.S. Select Dividend Index. The S&P 500 index and iShares Select Dividend ETF benchmarks are provided solely to allow for comparison to widely recognized indices/benchmarks. They are no way indicative of the strategy employed by Hamlin. It is Hamlin's position that a meaningful benchmark is not available for this strategy due to the frequent and customized changes in allocation in individual accounts. Although the DYY is investible and subject to fees and transaction costs, indices are not directly investible, not subject to fees, and not subject to transaction cost, all of which will reduce performance. All performance assumes the reinvestment of dividends and income. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.

Median P/E is the median of the P/E ratios for each stock held in Hamlin's portfolio. Information used in calculations are sourced from FactSet. Harmonic P/E represents the P/E of Hamlin's equity portfolio. It is calculated as total equity assets held divided by total net income attributable to equity holdings. The denominator is the EPS multiplied by the number of shares held for each co. in the equity portfolio, which is then summed. The denominator represents the net income attributable to equity holdings for each given period, based on either historical information or consensus estimates from FactSet. Data used to calculate Harmonic PE is obtained from FactSet, and Hamlin does not guarantee that it is reliable or complete. Beta is a measure of the market risk of a portfolio, and is calculated in comparison to the S&P 500 which has a beta of 1.

Equity Only Composite - GIPS Report
January 1, 2001 through December 31, 2020

Year	Total Firm Assets (mm)	Composite Assets (mm)	Number of Portfolios	Composite Net Return	S&P 500 Return	Russell 1000 Value Return	Internal Dispersion (NET)	Composite 3-Yr St Dev (NET)	S&P 500 3-Yr St Dev	Russell 1000 Value 3-Yr St Dev
2020	4,847	1,442	522	5.36%	18.40%	2.80%	1.40%	17.66	18.53	19.62
2019	4,706	1,610	646	21.54%	31.49%	23.23%	0.55%	9.45	11.93	11.85
2018	4,253	1,504	688	-6.97%	-4.38%	-10.55%	0.64%	10.37	10.80	10.82
2017	4,553	1,772	683	15.84%	21.83%	10.90%	1.29%	10.27	9.92	10.20
2016	3,617	1,623	679	14.93%	11.96%	14.29%	1.26%	11.05	10.59	10.77
2015	3,186	1,373	725	-4.54%	1.38%	-6.19%	0.66%	9.91	10.48	10.68
2014	3,077	1,414	704	10.93%	13.69%	10.85%	0.51%	8.57	8.97	9.20
2013	2,703	1,234	624	32.72%	32.39%	29.45%	1.04%	10.19	11.94	12.70
2012	2,029	798	480	11.03%	16.00%	14.46%	1.12%	12.39	15.09	15.51
2011	1,623	584	388	10.16%	2.11%	-2.06%	0.71%	14.11	18.71	20.69
2010	1,033	191	220	20.65%	15.06%	12.88%	2.22%			
2009	714	30	51	20.98%	26.46%	16.26%	2.69%			
2008	584	12	30	-28.57%	-37.00%	-38.82%	4.45%			
2007	734	18	31	3.97%	5.49%	-2.65%	2.86%			
2006	869	29	48	7.90%	15.79%	19.22%	5.93%			
2005	716	31	42	20.80%	4.91%	4.43%	4.90%			
2004	501	19	26	22.80%	10.88%	13.70%	7.67%			
2003	130	8	24	30.40%	28.68%	26.74%	9.87%			
2002	49	5	29	0.90%	-22.06%	-17.47%	6.15%			
2001	21	6	34	0.99%	-11.93%	-100%	10.69%			

Equity Only Composite consists of fully discretionary accounts that are comprised of any amount of common stocks and cash. There is no minimum account size or time period to be included in the composite. Returns include the effect of foreign currency exchange rates. The exchange rate source for the composite is IDSI/IDC – FT Interactive Data Corporation. The S&P 500 Index and Russell 1000 Value Index are provided as benchmarks. Benchmark returns are not covered by the report of independent verifiers. The Russell 1000 Value Index was added retroactively on 10/1/2020.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. Investing entails the risk of loss of principal. The U.S. Dollar is the currency used to express performance. Returns are presented net of management fees and includes the reinvestment of all income. Net of fee performance was calculated using actual management fees. The annual composite dispersion is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented net of foreign dividend withholding taxes, where applicable, for the period prior to October 1, 2016, and gross of foreign dividend withholding taxes thereafter. Composite performance accrues dividends starting October 1, 2016. The management fee schedule is as follows: 1.00% on all assets. Actual investment advisory fees incurred by clients may vary. Composite performance is shown net of custodial fees for the period prior to January 1, 2018, and gross of custodial fees and other charges that may occur as a result of a client's choice of service providers thereafter. Beginning 10/1/19, a significant number of accounts in the composite are custodied with a broker that does not charge trading expenses. Accounts custodied with other brokers may incur trading expenses which may reduce returns. As of 12/31/20 date, these accounts represent 23.29% of composite assets.

Hamlin is an independent registered investment advisory firm. Hamlin invests in fixed income and equities for separately managed accounts, as well as funds. In January 2004, Hamlin merged with RRH Capital Management Inc. and the performance returns are linked. The firm maintains a complete list and description of composites and pooled funds, which is available upon request. A copy of our current written disclosure statement discussing our advisory services and fees continues to remain available for your review upon request.

The Equity Only Composite has an inception date of January 1, 2001 and was created April 1, 2006. Hamlin claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Hamlin has been independently verified for the periods January 1, 2001 through December 31, 2008 by Ashland Partners & Company LLP. ACA Performance Services began verification for Hamlin on January 1, 2009 through December 31, 2020. A firm that claims compliance with the GIPS standards must establish policies and procedure 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. The Equity Only Composite has had a performance examination for the periods January 1, 2001 through December 31, 2020. The verification and performance examination reports are available upon request. The policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

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.