

# GLOBAL LARGE-CAP RISING DIVIDEND

FACT SHEET | June 30, 2017

## STRATEGY

- Seek to invest in high-quality dividend-paying companies that have historically shown the ability to grow their dividends over time
- Seek cash-generative companies with stable earnings and operations that can deliver consistent returns on capital over full market cycle
- Employ bottom-up, team-based stock selection process

## Top Ten Holdings<sup>2,3</sup> (%)

<b>CSX Corp</b> (Industrials)	4.4
<b>Apple Inc</b> (Information Technology)	3.8
<b>Bayer AG</b> (Health Care)	3.8
<b>British American Tobacco PLC</b> (Consumer Staples)	3.6
<b>McDonald's Corp</b> (Consumer Discretionary)	3.6
<b>Nestle SA</b> (Consumer Staples)	3.6
<b>US Bancorp</b> (Financials)	3.5
<b>Whitbread PLC</b> (Consumer Discretionary)	3.4
<b>Novartis AG</b> (Health Care)	3.4
<b>Broadridge Financial Solutions Inc</b> (Information Technology)	3.4
<b>Total (% of portfolio)</b>	<b>36.5%</b>

<sup>1</sup>Data is based on firm's Global Large-Cap Rising Dividend composite. Past performance does not guarantee future results and future performance may be lower or higher than the performance presented. See Performance Disclosure for additional performance information.

<sup>2</sup>Information presented is for a representative portfolio which is an account in the composite that we believe most closely reflects current portfolio management style for the strategy. Performance is not a consideration in the selection of the representative portfolio. The information of the representative portfolio shown may differ from that of the composite and of the other accounts in the composite. Information on this page is considered supplemental information to the Performance Disclosure. Weights may not sum to 100% due to rounding.

<sup>3</sup>The specific securities identified and described do not represent all the securities purchased, sold or recommended for clients in the composite and no assumption should be made that such securities or future recommendations will be profitable in the future.

<sup>4</sup>Source: FactSet

<sup>5</sup>Beta statistic based on monthly data. Three years. Source: FactSet

## Performance<sup>1</sup>

Periods Ended 6/30/17 (%)	QTD	YTD	Annualized Returns			
			1 Year	3 Years	5 Years	10 Years
Global Large-Cap Rising Dividend (gross)	5.10	10.83	14.43	6.71	-	-
Global Large-Cap Rising Dividend (net)	4.93	10.47	13.70	6.02	-	-
Russell Developed Large-Cap Index <sup>4</sup>	4.04	10.63	18.28	5.30	-	-

  

Calendar Year (%)	2016	2015	2014	2013	2012	2011
Global Large-Cap Rising Dividend (gross)	9.71	0.36	5.49	9.72	-	-
Global Large-Cap Rising Dividend (net)	9.01	-0.29	4.81	9.25	-	-
Russell Developed Large-Cap Index <sup>4</sup>	7.70	-0.87	5.78	14.96	-	-

2013 performance represents the period from 5/1/2013 through 12/31/2013.

## Portfolio Characteristics<sup>2,5</sup>

	Global Large-Cap Rising Dividend	Russell Developed Large-Cap <sup>4</sup>
Weighted Average Market Capitalization (\$ Mil)	\$106,583	\$110,391
Median Market Capitalization (\$ Mil)	\$58,237	\$7,552
5 Year Dividend Growth	9.0%	13.8%
Price/Book Value	3.8x	3.5x
Return on Assets	7.8%	6.3%
Long-Term Debt/Capital	44.0%	39.2%
Dividend Yield (1 year trailing)	3.0%	2.3%
Beta (3 Years)	0.79	-
Turnover (3 year average)	52%	-
Number of Holdings	30	-

## Sector Allocation<sup>2</sup>

	Global Large-Cap Rising Dividend	Russell Developed Large-Cap <sup>4</sup>	Relative Weights
Consumer Discretionary	15.1	12.2	2.9
Consumer Staples	13.6	9.4	4.2
Energy	9.2	5.9	3.3
Financials	12.9	17.9	-5.0
Health Care	13.5	12.3	1.2
Industrials	10.7	12.1	-1.4
Information Technology	12.3	15.5	-3.2
Materials	3.2	5.1	-1.9
Real Estate	0.0	3.8	-3.8
Telecommunication Services	2.2	2.8	-0.6
Utilities	3.3	3.2	0.1
Cash	3.8	0.0	3.8

## Performance Disclosure: Global Large-Cap Rising Dividend Composite

Year	— Composite Assets—			Composite Gross of Fees Annual Return (%)	Composite Net of Fees Annual Return (%)	Russell Developed Large Cap Index (%)	Composite 3 Year Standard Deviation (%)	Index 3 Year Standard Deviation (%)	Composite Dispersion (%)	Total Firm Assets (Incl. Model Portfolios)* (\$Bil)	Total Firm Assets (\$Bil)
	Dollars (\$ millions)	% of Firm Assets	Composite Accounts								
2016	48	0.7	1	9.71	9.01	7.70	9.86	11.07	-	7.476	7.169
2015	41	0.6	1	0.36	-0.29	-0.87	-	-	-	7.606	7.382
2014	51	1.0	1	5.49	4.81	5.78	-	-	-	9.596	9.373
2013 (5/1/13)	60	1.0	1	9.72	9.25	14.96	-	-	-	10.009	9.794

\*Number includes a portion of assets where Denver Investments does not have discretionary trading authority. This information is supplemental to fully compliant presentation.

- 1) Denver Investment Advisors LLC (dba Denver Investments) is an independent investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Denver Investments provides fundamental investment management services to various institutional and private investors and mutual funds.
- 2) All returns are computed using a time-weighted total rate of return. The composite is defined to include all fee-paying, discretionary accounts managed according to the Global Large-Cap Rising Dividend strategy. The composite includes all actively managed equity accounts that are managed to the Russell Developed Large Cap Index and primarily invest in large-capitalization U.S. and foreign equities. FTSE Russell is the source and owner of the Russell Index data contained in this material and all trademarks and copyrights related thereto. Any further dissemination or redistribution is strictly prohibited. FTSE Russell is not responsible for the formatting or configuration of this material or for any inaccuracy in Denver Investments' presentation thereof. Index returns are not covered by the report of the independent verifiers.
- 3) The performance presented is that of the Global Large-Cap Rising Dividend composite that was created on 5/1/13.
- 4) Gross of fee returns are calculated gross of management and custodial fees, and net of transaction costs. Net of fee returns are calculated net of management fees and transaction costs, and gross of custodian fees. As of 1/1/15, net of fee returns were calculated by deducting the maximum applicable advisory fee in effect, pro-rated on a monthly basis. From 1/1/08 to 12/31/14, net of fee returns were calculated by deducting the maximum applicable advisory fee in effect, pro-rated on a quarterly basis. Prior to this date, net of fees returns were calculated using actual annual client fees, pro-rated on a quarterly basis.
- 5) The Russell Developed Large Cap Index offers investors access to the large-cap segment of the developed equity universe. The Russell Developed Large Cap Index is constructed to provide a comprehensive and unbiased barometer for the large-cap segment of this market and is completely reconstituted annually to accurately reflect the changes in the market over time. Index returns are not covered by the report of the independent verifiers. The team changed the index from the S&P 500® Index to the Russell Developed Large-Cap Index on 9/1/13 to better reflect the global nature of the product. This change to the index was made retroactively for all periods.
- 6) The three-year standard deviation value is not presented because the product does not have 36 monthly returns available. The value will be presented when three years of data points are available.
- 7) The dispersion of annual returns is measured by the standard deviation across unweighted portfolio gross returns represented within the composite for the full year. Dispersion is not shown for years in which only one account is present for the entire year.
- 8) Valuations and returns are computed and stated in U.S. dollars. Performance is calculated net of withholding taxes on foreign dividends and interest. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis. Total returns for accounts are presented using the accrual basis of accounting for all fixed income and equity investments and on a cash basis for all cash equivalents.
- 9) Denver Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Denver Investments has been independently verified for the periods 1/1/84 – 12/31/16. Verification assesses whether the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Global Large-Cap Rising Dividend Composite has been examined for the periods 5/1/13 – 12/31/16. The verification and performance examination reports are available upon request. A complete list and description of all firm composites is available upon request.
- 10) The maximum fee rate is 0.65%. Please reference Denver Investments' ADV for full fee schedule.
- 11) Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.
- 12) Past performance does not guarantee future results and future performance may be lower or higher than the performance presented.

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