Berkshire
DIVIDEND GROWTH STRATEGY

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Dividend Growth Fact Sheet
3Q 2025

Berkshire Asset Management, LLC (Berkshire) is a fee-based, SEC registered advisory firm serving the portfolio management needs of high net worth and institutional clients. Our guiding principle is a belief that success can be achieved by combining rigorous, well crafted investment processes with an exceptional level of client service and attention to detail. Berkshire Asset Management, Inc. was formed in 1986 as a SEC registered investment adviser. In 1999 the company was sold to Legg Mason. In 2007, senior leadership repurchased the firm, forming Berkshire Asset Management, LLC, the company built to serve you today. In December 2022, iM Global Partner, a leading global asset management network, made a strategic, non-controlling investment in Berkshire.

INVESTMENT OBJECTIVE

The Berkshire Dividend Strategy's primary goal is to generate a growing stream of income through investments in a diversified portfolio of equities. We seek companies with a stable, high and growing dividend. Capital appreciation is a secondary goal and a risk profile below the S&P 500 is desirable.

STRATEGY RATIONALE

Dividends can play a significant role in investor returns over time. They can be seen as an indicator of a company's financial strength and potential for growth. Furthermore, high-quality dividend stocks can mitigate the risk of the increasing costs of inflation. By carefully selecting stocks with a seasoned team in a discerning market, investors can find value surpassing that of passive strategies or those solely based on static criteria of sorting and ranking. We firmly believe that a well-chosen holding can become a permanent fixture in an investor's portfolio, much like real estate or a family business.

A COMPREHENSIVE, FORWARD LOOKING INVESTMENT PROCESS:

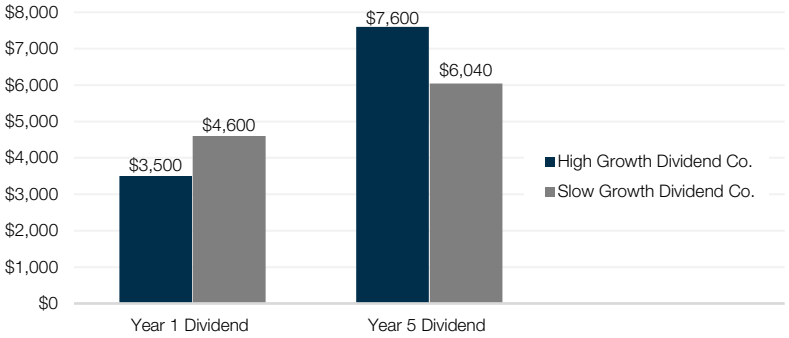
Intelligent dividend investing is much more than simply selecting stocks with high dividend yields or screening for past dividend increases. With an eye to a company's future, we carefully consider three major variables when investing:

CURRENT DIVIDEND
- Attractive dividend yield relative to major U.S. indices
- Current yield + dividend growth
- Potential for stock buybacks

CONSISTENCY OF DIVIDEND
- Strong balance sheet: low debt to equity ratios and high interest coverage ratios
- Sustainable operating margins
- Credit spreads on underlying debt

GROWTH OF DIVIDEND
- Future sales and earnings growth
- High return on equity
- Management's commitment to dividend growth
- Potential future return

IMPORTANCE OF A GROWING DIVIDEND



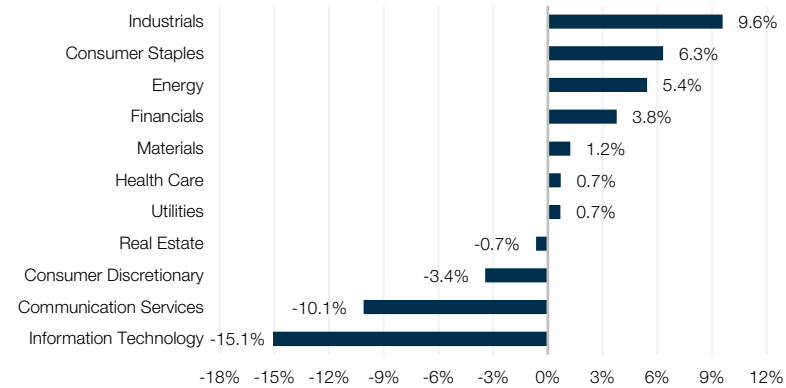
Assumptions: $100,000 invested in 2 companies:
"High Dividend Growth Company": 3.5% current yield and 20% annual dividend growth
"Slow Dividend Growth Company": 4.6% current yield and 5% annual dividend growth

PORTFOLIO CHARACTERISTICS (as of 9/30/2025)

	S&P 500	Portfolio
Number of Issues	504	39
Return on Equity	18.13%	15.89%
Beta	1	0.81
Current Yield	1.38%	2.32%
LT Debt to Capital	34.75%	42.70%
Forward P/E	22.65	17.30
Payout Ratio	39.55%	60.72%
Average Market Cap ($ bill.)	$1,368 bill	$518 bill

See page 2 for performance of the Berkshire Dividend Growth Strategy.

RELATIVE SECTOR WEIGHT (% vs. SP 500)



Berkshire
ASSET MANAGEMENT

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TOP HOLDINGS (as of 9/30/2025) *Holdings are subject to change. A full list is available upon request. Portfolio characteristics should not be viewed as a statement of strategy performance.

Company Name	Ticker	% of Portfolio	Dividend Yield %	P/E Next 4 Qtrs	Beta	ROE %	Dividend Payout Ratio %
JPMorgan	JPM	4.65%	1.90%	15.94	1.11	15.68%	30.90%
Microsoft	MSFT	4.39%	0.70%	33.24	0.98	40.69%	23.26%
Abbvie	ABBV	4.29%	2.83%	17.50	0.55	0.00%	50.17%
Apple	AAPL	4.03%	0.41%	32.36	1.07	145.19%	14.80%
Chevron	CVX	3.79%	4.40%	19.42	0.69	11.18%	89.44%
Bank Of America	BAC	3.50%	2.17%	13.07	1.15	9.81%	29.60%
Norfolk Southern	NSC	3.22%	1.80%	22.76	0.92	18.61%	42.10%
Cisco	CSCO	3.10%	2.40%	16.94	0.90	26.18%	42.29%
PPL	PPL	3.03%	2.93%	20.20	0.45	3.47%	56.84%
Nucor	NUE	3.00%	1.62%	13.99	1.10	28.20%	24.89%
Total Portfolio			**2.32%**	**17.30**	**0.81**	**15.89%**	**60.72%**
S&P 500			1.38%	22.65	1.00	18.13%	39.55%

PORTFOLIO MANAGER PERSPECTIVE

"In a world consumed by AI, tariff debates, and rate speculation, it's easy to lose sight of the quiet compounding power of disciplined dividend investing. In Q1, markets dropped, our strategy held steady, and our team implemented some tactical adjustments. Result? The portfolio has steadily advanced during the market's latest upswing."

	Berkshire Dividend Strategy (Gross)	S&P 500	Berkshire – S&P 500 Difference	Morningstar Large Value	Berkshire – Morningstar Large Value Difference	Berkshire Dividend Strategy (Net)
2009 Inception 5/31/2009	23.24%	22.58%	0.67%	22.33%	0.91%	21.74%
2010	11.62%	15.06%	-3.44%	16.65%	-5.03%	8.62%
2011	10.04%	2.11%	7.94%	0.92%	9.13%	7.04%
2012	14.18%	15.99%	-1.81%	14.19%	-0.01%	11.18%
2013	31.26%	32.37%	-1.12%	32.04%	-0.79%	28.26%
2014	13.88%	13.67%	0.20%	9.75%	4.13%	10.88%
2015	2.27%	1.37%	0.90%	-2.16%	4.43%	-0.73%
2016	15.29%	11.95%	3.35%	20.79%	-5.50%	12.29%
2017	16.95%	21.82%	-4.87%	14.23%	2.72%	13.95%
2018	-5.15%	-4.39%	-0.76%	-7.51%	2.36%	-8.15%
2019	26.78%	31.47%	-4.69%	25.09%	1.69%	23.78%
2020	4.01%	18.39%	-14.37%	-1.31%	5.33%	1.01%
2021	23.52%	28.68%	-5.17%	23.98%	-0.46%	20.52%
2022	-2.48%	-18.12%	15.64%	-0.72%	-1.76%	-5.48%
2023	6.10%	26.26%	-20.16%	11.98%	-5.87%	3.10%
2024 (Est. GIPS Verified)	12.32%	25.00%	-12.68%	13.77%	-1.45%	9.32%
2025 YTD (Est. Not GIPS Verified)	13.51%	14.81%	-1.31%	12.56%	0.94%	11.26%
Total Return	626.05%	887.09%	-261.04%	548.39%	77.66%	366.36%
Annualized	12.97%	15.13%	-2.16%	12.19%	0.78%	9.94%
1 Year	12.23%	17.56%	-5.33%	10.05%	2.18%	9.23%
3 Years	15.28%	24.88%	-9.60%	18.02%	-2.73%	12.28%
5 Years	12.79%	16.45%	-3.66%	15.67%	-2.88%	9.79%
7 Years	10.00%	14.43%	-4.44%	9.93%	0.07%	7.00%
10 Years	11.47%	15.28%	-3.81%	11.42%	0.05%	8.47%

Disclosure: Berkshire Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To receive GIPS-compliant performance information for the firm's strategies and products, contact Jason Reilly, CFP® Tel: Berkshire Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To receive GIPS-compliant performance information for the firm's strategies and products, contact Jason Reilly, CFP® Tel: 570-825-2600 or info@berkshiream.com.

All information provided is supplemental to its attached GIPS compliant presentation which can be found here.

Definitions: The S & P 500 Index is a market capitalization weighted index of the largest 500 U.S. stocks. It is a market-value weighted index (stock price times # of shares outstanding), with each stock's weight in the index proportionate to its market value. The Morningstar Large Value Index measures the performance of stocks issued by large capitalization companies that have exhibited 'value' characteristics as determined by Morningstar's proprietary index methodology. You cannot invest directly in an index. Beta is a measure of volatility vs. an index. Current yield is the mean estimated annual dividend amount based on current calendar year, divided by the current stock price. Dividend Payout ratio is the fraction of net income a firm pays to its shareholders in dividends, in percentage. Forward Price Earnings Ratio (P/E) is the ratio of the price of a stock and the company's projected earnings per share. Return on equity (ROE) measures profitability by dividing dollars of profit by shareholders' equity.

Risks: Past performance does not guarantee future results. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for an individual's investment portfolio. Dividends are subject to change, are not guaranteed, and may be cut. Investing based on dividends alone may not be favorable as it does not include all material risks. There is no guarantee any stated (or implied) portfolio or performance objective mentioned by Berkshire can be met. Berkshire's equity style may focus its investments in certain sectors or industries, thereby increasing potential volatility relative to other strategies or indices. The dividend strategy may include bundled services also known as a "wrap fee program". Because there is typically a low turnover in the strategy, this may be more costly for some investors. No one should assume that any information presented serves as the receipt of, or a substitute for, personalized individual advice from a qualified advisor or any other investment professional.