

# TB EVENLODE INCOME\*

MONTHLY FACTSHEET all data as at 30 September 2023 unless otherwise indicated

\*From 2 October 2023 the name of the fund will change to WS Evenlode Income



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

In a quiet month for company news, it was the bigger economic picture that occupied investors in September. Central banks in the US, Europe and UK held interest rates, and hinted that they might be at or very close to their peaks. Mr Market though, chose to focus on the length of time that interest rates may need to stay at these levels, to bring inflation firmly back into line. September's rise in the oil price helped bolster this 'higher-for-longer' narrative. Bond yields thus continued their nearly three-and-a-half-year upward march from 2020 lows, creating a headwind for global stock markets. The UK market posted a positive return, though a strong showing from the oil sector masked weakness for many other stocks.

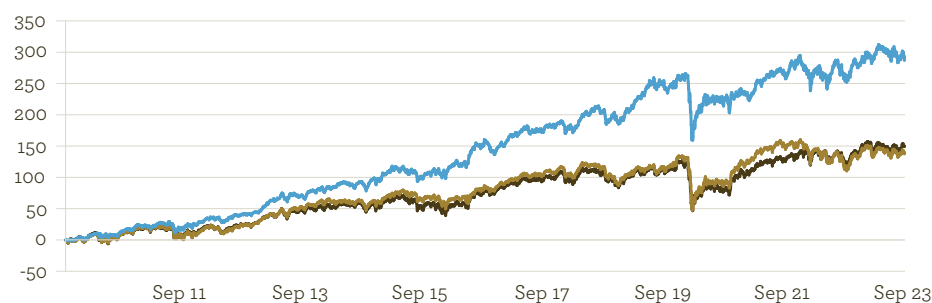
During the month, Evenlode Income returned -0.2% compared to +0.6% for the IA UK All Companies Sector and +1.8% for the FTSE All-Share Index. The fund's lack of exposure to the oil, mining and banking sector accounted the bulk of underperformance versus the UK market.

The most negative contributors to return were Diageo, Burberry and Halma. Diageo released a trading update ahead of its AGM confirming medium-term guidance. Burberry's share price weakness reflected concerns about a slowdown in the Chinese economy. The Summer 2024 collection was showcased during the month and was generally well received by industry participants. Halma released a trading update confirming full year guidance despite noting varied market conditions. We added to all three holdings during the month.

The most positive contributors to return during the month were RELX, GSK and Bunzl, whose shares prices rose on no specific news.

The outlook is uncertain, but we are reassured by the self-funded, cash compounding nature of underlying holdings. We are also reassured by the modest valuations of many holdings relative to their long-term histories. Meanwhile, repeat-purchase revenues and balance sheet strength provide insulation both from higher interest rates and a wide range of economic conditions.

## PERFORMANCE SINCE LAUNCH (%)<sup>1</sup>



## CUMULATIVE PERFORMANCE

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	10 Yrs	Launch <sup>1</sup>
■ Fund (%) <sup>2</sup>	-1.5	-0.9	9.7	21.6	27.9	132.6	292.9
■ Benchmark (%) <sup>3</sup>	1.9	1.4	13.8	39.8	19.7	71.8	149.9
■ IA Sector (%)	0.9	0.2	12.8	26.4	10.2	59.6	139.1
Rank in sector	201/241	164/241	187/240	138/230	13/219	5/189	4/165
Quartile	4	3	4	3	1	1	1

## CALENDAR YEAR PERFORMANCE (%)

	YTD	2022	2021	2020	2019	2018
Fund <sup>2</sup>	3.7	-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	2.8	-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	£3,288 million
No. of Holdings	37
Historic yield <sup>5</sup>	2.8%
Active share <sup>6</sup>	76.4%
Valuation point	12 noon daily
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan



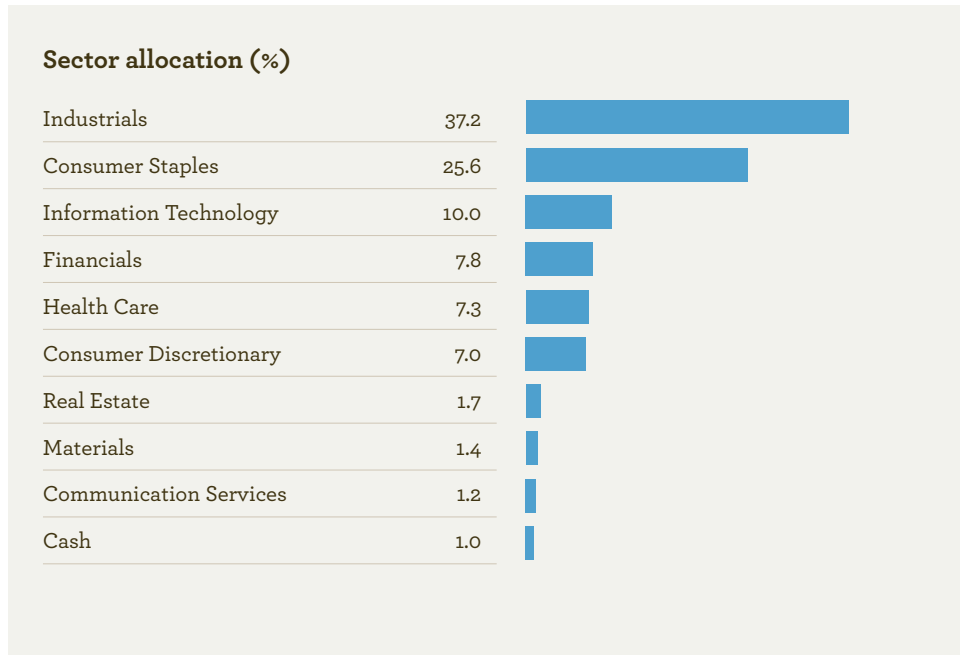
Past performance is not a reliable indicator of future results.

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 Acc GBP shares.
3. Comparator Benchmark is the FTSE All-Share Index (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.



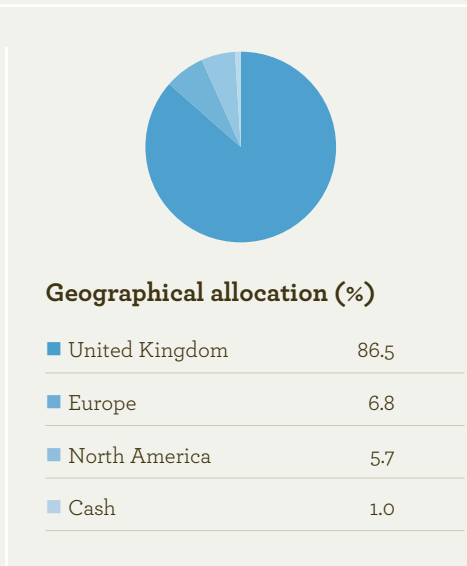
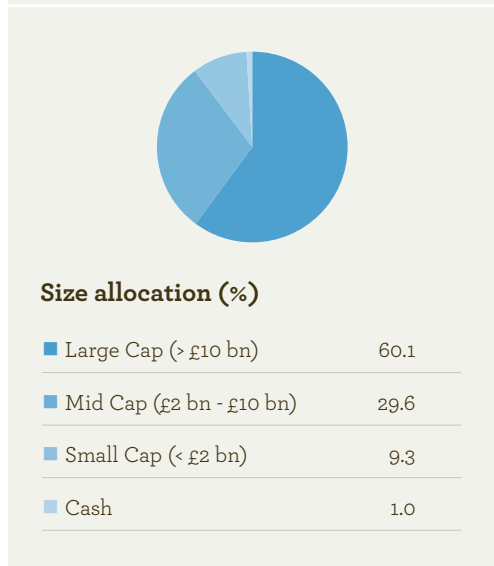
PORTFOLIO



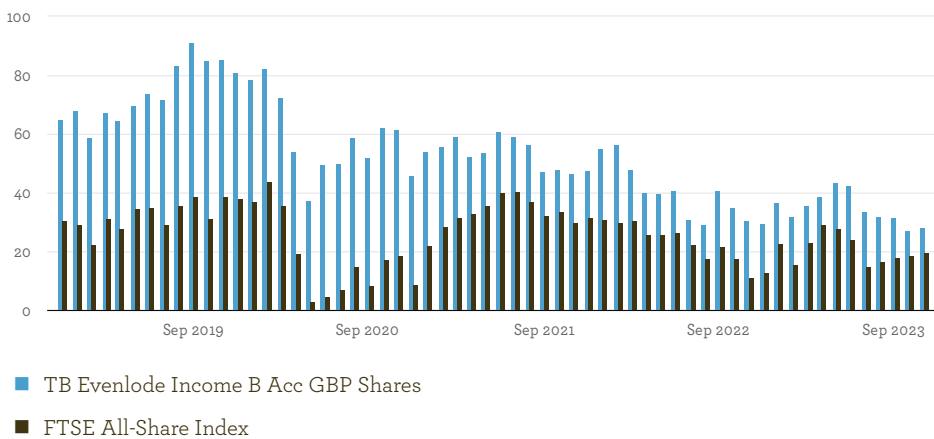
### Top 20 holdings (%)

RELX	9.0
Unilever	8.2
Diageo	7.5
Reckitt	6.7
Bunzl	4.9
Sage Group	3.5
Smiths Group	3.4
Experian	3.2
GSK	3.0
Compass	2.9
Intertek Group	2.6
Spectris	2.6
Smith & Nephew	2.6
Microsoft	2.5
London Stock Exchange Group	2.4
Howden Joinery Group	2.4
Hays	2.2
Wolters Kluwer	2.1
SGS	2.1
Page Group	1.9
<b>Total</b>	<b>75.7</b>

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

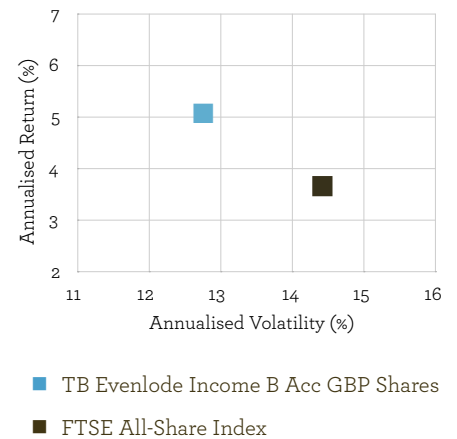


ROLLING 5 YEAR PERFORMANCE (%)



**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)



Annualised volatility is calculated using monthly returns.



## INVESTMENT TEAM

The Evenlode Investment Team totals 17 staff. Fund managers are supported by a team of analysts including four 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)

### Integration into the investment process



#### SAWAN KUMAR

Head of Stewardship

As part of the Evenlode Investment team, we bear a significant responsibility in the analysis of stewardship and ESG issues that pertain to companies within our Evenlode investable universes and portfolios. We firmly believe in the importance of a company's ESG credentials as vital risk factors to evaluate over the long term. Moreover, we are confident that our engagement with companies on these matters can lead to positive outcomes for the portfolios and create long-term value for our clients. We actively engage with all our investee companies to gather information regarding their approach to a wide range of ESG matters which plays a crucial role in shaping our perspective on the risks and opportunities these companies face. We view these engagements as valuable opportunities - discussing challenges with companies enables us to gain a deeper understanding of their business context and acquire more information about their strategies to mitigate risks.



#### REBEKAH NASH

Governance Analyst

### 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



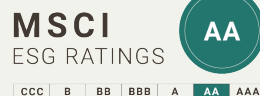
#### BETHAN ROSE

Sustainable Investment Analyst

### Recent publications for download

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

### MSCI Rating



Data as at 31 August 2023. Based on 99.4% 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 31 July 2023. 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.

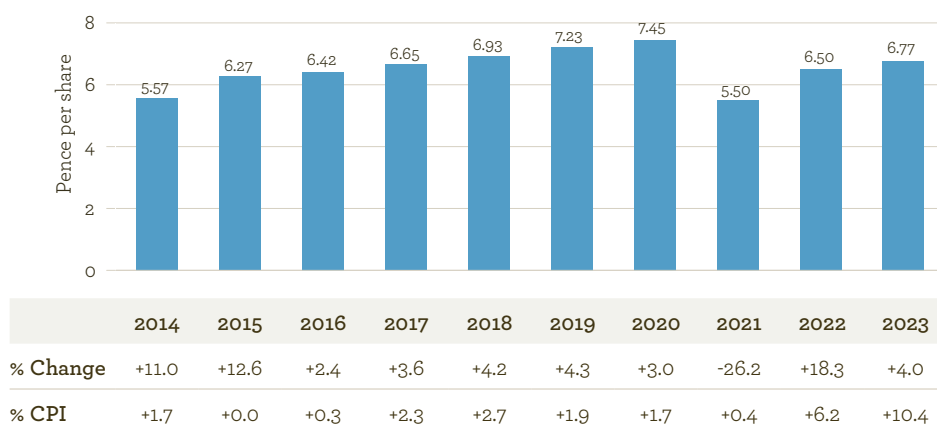


Ratings as at 31 July 2023. Based on 98.7% of AUM. The Morningstar® Low Carbon Designation™ is intended to allow investors to easily identify low-carbon funds across the global universe. The designation is an indicator that the companies held in a portfolio are in general alignment with the transition 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	391.79p	244.64p	395.09p	246.69p
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	0.09%	0.09%	0.09%	0.09%
Latest distribution <sup>3</sup>	2.65	1.67	2.67	1.68

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 September 2023. 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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## Income generated from £100 investment over 5 years

B Inc Shares

£14.44

Source: Financial Express, date of investment 30 September 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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([www.tbaileyfs.co.uk/funds/tb-evenlode-investment-funds](http://www.tbaileyfs.co.uk/funds/tb-evenlode-investment-funds))