Evenlode Global Income Fund Manager Review – December 2025

This document provides a comprehensive review of the IFSL Evenlode Global Income Fund, combining formal documents (factsheet, manager questionnaire, investment view, sustainability report and value assessment) with detailed qualitative insights from the recent podcast with lead manager Ben Peters. It provides a complete assessment of the fund's strategy, philosophy, process, performance, risks and behavioural edge, and its role within a diversified portfolio or retirement framework.

Strategy & Objective

The Evenlode Global Income Fund seeks to deliver:

- A growing dividend stream in real (inflation-adjusted) terms; and
- Long-term capital growth through ownership of high-quality, cash-generative global companies.

It is a global equity income strategy investing in 30–50 stocks, with very high active share (91%).

From the podcast, Peters frames the strategy as aiming to hold "*enduring, capital-light compounders*"—businesses with repeatable cash flows, strong competitive moats, and business models that don't require heavy reinvestment to grow.

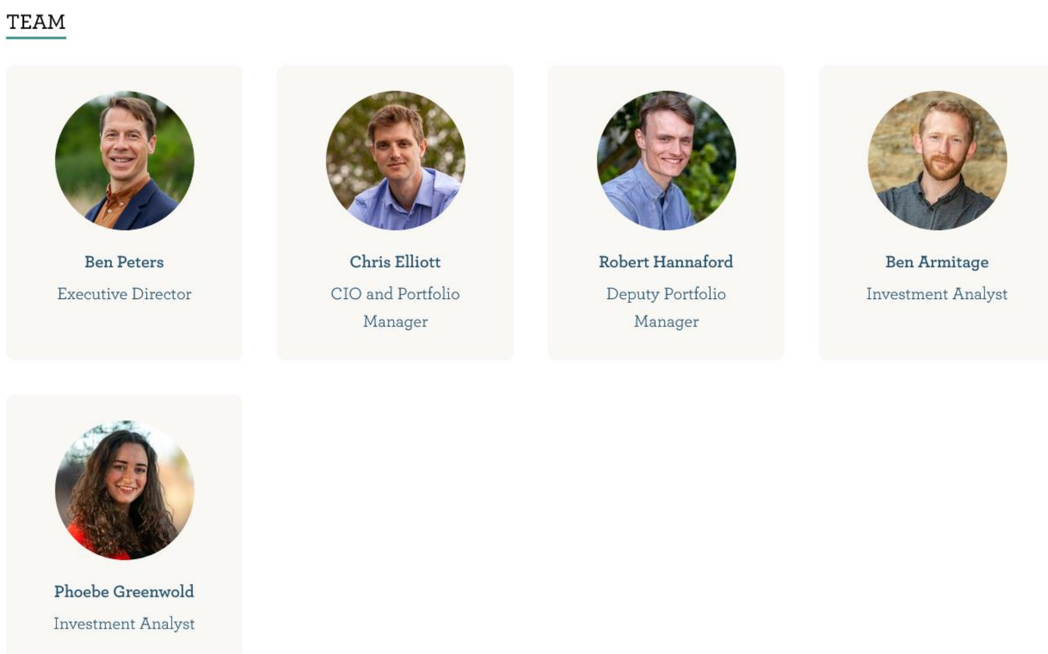
He repeatedly emphasises the fund's purpose:

"We want companies that can grow their cash flows and dividends sustainably over long periods — through recessions, through inflation, through whatever the world throws at them."

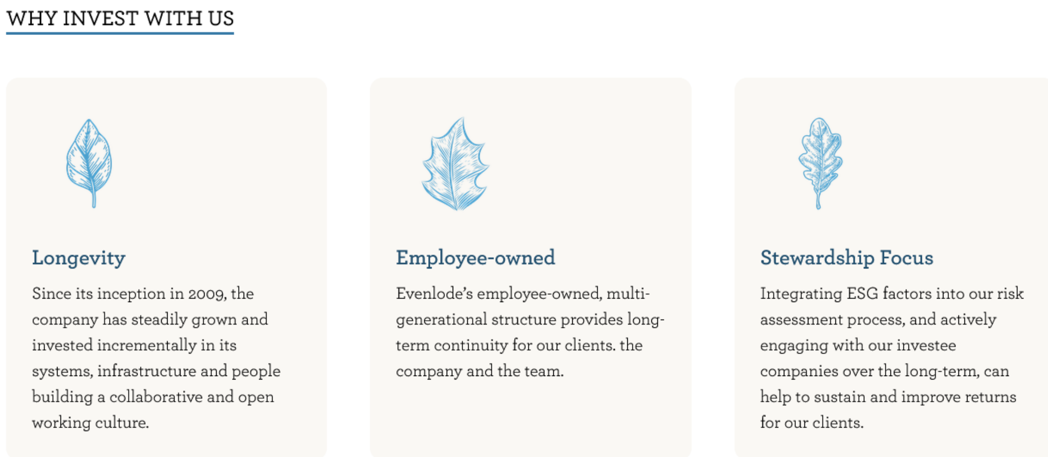
Team & Resources

Managers & Roles

- Ben Peters – Lead Manager / Co-founder
    - Background in physics and teaching before moving into investment — shaping his analytical and educative approach.
    - Co-founded Evenlode in 2009; manages both Evenlode Income and Global Income.
- Chris Elliott – Co-Manager (since launch)
- Robert Hannaford – Deputy Manager
- Research team of analysts including Ben Armitage and Phoebe Greenwold.
- Supported by a dedicated Stewardship/ESG team, and a broader 19-person investment team.



Culture & Ownership


WHY INVEST WITH US

Longevity

Since its inception in 2009, the company has steadily grown and invested incrementally in its systems, infrastructure and people building a collaborative and open working culture.

Employee-owned

Evenlode's employee-owned, multi-generational structure provides long-term continuity for our clients. the company and the team.

Stewardship Focus

Integrating ESG factors into our risk assessment process, and actively engaging with our investee companies over the long-term, can help to sustain and improve returns for our clients.

Evenlode is:

- Independently owned, with a long-term Employee Ownership Trust structure.
- Intentionally built to support patient investing, avoiding short-term commercial pressures.

From the podcast, Peters notes that consistency, humility and psychological safety within the team matter deeply:

"We don't want people making heroic calls; we want patient, repeatable decision-making."

Money Wise UK view:

This is one of the most stable, philosophically aligned equity-income teams in the UK, with strong stewardship and a cohesive culture built for long-run compounding.

Investment Process

We seek real, durable returns for our clients over the long term, investing in a sustainable way that contributes to a positive future.

We believe in quality over quantity and follow a select group of companies extremely closely using thorough risk focused evaluation processes. We care deeply about what we do and our business model ensures we take our client and employee responsibilities very seriously.

Evenlode's process is unusually consistent and rooted in business-first investing, not market timing.

3.1 Philosophy – Capital-Light Compounding

Peters describes their target companies as:

- Capital-light
- High ROIC
- Cash generative
- Able to compound steadily over decades

They avoid sectors where returns on capital are structurally low or volatile, e.g. energy, mining, autos, heavy financials, banks, insurance, REITs.

3.2 The EDDIE System – Guardrails Against Style Drift

A key insight from the podcast is Evenlode's use of EDDIE, their proprietary system that scores:

- Quality
- Financial resilience
- Cash-flow durability
- Valuation
- Business risks

EDDIE is specifically designed to stop behavioural drift:

"EDDIE stops us wandering away from what we know works. It straps us to the mast."

This provides a level of discipline similar in spirit to TwentyFour's "Observatory" system — though used for equities, not bonds.

3.3 Research & Valuation

- All holdings valued via discounted cash flow.
- Portfolio weightings reflect valuation, conviction and business risk scoring.
- Turnover consistently low (c. 11%).
- This slow-moving, fundamentals-driven process aligns fully with their long-term horizon.

3.4 Behavioural Edge – Patience & Temperament

- A major theme of the podcast is behavioural discipline:
- Peters explains that despite modern data science and AI, the hardest part of investing is behaviour, not numbers:
- "It's all behavioural. The data is not the issue. It's sticking with the long-term process, especially when it's uncomfortable."

This is why they focus on:

- Low turnover
- Valuation discipline
- Avoiding hype cycles
- High-quality but sensibly priced stocks

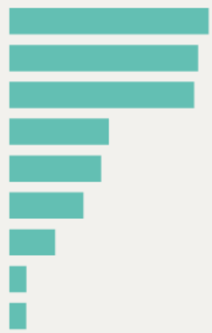
This behavioural edge becomes crucial in extended periods of underperformance — which they expect and embrace.

Portfolio Characteristics (as at 31 Oct 2025)

PORTFOLIO

Sector allocation (%)

Consumer Staples	21.7
Health Care	20.6
Industrials	20.1
Financials	10.8
Information Technology	10.0
Consumer Discretionary	8.1
Communication Services	5.0
Materials	1.9
Cash	1.8



Size allocation (%)

Large Cap (> £10 bn)	88.0
Mid Cap (£2 bn - £10 bn)	10.1
Cash	1.8

Geographical allocation (%)

Europe	40.8
North America	27.7
United Kingdom	25.9
Asia-Pacific	3.8
Cash	1.8

Top 20 holdings (%)

L'Oréal	4.3
Microsoft	4.1
Unilever	4.1
Reckitt	4.0
LVMH	3.8
Medtronic	3.4
Experian	3.4
Nestlé	3.3
Capgemini	3.2
Sanofi	3.1
Wolters Kluwer	3.1
RELX	2.9
CME Group	2.8
GSK	2.8
Amadeus	2.8
Paychex	2.6
Deutsche Börse	2.5
Roche	2.5
Quest Diagnostics	2.4
Procter & Gamble	2.3
Total	**63.4**

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

- Holdings: 41
- Active share: 90.7%
- Yield: 2.6%
- Market cap: 88% large-cap

Sector positioning

- Overweight: Consumer Staples (21.7%), Healthcare (20.6%), Industrials (20.1%)
- Underweight / avoid: Energy, Materials (1.9%), Real Estate, Banks, Insurance

They *currently* have a large underweight to information technology, but that's not structural and is a reflection of the current high valuations in the sector.

Geographical mix

- Europe ex-UK: 40.8%
- UK: 25.9%
- US: 27.7%
- Asia-Pacific: 3.8%

Characteristics

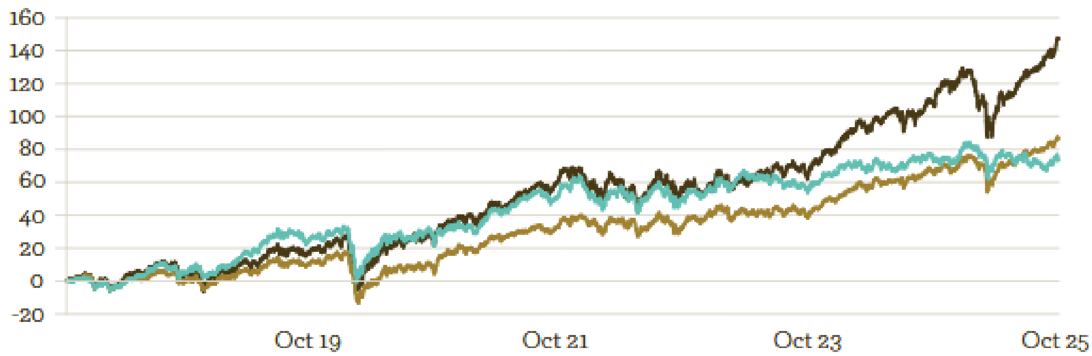
- High-quality, high ROIC, low leverage
- Consistent dividend growth
- Strong cash-flow generation

This is a quality-income portfolio with structural skews away from the mega-cap tech-dominated MSCI World due to the high valuations.

Performance

(All data B Acc, to 31 Oct 2025)

PERFORMANCE SINCE LAUNCH (%)[1]



CUMULATIVE PERFORMANCE

	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	Launch[1]
Fund (%)[2]	3.0	-0.5	0.0	0.7	15.7	43.2	73.8
Benchmark (%)[3]	4.5	8.8	22.9	19.4	57.9	103.0	147.6
IA Sector (%)	2.9	4.4	13.6	12.9	39.5	78.6	86.7
Rank in sector	28/57	51/56	55/56	52/54	47/51	46/48	30/41
Quartile	2	4	4	4	4	4	3

CALENDAR YEAR PERFORMANCE (%)

	YTD	2024	2023	2022	2021	2020
Fund[2]	1.0	3.8	8.7	-6.4	23.0	3.5
Benchmark[3]	14.2	20.8	16.8	-7.8	22.9	12.3
IA Sector	11.8	11.0	9.2	-1.2	18.7	3.3

- 1 year: +0.7% vs +19.4% MSCI World
- 3 years: +15.7% vs +57.9%
- 5 years: +43.2% vs +103.0%
- Since launch: +73.8% vs +147.6%

Performance interpretation

In the podcast Peters openly acknowledges the last 3+ years have been deeply uncomfortable:

"The narrowness of the market... there's been nowhere to hide if you're valuation-disciplined."

He highlights three structural headwinds:

1. Dominance of the Magnificent 7
2. Momentum and growth outperformance
3. Quality indices increasingly reflecting mega-cap tech

Evenlode has not chased these trends, and Peters is emphatic that this is a feature, not a bug:

"If we start bending the process to keep up every year, we'd destroy the long-term returns we're here to deliver."

The team stresses repeated market history: valuation discipline tends to pay off after periods of extremes.

Investment Theme & Edge

FUND ATTRIBUTES

- Emphasis on sustainable real dividend growth
- Focus on companies with high returns on capital and strong free cash-flow
- Free cash flow and dividend streams from diverse geographies
- Low portfolio turnover, long-term holding periods
- Focus on larger companies

The fund's edge combines:

1. Capital-Light Compounding

Businesses whose economics structurally outperform capital-intensive peers.

2. Valuation Discipline

Peters highlights today's valuation opportunity:

“The quality companies we like are the best value we’ve seen in a decade.”

3. Behavioural Advantage

Patience, consistency and resisting market fads.

4. Proprietary Research & EDDIE

Keeps quality and valuation discipline central.

5. Pragmatic ESG

Integrated stewardship, but not driven by labels.

Our purpose is to preserve and enhance the value of our client’s assets through long-term engagement and analysis.

Strengths

- Deeply aligned team, long tenure, stable culture
- Distinctive, high-conviction approach
- Strong dividend growth track record
- Attractive current valuations post underperformance
- Consistency and clarity of process
- Behavioural discipline reinforced via EDDIE
- Lower drawdowns historically vs MSCI World

Risks

- Underperforms in narrow, momentum-led bull markets
- Valuation-driven process may lag prolonged growth dominance
- Concentration risk (top 20 >60%)
- Lower yield than high-income peers
- Significant tracking error vs benchmark
- Limited exposure to sectors driving index performance (tech, energy)

Peters stresses the need for advisers to set expectations clearly:

“We will lag when markets are narrow. You must be okay with that to benefit from the long-term compounding.”

Role in a Portfolio / Retirement Planning Context

The fund is best used as:

A quality-income building block, suited to:

- Long-term, risk-aware investors
- Portfolios needing capital preservation + real income growth
- Complementing passive global equity allocations overweight US mega-cap tech
- Blending with deep value, passive or growth funds for style diversification
- Retirement CRP® middle-bucket ("sustainable growth + dividends") allocations

It should *not* be seen as a standalone global equity solution or short-term performance driver.

Points of Difference

- True quality-income strategy, not high yield
- Performance driver is dividend growth, not headline yield
- Unique capital-light focus
- EDDIE as a robust anti-drift framework
- Pragmatic, non-marketing-led ESG
- Highly patient culture with behavioural self-awareness
- Attractive valuation vs MSCI World after a multi-year derating

Summary & Money Wise UK View

The IFSL Evenlode Global Income Fund represents a concentrated, high-quality, dividend-growth approach built on a clear investment philosophy and behavioural discipline. The team is stable, principled and deeply aligned with long-term investors.

Underperformance in 2022–2025 reflects a narrow, momentum-driven market environment rather than process deterioration. With valuations in the portfolio at multi-year lows relative to quality peers, the fund offers a compelling diversification tool for advisers building resilient global equity allocations.

Money Wise UK Assessment:

- Strong long-term attributes for CRP/CIP-aligned portfolios
- Ideal as a valuation-conscious, defensive equity complement to passive global trackers

- Requires client understanding of style cycles and tracking error
- Attractive opportunity for long-term investors willing to be patient through the style cycle

This is a high-quality, philosophically consistent strategy that will reward investors who understand the process, hold through underperformance, and value dividend growth backed by durable business economics.

Disclaimer

Past performance is not a reliable guide to future results. The value of investments can fall as well as rise, and investors may not get back the amount originally invested.

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Review Completed: December 2025