

# EVENLODE GLOBAL OPPORTUNITIES

MONTHLY FACTSHEET all data as at 31 December 2022 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

The Evenlode Global Opportunities Fund declined slightly in December, materially less than the decline in its comparator benchmark, the MSCI World Index. As a result, the Fund finished the year slightly ahead of its benchmark. We will discuss the Fund's 2022 performance in a separate Investment View, but it's worth summarising our thoughts here for the year as a whole. The View goes into greater detail and discusses different periods within the year.

We were struck by how close Fund performance was to the index despite the Fund's high active share and its zero weighting to the GICS Energy Sector, which returned 68% for the year (source FactSet). On top of having no exposure to the darling sector of 2022, we had the additional disadvantage going into the year of exclusively owning 'quality' companies, which we define as companies with persistent competitive advantages underpinning superior economics. These advantages mean that they should grow cash flows more than the broader index over the long term. As long bond yields increased dramatically in the year, in theory this should have been disproportionately painful to companies which have more lifetime value in the further future. However, this exposure to 'quality' (or 'long duration' in investment jargon) seems not to have affected the portfolio materially. This is surprising as the MSCI World Quality Index did indeed underperform the broader MSCI World Index by 460bps in the year (source FE).

We think the gap between our performance and that of a broader quality index was driven primarily by stock selection. GICS level performance attribution shows that our companies did better than the broader GICS sectors in Consumer Discretionary, Information Technology, and Communication Services. Our valuation system pulled us away from both companies with poor current profitability, and from those with good current economics but insecure competitive advantages. Our portfolio companies were operationally resilient in difficult conditions in the year, and in 2023 we expect that their competitive advantages will grow shareholder value in real terms ahead of the broader index.

Performance in the month was driven by the fading of the powerful equities rally which started in October when US long bond yields topped out, with an exclamation mark at the end when China-exposed companies rallied strongly on news of changes in Chinese Covid policies.

As ever, we would like to thank all our investors for their trust and backing, and we continue to focus our efforts on preserving and growing your capital.

## PERFORMANCE SINCE LAUNCH (%)



## CUMULATIVE PERFORMANCE

	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs	Launch <sup>1</sup>
■ Fund (%) <sup>2</sup>	-0.5	8.2	2.5	-18.0	-	-5.9
■ Benchmark (%) <sup>3</sup>	-4.2	9.8	3.0	-18.1	-	-9.9
■ Sector (%)	-2.2	10.9	2.8	-19.3	-	-14.6
Rank in sector	327/1877	1506/1828	815/1777	533/1664	-/-	67/1513
Quartile	1	4	2	2	-	1

## CALENDAR YEAR PERFORMANCE (%)

	2022	2021	2020	2019	2018	2017
Fund <sup>2</sup>	-18.0	-	-	-	-	-
Benchmark <sup>3</sup>	-18.1	-	-	-	-	-
Sector	-19.3	-	-	-	-	-

## FUND ATTRIBUTES

- ✓ Emphasis on sustainable real capital growth
- ✓ Actively managed, with focus on companies with high returns on capital and high cashflow conversion
- ✓ Aims to provide capital growth over the long term
- ✓ Focused portfolio of 30-50 high quality larger companies with growth opportunities
- ✓ Underlying revenue streams from diverse geographies
- ✓ Low portfolio turnover, long-term holding periods

## KEY DETAILS

Sector	<b>EAA Fund Large-Cap Blend Equity</b>
Benchmark	<b>MSCI World</b>
Strategy launch date	<b>15 July 2020</b>
Fund launch date	<b>10 May 2021</b>
Strategy size <sup>4</sup>	<b>US\$68 million</b>
Fund size	<b>US\$2 million</b>
No. of Holdings	<b>32</b>
Active share <sup>5</sup>	<b>88.1%</b>
Valuation point	<b>12 noon daily</b>
Div ex dates	<b>1 Mar</b>
Div pay dates	<b>end Apr</b>
Fund domicile	<b>Ireland</b>
Countries of registration	<b>Ireland, Switzerland*</b>
SFDR category	<b>Article 8</b>

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

1. From launch date 10 May 2021 (Fund).
  2. Evenlode Global Opportunities X Acc USD shares.
  3. Benchmark is MSCI World (with net dividends reinvested) in USD.
  4. Strategy size refers to the combined fund value of TB Evenlode Global Equity and Evenlode Global Opportunities, in USD terms.
  5. Active share is calculated against the fund's Comparator Benchmark, the MSCI World.
- \*The Fund has appointed as Swiss Representative Waystone Fund Services (Switzerland) SA, Av. Villamont 17, 1005 Lausanne, Switzerland, Tel: +41 21 311 17 77, switzerland@waystone.com. The Fund's Swiss paying agent is Banque Cantonale de Genève. In respect of the Shares distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Swiss Representative.

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



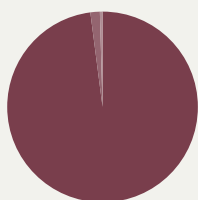
## PORTFOLIO

### Sector allocation (%)

Information Technology	28.5	
Consumer Staples	24.9	
Industrials	18.3	
Consumer Discretionary	9.3	
Financials	8.7	
Communication Services	6.7	
Health Care	3.2	
Cash	0.4	

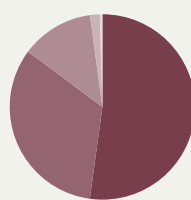
### Top 20 holdings (%)

Mastercard	6.7
Microsoft	6.5
Nestlé	5.6
Wolters Kluwer	5.3
Alphabet	5.0
Heineken	4.7
LVMH	4.0
Hermès International	3.8
Accenture	3.7
Estée Lauder	3.5
RELX	3.5
Experian	3.4
Medtronic	3.2
Unilever	3.0
L'Oréal	2.9
Intercontinental Exchange	2.9
Diageo	2.9
SGS SA Reg	2.5
Visa	2.5
Pernod Ricard	2.4
<b>Total</b>	<b>78.0</b>



### Size allocation (%)

Large Cap (> £10 bn)	98.0
Mid Cap (£2 bn - £10 bn)	1.6
Cash	0.4



### Geographical allocation (%)

North America	52.2
Europe	33.0
United Kingdom	12.7
Asia	1.7
Cash	0.4

Investors will own shares in Evenlode Global Opportunities, not in the underlying holdings; these are the underlying assets owned by the fund



## INVESTMENT TEAM

The Evenlode Investment Team totals 16 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



### REBEKAH NASH

Governance Analyst



### BETHAN ROSE

Sustainable Investment Analyst

### Integration into the investment process

We analyse, estimate and report on the carbon footprint of all investee companies across scope 1, 2 and 3 (subject to data availability) and aim to achieve a lower carbon footprint than the MSCI World Index. At the time of preparing the analysis at end of 2021, the results showed the emissions associated with investing £10k in one of our funds is between 0.6 and 2.4 tonnes of CO<sub>2</sub>-equivalents, or between 25 and 56 kilograms for scope 1 and 2 alone. For context, average per-capita emissions for UK residents are 4.8 tonnes per year, or 13 tonnes per year if imports from other countries are included. This analysis further provides us with information that is the basis for risk-based targeting of company engagements.

### 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



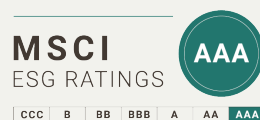
### Direct - Listed Equity Active fundamental - Voting



### Recent publications for download

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

### MSCI Rating



Data as at 30 September 2022. Based on 99.9% 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 October 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 99.1% 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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## SHARE CLASS DETAILS

	USD shares	
Share class	I ACC	X ACC
SEDOL codes	BLR7572	BLR75D8
Share price	\$0.90	\$0.94
Minimum lump sum	\$1 million	\$10 million
Periodic charge <sup>1</sup>	0.95%	0.75%
Ex ante transaction cost	0.16%	0.16%

1. Equivalent to OCF. For full information on the periodic charge, please refer to the Fees, Costs and Expenses section of the Evenlode Global Opportunities Fund Supplement to the Evenlode ICAV Prospectus.

The share classes listed above have launched and are available for investment. Other share classes are listed in the Evenlode ICAV Global Opportunities Fund prospectus supplement. Class R shares have a minimum investment of \$/€/£1,000, and an OCF of 1.50%. For full information on the share classes, please refer to the Key Investor Information documents.

### 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 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. Evenlode Global Opportunities is a sub-fund of the Evenlode ICAV. Prospective investors should seek independent financial advice. Full details of the Evenlode Funds, including risk warnings, are published in the Evenlode Funds Prospectus and the Evenlode Funds Key Investor Information Documents (KIIDs) which are available on request and at [www.evenlodeinvestment.com](http://www.evenlodeinvestment.com). The Evenlode 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, Evenlode Global Opportunities 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. The Fund is authorised and regulated in the Republic of Ireland by the Central Bank of Ireland.

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### How to Invest

You can buy shares in the fund by visiting:  
**Societe Generale Securities Services**

Or contacting them via email, phone or fax:  
**Service.Ta-Dublin@sgss.socgen.com**  
**+353 (0)1 675 0300**  
**+353 (0)1 675 0351 (fax)**

Administrator: Societe Generale Securities Services, IFSC House, Custom House Quay, Dublin, D01 R2P9.

ManCo: Equity Trustees Fund Services (Ireland) Limited, 56 Fitzwilliam Square, Dublin 2, D02 X224, Ireland.

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