

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 (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
Dividend Growth Portfolio	12.2	11.2	8.7	10.8	2.6	2.8	-2.1
MSCI World	13.1	14.1	10.3	18.4	1.4	0.8	-0.6
Relative	-0.9	-2.9	-1.6	-7.6	1.2	2.0	-1.5

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	26.7	13.6
MSCI World	26.2	15.1

Market Commentary

February was largely a positive month for global equity markets with the S&P 500, Euro STOXX 50 and the FTSE 100 up 2.8%, 4.6% and 1.6% respectively. Markets responded well to the continued decrease in new coronavirus cases and the progress made by the UK and US with their vaccine programmes. In the US, the House of Representatives approved a \$1.9 trillion "Rescue Plan", the first of at least two spending bills by the Biden administration, and is expected to be passed by Congress in March. Brent Crude oil was up 17.5% as the continued vaccine roll-out supported the outlook for a strong recovery in global growth. In the UK, Prime Minister Boris Johnson announced his roadmap for the gradual re-opening of the economy, starting with schools on 8 March. In the fixed income market, the yields on UK, US and German 10-year bonds increased by 49, 34 and 26 basis points respectively. The pound was up 1.6% against the US dollar and 2.2% against the euro.

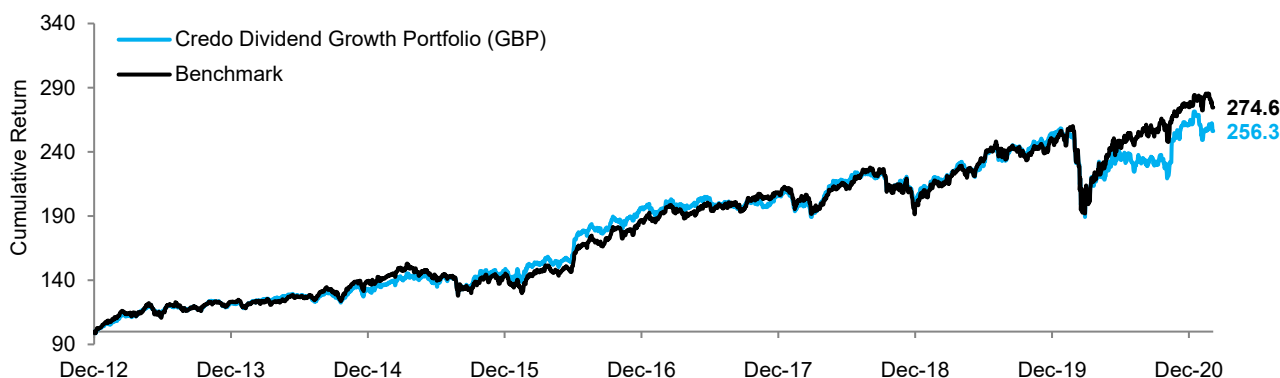
Key Contributors to Return

Wells Fargo's shares increased by 21.4% after the US Federal Reserve reportedly accepted the company's plan to overhaul its risk management, a critical step towards lifting of the asset cap. Prudential's shares increased by 20.1%, regaining some of last month's losses, when there was a negative overreaction to the announcement of the demerger of Jackson and an equity raise.

Key Detractors from Return

GlaxoSmithKline's shares declined by 10.6% after the company reported reduced expectations for next year, underpinned by increased research spend and slower vaccine growth. Imperial Brands' shares declined by 6.3%, along with other high dividend yield stocks, as rising bond yields prompted a rotation.

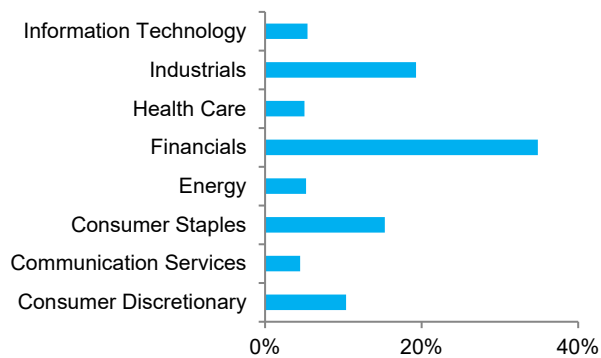
Performance Since Inception (28/12/2012)²



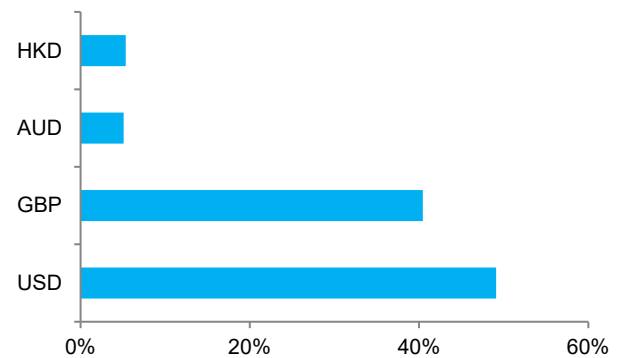
Sample Portfolio Statistics²

	Current Price	Trailing 12 Month P/E	12 Month Forward P/E	Dividend Yield
Diageo plc	2813p	29.0x	23.0x	2.5%
Meggitt plc	423p	36.5x	18.0x	0.0%
Prudential plc	1409p	6.0x	12.1x	1.8%
Total Portfolio Average		18.6x	15.7x	2.7%
MSCI World		33.2x	19.8x	1.8%

Sector Allocation



Currency Allocation



Investment Philosophy

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

- We believe that wealth is best created and preserved through patient and disciplined investing, with a focus on the long term
- We follow a value-based approach to investing
- We seek to invest in high quality companies that are attractively priced relative to their future business prospects
- We believe that the market's short-term focus creates opportunities for those willing to concentrate on underlying business performance
- We view risk as permanent losses of capital and not in terms of short-term volatility

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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 28/02/2021 close. All portfolio performance is calculated using Bloomberg PORT, rounded to 1 decimal place.

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Portfolio Performance (USD)^{1,2}

Return (%)	Annualised						
	S. Inception	5 Years	3 Years	1 Year	3 Month	1 Month	YTD
Dividend Growth Portfolio	10.3	11.4	9.2	21.1	7.1	4.6	0.0
MSCI World	11.2	14.1	10.8	29.3	5.8	2.6	1.5
Relative	-0.9	-2.7	-1.6	-8.2	1.3	2.0	-1.5

Risk (%)	Largest Drawdown	Volatility (Annualised)
Dividend Growth Portfolio	33.3	13.9
MSCI World	34.0	14.5

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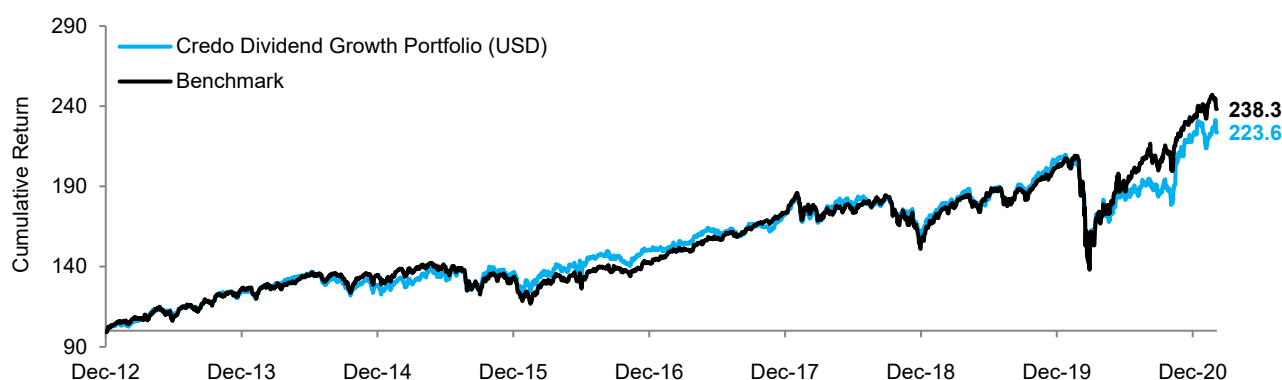
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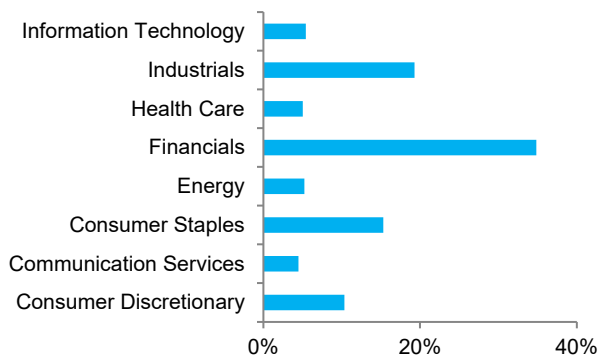
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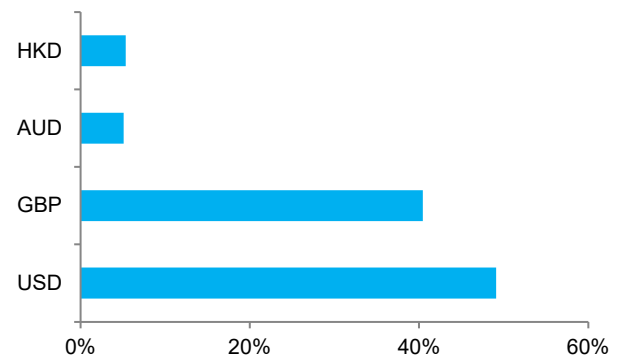
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