

# TB EVENLODE GLOBAL EQUITY

MONTHLY FACTSHEET all data as at 31 December 2021 unless otherwise indicated

## MANAGER COMMENTARY

The Evenlode Global Equity Fund closed December 2021 somewhat ahead of the market for the month and the year. One swallow does not make a summer, but we were encouraged by the strength of both portfolio company financials (revenue and cashflow) and the improvement of their competitive advantage through reinvestment.

We continue to be mindful of valuation risk, requiring that all companies in our portfolio combine two factors: firstly, long term economic value creation, and secondly, a starting share price which allows this to drive further price appreciation. In December, we exited our positions in Capgemini and Roche, as we found better compounding opportunities elsewhere in our investment universe. We also initiated a position in Aveva, a UK-based company which has a leading position in the parts of the AEC (Architecture, Engineering, and Construction) software category. Its products are used both in the computer-aided design stage and in the asset maintenance stage in a variety of industrial end markets, where they confer material productivity benefits to their clients. The industrial design stage is now almost entirely digitalised, but the world's industrial estate is still managed in a haphazard way with multiple software suites, or even spreadsheets. Aveva's product offering aims to embrace the entire life cycle of client assets from design onwards – what is now known as 'Asset Performance Management'. The recent acquisition and integration of the highly regarded data historian company OSIsoft was an important step in rounding out the portfolio. Our valuation of the company suggests it offers attractive compounding potential even if energy sector capex levels remain at their current, depressed level. There is scope for more upside should the world experience a new wave of green capex, but this is above and beyond our base case.

Aveva is characteristic of what we look for in a company in that it enjoys both attractive returns on its existing capital stock, and substantial scope to reinvest excess cashflow as its end market is growing. We continue to see the ability of portfolio companies to reinvest at or around their excellent current economics as their most attractive attribute.

This year has started like the year before, and the year before that, with continued anxiety over the impact of Covid and uncertainty as to the pace of economic and monetary normalisation. Our portfolio remains agnostic to all of these variables. We remain very grateful for the support and belief that our investors have shown in us, and will continue to manage the portfolio in line with our discipline and process.

## PERFORMANCE SINCE LAUNCH (%)



## CUMULATIVE PERFORMANCE

	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs	Launch
■ Fund (%) <sup>2</sup>	4.1	8.5	14.7	26.0	-	35.1
■ Benchmark (%) <sup>3</sup>	1.9	7.3	9.9	22.9	-	33.7
■ IA Sector (%)	1.4	4.7	6.7	17.7	-	31.3
Rank in sector	38/477	41/475	4/464	36/451	-	125/436
Quartile	1	1	1	1	-	2

## CALENDAR YEAR PERFORMANCE (%)

	2021	2020	2019	2018	2017	2016
Fund <sup>2</sup>	26.0	-	-	-	-	-
Benchmark <sup>3</sup>	22.9	-	-	-	-	-
Sector	17.7	-	-	-	-	-

## FUND ATTRIBUTES

- ✓ Emphasis on sustainable real capital growth
- ✓ Focus on companies with high return on capital and high cashflow conversion
- ✓ Aims to provide capital growth over rolling periods of 5 years
- ✓ Focus on larger companies with growth opportunities
- ✓ Underlying revenue streams from diverse geographies
- ✓ Low portfolio turnover, long-term holding periods

## KEY DETAILS

Sector	IA Global
Comparator Benchmark	MSCI World
Launch date	15 July 2020
Fund size	£30 million
No. of Holdings	35
Active share <sup>4</sup>	88.5%
Valuation point	12 noon daily
Div ex dates	1 Mar
Div pay dates	end Apr
Currency availability	GBP

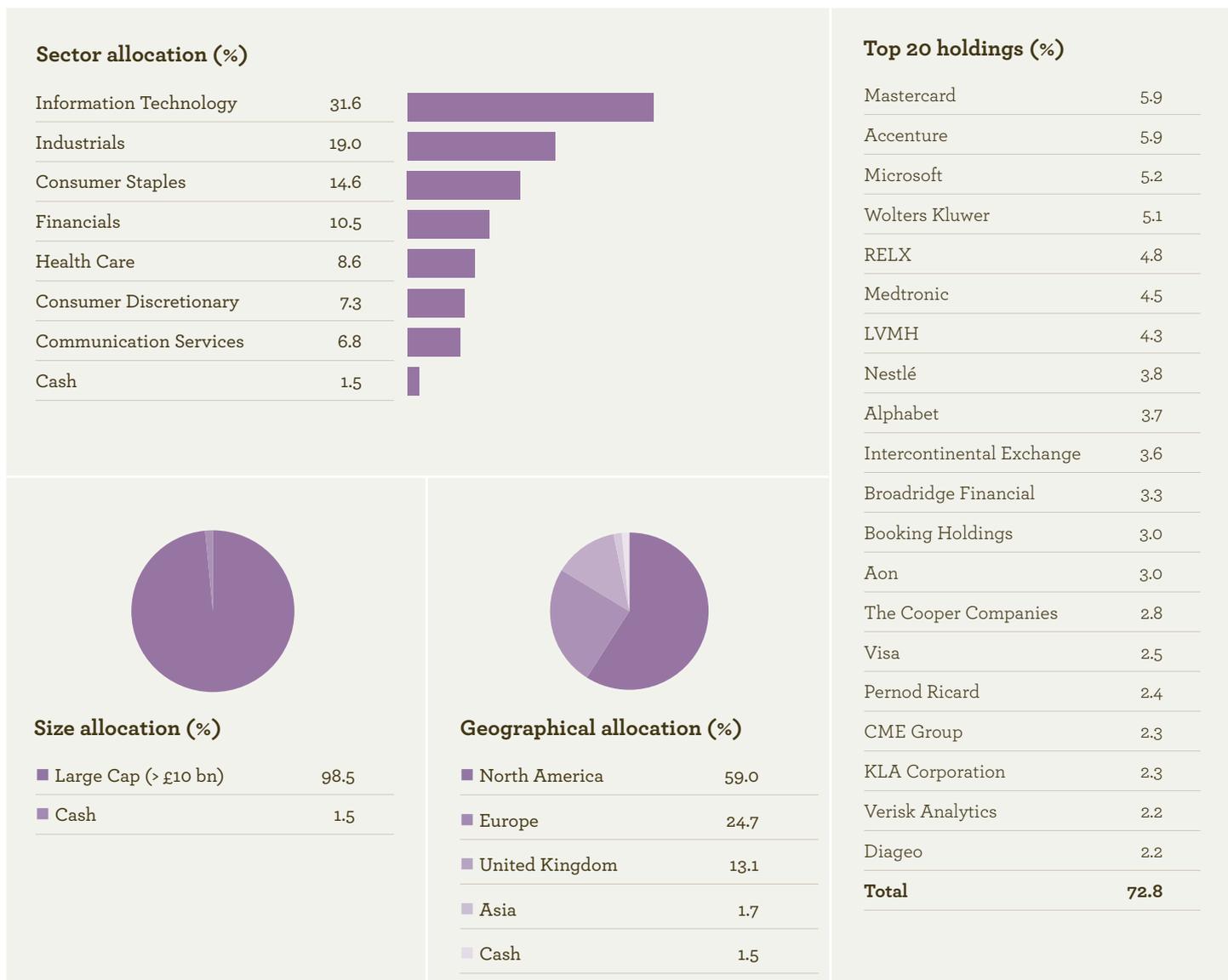
### Past performance is not a reliable indicator of future results.

All performance data used on this factsheet is total return, bid-to-bid, and sourced from Financial Express and MSCI.

1. From launch date: 15 July 2020.
2. TB Evenlode Global Equity B Acc GBP shares.
3. Comparator Benchmark is MSCI World (with net dividends reinvested) in GBP.
4. Active share is calculated against the fund's Comparator Benchmark, the MSCI World.



PORTFOLIO





## INVESTMENT TEAM

The Evenlode Investment Team totals 15 staff. Fund managers are supported by a team of analysts including three dedicated stewardship analysts, and the team works collegiately to challenge thinking and share ideas.



**CHRIS ELLIOTT**  
Fund Manager

Chris is a fund manager on the Evenlode Global Equity strategy, which launched in 2020, and on the Evenlode Global Income strategy, which launched in 2017. Chris is a fully qualified Chartered Financial Analyst and has a degree from the University of Cambridge in Mathematics and Economics. Prior to Evenlode, Chris worked as a senior software engineer.



**JAMES KNOEDLER**  
Fund Manager

James is a fund manager on the Evenlode Global Equity strategy, which launched in 2020. He previously worked as an Equities Analyst at Independent Franchise Partners (IFP) and before that worked as an Investment Analyst at Arisaig Partners and Newlands Investment Management. James graduated from Oxford University with a first-class degree in English and holds a Masters degree in Finance from the London Business School.



**CHRIS MOORE**  
Head of Research

Chris joined Evenlode Investment Management in February 2018 having previously been an equity research analyst at Investec Bank and Berenberg. Chris is a fully qualified Chartered Accountant and Chartered Financial Analyst, and studied Accounting and Finance at Warwick University.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)



**SAWAN KUMAR**  
Head of Stewardship



**CHARLIE FREITAG**  
Stewardship Analyst



**BETHAN ROSE**  
Sustainable  
Investment Analyst

### Integration into the investment process

On an annual basis, we conduct a portfolio-level emissions analysis based on the emission footprint of each underlying investee company. The analysis covers all greenhouse gas emissions covered by the Kyoto protocol, ranging from emissions generated directly in a company's operations, ie. burning gas or coal in a power plant, indirect emissions from electricity purchased by the company and basically everything else in their value chain, i.e. emissions in their supply chain and from the end use of their product. This extensive piece of work highlights the most carbon intensive companies (relative to their revenue) in our portfolio(s) which allows us to target our engagements where they can make the biggest difference.

### Our ongoing commitment

Signatory of:



Evenlode Investment Management became a signatory to the United Nations Principles for Responsible Investment (UNPRI) in 2018. By becoming signatories, we commit to implementing these principles and incorporating environmental, social and governance factors into our investment process to help enhance returns and better manage risk for our clients.

- ✔ Strategy & Governance: **A+**
- ✔ Integration: **A+**
- ✔ Engagement: **A**
- ✔ Proxy Voting: **A**

### Recent publications for download

- ✔ [UNPRI Assessment Report](#)
- ✔ [Responsible Investment Report](#)
- ✔ [Carbon Emissions Report](#)

### MSCI Rating



Data as at 30 November 2021. Based on 97.0% of AUM. MSCI ESG Fund ratings are intended to measure the resilience of funds to long-term risks and opportunities arising from environmental, social and governance issues.

### Morningstar® Ratings



Ratings as at 30 November 2021. Based on 100.0% of AUM. The Morningstar® Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio holdings are managing their environmental, social, and governance, risks and opportunities relative to the fund's Morningstar Global Category peers.

© 2021 Morningstar. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. MSCI ESG Research LLC's ("MSCI ESG") Fund Metrics and Ratings (the "Information") provide environmental, social and governance data with respect to underlying securities within more than 31,000 multi-asset class Mutual Funds and ETFs globally. MSCI ESG is a Registered Investment Adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from, the US SEC or any other regulatory body. None of the Information constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information.



## SHARE CLASS DETAILS

	GBP shares	
Share class	B ACC	C ACC
SEDOL codes	BMFX289	BMFX1N7
Share price	135.10p	135.24p
Minimum lump sum	£1,000	£10 million
Minimum regular savings	£50 pm	N/A
Periodic charge (%) <sup>1</sup>	0.85	0.75
Ex ante transaction cost (%)	0.22	0.22

1. Equivalent to OCF. For full information on the periodic charge please refer to section 7.1 of the full Prospectus.

### WHAT ARE THE RISKS?

As a focused equity portfolio of typically less than 40 investments, the fund can involve higher risk and higher volatility. The value of an investment can fall as well as rise as a result of market and currency movement; you may not get back the amount originally invested. You should therefore regard your investment as long term. Details on the risk factors are included in the fund's prospectus, available on our website.

### INVESTOR PROFILE

The Fund may appeal to investors who:

- ✓ Desire capital growth over the long term
- ✓ Accept the risk associated with the volatile nature of equity investments
- ✓ Plan to hold their investment for at least 5 years

## IMPORTANT INFORMATION

This Factsheet has been produced by Evenlode Investment Management Limited. TB Evenlode Global Equity is a sub-fund of the TB Evenlode Investment Funds ICVC. Full details of the TB Evenlode Investment Funds, including risk warnings, are published in the TB Evenlode Investment Funds Prospectus and the TB Evenlode Investment Funds Key Investor Information Documents (KIIDs) which are available on request and at [www.evenlodeinvestment.com](http://www.evenlodeinvestment.com). The TB Evenlode Investment Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested, you should therefore regard your investment as long term. As a focused portfolio of typically less than 40 investments, TB Evenlode Global Equity carries more risk than a fund spread over a large number of stocks. The fund has the ability to invest in derivatives for the purposes of EPM, which may restrict gains in a rising market. Investments in overseas equities may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Evenlode Investment Management Limited is authorised and regulated by the Financial Conduct Authority, No. 767844. T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority, No. 190293.

The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. ([www.msci.com](http://www.msci.com)).

### How to Invest

TB Evenlode Global Equity is available as an OEIC and is also suitable to include in stocks and shares ISAs and SIPPs.

You can buy shares in the fund by visiting:  
[www.tbaileyfs.co.uk/funds/tb-evenlodeinvestment-funds](http://www.tbaileyfs.co.uk/funds/tb-evenlodeinvestment-funds)

Or by telephoning the TB Evenlode Investor Dealing Line:

**0115 988 8287**  
(open business days between 9am and 5pm)

Or through various third parties including Aegon, AJ Bell, Aviva, Hargreaves Lansdown, Pershing and Transact.

### Contact Evenlode

The Long Barn  
Chalford Park Barns  
Oxford Road  
Chipping Norton  
Oxfordshire  
OX7 5QR  
United Kingdom

**01608 695200**  
**Calls are recorded**  
[www.evenlodeinvestment.com](http://www.evenlodeinvestment.com)

Authorised Corporate Director & Administrator:

T. Bailey Fund Services Ltd  
([www.tbaileyfs.co.uk/funds/tb-evenlodeinvestment-funds](http://www.tbaileyfs.co.uk/funds/tb-evenlodeinvestment-funds))