Factsheet

Global Equities

September 2024

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, equally weighted and 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”.

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	49	1.429
Dividend yield	1.9%	1.9%
P/E ratio, 12m forward	18.6x	18.9x
Active share	70%	
ESG rating, MSCI	A	

Risk, 3 years (36m)	Portfolio	Benchmark
Standard deviation	12.5%	13.6%
Sharpe ratio	0.94	0.77
Beta (vs BM)	0.90	
Tracking error	2.8%	
Information ratio	0.48	

Sector exposures

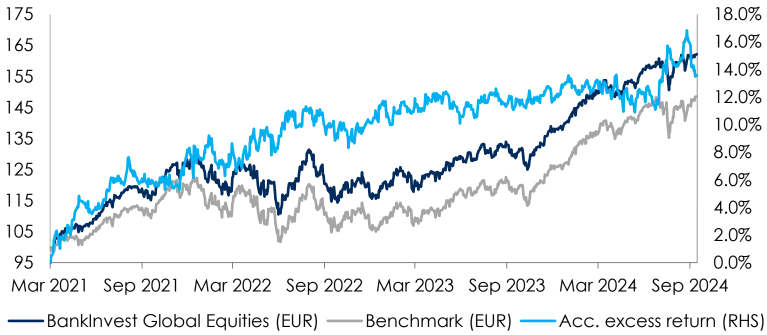
Sector	Portfolio	Benchmark	+/-
Financials	18.1%	15.4%	2.6%
Consumer Discretionary	12.0%	10.3%	1.7%
Consumer Staples	7.5%	6.5%	1.0%
Utilities	3.4%	2.7%	0.7%
Materials	4.1%	3.8%	0.3%
Industrials	11.1%	11.1%	0.0%
Real Estate	2.2%	2.3%	-0.1%
Health Care	10.9%	11.7%	-0.8%
Communication Services	6.6%	7.6%	-1.0%
Information Technology	23.7%	24.8%	-1.0%
Energy*	0.0%	3.9%	-3.9%

*Notes: The strategy will not invest in producers of fossil fuels.

Top 10 holdings relative

Security	Weight	+/-
Capgemini	2.4%	2.4%
Visa	2.8%	2.1%
Amazon	4.6%	2.1%
American Tower	2.2%	2.1%
Linde	2.4%	2.1%
McDonald's	2.4%	2.1%
Deutsche Telekom	2.2%	2.0%
ING Group	2.1%	2.0%
Amdocs	2.0%	2.0%
Willis Towers Watson	2.0%	2.0%
Top 10 active share		20.8%

Performance (*)



Performance	Portfolio	Benchmark	Excess return
1m	0.2%	1.0%	-0.8%
YTD	17.1%	17.6%	-0.5%
2023	19.4%	19.6%	-0.2%
2022	-10.4%	-12.8%	2.3%
2021*	29.5%	21.1%	8.4%

*Notes: Launch 16/03/21

Since launch (16/03/21)	Portfolio	Benchmark	Excess return
Cumulative	62.2%	48.6%	13.6%
Annualised	14.6%	11.8%	2.8%

Portfolio construction

- Approx. 50 stocks with a minimum weight of 1%.
- All sectors in developed markets (excl. producers of fossil fuels and tobacco).
- The portfolio is more-or-less sector neutral (to reduce “macro risk”).

Portfolio managers

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

*Source: Bloomberg, BankInvest, 30.09.2024. *Notes: Gross return before fees.*