

European Dividend: more than a high dividend yield

Strategy Overview 2025
For professional investors only

Why Van Lanschot Kempen for European Dividend?

- **An attractive and sustainable dividend yield:** We offer a well-diversified portfolio with an attractive dividend yield. Dividends are well covered by free cash flow and offer dividend growth potential.
- **Dividend specialist for over 20 years:** Over two decades of experience in identifying cash flow generative businesses with sound capital allocation and an attractive valuation. We look beyond the beaten path to find the most attractive dividend stocks.
- **ESG an integral part:** As active owner with a long-term investment horizon we engage with managements on ESG issues to foster positive change.

Four investment principles



Fundamental

In-depth analysis of the business and its management



Long-term

Long-term perspective, and not afraid to be contrarian



Value

We look for a margin of safety between price and intrinsic value



Engaged

Engaging with management on strategy, operations and ESG

Our Investment Philosophy

We aim to find companies with strong cash flow generation, sound capital allocation at an attractive valuation. The team conducts in-depth bottom-up research to identify interesting investment opportunities and construct the portfolio following a disciplined investment process aimed at making investment decisions transparent and replicable.

Our philosophy is framed by these underlying principles

- We believe markets are inefficient, in-depth bottom-up research based on an independent view is our way to exploit this.
- We follow a disciplined investment process building well diversified portfolios of companies that we really understand and that we can buy with a margin of safety.
- We look off the beaten path for investment opportunities.
- We believe in active ownership, engage with managements on strategy and ESG to achieve positive change.

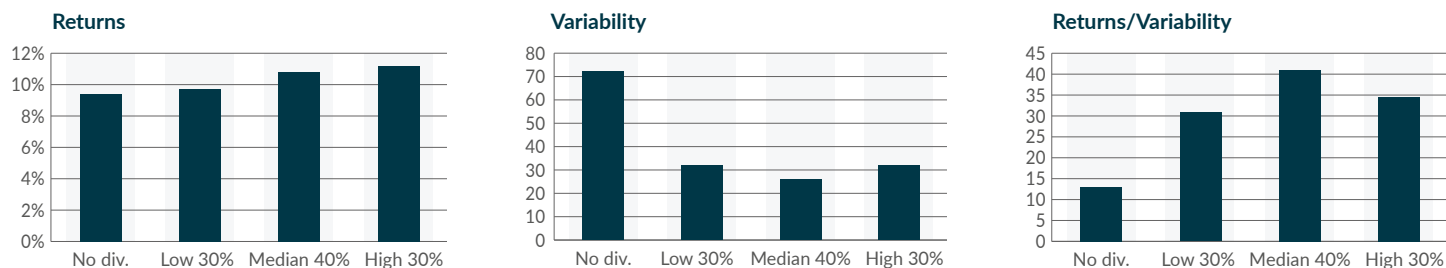
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We believe our added value is a combination of a straightforward investment philosophy embedded in a disciplined, repeatable investment process and the strength of our own bottom-up research.



Joris Franssen,
Head of Dividend

Dividend: an attractive asset class



For all graphs and historical claims we used data from Ken French (years 1975-2021) and the CRSP database. These are value weight returns.
mba.tuck.dartmouth.edu/pages/faculty/ken.french/data_library

Stocks with substantial dividend yields have historically shown...

- **Attractive total returns:** Stocks with dividend yields historically have shown strong returns versus non-dividend paying stocks. As the graph above shows, companies with relatively high dividend yields have shown better results than stocks that have relatively modest dividend yields.
- **Less volatility:** Dividend yielding companies – and especially the ones that have an average or an above-average dividend yield – seem to have offered the best return for each unit of risk, research shows.
- **A steady stream of income:** Dividend can provide investors with a steady stream of income. Generally, managers aim to at least maintain the absolute dividend per share.

Overall, there is strong theoretical and empirical evidence that high dividend yield investing can be a sound, long-term investment strategy.

Our team

 Joris Franssen Head of Dividend Team Experience since 1998	 Reineke Davidsz Portfolio Manager Experience since 2015	 Najib Nakad Portfolio Manager Experience since 2000	 Robert van den Barselaar Portfolio Manager Experience since 2005	 Luc Plouvier Portfolio Manager Experience since 2007	 Marius Bakker Portfolio Manager Experience since 2015
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Disclaimer

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Dividend Equities: general risks to take into account when investing in Dividend equity strategies.

Please note that all investments are subject to market fluctuations. Investing in a Dividend Equity strategy may be subject to country risk and equity market risks, which could negatively affect the performance. Under unusual market conditions the specific risks can increase significantly. Potential Investors should be aware that changes in the actual and perceived fundamentals of a company may result in changes for the market value of the shares of such company. The value of your investment may fluctuate, past performance is no guarantee for the future. Do not take unnecessary risks. Before you invest, it is important that you are aware of and are informed about the characteristics and risks of investing. This information can be found in the available documents of the strategy and/or in the agreements that are part of the service you choose or have chosen.