

## Investment strategy highlights

BankInvest Global Equities is a bottom-up stock picking strategy. The ambition is to achieve a competitive total return with focus on 1) risks, 2) free cash flow / capital allocation, and 3) share price appreciation.

### Investment philosophy

**1) Certainty principle:** The most certain aspect of investing is uncertainty. Hence, risk is the first pillar of the investment philosophy.

**2) Free cash flow focus:** Ultimately, free cash flows determine long-term shareholder value creation. Thus, the second pillar is free cash flow, its quality, growth, and usage. Preferring companies with high and stable cash conversion.

**3) No conviction:** No conviction bets and avoiding "macro bets". Approx. 50 stocks, broadly diversified on sectors and countries/regions.

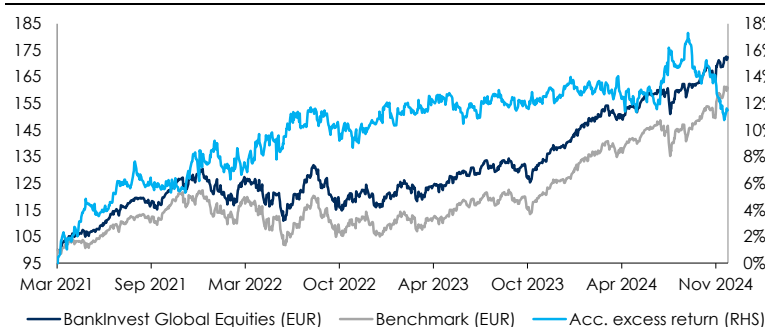
**4) Strategic focus:** Focus on "Need to have" over "Nice to have" products and services. The resilience of the former becomes obvious in times of economic uncertainty.

**5) Ambition:** Avoiding "losers", rather than picking "winners".

## Sector exposures

Sector	Portfolio	Benchmark	+/-
Financials	18,5%	15,6%	2,8%
Consumer Discretionary	12,0%	10,2%	1,8%
Consumer Staples	7,4%	6,3%	1,1%
Utilities	3,4%	2,7%	0,7%
Materials	4,0%	3,6%	0,4%
Industrials	11,3%	11,0%	0,3%
Real Estate	2,1%	2,3%	-0,2%
Communication Services	6,8%	7,8%	-1,0%
Health Care	10,3%	11,4%	-1,0%
Information Technology	23,8%	24,9%	-1,1%
Energy	0,0%	4,0%	-4,0%

## Performance (\*)



## About the strategy

Inception with current management team\* 16 March 2021

Benchmark MSCI World

\*Same team managing BankInvest's Global Equity Income strategy (since 2011).

## Portfolio characteristics

Characteristics	Portfolio	Benchmark
# securities	48	1.409
Dividend yield	1.8%	1.9%
P/E ratio, 12m forward	18.6x	19.5x
Active share	70%	
ESG rating, MSCI	A	

Risk, 3 years (36m)	Portfolio	Benchmark
Standard deviation	12.5%	13.8%
Sharpe ratio	0.97	0.80
Beta (vs BM)	0.88	
Tracking error	3.1%	
Information ratio	0.30	

## Top 10 holdings relative

Security	Weight	+/-
Visa	3,0%	2,3%
Amazon	4,7%	2,2%
Capgemini	2,1%	2,1%
Deutsche Telekom	2,2%	2,1%
Willis Towers Watson	2,1%	2,1%
Amdocs	2,0%	2,0%
Linde	2,4%	2,0%
TFI International	2,0%	2,0%
ING Group	2,0%	2,0%
American Tower	2,1%	2,0%
Top 10 active share		20,7%

Performance	Portfolio	Benchmark	Excess return
1m	5.5%	7.5%	-2.0%
YTD	24.2%	27.4%	-3.3%
2023	19.4%	19.6%	-0.2%
2022	-10.2%	-12.8%	2.6%
2021*	29.5%	21.1%	8.4%

\*Notes: Launch 16/03/21

Since launch (16/03/21)	Portfolio	Benchmark	Excess return
Cumulative	72.4%	60.9%	11.5%
Annualised	15.8%	13.7%	2.1%

## Portfolio construction

- Approx. 50 stocks with a minimum weight of 0.5%.
- All sectors in developed markets in principle.
- The portfolio is more-or-less sector neutral (to reduce "macro risk").

## Portfolio managers

Manager	Years of experience
Michael Clemens <i>Chief Portfolio Manager</i>	>30
Kresten Johnsen <i>Senior Portfolio Manager</i>	>15
Aleksander Edemann, CFA <i>Portfolio Manager</i>	>5

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Source: Bloomberg, BankInvest, 30.11.2024. \*Notes: Gross return before fees.

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