

# TB EVENLODE INCOME

MONTHLY FACTSHEET all data as at 31 January 2023 unless otherwise indicated



This is a marketing communication. Please refer to the prospectus and to the Key Investor Information Documents (KIIDs) before making any final investment decisions.

## MANAGER COMMENTARY

Following a difficult 2022, investors began 2023 in a more optimistic mood, and global stock markets performed positively. Helpful to sentiment were signs that inflationary pressures are beginning to ease. This led to a fall in both interest rate expectations and bond yields.

Evenlode Income rose +1.5% compared to a rise of +4.5% for the FTSE All-Share and +4.5% for the UK All Companies Sector. This end-of-month snapshot was a little unflattering to the fund, in part due to valuation-timing<sup>4</sup> and the fund's swing-price mechanism<sup>2</sup> (at 6 February, for instance, Evenlode Income had risen +5.6% year-to-date compared to a rise of +5.7% for the FTSE All-Share).

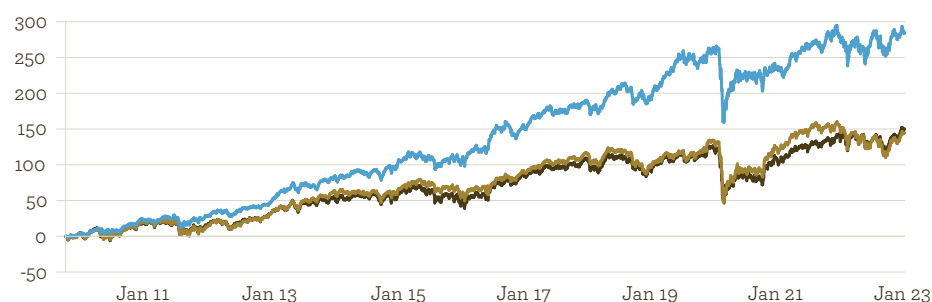
In terms of individual holdings, the most positive contributors were RELX, Bunzl, Howden, Burberry and Smiths Group. RELX, Bunzl and Howden increased on no specific news. Burberry and Smiths Group released encouraging trading updates with Burberry reiterating near and medium-term targets and Smiths Group increasing full year revenue guidance. The main negative contributors were Diageo, P&G and PepsiCo, as more defensive consumer staples stocks underperformed in an optimistic month. P&G released reassuring second quarter results and increased full year revenue guidance. More generally, results season has started and the fund's holdings continue to report steady growth in aggregate - reassuring in the context of the current global economic slowdown.

There were no major changes to the portfolio, though we continue to nudge the portfolio towards holdings where the combination of quality and valuation appeal is attractive. The opportunity set remains broad and diverse. Looking ahead, the economic backdrop is as usual uncertain. It remains to be seen both how deep the current global slowdown will be, and how significantly and rapidly inflation will fall. The recent increase in interest rates also has implications for the interest costs of more indebted companies and makes valuation more important than it was in the zero-interest-rate world of the last few years. In the context of all these factors, we find comfort in the portfolio's market-leading business models, high and compounding free cash flow streams, and strong balance sheets.

1. Evenlode Income valuation point is 12 noon; FTSE All-Share is close of day.

2. Price swung up on 31 December 2022 and down on 31 January 2023. Approximate impact on January 2023 performance 60 basis points (0.6%).

## PERFORMANCE SINCE LAUNCH (%)



## CUMULATIVE PERFORMANCE

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	10 Yrs	Launch <sup>1</sup>
■ Fund (%) <sup>2</sup>	5.2	0.2	3.4	8.3	36.0	151.8	284.8
■ Benchmark (%) <sup>3</sup>	10.4	5.3	5.2	15.6	23.1	84.9	149.9
■ IA Sector (%)	11.1	3.0	-1.4	7.3	14.6	80.5	143.1
Rank in sector	248/256	186/256	94/254	123/243	11/233	9/200	7/179
Quartile	4	3	2	3	1	1	1

## CALENDAR YEAR PERFORMANCE (%)

	YTD	2022	2021	2020	2019	2018
Fund <sup>2</sup>	1.5	-2.8	17.7	-7.4	24.3	0.4
Benchmark <sup>3</sup>	4.5	0.3	18.3	-9.8	19.2	-9.5
IA Sector	4.5	-9.1	17.3	-6.0	22.2	-11.2

## FUND ATTRIBUTES

- ✓ Emphasis on sustainable real dividend growth
- ✓ Actively managed, with 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 Index
Launch date <sup>4</sup>	19 October 2009
Fund size	£3,510 million
No. of Holdings	39
Historic yield <sup>5</sup>	2.7%
Active share <sup>6</sup>	76.0%
Valuation point	12 noon daily
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan



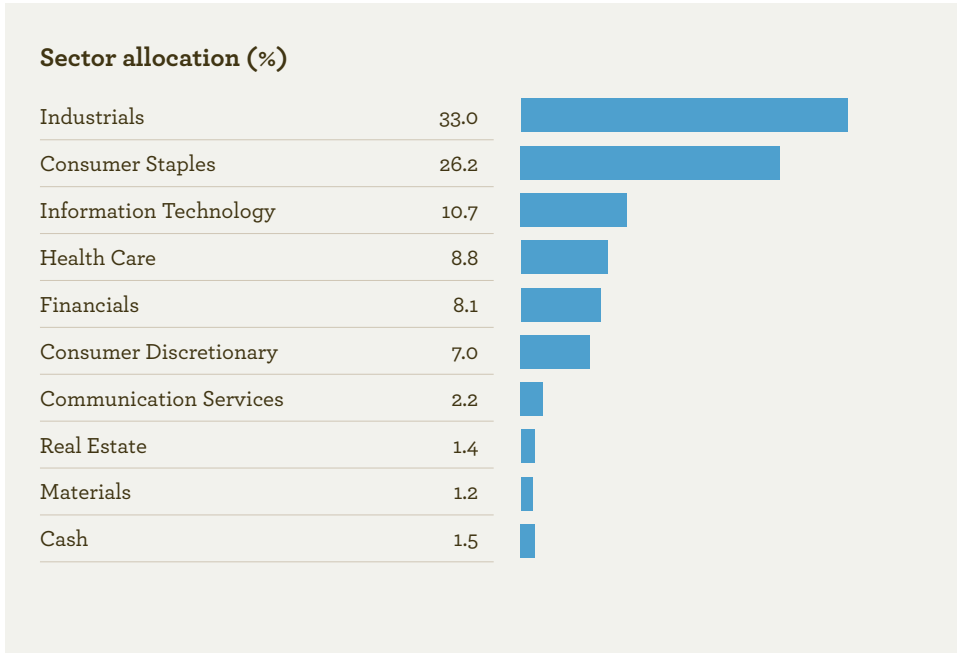
Past performance is not a reliable indicator of future results.

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.

- From launch date 19 October 2009.
- TB Evenlode Income B Acc GBP shares.
- Comparator Benchmark is the FTSE All-Share Index (with net dividends reinvested) in GBP.
- Evenlode Income was merged through a scheme of arrangement into TB Evenlode Income on 1 September 2017. Performance and dividend history are unaffected.
- 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.
- Active share is calculated against the fund's Comparator Benchmark, the FTSE All-Share Index.



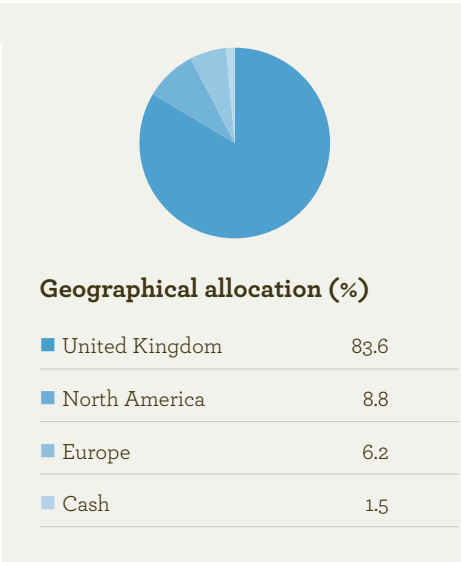
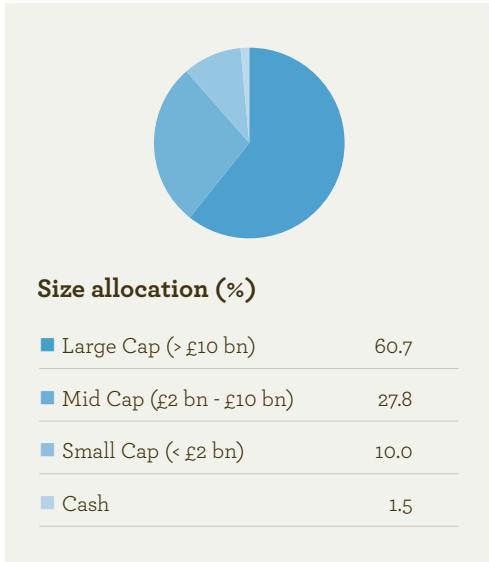
PORTFOLIO



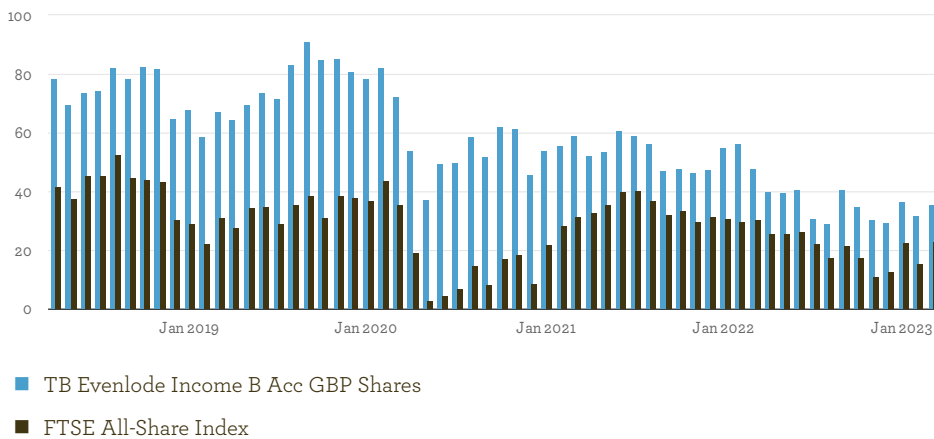
### Top 20 holdings (%)

RELX	8.0
Unilever	8.0
Diageo	6.9
Reckitt Benckiser	6.2
Bunzl	4.7
Sage Group	3.7
Smiths Group	3.6
Procter & Gamble	3.0
GlaxoSmithKline	3.0
Experian	2.7
Smith & Nephew	2.7
Compass Group	2.6
Microsoft	2.5
Intertek	2.4
Spectris	2.3
PepsiCo	2.0
Hays	2.0
London Stock Exchange Group	1.9
Wolters Kluwer	1.9
Schroders	1.8
<b>Total</b>	<b>71.9</b>

Investors will own shares in TB Evenlode Income, not in the underlying holdings; these are the underlying assets owned by the fund.

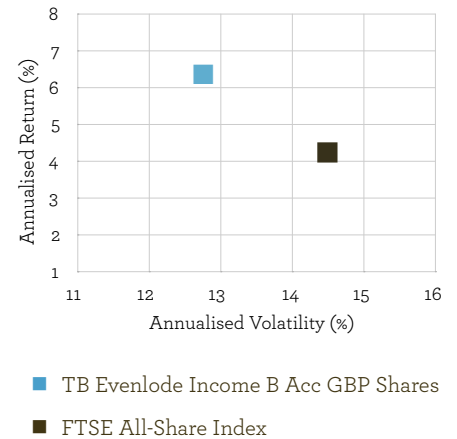


ROLLING 5 YEAR PERFORMANCE (%)



**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.

RISK RETURN (5 YEARS)





## INVESTMENT TEAM

The Evenlode Investment Team totals 18 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

Fund Manager

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



### REBEKAH NASH

Governance Analyst



### BETHAN ROSE

Sustainable Investment Analyst



### ZIKRI JAAFAR

Stewardship Analyst

### Integration into the investment process

A fresh start to a new year, however the goal for the Stewardship team remains the same. We aim to preserve and enhance the value of our clients' assets through long-term engagement and analysis. How does this work in practice? As proud members of the Net Zero Asset Managers (NZAM) initiative, we use active voting and engage with companies in our funds over the long-term to move them along their net zero journey. This is where we can have the biggest impact and can contribute to real economic change and decarbonisation. Assessing these companies on their net zero plans is the team's primary focus and we look forward to providing you with more detail on how our investee companies and our portfolios have progressed in the coming months.

### 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.

### Investment & Stewardship Policy



### Direct - Listed Equity Active fundamental - Incorporation



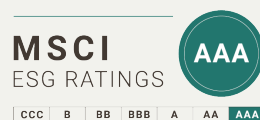
### Direct - Listed Equity Active fundamental - Voting



### Recent publications for download

- ✓ UNPRI Assessment Report
- ✓ Responsible Investment Report
- ✓ Carbon Emissions Report

### MSCI Rating



Data as at 31 December 2022. Based on 98.7% 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 2022. 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.

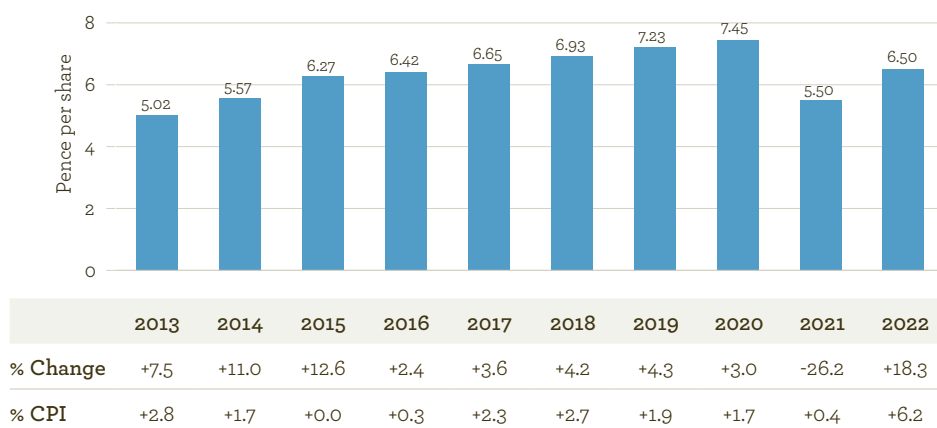


Ratings as at 30 September 2022. Based on 96.6% of AUM. The Morningstar® Low Carbon Designation™ is intended to allow investors to easily identify low-carbon funds across the global universe. The designation is an indicator that the companies held in a portfolio are in general alignment with the transition 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

Share class	B shares (clean)		C shares (institutional)	
	B ACC	B INC	C ACC	C INC
SEDOL codes	BD0B7C4	BD0B7D5	BD0B7F7	BD0B7G8
Share price	383.68p	244.77p	386.66p	246.66p
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%	5.00%	5.00%	5.00%
Periodic charge <sup>2</sup>	0.87%	0.87%	0.77%	0.77%
Ex ante transaction cost	0.05%	0.05%	0.05%	0.05%
Latest distribution <sup>3</sup>	2.47	1.59	2.49	1.60

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 2022. 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). 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 between 30 and 50 investments, TB Evenlode Income carries more risk than a fund spread over a larger 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. This factsheet is neither directed to, nor intended for distribution or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. The sale of shares of the fund may be restricted in certain jurisdictions. In particular shares may not be offered or sold, directly or indirectly in the United States or to U.S. Persons, as is more fully described in the Fund's Prospectus. 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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Please contact Spring Capital Partners.

+44 (0)20 3307 8086 [evenlode@springcapitalpartners.com](mailto:evenlode@springcapitalpartners.com)

## Income generated from £100 investment over 5 years

B Inc Shares

£16.17

Source: Financial Express, date of investment 31 January 2018.

## WHAT ARE THE RISKS?

As a focused equity portfolio of between 30 and 50 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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