

**INVESTMENT OBJECTIVE:**

Our primary objective is to outperform the S&P 500 Index with low tracking error and comparable volatility by synthetically replicating the Large Cap Equity market using Index Futures, combined with investment grade Fixed Income securities.

**INVESTMENT PHILOSOPHY:**

Our Enhanced Index investment philosophy is based on the following beliefs:

- We believe by combining Index Futures with high quality bonds - we can provide the high correlation benefits of index management with the potential for excess returns from active management.
- We believe that investing in Index Futures allows us to track price movements of the S&P 500 (matching beta), while the underlying bonds enhance the return (alpha).

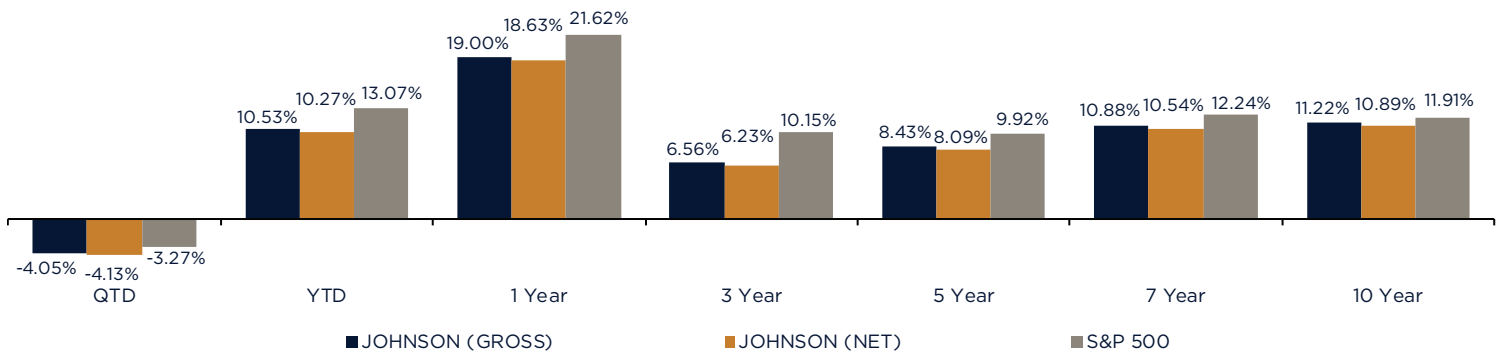
**PORTFOLIO OVERVIEW:**

- Blend of S&P 500 Futures Contracts and high quality Fixed Income
- 5% of portfolio held on margin/95% invested in quality bonds
- No portfolio leverage, no swap contracts, no third party risk
- Fixed Income component is 100% Investment Grade
- Diversification by sector, issuer and maturity
- No derivatives, no junk, no foreign currency exposure

**COMPOSITE PERFORMANCE:**

**Johnson Enhanced Index**

Periods ending 09/30/2023



**Annual Returns**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>JOHNSON (GROSS)</b>	-23.22%	26.99%	19.91%	34.19%	-5.63%	21.77%	13.05%	1.63%	14.59%	31.56%
<b>JOHNSON (NET)</b>	-23.46%	26.61%	19.54%	33.79%	-5.94%	21.38%	12.73%	1.39%	14.29%	31.25%
<b>S&amp;P 500</b>	-18.11%	28.71%	18.40%	31.49%	-4.38%	21.83%	11.96%	1.38%	13.69%	32.39%

## APPROACH, COMBINATION OF ACTIVE AND INDEX MANAGEMENT

### Benefits of Active Management

- Returns that are able to outperform the index
- Ability to adapt to changing market conditions

### Benefits of Index Management

- Benchmark correlation
- Lower volatility, lower fees

	ACTIVE	PASSIVE	JOHNSON ENHANCED
ALPHA	-0.16%	-0.08%	-1.02%
BETA	1.00	1.00	1.04
TRACKING ERROR	0.83%	0.04%	1.55%
STANDARD DEVIATION	15.10%	14.95%	15.66%
BATTING AVERAGE	0.42%	0.18%	0.48%
UPSIDE CAPTURE	99.48%	99.58%	100.28%
DOWNSIDE CAPTURE	100.39%	100.11%	104.92%
SHARPE RATIO	0.71	0.72	0.62
INFORMATION RATIO	-0.57	-2.07	-0.66

Table Source: eVestment. Trailing 10 years as of 09/30/2023. Active is defined as the median of the eVestment Large Cap Equity pooled vehicles. Passive is the median of the eVestment Passive S&P 500 Equity pooled vehicles Universe. All comparisons are net-of-fees.

## STRATEGIC INVESTMENT TEAM:

### Jason Jackman, CFA

- Chief Executive Officer, Principal
- 31 Years Industry Experience

### Michael Leisring, CFA

- Chief Investment Officer - Fixed Income & Portfolio Manger, Principal
- 26 Years Industry Experience

### Brandon Zureick, CFA

- Managing Director & Portfolio Manager, Principal
- 16 Years Industry Experience

### David Theobald, CFA

- Senior Portfolio Manager, Principal
- 16 Years Industry Experience

### Ryan Martin, CFA

- Portfolio Manager, Principal
- 10 Years Industry Experience

THESE MATERIALS ARE ONLY TO BE UTILIZED WITH THE SPECIFIC INSTITUTIONAL CLIENT REQUESTING THESE MATERIALS.

Table Glossary: Alpha-excess returns generated for a given level of risk; Beta-a measure of volatility or systematic risk of a security or portfolio in comparison to the market as a whole; Tracking Error-the annualized standard deviation of excess return to the benchmark; Standard Deviation-Standard deviation of return measures the average deviations of a return series from its mean, and is often used as a measure of risk. A large standard deviation implies that there have been large swings in the return series of the manager. Measure of total risk; Upside Capture- measures the percentage of market gains captured by a manager when markets are up. Ratio over 100 indicates fund generally outperformed the benchmark during periods of positive returns for the benchmark; Downside Capture-measures the percentage of market losses endured by a manager when markets are down. Ratio of less than 100 indicates that a fund has lost less than its benchmark in periods of benchmark loss; Sharpe Ratio-a risk-adjusted measure of return which uses standard deviation to represent risk. (Average Portfolio Return - Risk Free Rate)/Standard Deviation; Information Ratio-a measure of risk-adjusted returns of a portfolio vs. a benchmark. It is the summation of the annualized excess returns divided by the annualized standard deviation of excess returns. The Information Ratio measures the consistency with which a manager beats a benchmark.

Johnson Asset Management (JAM) is a division of Johnson Investment Counsel, Inc. ("JIC"), an independent and privately owned Midwestern based investment advisory firm registered with the Securities and Exchange Commission. Johnson Asset Management manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, public and private retirement plans, and personal trusts of all sizes. It may also serve as sub-adviser for mutual funds. JIC's fees are available upon request and may be found in our Form ADV Part 2A. Performance data quoted herein represents past performance. Past performance does not guarantee or indicate future results. All data is current as of September 30, 2023 unless otherwise noted. Returns and net asset value will fluctuate. To determine if this strategy is appropriate for you, carefully consider the investment objectives, risk factors, and expenses before investing. Individual account management and construction will vary depending on each client's investment needs and objectives. Investments employing JIC's strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by any Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.

Johnson Asset Management claims compliance with the Global Investment Performance Standards.

The Enhanced Index Composite is comprised of all discretionary equity portfolios with a portfolio value greater than \$1 million and an investment objective of replicating the S&P 500 Index utilizing equity futures contracts and short duration fixed income securities. The benchmark for this composite is the S&P 500 Index, a broadly diversified large cap equity universe of U.S. companies.

JAM's policies for valuing portfolios, calculating performance and preparing compliant presentations, as well as a complete list of composite descriptions are available upon request. Please contact our office at 513.389.2770 or 3777 West Fork Road, Cincinnati, OH 45247.

All returns reflect the reinvestment of investment income (dividends and/or interest) and capital gains. Valuations and returns are stated in U.S. dollars. Trade date accounting is used. Portfolio returns are calculated using time weighed return methodology on a monthly basis. Net returns shown reflect gross performance less the highest fee schedule for this strategy.

Actual client returns would also be reduced by brokerage commissions, custodial fees, and other client paid expenses detailed in JIC's Form ADV Part 2A.