

# TB EVENLODE INCOME

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

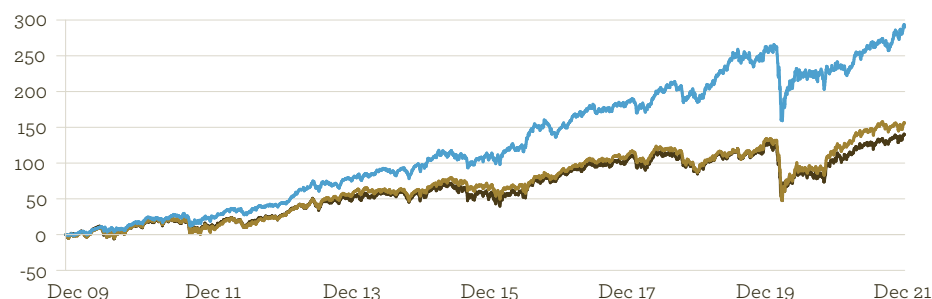
## MANAGER COMMENTARY

December was a quiet month for fundamental news flow, and a positive one for global stock markets. After a sell-off in late-November, sentiment recovered as investors began to look past the latest Omicron wave and towards the potential for a less pandemic-impacted global economy as 2022 progresses. Evenlode Income rose +3.7% compared to a rise of +4.5% for the IA UK Companies sector and +4.7% for the FTSE All-Share. The strongest contributors to return included Diageo, Sage and Compass. The shares of all three companies continued to benefit from strong trading updates in November. Sage also announced the bolt-on acquisition of cloud software company BrightPearl. There were no significant negative contributors to returns during the month.

We made no major changes to the portfolio, but as normal we aim to bias the portfolio towards holdings where we view the combination of quality and long-term valuation appeal as particularly interesting (for example, we continued to increase the fund's position in Compass). We are also monitoring and researching an interesting watchlist of potential ideas for the fund.

For the year as a whole, Evenlode Income rose +17.6% compared to +17.3% for the IA UK All Companies sector and +18.3% for the FTSE All-Share (over the last five years, the fund has returned +56.5% compared to +36.4% for the IA UK All Companies sector and +30.2% for the FTSE All-Share). We will review 2021 in more detail and discuss the 2022 outlook in the Evenlode Income January Investment View. In the meantime, it is worth noting how reassured we have been by the progress and adaptability demonstrated by underlying holdings during the volatile and operationally challenging conditions of the last two years. These market-leading companies enjoy cash-generative economics, pricing power and good potential for compounding growth over time. In terms of dividends, the recovery has continued over recent months, and we now expect full year dividend growth for the fund to be in the high-teens (versus our expectation of around +15% earlier in the year). The fund's income stream is very well covered by cash generation and this fact, combined with the aggregate portfolio's growth potential, bodes well for real dividend growth prospects over the coming years.

## PERFORMANCE SINCE LAUNCH (%)



## CUMULATIVE PERFORMANCE

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	10 Yrs	Launch
■ Fund (%) <sup>2</sup>	6.1	8.4	17.6	35.4	56.5	206.6	289.8
■ Benchmark (%) <sup>3</sup>	4.2	6.5	18.3	27.2	30.2	110.7	138.3
■ IA Sector (%)	2.1	4.9	17.3	34.7	36.4	131.6	155.8
Rank in sector	5/257	19/256	112/250	105/241	37/228	33/199	19/183
Quartile	1	1	2	2	1	1	1

## CALENDAR YEAR PERFORMANCE (%)

	2021	2020	2019	2018	2017	2016
Fund <sup>2</sup>	17.6	-7.4	24.2	0.4	15.2	17.1
Benchmark <sup>3</sup>	18.3	-9.8	19.2	-9.5	13.1	16.8
IA Sector	17.3	-6.0	22.2	-11.2	14.0	10.8

## FUND ATTRIBUTES

- ✓ Emphasis on sustainable real dividend growth
- ✓ Focus on companies with high returns on capital and strong free cash-flow
- ✓ Aims to provide income and capital growth over rolling periods of 5 years
- ✓ Low portfolio turnover, long-term holding periods
- ✓ Minimum of 80% in UK shares and up to 20% in overseas shares and/or cash
- ✓ Invests across the market-cap spectrum

## KEY DETAILS

Sector	IA UK All Companies
Comparator Benchmark	FTSE All-Share
Launch date <sup>4</sup>	19 October 2009
Fund size	£3,446 million
No. of Holdings	37
Historic yield <sup>5</sup>	2.4%
Active share <sup>6</sup>	76.6%
Valuation point	12 noon daily
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan



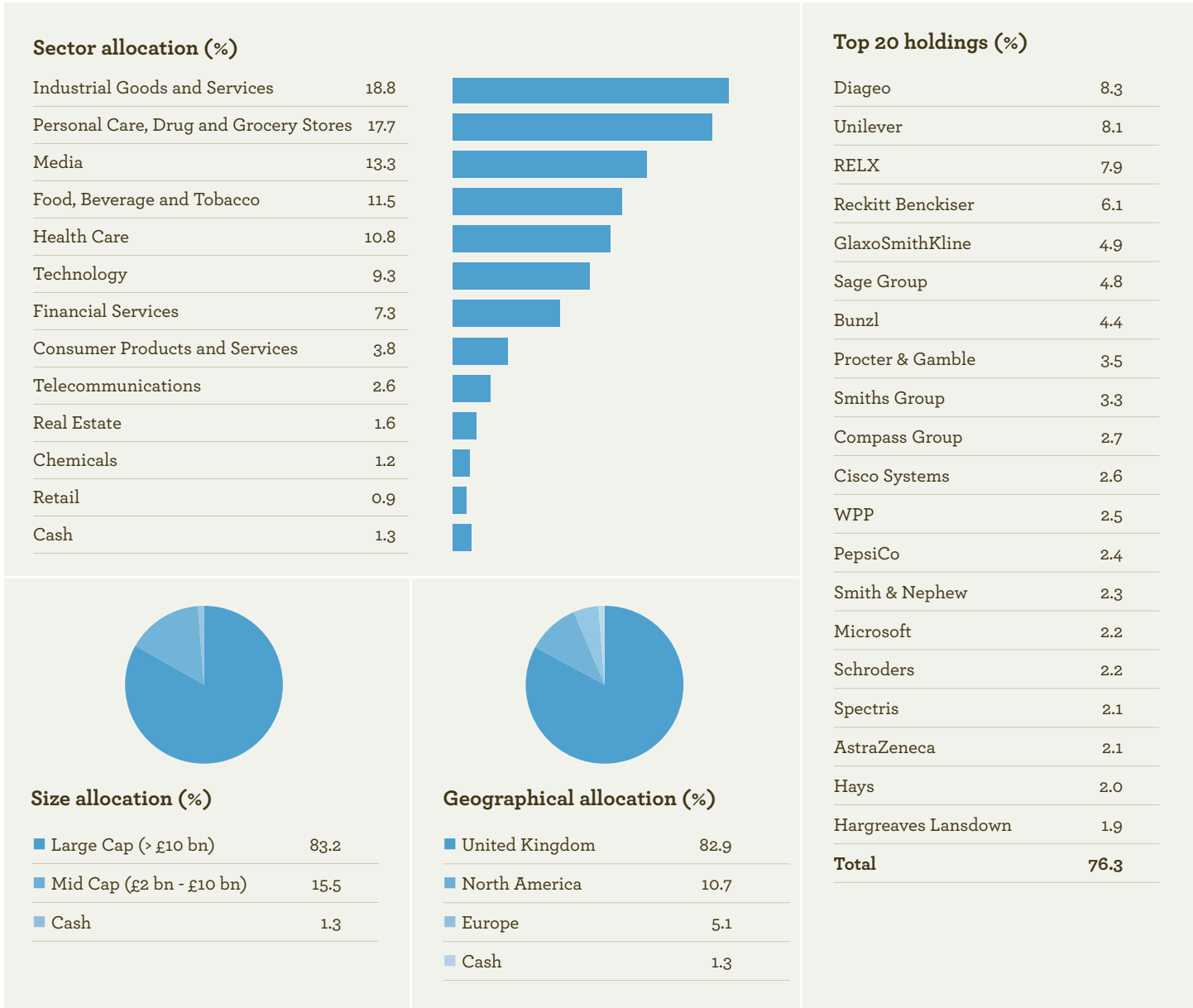
### Past performance is not a reliable indicator of future results.

All performance data used on this factsheet is total return, GBP terms, bid-to-bid, net of UK dividend tax credit, and sourced from Financial Express. The fund's main unit was changed to B shares on 1 December 2012 to comply with RDR regulation.

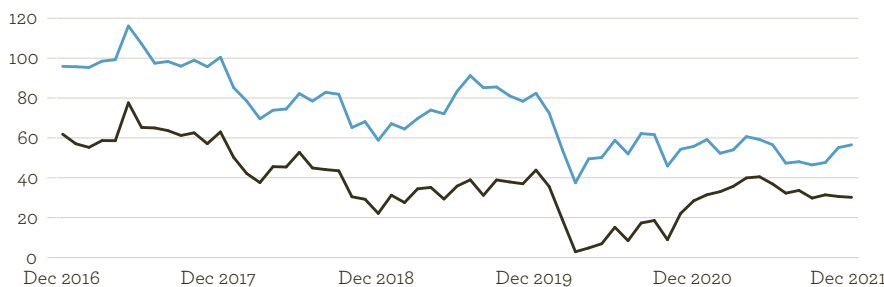
1. From launch date 19 October 2009.
2. TB Evenlode Income B Inc Shares.
3. Comparator Benchmark is FTSE All-Share (with net dividends reinvested) in GBP.
4. Evenlode Income was merged through a scheme of arrangement into TB Evenlode Income on 1 September 2017. Performance and dividend history are unaffected.
5. The historic yield reflects distributions over the past 12 months as a percentage of the price of the B Inc share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.
6. Active share is calculated against the fund's Comparator Benchmark, the FTSE All-Share Index.



PORTFOLIO

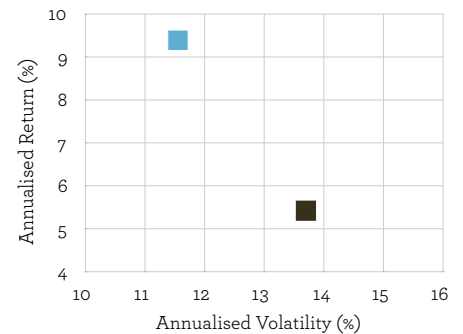


ROLLING 5 YEAR PERFORMANCE (%)



- TB Evenlode Income B Inc Shares
- FTSE All-Share Index

RISK RETURN (5 YEAR)



- TB Evenlode Income B Inc Shares
- FTSE All-Share Index

Past performance is not a reliable indicator of future results.

Total return, bid-to-bid, net of UK dividend tax credit, and sourced from Financial Express. Rolling 5 year performance figures are run to calendar month ends.



## 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.



**HUGH YARROW**

Fund Manager

Hugh launched TB Evenlode Income in October 2009. Previously he managed several equity income funds at Rathbone Unit Trust Management. Hugh holds a first-class degree from the University of Edinburgh in Philosophy and Mathematics.



**BEN PETERS**

Fund Manager

Ben has worked on the TB Evenlode Income fund since launch in 2009, and became co-manager in December 2012. Ben has a doctorate from the University of Oxford and a first-class degree from University College London, both in the field of physics. He holds the Investment Management Certificate and level 1 of the Chartered Financial Analyst qualification.



**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:



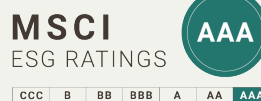
Evenlode Investment Management became a signatory to the United Nations Principles for Responsible Investment (UNPRI) in 2018. By becoming signatories, we commit to implementing these principles and incorporating environmental, social and governance factors into our investment process to help enhance 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 100.0% 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.

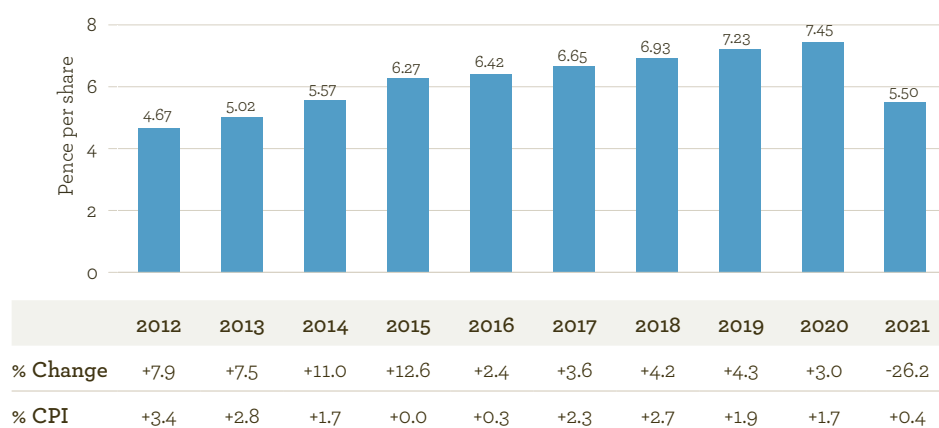


Ratings as at 30 September 2021. Based on 96.9% of AUM. The Morningstar® Low Carbon Designation™ is intended to allow investors to easily identify low-carbon funds across the global universe. The designation is an indicator that the companies held in a portfolio are in general alignment with the transition to a low-carbon economy.

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## ANNUAL DIVIDEND PAYMENTS



B Inc Shares. Pence per share figures relate to the fund's financial year ended February of the relevant year.

## SHARE CLASS DETAILS

	B shares (clean)		C shares (institutional)	
	ACC	INC	ACC	INC
Share class	ACC	INC	ACC	INC
SEDOL codes	BD0B7C4	BD0B7D5	BD0B7F7	BD0B7G8
Share price (pence)	388.88	255.13	391.46	256.82
Minimum lump sum	£1,000	£1,000	£10 million	£10 million
Minimum regular savings	£50 per month	£50 per month	N/A	N/A
Initial charge (%) <sup>1</sup>	5.00 <sup>1</sup>	5.00 <sup>1</sup>	5.00 <sup>1</sup>	5.00 <sup>1</sup>
Periodic charge (%) <sup>2</sup>	0.87	0.87	0.77	0.77
Ex ante transaction cost (%)	0.03	0.03	0.03	0.03
Latest distribution <sup>3</sup>	2.30	1.52	2.31	1.53

1. The fund remains available to existing investors with 0% initial charge.

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

3. Pence/share. XD date 1 December 2021. Latest distribution rate may be estimated.

## IMPORTANT INFORMATION

This Factsheet has been produced by Evenlode Investment Management Limited. TB Evenlode Income 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). 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.

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**springcapital**

Please contact Spring Capital Partners, in the first instance.  
020 3195 0076 [evenlode@springcapitalpartners.com](mailto:evenlode@springcapitalpartners.com)

## Income generated from £100 investment over 5 years

B Inc Shares

£17.07

Source: Financial Express, date of investment 31 December 2016.

## 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 and the income from it 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:

- ✓ Would like the prospect of sustainable real income growth combined with some 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

## Contact Evenlode

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Calls are recorded

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T. Bailey Fund Services Ltd  
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