

# SEGMENT TAX-EFFICIENT RISING DIVIDEND STRATEGY

Fact Sheet as of 7/31/2020



## STRATEGY FACTS

Morningstar ID.....	F000014VFB
Investment Category.....	Large Cap Core Equity
Benchmark.....	S&P 500 Index
Investment Universe.....	US Listed Dividend payers
Strategy Inception Date.....	12/31/2006
Composite Inception Date.....	11/1/2016
Composite Assets.....	\$198 million
Strategy Assets.....	\$240 million
Availability.....	SMA/ UMA
Custodians/ Platforms.....	Charles Schwab, Envestnet
No. of Holdings <sup>1</sup> .....	44
Dividend Yield <sup>1</sup> .....	2.36%

<sup>1</sup> Model Portfolio

## STYLE BOX

	VALUE	CORE	GROWTH
LARGE	33.8%	49.3%	11.8%
MID	0.0%	2.7%	0.0%
SMALL	2.5%	0.0%	0.0%

Style boxes for model portfolio based on Morningstar style classification.

## SECTOR WEIGHTINGS

SECTOR	MODEL PORTFOLIO	S&P 500
Information Technology	23.0%	27.5%
Communication Service	0.0%	10.9%
Financials	14.8%	9.9%
Industrials	15.5%	7.9%
Consumer Discretionary	9.8%	11.2%
Consumer Staples	7.4%	7.0%
Health Care	14.8%	14.6%
Energy	1.0%	2.5%
Utilities	4.9%	3.1%
Materials	2.5%	2.6%
Real Estate	6.4%	2.8%

Sector weightings based on GICS Sector classifications. S&P 500 sector weights are from S&P Dow Jones Indices.

## WHY INVEST?

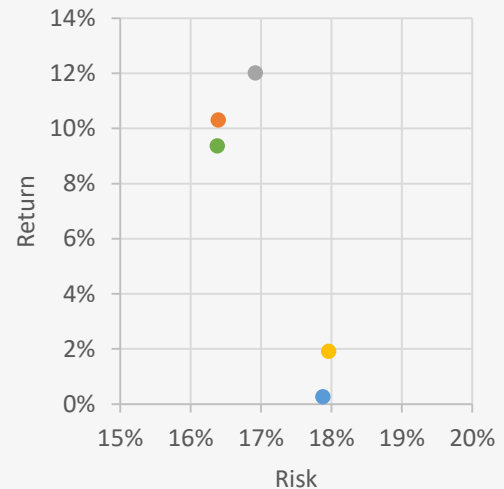
- Long-term growth in assets and income\*
- Tax-efficient management via tax deferral, tax loss harvesting and low turnover
- Portfolio of high quality companies with potential for future dividend growth
- Diversification with controls on sector exposures and position sizes
- Capital preservation by focusing on established/ mature businesses
- Customizable for SMA accounts

\* Future performance is subject to market risk and uncertainty.

## INVESTMENT APPROACH

The strategy invests in US listed companies that have a track record of paying and growing their dividends. Stocks are screened for valuations, revenue/earnings/dividend growth, payout ratios, estimate revisions, stock price momentum, margin consistency etc. The strategy seeks to invest in companies that have high long-term visibility on earnings driven by barriers to entry, cost/technology leadership and industry growth trends. Paying a dividend is required for a security to be admitted into the portfolio. All new accounts are initiated at model weights and position sizes are typically limited to 5%.

## RISK V. RETURN – 3 YEAR



- Dividend Composite (Gross)
- Dividend Composite (Net)
- S&P 500 Index
- Russell 1000 Value Index
- Dow Jones US Select Dividend Index

Return – 3-year annualized total returns  
Risk – 3-year standard deviation

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TOP 10 HOLDINGS

TICKER	COMPANY	WEIGHT*
MSFT	Microsoft Corporation	2.46%
JNJ	Johnson & Johnson	2.46%
V	Visa Inc	2.46%
WMT	Walmart Inc	2.46%
JPM	JPMorgan Chase & Co.	2.46%
UNH	UnitedHealth Group Inc	2.46%
TSM	Taiwan Semiconductor Mfg. Co.	2.46%
HD	Home Depot Inc	2.46%
PFE	Pfizer Inc.	2.46%
CSCO	Cisco Systems, Inc.	2.46%

\* Model weights

ASSET ALLOCATION

ASSET CLASS	MODEL PORTFOLIO	S&P 500 INDEX
U.S. Equity	90%	97%
Non U.S. Equity	10%	3%
Other	0%	0%
Cash	0%	0%

Country exposure based on location of Headquarters.

COMPOSITE PERFORMANCE

PERIOD	COMPOSITE – GROSS OF FEE	COMPOSITE - NET OF FEE	S&P 500 INDEX	RUSSELL 1000 VALUE INDEX	DOW JONES US SELECT DIVIDEND INDEX
Month to Date	5.40%	5.32%	5.64%	3.90%	2.83%
Last 3 Months	11.90%	11.66%	12.87%	6.57%	4.03%
Year to Date	-1.35%	-1.84%	2.38%	-13.36%	-19.46%
Last 12 Months	7.10%	6.19%	11.96%	-6.77%	-13.45%
Last 3 Years <sup>1</sup>	10.31%	9.37%	12.01%	1.91%	0.26%
Since Inception <sup>1,2</sup>	12.41%	11.46%	14.47%	5.22%	3.63%

<sup>1</sup> Annualized Returns <sup>2</sup> Since earliest common inception date of 11/01/2016

RISK – STANDARD DEVIATION

PERIOD	COMPOSITE - GROSS	COMPOSITE - NET	S&P 500 INDEX
Last 12 Months	22.38%	22.36%	21.46%
Last 3 Years	16.39%	16.38%	16.92%
Since Inception <sup>1</sup>	14.89%	14.88%	15.29%

<sup>1</sup> Since earliest common inception date of 11/01/2016

PORTFOLIO MANAGEMENT

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Performance Notes: Composite Net of Fee returns are based on a model fee of 0.85%. Periods over twelve months represent annualized returns computed as number of trading days/252. Adjustments will be incorporated retroactively for unaccrued dividends. A copy of the firm's policies and procedures regarding performance calculations is available upon request.

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COMPOSITE ANNUAL PERFORMANCE

Year	Composite Assets (\$mn)	No. Of Composite Accounts	Strategy Assets (\$mn)	Firm Assets (\$mn)	Composite-Gross of Fees	Composite-Net of Fees	S&P 500 Index	Dispersion
2020 <sup>2</sup>	197.85	90	240.34	749.02 <sup>1</sup>	-1.35%	-1.84%	2.38%	1.32%
2019	186.57	88	229.93	768.66	30.23%	29.13%	31.49%	0.98%
2018	121.75	79	170.88	597.44	-5.39%	-6.18%	-4.38%	0.37%
2017	108.41	70	147.30	609.40	19.41%	18.40%	21.83%	0.53%
2016 <sup>2</sup>	91.44	66	110.27	514.88	6.73%	6.58%	5.75%	0.22%

<sup>1</sup>Firm assets for 2020 are as of 06/30/20

<sup>2</sup>Dispersion was calculated using partial year data

Note: Dispersion reflects the asset weighted standard deviation of returns for portfolios in the composite for the entire period. Adjustments will be incorporated retroactively for unaccrued dividends. A copy of the firm's policies and procedures regarding performance calculations is available upon request.

COMPOSITE MONTHLY PERFORMANCE – GROSS OF FEE

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
2020	-0.48%	-9.16%	-13.43%	12.64%	5.26%	0.87%	5.40%					
2019	7.00%	4.28%	2.58%	3.26%	-5.97%	6.38%	1.47%	-1.15%	2.09%	1.29%	2.85%	3.27%
2018	4.23%	-3.55%	-1.88%	0.21%	1.85%	-0.13%	2.36%	2.70%	0.85%	-5.92%	1.51%	-7.07%
2017	1.02%	3.81%	-0.85%	0.56%	1.21%	1.42%	0.77%	0.37%	1.89%	3.27%	3.61%	0.91%
2016											4.49%	2.14%

COMPOSITE MONTHLY PERFORMANCE – NET OF FEE

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
2020	-0.55%	-9.22%	-13.50%	12.57%	5.19%	0.79%	5.32%					
2019	6.92%	4.21%	2.50%	3.19%	-6.04%	6.31%	1.40%	-1.23%	2.02%	1.21%	2.78%	3.20%
2018	4.16%	-3.61%	-1.95%	0.13%	1.78%	-0.20%	2.29%	2.62%	0.79%	-5.99%	1.44%	-7.13%
2017	0.95%	3.75%	-0.93%	0.49%	1.13%	1.35%	0.70%	0.29%	1.82%	3.19%	3.53%	0.85%
2016											4.42%	2.07%

Note: Composite Net of Fees returns are based on a model fee of 0.85%. Adjustments will be incorporated retroactively for unaccrued dividends. A copy of the firm's policies and procedures regarding performance calculations is available upon request.

## IMPORTANT DISCLOSURE

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Segment Wealth Management, LLC -“Segment”), or any non-investment related content, made reference to directly or indirectly in this factsheet will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this factsheet serves as the receipt of, or as a substitute for, personalized investment advice from Segment. Please remember that if you are a Segment client, it remains your responsibility to advise Segment, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services, or if you would like to impose, add, or to modify any reasonable restrictions to our investment advisory services. To the extent that a reader has any questions regarding the applicability of any specific issue discussed above to his/her individual situation, he/she is encouraged to consult with the professional advisor of his/her choosing. Segment is neither a law firm nor a certified public accounting firm and no portion of the factsheet content should be construed as legal or accounting advice. A copy of Segment’s current written disclosure Brochure discussing our advisory services and fees is available for review upon request. Please Note: Segment does not make any representations or warranties as to the accuracy, timeliness, suitability, completeness, or relevance of any information prepared by any unaffiliated third party, whether linked to Segment’s web site or factsheet or incorporated herein, and takes no responsibility for any such content. All such information is provided solely for convenience purposes only and all users thereof should be guided accordingly.