

# Kempen Capital Management

Global Equity Portfolio

As of 3/31/2025

## Portfolio Details

Inception Date	6/30/2000
# of Holdings	60
% Asset in Top 10 Holdings	21.5
12 Month Yield	4.2

**Benchmark:** MSCI World Index**Style/Cap:** Large-Cap Value

## Portfolio Managers

### Joris Franssen

Head of Dividend Team &amp; Senior Portfolio Manager

Industry Experience: Since 1999

### Luc Plouvier, CFA

Senior Portfolio Manager

Industry Experience: Since 2008

### Robert Van den Barselaar, CFA

Senior Portfolio Manager

Industry Experience: Since 2005

### Roderick Van Zuylen, CFA

Senior Portfolio Manager

Industry Experience: Since 2011

### Marius Bakker, CFA

Portfolio Manager

Industry Experience: Since 2015

### Reineke Davidsz, CFA

Portfolio Manager

Industry Experience: Since 2015

## Risk Statistics - 5 years

Time Period: 4/1/2020 to 3/31/2025

	Portfolio	Bmk
Return	16.8	16.7
Std Dev	16.0	16.2
Sharpe Ratio	0.9	0.9
Beta	0.8	1.0
Up Capture Ratio	87.2	100.0
Down Capture Ratio	59.1	100.0
Tracking Error	10.3	0.0
Information Ratio	0.0	—

## Company Profile

Kempen Capital Management N.V. ('Kempen') is a specialist asset management firm, known as a strong player in niche markets. Established in 1991 and headquartered in Amsterdam, the Netherlands, Kempen is a wholly owned subsidiary of Van Lanschot Kempen N.V., the oldest independent bank in the Netherlands with a history going back to 1737.

## Investment Philosophy and Style

Kempen is a fundamental bottom-up value manager with a focus on dividends. Kempen believes that good quality companies with attractive dividend yields can significantly outperform broad equity benchmarks with less volatility over the long run. Kempen also believes that a commitment to dividends imposes capital discipline on a firm's management. In addition, Kempen focuses on free cash flow yield as they believe that cash flow is a better measure of economic performance than traditional earnings based measures and that companies with consistent free cash flow are more likely to pay and increase dividends in the future.

## Investment Process

The first step in Kempen's investment process consists of three sequential quantitative screens of the universe of global stocks. The first screen is a liquidity screen. Secondly, there is a dividend yield screen. The third screen focuses on historical dividend growth to assess the sustainability and potential growth rate of dividends.

The survivors of the quantitative screening process are further scrutinized using fundamental analysis. First, Kempen conducts a "quick scan" of a stock using a company checklist, an ESG (Environmental, Social and Governance) check, and a valuation sanity check to confirm that a stock is attractively priced and has other desirable metrics, and as such merits further investigation. Next, Kempen conducts an extensive fundamental analysis of the company. Fundamental company analysis focuses on cash flow yield, capital discipline, competitive advantage, dividend growth and sustainability, balance sheet strength, and capital allocation. A full-fledged valuation assessment is performed using the Earnings Power Value model (EPV model).

## Portfolio Construction/Risk Management

Kempen portfolios are constructed using equal weights with a few exceptions. For example, less liquid stocks may be held at lower than average weights.

Country weights and sector weights are a residual of the investment process and are often quite different from the benchmark. However, in order to ensure that the portfolios have sufficient diversification, Kempen sets maximum weights for regional and industry allocations. At the individual security level, Kempen's quarterly rebalancing of the portfolio's holdings back to mostly equal weights serves to reduce the risks associated with an overly concentrated position in any one holding.

## Responsible Investing Framework

Kempen's investment philosophy is based on the belief that there is a positive correlation between great companies and those that care about the environment. To better evaluate how potential investments rank with respect to Environmental, Social, and Governance ("ESG") factors, Kempen has a Responsible Investment team, that uses negative screening to exclude companies that don't reach certain ESG thresholds. The team's activities range from facilitating ESG integration and active ownership efforts, to advising on external manager ESG performance and developing methodologies and investment solutions around impact measurement. All investment teams have key performance indicators focused on improving the sustainability alpha, including, engagement/active ownership and continuous improvement of ESG-integration in the investment process.

Kempen is a signatory/member of many responsible investing associations, including the United Nations-supported Principles for Responsible Investment, UN Global Impact, and the UK Stewardship Code.

## Annualized Returns \$US (%)

	3 months	YTD	1 year	3 years	5 years	7 years	10 years
Portfolio	7.8	7.8	8.9	8.5	16.8	7.4	7.9

## Calendar Year Returns \$US (%)

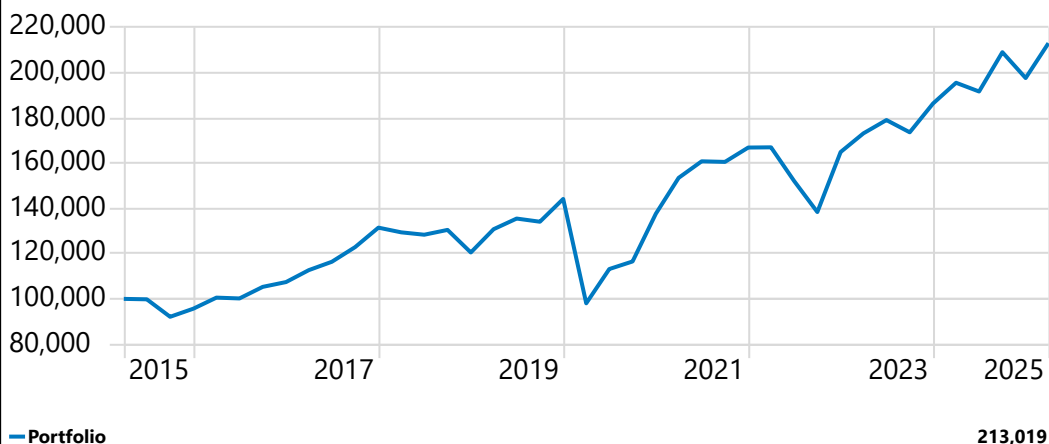
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Portfolio	6.0	13.0	-1.2	21.2	-4.5	19.6	-8.3	22.4	12.3	-1.7

## Top Holdings (%)

NN Group NV ADR	2.4
Deutsche Post AG ADR	2.3
Fresenius SE & Co KGaA ADR	2.2
Sanofi SA ADR	2.2
ING Groep NV ADR	2.1
National Grid PLC ADR	2.1
Medtronic PLC	2.1
Reckitt Benckiser Group PLC ADR	2.1
Engie SA ADR	2.1
Singapore Telecommunications Ltd ADF	2.1

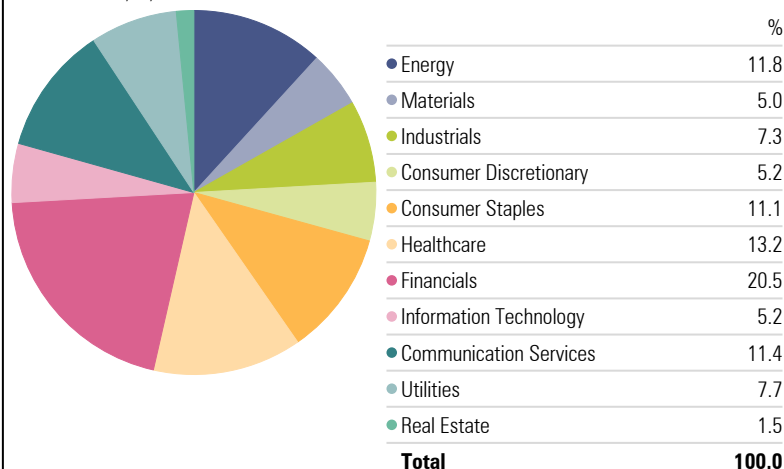
## Investment Growth of \$100,000 USD

Time Period: 4/1/2015 to 3/31/2025



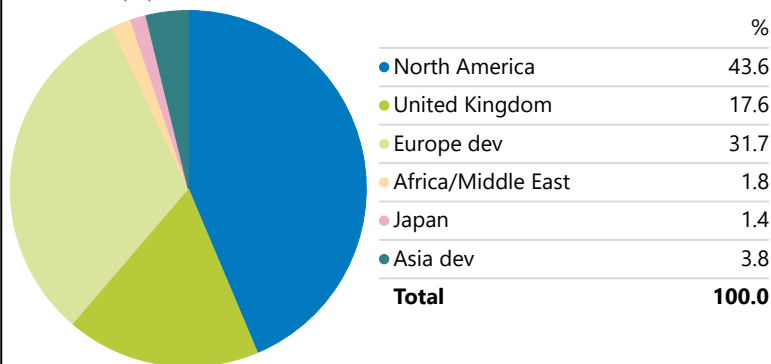
## Sector Allocation

Portfolio Date: 3/31/2025



## Geographic Allocation

Portfolio Date: 3/31/2025



Portfolio returns are presented gross of fees. Rates of return are time weighted, calculated on a total return basis, and annualized for all periods greater than one year. Past performance is not necessarily an indicator of future performance. The performance shown does not reflect the actual returns of clients in the BMO Nesbitt Burns Architect Program. This report is prepared solely for information purposes in connection with the BMO Nesbitt Burns Architect Program.

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