

PROSPECTUS

# EDENTREE INVESTMENT FUNDS – SERIES 2

---

VALID AS AT AUGUST 2024



# CONTENTS

---

1	Introduction	3
2	Investment objective and policies	3
3	Shares	3
4	How to buy shares	4
5	How to sell shares	5
6	How to switch between funds	5
7	Suspension of dealing	5
8	Governing law	6
9	Valuation and pricing	6
10	Distributions	7
11	Management and administration	8
12	Investment advisor	8
13	Depositary	8
14	The auditors	10
15	Administrator and registrar – delegated functions	10
16	Conflicts of interest	10
17	Charges and expenses	10
18	Reports to shareholders	13
19	Meetings of shareholders and voting rights	13
20	Cancellation rights	14
21	How will your information be used?	14
22	Electronic verification	14
23	Termination and amalgamation	15
24	Taxation	15
25	Income equalisation	17
26	Umbrella company issues	17
27	Instrument, Prospectus and reports	17
28	Risks	17
29	Complaints	19
30	Address for service and inspection of documents	19
31	Client money	19
<b>APPENDICES</b>		
	Appendix 1 – Details of Funds	20
	Appendix 2 – Investor Profile	25
	Appendix 3 – Investment and Borrowing Powers	25
	Appendix 4 – List of Eligible Securities Markets	29
	Appendix 5 – List of Securities	30
	Appendix 6 – Authorised Collective Investment Schemes of which the ACD is the Authorised Corporate Director	30
	Appendix 7 – List of Subcustodians	31

# ABOUT THIS PROSPECTUS

This document is the Prospectus for EdenTree Investment Funds – Series 2 and is issued pursuant to and has been prepared in accordance with Section 236 of the Financial Services and Markets Act 2000, the Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes Sourcebook of the Financial Conduct Authority Handbook.

## IMPORTANT

If you are in any doubt about the contents of this Prospectus you should consult your own financial adviser.

This Prospectus is intended for distribution in the United Kingdom. The distribution of this Prospectus and the offering of shares in EdenTree Investment Funds – Series 2 may be restricted in other jurisdictions. Potential investors are required to inform themselves of the legal requirements and restrictions of their own jurisdiction and act accordingly.

This Prospectus does not amount to a solicitation or offer by any person in any jurisdiction in which such solicitation or offer would be unauthorised or unlawful. Copies of this Prospectus have been sent to the Financial Conduct Authority and the Depositary.

## SUMMARY

EdenTree Investment Funds – Series 2 ('the Company') formerly known as EdenTree Investment Funds for Charities is an open-ended company incorporated as an investment company with variable capital.

- The Company is an umbrella company with four sub-funds (each referred to throughout this Prospectus as 'a Fund', or together as 'Funds').
- EdenTree Investment Management Limited is the Authorised Corporate Director (ACD) of the Company.
- The Bank of New York Mellon (International) Limited is the Depositary of the Company.
- Shareholders are not liable for the debts of the Company.
- The ACD has Professional Indemnity Insurance cover. Details are available on request.
- The Company has a minimum share capital of £1 and a maximum of £10,000,000,000.
- The accounts of the Company are prepared in Sterling and this is the base currency.
- Should the Company or any Fund not have a minimum share capital of £1,000,000 in the Company or relevant Fund then the Company or the relevant Fund at the ACD's discretion may be wound up.
- The Company currently issues five types of share.
  - The company issues share classes for retail and institutional investors who invest in the EdenTree Responsible and Sustainable Multi-Asset Cautious Fund, the EdenTree Responsible and Sustainable Multi-Asset Balanced Fund and the EdenTree Responsible and Sustainable Multi-Asset Growth Fund. These funds issue Class A (retail) shares which are income accumulating shares aimed at smaller investors; Class B (institutional) shares which are income accumulating shares for larger investors.
  - The company issues share classes for institutional investors who invest in the EdenTree Green Infrastructure Fund. This Fund issues Class B, I and S Shares for institutional investors, and Class D Shares which are restricted and only available to the Multi-Asset Funds or institutional clients that have entered into a separate investment management agreement.
  - Income attributable to Class B, Class I (inc) and Class D Shares will be distributed to the shareholder (after deduction of any relevant tax) in respect of each accounting period. Income attributable to the I (acc) and S Shares will be accumulated to the shareholding of shareholders in each accounting period.
- Title to shares will be evidenced by entry on the Register of Shareholders; share certificates will not be issued.
- The shares are not listed on any stock exchange.
- The minimum value of shares which may be held in Class A Shares in a Fund is £1,000. In Classes B and D the minimum value of shares which may be held is £1,000,000. The minimum value of shares which may be held in Class I is £100,000,000 and the minimum value of shares which may be held in Class S is £250,000,000.
- The annual accounting reference date is 31 December. The interim accounting period ends on 30 June.

- Distributions will be declared and paid twice yearly on 31 August and 28 February except for the EdenTree Green Infrastructure Fund where distributions will be declared and paid quarterly on 28 February, 31 May, 31 August and 30 November.
- The Dealing Day for the Company is any day on which the London Stock Exchange is open for business.
- The valuation point is normally 12 noon on a Dealing Day.
- Prices are published daily on our website at [www.edentreeim.com](http://www.edentreeim.com).

## 1. INTRODUCTION

EdenTree Investment Management Limited, as the Authorised Corporate Director ('ACD') of the Company, is the body responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus does not contain any untrue or misleading statement or omit any matters required by the FCA Rules to be included in it. The ACD accepts responsibility for this Prospectus on this basis.

The Company is categorised under the rules in the Collective Investment Schemes Sourcebook of the Financial Conduct Authority (the 'FCA Rules' or 'COLL') as a non-UCITS retail scheme and is an umbrella investment company with variable capital incorporated under the Open-Ended Investment Companies Regulations 2001 ('OEIC Regulations') in England and Wales under number IC000866. It was authorised by the Financial Services Authority, now the Financial Conduct Authority ('FCA') on 10 February 2011 under Product Reference Number ('PRN') 534194. The constitutional document of the Company, the Instrument of Incorporation ('Instrument') can be inspected at the head office of the Company, Benefact House, 2000 Pioneer Avenue, Gloucester Business Park, Brockwood, Gloucester GL3 4AW where the Prospectus is also lodged. The Instrument is binding on all shareholders of the Company.

This Prospectus is based on information, law and practice at August 2024. The Company cannot be bound by an out of date Prospectus when it has issued a new one. This Prospectus does not give investment, legal or tax advice. Investors should consult their own advisers in relation to taking any action.

## 2. INVESTMENT OBJECTIVE AND POLICIES

The fundamental investment objective of the Company is the spreading of risk through pooled investment. The detailed investment objectives and the policy for each Fund for achieving those objectives are set out in Appendix 1.

The investment restrictions applying to the Company are set out in Appendix 3.

## 3. SHARES

The classes of share currently available in the EdenTree Responsible and Sustainable Multi-Asset Cautious Fund, the EdenTree Responsible and Sustainable Multi-Asset Balanced Fund and the EdenTree Responsible and Sustainable Multi-Asset Growth Fund are Class A Shares and Class B Shares. The classes of share currently available in the EdenTree Green Infrastructure Fund are Class B Shares, Class D Shares, Class I Shares and Class S Shares.

The attributes of the various share classes currently available are as follows:

### 3.1 Class A Shares:

Income attributable to Class A Shares will be accumulated to the shareholding of shareholders (after deduction of any relevant tax) in respect of each accounting period. Class A Shares are available for investments of £1,000 and over.

### 3.2 Class B Shares:

Income attributable to Class B Shares in the EdenTree Responsible and Sustainable Multi-Asset Cautious Fund, the EdenTree Responsible and Sustainable Multi-Asset Balanced Fund and the EdenTree Responsible and Sustainable Multi-Asset Growth Fund will be accumulated to the shareholding of shareholders (after deduction of any relevant tax) in respect of each accounting period. Income attributable to Class B Shares of the EdenTree Green Infrastructure Fund will be distributed quarterly to shareholders (after deduction of any relevant tax) in respect of each accounting period. Class B Shares are available for investments of £1million and over.

### 3.3 Class D Shares:

Class D shares are restricted and only available to the Multi-Asset Funds or institutional clients who have entered into a separate investment management agreement.

Income attributable to Class D Shares will be distributed quarterly to shareholders (after deduction of any relevant tax) in respect of each accounting period. Class D Shares are available for investments of £1million and over.

### 3.4 Class I Shares

Income attributable to Class I (income) Shares of the EdenTree Green Infrastructure Fund will be distributed quarterly to shareholders (after deduction of any relevant tax) in respect of each accounting period. Income attributable to Class I (accumulation) Shares of the EdenTree Green Infrastructure Fund will be accumulated to the shareholding of shareholders (after deduction of any relevant tax) in respect of each accounting period. Class I Shares are available for investments of £100 million and over.

### 3.5 Class S Shares:

Income attributable to Class S Shares will be accumulated to the shareholding of the shareholders (after deduction of any relevant tax) in respect of each accounting period. Class S Shares are available for investments of £250 million and over.

#### 4. HOW TO BUY SHARES

Shares may be purchased by sending a completed application form to the Administrator, Northern Trust Global Services SE, Sunderland SR43 4AU. Alternatively, the shares may be purchased by telephoning the ACD on 0800 358 3010.

For the EdenTree Green Infrastructure Fund applications received by the Administrator before 12 noon on a Dealing Day (being a day on which the London Stock Exchange is open for business) will be dealt on that day. Applications received after the valuation point of 12 noon on such a Dealing Day will be dealt on the following Dealing Day.

For the EdenTree Responsible and Sustainable Multi-Asset Cautious Fund, the EdenTree Responsible and Sustainable Multi-Asset Balanced Fund and the EdenTree Responsible and Sustainable Multi-Asset Growth Fund the valuation point is 12 noon, however, applications must be received by the Administrator before 10.00am on a Dealing Day (being a day on which the London Stock Exchange is open for business) in order to be dealt on that day. Applications received after 10.00am on such a Dealing Day will be dealt on the following Dealing Day.

The ACD has the right to reject any application for shares in whole or in part on reasonable grounds relating to the circumstances of the investor. If the ACD does reject the application then either the whole or the balance of subscription money will be returned at the risk of the investor.

The minimum initial investment for Class A Shares in any Fund is £1,000 and £1million for Classes B and D. The minimum initial investment for Class I is £100 million and the minimum initial investment for Class S is £250 million. The minimum additional investment is £200 for Class A and £1million for Classes B, I and S. The ACD may reduce this amount if, in its absolute discretion, it considers that the circumstances warrant such a reduction.

Shares may not be issued during any period of suspension (which is more fully described in section 8). Applicants for shares will be notified of such suspension and, unless withdrawn, their applications will be processed as at the next Dealing Day following the ending of such suspension.

The number of shares issued will be the greatest number of larger denomination shares with the balance of the subscription money being used to purchase smaller denomination shares.

Settlement is required four days after trade date and will normally be made by bank transfer or cheque. Payment will be made in Sterling and further settlement details can be found on the application form and the contract note. The ACD may cancel any purchase contract where the payment is not honoured in full within four days of the relevant Dealing Day. The applicant remains liable for any loss incurred by the ACD in the case of non-settlement.

Purchase contract notes will normally be issued no later than the close of business on the day following the day on which the transaction is effected and the issue price is determined.

Details of charges on buying are given in section 17.

Details of an investor's cancellation rights are given in section 20.

The Company is subject to the Money Laundering Regulations 2007, which came into force from 15 December 2007, as amended by the Fifth EU Money Laundering Directive effective January 2020. The ACD may require verification of identity of any applicant for shares or the person on whose behalf the application is being made. Details are given in section 22.

#### 5. HOW TO SELL SHARES

Instructions to sell shares should be addressed to the ACD and may be made by telephone or fax. The ACD may require that such instructions be confirmed in writing.

For the EdenTree Green Infrastructure Fund instructions received by the Administrator before the valuation point of 12 noon on a Dealing Day will be dealt on that Dealing Day. Instructions received after the valuation point will be dealt on the next Dealing Day.

For the EdenTree Responsible and Sustainable Multi-Asset Cautious Fund, the EdenTree Responsible and Sustainable Multi-Asset Balanced Fund and the EdenTree Responsible and Sustainable Multi-Asset Growth Fund the valuation point is 12 noon, however, instructions must be received by the Administrator before 10.00am on a Dealing Day in order to be dealt on that Dealing Day. Instructions received after 10.00am will be dealt on the next Dealing Day. The minimum value of shares which may be sold is £1,000 for Class A Shares and £1million for Classes B, D, I and S Shares provided that the minimum value of a shareholding remaining in a Fund is £1000 for Class A, £1million for Classes B or D, £100 million for Class I and £250 million for Class S. The ACD may reduce these minima if, in its absolute discretion, it considers that the circumstances so warrant.

Contract notes will normally be issued no later than the close of business on the day following the day on which the transaction is effected and the issue price is determined.

Settlement will normally be made by bank transfer or cheque. Payment will normally be made in Sterling, unless otherwise requested, within four business days of receipt of repurchase confirmation, and provided all relevant identification documents have been received for anti money laundering purposes.

The ACD will accept instructions to transfer or renunciation of title to shares on the basis of an authority communicated by electronic means and sent by the shareholder or delivered on behalf of the shareholder by a person that is authorised by the FCA or regulated in another jurisdiction by an equivalent supervisory authority, subject to:

- (a) Prior agreement between the ACD and the person making the communication as to:
  - (i) The electronic media by which such communication may be delivered; and
  - (ii) How such communications will be identified as conveying the necessary authority; and
- (b) Assurance from any person who may give such authority on behalf of the investor that they will have obtained the required appointment in writing from the shareholder.

Where the ACD becomes aware that for a shareholder to continue to hold legally or beneficially any or all shares in the Company that would result in a breach of law or governmental regulation or requirement of any jurisdiction, or may result in the Company incurring any additional liability to taxation or any other liability, then the ACD may give notice to the shareholder to transfer the shares to another person or to satisfy it that the shareholder is suitably qualified to hold the shares or if no such action is taken within 30 days of the notice then the ACD may compulsorily redeem the shares.

Where a shareholder is selling his shares the ACD may at its discretion arrange that instead of making a payment in cash for the price of the shares, certain identified property of the relevant Fund is transferred to the shareholder. The ACD will serve a notice on the shareholder within two days of receipt of the sale instructions that it proposes to make such in specie redemption. The shareholder may within four days of receiving the notice serve a notice on the ACD requiring that the ACD realise the selected scheme property and pay the proceeds to the shareholder. The selection of the scheme property will be made by the ACD in consultation with the Depositary with a view to ensuring that the redeeming shareholder is not advantaged or disadvantaged vis-à-vis the continuing shareholders.

The ACD may also, at its discretion, permit investors to make in specie transfers into a Fund. The ACD will permit in specie transfers only if the assets meet the ethical screening criteria of the Funds in accordance with the investment policies of the Funds.

Shares may not be repurchased during any period of suspension as more fully described in section 8. Shareholders requesting repurchase will be notified of such suspension and, unless withdrawn, repurchase requests will be processed as at the next business day following the end of such suspension.

Details of charges are given in section 17.

## 6. HOW TO SWITCH BETWEEN FUNDS

Shareholders may switch some or all of their shares in one Fund to shares in another Fund.

Shareholders may also convert from one class of share to another class of share in the same Fund, provided any minimum criteria are met and the investor qualifies to hold shares in that class.

Instructions to switch shares must be sent to the ACD by fax or by letter and must be given by all joint shareholders. Instructions should include full registration details together with the number of shares to be switched between named Funds. The ACD will require that such instructions are confirmed in writing.

Switching instructions received before the valuation point on a Dealing Day will be dealt with on that Dealing Day. Instructions received after the valuation point will be dealt with on the following Dealing Day.

Shareholders must normally make an initial switch of the minimum holding of the Fund into which they are

switching. Subsequent switches must be for a minimum of £200 for Class A Shares, £1million for Classes B and D Shares, £100 million for Class I Shares and £250 million for Class S Shares.

A conversion is the exchange of shares in one class in a Fund for shares of another class in the same Fund. Following receipt of instructions, the number of new shares issued will be determined by reference to the respective prices of the current shares and those in the new class at the next applicable valuation point. A conversion of shares between different share classes within the same Fund will not be deemed to be a realisation for the purposes of capital gains taxation.

If a shareholder ceases to qualify to hold a certain class of shares or the ACD reasonably believes that for the shareholder to continue to hold such shares would constitute a breach of law or regulation then the ACD may require that the shareholder switches to another class of share for which the shareholder would qualify.

The number of new shares to be issued or sold to a shareholder on a switch will be in accordance with the formula set out from time to time in the Instrument.

Details of charges on switching are given in section 17.2.

An exchange of shares in one Fund for shares in another Fund is treated as a redemption and sale and will for persons subject to United Kingdom taxation be a realisation for the purposes of capital gains taxation.

Under no circumstances will a shareholder who exchanges shares in one Fund for shares in any other Fund be legally entitled to withdraw from or cancel the transaction.

## 7. SUSPENSION OF DEALING

The ACD may, with the prior agreement of the Depositary, or shall without delay if the Depositary requires, at any time suspend the issue and redemption of shares if the ACD (or the Depositary) is of the opinion that there is good and sufficient reason to do so having regard to the interests of shareholders or potential shareholders. The FCA will be notified of such suspension.

The ACD shall immediately notify the FCA of any suspension of dealings in shares giving the reason for the suspension followed up by written confirmation as soon as practicable. Shareholders shall also be notified of the suspension as soon as practicable after commencement with an explanation of the exceptional circumstances that have led to the decision to suspend dealings in the shares of the Company.

Such suspension shall be allowed to continue only for as long as it is justified taking into account the interests of the shareholders.

Any period of suspension shall be reviewed at least every 28 days to determine whether its continuation is justified.

The FCA will be notified of the outcome of these reviews.



Shares may not be created or cancelled while the suspension remains in force.

Recalculation of prices will commence at the valuation point on the Dealing Day immediately following the end of the suspension period.

## 8. GOVERNING LAW

All transactions in shares are governed by English Law.

## 9. VALUATION AND PRICING

The scheme property of the Company and any Fund will normally be valued at the valuation point on each Dealing Day for the purpose of calculating the price at which shares in any Fund may be issued, sold, repurchased or redeemed.

The ACD reserves the right to revalue the Company or any Fund at any time if it considers it desirable to do so.

Additional valuations may also be carried out in accordance with the OEIC Regulations and the FCA Rules in connection with a scheme of amalgamation or reconstruction, or on the day the annual or half-yearly accounting period ends.

The Net Asset Value of the scheme property of the Company or Fund (as the case may be) shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

All the scheme property (including receivables) is to be included, subject to the following provisions.

### 9.1

Property which is not cash (or other assets dealt with in paragraph 10.2 below) nor a contingent liability transaction shall be valued as follows and the prices used shall be the most recent prices which it is practicable to obtain:

(a) Units or shares in a collective investment scheme:

- (i) If a single price for buying and selling units or shares is quoted, at that price; or
- (ii) If separate buying and selling prices are quoted, at the average of the two prices providing the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
- (iii) If, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the ACD, is fair and reasonable or at the last price available if fair and reasonable.

(b) Exchange-traded derivative contracts:

- (i) if a single price for buying and selling the exchange-traded derivative contract is quoted, at that price; or

- (ii) if separate buying and selling prices are quoted, at the average of the two prices.

(c) Over-the-counter derivative contracts shall be valued in accordance with the method of valuation as shall have been agreed between the ACD and the Depositary.

(d) Any other transferable security:

- (i) If a single price for buying and selling the security is quoted, at that price; or
- (ii) If separate buying and selling prices are quoted, at the average of the two prices; or
- (iii) If, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if the most recent price available does not reflect the ACD's best estimate of the value, at a value which, in the opinion of the ACD, is fair and reasonable;

(e) Property other than that described in (a), (b), (c) and (d) above:

At a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.

### 9.2

Cash and amounts held in current, deposit and margin accounts and in other time-related deposits shall be valued at their nominal values.

### 9.3

Property which is a contingent liability transaction shall be treated as follows:

- (a) If a written option (and the premium for writing the option has become part of the scheme property), deduct the amount of the net valuation of premium receivable. If the property is an off-exchange derivative the method of valuation shall be agreed between the ACD and Depositary.
- (b) If an off-exchange future, include at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary.
- (c) If any other form of contingent liability transaction, include at the net value of margin on closing out (whether as a positive or negative value). If the property is an off-exchange derivative, include at a valuation method agreed between the ACD and the Depositary.

### 9.4

In determining the value of the scheme property, all instructions given to issue or cancel shares shall be assumed (unless the contrary is shown) to have been carried out and any cash payment made or received and all consequential action required by the OEIC Regulations, the FCA Rules or the Instrument shall be assumed (unless the contrary has been shown) to have been taken.

### 9.5

Subject to paragraphs 9.6 and 9.7 below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been

completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the valuation takes place and, in the opinion of the ACD, their omission shall not materially affect the final net asset amount.

#### 9.6

Futures or contracts for differences which are not yet due to be performed and unexpired and unexercised written or purchased options shall not be included under paragraph 9.5.

#### 9.7

All agreements are to be included under paragraph 9.5 which are, or ought reasonably to have been, known to the person valuing the property assuming that all other persons in the ACD's employment take all reasonable steps to inform it immediately of the making of any agreement.

#### 9.8

Deduct an estimated amount for anticipated tax liabilities (on unrealised capital gains where the liabilities have accrued and are payable out of the property of the scheme; on realised capital gains in respect of previously completed and current accounting periods; and on income where liabilities have accrued) including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp duty and stamp duty reserve tax.

#### 9.9

Deduct an estimated amount for any liabilities payable out of the scheme property and any tax thereon treating periodic items as accruing from day to day.

#### 9.10

Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.

#### 9.11

Add an estimated amount for accrued claims for tax of whatever nature which may be recoverable.

#### 9.12

Add any other credits or amounts due to be paid into the scheme property.

#### 9.13

Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.

#### 9.14

Currencies or values in currencies other than the base currency or (as the case may be) the designated currency of a Fund shall be converted at the relevant valuation point at a rate of exchange that is not likely to result in any material prejudice to the interests of shareholders or potential shareholders.

For the above purposes, instructions given to issue or cancel shares are assumed to have been carried out (and any cash paid or received); and uncompleted arrangements for the unconditional sale or purchase of property are (with certain exceptions) assumed to have been completed and all consequential action taken.

Each Fund will have credited to it the proceeds of all shares issued in respect of it, together with the assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets deriving from such investments. All liabilities and expenses attributable to a Fund will be charged to it.

The ACD will allocate any assets, costs, charges or expenses which are not attributable to a particular Fund among the Funds generally in a manner which is fair to all the shareholders.

#### Single pricing

There is a single price for buying, selling and switching shares in a Fund of the Company which represents the Net Asset Value of the relevant Fund. The price of a share is calculated by taking the value of a particular Fund attributable to the shares in the class in question on the basis of the shares of entitlement in the property of the Fund attributable to that class at the most recent valuation of the Fund and dividing that value by the number of shares of the relevant class in issue relating to that Fund immediately prior to the valuation point.

The prices of shares are published daily on our website at [www.edentreeim.com](http://www.edentreeim.com). The ACD and the Company cannot be held responsible for any errors in the publication of the prices. The shares in the Company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Included in the price of shares and so reflected as a capital sum in the price will be an income equalisation amount representing the value of income attributable to the shares accrued since the record date for the last income distribution for income shares. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Where accumulation shares are in issue, the equalisation amount will be reinvested alongside the taxed income.

This means that no adjustment need be made to the cost of the shares in calculating the relevant capital gains tax.

Equalisation applies only to shares purchased during the relevant accounting period. It is the average amount of income included in the price of all shares issued during that period.

Details of charges payable are contained in section 17.

## 10. DISTRIBUTIONS

The Company intends to distribute all of the surplus net income (including deemed income for accounting purposes) represented by the distributions and interest received for each Fund to the shareholders, after charging expenses and various other items, as set out in section 17, attributable to that Fund.

Income available for distribution will be determined in accordance with the FCA Rules and in consultation with the Auditor.



Distributions will be declared and paid twice yearly on 31 August and 28 February except for the EdenTree Green Infrastructure Fund where distributions will be declared and paid quarterly on 28 February, 31 May, 31 August and 30 November by direct credit to a bank account.

Distributions are to be forfeited if not claimed within a six year period. Any unclaimed distributions will be added back to the capital of the relevant Fund.

## 11. MANAGEMENT AND ADMINISTRATION

### 11.1 The Directors

EdenTree Investment Management Limited, whose Registered Office and head office is at Benefact House, 2000 Pioneer Avenue, Gloucester Business Park, Brockwood, Gloucester GL3 4AW, United Kingdom, is the Authorised Corporate Director (or 'ACD') of the Company. It is currently the only director of the Company.

The ACD is a company limited by shares with an authorised, issued and fully paid share capital of £3,150,002. The ACD was incorporated in England and Wales on 6 July 1990.

As at the date of this Prospectus, the Directors of the ACD are:

Ms SJ Round  
Mr MS Warren  
Ms JS Brown  
Mr J Parrott

The ultimate parent company of the ACD is Benefact Trust Ltd which is incorporated in England and Wales. The ACD is authorised and regulated by the Financial Conduct Authority and, by virtue of this is authorised to carry on investment business in the United Kingdom.

The ACD may act as an authorised Unit Trust manager or ACD to other clients and Funds and to companies in which the Company may invest. It may also act as an Alternative Investment Fund Manager (AIFM) for non-UCITS funds and delegate its activities and retain the services of another person to assist in its functions, see section 15 for more information.

The agreement between the ACD and the Company (the 'ACD Agreement') is for a minimum period of three years terminable on 12 months' notice in writing. The Company agrees to indemnify the ACD against losses, liabilities, costs, claims, actions, damages, expenses or demands incurred by the ACD acting as ACD except where caused by the fraud, negligence, or wilful default of the ACD. A copy of the agreement between the ACD and the Company is available to shareholders on request.

## 12. INVESTMENT ADVISOR

The ACD has appointed EdenTree Asset Management Limited of Benefact House, 2000 Pioneer Avenue, Gloucester Business Park, Brockworth, Gloucester GL3 4AW as the investment advisor under the terms of a discretionary investment management agreement dated 1 April 2022.

## 13. DEPOSITARY

The Bank of New York Mellon (International) Limited is the Depositary of the Company and, for the avoidance of doubt, acts as the global custodian to the Company.

The Depositary is a private company limited by shares incorporated in England and Wales on 9 August 1996. Its ultimate holding company is The Bank of New York Mellon Corporation, a public company incorporated in the United States.

The registered office address is at 160 Queen Victoria Street, London, EC4V 4LA.

The principal business activity of the Depositary is the provision of custodial, banking and related financial services. The Depositary is authorised by the Prudential Regulation Authority and is dual-regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

### Terms of Appointment

The Company is required to enter into a written contract with the Depositary to evidence its appointment. The Depositary BNY Mellon Trust & Depositary (UK) Limited ("BNYMTD") was appointed as depositary of the Company under an agreement dated 4 August 1999 (the "Depositary Agreement"). The ACD, the Depositary BNYMTD and the Company entered into an amended and restated Depositary Agreement dated 13 April 2016, pursuant to which the ACD and the Depositary BNYMTD agreed to carry out various functions in order to comply with, and facilitate compliance with, the requirements of the Directive. The amended and restated Depositary Agreement was novated in favour of the Depositary with effect from 1 February 2018. Details of the Depositary's remuneration are set out in Section 17 Charges and Expenses.

The Depositary Agreement may be terminated on six months' written notice by the Depositary or the Company. However, the Depositary is not permitted to retire voluntarily except on the appointment of a new depositary. The Financial Conduct Authority is entitled to prior notification of any proposal by the ACD to replace the Depositary.

The Depositary Agreement provides indemnities to the Depositary (except in respect of its failure to exercise due care and diligence) and (to the extent permitted by the OEIC Regulations and the FCA Rules) exempts it from liability for special, indirect or consequential loss or damage.

### Duties of the Depositary

The Depositary is responsible for the safekeeping of Scheme Property, monitoring the cash flows of the Company, and must ensure that certain processes carried out by the AIFM are performed in accordance with the applicable rules and the constitutive documents of the Company.

### Delegation of Safekeeping Functions

The Depositary acts as global custodian and may delegate safekeeping to one or more global sub-custodians (such delegation may include the powers of sub-delegation). The Depositary has delegated safekeeping of the assets of the

Company to The Bank of New York Mellon SA/NV and/or The Bank of New York Mellon (the “Global Sub-Custodians”).

The Global Sub-Custodians may sub-delegate safekeeping of assets in certain markets in which the Company may invest to various sub-delegates.

### **Conflicts of interest**

For the purposes of this section, the following definitions shall apply:

“BNY Mellon Affiliate” means any entity in which The Bank of New York Mellon Corporation (a Delaware corporation with registered office at 240 Greenwich St, New York, New York 10286, U.S.A) controls (directly or indirectly) an interest of no less than 30% in the voting stock or interests in such entity.

“Link” means a situation in which two or more natural or legal persons are either linked by a direct or indirect holding in an undertaking which represents 10% or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over the management of the undertaking in which that holding subsists.

“Group Link” means a situation in which two or more undertakings or entities belong to the same group within the meaning of Article 2(11) of Directive 2013/34/EU or international accounting standards adopted in accordance with Regulation (EC) No. 1606/2002.

### **Company, AIFM and investors**

The following conflicts of interests may arise between the Depositary, the Company and the AIFM:

A Group Link where the AIFM has delegated certain administrative functions, including but not limited to Transfer Agency and Fund Accounting, to The Bank of New York Mellon (International) Limited or any BNY Mellon Affiliate.

The Depositary shall ensure that policies and procedures are in place to identify all conflicts of interests arising from such Group Links and shall take all reasonable steps to avoid such conflicts of interests. Where such conflicts of interests cannot be avoided, the Depositary and the AIFM will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Company and its investors.

If a Link exists between the Depositary and any investors in the Company, the Depositary shall take all reasonable steps to avoid conflicts of interests arising from such Link.

### **Delegation**

The following conflicts of interests may arise as a result of the delegation arrangements relating to safekeeping outlined above:

A Group Link where the Depositary has delegated, or where any Global Sub-Custodian has sub-delegated, the safekeeping of the Scheme Property to a BNY Mellon Affiliate.

The Depositary shall ensure that policies and procedures are in place to identify all conflicts of interests arising from such Group Links and shall take all reasonable steps to avoid

such conflicts of interests. Where such conflicts of interests cannot be avoided, the Depositary will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Company and its investors.

The Depositary may, from time to time, act as the depositary of other open-ended investment companies with variable capital and as trustee or custodian of other collective investment schemes.

### **Depositary Conflicts of interest**

The Depositary or any BNY Mellon Affiliates may have an interest, relationship or arrangement that is in conflict with or otherwise material in relation to the services it provides to the AIFM and the Company. Conflicts of interest may also arise between the Depositary’s different clients.

As a global financial services provider, one of the Depositary’s fundamental obligations is to manage conflicts of interest fairly and transparently. As a regulated business, the Depositary is required to prevent, manage and, where required, disclose information regarding any actual or potential conflict of interest incidents to relevant clients.

The Depositary is required to and does maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients.

The Depositary maintains an EMEA Conflicts of Interest Policy (the “Conflicts Policy”). The Conflicts Policy (in conjunction with associated policies):

- (a) identifies the circumstances which constitute or may give rise to a conflict of interest entailing a risk of damage to the interests of one or more clients;
- (b) specifies the procedures or measures which should be followed or adopted by the Depositary in order to prevent or manage and report those conflicts of interest;
- (c) sets out effective procedures to prevent or control the exchange of information between persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients;
- (d) includes procedures to ensure the separate supervision of persons whose principal functions involve carrying out activities with or for clients and whose interests may conflict, or who otherwise represent different interests that may conflict, including with the interests of the Depositary;
- (e) includes procedures to remove any direct link between the remuneration of individuals principally engaged in one activity and the remuneration of, or revenues generated by, different individuals principally engaged in another activity, where a conflict of interest may arise in relation to those activities;

- (f) specifies measures to prevent or limit any person from exercising inappropriate influence over the way in which an individual carries out investment or ancillary services or activities; and
- (g) sets out measures to prevent or control the simultaneous or sequential involvement of an individual in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

The Conflicts Policy clarifies that disclosure of conflicts of interest to clients is a measure of last resort to be used by the Depositary to address its regulatory obligations only where the organisational and administrative arrangements established by the Depositary (and any BNY Mellon Affiliates where applicable) to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of clients will be prevented.

The Depositary must assess and review the Conflicts Policy at least once per year and take all appropriate measures to address any deficiencies.

The Depositary shall make available to its competent authorities, on request, all information which it has obtained while performing its services and which may be required by the competent authorities of the Company.

## 14. THE AUDITORS

The auditors of the Company are PricewaterhouseCoopers LLP of 2 Glass Wharf, Bristol BS2 0FR.

## 15. ADMINISTRATOR AND REGISTRAR – DELEGATED FUNCTIONS

The ACD has appointed Northern Trust Global Services SE of 50 Bank Street, Canary Wharf, London E14 5NT (the 'Administrator') to assist with administration functions and keeping the share register.

The Administrator, a private limited company incorporated in Luxembourg, is responsible, inter alia, for the calculation of the Net Asset Value of each Fund. The share register is kept at 50 Bank Street, Canary Wharf, London E14 5NT where it may be inspected by shareholders.

## 16. CONFLICTS OF INTEREST

The ACD and its associates may, from time to time, act as investment managers or advisers to other companies or funds which follow similar investment objectives to those of the Company's Funds. It is therefore possible that the ACD may in the course of its business have potential conflicts of interest with the Company or a particular Fund. The ACD will, however, have regard in such event to its obligations to the Company under the ACD Agreement and, in particular, to its obligation to act fairly as regards the Company.

## 17. CHARGES AND EXPENSES

### 17.1 Initial charge

In the case of the EdenTree Green Infrastructure Fund an initial charge will not be made on the purchase of shares by a shareholder. A purchase of shares does not include an exchange of shares in one Fund for another.

The implementation of an initial charge may be made only after the ACD has given 60 days' prior notice in writing to those persons who ought reasonably to be known to the ACD to have made an arrangement for the purchase of shares at regular intervals. The ACD is also required to revise this Prospectus to reflect any such charge and its date of commencement.

In the case of the EdenTree Responsible and Sustainable Multi-Asset Cautious Fund, the EdenTree Responsible and Sustainable Multi-Asset Balanced Fund and the EdenTree Responsible and Sustainable Multi-Asset Growth Fund an initial charge up to a maximum of 5% may be made on the purchase of shares by a shareholder. A purchase of shares does not include an exchange of shares in one Fund for another. The charge will be added to the price of the shares and will be paid by the Company to the ACD.

The current actual initial charges are set out in Appendix 1. Any increase to the actual initial charge may be made only after the ACD has given 60 days' prior notice in writing to those persons who ought reasonably to be known to the ACD to have made an arrangement for the purchase of shares at regular intervals. The ACD is also required to revise this Prospectus to reflect the new rate and its date of commencement. The ACD may reduce the initial charge or waive it at its discretion.

### 17.2 Switching charge

The ACD is entitled to levy a charge of 1% for exchanging shares in one Fund for shares in another Fund. The ACD may, at its discretion, waive this charge. No switching charge is currently applied for switches between funds.

### 17.3 Dilution Adjustment

The basis on which the Company's investments are valued for the purposes of calculating the dealing price of shares is documented in Section 9, as required in the FCA's Collective Investment Scheme Sourcebook and the Company's instrument of incorporation.

However, the actual cost of purchasing or selling assets and investments for the Company's portfolio may deviate from the mid-market value used in calculating the share price, due to dealing charges, taxes and any spread between buying and selling prices of the investments. These costs have an adverse effect on the value of the Fund, known as 'dilution'. FCA's rules allow the cost of dilution to be met directly from the Fund's assets or to be recovered from investors on the purchase or redemption of shares in a Fund.

To mitigate the effects of dilution, the ACD has discretion to make a dilution adjustment to the price of the Fund (a mechanism also known as "swing pricing"). When a dilution adjustment is applied to a Fund, the price the

Fund is swung up to the “offer” price or down to the “bid” price. The factor by which the Fund’s price is swung is calculated to reflect the costs associated with the purchase or sale of investments associated with the subscriptions or redemptions.

The dilution adjustment will swing the price up to “offer” if there are net subscriptions on any dealing day, and swing the price down “bid” if there are net redemptions on any dealing day. The ACD may choose to apply a minimum threshold for net redemptions or net subscriptions on a dealing day for the application of a dilution adjustment. The threshold would be set in advance and would typically be a % of the Fund’s Net Asset Value.

On occasions when the dilution adjustment is not applied there may be an adverse impact on the total assets of the Fund. Dilution adjustment will only be applied to a Fund to mitigate the effects of dilution.

The price of each Class of Share in each Fund will be calculated separately but any dilution adjustment will in percentage terms affect the price of Shares of each Class identically. The measurement period will typically be a single dealing day however, where there are significant subscriptions or redemptions over a number of days, the aggregate effect of such subscriptions or redemptions as a proportion of the total relevant Fund Net Asset Value may be taken into account.

Circumstances in which the ACD will apply a dilution adjustment include;

- where a Fund is experiencing large levels of net sales or net redemptions relative to its size;
- where a Fund is in continual expansion or continual decline;
- in any other case where the ACD is of the opinion that the interests of Shareholders require the making of a dilution adjustment.

As dilution is directly related to the inflows into and outflows out of a Fund, it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently it is also not possible to accurately predict how frequently the ACD will need to make such a dilution adjustment.

The ACD reserves the right to make a dilution adjustment every Dealing Day.

Our current estimates of the dilution adjustments are shown in the table below. These rates consider current market conditions and our expectation of future market conditions. The dilution adjustments are subject to change and therefore the actual current adjustment rates may differ from the rates shown in the table below.

Fund	Bid Basis	Offer Basis
EdenTree Responsible and Sustainable Multi-Asset Cautious Fund	0.05%	0.05%
EdenTree Responsible and Sustainable Multi-Asset Balanced Fund	0.05%	0.05%
EdenTree Responsible and Sustainable Multi-Asset Growth Fund	0.05%	0.05%
EdenTree Green Infrastructure Fund	0.40%	0.75%

Dilution adjustment replaced dilution levy for all Funds on 3 July 2023.

#### 17.4 Management fees

The ACD is entitled to receive from each Fund an annual management fee, the details of which are set out in Appendix 1. The management fee accrues daily and is payable monthly in arrears and is calculated by reference to the daily Net Asset Value of the Funds.

#### 17.5 Depositary’s fees

The Depositary is entitled to receive out of the property of each Fund for its own account, by way of remuneration, a periodic charge (and value added tax thereon) which will accrue daily and be payable monthly. The rate of the Depositary’s periodic charge will be such amount as the Company and the Depositary may from time to time agree. The current rate of the Depositary’s periodic charge in respect of each Fund is:

First £50 million	– 0.03% per annum
£50-£100 million	– 0.02% per annum
Balance	– 0.015% per annum

The Depositary Fee is calculated daily by reference to the Net Asset Value of the Fund and is payable monthly in arrears

(subject to a minimum charge of £5,000 for each Fund per annum). This rate may be subject to change from time to time, with the agreement of the Depositary and the ACD.

In addition the Depositary will be entitled to make charges consisting of custody fees, transaction fees and other related fees. The custody fees range from 0.0025% to a maximum of 0.045% per annum depending on the geographic location of the shares and the transaction fees range from £5 to a maximum of £25 per transaction.

The Depositary will be reimbursed by the Company for expenses properly incurred in performing or arranging for the performance of functions conferred on it by the OEIC Regulations and FCA Rules, or the Depositary Agreement or by general law. These functions may (without limitation of the foregoing) include custody, insurance, acquisition and dealing with assets of the Company; making deposits or loans, dealing with borrowings, effecting foreign currency dealings and effecting efficient portfolio management transactions, as permitted by the FCA Rules; collection of income or capital; submission of tax returns and handling tax claims; preparation of the Depositary’s annual report; calling shareholders’



meetings and communicating with shareholders; preparing, clearing and dispatching distribution warrants; obtaining professional advice; conducting legal proceedings; carrying out administration relating to the Company; and supervision of certain of the activities of the ACD.

The amount or rate of any expenses shall be determined either by the Depositary or by reference to the scale or tariff or other basis from time to time agreed between the ACD and the Depositary and notified to the ACD by the Depositary provided that in either case such charges shall be at least as favourable as if they had been effected on normal commercial terms negotiated at arm's length between the Depositary and a comparable customer.

Any service charges or additional remuneration payable to the Depositary as above shall accrue due when the relevant transaction or other dealing is effected or relevant service is provided or as may otherwise be agreed between the Depositary and the ACD and shall be paid to the Depositary as soon as practicable after they have accrued.

On a winding-up of the Company, a Fund or the redemption of a class of shares, the Depositary will be entitled to its pro rata fees and expenses to the date of termination and any additional expenses necessarily realised in settling or receiving any outstanding obligations. No compensation for loss of office is provided for in the agreement with the Depositary.

Value added tax will be added to all these payments, where applicable.

### **17.6 General expenses**

In addition to the fees already listed, the costs, charges and expenses (together with any value added tax payable) which may be charged to the Company include:

#### **17.6.1**

All taxes and other duties which may be due on the assets and the income or otherwise of the Company or the issue or redemption of shares.

#### **17.6.2**

Usual banking and brokerage fees due on transactions involving portfolio securities of the Company.

#### **17.6.63**

Any investment adviser fee.

#### **17.6.4**

Insurance, postage, telephone and fax.

#### **17.6.5**

Directors' fees (if any).

#### **17.6.6**

Remuneration (and out of pocket expenses) of the ACD and the Depositary to include the remuneration and expenses of the Administrator, the Registrar, any distributor or paying agent appointed.

#### **17.6.7**

Formation expenses including the cost of preparing and filing the Instrument and all other documents concerning the Company including registration statements and offering circulars with all

authorities (including local securities dealers' associations) having jurisdiction over the Company or the offering of shares.

#### **17.6.8**

Any costs incurred in relation to a unitisation, amalgamation or reconstruction of the Company where the property of another body corporate or collective investment scheme is transferred to the Company in consideration for shares, and any liability arising after the transfer, which if it had arisen prior to the transfer would have been properly payable out of such property, provided that the ACD is satisfied that proper provision was made for satisfying such liability as was known or could have reasonably been anticipated at the time of the transfer.

#### **17.6.9**

Any fees or levies of the Financial Conduct Authority or any other regulatory authority.

#### **17.6.10**

The costs of preparing any non-UCITS retail scheme key investor information document.

#### **17.6.11**

The cost of convening and holding any meeting of shareholders (including meetings of shareholders of a particular Fund or class of shareholder) requisitioned by shareholders other than the ACD or an associate of the ACD.

#### **17.6.12**

The cost incurred in amending the Instrument or this Prospectus including the costs of covering any meeting for shareholders and/or directors.

#### **17.6.13**

Any sum incurred by the Company or the ACD on behalf of the Company in order to comply with any governmental or regulatory requirement.

#### **17.6.14**

The cost of qualifying the Company for the sale of shares in any jurisdiction or a listing on any stock exchange.

#### **17.6.15**

The cost of preparing, printing and publishing in such languages as are necessary, and distributing annual and semi-annual reports of the Company or any Fund and such other reports or documents as may be desirable or required under the applicable laws or regulations of any relevant jurisdiction.

#### **17.6.16**

The cost of preparing, printing, publishing and distributing public notices and other communications to the shareholders including share certificates and proxies.

#### **17.6.17**

The cost of accounting and book keeping.

#### **17.6.18**

The cost of calculating the Net Asset Value of shares of each Fund.

#### **17.6.19**

The cost of making distributions for any Fund or for the Company.

**17.6.20**

Any legal, auditing and other professional fees incurred by the Company or the ACD in relation to the Company.

**17.6.21**

Interest and other charges relating to permitted borrowing.

**17.6.22**

The sums incurred by reason of indemnifying the ACD against all losses and liabilities incurred by reason of acting as ACD of the Company except where the ACD has been negligent, fraudulent or acting by wilful default.

**17.6.23**

The sums incurred by reason of any indemnity given to the Depositary.

**17.6.24**

The Registrar's fee.

**17.6.25**

The costs incurred in publishing the price of the shares in a national or other newspaper or any other form of media.

**17.6.26**

Any other payment permitted to be paid out of the scheme property under the OEIC Regulations and the FCA Rules.

**17.6.27**

The current fees payable to the Registrar for providing registration services (including establishing and maintaining sub-registers where applicable) are as follows:

- Up to 2 share classes:
  - Fund maintenance cost of £5,000 per annum;
  - Distribution cost of £1,500 per annum per Fund; and
  - Management accounts cost of £3,500 per annum per Fund
- Each subsequent share class:
  - Fund maintenance cost of £2,000 per annum per share class;
  - Distribution cost of £1,500 per annum per Fund; and
  - Management accounts cost of £500 per annum per Fund
- A £25 investor account set up fee and £15 identity verification fee are payable per shareholder.
- A £10 investor maintenance charge per annum is also payable per shareholder per annum.

In addition, certain transaction or dealing costs may be applicable, depending on how the deal is effected. Where relevant, these costs range between £1 and £25 per transaction. There are also one-off and annual fees at Company level.

Administrative and other expenses of a regular or recurring nature may be calculated on an estimated basis for yearly or other periods in advance, and the same may be accrued in equal proportion over any such period. Costs, charges and expenses which may be attributed to a Fund will be borne by that Fund; otherwise they will be allocated pro rata to the values of the net assets of all, or all appropriate, Funds on such basis as the directors may consider reasonable.

Expenses can be allocated between income and capital in accordance with the Financial Conduct Authority Collective Investment Schemes Sourcebook Rule 6.7.10. All expense payments will be made from income unless the ACD and Depositary agree in accordance with the Collective Investment Scheme Sourcebook that a charge or expense may be treated as a capital expense. This is the case with the EdenTree Green Infrastructure Fund where the ACD charges only the annual management charge to capital. Items treated as a capital expense may not only affect but also constrain capital growth.

**18. REPORTS TO SHAREHOLDERS**

The annual accounting period of the Company ends 31 December in each year (the annual accounting reference date).

The interim accounting period of the Company ends 30 June in each year, or such other date as the ACD may determine.

The Company's annual Long Report incorporating audited financial statements will be published within four months after the end of the financial year and the interim Long Report within two months of the end of the interim accounting period. Copies of the interim and annual Long Reports will be available on request from the ACD.

Copies of all reports to shareholders will be available for inspection by the general public at the ACD's offices (please see the address at the end of this document).

The ACD will provide the following information to shareholders on request:

- (a) The quantitative limits applying to the risk management of the Company;
- (b) The methods used in relation to (a); and
- (c) Any recent development of the risk and yields of the main categories of investment.

**19. MEETINGS OF SHAREHOLDERS AND VOTING RIGHTS****19.1**

The Company does not hold annual general meetings.

**19.2**

The ACD may requisition a general meeting at any time provided at least 14 days prior notice is given to shareholders. Shareholders who together hold not less than one-tenth in value of all the shares may also requisition a general meeting of the Company. Such requisition must be in writing, state the objects of the meeting and be signed by the shareholders. The ACD must convene a general meeting within eight weeks of receiving a requisition. Notices of meetings and adjourned meetings will be sent to shareholders at their registered address.

**19.3**

The quorum for a meeting of shareholders is two shareholders present in person or by proxy. The quorum for an adjourned meeting is one shareholder present in person or by proxy.



**19.4**

The rules applicable to the Company as a whole also apply to meetings of a class or Fund as if they were general meetings of the shareholders, but by reference to the shares of the class concerned and the shareholders and prices of such shares.

**19.5**

At any meeting of shareholders or a class of shareholders of the Company or a Fund on a show of hands every shareholder who (being an individual) is present in person or (being a corporation) is represented in person by its properly authorised representative has one vote. A poll may be demanded by the Chairman of the meeting, by the Depositary, or by two or more shareholders present in person or by proxy. On a poll every shareholder who is present in person or by proxy will be entitled to a number of votes calculated in accordance with the value that his shareholding bears in relation to the value of the Fund or Company as relevant. A shareholder entitled to more than one vote need not, if they vote, use all their votes or cast all the votes they use in the same way.

**19.6**

In the case of joint shareholders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority is determined by the order in which the names stand in the Register of Shareholders.

**19.7**

A director is entitled to receive notice of and attend any meeting of shareholders but is not entitled to vote or be counted in the quorum. No director or any associate of a director holding shares shall be entitled to vote at such a meeting except in respect of shares which he holds on behalf of a person who, if he himself were the registered shareholder, would be entitled to vote and from whom he has received voting instructions.

**19.8**

Investors should note that due to the ongoing pandemic it may not be possible to call a physical meeting of the Company or any Fund and the ACD may look to hold a closed meeting. When a meeting is called on a closed basis this means that Shareholders will be able to express their opinions and exercise their voting rights in writing or online but will not need to be in the same place. The notice of any such Meeting will contain the details of the arrangements that the ACD puts in place to enable the meeting to be held on a closed basis.

The notice of any such Meeting will contain the details of the arrangements that the ACD puts in place to enable the meeting to be held on a closed basis.

The ACD will only exercise its powers to hold closed meetings in exceptional circumstances where it is not possible on legal or health and safety grounds to convene a physical meeting.

**19.9**

Notices required to be given under the Instrument and the FCA Rules will be sent to the registered address of the shareholder. In the case of a shareholder who is not

within the United Kingdom, notices may be sent to an address within the UK as provided by the shareholder concerned, otherwise notices shall be sent to the registered address which is outside the UK unless its doing so would contravene any applicable laws or regulations.

**20. CANCELLATION RIGHTS**

Where a person purchases shares they may have the right to cancel the relevant purchase within 14 days of receipt of the requisite notice of a right to cancel. The right to cancel will not arise if (a) the investor is a professional investor, (b) the investor is an execution-only customer, (c) the agreement to purchase is entered into in the absence of any oral recommendation by an authorised person, or (d) the purchase is made pursuant to a customer agreement with an authorised person or during negotiations with a view to entering into such an agreement. Cancellation rights do not exist on the exchange of shares.

Where the investment is a lump sum investment an applicant who is entitled to cancel and does so will not get a full refund of the money paid by him if the purchase price of the shares falls before the cancellation request is received by the ACD: an amount equal to such fall ("the shortfall") will be deducted from the refund he would otherwise receive.

Where the purchase price has not yet been paid the applicant will be required to pay the amount of the shortfall to the ACD. The deduction does not apply where the service of the notice of the right to cancel precedes the entering into of the agreement.

**21. HOW WILL YOUR INFORMATION BE USED?**

We use your information in the ways described in our Privacy Policy. Our Privacy Policy can be found at [www.edentreeim.com/privacy-policy](http://www.edentreeim.com/privacy-policy) or by writing to us at our registered office address. Depending on the circumstances, we may transfer your personal data to countries outside the European Economic Area that have less robust data protection laws. We have put appropriate safeguards in place to ensure that such transfers comply with data protection laws and that your personal data is protected. Details relevant to you may be provided upon request.

**22. ELECTRONIC VERIFICATION**

Current legislation and industry guidance state that we must check the identity of investors in the Funds and the source of the money invested. This will include verifying the identity of individuals, directors, trustees or other officers representing an investor or persons authorised to give instructions on behalf of an investor. Checks may be made of records held on the electoral roll and of credit reference agencies. If you fill in the application form or instruct us to deal via the telephone, you are giving us permission to ask for this information in line with the General Data Protection Regulations effective 25 May 2018.

## 23. TERMINATION AND AMALGAMATION

### 23.1

The ACD will wind up the Company:

#### 23.1.1

If the order declaring the Company to be an authorised collective investment scheme is revoked;

#### 23.1.2

If the ACD or Depositary requests the Financial Conduct Authority to revoke the order declaring the Company to be an authorised investment company with variable capital and the Financial Conduct Authority has agreed that on the conclusion of the winding-up of the Company it will accede to that request;

#### 23.1.3

If an extraordinary resolution to that effect is passed;

#### 23.1.4

In connection with a duly approved scheme of amalgamation of the Company with another body or scheme;

#### 23.1.5

In connection with a duly approved scheme of reconstruction which results in all the property of the reconstructed scheme becoming the property of two or more authorised or recognised schemes; or if a court scheme is initiated under Part V of the Insolvency Act 1986 for an unregistered company.

### 23.2

The procedure for winding-up the Company will be as follows: in the case of an amalgamation or reconstruction the ACD will commence the process to wind up the Company (which will include seeking approval by the FCA) following approval of the scheme of amalgamation or reconstruction; in any other case, the ACD shall as soon as practicable after the Company falls to be wound up following receipt of FCA approval and after notifying holders of the proposal to wind up the Company, realise the scheme property and, after paying out of all liabilities of the Company properly so payable and retaining provision for the costs of the winding-up, distribute the proceeds to the holders and to itself (upon production by them of evidence as to their entitlement) proportionately to their respective interests in the Company. Any unclaimed net proceeds or other cash held to the account of the Company after the expiry of one month from the date of dissolution of the Company will be paid by the ACD into court subject to the ACD having a right to receive out of it any expenses incurred by it in making that payment into court. On completion of the winding-up, the Depositary shall notify the FCA and the ACD shall request the FCA to revoke the order of authorisation. A Fund may be terminated with the approval of the FCA if a solvency statement is lodged with the FCA in respect of liabilities of the Company relating to the Fund and:

#### 23.3.1

an extraordinary resolution to that effect has been passed by class meeting(s) of the class(es) of shares linked to the Fund;

or

#### 23.3.2

The FCA has agreed to a request by the ACD for the termination of the Fund.

The ACD may make such a request, among other circumstances, if at any time after the first anniversary of the issue of the first shares linked to the Fund the net value of the assets of the Company attributable to the Fund is less than £1,000,000.

Termination of a Fund will be carried out by the ACD in accordance with the FCA Rules in a similar way to the winding-up of the Company as described above.

The costs of terminating a Fund will be borne by the Fund concerned.

## 24. TAXATION

### 24.1 Stamp duty reserve tax (SDRT)

The Company will be exempt from SDRT when acquiring UK equities as it will be recognised that the acquisition is made by a body of persons established for charitable purposes only.

### 24.2 Taxation of the Company income

Each Fund is treated as a separate open-ended investment company for the purposes of UK corporation taxation.

Each Fund is liable to UK corporation tax at the basic rate of income tax of 20% on its taxable income. Management expenses and interest expenses can be set off against this income. Dividend income received by the Fund from other UK companies is exempt from UK corporation tax. Generally dividend income received by the Fund from non-UK companies is also exempt from UK corporation tax under Part 9A of the Corporation Tax Act 2009. Other types of income, for example, interest distributions from UK collective investment schemes, bank deposit interest or certain dividends from UK or overseas companies, are taxable.

To the extent that the Fund receives income from, or realises gains on disposal of investments in, foreign countries it may be subject to foreign withholding or other taxation in those jurisdictions. To the extent that it relates to income, this foreign tax may be able to be treated as an expense for UK corporation tax purposes, or it may be treated, up to certain limits, as a credit against UK corporation tax.

Where the Fund holds an investment in any collective investment scheme that during the Fund's accounting period is broadly greater than 60% invested directly or indirectly (through similar funds) in cash and bonds, any movements in the value of that holding will be taxed as income of the Fund for the period concerned. Also where the Fund holds an interest in a collective investment scheme constituted outside the United Kingdom that meets the definition of an 'offshore fund' (contained in Part 8 of the Taxation (International and Other Provisions) Act 2010) but has not been certified by HM Revenue & Customs as a 'reporting fund' for the entire time that the Fund held it, the Fund will be liable to tax on any gain realised on disposal as income rather than it being treated as an exempt capital gain.

Distributions paid by the Fund may be either dividend distributions or interest distributions, depending on the nature of the investments held by the Fund. Interest distributions can be made only where the market value of the Fund's interest-bearing and equivalent investments, including holdings in collective investment schemes that pay interest distributions and cash on deposit, exceeds 60% of the market value of all its assets throughout the accounting period to which the distribution relates.

### 24.3 Taxation of shareholders

#### Income

With effect from 6 April 2016 dividend distributions will be paid without the application of a tax credit.

A distribution statement, in respect of the first distribution relating to shares which were issued in the same accounting period as that distribution, will indicate that an amount of the distribution represents income equalisation. This amount is not taxable as income, as under current HM Revenue & Customs practice it is treated as a return of capital, but must be deducted from the acquisition cost of income shares for the purposes of calculating any capital gains/loss on disposal of those shares.

#### 24.4 Reporting requirements

The Company is required to report details of interest paid to residents of the European Union and certain other jurisdictions to HM Revenue & Customs each year and also, on request, payments to residents of the UK.

The Company may also be required to report information about shareholders to HM Revenue & Customs in order to comply with its UK obligations, as well as relating to International Tax obligations under the OECD's Common Reporting Standard (CRS) on Reporting and Due Diligence for Financial Account Information and US tax considerations under the Foreign Account Tax Compliance Act (FATCA) of the USA.

The following is a summary only of the UK taxation of the Company and the shareholders and should not be regarded as exhaustive. It does not constitute legal or taxation advice and shareholders are recommended to consult their professional advisers if they are in any doubt as to their taxation position.

#### 24.5 Stamp duty reserve tax (SDRT)

SDRT at 0.5% may be charged on in specie redemptions which are not pro rata to holdings in a Fund. This is called the principal SDRT charge and is payable by the investor by reference to the value of chargeable securities redeemed in this type of transaction.

#### 24.6 Taxation of the Company income

The Company is liable to corporation tax at a rate of 20% on its taxable income. Management expenses and interest (including interest distributions) can be set off against this income. Dividends received by the Company from another UK company are not taxable.

#### 24.7 Taxation of capital gains

Any capital gains or losses realised on disposal of investments held by the Company are exempt from tax.

### 24.8 Taxation of shareholders

There are two types of income which may be received, each of which is treated differently:

#### 24.8.1 Interest distributions

In respect of those Funds with over 60% invested for the whole of the accounting period in interest paying investments e.g. Fixed Interest or Bond Funds the Company makes interest distributions. Due to changes in UK tax legislation which came into force on 6 April 2017 all interest distributions will be paid gross without deduction of income tax.

From 6 April 2016, there is a tax free Personal Savings Allowance of the first £1,000 of interest (including interest distributions) received in a tax year for individual basic rate taxpayers. For Higher rate taxpayers the allowance will be £500 and for additional rate taxpayers there will be no allowance.

Shareholders liable to pay higher or additional rate income tax or corporation tax may have a further tax liability.

#### 24.8.2 Dividend distributions

From 6 April 2018, the first £2,000 of dividends (including dividend distributions) received by a UK resident individual in a tax year will not be subject to income tax. Above this level, the income tax rates applying to dividends will be 7.5% for basic rate tax payers, 32.5% for higher rate tax payers and 38.1% for additional rate taxpayers.

Corporate shareholders who receive dividend distributions may have to divide them into two (the division will be indicated on the tax voucher). No tax is due on any part representing dividends received from a UK company.

The remainder will be received as an annual payment after deduction of tax at the lower rate. The corporate shareholders may be liable to tax on the grossed up amount.

#### 24.8.3 Withholding tax

Dividend distributions made or treated as made by the Company are not subject to UK withholding tax.

#### 24.9 Reporting requirements

The Company is required to report details of interest paid to residents of the European Union and certain other jurisdictions to HM Revenue & Customs each year and also, on request, payments to residents of the UK.

The Company may also be required to report information about shareholders to HM Revenue & Customs in order to comply with its UK (and any overseas) obligations under the International Tax Compliance Regulations, which implement the Common Reporting Standard (CRS) including the Foreign Account Tax Compliance Act (FATCA) of the USA and such other intergovernmental information sharing agreements entered into from time to time.

#### 24.10 Income equalisation

Income equalisation applies in relation to all the Funds.

Part of the purchase price of a share reflects the relevant share of accrued income received or to be received by the Company. This capital sum is returned to a shareholder with

the first allocation of income in respect of a share issued during an accounting period.

The amount of income equalisation is either the actual amount of income included in the issue price of that share or is calculated by dividing the aggregate of the amounts of income included in the price of shares issued or sold to shareholders in an annual or interim accounting period by the number of those shares and applying the resultant average to each of the shares in question.

#### 24.11 Taxation of capital gains

Shareholders who are resident in the UK for tax purposes may be liable to capital gains tax or, if a company, corporation tax in respect of gains arising from the sale, exchange or other disposal of shares (but not on switches between classes within a Fund).

The amount representing the income equalisation in the share's price is a return of capital and is not taxable in the hands of shareholders. This amount should be deducted from the cost of shares in computing any capital gain realised on the disposal.

#### 24.12 General

These statements are based on UK law and HM Revenue & Customs practice as known at the date of this document. Shareholders are recommended to consult their professional advisers if they are in any doubt about their tax position.

### 25. INCOME EQUALISATION

Income equalisation applies in relation to all the Funds.

Part of the purchase price of a share reflects the relevant share of accrued income received or to be received by the Company. This capital sum is returned to a shareholder with the first allocation of income in respect of a share issued during an accounting period.

The amount of income equalisation is either the actual amount of income included in the issue price of that share or is calculated by dividing the aggregate of the amounts of income included in the price of shares issued or sold to shareholders in an annual or interim accounting period by the number of those shares and applying the resultant average to each of the shares in question.

### 26. UMBRELLA COMPANY ISSUES

Each Fund is a segregated portfolio of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company or any other Fund, and shall not be available for any such purpose.

Whilst the provisions of the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or

under foreign law contracts, it is not yet known how these foreign courts will react to regulations 11A and 11B of the OEIC Regulations.

Past performance should not be seen as an indication of future performance. The value of investments may fall as well as rise. Stocks and shares should be viewed as medium to long-term investments, for a period of at least five years.

Although each Fund will be treated as bearing the liabilities, expenses, costs and charges attributable to it, in the event that assets or liabilities are not attributable to any particular Fund, the ACD may allocate such amounts between Funds in accordance with the OEIC Regulations and the FCA Rules in a manner which the ACD considers is fair to the shareholders of the Company.

A shareholder is not liable to make any further payment to the Company or Fund after he has paid the price on purchase of the shares.

### 27. INSTRUMENT, PROSPECTUS AND REPORTS

Copies of the Instrument, the Prospectus and the most recent annual and half-yearly reports of the Company are kept and may be inspected at and obtained from the Registered Office of the ACD. Copies of other material contracts may be inspected at the ACD's offices.

### 28. RISKS

#### 28.1 Past performance

The table below shows percentage growth to 31 December 2023. Returns are bid to bid (including charges) with net income reinvested.

	Performance Period	
	01/01/23 to 31/12/23	01/01/22 to 31/12/22
EdenTree Responsible and Sustainable Multi-Asset Cautious A	7.49	-13.10
EdenTree Responsible and Sustainable Multi-Asset Balanced A	8.61	-14.13
EdenTree Responsible and Sustainable Multi-Asset Growth A	10.27	-14.84
EdenTree Responsible and Sustainable Multi-Asset Cautious B	7.91	-12.72
EdenTree Responsible and Sustainable Multi-Asset Balanced B	8.61	-14.13
EdenTree Responsible and Sustainable Multi-Asset Growth B	10.27	-14.84
EdenTree Green Infrastructure B	-9.74	-



## 28.2 Fluctuations in value

No stock market investment can guarantee the capital value of your original investment. The value of investments and the income from them may go down as well as up and the investor may not get back the amount invested.

## 28.3 Effect of initial charge

Where an initial charge is imposed, an investor who realises his shares after a short period may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested. The shares should be viewed as a long-term investment.

## 28.4 Suspension of dealing in shares

Investors are reminded that in certain circumstances their right to redeem shares may be suspended (see in section 8).

## 28.5 Emerging markets

Where Funds invest in some overseas markets these investments may carry risks associated with failed or delayed settlement of market transactions and with the registration and custody of securities.

Investment in emerging markets may involve a higher than average risk.

Investors should consider whether or not investment in such Funds is either suitable for or should constitute a substantial part of an investor's portfolio.

Companies in emerging markets may not be subject:

- (a) to accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets;
- (b) to the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions:

- (c) Restrictions on foreign investment in emerging markets may preclude investment in certain securities by certain Funds and, as a result, limit investment opportunities for the Funds. Substantial government involvement in, and influence on, the economy may affect the value of securities in certain emerging markets.
- (d) The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising investments.
- (e) Lack of liquidity and efficiency in certain of the stock markets or foreign exchange markets in certain emerging markets may mean that from time to time the ACD may experience more difficulty in purchasing or selling holdings of securities than it would in a more developed market.

## 28.6 Overseas investments

A Fund which invests overseas is Sterling based but holds foreign investments. This means that it will be affected by

fluctuations in rates of currency exchange in addition to the usual stock market fluctuations.

## 28.7 Derivatives

**The Company has the power under the Instrument to invest in derivatives for the purposes of meeting its investment objectives. At the date of this Prospectus the Funds will invest in derivatives only for the purposes of hedging with the aim of reducing the risk profile of the Funds in accordance with the principles of efficient portfolio management.**

**The Company will not change the investment policy of any of the Funds to include investment in derivatives in order to meet investment objectives without giving the required 60 days' notice to shareholders. If derivatives are used for the purpose of meeting the investment objective of a Fund in future this may alter the risk profile of the Fund concerned.**

**Derivatives can expose the scheme property to a higher degree of risk. For example, because of the effect of gearing, relatively small market movements can result in disproportionately high levels of loss. Off exchange transactions can carry higher levels of risk due to lack of liquidity, difficulty in valuing the investment and determining a fair price.**

## 29.8 Collective investment schemes

The Funds may invest in other collective investment schemes, which may include unregulated collective investment schemes, in accordance with the investment restrictions set out in Appendix 3. Unregulated schemes can include hedge funds and alternative investment funds which can be established, for example, as open-ended investment companies, closed-ended schemes, limited partnerships, or unit trusts both in the UK and overseas. Unregulated schemes may be subject to restrictions on redemption or be otherwise illiquid, restricting investors' ability to sell interests in the scheme.

Such schemes may also be geared, that is, amounts borrowed by the scheme may cause a small movement (up or down) in the value of the scheme's assets to create a correspondingly high movement (up or down) in the Net Asset Value of the scheme making the scheme volatile and putting a Fund's capital at risk. They may also be subject to less rigorous regulation than authorised or regulated schemes, and therefore may expose investors in such schemes to a higher degree of risk.

## BREXIT

The United Kingdom left the European Union on 31 January 2020 and the transitional and implementation period under the UK-EU Withdrawal Agreement expired on 31 December 2020. Since the United Kingdom is no longer a member of the European Union or European Economic Area, references in this document to the European Union (EU) or European Economic Area (EEA) should generally be understood to mean the United Kingdom and the European Union / European Economic Area (as relevant). References to members of, states within, or markets within, the European Union or European Economic Area should be interpreted

accordingly. Any reference to legislation of a European origin shall be understood to refer to the relevant rules implemented in the United Kingdom and/or the on-shored version of that legislation as relevant. Statements that the fund is a UCITS shall be understood to be statements that the fund is a UK UCITS as defined in the FCA glossary.

### **LIBOR**

Investors should note that the London Interbank Offered Rate (LIBOR) was abolished in 2021. The ACD now uses the Sterling Overnight Index Average (SONIA).

## **29. COMPLAINTS**

Any issue or complaint should be referred to the ACD at its registered office. If a complaint is not resolved satisfactorily it may be referred to the Financial Ombudsman Service. Address: Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

## **30. ADDRESS FOR SERVICE AND INSPECTION OF DOCUMENTS**

The address for service of documents on the Company in the United Kingdom is Benefact House, 2000 Pioneer Avenue, Gloucester Business Park, Brockwood, Gloucester GL3 4AW.

## **31. CLIENT MONEY**

Client money is held in a segregated account and will not earn or therefore pay any interest. This applies to any client money which is not invested in our Funds.

Investors should note that the ACD may make use of the delivery versus payment (DVP) exemption as set out in the FCA rules. This provides a one-day window during which money received from an investor for the purchase of shares between trade date and settlement date is not treated as client money.



## APPENDIX 1 – DETAILS OF FUNDS

### EDENTREE RESPONSIBLE AND SUSTAINABLE MULTI-ASSET CAUTIOUS FUND – PRN 954002

#### Investment objective

To provide long term capital growth and income over five years or more.

#### Investment policy

**Investments** – The Fund will aim to achieve its investment objective by investing in a mixed investment portfolio that has a bias towards fixed interest securities provided this remains consistent with achieving the Fund's objective. It aims to achieve its objectives with a lower level of risk relative to the other funds within the EdenTree Responsible & Sustainable Multi-Asset fund range. The Fund will seek to achieve the investment objective by investing indirectly in assets through other funds. The Fund will invest in units in collective investment schemes including those within the EdenTree range of funds.

The Fund will gain exposure to other assets including property or real estate investment trusts and listed infrastructure. It may also gain exposure to commodities through other collective investment schemes, invest in exchange traded commodities and derivatives. The Fund may invest in funds which target organisations whose core business is to address major social and/or environmental challenges. These investments may have different criteria for responsible investment to our own responsible and sustainable investment approach described below. Where such funds are managed by EdenTree and/or external companies and their underlying assets do not meet our responsible and sustainable criteria, investment in those assets will be limited to 15% of the Fund's portfolio, calculated on a look-through basis of the underlying fund's portfolio where available.

The Fund has no geographical restrictions or limits and may invest in any of the eligible markets listed in Appendix 3 of the Prospectus. Subject to the Responsible and Sustainable requirements detailed below, it may also invest directly in listed stocks and shares, money-market instruments, derivatives and forward transactions, deposits, nil and partly-paid securities, bonds, convertible bonds, cash and near cash as deemed appropriate to meet the Fund's objective.

**Strategy** – The Fund aims to gain exposure to a mixture of different asset classes (including, but not limited to, UK and overseas equities, bonds, cash, listed infrastructure and property REITS) to create a blended portfolio which aims to provide returns consistent with the Fund's "cautious" risk and return profile based on a five year view. The Fund has a set central strategic asset allocation which is considered to represent the longer term neutral asset allocation for the Fund. This is supplemented by a tactical asset allocation range which will allow some short term dynamic asset allocation between the different asset classes to enhance returns depending on the prevailing investment environment and outlook, whilst remaining within a risk framework compatible with the "cautious" risk and return profile. The risk and return profile represents the level of risk that is taken

in respect of potential returns. A cautious profile approach means a relatively lower level of risk is taken which, usually, means less chance of loss but also lower potential returns. The proportions within each asset class, including cash, can be reduced or increased within the ranges if we believe market conditions and the outlook for particular asset classes warrant such adjustments.

Under normal market conditions the Fund will invest within the following ranges of the various asset classes. Please note that these ranges can move due to changes in market conditions and changing investment outlooks for the asset classes.

#### EdenTree Multi-Asset Cautious Fund – Asset class ranges

- Fixed interest and cash: 40-60%
- Equities: 30-50%
- Alternatives: 5-20%\*

\*Alternatives includes Real Estate Investment Trusts and Infrastructure Investment Trusts

**Responsible and Sustainable investment** – The Fund seeks to avoid investment in certain areas such as companies which have a material involvement (10% or more) in alcohol and tobacco production, conventional weapon production, gambling, publication of violent or explicit materials, oppressive regimes, intensive farming, fossil fuel exploration and production and high interest (sub-prime) lending.

The Fund will seek to avoid companies with material operations in oppressive regimes. The Fund has a proprietary means of assessing oppressive regime risk, and operates this on a case by case basis. It will also seek to avoid companies that have exposure to the manufacture of unconventional weapons where these are defined as nuclear, biological and chemical weapons, land mines and cluster bombs. Finally, the Fund will seek to avoid companies using animals to test cosmetic, beauty or household products. It may invest in pharmaceuticals companies that may conduct animal testing but will encourage the adoption of the 3R principles: refine, reduce, and replace.

Our responsible and sustainable screening captures the quality and strength of a company's approach to sustainable business. This includes assessing a diverse range of indicators including environment and climate change, conflict minerals, custody of supply in raw materials sourcing (e.g. timber) and pollution etc. By way of example when specifically assessing corporate sustainability as it relates to climate change we would analyse key indicators such as emissions disclosure, how targets are set, whether they are science based and ambitious enough to demonstrate commitment to a low carbon economy and whether the company is providing solutions that support climate resilience, mitigation and / or adaptation.

The Fund favours companies that follow good Business Ethics, Corporate Governance, Employment & Labour practices, Environment and Climate Change Management, Human Rights, and Community Relations and is particularly positive on companies that contribute to Education, Health & Wellbeing, Social Infrastructure and Sustainable Solutions. Further details of EdenTree's Responsible and Sustainable

Investment Policy are available on request or can be downloaded from our website at [www.edentreeim.com](http://www.edentreeim.com).

This Fund is marketable to all retail investors.

**The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may be subject to obtaining and maintaining the requisite permissions from the FCA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.**

**If derivatives are used for the purpose of meeting the investment objective of the Fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.**

The Fund will be managed in line with the requirements for inclusion in an Individual Savings Account (ISA).

As the Fund invests in a range of assets, investors may compare the Fund's performance to the Investment Association Mixed investment Sector 20-60% shares. Funds in this sector must have between 20 to 60% invested in company shares and at least 30% must be invested in fixed income investments. However, the Manager is not bound or influenced by the Sector category when making investment decisions. Investors should note that EdenTree's Responsible and Sustainable Investment Policy will mean the exclusion of certain investments may lead to greater variance in the Fund's performance versus the performance of the Sector.

Shares Offered	Initial Charge	Annual Charge
Class A net accumulation (£1,000 or more invested)	0% actual	1.10% actual
Class B net accumulation (£1m or more invested)	0% actual	0.60% actual

## EDENTREE RESPONSIBLE AND SUSTAINABLE MULTI-ASSET BALANCED FUND – PRN 954003

### Investment objective

To provide long term capital growth and income over five years or more.

### Investment policy

Investments – The Fund will aim to achieve its investment objective by investing in a mixed investment portfolio that has a balance of equities and fixed interest securities provided this remains consistent with achieving the Fund's objective. It aims to achieve its objectives with a moderate level of risk relative to the other funds within the EdenTree Responsible & Sustainable Multi-Asset fund range. The Fund will seek to achieve the investment objective by investing

indirectly in assets through other funds. The Fund will invest in units in collective investment schemes including those within the EdenTree range of funds.

The Fund will gain exposure to other assets including property or real estate investment trusts and listed infrastructure. It may also gain exposure to commodities through other collective investment schemes, invest in exchange traded commodities and derivatives. The Fund may invest in funds which target organisations whose core business is to address major social and/or environmental challenges. These investments may have different criteria for responsible investment to our own responsible and sustainable investment approach described below. Where such funds are managed by EdenTree and/or external companies and their underlying assets do not meet our responsible and sustainable criteria, investment in those assets will be limited to 15% of the Fund's portfolio, calculated on a look-through basis of the underlying fund's portfolio where available.

The Fund has no geographical restrictions or limits and may invest in any of the eligible markets listed in Appendix 3 of the Prospectus. Subject to the Responsible and Sustainable requirements detailed below, it may also invest directly in listed stocks and shares, money-market instruments, derivatives and forward transactions, deposits, nil and partly-paid securities, bonds, convertible bonds, cash and near cash as deemed appropriate to meet the Fund's objective.

**Strategy** – The Fund aims to gain exposure to a mixture of different asset classes (including, but not limited to, UK and overseas equities, bonds, cash, listed infrastructure and property REITS) to create a blended portfolio which aims to provide returns consistent with the Fund's "balanced" risk and return profile based on a five year view. The Fund has a set central strategic asset allocation which is considered to represent the longer term neutral asset allocation for the Fund. This is supplemented by a tactical asset allocation range which will allow some short term dynamic asset allocation between the different asset classes to enhance returns depending on the prevailing investment environment and outlook, whilst remaining within a risk framework compatible with the "balanced" risk and return profile. The risk and return profile represents the level of risk that is taken in respect of potential returns. A balanced profile approach means a moderate level of risk is taken which, usually, means a moderate chance of loss but also moderate potential returns. The proportions within each asset class, including cash, can be reduced or increased within the ranges if we believe market conditions and the outlook for particular asset classes warrant such adjustments.

Under normal market conditions the Fund will invest within the following ranges of the various asset classes. Please note that these ranges can move due to changes in market conditions and changing investment outlooks for the asset classes.

EdenTree Multi-Asset Balanced Fund – Asset class ranges

- Fixed interest and cash: 25-45%
- Equities: 45-65%
- Alternatives: 5-20%\*

\*Alternatives includes Real Estate Investment Trusts and Infrastructure Investment Trusts

**Responsible and Sustainable investment** – The Fund seeks to avoid investment in certain areas such as companies which have a material involvement (10% or more) in alcohol and tobacco production, conventional weapon production, gambling, publication of violent or explicit materials, oppressive regimes, intensive farming, fossil fuel exploration and production and high interest (sub-prime) lending.

The Fund will seek to avoid companies with material operations in oppressive regimes. The Fund has a proprietary means of assessing oppressive regime risk, and operates this on a case by case basis. It will also seek to avoid companies that have exposure to the manufacture of unconventional weapons where these are defined as nuclear, biological and chemical weapons, land mines and cluster bombs. Finally, the Fund will seek to avoid companies using animals to test cosmetic, beauty or household products. It may invest in pharmaceuticals companies that may conduct animal testing but will encourage the adoption of the 3R principles: refine, reduce, and replace.

Our responsible and sustainable screening captures the quality and strength of a company's approach to sustainable business. This includes assessing a diverse range of indicators including environment and climate change, conflict minerals, custody of supply in raw materials sourcing (e.g. timber) and pollution etc. By way of example when specifically assessing corporate sustainability as it relates to climate change we would analyse key indicators such as emissions disclosure, how targets are set, whether they are science based and ambitious enough to demonstrate commitment to a low carbon economy and whether the company is providing solutions that support climate resilience, mitigation and / or adaptation.

The Fund favours companies that follow good Business Ethics, Corporate Governance, Employment & Labour practices, Environment and Climate Change Management, Human Rights, and Community Relations and is particularly positive on companies that contribute to Education, Health & Wellbeing, Social Infrastructure and Sustainable Solutions. Further details of EdenTree's Responsible and Sustainable Investment Policy are available on request or can be downloaded from our website at [www.edentreeim.com](http://www.edentreeim.com).

This Fund is marketable to all retail investors.

**The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may subject to obtaining and maintaining the requisite permissions from the FCA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.**

**If derivatives are used for the purpose of meeting the investment objective of the Fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.**

The Fund will be managed in line with the requirements for inclusion in an Individual Savings Account (ISA).

As the Fund invests in a range of assets, investors may compare the Fund's performance to the Investment

Association Mixed investment Sector 40-85% shares. Funds in this sector must have between 40 to 85% invested in company shares. However, the Manager is not bound or influenced by the Sector category when making investment decisions. Investors should note that EdenTree's Responsible and Sustainable Investment Policy will mean the exclusion of certain investments may lead to greater variance in the Fund's performance versus the performance of the Sector.

Shares Offered	Initial Charge	Annual Charge
Class A net accumulation (£1,000 or more invested)	0% actual	1.10% actual
Class B net accumulation (£1m or more invested)	0% actual	0.60% actual

## **EDENTREE RESPONSIBLE AND SUSTAINABLE MULTI-ASSET GROWTH FUND – PRN 954004**

### **Investment objective**

To provide long term capital growth and income over five years or more.

### **Investment policy**

**Investments** – The Fund will aim to achieve its investment objective by investing in a mixed investment portfolio that has a bias towards equities provided this remains consistent with achieving the Fund's objective. It aims to achieve its objectives with a higher level of risk relative to the other funds within the EdenTree Responsible & Sustainable Multi-Asset fund range. The Fund will seek to achieve the investment objective by investing indirectly in assets through other funds. The Fund will invest in units in collective investment schemes including those within the EdenTree range of funds.

The Fund will gain exposure to other assets including property or real estate investment trusts and listed infrastructure. It may also gain exposure to commodities through other collective investment schemes, invest in exchange traded commodities and derivatives. The Fund may invest in funds which target organisations whose core business is to address major social and/or environmental challenges. These investments may have different criteria for responsible investment to our own responsible and sustainable investment approach described below. Where such funds are managed by EdenTree and/or external companies and their underlying assets do not meet our responsible and sustainable criteria, investment in those assets will be limited to 15% of the Fund's portfolio, calculated on a look-through basis of the underlying fund's portfolio where available.

The Fund has no geographical restrictions or limits and may invest in any of the eligible markets listed in Appendix 3 of the Prospectus. Subject to the Responsible and Sustainable requirements detailed below, it may also invest directly in listed stocks and shares, money-market instruments, derivatives and forward transactions, deposits, nil and partly-paid securities, bonds, convertible bonds, cash and near cash as deemed appropriate to meet the Fund's objective.

**Strategy** – The Fund aims to gain exposure to a mixture of different asset classes (including, but not limited to, UK and overseas equities, bonds, cash, listed infrastructure and property REITS) to create a blended portfolio which aims to provide returns consistent with the Fund’s “growth” risk and return profile based on a five year view. The Fund has a set central strategic asset allocation which is considered to represent the longer term neutral asset allocation for the Fund. This is supplemented by a tactical asset allocation range which will allow some short term dynamic asset allocation between the different asset classes to enhance returns depending on the prevailing investment environment and outlook, whilst remaining within a risk framework compatible with the “growth” risk and return profile. The risk and return profile represents the level of risk that is taken in respect of potential returns. A growth profile approach means a higher level of risk is taken which, usually, means a higher chance of loss but also higher potential returns. The proportions within each asset class, including cash, can be reduced or increased within the ranges if we believe market conditions and the outlook for particular asset classes warrant such adjustments.

Under normal market conditions the Fund will invest within the following ranges of the various asset classes. Please note that these ranges can move due to changes in market conditions and changing investment outlooks for the asset classes.

EdenTree Multi-Asset Growth Fund – Asset class ranges

- Fixed interest and cash: 15-35%
- Equities: 55-75%
- Alternatives: 5-20%\*

\*Alternatives includes Real Estate Investment Trusts and Infrastructure Investment Trusts

**Responsible and Sustainable investment** – The Fund seeks to avoid investment in certain areas such as companies which have a material involvement (10% or more) in alcohol and tobacco production, conventional weapon production, gambling, publication of violent or explicit materials, oppressive regimes, intensive farming, fossil fuel exploration and production and high interest (sub-prime) lending.

The Fund will seek to avoid companies with material operations in oppressive regimes. The Fund has a proprietary means of assessing oppressive regime risk, and operates this on a case by case basis. It will also seek to avoid companies that have exposure to the manufacture of unconventional weapons where these are defined as nuclear, biological and chemical weapons, land mines and cluster bombs. Finally, the Fund will seek to avoid companies using animals to test cosmetic, beauty or household products. It may invest in pharmaceuticals companies that may conduct animal testing but will encourage the adoption of the 3R principles: refine, reduce, and replace.

Our responsible and sustainable screening captures the quality and strength of a company’s approach to sustainable business. This includes assessing a diverse range of indicators including environment and climate change, conflict minerals, custody of supply in raw materials sourcing (e.g. timber) and pollution etc. By way of example when specifically assessing corporate sustainability as it relates to climate change we would analyse key indicators such as emissions disclosure, how targets are

set, whether they are science based and ambitious enough to demonstrate commitment to a low carbon economy and whether the company is providing solutions that support climate resilience, mitigation and / or adaptation.

The Fund favours companies that follow good Business Ethics, Corporate Governance, Employment & Labour practices, Environment and Climate Change Management, Human Rights, and Community Relations and is particularly positive on companies that contribute to Education, Health & Wellbeing, Social Infrastructure and Sustainable Solutions. Further details of EdenTree’s Responsible and Sustainable Investment Policy are available on request or can be downloaded from our website at [www.edentreeim.com](http://www.edentreeim.com).

This Fund is marketable to all retail investors.

**The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may subject to obtaining and maintaining the requisite permissions from the FCA under the Financial Services and Markets Act 2000 and on giving not less than 60 days’ notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.**

**If derivatives are used for the purpose of meeting the investment objective of the Fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.**

The Fund will be managed in line with the requirements for inclusion in an Individual Savings Account (ISA).

As the Fund invests in a range of assets, investors may compare the Fund’s performance to the Investment Association Mixed investment Sector 40-85% shares. Funds in this sector must have between 40 to 85% invested in company shares. However, the Manager is not bound or influenced by the Sector category when making investment decisions. Investors should note that EdenTree’s Responsible and Sustainable Investment Policy will mean the exclusion of certain investments may lead to greater variance in the Fund’s performance versus performance of the Sector.

Shares Offered	Initial Charge	Annual Charge
Class A net accumulation (£1,000 or more invested)	0% actual	1.10% actual
Class B net accumulation (£1m or more invested)	0% actual	0.60% actual

## EDENTREE GREEN INFRASTRUCTURE FUND – PRN 984480

### Investment objective

The Fund aims to generate income with the potential for capital growth by investing in infrastructure-related companies around the globe, which demonstrate positive environmental outcomes.



## Investment policy

The EdenTree Green Infrastructure Fund will seek to achieve the investment objective by investing at least 80% of the Fund in listed infrastructure-related equities and investment companies that demonstrate positive environmental outcomes by addressing some of the challenges around climate change, sustainable water use, pollution prevention and control, and the transition to a circular economy.

The Fund will invest at least 80% of the Fund in listed equities and investment companies whose business is based on the ownership, operation, construction, development, or debt funding of real assets and infrastructure projects in the following fields;

- Alternative Energy (the generation of clean energy)
- Energy Storage and Efficiency (enabling a low carbon transition)
- Natural Capital (such as sustainable forestry and agriculture)
- Circular Economy (solutions for recycling, waste processing, and resource stewardship)
- Water Management (treatment, conservation and management)
- Sustainable Transportation (technologies enabling sustainable transportation)

The Fund may invest up to 20% in other listed equities or investment companies which do not fit the above categories, but are still involved in the ownership, operation, construction, development or debt funding of real assets and related projects considered to be used in a responsible and sustainable manner. These would include property used for social purposes, property used for commercial or industrial purposes in a responsible and sustainable manner, or financial assets intended to create positive environmental outcomes, such as carbon allowances and offsets.

Up to 20% of the Fund may be invested in other assets, including shares of other listed companies, REITs, exchange traded commodities ("ETCs"), money-market instruments, derivatives and forward transactions, deposits, nil and partly-paid securities, bonds, convertible bonds, cash and near cash as deemed economically appropriate to meet the Fund's objective. Up to 10% of the Fund may be invested in collective investment schemes, including open-ended funds and exchange traded funds ("ETFs").

The Fund will avoid investment where there is material involvement (10% or more) in alcohol and tobacco production, conventional weapon production, gambling, publication of violent or explicit materials, intensive farming, fossil fuel exploration and production and high interest (sub-prime) lending.

The Fund will avoid companies with material operations in oppressive regimes. The Fund has a proprietary means of assessing oppressive regime risk, and operates this on a case by case basis. It will also seek to avoid companies that have exposure to the manufacture of unconventional weapons where these are defined as nuclear, biological and chemical weapons, land mines and cluster bombs. Finally, the Fund will seek to avoid companies using animals to test cosmetic, beauty or household products. It may invest in pharmaceuticals companies that may conduct animal testing.

This Fund is marketable to all retail investors.

Further details of the Investment Policy and how we screen our funds are available on request or can be downloaded from our website at [www.edentreeim.com](http://www.edentreeim.com).

The Manager does not currently intend to use derivatives for any purpose other than the efficient portfolio management of the Fund, although it may subject to obtaining and maintaining the requisite permissions from the FCA under the Financial Services and Markets Act 2000 and on giving not less than 60 days' notice to shareholders in the Fund, use derivatives in pursuit of its investment objective in the future.

If derivatives are used for the purpose of meeting the investment objective of the Fund it is not intended that the use of derivatives would cause the Net Asset Value of the Fund to have higher volatility or otherwise cause the existing risk profile of the Fund to change.

The Fund will be managed in line with the requirements for inclusion in an Individual Savings Account (ISA).

## Fund Benchmark

As the Fund will invest in companies involved in the ownership, operation or maintenance of infrastructure assets, investors may compare the Fund's performance to the Investment Association Infrastructure Sector. Funds in this sector must have at least 80% of their assets (directly or indirectly) in companies involved in the ownership, operation or maintenance of infrastructure assets (including but not limited to: utilities, energy, transport, health, education, security and communications). However, the Manager is not bound or influenced by the Sector category when making investment decisions.

Investors should note that EdenTree's Responsible and Sustainable Investment Policy will mean the exclusion of certain investments may lead to greater variance in the Fund's performance versus the performance of the Sector.

Shares Offered	Initial Charge	Annual Charge
Class B net income (£1m or more invested)	0% actual	0.75% actual
Class D net income (£1m or more invested)	0% actual	0% actual
Class I net income (£100m or more invested)	0% actual	0.45% actual
Class I net accumulation (£100m or more invested)	0% actual	0.45% actual
Class S accumulation (£250m or more invested)	0% actual	0.30% actual

## APPENDIX 2 – INVESTOR PROFILE

**General** – All funds are suitable for retail investment.

The Funds are aimed at investors willing to meet the minimum investment requirements for whom the spread of risk through investment in a range of ethically screened investments will be suitable. Investors will also understand that investment in the Funds may result in loss of capital.

Investors should examine the objectives of each fund in the preceding pages to determine whether they are suitable for their investment.

## APPENDIX 3 – INVESTMENT AND BORROWING POWERS

### 1. GENERAL

The principal investment powers and restrictions applying to each of the Funds under the FCA Rules are set out below. Any additional investment restrictions for the Funds are set out in Appendix 1.

The following is a summary of the investment limits set out in COLL which apply to a non-UCITS retail scheme:

#### 1.1

The property of the Funds may except where otherwise provided for in COLL 5.6R of the FCA Rules, consist of any one or more of transferable securities, money-market instruments, cash and near cash, units in collective investment schemes (see 1.15 below), derivatives and forward transactions, deposits (see 1.11 below), and gold (see 1.12 below).

Transferable securities, including warrants, and money-market instruments must, subject to 1.2 and 1.3 below, (i) be admitted to or dealt in on an eligible market, (ii) be recently issued transferable securities provided the terms of the issue include an undertaking that application will be made to be admitted to an eligible market and such admission is secured within a year of issue, (iii) be approved money-market instruments (as defined for the purposes of COLL) not admitted to or dealt in on an eligible market provided certain requirements of the FCA Rules are satisfied.

#### 1.2

Not more than 20% in value of the scheme property may consist of transferable securities which are not within 1.1 above.

#### 1.3

Not more than 20% in value of the scheme property may consist of transferable securities within 1.2 above or money-market instruments which are not liquid nor which have a value which cannot be determined accurately at any time.

#### 1.4

The limitations in 1.5 to 1.8 do not apply in respect of government and public securities.

#### 1.5

Not more than 20% in value of the scheme property may consist of deposits with a single body.

#### 1.6

Not more than 10% in value of the scheme property may consist of transferable securities or money-market instruments issued by any single body, except that (i) the figure of 10% may be increased to 25% in value of the scheme property in respect of covered bonds; and (ii) the figure of 10% may be increased to 20% in value of the scheme property in shares and debentures which are issued by the same body where the aim of the investment policy of that scheme is to replicate the performance or composition of an index (which index must have a sufficiently diverse composition, be representative of a benchmark for the market to which it refers and be published in an appropriate manner). Where justified by exceptional market conditions and in respect of one body only, the figure of 20% may be increased to 35%.

#### 1.7

The exposure to any one counterparty in an over-the-counter derivative transaction ('OTC') must not exceed 10% in value of the scheme property. For the purposes of calculating such limit:

##### 1.7.1

The exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets each of the conditions specified below:

- (a) The collateral is marked-to-market on a daily basis and exceeds the value of the amount at risk;
- (b) The collateral is exposed only to negligible risks (e.g. government bonds of first credit rating or cash) and is liquid;
- (c) The collateral is held by a third party custodian not related to the provider or is legally secure from the consequences of a failure of a related party; and
- (d) The collateral can be fully secured by the Fund at any time.

##### 1.7.2

OTC derivative positions with the same counterparty may be netted provided that the netting procedures:

- (a) Comply with the conditions set out in Section 3 (Contractual netting, Contracts for novation and other netting agreements) of Annex III to the Banking Consolidation Directive; and
- (b) Are based on legally binding agreements.

In applying this section 1.7, all derivative transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house meets each of the following conditions: (a) it is backed by an appropriate performance guarantee; and (b) it is characterised by a daily market-to-market valuation of the derivative positions and an at least daily margining.



**1.8**

Subject to 1.15 below up to 20% in value of the scheme property may consist of the units of any one scheme.

**1.9**

Up to 35% in value of the scheme property may be invested in government and public securities issued by any one body, in which case there is no limit on the amount which may be invested in such securities or in any one issue.

**1.10**

More than 35% in value of the scheme property can be invested in government and public securities issued by any one body provided that (a) the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is one which is appropriate in accordance with the investment objective of the Company; (b) no more than 30% in value of the scheme property of the Fund concerned consists of such securities of any one issue; (c) the scheme property of the Fund includes such securities issued by that or another issuer of at least six different issues; and (d) certain details have been disclosed in the Prospectus. The bodies in which the Funds may invest over 35% in their value are set out in Appendix 5.

**1.11**

A Fund may invest in deposits only with an approved bank and which are repayable on demand or have the right to be withdrawn, and mature in no more than twelve months.

**1.12**

Not more than 10% in value of the scheme property may be invested in gold.

**1.13**

In and for the purposes of sections 1.6, 1.9 and 1.10 above, 'issue', 'issued' and 'issuer' include 'guarantee', 'guaranteed' and 'guarantor' and an issue differs from another if there is a difference as to repayment date, rate of interest, guarantor or other material terms of the issue.

**1.14**

Nil or partly-paid securities are eligible for investment only provided it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the scheme, at the time when payment is required, without contravening the rules of Chapter 5 of COLL.

**1.15**

A Fund must not invest in units in a collective investment scheme unless that other scheme (1) (a) satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive; or (b) is a non-UCITS retail scheme; or (c) is a recognised scheme; or (d) is constituted outside the UK and the investment and borrowing powers of which are the same or more restrictive than those of a non-UCITS retail scheme; or (e) is a scheme not falling within (a) to (d) and in respect of which no more than 15% in value of the scheme property (including any transferable securities which are not approved securities) is invested; (2) operates on the principle of the prudent spread of risk; (3) is prohibited from having more than 20% in value of the property of its scheme property consisting of units in collective investment schemes; and (4) the participants must be entitled to have their units

redeemed in accordance with the scheme at a price (a) related to the net value of the property to which the units relate and (b) determined in accordance with the scheme.

**1.16**

A Fund may invest in another collective investment scheme managed or operated by, or which has as its authorised corporate director, the ACD or an associate of the ACD provided that certain provisions of the FCA Rules regarding investment in such scheme are complied with.

**1.17**

A Fund may hold cash and near cash where this may reasonably be regarded as necessary in order to enable redemption of shares, efficient management of the Fund in question in accordance with its objectives or other purposes which may reasonably be regarded as ancillary to the objectives of that Fund. Within the context of the ACD's policy of active asset allocation the liquidity of the Funds may vary in response to market conditions. Where the ACD considers that a defensive investment strategy is appropriate, cash and near cash may comprise up to 25% by value of the property of a Fund. This range may be exceeded in exceptional circumstances.

**2. DERIVATIVES AND FORWARD TRANSACTIONS****2.1**

Only certain types of derivatives and forward transactions can be effected for a non-UCITS retail scheme, namely transactions in approved derivatives (i.e. traded or dealt in on an eligible derivatives market) and permitted over-the-counter transactions in derivatives.

**2.2**

The underlying must consist of any or all of the following (to which the scheme is dedicated): transferable securities; permitted money-market instruments; permitted deposits; permitted derivatives; permitted collective investment scheme units; financial indices (which satisfy the criteria in 5.2.20AR of COLL); interest rates; foreign exchange rates and currencies. A transaction in an approved derivative must be effected on or under the rules of an eligible derivatives market. A derivatives transaction must not cause a Fund to diverge from its stated investment objective and must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, money-market instruments, collective investment scheme units or derivatives; provided that a sale is not to be considered as uncovered if the conditions in 5.2.22R(3) of COLL (requirements to cover sales) are satisfied.

**2.3**

Any forward transaction must be with an eligible institution or an approved bank.

**2.4**

Where a non-UCITS retail scheme invests in derivatives, the exposure to the underlying assets must not exceed the limits in sections 1.5 to 1.9 above. Where a transferable security or money-market instrument embeds a derivative this must be taken into account for the purposes of complying with the limits. Subject to the ACD taking account of the

requirements of 5.6.3R of COLL, where a Fund invests in an index-based derivative, the underlying constituents of the index do not have to be taken into account for the purposes of 5.6.7R and 5.6.8R of COLL provided the relevant index falls within 5.6.23R of COLL.

## 2.5

A derivative or forward transaction which will or could lead to the delivery of property for the account of a non-UCITS retail scheme may be entered into only if such property can be held for the account of such scheme and the ACD having taken reasonable care determines that delivery of the property under the transaction will not occur and will not lead to a breach of the FCA Rules.

## 2.6

Except in relation to deposits, no agreement by the ACD on behalf of the Funds to dispose of property or rights may be made unless the obligation (and any other similar obligation) could immediately be honoured by delivery of the property or the assignment (or, in Scotland, assignation) of rights and the property and rights are owned on behalf of the Funds at the time of the agreement.

## 2.7

The above paragraph does not apply where:

- (a) The risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument and the underlying financial instrument is highly liquid; or
- (b) The ACD or the Depositary has the right to settle the derivative in cash, and cover exists within the scheme property which falls within one of the following asset classes: cash; liquid debt instruments (e.g. government bonds of first credit rating) with appropriate safeguards (in particular, haircuts); or other highly liquid assets having regard to their correlation with the underlying of the financial derivative instruments, subject to appropriate safeguards (e.g. haircuts where relevant).

In the asset classes referred to above, an asset may be considered as liquid where the instrument can be converted into cash in no more than seven business days at a price closely corresponding to the current valuation of the financial instrument on its own market.

## 2.8

A transaction in an over-the-counter derivative must be (1) with an approved counterparty (namely an eligible institution, an approved bank or a person whose FCA permission or Home State authorisation permits it to enter into the transaction as principal off-exchange); (2) on approved terms (i.e. the ACD carries out, at least daily, a reliable and verifiable valuation in respect of that transaction corresponding to its fair value and which does not rely only on market quotations by the counterparty and can enter into one or more further transactions to sell, liquidate or close out that transaction at any time, at a fair value); (3) capable of reliable valuation (i.e. if the ACD having taken reasonable care determines that, throughout the life of the derivative (if the transaction is entered into), it will be able to value the investment concerned with reasonable accuracy on the basis of an

up-to-date market value which the ACD and the Depositary have agreed is reliable or (if this is not available) on the basis of a pricing model which the ACD and the Depositary have agreed uses an adequate recognised methodology); and (4) subject to verifiable valuation (i.e. if throughout the life of the derivative (if the transaction is entered into) verification of the valuation is carried out by an appropriate third party which is independent from the counterparty at an adequate frequency in such a way that the ACD is able to check it, or by a department within the ACD which is independent from the department managing the scheme property and which is adequately equipped for such a purpose).

A transaction in a derivative or forward transaction may be entered into only if the maximum exposure (in terms of the principal or notional principal created by the transaction to which the trust is or may be committed by another person) is covered globally. Exposure is covered globally if adequate cover from the scheme property is available to meet the scheme's total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movement, counterparty risk and the time available to liquidate any positions. Cash not yet received into the scheme property, but which is due to be received within one month, is available as cover as is property subject to a permitted stock lending transaction if the ACD has taken reasonable care to determine that it is obtainable in time to meet the obligation for which cover is required. Total exposure relating to derivatives held within a non-UCITS retail scheme may not exceed the net value of the scheme property.

Please note that use of derivatives may affect the risk profile of a Fund. Please refer to the risk warning in section 28.7 for more information.

## 3. PROPERTY

Subject to the rules in COLL, up to 100% of the scheme property of a non-UCITS retail scheme may be held in property (that is, land or buildings ('immovables')). The Company does not intend to invest in immovables.

## 4. STOCK LENDING

### 4.1

The Depositary may, at the request of the ACD, enter into repo contracts and certain stock lending transactions. Such transactions must comply with the requirements of the FCA Rules which state, inter alia that:

#### 4.1.1

All the terms of the agreement under which securities are to be reacquired by the Depositary are in a form which is acceptable to the Depositary and are in accordance with good practice.

#### 4.1.2

The counterparty is for the purposes of the Act:

- (a) An authorised person; or
- (b) A person authorised by a Home State regulator; or

- (c) A person registered as a broker or dealer with the Securities and Exchange Commission of the United States of America, or certain banks or bank branches as permitted by the FCA Rules.

#### **4.1.3**

Collateral is obtained to secure the obligation of the counterparty and the collateral is acceptable to the Depositary, is adequate in terms of the FCA Rules and is sufficiently immediate (i.e. that it can be transferred before or at the time of the transfer of the securities by the Depositary or the Depositary takes reasonable care to determine before or at the time of transfer the collateral will be transferred at the latest by the close of business on the day of the transfer).

Such transactions must comply with the relevant requirements of the Taxation of Chargeable Gains Act 1992 together with the requirements of COLL.

Note: The ACD will not enter into repo contracts for a Fund nor deal with counterparties who are not authorised persons or persons authorised by a Home State regulator.

## **5. BORROWING**

The Company may, subject to COLL, borrow money from an eligible institution or an approved bank for the use of the Company on terms that the borrowing is to be repayable out of the scheme property.

The ACD must ensure that borrowing does not, on any Dealing Day, exceed 10% of the value of each Fund.

These borrowing restrictions do not apply to 'back to back' borrowing for currency hedging purposes (ie borrowing permitted in order to reduce or eliminate risk arising by reason of fluctuations in exchange rates).

## APPENDIX 4 – LIST OF ELIGIBLE SECURITIES MARKETS

In addition to any market established in a Member State of the European Union, or any other state which is within the European Economic Area ('Member State') on which transferable securities admitted to official listing are traded, the following securities markets are also eligible markets:

The principal market or only market established under the rules of any of the following investment exchanges:

### 1. ELIGIBLE SECURITIES MARKETS

#### Australia

- Australian Securities Exchange Limited (ASX)

#### Brazil

- Bolsa de Valores de Sao Paulo (BM & FBOVESPA)

#### Canada

- Toronto Stock Exchange
- Montreal Stock Exchange
- TSX Venture Exchange

#### Hong Kong

- Hong Kong Stock Exchange

#### Japan

- Tokyo Stock Exchange
- Osaka Securities Exchange
- Fukuoka Stock Exchange

#### Republic of Korea

- Korea Exchange

#### Malaysia

- Bursa Malaysia

#### Mexico

- The Mexican Stock Exchange

#### New Zealand

- New Zealand Stock Exchange

#### Singapore

- Singapore Exchange

#### South Africa

- JSE Securities Exchange

#### Switzerland

- Swiss Exchange

#### Taiwan

- The Taiwan Stock Exchange
- The Taipei Stock Exchange

#### Thailand

- Stock Exchange of Thailand

#### Turkey

- Istanbul Stock Exchange

#### United Kingdom

- Alternative Investment Market (AIM) Grey Book Market

#### United States

- NYSE Euronext
- NASDAQ Stock Market
- NASDAQ OMX BX
- National Stock Exchange
- Chicago Stock Exchange
- Pacific Stock Exchange
- NYSE Arca Inc.
- NASDAQ OMX PHLX
- Philadelphia Stock Exchange
- The market in transferable securities issued by or on behalf of the Government of the United States of America conducted through those persons for the time being recognised and supervised by the Federal Reserve Bank of New York and known as primary dealers.

### 2. ELIGIBLE DERIVATIVES MARKETS

- The London International Financial Futures and Options Exchange (Euronext LIFFE)

## APPENDIX 5 – LIST OF SECURITIES

List of all government and other public securities specified in Appendix 3, paragraph 1.10:

- United Kingdom or any other Member State of the European Union
- Australia
- Brazil
- Canada
- Chile
- Egypt
- Hong Kong
- Japan
- Korea
- New Zealand
- Norway
- Singapore
- Switzerland
- Turkey
- United States

## APPENDIX 6 – AUTHORISED COLLECTIVE INVESTMENT SCHEMES OF WHICH THE ACD IS THE AUTHORISED CORPORATE DIRECTOR

### EDENTREE INVESTMENT FUNDS – SERIES 1

## APPENDIX 7 – LIST OF SUBCUSTODIANS

Country/Market	Subcustodian	Address
Argentina	The Branch of Citibank, N.A. in the Republic of, Argentina	Ciudad de Buenos Aires
Australia	Citigroup Pty Limited	Melbourne
Australia	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Austria	UniCredit Bank Austria AG	Vienna
Bahrain	HSBC Bank Middle East Limited	Kingdom of Bahrain
Bangladesh	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Belgium	The Bank of New York Mellon SA/NV	Brussels
Bermuda	HSBC Bank Bermuda Limited	Hamilton
Botswana	Stanbic Bank Botswana Limited	Gaborone
Brazil	Citibank N.A., Brazil	Sao Paulo
Brazil	Banco Santander (Brasil) S.A.	Sao Paulo
Bulgaria	Citibank Europe plc, Bulgaria Branch	Sofia
Canada	CIBC Mellon Trust Company (CIBC Mellon)	Toronto
Cayman Islands	The Bank of New York Mellon	New York
Channel Islands	The Bank of New York Mellon	New York
Chile	Banco Santander Chile	Santiago
China	HSBC Bank (China) Company Limited	Shanghai
China	Bank of China Limited	Beijing
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	Bogota
Costa Rica	Banco Nacional de Costa Rica	San José
Croatia	Privredna banka Zagreb d.d.	Zagreb
Cyprus	Citibank Europe Plc, Greece Branch	Athens
Czech Republic	Citibank Europe plc, organizacni slozka	Prague
Denmark	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
Egypt	HSBC Bank Egypt S.A.E.	Cairo
Estonia	SEB Pank AS	Tallinn
Estonia	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt
Euromarket	Clearstream Banking S.A.	Luxembourg
Euromarket	Euroclear Bank SA/NV	Brussels
Finland	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
France	BNP Paribas SA	Paris
France	The Bank of New York Mellon SA/NV	Brussels
Germany	The Bank of New York Mellon SA/NV	Frankfurt
Ghana	Stanbic Bank Ghana Limited	Accra
Greece	Citibank Europe Plc, Greece Branch	Athens
Hong Kong	Citibank N.A. Hong Kong	Hong Kong
Hong Kong	Deutsche Bank AG	Hong Kong
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Hungary	Citibank Europe plc. Hungarian Branch Office	Budapest
Iceland	Landsbankinn hf.	Reykjavik
India	Standard Chartered Bank, India Branch	Mumbai
India	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Indonesia	Standard Chartered Bank, Indonesia Branch (SCB)	Jakarta
Ireland	The Bank of New York Mellon	New York
Israel	Bank Hapoalim B.M.	Tel Aviv
Italy	The Bank of New York Mellon SA/NV	Brussels
Japan	Mizuho Bank, Ltd.	Tokyo
Japan	MUFG Bank, Ltd.	Tokyo
Jordan	Bank of Jordan	Amman
Kazakhstan	Citibank Kazakhstan Joint-Stock Company	Almaty
Kenya	Stanbic Bank Kenya Limited	Nairobi
Kuwait	HSBC Bank Middle East Limited, Kuwait	Safat
Latvia	AS SEB banka	Kekavas novads
Latvia	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt
Lithuania	AB SEB bankas	Vilnius
Lithuania	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt



Country/Market	Subcustodian	Address
Luxembourg	Euroclear Bank SA/NV	Brussels
Malawi	Standard Bank PLC	Lilongwe
Malaysia	Standard Chartered Bank Malaysia Berhad (SCB)	Kuala Lumpur
Malta	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	Ebene
Mexico	Banco Nacional de México S.A. Integrante del Grupo Financiero Banamex	Ciudad de Mexico
Mexico	Banco S3 CACEIS Mexico, S.A., Institución de Banca Múltiple	Ciudad de Mexico
Morocco	Citibank Maghreb S.A.	Casablanca
Namibia	Standard Bank Namibia Limited	Kleine Kuppe, Windhoek
Netherlands	The Bank of New York Mellon SA/NV	Brussels
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	Auckland
Nigeria	Stanbic IBTC Bank Plc.	Lagos
Norway	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
Oman	Standard Chartered Bank Oman branch	Ruwi
Pakistan	Deutsche Bank AG	Karachi
Panama	Citibank N.A., Panama Branch	Panama City
Peru	Citibank del Peru S.A.	Lima
Philippines	Standard Chartered Bank, Philippines Branch	Makati City
Poland	Bank Polska Kasa Opieki S.A.	Warszawa
Portugal	Citibank Europe Plc	Dublin
Qatar	Qatar National Bank	Doha
Qatar	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Romania	Citibank Europe plc Dublin, Romania Branch	Bucharest
Russia	AO Citibank	Moscow
Russia	PJSC ROSBANK	Moscow
Saudi Arabia	HSBC Saudi Arabia	Riyadh
Serbia	UniCredit Bank Serbia JSC	Belgrade
Singapore	DBS Bank Ltd	Singapore
Singapore	Standard Chartered Bank (Singapore) Limited	Singapore
Slovak Republic	Citibank Europe plc, pobočka zahraničnej banky	Bratislava
Slovenia	UniCredit Banka Slovenija d.d.	Ljubljana
South Africa	Standard Chartered Bank, Johannesburg Branch	Sandton
South Africa	The Standard Bank of South Africa Limited	Johannesburg
South Korea	Standard Chartered Bank Korea Limited (SCB)	Seoul
South Korea	The Hongkong and Shanghai Banking Corporation Limited, Seoul Branch	Seoul
Spain	Banco Bilbao Vizcaya Argentaria, S.A.	Bilbao
Spain	CACEIS Bank Spain, S.A.U.	Madrid
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Sweden	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
Switzerland	Credit Suisse (Switzerland) Ltd.	Zurich
Switzerland	UBS Switzerland AG	Zurich
Taiwan	HSBC Bank (Taiwan) Limited	Taipei City
Tanzania	Stanbic Bank Tanzania Limited	Dar es Salaam
Thailand	The Hongkong and Shanghai Banking Corporation Limited	Bangkok
Tunisia	Union Internationale de Banques	Tunis
Turkey	Deutsche Bank A.S.	Istanbul
U.A.E.	HSBC Bank Middle East Limited (HBME)	Dubai
U.K.	The Bank of New York Mellon	New York
U.S.A.	The Bank of New York Mellon	New York
U.S.A. Precious Metals	HSBC Bank, USA, N.A.	New York
Uganda	Stanbic Bank Uganda Limited	Kampala
Ukraine	JSC "Citibank". Full name Joint Stock Company "Citibank"	Kiev
Uruguay	Banco Itaú Uruguay S.A.	Montevideo
Vietnam	HSBC Bank (Vietnam) Ltd	Ho Chi Minh City
WAEMU	Société Générale Côte d'Ivoire	Abidjan
Zambia	Stanbic Bank Zambia Limited	Lusaka
Zimbabwe	Stanbic Bank Zimbabwe Limited	Harare

Note: Benin, Burkina-Faso, Guinea Bissau, Ivory Coast, Mali, Niger, Senegal and Togo are members of the West African Economic and Monetary Union (WAEMU).

# DIRECTORY

---

## **AUTHORISED CORPORATE DIRECTOR (ACD)**

### **EdenTree Investment Management Limited**

24 Monument Street  
London  
EC3R 8AJ

Tel 020 7528 7364  
Fax 020 7528 7365

Whose Registered Office is:

Benefact House  
2000, Pioneer Avenue  
Gloucester Business Park  
Brockworth  
Gloucester  
GL3 4AW

Tel 0845 777 3322  
Fax 01452 311 690

Authorised and regulated by the Financial  
Conduct Authority (FCA).

## **INVESTMENT ADVISOR**

### **EdenTree Asset Management Limited**

24 Monument Street  
London  
EC3R 8AJ

Tel 020 7528 7364  
Fax 020 7528 7365

Whose Registered Office is:

Benefact House  
2000, Pioneer Avenue  
Gloucester Business Park  
Brockworth  
Gloucester  
GL3 4AW

## **DEPOSITARY**

### **The Bank New York Mellon (International) Limited**

Whose Registered and Head Office is:

160 Queen Victoria Street  
London  
ECV4 4LA

Tel 020 7163 5566  
Fax 020 7163 3693

Authorised by the Prudential Regulation Authority and dual-  
regulated by the Financial Conduct Authority (FCA) and  
Prudential Regulation Authority.

## **AUDITORS**

### **PricewaterhouseCoopers LLP**

2 Glass Wharf  
Bristol  
BS2 0FR

## **LEGAL ADVISERS**

### **Pinsent Mason LLP**

30 Crown Place  
London  
EC2A 4ES

Tel 020 7418 7000  
Fax 020 7418 7050

## **ADMINISTRATOR AND REGISTRAR**

### **Northern Trust Global Services SE**

50 Bank Street  
Canary Wharf  
London  
E14 5NT

Tel 020 7982 2000  
Fax 020 7982 2002

## **REGULATORS**

### **Financial Conduct Authority**

12 Endeavour Square  
London  
E20 1JN

Tel 020 7628 6000

For further information on any  
of our products, call us on

**0800 358 3010**

Monday to Friday 9am to 5pm.

We may monitor or record calls to improve our service.

You can email us at

**[investmentadmin@edentreeim.com](mailto:investmentadmin@edentreeim.com)**

Or visit us at

**[www.edentreeim.com](http://www.edentreeim.com)**

