

# LARGECAP CATHOLIC VALUES



## OBJECTIVE

The LargeCap Catholic Values Strategy seeks to outperform the S&P 500 Index over time and incorporates the guidelines set forth by the United States Conference of Catholic Bishops.

**Benchmark:** S&P 500 Index and LargeCap Model Portfolio  
**Inception Date:** December 1, 2012

## PHILOSOPHY

Utilizing our LargeCap investment process in conjunction with business involvement screens and the Environmental, Social, and Corporate Governance (ESG) data of MSCI, we provide a customized solution consistent with the values of the Catholic Church:

- Protecting human life
- Promoting human dignity
- Reducing arms production
- Pursuing economic justice
- Protecting the environment
- Encouraging corporate responsibility

## PORTFOLIO GUIDELINES

**Holdings:** Approximately 70-85 positions

**Sector Over/Underweights:** S&P 500 +/-5.00%<sup>1</sup>

**Position weights:** 0.50% to S&P 500 weight +2.50%<sup>1</sup>

**Cash position:** Typically 0.5% to 1.5%

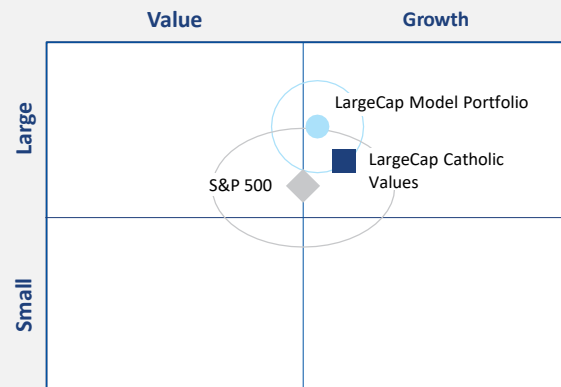
**Average Annual turnover:** Typically 60% to 120%

**Investment Universe:** S&P 500 Index Members

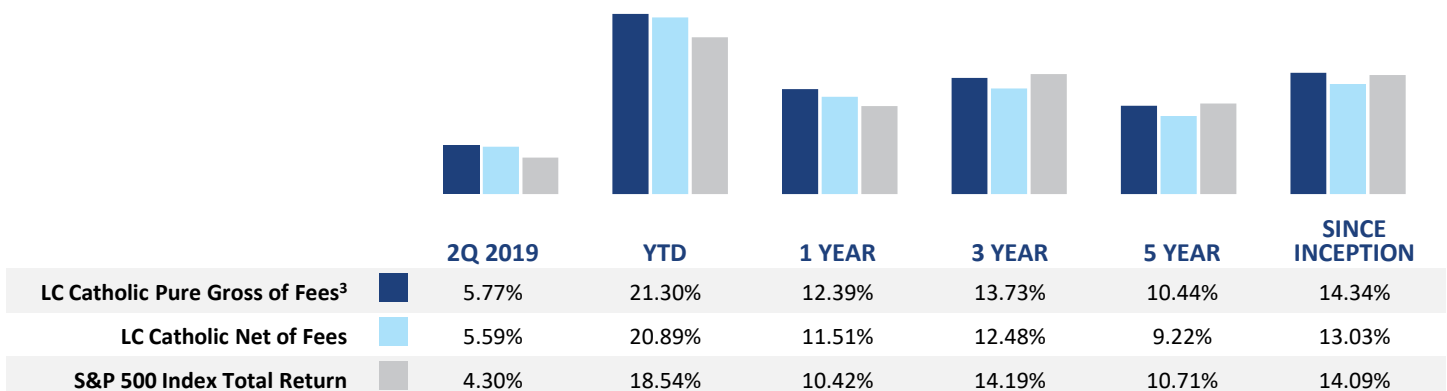
## DUAL BENCHMARK IMPLEMENTATION

This strategy employs a unique dual benchmark approach. The primary benchmark ensures total active risk versus the S&P 500 Index which is consistent with our LargeCap strategy portfolio.

The second benchmark limits the tracking error of this strategy versus our LargeCap strategy portfolio. This allows us to maintain very similar characteristics to our LargeCap strategy, while providing the flexibility needed to employ our social screens.



## COMPOSITE PERFORMANCE<sup>2</sup>



**PORTFOLIO COMPOSITION**

Top 10 Holdings <sup>4</sup>	LC Catholic
Microsoft Corp	7.1%
Berkshire Hathaway Inc Cl B	4.1%
Visa Inc Cl A	4.0%
Home Depot Inc	3.7%
MasterCard Incorporated Cl A	3.6%
Union Pacific Corp	3.0%
3M Co	2.6%
Price T Rowe Group Inc	2.3%
Salesforce.com Inc	2.3%
Medtronic PLC	2.2%

Sector Weightings <sup>5</sup>	LC Catholic	S&P 500
Consumer Discretionary	2.8%	5.9%
Consumer Staples	11.2%	6.4%
Energy	2.9%	4.8%
Financials	14.6%	17.8%
Health Care	14.0%	12.2%
Industrials	8.4%	7.4%
Materials	3.8%	3.1%
Retail	4.5%	5.4%
Services	5.8%	5.4%
Technology	30.2%	27.9%
Utilities	1.8%	3.6%

**STRATEGY CHARACTERISTICS<sup>6</sup>**

	LC Catholic	S&P 500
Weighted Average Market Cap	\$192.6B	\$242.2B
EPS 5 Year Average Growth	20.1%	18.7%
Return on Equity (ROE)	34.7%	27.9%
Price to Earnings Ratio (P/E)	24.7x	19.2x
Price to Book Ratio (P/B)	5.5x	3.4x
Dividend Yield	1.6%	1.9%
Beta	0.97	1.00
Active Share	71.8%	-
Number of Holdings	85	500
Weighted ESG Score	66.3	55.4

**ABOUT GREAT LAKES ADVISORS**

Founded in 1981, Great Lakes Advisors is headquartered in Chicago, Illinois with an additional office in Tampa, Florida. The firm has \$9.6 billion in assets under management and advisement and offers a wide range of fixed income and equity strategies across all market capitalizations. We have deep portfolio management capabilities within ESG, Socially Responsible, Tax-Managed, and Customized account solutions. Our clients include public funds, multi-employer plans, corporations, religious communities, endowments/foundations, health care plans, and private wealth management clients.

1. At time of purchase

2. Returns greater than one year are annualized.

3. Pure Gross of Fee Returns do not reflect the deduction of investment management fees or bundled fees for certain accounts where transaction costs cannot be separately identified from other service fees charged by the client's broker/dealer or custodian. Information presented on a pure gross of fee basis has not been independently verified. Net performance reflects the deduction of investment management fees and bundled fees as applicable.

4. Holdings are representative of a Disciplined Equity LargeCap Catholic Values account, are subject to change at any time and are not recommendations to buy or sell any securities.

5. Source: MSCI Barra. Data is representative of a Disciplined Equity LargeCap Catholic Values account and are subject to change at any time.

6. Source: Bloomberg. Characteristic data is representative of a Disciplined Equity LargeCap Catholic Values account and are subject to change at any time. Beta and ESG source is MSCI Barra.

Definition of the Firm: Great Lakes Advisors, LLC ("Great Lakes" or "GLA") is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. Established in 1981, Great Lakes is a subsidiary of Wintrust Financial Corporation and a part of the Wintrust Wealth Management family of companies. On October 1, 2013, majority owned subsidiary Advanced Investment Partners, LLC ("AIP") became fully-owned and integrated into Great Lakes. Great Lakes is a distinct business unit with distinct investment processes and procedures relating to the management and/or trading of investment portfolios for its clients.

The LargeCap Catholic Values Composite includes all unrestricted accounts managed under the ESG LargeCap Catholic strategy. (Renamed from Sustainable Responsible LargeCap-Catholic, 1/1/2017). The Catholic strategy is based on guidelines set forth by the United States Conference of Catholic Bishops and includes the following: protecting human life, promoting human dignity, reducing arms production, pursuing economic justice, protecting the environment, and encouraging corporate responsibility. The Catholic strategy integrates environmental, social and governance (ESG) ratings for individual companies with Great Lakes Advisors' proprietary return forecasts based on a blend of fundamental, technical, and sentiment measures and seeks to outperform the S&P 500 Index over time through superior stock selection while maintaining risk characteristics that are similar to the benchmark. The composite inception date was December 1, 2012 and the composite creation date was October 1, 2013. Accounts within this composite do not employ leverage. All cash reserves and equivalents are included in returns. Returns are time weighted and included reinvest of dividends, income and gains. The value of assets and returns is expressed in U.S. dollars. Performance prior to October 1, 2013 occurred at Advanced Investment Partners prior to being acquired by Great Lakes Advisors. Holdings are available upon request. Additionally, market commentary is available on the firm's website at: [www.greatlakesadvisors.com](http://www.greatlakesadvisors.com) or upon request.

The benchmark selected for comparison of returns for the LargeCap Catholic Values Composite is the S&P 500 Index (an unmanaged index that tracks the performance of 500 widely held, large-capitalization U.S. stocks. They are usually the 500 largest companies in terms of market capitalization and are chosen to represent the entire market's value.); Index returns are provided to represent the investment environment existing during the time periods shown. All indexes are fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs. The index is not available for direct investment. Industry sectors are presented to illustrate the diversity of areas in which we may invest, and may not be representative of current or future investments.

GIPS: Great Lakes Advisors, LLC claims compliance with the Global Investment Performance Standards (GIPS®). A complete list of firm composites and performance results, and the policies for valuing portfolios, calculating performance, and preparing GIPS compliant presentations are available upon request by calling 312-553-3700.

Great Lakes Advisors, LLC's fees are available upon request and may be found in our Form ADV Part 2A. Performance data quoted herein represents past performance. Past performance does not guarantee or indicate future results. Returns and net asset value will fluctuate. To determine if this strategy is appropriate for you, carefully consider the investment objectives, risk factors, and expenses before investing.