

JSC Active Management - Income Generating Strategy



Q2 '23 | As of 6.30.23

CHARACTERISTICS

Objective: JSC's Income Generating Strategy provides reliable investment income without sacrificing the potential for growth of principal. Like all actively managed strategies at JSC, every portfolio is carefully tailored to each individual investor.

Methodology: A multi-asset strategy is deployed based on a framework developed by Andrew Graham, CFA over a 30 year timespan.

- **Investment selection** focuses on reliable income and sustainable growth. Portfolios typically feature holdings with less price volatility than those held in our growth portfolios, and can leverage tax advantages like qualified dividends to deliver strong after-tax returns.
- **Timing** is critical. Fundamentally attractive securities are bought at technically oversold levels when constructing a new portfolio, meaning all investments are not uniformly held across Income Generating Portfolios. Sell decisions are also made at the individual level, contributing to tax-efficient returns.
- **Protection** is as important as growth. Per-position loss limits are a key component of JSC's pragmatic approach to active management. Fees and taxes are limited in order to control two factors that degrade real returns.

Benchmark: 70% Russell 1000 Value Index, 30% Bloomberg Barclays US Aggregate Index

Total assets in strategy: \$37,334,763

CONTACT

Andrew Graham, CFA
Founder, Managing Partner
andrew@jacksonsquarecap.com

Joy Budnik
Investment Advisor
joy@jacksonsquarecap.com

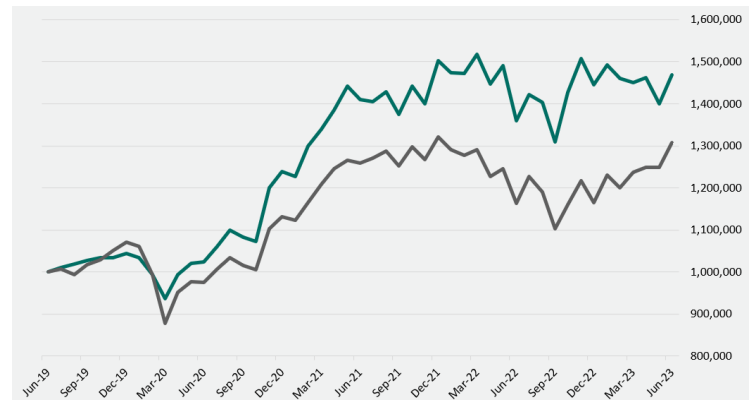
Michael Cordano
Investment Advisor
michael@jacksonsquarecap.com

Find bios at <https://jacksonsquarecap.com/team>
Request more information +1-415-854-5011

PERFORMANCE

Growth of \$1,000,000 Net of Fees

JSC Income Generating Benchmark



Average Annual Total Returns (%) Net of Fees

	QTD	YTD	1yr	3yr	5yr	10yr	since inception
JSC Income Generating	1.27%	1.67%	8.08%	12.79%	-	-	10.10%
MSCI US IM HDY	1.10%	-0.54%	6.50%	11.63%	4.16%	7.49%	6.22%
Benchmark	5.72%	12.17%	12.33%	10.26%	7.24%	7.66%	6.93%

STRATEGY METRICS

Statistics Presented Net of Fees

	JSC IG	1yr MSCI US IM HDY	JSC IG	since inception MSCI US IM HDY
Holdings	40-45	155	40-45	-
Max Fee (%)	1	-	1	-
Alpha (%)	2.10	0	5.17	0
Beta	0.82	1.00	0.67	1.00
St. Deviation	15.73	19.01	13.51	17.87
Sharpe Ratio	0.35	0.24	0.67	0.36
Upside Capture	0.89	1.00	0.83	1.00
Downside Capture	0.81	1.00	0.64	1.00
Max Drawdown (%)	(7.88)	(10.89)	(13.59)	(25.53)

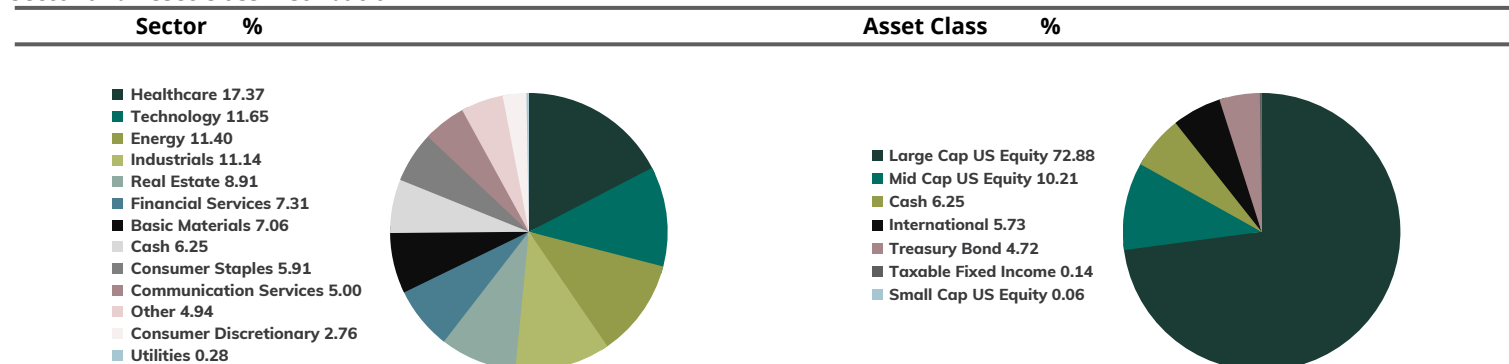
TEN LARGEST HOLDINGS

Cash	Rogers Communications Inc.
US Treasury Note	Vici Properties Inc.
AbbVie Inc.	Hewlett Packard Enterprise Co.
Broadcom Inc.	Caterpillar Inc.
Eli Lilly and Company	Linde PLC

Top 10 as % of net total assets: 35.88%

HOLDINGS

Sector and Asset Class Distribution



JSC INCOME GENERATING PORTFOLIOS IN ACTION

Largest Position Changes

Buys

Hewlett Packard Enterprise Co.	Chevron Corp.
Brixmor Property Group Inc.	Chubb Limited
Cullen Frost Bankers	Juniper Networks Inc.

Sells

Cabot Corp.	Genuine Parts Co.
Qualcomm Incorporated	Nutrien Ltd.
Northrop Grumman Corp.	Marathon Petroleum Corp.

Case Study: Hewlett Packard Enterprise (HPE)

Hewlett Packard Enterprise (HPE)

January 1, 2023 - June 30, 2023



Investment Selection: HPE is an AI beneficiary given its pedigree as the developer of the world's fastest supercomputer. Roughly 17% of HPE's revenue comes from supercomputers. HPE also developed its own compute fabric for its supercomputer business, which could conceivably compete with NVDA's Infiniband product.

Income + Growth: In addition to its existing business, which covers a 2.77% dividend yield, HPE stands to benefit from offering AI as a service.

Hewlett Packard Enterprise (HPE) chart courtesy of Market-Q.

DISCLOSURES

This material is intended for informational purposes only. It should not be construed as legal or tax advice and is not intended to replace the advice of a qualified attorney or tax advisor. The information contained in this presentation has been compiled from third party sources and is believed to be reliable. All opinions and views constitute our judgments as of the date of writing, and are subject to change at any time without notice. This presentation is not an offer or solicitation to buy or sell securities and may not be construed as investment advice and does not give investment recommendations. The performance data quoted represents past performance and does not guarantee future results. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client or prospective client's investment portfolio. Historical performance results for investment indices and/or categories generally do not reflect the deduction of transaction and/or custodial charges, the deductions of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. An investor may experience loss of principal. Investment decisions always should be made based on the investor's specific financial needs and objectives, goals, time horizon, and risk tolerance. The asset classes and/or investment strategies described may not be suitable for all investors, and investors should consult with an investment advisor to determine the appropriate investment strategy.

Investments in smaller companies carry greater risk than is customarily associated with larger companies for various reasons, such as volatility of earnings and prospects, higher failure rates, and limited markets, product lines, or financial resources. Investing overseas involves special risks, including the volatility of currency exchange rates and, in some cases, limited geographic focus, political and economic instability, and relatively illiquid markets. Income (bond) securities are subject to interest rate risk, which is the risk that debt securities in a portfolio will decline in value because of increases in market interest rates. Exchange Traded Funds (ETFs) are subject to risks similar to those of stocks, such as market risk. Investing in ETFs may bear indirect fees and expenses charged by ETFs in addition to their direct fees and expenses, as well as indirectly bearing the principal risks of those ETFs. ETFs may trade at a discount to their net asset value, and are subject to the market fluctuations of their underlying investments. Investing in commodities can be volatile, can suffer from periods of prolonged decline in value, and may not be suitable for all investors. Index performance is presented for illustrative purposes only, and does not represent the performance of any specific investment product or portfolio. An investment cannot be made directly into an index.

Jackson Square Capital, LLC's composite performance results reflect time-weighted rates of returns of a composite of actual portfolios which have traded equities, ETFs, bonds, and other securities based upon the Firm's proprietary trading strategies. Whenever possible, we attempt to use accounts with no additions or withdrawals. Accounts are excluded from the composite according to our Account Exclusion Policy. Results from these excluded accounts may differ substantially from the composite. Included accounts for the calculation of the composite return are accounts we believe to be historically representative of the portfolio strategy during the corresponding time period with a minimum account size of \$100,000. Performance results reflect the deduction of management fees and transaction fees. The MSCI US Investable Market High Dividend Yield Index (TR Net) ("MSCI US IM HDY") is presented in the average annual total returns and strategy metrics tables as an additional benchmark for comparison purposes.

Data courtesy of Orion Advisor Solutions.

Investment advisory services provided through Jackson Square Capital, LLC an SEC registered investment adviser.

To learn more about Jackson Square Capital's Active Strategies visit <https://jacksonsquarecap.com/investment-management/>