



## **EdenTree Investment Management Ltd (EdenTree)** **Remuneration Statement**

We are a UK based investment manager and all that we do is on behalf of customers and clients. Our business strategy is to be the investment manager of choice for our customers and clients. Our focus is the long-term.

[Our culture, values and behaviours](#) are strongly focused on delivering great service for customers and clients; an engaging, rewarding workplace for our people; and to be seen as a force for good in the wider business community and society as a dedicated manager of responsible, sustainable and impact aligned solutions.

### Our People

Our people are fundamental to the aim of “making all investment responsible”.

EdenTree is an equal opportunities employer, committed to an appropriate life-work balance and a fair reward structure. The mutual contract between our people and the business is reflected in the high standard of personal and professional conduct expected from everyone.

Our reward structure is designed to support a strategy of delivering performance with principles to our clients.

### Remuneration

*EdenTree has been subject to the Remuneration Code since 1 January 2011 due to its investment activities and is captured by the following rules:*

*EdenTree Asset Management is subject due to SYCS 19G MIFPRU.*

*EdenTree Investment Management is classified as a UCITS Management Company since December 2022 and is therefore subject to SYSC19E.*

*These rules govern the remuneration of employees of regulated firms and aim to ensure that firms establish, implement and maintain remuneration policies, procedures and practices that are consistent with and promote effective risk management.*

### **Remuneration Elements**

Remuneration for all employees comprises a number of elements; fixed salary, benefits (e.g, Pension, life assurance, sick pay) and Variable pay i.e. cash bonus and long term incentives for fund managers and senior management.

Regulatory requirements require that the remuneration of certain categories of employees, “Code Staff”, or similar is set by reference to other specific guidelines. Annual bonuses and long-term incentives are currently paid in cash and linked to key strategic goals; these include business performance, long term investment performance (for fund managers); customer & conduct; and individual performance targets. For senior managers, material risk takers and control functions a proportion of the variable component may be deferred and vest over a three year period. It may also be subject to clawback.

The overall aim of EdenTree is to promote the long-term success of the Company and to attract, motivate and retain high calibre employees who can deliver sustained performance consistent with EdenTree’s strategic goals.



## Core Principles of Reward at EdenTree

The following principles underpin EdenTree's reward structures:

### Performance-related

Reward will reflect individual and business performance, both in terms of actual achievement against objectives. Company and individual performance will be reflected in employees' reward where appropriate through variable pay schemes. However, EdenTree will adopt a prudent and considered approach when determining what portion of an employee's remuneration package should be variable/performance-linked. Where appropriate, specific mechanisms will be put in place to support long-term success and to protect against inappropriate conduct and behaviours (e.g. the operation of formal long-term incentive plans over a minimum period of 3 years, bonus deferral, clawback/malus provisions).

Variable remuneration includes discretion to reduce unvested variable remuneration (malus) and discretion to clawback vested variable remuneration (clawback) in certain circumstances e.g. material financial irregularity or serious misconduct. EdenTree is committed to avoiding "rewards for failure".

### The fixed vs variable pay balance

EdenTree wishes to foster a performance culture where people recognise that high levels of performance delivered within the Company's risk profile, in accordance with its values/culture and high standards of conduct will be rewarded.

The degree of leverage (i.e. the role played by performance-related pay) in packages should increase with seniority, thereby ensuring that an increased portion of remuneration is linked to performance and, therefore, "at risk".

Therefore, amongst the most senior executives at EdenTree, fixed pay should be set by reference to applicable median levels (as determined taking account of the factors described above) and comprise a significant portion of the overall package. However, senior executives should have the ability to materially enhance their overall pay through performance-related remuneration if high levels of performance are delivered. An individual's annual bonus and long-term incentive opportunity will be subject to caps, save in exceptional circumstances. However, unless required by statute/regulation, EdenTree will not apply an overall cap on variable pay opportunity as a ratio/multiple base salary/fixed pay.

Overall, reward structures should be designed to ensure that inappropriate behaviours/risk-taking is neither encouraged nor rewarded through, for example, there being too great a weighting on variable pay and that customer experience is not prejudiced in any way by the operation of its pay arrangements.

### **Governance and Review**

EdenTree is a wholly owned subsidiary of the Benefact Group.

EdenTree's governance and decision making processes as they relate to remuneration is overseen by the EdenTree Board and Benefact Group Remuneration Committee which exclusively comprises of independent non-executive directors (who do not perform any executive function). Members are appointed by the Group Board on recommendation of the Group Nominations Committee. They serve a three year term which may be extended for a further two terms. A minimum of two members is required, currently there are four members:

Sir Stephen Lamport  
David Henderson  
Angus Winther  
Neil Maidment



The Chairman, the Group Chief Executive and the Group HR Director may also attend meetings but will not be members of the Committee.

The oversight undertaken by the Group Remuneration Committee is set out in the Committee's Terms of Reference, which are reviewed annually. The Group's Remuneration Policy is reviewed annually by the Committee to ensure it is fully aligned with the Company's long-term objectives, its risk profile, its culture and values, market practice and takes due account of the regulatory environment.