

Strategy & Objective

The Dividend Growth Portfolio is a diversified portfolio (not a fund) of global equities, which we believe to be well positioned to outperform the wider equity market over the longer term. The portfolio has a bias towards developed market, large capitalisation stocks.

Portfolio Performance (GBP)^{1,2}

| Return (%) | YTD | 1 Month | 3 Month | 1 Year | Annualised | |
|----------------------------------|------|---------|---------|--------|------------|--------------|
| | | | | | 3 Years | S. Inception |
| Dividend Growth Portfolio | 1.7 | 3.9 | 5.2 | 31.5 | 17.0 | 17.8 |
| MSCI World | 4.6 | 4.0 | 8.5 | 35.9 | 16.2 | 17.1 |
| Relative | -3.0 | -0.1 | -3.2 | -4.3 | 0.8 | 0.7 |

| Risk (%) | Largest Drawdown | Volatility (Annualised) |
|----------------------------------|------------------|-------------------------|
| Dividend Growth Portfolio | 11.2 | 9.8 |
| MSCI World | 16.2 | 10.2 |

Market Commentary

February was a generally good month for equity markets around the world. Starting in the US, the DJIA returned 5.2% as President Trump met with top executives from some of America's biggest companies to discuss his administration's pro-business policies. In the UK, the FTSE 100 returned 3.1%, while elsewhere in Europe the DAX and CAC 40 both posted gains, returning 2.6% and 2.3% respectively. In fixed income, major government bond yields had their largest decline in 8 months, with UK 10-year gilts falling 27bps to 1.15%, German 10-year bunds down 23bps to 0.21% and US 10-year Treasury yields decreasing 6bps to 2.39%.

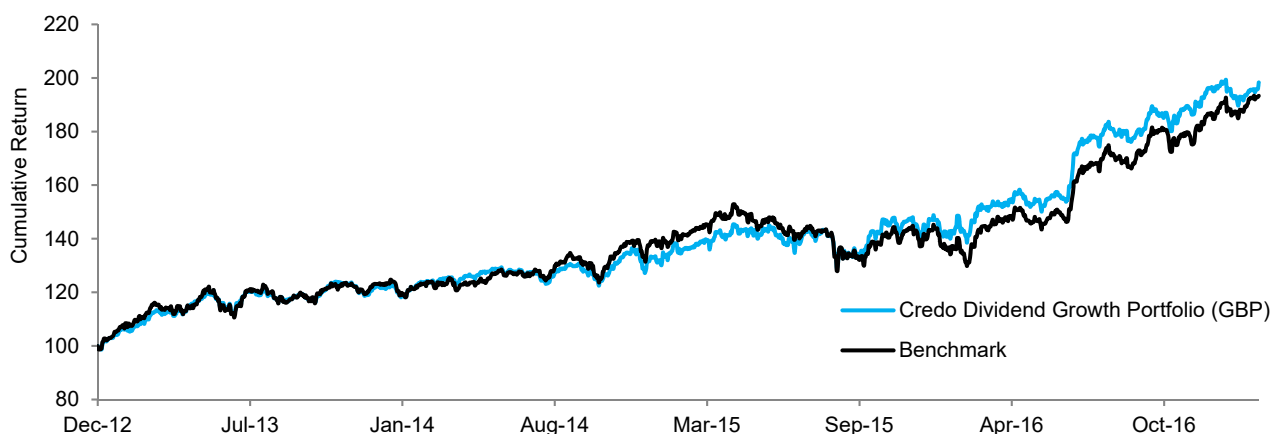
Key Contributors to Return

Meggitt's shares increased by 12.6% on the back of strong 2nd half results and positive medium-term guidance with regards to their turnaround plan. GlaxoSmithKline's shares increased by 9.4% due to positive 4th quarter results that beat consensus earnings estimates.

Key Detractors from Return

Statoil's shares declined by -4.6% after 4th quarter results which were below consensus estimates. Whitbread's shares declined by -2.6% after weak industry data in the early part of the month.

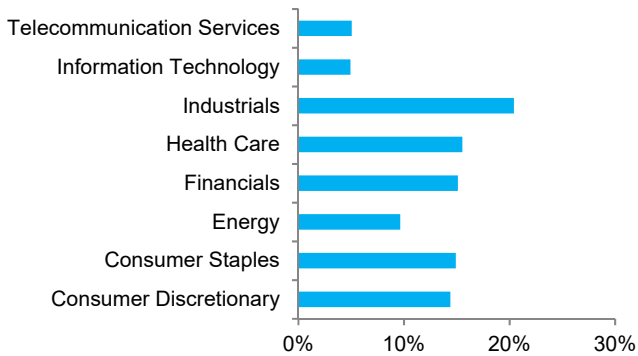
Performance Since Inception (28/12/2012)²



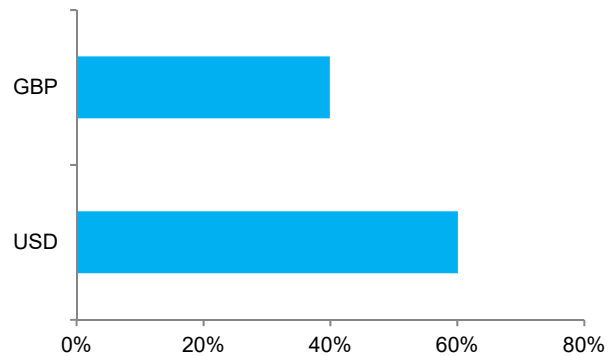
Sample Portfolio Statistics²

| | Current Price | Trailing 12 Month P/E | 12 Month Forward P/E | Dividend Yield |
|--------------------------------|---------------|-----------------------|----------------------|----------------|
| Imperial Brands plc | 3793p | 15.1x | 13.8x | 4.1% |
| Pepsico Inc | \$110.4 | 22.6x | 21.2x | 2.7% |
| Whitbread plc | 3825p | 15.8x | 14.9x | 2.4% |
| Total Portfolio Average | | 20.8x | 15.3x | 3.3% |
| MSCI World | | 21.9x | 16.6x | 2.5% |

Sector Allocation



Currency Allocation



Investment Philosophy

Credo's investment philosophy is based on the following tenets:

- We believe wealth is created and preserved by following a patient and disciplined investment strategy that is focused on the long-term.
- We follow a value-based approach to investing.
- We strive to identify matters of strategic importance and focus on methodologies that have proven to be robust through a variety of market cycles, rather than fixating on short-term news-flow and forecasts.
- We aim to minimise turnover in our portfolios and apply our minds when considering transaction size in an attempt to limit transaction costs.
- We view risk as permanent losses of capital and not in terms of short-term volatility.

Important Notice

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(1) Performance figures are based on a notional portfolio, denominated in pound sterling, designed to track the holdings of the Credo Dividend Growth Portfolio. Portfolio incorporates all additions and removals, rebalancing all holding to a 5% weighting in the process. Portfolio may not be fully invested at a point in time and therefore can hold a portion of assets in cash, which is assumed to be held in the relevant reporting currency of the portfolio. Portfolio and Benchmark performance is calculated before any fees and includes reinvested dividends net of withholding tax.

(2) Source: Bloomberg pricing as of 28/02/2017 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

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Portfolio Performance (USD)^{1,2}

| Return (%) | YTD | 1 Month | 3 Month | 1 Year | Annualised | |
|----------------------------------|------|---------|---------|--------|------------|--------------|
| | | | | | 3 Years | S. Inception |
| Dividend Growth Portfolio | 2.3 | 2.7 | 4.6 | 17.7 | 6.1 | 10.9 |
| MSCI World | 5.3 | 2.8 | 7.8 | 21.3 | 5.2 | 10.1 |
| Relative | -3.0 | -0.1 | -3.2 | -3.5 | 0.9 | 0.8 |

| Risk (%) | Largest Drawdown | Volatility (Annualised) |
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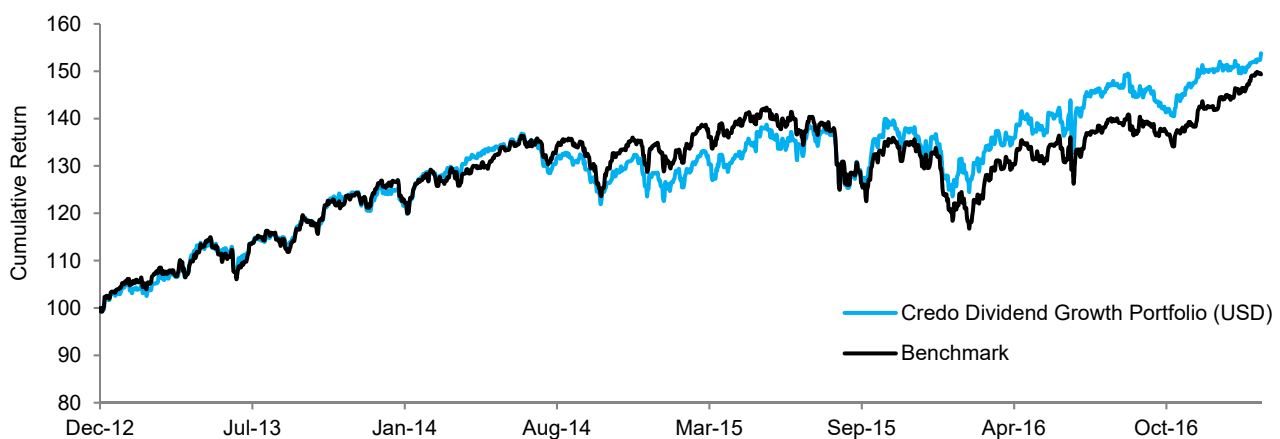
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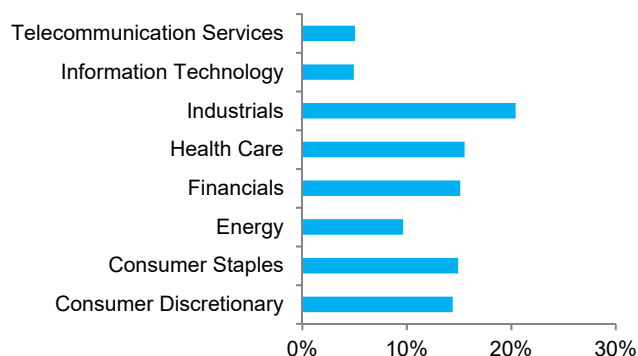
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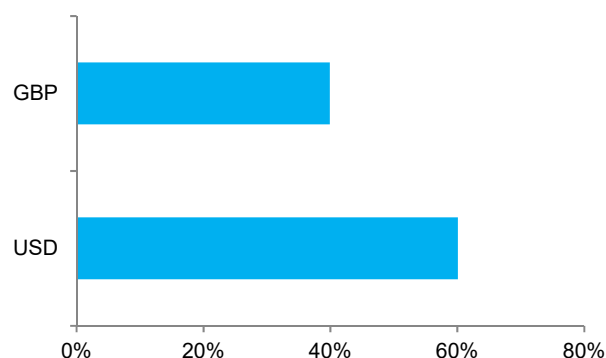
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