

RIVERWATER PARTNERS LLC

SMID VALUE STRATEGY



Riverwater Partners is an independent, women-owned ESG advisor based in Milwaukee, Wisconsin serving individuals and institutions. Riverwater separately managed account strategies are offered at Sowell, Schwab and TD Ameritrade.

INVESTMENT OBJECTIVE

The investment objective is to achieve long-term capital appreciation by investing in a portfolio of socially responsible mid-and small-capitalization equities.

INVESTMENT APPROACH

Our team approach analyzes each investment through our three pillar lens; requiring all holdings to meet each criterion.

PILLAR 1 – Exceptional Management Teams

PILLAR 2 – Superior Businesses

PILLAR 3 – Attractive Valuations

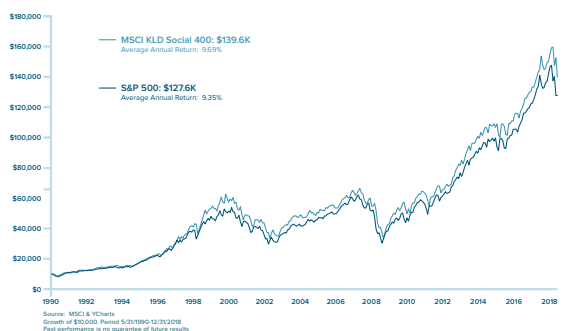
Portfolios are focused in a range of 20-35 positions and target long-term holding periods of generally 3-5 years or longer to maximize after-tax returns.

Each holding is also analyzed on environmental, social and governance factors with a focus on companies that are either leaders in their industry or are making substantial improvements in their ESG sustainability.

RESPONSIBLE INVESTMENT

- Riverwater can customize portfolios for clients based upon specific environmental and social factors.
- Recent reports by Morningstar and MSCI show that performance in ESG strategies may be able to match or outpace that of non-ESG investments over the long term.*

SOCIAL INDEX HISTORICALLY OUTPERFORMED S&P 500



1Q FACT SHEET

DATA AS OF MARCH 31, 2019

KEY STATISTICS	SMID PORTFOLIO	RUSSELL 2500 INDEX
Price to Cash Flow	9.2x	12.7x
Price to Earnings	13.5x	18.2x
Return on Equity	11.0%	6.2%
Avg. Weighted Market Cap	\$6.2B	\$5.5B
3-Year Dividend Growth	5.1%	3.4%
Dividend Yield	1.6%	1.6%
Debt to Equity	61.4%	135.6%

SECTOR	SMID PORTFOLIO	RUSSELL 2500 INDEX
Consumer Discretionary	7.9%	11.7%
Consumer Staples	5.7%	2.6%
Energy	3.2%	3.3%
Financials	22.9%	16.0%
Healthcare	10.8%	12.9%
Industrials	11.6%	14.9%
Information Technology	7.2%	17.1%
Materials	6.1%	5.3%
Real Estate	5.8%	9.3%
Communication Services	3.6%	3.5%
Utilities	6.4%	3.7%

TOP 5 PORTFOLIO HOLDINGS

Grand Canyon University
Cullen Frost Bankers
Virtu Financial, Inc
Ciena
SP Plus Corp

INVESTMENT TEAM YEARS EXP.

Adam Peck, CFA	18
Cindy Bohlen, CFA	17
Matt Drvaric, CFP	11
Nate Fredrick	3

24.5% of total net assets

DISCLOSURES AND RISKS

All data is as of date indicated and is subject to change. Investments are not FDIC nor bank guaranteed and may lose value. ESG screening process may affect exposure to certain companies or industries and accounts may exclude certain investment opportunities. Stock markets and investments in individual stocks are volatile and can decline significantly in response to internal and external factors.

DEFINITIONS AND ANNOTATIONS

MSCI KLD Index: Market cap weighted stock index of 400 publicly traded companies that have met certain standards of social and environmental excellence.

S&P 500: American stock market index based on the market capitalizations of 500 large companies having common stock listed on the NYSE or NASDAQ.

*Morningstar Research, "Sustainable Funds U.S. Landscape Report, January 2018, and MSCI, Foundations of ESG Investing, November 2017, pp. 2-4. <https://www.msci.com/documents/10199/03d6faef-2394-44e9-a1f5-4ca13d909226>.



Signatory of:
PRINCIPLES FOR RESPONSIBLE INVESTMENT

USIF
Member 2018