

MONTHLY FACTSHEET all data as at 31 January 2022 unless otherwise indicated

MANAGER COMMENTARY

The Fund declined in the month of January by slightly more than the broader index sell-off. This is a salutary example of the old line that the market in the short term is a voting machine, but in the long term a weighing machine. The decline coincided with a heavy earnings season as companies with a December year end started reporting their 2021 results. Our portfolio companies had robust operational results across the board, comfortably ahead of the wider market. If we had to make the invidious choice between either weak portfolio stock prices or weak portfolio corporate earnings, we would always choose the former.

It's worth remembering that our companies enjoy – and are chosen for – their unusual competitive advantages. These confer exceptional pricing power as demonstrated by their average 57% gross margin¹, comfortably ahead of our comparator index's 31% gross margin², reducing the risk to earnings from increased inflation. Similarly, they all have healthy current economics and balance sheets, which means that they are insulated from the effects of higher capital costs, unlike companies which are still in cash burn growth mode.

A corporate reporting season during a volatile period puts the spotlight on companies with durable competitive advantages. We were fortunate to own a number of these. Microsoft, our third largest holding, posted half year results featuring 40% earnings growth, underpinned by continued growth in its Azure cloud computing platform. The company also announced increases in prices, with the cost of Office 365 being hiked by up to 25%. We expect few businesses will change provider. Microsoft is in the rare position of having both exceptional present economics and a vast future addressable market to grow into.

Mastercard, our largest holding, posted another excellent set of results. Payment's volume grew 21%, driving 23% net revenue and 24% operating profit growth. Executives at both large payment networks were bullish on the return of cross-border revenues, while results elsewhere confirmed the continuing criticality of the major networks' 'rails' in facilitating ecommerce.

In both cases, the competitive advantage of the company appears to have deepened in 2021. This is characteristic of the portfolio's results as a whole. We remain confident in the abilities of our companies to grow cash flows over the long term and will invest in those companies that can invest to self-fund growth.

1. FactSet, Evenlode Global Opportunities, average gross margin, December 2021.

2. FactSet, MSCI World Index, December 2021.

PERFORMANCE SINCE LAUNCH (%)

In accordance with FCA rules, performance is not shown on this factsheet as the fund launched less than a year ago. Fund performance will be shown once the fund is at least 12 months old.

FUND ATTRIBUTES

- ✔ Emphasis on sustainable real capital growth
- ✔ Focus on companies with high return on capital and high cashflow conversion
- ✔ Focus on larger companies with growth opportunities
- ✔ Underlying revenue streams from diverse geographies
- ✔ Low portfolio turnover, long-term holding periods

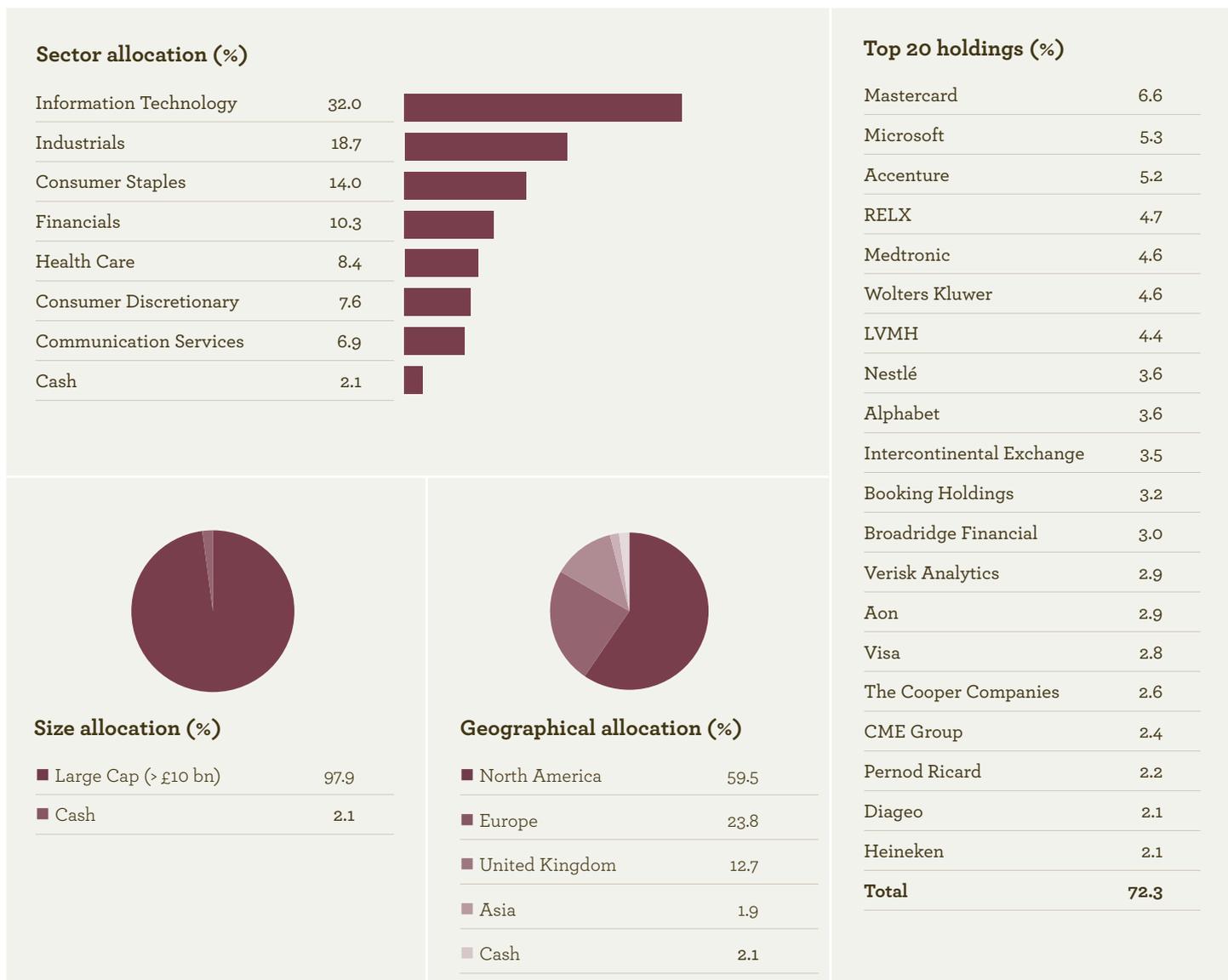
KEY DETAILS

| | |
|---------------------------|--|
| Sector | EAA Fund Large-Cap Blend Equity |
| Benchmark | MSCI World |
| Strategy launch date | 15 July 2020 |
| Fund launch date | 10 May 2021 |
| Strategy size | US\$43 million |
| Fund size | US\$2 million |
| No. of Holdings | 35 |
| Active share | 88.5% |
| Valuation point | 12 noon daily |
| Div ex dates | 1 Mar |
| Div pay dates | end Apr |
| Fund domicile | Ireland |
| Countries of registration | Ireland, UK, Switzerland* |

*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.



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

Integration into the investment process

Evenlode is a signatory of the UK Stewardship Code which was first published by the Financial Reporting Council in 2010. After being updated in January 2020, the code sets high stewardship standards for asset owners, managers and service providers that support them. The Code increasingly helps us navigate around these complex risk mitigating themes and is increasingly recognising that environmental, social and governance (ESG) factors are becoming even more material to the long-term success of a company. We have welcomed the emphasis on investor engagement outcomes over the last couple of years. We are hoping this will create more robust long-term engagement strategies with intended positive outcomes on investee companies.



CHARLIE FREITAG

Stewardship 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.

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



BETHAN ROSE

Sustainable Investment Analyst

Recent publications for download

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

MSCI Rating



Data as at 31 December 2021. Based on 97.1% 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 December 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.

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SHARE CLASS DETAILS

| | USD shares |
|------------------------------|--------------|
| Share class | X ACC |
| SEDOL codes | BLR75D8 |
| Share price | \$1.06 |
| Minimum lump sum | £100 million |
| Periodic charge ¹ | 0.75% |
| Ex ante transaction cost | 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 class listed above has launched and is 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%. Class I shares have a minimum investment of \$/€/£1 million, and an OCF of 0.95%. 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 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. 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. 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 typically less than 40 investments, Evenlode Global Opportunities 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. 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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Calls are recorded

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