ANCHOR
CAPITAL ADVISORS LLC

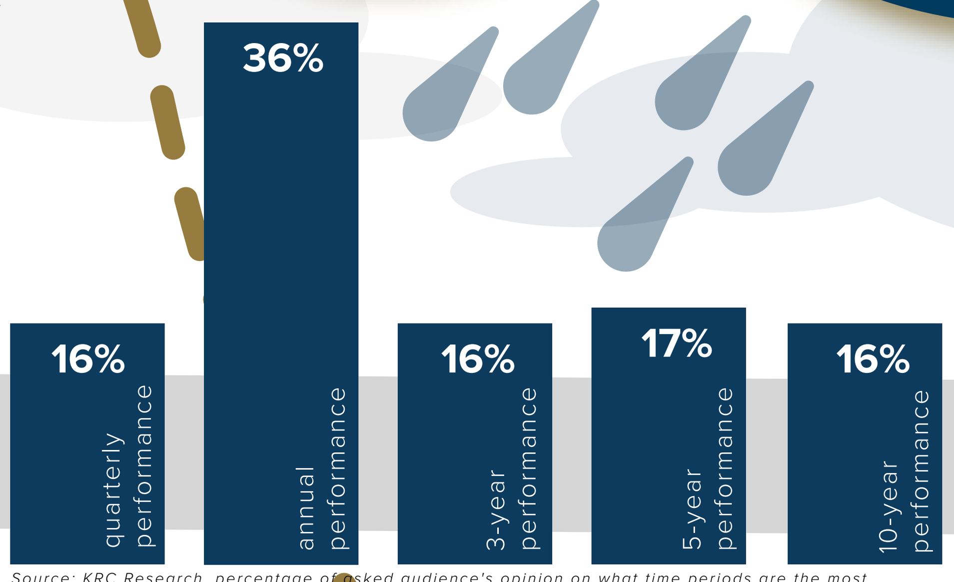
A **Fundamental Approach** to risk control

"The shortest period of time lies between the minute you put some money away for a rainy day and the unexpected arrival of rain."
-Jane Bryant Quinn[2]

Ups & downs

are a natural part of the market cycle. One of the keys to performance during a full market cycle is to have a consistent risk control strategy.

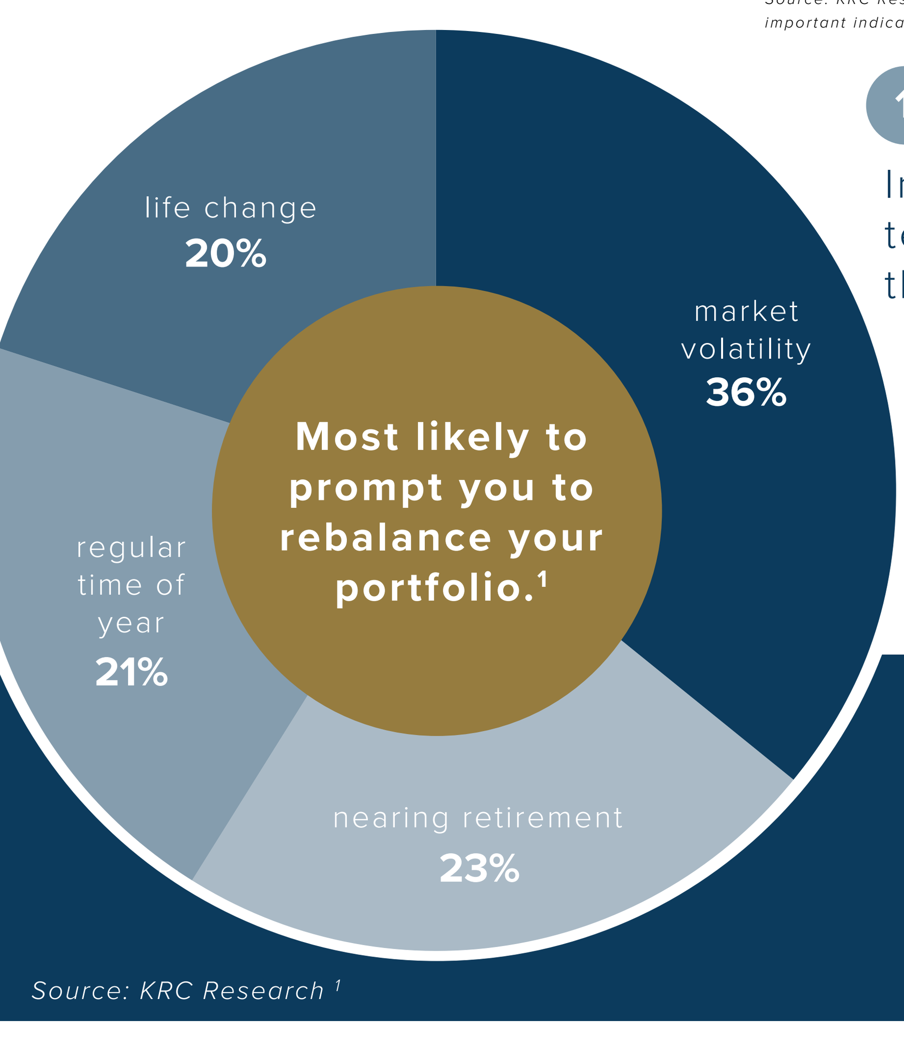
Americans can tend to look at short term performance periods as being the most important indicator of an investments possible return[1]



Source: KRC Research, percentage of asked audience's opinion on what time periods are the most important indicator of an investments return.[1]

1 Investors may tend to focus on the short term...

2 ...and overreact to market volatility.



Source: KRC Research[1]

3 **Short-term investment performance**
and market volatility can often lead to emotional decision making, creating greater portfolio risk.

4 We believe a disciplined process to security selection and portfolio construction **is** risk control.

Consider your long term investment objectives.

At Anchor Capital Advisors, staying true to a research-driven, repeatable, and diligent process is paramount, in our opinion.

- Employ broad diversification across sectors
- Understand investment universe and benchmark relative risks
- Focus on attractive valuations –don't overpay
- Understanding the portfolio risks over a full market cycle

At Anchor, we focus on evaluating risk throughout our entire investment process.

- 26 proprietary screens to identify quality companies for further research
- Extensive fundamental research to understand quantitative and qualitative company dynamics
- Portfolio/sector guidelines: maximum/minimum position limits
- Regular monitoring to ensure investment thesis remains intact

Building for **strong** downside **protection.**

Our objective
is to provide value strategies that outperform over a full market cycle.

We believe
that capital markets provide ample opportunity to produce alpha over time.[3] Our strategies are intended to be less volatile than the corresponding benchmark, by having greater attention to risk management in both rising and falling markets.

At Anchor Capital Advisors we consider risk management paramount to our investment process. Our portfolio strategies are suited to longer-term investors and we have endeavored to protect clients in turbulent markets while providing what we believe are competitive up-market returns.

"One of the **most important** things about Anchor's investment process is that it's rigorous and independent. One of the ways we are able to do that is by **doing the majority of our own research**." *–Bill Rice Jr., CEO &Chief Investment Officer*

For more information, visit:
AnchorCapital.com/investment-strategies

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[1]Source: KRC Research. "Understanding Investment Performance." Survey. October 2015. Methodology: The survey was conducted by KRC Research from October 7-12, 2015, via an online survey of 1,000 U.S. adults who are employed, who contribute to an employer-sponsored retirement plan or an individual retirement account, and who make or share in financial decision making for their household. Link: https://www.tiaa.org/public/pdf/built_to_perform_survey_executive_summary.pdf
[2]Pine, J. ed. (2013). "Money and Wealth". Dover Publications: Mineola, NY.
[3]Alpha is a risk ratio that investors use as a tool to gauge the performance of an investment against benchmarks that represent market movement overall; often considered the active return on an investment.