CRAWFORD
INVESTMENT COUNSEL
Est. 1980

DIVIDEND YIELD STRATEGY UPDATE

Investment Approach

Our investment approach is focused on creating a diversified portfolio of higher-yielding securities. The portfolio seeks to provide a high and growing stream of dividend income while investing in businesses that exhibit higher-quality characteristics and attractive valuations. We believe that higher-yielding, undervalued companies with stable or improving fundamentals can lead to attractive returns with below-market risk over full market cycles.

Crawford Dividend Yield Strategy

The first quarter of the year presented a difficult environment for stocks across the capitalization spectrum with small caps doing worse than large caps and growth posting negative results and lagging value stocks. The hard economic data such as employment, wage growth, consumption, and corporate profits were all acceptable. However, soft data such as surveys around consumer and business sentiment were weaker with leading and coincident indicators turning down. This all created uncertainty and caution leading into the end of the first quarter amidst concerns regarding tariffs, stubborn inflation, and rising recession odds. Many stocks struggled through February and most of March. Our focus on quality and dividend payers was rewarded and supported our strategy's relative performance. We are pleased with the portfolio's quarterly results and continue to believe ours is a sound way to invest, particularly in periods of elevated volatility.

Within this environment, the Crawford Dividend Yield strategy posted a return of 5.86% (net of fees) relative to the Russell 1000 Value Index's return of 2.14%. The portfolio's focus on earning a high level of current income was rewarded during the quarter as higher-yielding securities outperformed. The portfolio's Utilities and Information Technology holdings represented the greatest contributors to relative quarterly performance. In fact, the portfolio is overweight to the Utilities sector, and holdings within this sector posted returns that more than doubled those of the benchmark sector. Information Technology, on the other hand, represented the worst performing sector within the benchmark, and the portfolio's performance within the sector was nearly 20% higher than that of the benchmark. The portfolio's Financials holdings represented the greatest detractor from relative performance during the quarter due to a combination of broader economic factors and company-specific challenges that we believe are temporary.

After the end of the first quarter, the Trump Administration announced a sweeping new tariff package, including a 10% baseline tariff on imported goods from most countries and additional, reciprocal tariffs on dozens of others. If fully enacted, these new tariffs would raise the U.S.'s overall weighted average tariff rate to 23%, the highest in over a century. Markets are reacting accordingly. U.S. and international equity indices sold off sharply, reflecting growing concern about what these policies could mean for the global economy. It will take time for markets to fully digest what all of this may mean for inflation, economic growth, interest rates, and corporate profits, particularly if other countries respond in kind.

In the face of uncertainty, we continue to invest in businesses with durable competitive advantages, strong balance sheets, and the ability to generate consistent cash flow through the cycle. These attributes help insulate portfolios from external shocks and allow investors to participate in recovery when sentiment inevitably turns more positive. As always, we remain committed to a long-term, quality-oriented, and fundamentals-based investment approach. Thank you for your continued trust.

Contributors To Performance In The Quarter:

Security	Portfolio Weight*	Total Return	Contribution to Return
PM	4.22%	33.06%	1.25%
GILD	3.27%	22.17%	0.70%
AEP	3.11%	19.57%	0.57%

Source: Crawford, FactSet as of 3/31/2025. Past performance is not indicative of future results. *Portfolio weight is the average weight during the quarter and excludes cash.

1. **Philip Morris International Inc. (PM):** PM capped a strong 2024 with another better-than-expected quarter. Nearly every segment is contributing meaningfully to growth. With smoke-free products now making up roughly 40% of net revenues, PM is well-positioned for continued expansion ahead of a potential U.S. re-launch of IQOS (heat-not-burn) in the second half of 2025. Given consistent execution, we believe the company's current valuation is justified and could expand further.

2. **Gilead Sciences, Inc. (GILD):** GILD posted a standout quarter, with core product revenue up 13% excluding Covid treatments and a sizable EPS beat. While 2025 guidance calls for just 1% core growth due to IRA-related headwinds, we believe this masks a strong underlying trajectory.

3. **American Electric Power Company, Inc. (AEP):** AEP continues to build investor confidence under new leadership. Management reiterated its long-term EPS growth outlook and introduced an additional $10B of potential investment to meet demand. With an attractive dividend yield and long-term visibility, we believe AEP offers a compelling total shareholder return profile.

Detractors From Performance In The Quarter:

Security	Portfolio Weight*	Total Return	Contribution to Return
UPS	4.23%	-11.54%	-0.47%
HBAN	4.10%	-6.78%	-0.23%
RCI	0.38%	-8.20%	-0.18%

Source: Crawford, FactSet as of 3/31/2025. Past performance is not indicative of future results. *Portfolio weight is the average weight during the quarter and excludes cash.

1. **United Parcel Service, Inc. (UPS):** UPS remains in a transitional period. While near-term results are pressured by international softness, adverse mix, and elevated labor costs, we believe the long-term transformation, toward higher-margin, less capital-intensive operations, remains intact. The dividend is well-supported, and valuation appears compelling given the company's expected earnings recovery and operating model improvements over the next few years.

2. **Huntington Bancshares Incorporated (HBAN):** HBAN reported solid results, led by peer-leading loan growth and strength in capital markets. Management struck a constructive tone on 2025 but remained appropriately conservative. We believe the total shareholder return opportunity remains attractive with some potential upside if recent business optimism translates into stronger economic growth.

3. **Rogers Communications Inc. Class B (RCI):** The fundamental progress of this Canadian communications company has been challenged by increased competition and a higher debt load due to an acquisition. Our expectation was that leverage would be coming down, but a recent purchase by RCI actually incurred more debt. We exited the position during the quarter in favor of higher-conviction opportunities.

Buys During the Quarter

- Diageo PLC (DEO)
- GSK PLC (GSK)
- Lamar Advertising Co (LAMR)
- Omnicom Group, Inc. (OMC)
- PNC Financial Services Group, Inc. (PNC)

Sells During the Quarter

- Alexandria Real Estate Equities, Inc. (ARE)
- Clorox Co (CLX)
- Conagra Brands, Inc. (CAG)
- Rogers Communications, Inc. Class B (RCI)

Outlook

We believe investing successfully over the long term requires both consistency and flexibility. Our long-held investment philosophy seeks to mitigate risk and limit the range of investment outcomes through a focus on quality. We believe our investment approach is well suited for an increasingly volatile environment, and we will continue to be opportunistic with portfolio holdings in this environment.

About Crawford Investment Counsel

Founded in 1980, Crawford Investment Counsel is an investment advisory firm focused on managing high-quality equity and fixed income portfolios on behalf of institutional and individual investors. We believe a company's dividend history is a key initial indicator of quality, and we seek to invest in companies with a demonstrated history of consistent and growing dividends. For more information please visit www.crawfordinvestment.com or contact Crawford Investment Counsel at (770) 859-0045.

Source: Crawford, FactSet
Past performance is not indicative of future results. Net of fee performance is calculated based on the actual fees experienced. The composite returns are shown as supplemental information to the Dividend Yield Equity composite disclosures which are located on the last page. The widely recognized benchmark(s) in this presentation are used for comparative purposes only. The volatility (beta) of the portfolios may be greater or less than the benchmarks. It is not possible to invest directly in these indices.

Dividend Yield Equity Composite
GIPS Composite Report

As of 3/31/2025	Annualized Returns Dividend Yield (Net)	Russell 1000 Value Index
1 Year	14.14%	7.18%
5 Year	16.29%	16.15%
10 Year	8.89%	8.79%

						Composite				Russell 1000 Value Index	
Year	Firm Assets ($ Millions)	Composite Assets ($ Millions)	% Of Non-fee paying accounts	% Of Bundled Fee Paying Accounts	# Of Accounts	Pure Gross Return	Net Return	3-Year Standard Deviation	Internal Dispersion	Return	3-Year Standard Deviation
2024	$8,495	$442	1%	0.5%	195	12.09%	11.52%	15.19%	1.4%	14.37%	16.89%
2023	$7,730	$433	0%	0.4%	199	5.85%	5.32%	15.13%	1.0%	11.46%	16.74%
2022	$7,383	$423	0%	0.3%	182	4.17%	3.65%	18.74%	1.0%	-7.54%	21.55%
2021	$7,923	$381	0%	0.2%	131	25.56%	24.98%	16.81%	0.7%	25.16%	19.33%
2020	$7,111	$286	0%	0.2%	104	1.28%	0.80%	16.95%	1.2%	2.80%	19.90%
2019	$6,779	$310	0%	0.3%	113	27.12%	26.57%	10.34%	1.1%	26.54%	12.02%
2018	$5,655	$273	0%	0.3%	102	-3.52%	-3.94%	9.53%	0.5%	-8.27%	10.98%
2017	$5,901	$357	4%	1.8%	144	8.00%	7.48%	8.85%	0.4%	13.66%	10.34%
2016	$5,044	$291	4%	7.7%	195	14.60%	14.04%	9.75%	0.7%	17.34%	10.93%
2015	$4,149	$166	4%	7.8%	69	-1.82%	-2.23%	10.13%	0.4%	-3.83%	10.83%

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Crawford Investment Counsel, Inc. is an independent registered investment adviser with the Securities and Exchange Commission.

The Dividend Yield Equity Composite contains all discretionary, taxable and tax-exempt, dividend yield accounts with a minimum account size of $100 thousand. An account managed in the dividend yield equity style focuses on high quality companies that have a high dividend yield and have consistently paid and increased their dividend.

For comparison purposes the composite is measured against the Russell 1000 Value Index. 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 Index companies with lower price-to-book ratios and lower expected growth values.

Results are based on discretionary accounts under management, including those accounts no longer with the firm. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of fees and include the reinvestment of all income. Gross returns for bundled fee accounts have not been reduced by transaction costs. Composite gross returns for periods that include bundled fee accounts are presented as supplemental information to the net returns. In addition to a management fee, bundled fee accounts pay an all-inclusive fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes portfolio monitoring, consulting services, and in some cases, custodial services. The maximum bundled fee does not exceed 2.50%. Net of fee performance is calculated based on the actual fees experienced by the client. Certain accounts may not be charged commissions by their broker. The 3-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The annual composite dispersion presented is an asset weighted standard deviation calculated for the accounts in the composite the entire year. Gross returns are used to calculate the internal dispersion and 3-yr annualized standard deviation. Past performance is not necessarily indicative of future results.

The investment management fee schedule for the composite is 1.00% on the first $3 million; and 0.50% on the balance. Actual investment advisory fees incurred by clients may vary. Fees are described in Part II of the firm's ADV, which is available upon request. Fees for accounts in this composite are negotiable and may vary based on individual circumstances.

The inception date of the Dividend Yield Equity Composite is October 1, 2010. The Dividend Yield Equity Composite was created in November of 2010. A complete list of composite descriptions is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.