

JSC Active Management – Income Generating Strategy



Q2 '25 | As of 6.30.25

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.

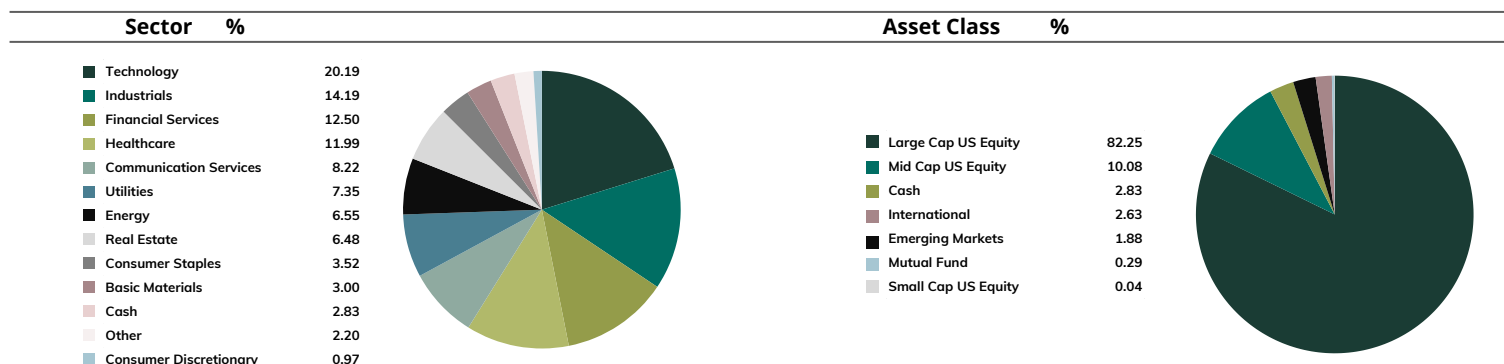
- **Investment selection** focuses on reliable income and sustainable growth. Portfolios typically feature holdings with less price volatility than those held in our growth portfolios, and can leverage tax advantages like qualified dividends to deliver strong after-tax returns.
- **Timing** is critical. 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: \$50,571,269

HOLDINGS

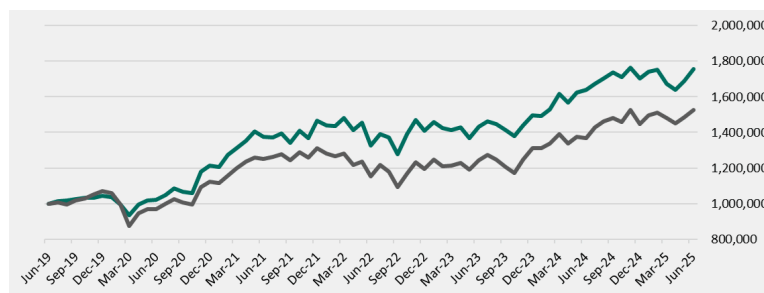
Sector and Asset Class Distribution



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	since inception*
JSC Income Generating	4.90%	3.00%	7.02%	9.77%	11.47%	9.83%
MSCI US IM HDY	2.23%	5.44%	12.38%	10.89%	12.24%	8.48%
Benchmark	3.04%	5.47%	11.51%	9.77%	9.54%	7.30%

*Inception date 7/1/2019.

TEN LARGEST HOLDINGS

Broadcom Inc	Caterpillar Inc
AT&T Inc	Cisco Systems Inc
Eli Lilly and Company	3M Company
AbbVie Inc	Linde PLC
Deutsche Telekom ADR	Blackstone Inc

Top 10 as % of net total assets: 38.31%

CONTACT THE TEAM

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Composite performance inception date 7/1/19; Data courtesy of MSCI, Orion Advisor Solutions, and Longs Peak Advisory Services. 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>

STRATEGY METRICS

Statistics Presented Net of Fees

	1yr				since inception			
	JSC IG vs. MSCI US IM HDY	MSCI US IM HDY	JSC IG vs. Benchmark	Benchmark	JSC IG vs. MSCI US IM HDY	MSCI US IM HDY	JSC IG vs. Benchmark	Benchmark
Alpha (%)	(2.54)	0	(3.15)	0	3.13	0	3.08	0
Beta	0.64	1.00	0.81	1.00	0.70	1.00	0.89	1.00
St. Deviation	9.09	12.62	9.09	10.05	12.59	16.35	12.59	13.13
Sharpe Ratio	0.29	0.63	0.29	0.69	0.62	0.43	0.62	0.42
Upside Capture	0.70	1.00	0.83	1.00	0.81	1.00	1.00	1.00
Downside Capture	0.80	1.00	1.04	1.00	0.68	1.00	0.85	1.00
Max Drawdown	(7.06)	(7.79)	(7.06)	(5.28)	(13.62)	(25.53)	(13.62)	(18.39)

JSC INCOME GENERATING PORTFOLIOS IN ACTION

Largest Position Changes

Buys

Blackstone Inc	Huntington Ingalls Industries Inc
Digital Realty Trust Inc	Qualcomm Incorporated
Ares Management LP	Brookfield Asset Management LTD

Sells

Bristol-Myers Squibb Company	JP Morgan Chase & Co.
Mosaic Co	Simon Property Group Inc
Cullen Frost Bankers	MetLife Inc

Case Study: Huntington Ingalls Industries, Inc. (HII)

Huntington Ingalls Industries (HII)

January 1, 2025 - June 30, 2025



Sustainable growth: Huntington Ingalls has a wide competitive moat as America's largest shipbuilder and is well positioned to benefit from the Department of Defense's (DOD) growing budget. This administration has vocalized the need to boost the country's shipbuilding capacity to meet the Navy's requirement, with the recently passed spending/tax bill appropriating roughly \$150 billion for defense priorities including an estimated \$43 billion toward shipbuilding.

HII trades at a meaningful discount to defense peers primarily due to previous execution missteps and hiring/labor challenges. A recent \$1B grant specifically used for improving the labor force should be beneficial for margins.

Reliable income: The company yields a 2.2% dividend making it an attractive income play with growth potential.

Huntington Ingalls Industries, Inc. (HII) chart courtesy of FactSet.

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