

# WORKPLACE EQUALITY INDEX<sup>®</sup>

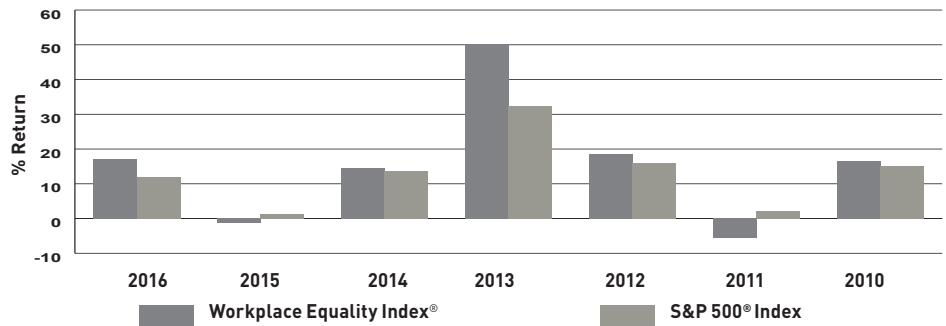
FACT SHEET | December 31, 2016

## STRATEGY

- The Workplace Equality Index<sup>®</sup> is an equal-weighted index of companies that support lesbian, gay, bisexual and transgender (LGBT) equality in their workplace.
- The screening criteria generally include mandatory language in a company's equal employment opportunity (EEO) statement prohibiting discrimination based on sexual orientation and gender identity, offering health benefits to same-sex partners or spouses of employees, along with other corporate benefits and privileges. Other screens are performed that seek to eliminate companies that would detract from the Index such as companies in bankruptcy or reorganization. Companies must also have a minimum \$250 million market capitalization and pass liquidity screens.
- The Workplace Equality Index<sup>®</sup> was created by Denver Investments and inception in 2001.

## Performance<sup>1</sup>

Periods Ended 12/31/16 (%)	Quarter	YTD	Annualized Returns				
			1 Year	3 Years	5 Years	10 Years	
Workplace Equality Index <sup>®</sup>	6.38	17.09	17.09	9.83	18.72	8.49	
S&P 500 <sup>®</sup> Index <sup>2</sup>	3.82	11.96	11.96	8.87	14.66	6.95	
<b>Calendar Year (%)</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Workplace Equality Index <sup>®</sup>	17.09	-1.31	14.63	50.14	18.57	-5.58	16.58
S&P 500 <sup>®</sup> Index <sup>2</sup>	11.96	1.38	13.69	32.36	16.00	2.11	15.06



## Index Characteristics

	Workplace Equality Index <sup>®</sup>	S&P 500 <sup>®</sup> Index <sup>2</sup>
Number of Companies	246	505
Weighted Average Market Capitalization (\$ Bil)	\$59.9	\$150.1
Median Market Capitalization (\$ Bil)	\$30.0	\$19.4
Dividend Yield	2.2%	2.1%
Price/Earnings (1 year trailing)	18.2x	20.1x
Price/Cash Flow (1 year trailing)	8.2x	11.7x
Price/Book Value	2.1x	2.8x
Price/Sales	1.1x	2.0x
Beta (vs. benchmark) <sup>1,3</sup>	1.05	1.00

## Sector Weights

	Workplace Equality Index <sup>®</sup>	S&P 500 <sup>®</sup> Index <sup>2</sup>	Relative Weights
Consumer Discretionary	21.2%	12.0%	9.2%
Consumer Staples	9.1	9.4	-0.3
Energy	0.8	7.6	-6.8
Financials	21.2	14.8	6.4
Health Care	11.0	13.6	-2.6
Industrials	11.5	10.3	1.2
Information Technology	15.5	20.8	-5.3
Materials	3.2	2.8	0.4
Real Estate	1.2	2.9	-1.7
Telecommunication Services	2.5	2.7	-0.2
Utilities	2.9	3.2	-0.3

## INDEX INFORMATION

Class	Information
Bloomberg	LGBTEQLT
Reuters	.LGBTEQLT
ISIN:	DE000SLA7AY8
WKN:	SLA7AY
Inception:	12/21/2001
Methodology:	Equal Weight
Reweighting Dates:	3rd Friday of March, June, Sept.
Adjustment Date:	3rd Friday of December

<sup>1</sup>Past performance does not guarantee future results and future performance may be lower or higher than the performance presented. It is not possible to invest directly in an index. Index performance does not reflect the deduction of any fees or expenses. Data for the Index is back-tested. Back-tested data takes a set of criteria and applies it rigorously at each historical rebalancing to select constituents. Back-testing has been performed by an independent, third party, Solactive AG.

<sup>2</sup>Source: FactSet.

<sup>3</sup>Based on monthly data. Three years. Source: eVestment Alliance.

Totals may not sum to 100% due to rounding.

## The Story Behind the Index

Since its founding in 1958, Denver Investments has been committed to helping individual and institutional investors achieve investment success through independent research. We offer a broad spectrum of capabilities to meet the specific objectives of our clients, including customized, socially-screened portfolios. More specifically, we have over 16 years' experience managing portfolios for institutions and individuals that choose to allocate investments in the securities of companies that support the lesbian, gay, bisexual and transgender (LGBT) community. Given this experience and at the request of its clients, Denver Investments created the Workplace Equality Index® to evaluate corporate policies and practices that support workplace equality and inclusion for the LGBT community.

In 1998, Denver Investments was first approached by the Minnesota-based Kevin J. Mossier Foundation to advise and manage its investable assets. The late Kevin Mossier was a visionary entrepreneur and an openly gay travel expert, best known for founding one of America's most successful gay travel companies, RSVP Vacations. Following Kevin's death, the Foundation was established in his name to fulfill his vision to advance the cause of human rights and LGBT equality.

At that time, there were few, if any, resources for this unique and specialized social screening. The Mossier Foundation trustees believed that its benefactor's wishes would be best served by strategically investing in corporations that also shared his values and aspirations.

To meet the Foundation's requirements, Denver Investments conducted independent research to establish our own screens to select stocks and bonds from corporations that are supportive of workplace equality and fairness. Our screens validated that the companies whose shares we held supported their own LGBT employees by insisting on employment nondiscrimination policies and by offering equal benefits for same-sex domestic partners. The Mossier Foundation and other investors cheered our creation of the Workplace Equality Index® as it promoted equality principles to companies as an incentive to grow investor participation. In short, they believed that investment in equality principles encouraged more companies to adopt like-minded workplace policies.

## About Denver Investments

Denver Investments is a research-driven organization founded on the belief that original fundamental research is the key driver of value-added management. Since the inception of our investment management services in 1958, proprietary fundamental research has been the cornerstone of our investment approach. Today, the firm manages assets for a broad array of individual and institutional investors through separate accounts, sub-advised portfolios and our family of mutual funds. Importantly, we believe the firm's organizational independence (100% employee-owned) helps align our interests with those of our clients which enhances our ability to promote their investment success. Learn more about Denver Investments at [www.denvest.com](http://www.denvest.com).

*The S&P 500® Index is an unmanaged capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy. Standard & Poor's is the owner of the S&P Index data contained on this sheet and all trademarks and copyrights related thereto.*

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FOR MORE INFORMATION ABOUT THE INDEX, PLEASE CONTACT:

 Denver Investments® | Republic Plaza | 370 17th Street | Suite 5000 | Denver, Colorado 80202  
p: 303.312.5000 | e: [jroberts@denvest.com](mailto:jroberts@denvest.com) | [workplaceequalityindex.com](http://workplaceequalityindex.com)