Paradiem

Dividend Strategy

As of 9.30.2026

FIRM PROFILE

At Paradiem, we invest with one conviction: excellent companies, owned with intention. We help position family wealth to support long-term multigenerational goals.

THE THREE PRINCIPLES:

01 — Think Like an Owner. We weigh every business the way a true owner would.

02 — Research Reveals Opportunities. Our disciplined research process evaluates companies with long-term potential.

03 — Simplicity Over Complexity. Two focused strategies of 25 companies each — quality over quantity.

EXCELLENCE EVALUATION

We hold every company we own to four standards:

Innovation — serves real and growing demand.

Inspiration — led by a clear long-term vision.

Infrastructure — built on sound fundamentals.

Infinite game — built to endure, not to win once.

STRATEGY PROFILE

The Dividend Strategy

Built on intentional ownership of 25 high-conviction companies with a record of consistent, growing dividends. By concentrating on quality instead of spreading across the market, we seek to invest in companies with histories of growing dividends, believing dividend growth can be an important component of long-term total return.

OUR TEAM

Eric Dunavant
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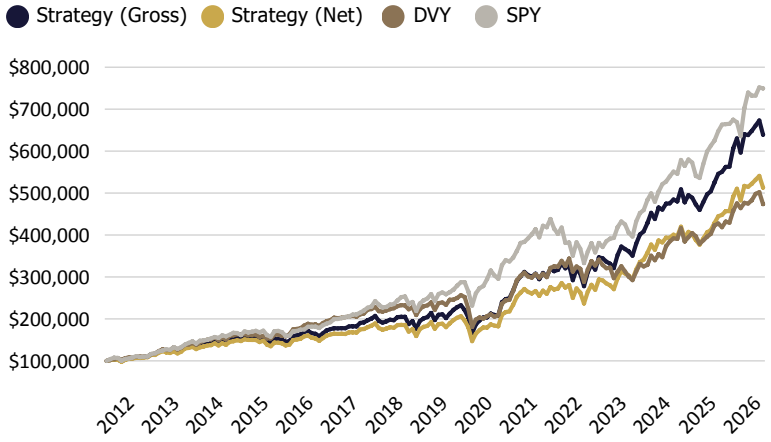
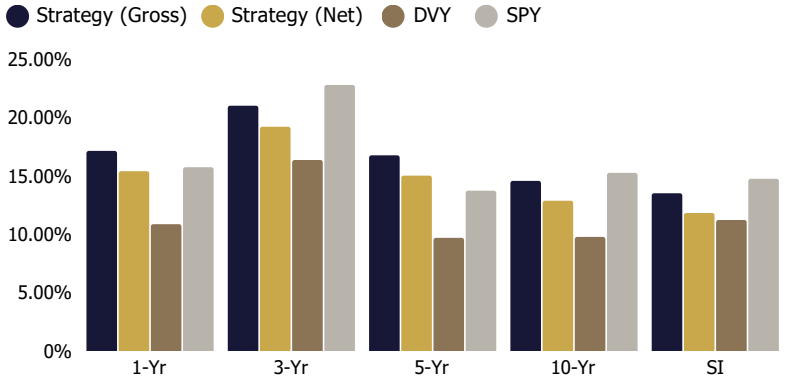
PERFORMANCE

Growth of $100,000



Annualized Returns



	1-Yr	3-Yr	5-Yr	10-Yr	Since Inception*
Gross	17.11%	20.98%	16.73%	14.54%	13.48%
Net	15.37%	19.18%	14.99%	12.84%	11.79%
iShares Select Dividend ETF (DVY)	10.83%	16.33%	9.66%	9.74%	11.19%
State Street SPDR S&P 500 ETF Trust (SPY)	15.71%	22.76%	13.70%	15.23%	14.72%

Returns are presented both gross and net-of-fees. The max fee is 1.5%. Periods greater than one year are annualized. *Inception date is February 1, 2012.

Calendar Year Returns (Past 5 Years)

	2026*	2025	2024	2023	2022
Gross	13.55%	17.74%	19.18%	26.41%	-0.79%
Net	12.28%	15.98%	17.41%	24.53%	-2.27%
iShares Select Dividend ETF (DVY)	10.33%	11.60%	16.24%	1.12%	1.80%
State Street SPDR S&P 500 ETF Trust (SPY)	12.71%	17.72%	24.89%	26.18%	-18.18%

*Partial period ending 9/30/2026.

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As of 9.30.2026

CASE STUDY

Chart courtesy of NASDAQ

Steel Dynamics is one of North America's largest and lowest-cost domestic steel producers and metals recyclers, operating electric-arc-furnace mills, scrap recycling, downstream fabrication, and a new flat-rolled aluminum platform across the United States and Mexico. In 2025, the company generated $18.2 billion in net sales. Its business model is circular by design: it purchases scrap, melts it into new steel, and sells finished products back into the same economy it sources from.

We own Steel Dynamics as the physical counterpart to a "picks-and-shovels" investment—the company supplying the materials that reindustrialization is built on. Data centers, transmission infrastructure, reshored manufacturing, and warehousing all require significant amounts of steel, allowing Steel Dynamics to benefit regardless of which individual developers or hyperscalers succeed. Steel fabrication order backlog was nearly 45% higher year over year in Q2 2026, extending into the first quarter of 2027, supported by demand from commercial construction, data centers, manufacturing, warehousing, and healthcare. The aluminum platform adds a second growth engine into packaging and automotive, while its variable cost structure and scrap-based production allow it to remain profitable through industry downturns.

Steel Dynamics has increased its cash dividend for 14 consecutive years, more than doubling the distribution with a five-year dividend-per-share CAGR of 15%, most recently raising the quarterly dividend 6% to $0.53 per share in February 2026 while maintaining a payout ratio near 21%. Over the five years through June 30, 2026, the company generated $13.2 billion in operating cash flow, investing $6.6 billion in growth and returning $7.6 billion to shareholders while maintaining net leverage of 1.2x adjusted EBITDA. This disciplined capital allocation and balance sheet strength allow Steel Dynamics to fund expansion, grow its dividend, and navigate commodity cycles more effectively than many peers.

TOP TEN HOLDINGS*

S&P Global Inc	6.4%	TE Connectivity Ltd	4.2%
Qualcomm Incorporated	6.3%	Genuine Parts Co	4.1%
SS&C Technologies Inc	6.0%	Steel Dynamics	3.5%
Automatic Data Processing Inc	5.9%	Analog Devices Inc	3.3%
Nutrien Ltd	4.3%	Fastenal Company	3.2%
Total			47.1%

*Holdings shown are from a representative account within the Dividend strategy as of the date of this factsheet. Holdings may change and may vary among accounts.

STATISTICS

	1-Yr	3-Yr	5-Yr	10-Yr	Since Inception*
Sortino Ratio - Strategy	1.69	2.18	1.38	1.17	1.29
Sortino Ratio - Benchmark	1.04	1.53	0.67	0.76	1.08
Beta	1.04	0.87	0.96	1.00	1.00
Information Ratio	0.90	0.58	0.86	0.66	0.37
Max Drawdown - Strategy	-5.33%	-9.64%	-16.33%	-28.52%	-28.52%
Max Drawdown - Benchmark	-5.65%	-8.90%	-16.04%	-29.44%	-29.44%
Up-Market Capture	120.00%	105.78%	111.52%	112.90%	108.55%
Down-Market Capture	88.53%	80.16%	82.08%	93.89%	99.82%

Risk statistics are based on gross-of-fee returns compared against iShares Select Dividend ETF (DVY). *Strategy inception date for calculating statistics is February 1, 2012.

ADDITIONAL INFORMATION

Inception Date	February 1, 2012
Minimum Investment Size	$350,000
Preferred Custodian	Charles Schwab
Investment Style	Dividend
Benchmark 1	iShares Select Dividend ETF (DVY)
Benchmark 2	State Street SPDR S&P 500 ETF Trust (SPY)
Dividend Yield**	1.55%
Number of Holdings	25

**Dividend yield is from a representative account invested within the Dividend strategy as of the date of this factsheet.

DISCLOSURES

Paradiem, LLC is a Registered Investment Advisor. Performance is based on actual client accounts that are invested in Paradiem's Dividend strategy.

Past performance is no guarantee of future results. Returns presented include the reinvestment of all income. Gross-of-fee performance includes trading expenses and custodial expenses. Net-of-fee performance includes actual account-level gross returns, less a model investment management fee. The model fee is deducted monthly from composite returns at the rate of 1/12 of Paradiem's highest annual fee tier. The highest rate of our annual fixed fee is 1.5%.

The iShares Select Dividend ETF fund generally will invest at least 80% of its assets in the component securities of its underlying index and in investments that have economic characteristics that are substantially identical to the component securities of its underlying index. The underlying index measures the performance of the U.S.'s leading stocks by dividend yield.

The State Street SPDR S&P 500 ETF Trust is an exchange-traded fund (ETF) that tracks the Standard & Poor's 500 (S&P 500) index. It does this by holding a portfolio of stocks in companies that are included in the S&P 500.