## **Dividend Growth Strategy**



## **Brookmont Process**

Identify companies that have a greater than 1.5x market dividend yield

Find companies with end market exposure to secular & economic tail winds





Invest in 30 – 50 disciplined growth companies

Investable Universe (~3,000 Companies)

- Market Cap >\$1B
- · Trades on US Exchange
- Includes ADRs

Profitable Companies (~2100 Companies)

TTM Adjusted EPS > 0

Dividend Yield (~500 Companies)

 Dividend Yield ≥ 1.0X S&P 500 Growing Dividend (~150 Companies)

# of Dividend
Increases in Past 3

Investment Committee Determines Economic

Trends and Sector

Allocations

Bottom up Analysis



Filter for companies with positive EPS and good fundamentals



Remove companies that don't consistently grow their dividend



Create proprietary models and thorough <u>bottom up</u> investment analysis

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