

# AAM/Bahl & Gaynor Income Growth Fund



AFNAX • AFYCX • AFNIX

December 31, 2023

The AAM/Bahl & Gaynor Income Growth Fund seeks to provide:

1. Current and growing income
2. Downside protection
3. Capital appreciation

## Why AAM/Bahl & Gaynor Income Growth Fund?

- Income-focused without concentrating in “bond proxies”; does not invest in master limited partnerships (MLPs), preferred stocks, options, exchange-traded funds (ETFs) or convertible securities
- Favors companies with a history of strong dividend growth that have shown a commitment to organic future growth
- Emphasis on high-quality companies with reasonable valuations and consistent dividend growth potential

## Important Fund Facts:

|  |  |
|--|--|
| Category                                     | Large Cap Blend  |
| Ticker Symbols                               | Class A / I / C<br>AFNAX / AFNIX / AFYCX                             |
| Advisor                                      | Advisors Asset Management Inc. (AAM)                                 |
| Sub-Advisor                                  | Bahl & Gaynor, Inc.  |
| Investment Minimum<br>(initial / subsequent) | Class A & C: \$2,500 / \$500<br>Class I: \$25,000 / \$5,000          |
| Inception date                               | Class A & I: July 5, 2012<br>Class C: January 31, 2013               |
| Dividend                                     | Paid monthly; accrued daily  |
| Benchmark                                    | S&P 500 Index  |
| Expense Ratios*<br>(Net / Gross %)           | Class A: 1.04 / 1.04<br>Class I: 0.79 / 0.79<br>Class C: 1.79 / 1.79 |

## Performance (%) Trailing Periods and 10 Calendar Years

| Class                          | Quarter | YTD   | 1-Year | 3-Year | 5-Year | 10-Year | Since<br>Inception<br>7/5/12 |
|--------------------------------|---------|-------|--------|--------|--------|---------|------------------------------|
| Class A - AFNAX                | 8.78    | 6.59  | 6.59   | 6.60   | 10.06  | 8.88    | 9.84                         |
| With sales charge <sup>1</sup> | 2.78    | 0.73  | 0.73   | 4.60   | 8.82   | 8.26    | 9.31                         |
| Class I - AFNIX                | 8.78    | 6.79  | 6.79   | 6.84   | 10.32  | 9.15    | 10.10                        |
| Class C - AFYCX <sup>2</sup>   | 8.58    | 5.77  | 5.77   | 5.80   | 9.23   | 8.05    | 8.98                         |
| S&P 500 Index                  | 11.69   | 26.29 | 26.29  | 10.00  | 15.69  | 12.03   | 13.65                        |

## Risk Characteristics (AFNIX)

vs. S&P 500 Index

|                            |       |
|----------------------------|-------|
| Standard Deviation (%)     | 16.18 |
| Sharpe Ratio               | 0.51  |
| Beta                       | 0.83  |
| Upside Capture Ratio (%)   | 78.03 |
| Downside Capture Ratio (%) | 86.69 |

| Class                          | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  | 2020  | 2021  | 2022   | 2023  |
|--------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|
| Class A - AFNAX                | 12.19 | -0.71 | 11.57 | 19.27 | -2.23 | 25.46 | 6.29  | 24.92 | -9.04  | 6.59  |
| With sales charge <sup>1</sup> | 6.02  | -6.16 | 5.42  | 12.72 | -7.63 | 18.55 | 0.47  | 18.03 | -14.04 | 0.73  |
| Class I - AFNIX                | 12.62 | -0.54 | 11.95 | 19.51 | -1.98 | 25.7  | 6.60  | 25.22 | -8.79  | 6.79  |
| Class C - AFYCX <sup>2</sup>   | 11.31 | -1.51 | 10.72 | 18.41 | -2.97 | 24.45 | 5.52  | 24.00 | -9.71  | 5.77  |
| S&P 500 Index                  | 13.69 | 1.38  | 11.96 | 21.83 | -4.38 | 31.49 | 18.40 | 28.71 | -18.11 | 26.29 |

## Portfolio Characteristics

|   |        |
|---|--------|
| Weighted Avg. Market Cap (\$):                  | 231.6B |
| Number of Equity Holdings:                      | 47     |
| Debt to Capital (%):                            | 49.4   |
| % of Portfolio with B+ or better<br>S&P Ranking | 56.2   |

\*The Fund's advisor has contractually agreed to waive certain fees/expenses until October 31, 2023 and may recoup previously waived expenses that it assumed during the previous three-year period.

Returns for periods longer than one year are annualized. Redemption fee if redeemed within 90 days of purchase: 2.00%.

<sup>1</sup>Sales charge for Class A: 5.50%. <sup>2</sup>Class C started on January 31, 2013. The performance figures for Class C include the performance for Class I for the periods prior to the start date of Class C, adjusted for the difference in Class C and Class I expenses. Class C imposes higher expenses than Class I. C shares are subject to a CDSC of 1% on any shares sold within 12 months of purchasing them.

The performance data quoted represents past performance and is not a guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. To obtain performance information current to the most recent month-end, please call 1-888-966-9661.

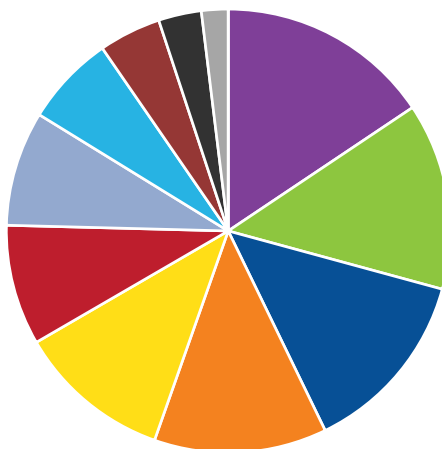
Advisors Asset Management is an SEC-registered investment advisor and member FINRA/SIPC. SEC registration does not imply a certain level of skill or training; nor does it imply that the SEC has sponsored, recommended or otherwise approved of AAM.

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## Sector Allocations (% of net assets)

|                        |       |
|------------------------|-------|
| Information Technology | 15.61 |
| Industrials            | 13.62 |
| Health Care            | 13.57 |
| Consumer Staples       | 12.59 |
| Financials             | 11.24 |
| Energy                 | 8.78  |
| Consumer Discretionary | 8.37  |
| Utilities              | 6.62  |
| Real Estate            | 4.53  |
| Materials              | 3.13  |
| Cash & Equivalents     | 1.94  |
| Communication Services | 0.00  |



## Top Ten Holdings (% of net assets)

|                                |       |
|--------------------------------|-------|
| Broadcom Inc                   | 5.59  |
| Eli Lilly & Co                 | 4.11  |
| Merck & Co Inc                 | 4.02  |
| AbbVie Inc                     | 3.93  |
| Mondelez International Inc     | 3.90  |
| PepsiCo Inc                    | 3.53  |
| Procter & Gamble Co/The        | 3.30  |
| McDonald's Corp                | 3.21  |
| Air Products and Chemicals Inc | 3.13  |
| Chevron Corp                   | 3.11  |
| Total                          | 37.83 |

Top ten holdings does not include cash allocation. Portfolio holdings will change due to ongoing management of the funds. References to specific securities or sectors should not be construed as recommendations by the Funds, the Advisor or the Distributor.

## 30-Day SEC Yields (%)

|       | Unsubsidized |
|-------|--------------|
| AFNAX | 1.76         |
| AFNIX | 2.11         |
| AFYCX | 1.12         |

The 30-day SEC Dividend Yield is based on the most recent 30-day period covered by the fund's filings with the SEC. The unsubsidized yield figure reflects the dividends and interest earned during the period, after the deduction of the fund's expenses.

## Country Allocation (% of net assets)

|               | Fund  |
|---------------|-------|
| United States | 98.93 |
| Netherlands   | 1.07  |
| Ireland       | 0.82  |

## Market Cap Distribution (% of net assets)

|                     | Fund  | Benchmark |
|---------------------|-------|-----------|
| Mega (\$50B+)       | 80.72 | 80.73     |
| Large (\$12B-\$50B) | 17.35 | 18.98     |
| Mid (\$2B-\$12B)    | 0.00  | 1.19      |

All data has been provided by the Administrator, Advisor or Sub-Advisor of the Fund. Totals may not add up to 100% due to rounding.

## About Bahl &amp; Gaynor, Inc.

**Bahl & Gaynor**

Founded in 1990, Bahl & Gaynor is a Cincinnati-based, employee-owned firm. They purchase "high quality" companies at sensible valuations, seeking consistent performance while at the same time attempting to provide downside protection. Investment decisions are a collaborative effort by the 17 Investment Committee members. Since its inception, Bahl & Gaynor has made investment decisions by emphasizing consensus and valuing each portfolio manager's input.

*You should carefully consider the investment objectives, potential risks, management fees, and charges and expenses of the Fund before investing. The Fund's prospectus and summary prospectus contains this and other information about the Fund, and should be read carefully before investing. You may obtain a current copy of the Fund's prospectus and summary prospectus by calling 888.966.9661.*

**Risks:** An investment in the Fund is subject to risks and you could lose money on your investment in the Fund. The principal risks of investing in the Fund include, but are not limited to, investing in foreign securities, investing in small and mid-cap companies, and focused risk. The prices of foreign securities may be more volatile than the securities of U.S. issuers because of economic conditions abroad, political developments, and changes in the regulatory environment of foreign countries. Investments in small and mid-cap companies involve greater risks including increased price volatility compared to the market or larger companies. Although the Fund is diversified, the Sub-advisor intends to focus its investments in the securities of a comparatively small number of issuers. Investment in securities of a limited number of issuers exposes the Fund to greater market risk and potential losses than if its assets were diversified among the securities of a greater number of issuers. More information about these risks may be found in the Fund's prospectus.

**Beta** is a measure of the volatility, or systematic risk, of a portfolio in comparison to the market as a whole. A beta of 1.00 is equal to that of the market; a beta lower than 1.00 indicates lower volatility than the market, while a beta greater than 1.00 indicates higher volatility than the market. The **Debt-to-Capital Ratio** is a measurement of how leveraged a company is. The ratio compares a firm's total debt to its total capital. The total capital is the amount of available funds that the company can use for financing projects and other operations. It is calculated by dividing debt by the sum of debt and stockholders' equity. A high debt-to-capital ratio indicates that a high proportion of a company's capital is comprised of debt. **Sharpe ratio** uses a fund's standard deviation and its excess return (difference between the fund's return and the risk free return of the 90-day Treasury Bills) to determine reward per unit of risk, calculated for the trailing 5 years. **Standard & Poor's (S&P) Ranking:** S&P determines "quality" via a company's 10-year history of earnings growth and dividend growth. Ratings are expressed as letters ranging from 'AAA' (highest grade) to 'D' (lowest grade). In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as nonrated (NR). S&P 500 Index is an unmanaged capitalization-weighted index (weighted by the market value of the companies) of 500 stocks listed on various exchanges. It is not possible to invest directly in an index. **Standard deviation** measures the volatility of the fund's returns, calculated for the trailing 5 years. Higher deviation represents higher volatility. **Upside/Downside Capture ratios** are calculated for the trailing 5 years. These ratios measure the fund performance in up/down markets relative to the performance of the S&P 500 Index. An up/down market is defined as any period where the market's return is greater/less than zero. The lower the Downside Capture ratio, the better the manager protected capital during a market decline. The higher the Upside Capture ratio, the better the manager performed during a positive market. **Weighted Average Market Capitalization** refers to a stock market index in which larger companies (i.e. with higher market capitalization) have more influence on the index's performance.

**Not FDIC Insured - Not Bank Guaranteed - May Lose Value.**

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