

# The New Fundamentals of Investing

The best-run companies **assess** all global trends, **bring** new products to market which benefit customers and society, **count** their quantifiable human impacts, **directly** link these impacts to profit, and **embed** leading management practices. HIP's investment approach ranks these leaders higher (and laggards lower) to position your portfolio to seek more **Human Impact + Profit**.

## Large-Cap Core ESG: Global Dividends

**Universe:** US Listed Global Firms and ADRs with Dividend Yields and high HIP Ratings

**Benchmark for Comparison:**  
S&P 500 Dividend Aristocrats ETF (NOBL)

**Method for Weighting:**  
Weighted by proprietary HIP Rating

**Number of Constituents:** 52

**Rebalancing of the Index:**  
Quarter-end, four times per year; and annual reconstitution.

**Inception Date:** May 1, 2015

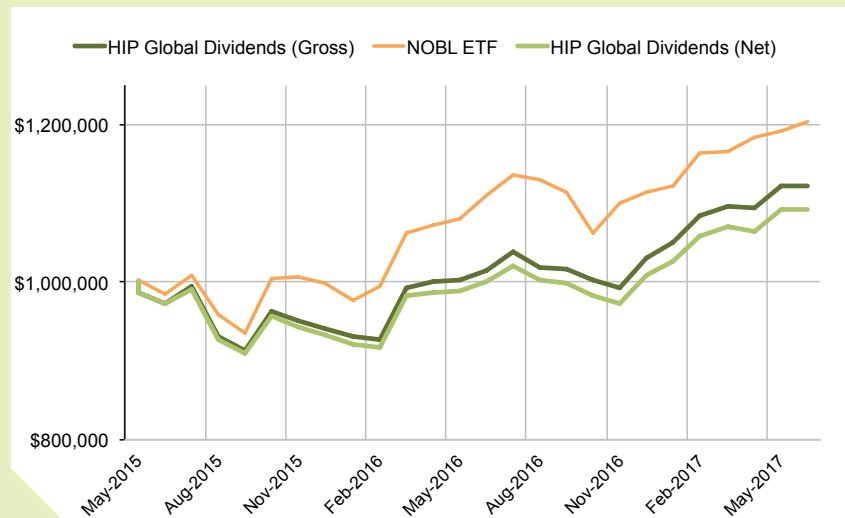
**Investment Size:** \$100,000 to \$250MM

**Fees (billed quarterly, in advance):**  
1% annual fee to HIP Investor;  
0.25% brokerage fee (minimum quarterly brokerage fee of \$75); accounts under \$120,000 can experience a higher expense ratio due to minimum broker fee

### CUMULATIVE TOTAL RETURN\* Includes Reinvested Dividends and Deducts Advisory Fees and Trading Costs

After Fees

The Global Dividends Portfolio is a large-cap international ESG-focused equity strategy that invests in a basket of US domiciled stocks and ADRs of international firms that meet a forward yield hurdle, show strong ESG performance, and operate in industries with generally positive impact on society, which are then weighted by their HIP Ratings. HIP seeks to outperform traditional investment benchmarks via this strategy, striving to achieve more positive human impact, lower risk, and increased financial returns.



Assumes a \$1 million beginning portfolio

TO INVEST IN - OR LICENSE - HIP PORTFOLIOS, PLEASE CONTACT: [BEMOREHIP@HIPINVESTOR.COM](mailto:BEMOREHIP@HIPINVESTOR.COM)

**\* Disclosure and Assumptions:** The HIP Portfolio results represent the results of actual trading since inception, assuming a \$1,000,000 beginning portfolio. The results portrayed are derived from a composite of the HIP Global Dividends Folios of all separate accounts managed by HIP. Client results may differ depending on the size of account, timing of trading and reinvestment of dividends. During the period for which results are shown, securities of U.S. companies have generally been rising, and the performance results are partly a function of this market environment. If this environment were to change materially, the performance results portrayed by HIP would, in all likelihood, reflect results different from those portrayed. The HIP Global Dividends and NOBL results include reinvested dividends or interest, and results are net-of-fees as a client would have paid to HIP on a quarterly basis in advance for advisory fees and brokerage costs. During the period for which results are shown, there were no investment strategies employed to obtain the results portrayed other than those strategies disclosed in HIP's form ADV or other disclosure brochure. There is potential for loss as well as for profits. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities in the portfolio. The composite results portrayed during the period are compared to the performance of the NOBL because the securities making up the composite most nearly reflect the types of securities making up this index. The NOBL benchmark shown is a general market indicator and the NOBL ETF is available for direct investment. Tax consequences have not been considered. Results reported are unaudited, and based on the most up-to-date data available. Investments are managed by HIP Investor Inc. as the investment adviser via separately managed accounts at FOLIOIn or Charles Schwab Institutional, and HIP as model manager for EQIS and First Affirmative Financial Network. This is not an offer of securities. **Past performance is not indicative of future results.**

**IS YOUR PORTFOLIO READY  
 TO BE MORE HIP?**

HIP Investor Inc. offers investors a portfolio designed to seek higher financial returns with lower risk due to positive, quantifiable human, social and environmental results. HIP's approach can outperform traditional financial-focused benchmarks.

**TOTAL FINANCIAL RETURN BY PERIOD, GROSS AND NET OF FEES \***

	<b>Current YIELD</b> (as of 6/30/17)	<b>2017</b> <b>YTD</b>	<b>2016</b> <b>Year</b>	<b>Annualized</b> (Since Inception)	<b>CUMULATIVE</b> (5/1/15 to 6/30/17)
<b>HIP Global Dividends (Client Gross)</b>	<b>+ 4.10%</b>	<b>+ 8.91%</b>	<b>+ 9.57%</b>	<b>+ 5.46%</b>	<b>+ 12.21%</b>
S&P 500 Dividend Aristocrats ETF	+ 2.49%	+ 7.94%	+ 11.64%	+ 8.90%	+ 20.29%
<i>HIP Gross Exceeds Index By:</i>	<i>+ 1.61%</i>	<i>+ 0.97%</i>	<i>- 2.07%</i>	<i>- 3.44%</i>	<i>- 8.08%</i>
<b>HIP Global Dividends (Client Net)</b>	<b>+ 3.79%</b>	<b>+ 8.19%</b>	<b>+ 8.06%</b>	<b>+ 4.14%</b>	<b>+ 9.19%</b>

\* Full Disclosure and Assumptions are on the front page. Total financial return includes reinvested dividends and assumes a \$1,000,000 beginning portfolio. Where returns are net of advisory fees, fees are billed quarterly in advance, as managed by HIP and custodians by FOLIOfn or Schwab Institutional. The HIP Global Dividends returns represent results of actual trading though client results can vary based on account size, dividend reinvestment and timing of purchases and sales. Fees allocated to month but collected quarterly in advance. Cumulative since inception of 5/1/2015, not annualized.

**PORTFOLIO TOP TEN** By HIP Rating (out of 100) **RATIOS RELATED TO RISK** After Fees\*

<b>FIRM (TICKER)</b>	<b>Yield</b>	<b>HIP</b>
<b>Allianz Life Insurance (AZSEY)</b>	3.79%	76.3%
<b>Ericsson Telephone Co. (ERIC)</b>	1.79%	73.3%
<b>Novo Nordisk (NVO)</b>	2.68%	73.2%
<b>Vodafone Group (VOD)</b>	5.46%	72.9%
<b>Roche Holding (RHHBY)</b>	3.22%	70.7%
<b>Sky PLC (SKYAY)</b>	2.02%	70.6%
<b>AXA (AXAHY)</b>	4.20%	69.8%
<b>AstraZeneca (AZN)</b>	4.66%	69.3%
<b>Nokia (NOK)</b>	2.79%	69.3%
<b>Novartis (NVS)</b>	3.22%	69.0%

NOTE: Holdings are subject to change and do not constitute a recommendation or solicitation to buy or sell a particular security. Do not assume an investment in any of the securities was or will be profitable.

<b>ACTUAL Characteristics</b> 5/1/2015 to 6/30/2017	<b>HIP GLOBAL</b> <b>DIVIDENDS</b> (Gross)	<b>HIP GLOBAL</b> <b>DIVIDENDS</b> (Net)	<b>NOBL</b> <b>ETF</b>
<b>α: Alpha</b> <i>excess return beyond expected risk-adjusted return</i>	- 1.10	- 2.33	- 0.46
<b>β: Beta</b> <i>sensitivity to benchmark returns</i>	0.77	0.76	1.00
<b>r<sup>2</sup>: R-Squared</b> <i>correlation or fit</i>	67.2%	67.7%	99.9%
<b>Sharpe Ratio</b> <i>excess return per unit of risk</i>	+ 0.177	+ 0.142	+ 0.241
<b>σ: Standard Deviation (MONTHLY)</b> <i>average distance from the mean volatility</i>	2.7% MONTHLY	2.7% MONTHLY	2.9% MONTHLY