



Performance  
with principles®

# INVESTMENT FUNDS ASSESSMENT OF VALUE REPORT

Year ended 31 December 2022

## EdenTree Investment Funds Series 1

- EdenTree Responsible & Sustainable UK Equity Fund
- EdenTree Responsible & Sustainable European Equity Fund
- EdenTree Responsible & Sustainable Global Equity Fund
- EdenTree Responsible & Sustainable Managed Income Fund  
(formerly EdenTree Higher Income Fund)
- EdenTree Responsible & Sustainable UK Equity Opportunities Fund
- EdenTree Responsible & Sustainable Sterling Bond Fund
- EdenTree Responsible & Sustainable Short Dated Bond Fund
- EdenTree Green Future Fund
- EdenTree Global Impact Bond Fund

## EdenTree Investment Funds Series 2

- Amity Balanced Fund for Charities
- Amity Global Equity Fund for Charities
- EdenTree Responsible & Sustainable Multi-Asset Cautious Fund
- EdenTree Responsible & Sustainable Multi-Asset Balanced Fund
- EdenTree Responsible & Sustainable Multi-Asset Growth Fund



## A Message to Investors from the CEO

**I am delighted to be writing to you as part of the 2022 Assessment of Value Report for EdenTree Investment Management. I joined EdenTree as CEO in 2020 and it is fair to say that period has been an extraordinary one for the world and the investment management industry.**

Off the back of the conflict in Ukraine and the associated economic issues, 2022 proved to be a very challenging period for inflows into investment funds. In fact, according to numbers published by the investment association, 2022 was the first year in which an annual outflow across the industry has been recorded. However, I am pleased to say that responsible funds bucked the trend of outflows and saw a positive inflow over the course of the year. In the same way, as a responsible and sustainable specialist, EdenTree also had a strong year and recorded our highest ever annual inflows.

This is the 3rd Assessment of Value Report and I am able to say that a number of changes are in the process of being implemented as a result of the previous year's report. In particular I would like to draw attention to last year's "How we may look to improve" section that included an upcoming review of our Equity and Charity Funds. We will be writing to clients and distributors in Q2 2023 to inform them of the outcomes from the review and what changes we plan to make.

This report has also been produced alongside a wider piece of work on the FCA's guidance around asset managers responsibilities to the consumer – Consumer Duty. We welcome the initiative and see this as a necessary and helpful approach to putting the customers' needs first and seeking to deliver good outcomes for them.

As an organisation, I am convinced that EdenTree has an obligation not just to our customers but also to society in a wider context. We are part of the Benefact Group- a family of specialist financial services businesses which gives all of its available profits to charity and good causes. The Benefact Group is the UK's third largest corporate donor to good causes, having given almost £200m in charitable donations since 2014.

Therefore, by investing with us, not only will you continue to benefit from responsible and sustainable investment that's dedicated to providing performance with principles, you will also be contributing to our wider movement for good, where our profits go to good causes to help transform lives and communities.

**Andy Clark**  
Chief Executive Officer, EdenTree



## A Message from the CIO

**During 2022, Global equity markets were dominated by macro-economic and geopolitical concerns. Russia's conflict in Ukraine sparked an energy crisis and led Europe to rapidly reorientate its energy sector away from Russian supply, including through the introduction of more ambitious renewable energy and energy efficiency goals. Inflation surged to multi-decade highs, forcing central banks to lift rates to levels not seen since before the Global Financial Crisis. Market sentiment improved in the final quarter of the year as investors spied a peak in inflation and moderation in central bank policy, although concerns remained about the prospect for a global recession in 2023.**

The UK stock market outperformed other developed markets due to the high weighting in Energy and Banks, while Europe's bourses generally suffered. Among sectors, Energy was notably strong, while Technology and Consumer Discretionary lost ground.

EdenTree's fund range had a mixed year in 2022, against a highly challenging backdrop. Our fixed income products generally outperformed the market due to their focus on quality and shorter relative duration. The R&S European and R&S Managed Income Funds stood out, with performance benefiting from a focus on value equities. In contrast, the UK funds faced significant headwinds due to a combination of their respective investment styles and the exclusion of oil and gas, mining and tobacco which we naturally do not hold on responsible investment grounds. Indeed, the strength of the extractive sectors impeded relative performance across our equity fund range – including R&S Global Equity, and to a lesser extent the newly launched Green Future Fund which performed relatively strongly in its first 11 months – and had a knock-on effect for our Multi-Asset Funds, which invest in a range of EdenTree Funds. We firmly believe the exclusion of these sectors is appropriate on ethical and financial grounds as the global economy continues to move away from fossil fuels.

During the year, we redoubled our efforts to check our assumptions and to understand the headwinds to the holdings in our funds posed by the prevailing economic and geopolitical backdrop, but also the levers companies can pull to insulate themselves and emerge resiliently. With some of the key pressure points starting to ease late in the year, the investment team started to lean into the prevailing sense of market uncertainty, which favours our bottom-up, fundamental approach to investing. The green revolution is gathering pace, supply chains are adjusting to a new normal and we as a team are pursuing resilient businesses that have been sold down on short-term macro concerns, whose longer-term prospects remain intact. While there are reasons to remain cautious, we believe the year ahead should be a more constructive period for active investors, such as ourselves, who approach the market with a robust approach to responsible and sustainable investing.

**Charlie Thomas**  
Chief Investment Officer, EdenTree



## Our Culture and Values

Our culture, values and behaviours are strongly focused on delivering great service for customers and clients and to be seen as a force for good in the wider business community and society as a dedicated manager of responsible, sustainable and impact aligned solutions. We are innovative, and nurture new ideas and product solutions that always seek to deliver for customers and client.

## Our Assessment Criteria

The FCA outline seven criteria for all UK fund managers to consider when determining if value has been delivered to investors. We have grouped them, added consideration of investment process and describe the criteria below

### Fund performance and investment process

- **FUND PERFORMANCE** Are funds meeting their objectives and how do they measure up to their benchmark? Dates used reflected the firm's long term investment horizon.
- **RELATIVE PERFORMANCE** How are funds doing in relation to the chosen comparator group or Investment Association sector?
- **INVESTMENT PROCESS** As a smaller active boutique investment manager specialising in responsible and sustainable investments, we aim to deliver enhanced value through our investment process and high standards of corporate governance and integrity. EdenTree is extremely proud of its screening process, responsible and sustainable investing is at our core, using investment capital as a force to drive positive change.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers, we do. As we grow, we expect there to be opportunities to reduce third party costs, but at our current AUM this is not currently feasible. This element of the Assessment of Value applies across the fund range and we will therefore not assess this in greater depth on any of the individual fund assessments.
- **CLASSES OF SHARE** Access to share classes is dependent on the amount invested and clients who have invested directly into the retail share class (Class A) give rise to higher costs. The administration costs of servicing these accounts and processing smaller individual deals have been, and still are, higher when compared to deals placed by IFAs and Wealth Managers using third party platforms to process bulk deals to invest in the Institutional share class (Class B). It is therefore appropriate to charge these share classes differently.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the funds are reasonable and are being appropriately managed. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.

### Costs and charges

- **COMPARABLE MARKET RATES** AMC or Annual Management Charge (the fee we receive as investment manager), OCF or Ongoing Charges Figure (the AMC plus custody, depositary and audit fees), and transaction charges were considered.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.

## Services

- QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number / nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met. This element of the Assessment of Value applies across the fund range and we will therefore not assess this in greater depth on any of the individual fund assessments.

For each criteria above we have made an assessment of GREEN, YELLOW, AMBER or RED value for money (indicated by the colour of the heading), the assessment was then given an overall rating taking account of the ratings given in each category. This is summarised in the following table:

Fund	Overall rating	M		B D G		F N		J K L		A H		C E I	
		Absolute Performance	Relative Performance	Responsible and Sustainable Investment Process	Comparable Market Rates and Classes of Share	Fund Manager Costs	Comparable Services	Economies of Scale	Quality of Service				
A EdenTree Responsible and Sustainable UK Equity	●	●	●	●	●	●	●	●	●	●	●	●	●
B EdenTree Responsible and Sustainable European Equity	●	●	●	●	●	●	●	●	●	●	●	●	●
C EdenTree Responsible and Sustainable Global Equity	●	●	●	●	●	●	●	●	●	●	●	●	●
D EdenTree Responsible and Sustainable Managed Income	●	●	●	●	●	●	●	●	●	●	●	●	●
E EdenTree Responsible and Sustainable UK Equity Opportunities	●	●	●	●	●	●	●	●	●	●	●	●	●
F EdenTree Responsible and Sustainable Sterling Bond	●	●	●	●	●	●	●	●	●	●	●	●	●
G EdenTree Responsible and Sustainable Short Dated Bond	●	●	●	●	●	●	●	●	●	●	●	●	●
H EdenTree Amity Balanced Fund for Charities	●	●	●	●	●	●	●	●	●	●	●	●	●
I EdenTree Amity Global Equity Fund for Charities	●	●	●	●	●	●	●	●	●	●	●	●	●
J EdenTree Responsible and Sustainable Multi-Asset Cautious	●	●	●	●	●	●	●	●	●	●	●	●	●
K EdenTree Responsible and Sustainable Multi-Asset Balanced	●	●	●	●	●	●	●	●	●	●	●	●	●
L EdenTree Responsible and Sustainable Multi-Asset Growth	●	●	●	●	●	●	●	●	●	●	●	●	●
M EdenTree Green Future Fund	●	●	●	●	●	●	●	●	●	●	●	●	●
N EdenTree Global Impact Bond Fund	●	●	●	●	●	●	●	●	●	●	●	●	●

## How do we deliver value to our investors?

**As a specialist investment manager with over 30 years of experience, responsible & sustainable investment is core to our investment philosophy and underpins our objective to deliver ‘Performance with Principles’ for our clients and be responsible stewards of those investments.**

We embed our core values approach which fully integrates Environmental, Social & Governance factors into the investment process. Our aim is to select those investments that meet our core values tests, and help to make a positive impact on the challenges faced by society through delivering and supporting sustainable solutions.

We are fundamental active managers, we seek to invest with a long-term investment horizon in a diversified mix of responsible and sustainably managed companies. A key pillar of our investment philosophy is our strong value discipline – identifying intrinsically sound companies with strong balance sheets and superior cash flow generation driven by proven business models at an attractive valuation.

We are benchmark ‘aware’ but not benchmark constrained. Utilising our independent thought and analysis, we aim to identify contrarian opportunities, which often focuses our attention away from large-cap companies.

As stewards of your investment, we seek to invest in companies for the long-term, leading to low portfolio turnover and trading costs, whilst ensuring we actively vote and engage with management.

We have been continuously recognised for the strength of our approach, being awarded the title of ‘Best Ethical Investment Provider’ at the Moneyfacts Life & Pensions Awards for the fourteenth year in 2022.

### RESPONSIBLE INVESTING IS CENTRAL TO OUR APPROACH



## Research

EdenTree’s thought-leadership research draws on an unrivalled depth of expertise that has built over 30 years as pioneers in responsible and sustainable investing. Our team regularly publish expert opinion pieces, which help to inform our clients. We regularly produce our flagship **Expert Briefings and Emerging Issues Briefings**, which provide an expert perspective on some of the biggest challenges facing our world today and how we, as responsible and sustainable investors can be a part of the solution.

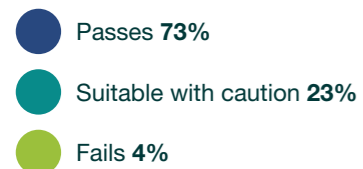
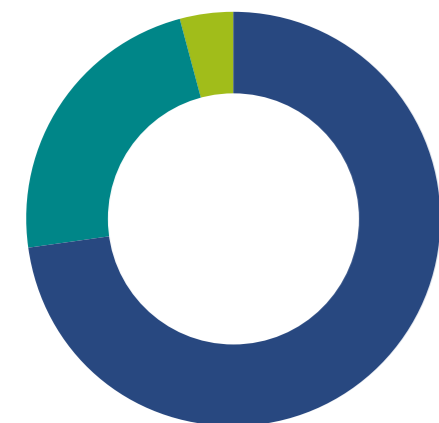
## Screening

To be considered suitable for inclusion within our range of responsibly managed funds, an investment idea must meet the criteria laid out by our responsible and sustainable screening model. There are three parts to this: Ethics/Values, Responsibility/ ESG and Sustainability and Thematic.

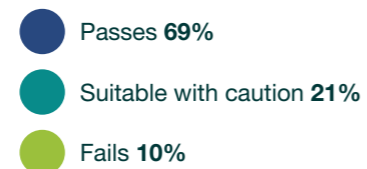
In 2022, the RI team completed 132 screenings and reviews – the most in any single year to date. The quality of long-held portfolio stocks remains very strong with 73% achieving our highest rating of Pass. Of the reviews conducted, 23% were judged suitable with caution and 4% failed and were divested.

New ideas in 2022 achieved a 69% pass rate – an improvement on both 2021 (61%) and 2020 (53%). Of the remaining requests, 21% were judged suitable with caution and 10% failed our screening and did not progress.

2022 Review Outcomes



2022 Screening Outcomes



### Ethics/Values

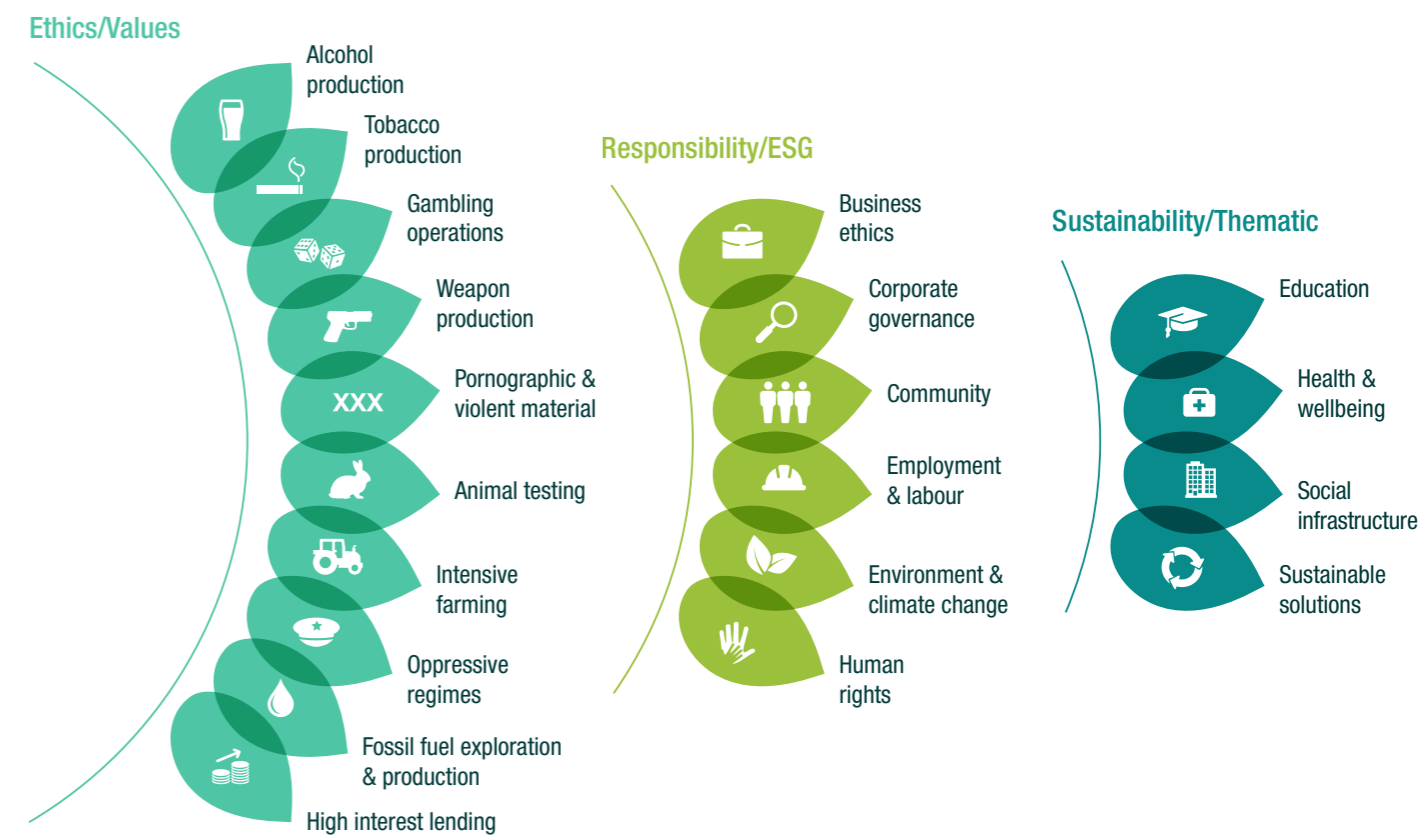
The ten negative screens which make up the ethics and values portion aim to avoid harmful activities that are a detriment to society. Companies that derive more than 10% of their profits or turnover from these activities are excluded from our universe of investible stocks.

### Responsibility/ESG

We then have a responsibility criteria, incorporating six different considerations which reflect ESG risk and our commitment to responsible investment. These are core to the way in which we consider stocks as being suitable for inclusion in our funds.

### Sustainability/Thematic

Finally, as we screen stock ideas, we will consider the positive sustainability case in terms of products and solutions, and how companies are referencing the Sustainable Development Goals as part of their business case.



## Engagement

We engage with businesses on a wide range of environmental, social and governance issues, both when we are considering investing and then as shareholders. We believe that this is the best way to make sound, responsible investment decisions and act as a catalyst for change.

Type of Engagement	Number	%	Topic of Engagement	Number	%
Proxy Voting Related	25	11%	Environment	57	25%
Thematic Engagement	117	51%	Social	61	27%
Screening Related	73	32%	Governance	35	15%
Reactive & Controversy Related	14	6%	Overlapping	72	31%
<b>Total</b>	<b>229</b>	<b>100%</b>	Negative screens	4	2%
			<b>Total</b>	<b>229</b>	<b>100%</b>

## Governance

We believe that shareholders have a vital role to play in encouraging high standards of corporate governance from the perspective of being long-term investors. We therefore seek to vote at all UK meetings in which we have a shareholding, and have appointed Glass Lewis as our proxy advisory service for overseas governance and voting.

We have adopted a policy of voting in support of company management except where proposals are considered to be in breach of UK corporate governance best practice, or are viewed as not being in the economic interests of shareholders. We will seek to engage pro-actively with companies where either existing corporate governance arrangements or management proposals cause concern.

At EdenTree, we also hold ourselves to the same exacting standards as we do the companies that we invest in. That is why we are signatories of the Principles of Responsible Investment (PRI) and the FRC Stewardship Code, and why we publish full guidelines around our governance and voting procedures. See our website for more information on our voting activity and the rationale for resolutions opposed, abstained and in favour.

### In 2022 we voted at:

Total Number of Meetings Voted at	344
Total Number of Resolutions Voted on	5,128
Total Number of Markets	26
Percentage of Proposals Opposed/Abstained	10%

We opposed or abstained on 10% of proposals.

In the UK, the majority of action taken was against executive remuneration (54%), followed by Board balance issues (director elections – 23%). We have a detailed framework on executive pay, and find it very challenging to support pay packages where we view the majority to be excessive. In 2022 we supported no remuneration reports associated with our 41 FTSE100 holdings voted.

### Total Number of UK Remuneration Proposals Voted:

Total Number of UK Remuneration Proposals Voted on	180
Total Percentage of Remuneration Proposals Supported (all votes)	47%
Total Percentage of Remuneration Proposals Opposed/Abstained (all votes)	53%
Percentage of FTSE100 Remuneration Proposals Opposed	100%

## Changes we made in 2022...

### Launch of the EdenTree Green Infrastructure Fund

We launched the EdenTree Green Infrastructure Fund in September 2022. The Fund seeks to generate income with the potential for capital growth by investing in listed infrastructure-related companies which demonstrate positive environmental outcomes.

The Fund offers access to real assets and projects that are making a difference, and operates under our Green Infrastructure Framework, which is a thematic approach that incorporates both bottom-up and top-down analysis. The investments will initially focus on the four key themes of Energy Generation, Energy Storage and Efficiency, Natural Capital and Complementary Assets. In the future, the themes of Water Infrastructure, Sustainable Transportation and Circular Economy are also likely to feature.

### Upcoming Changes

In July 2023 will be moving our Funds away from an Anti-Dilution Levy model to an Anti-Dilution adjustment model (otherwise known as “Swing pricing”). We believe that this change will better protect the long-term investors in our Funds from the effects of dilution when there are significant inflows into or outflows out of a Fund.



# EdenTree Responsible & Sustainable UK Equity Fund

**Fund manager:** Ketan Patel

**Fund objective:** To achieve long-term capital appreciation over five years or more and an income, through a diversified portfolio of UK companies.

**Overall rating:** **YELLOW**

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class A</b>	1.25%	0.00%	1.34%
<b>Class B</b>	0.75%	0.00%	0.79%

## Fund performance and investment process

- ABSOLUTE PERFORMANCE** The Fund is currently not meeting its objective of achieving capital appreciation over five years or more, with income. Following a challenging year, the Fund is now underperforming comparator benchmarks over 3, 5 and 10 years and its absolute performance has been downgraded from Green to Yellow.
- It has been a difficult period for our investment approach, which tends to be growth focused with a bias to UK domestic companies. Fossil fuel companies, which we cannot invest in and large companies whose revenues are in dollars, have dominated – and distorted – the returns of the FTSE All Share Index. The zero exposure to Oil & Gas, Mining, Tobacco and Aerospace & Defence was a headwind for performance.
- The Fund held close to 50% UK small and mid-cap exposure and was therefore more highly correlated to the UK FTSE 250 mid-cap index than the FTSE All-Share benchmark. FTSE 250 mid-caps underperformed FTSE 100 large-caps by -18% over the year.
- Industrials and Health Care, which the Fund was overweight in, accounted for -10% of relative underperformance at total Fund level. Energy, Basic Materials and Consumer Staples underweights and underperforming Financials claimed a further -10.5%.
- RELATIVE PERFORMANCE** Performance is within the 4th quartile within the peer group, and has been downgraded this year from Green to Yellow. We continue to closely monitor the performance of the Fund and will revisit our assessment towards the end of the year if there is no material improvement.
- INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2017 to 31/12/2018	31/12/2018 to 31/12/2019	31/12/2019 to 31/12/2020	31/12/2020 to 31/12/2021	31/12/2021 to 31/12/2022
<b>Fund</b>	-12.2%	26.7%	-5.6%	15.1%	-20.1%
<b>Sector</b>	-11.2%	22.2%	-6.2%	17.1%	-9.2%

Table showing the year by year percentage growth of the EdenTree Responsible and Sustainable UK Equity Fund – Share Class B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance

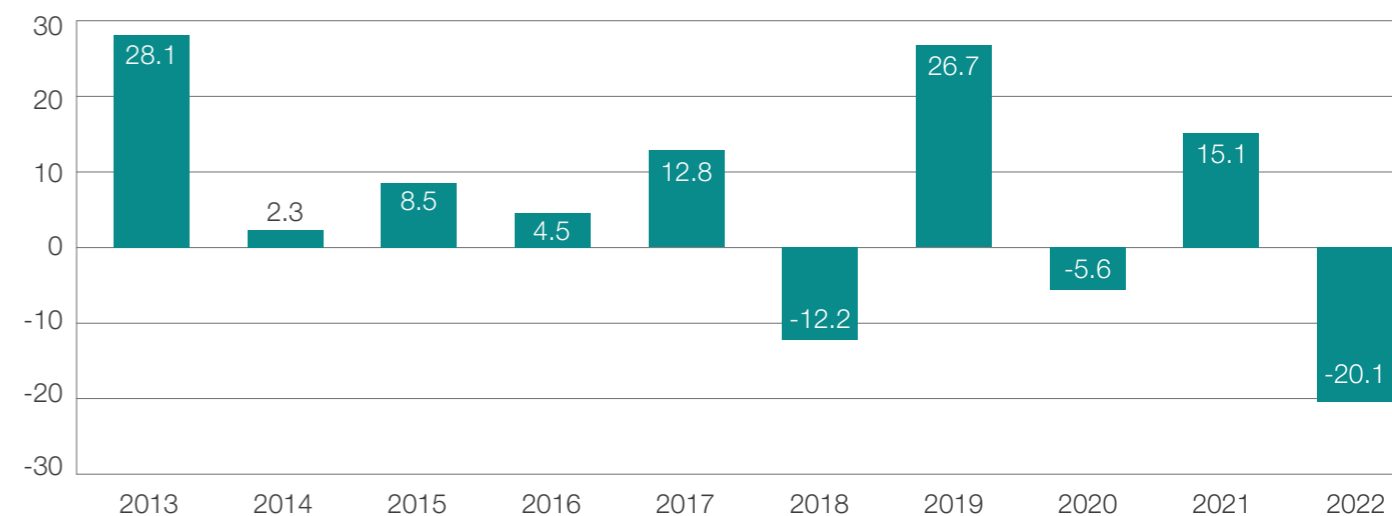


Table showing the year by year percentage growth of the EdenTree Responsible and Sustainable UK Equity Fund – Share Class B.

## Costs and charges

- COMPARABLE MARKET RATES AND CLASSES OF SHARE** The AMC and OCF for both the A and B share classes, which are available to retail and institutional investors respectively, compared favourably to the comparator funds at 1.25% and 0.75%. Investment horizons are long term and we have long holding periods for stocks, which has the added benefit of keeping transactional costs in the fund low.
- FUND MANAGER COSTS** We concluded that the costs incurred for running the Fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the Fund receives the best possible price. The low differential between our AMC and OCF demonstrates that EdenTree does not look to pass on its costs in that way, the difference between AMC and OCF is generated by Audit, Registrar, Custody and Depositary fees.
- COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Responsible & Sustainable European Equity Fund

**Fund manager:** Chris Hiorns and David Osfield

**Fund objective:** To achieve long-term capital growth over five years or more with an income through a diversified portfolio of European (ex-UK) companies.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
Class A	1.25%	0.00%	1.36%
Class B	0.75%	0.00%	0.81%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The Fund is meeting its objective of achieving capital growth over five years or more, with income. The Fund has outperformed benchmark over 1, 3 and 10 years, and is in line with benchmark over 5 years.
- The Fund was overweight in country allocations to Ireland, France, the Netherlands, Spain and Germany which together added +8.5% to total Fund relative performance, and the underweights in Switzerland and Sweden underweights also benefitted performance. The Fund's underweights in Denmark, Belgium and Italy conceded only -0.9%.
- The largest driver of Fund relative outperformance was the overweight in Financials, which added +19.6%, complemented by +24.4% relative in Basic Materials and +8.8% for Telecommunications, with Technology underweight also beneficial. Energy underweight claimed -1.5%, and Health Care stock selection disappointed by -7.9% relative.
- The Fund's 2023 absolute performance has been upgraded from Yellow to Green this year.
- **RELATIVE PERFORMANCE** The fund strongly outperformed its peer group in 2022 and was ranked in the first quartile over 1 and 3 years, and second quartile over 5 and 10 years.
- The Fund's relative performance has been upgraded from Yellow to Green this year.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2017 to 31/12/2018	31/12/2018 to 31/12/2019	31/12/2019 to 31/12/2020	31/12/2020 to 31/12/2021	31/12/2021 to 31/12/2022
Fund	-13.3%	14.8%	5.9%	17.5%	0.1%
Sector	-12.2%	20.3%	10.5%	15.6%	-8.8%

Table showing the year by year percentage growth of the EdenTree Responsible and Sustainable European Equity Fund – Share Class B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance

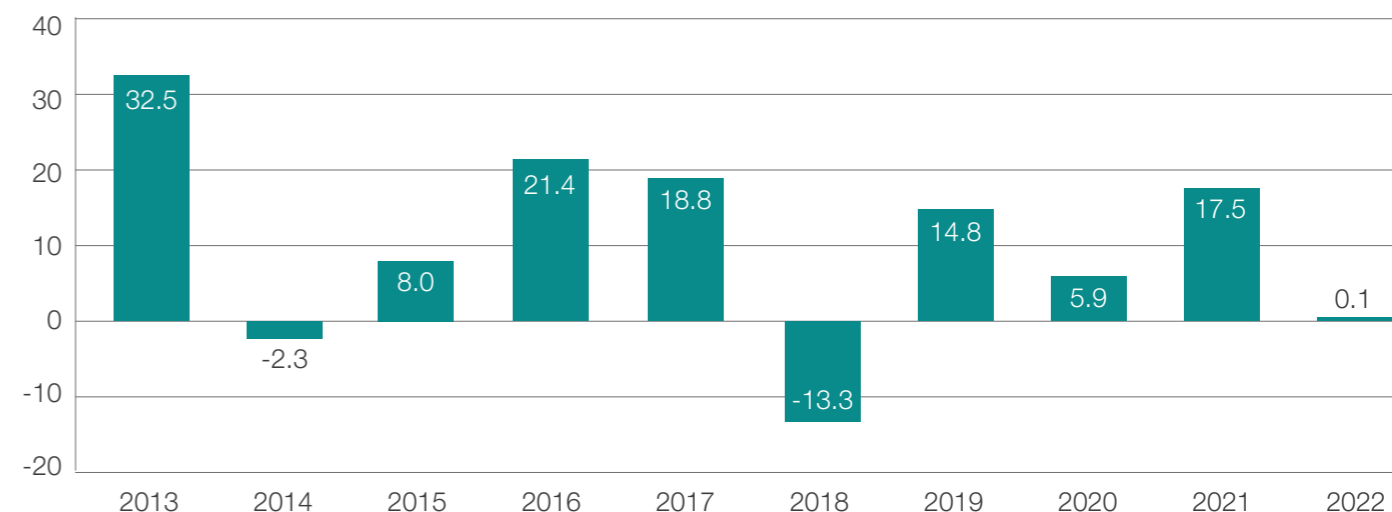


Table showing the year by year percentage growth of the EdenTree Responsible & Sustainable European Equity Fund – Share Class B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** For both A and B share classes in the selected comparator group for the period to 31 December 2022 the European Equity Fund charges were the amongst the lowest. Investment horizons are long term and we have long holding periods for stocks, this has the added benefit of keeping transactional costs in the fund low.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.



# EdenTree Responsible & Sustainable Global Equity Fund

**Fund manager:** David Osfield and Thomas Fitzgerald

**Fund objective:** To achieve long-term capital growth over five years or more with an income through a diversified portfolio of international (including the UK) companies.

**Overall rating:** Yellow

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class A</b>	1.25%	0.00%	1.31%
<b>Class B</b>	0.75%	0.00%	0.79%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The fund is currently not meeting its objective of achieving capital growth over five years or more, with income. Over 3, 5 and 10 years the fund has consistently underperformed its benchmark.
- The Fund's US allocation and its overweight allocation to Europe were most costly at combined -8.1% total Fund relative performance, whilst Asian and UK stock selection also resulted in a -2.6% reduction to Fund relative performance.
- Industry underperformance in Financials, Consumer Discretionary, Health Care, Industrials, Consumer Staples and Basic Materials collectively cost the Fund -9.1% relative, whilst Energy underweight claimed a further -2.2%.
- The absolute performance of the Fund remains Yellow.
- **RELATIVE PERFORMANCE** When compared against those chosen as comparator funds over 3, 5, and 10 years performance was in the 4th quartile. 12 month yields are the highest in the comparator set.
- The Fund's rating remains Yellow for this year. We continue to closely monitor the performance of the Fund and will revisit our assessment towards the end of the year if there is no material improvement.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2017 to 31/12/2018	31/12/2018 to 31/12/2019	31/12/2019 to 31/12/2020	31/12/2020 to 31/12/2021	31/12/2021 to 31/12/2022
<b>Fund</b>	-9.8%	19.1%	11.6%	19.3%	-17.9%
<b>Sector</b>	-5.7%	21.9%	14.8%	17.6%	-11.3%

Table showing the year by year percentage growth of the EdenTree Responsible and Sustainable Global Equity Fund – Share Class B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance

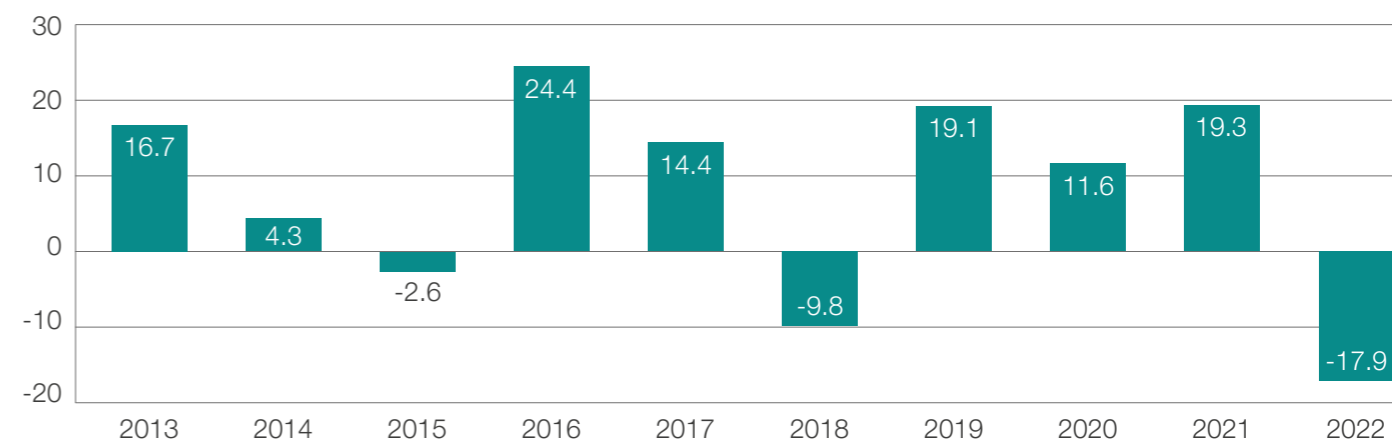


Table showing the year by year percentage growth of the Edentree Responsible And Sustainable Global Equity Fund – Share Class B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** For both A and B share classes in the selected comparator group for the period to 31 December 2022 the Global Equity Fund charges were among the lowest. Investment horizons are long term and we have long holding periods for stocks, this has the added benefit of keeping transactional costs in the fund low.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Responsible & Sustainable Managed Income Fund

**Fund manager:** Chris Hiorns

**Fund objective:** To prioritise income, with the aim of exceeding the yield of the FTSE 250 Index, together with capital growth over the longer term, five years or more.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class A</b>	1.25%	0.00%	1.45%
<b>Class B</b>	0.75%	0.00%	0.97%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The fund is meeting its objective of prioritising income and exceeding the yield of the FTSE 250, and combining this with capital growth. Over 3, 5 and 10 years the fund has achieved its benchmark.
- The core UK equity allocation in the Fund underperformed, whilst off benchmark allocation to overseas equities was beneficial given outperformance against the UK equity FTSE All-Share Index. The Fund's allocation to fixed interest was detrimental as rising yields took their toll on capital values.
- Total allocation to equities stands at the upper end of the range for IA 40-85% sector membership.
- The absolute performance rating remains Green.
- **RELATIVE PERFORMANCE** When compared to the peer group, performance was in the top quartile for the year, but remains 3rd quartile over 3 years and 4th quartile over 5 and 10 years.
- This is however a particularly diverse sector and should be compared to Funds with similar objectives. Among these Funds, the Fund had the highest 12 month yield.
- The relative performance rating has been moved from Yellow to Green.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2017 to 31/12/2018	31/12/2018 to 31/12/2019	31/12/2019 to 31/12/2020	31/12/2020 to 31/12/2021	31/12/2021 to 31/12/2022
<b>Fund</b>	-5.0%	13.9%	-5.3%	17.0%	-7.0%
<b>Sector</b>	-6.1%	15.8%	-5.5%	11.1%	-10.1%

Table showing the year by year percentage growth of the EdenTree Responsible and Sustainable Managed Income Fund – Share Class B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance

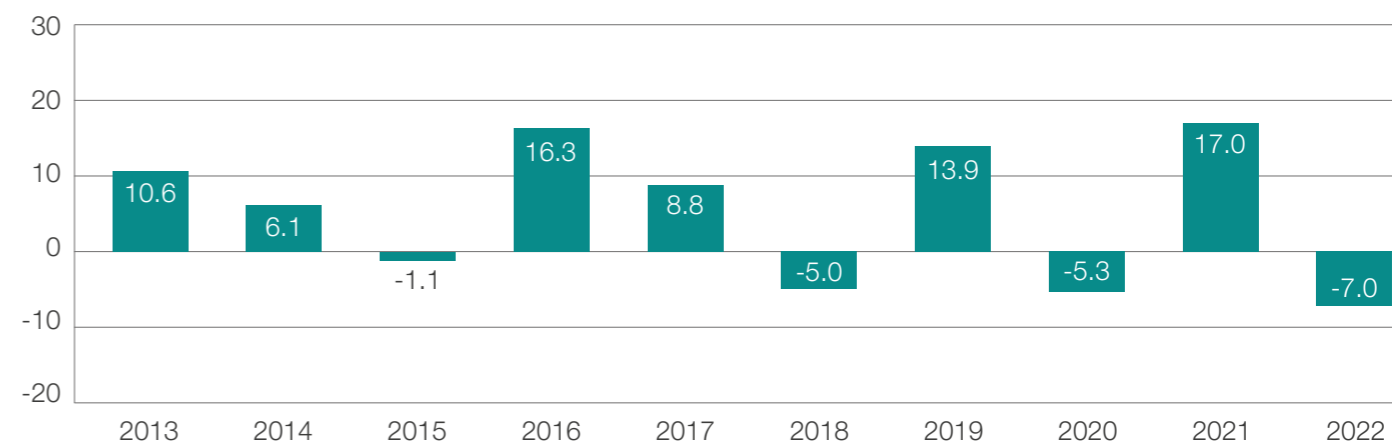


Table showing the year by year percentage growth of the Edentree Responsible and Sustainable Managed Income Fund – Share Class B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** For both A and B share classes for the period to 31 December 2022 the Managed Income Fund charges were mid-range within the comparator group. Investment horizons are long term and we have long holding periods for stocks, this has the added benefit of keeping transactional costs in the fund low.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2021 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Responsible & Sustainable UK Equity Opportunities Fund

**Fund manager:** Phil Harris and Ketan Patel

**Fund objective:** To achieve long-term capital growth over five years or more with an income.

**Overall rating:** **YELLOW**

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class A</b>	1.25%	0.00%	1.30%
<b>Class B</b>	0.75%	0.00%	0.80%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The Fund is not meeting its objective of achieving long-term capital growth over five years or more with an income. The Fund is underperforming its benchmark over 1, 3 and 5 years, but outperforming over 10 years.
- It has been a difficult period for our investment approach, which tends to be growth focused with a bias to UK domestic companies. Fossil fuel companies, which we cannot invest in and large companies whose revenues are in dollars, have dominated – and distorted – the returns of the FTSE All Share Index. The Fund’s above average exposure to smaller size companies contributed to underperformance.
- The Fund had just under 50% exposure to UK small and mid-caps - of which 22% were AIM-listed companies. The Fund was more highly correlated to the UK FTSE AIM All-Share index than the FTSE All-Share benchmark, and the AIM index underperformed FTSE 100 large-caps by -30%.
- The Fund’s overweight exposure to Financials was most detrimental, followed by underperformance in Technology and Consumer Discretionary, collectively accounting for -17.4% relative at total Fund level, with Energy underweight and Consumer Discretionary overweight together claiming a further -5.7%.
- The absolute performance has been downgraded this year from Green to Yellow.
- **RELATIVE PERFORMANCE** When compared to the peer group, performance has been 4th quartile across 3 and 5 year periods, and 2nd quartile over 10 years.
- The relative performance for the year has been downgraded from Green to Yellow. We continue to closely monitor the performance of the Fund and will revisit our assessment towards the end of the year if there is no material improvement.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2017 to 31/12/2018	31/12/2018 to 31/12/2019	31/12/2019 to 31/12/2020	31/12/2020 to 31/12/2021	31/12/2021 to 31/12/2022
<b>Fund</b>	-11.2%	28.0%	-4.7%	22.5%	-24.4%
<b>Sector</b>	-11.2%	22.2%	-6.2%	17.1%	-9.2%

Table showing the year by year percentage growth of the EdenTree Responsible and Sustainable UK Equity Opportunities Fund – Share Class B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance

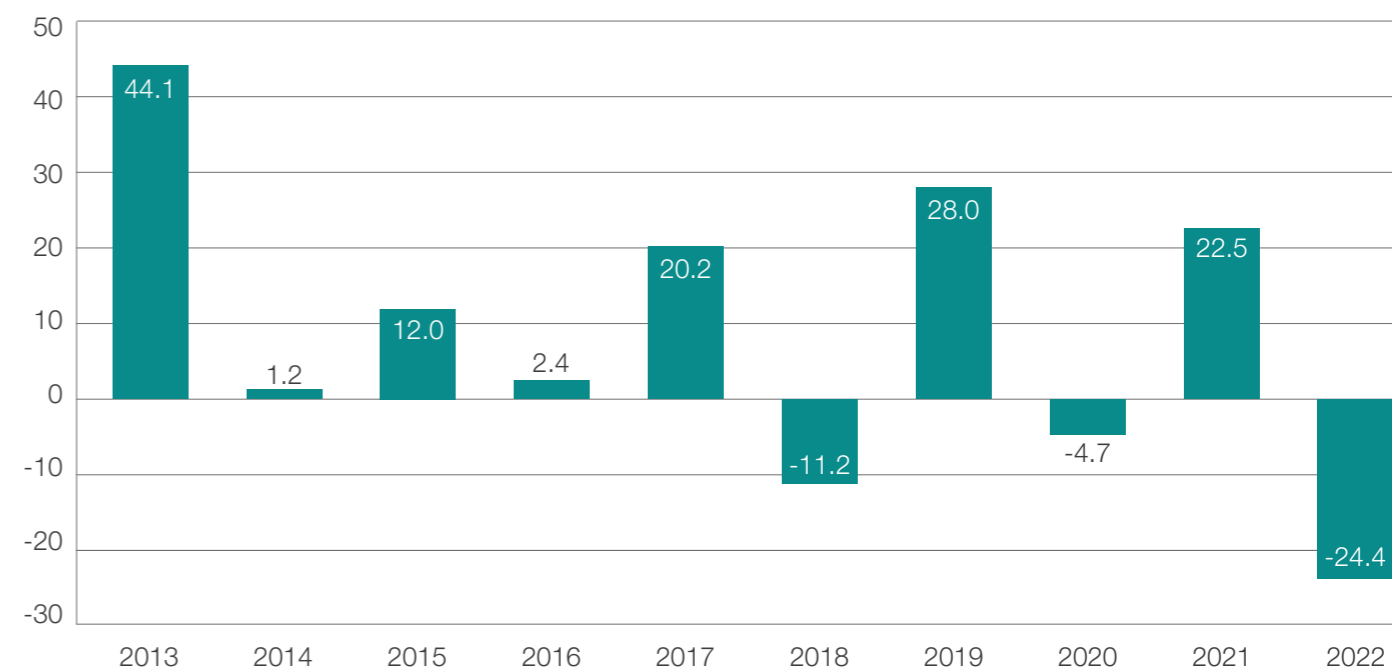


Table showing the year by year percentage growth of the EdenTree Responsible And Sustainable UK Equity Opportunities Fund – Share Class B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** For both A and B share classes in the selected comparator group for the period to 31 December 2022 the UK Equity Opportunities Fund charges compared well against peers with similar objectives. Investment horizons are long term and we have long holding periods for stocks, this has the added benefit of keeping transactional costs in the fund low.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed, depositary fees for example are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree’s parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Responsible & Sustainable Sterling Bond Fund

**Fund manager:** David Katimbo-Mugwanya

**Fund objective:** To generate a regular level of income payable quarterly.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class A</b>	1.15%	0.00%	1.20%
<b>Class B</b>	0.55%	0.00%	0.59%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The fund objective to generate a regular level of income payable quarterly has been met. The fund outperformed its benchmark over 3, 5 and 10 years.
- The Fund's slightly shorter overall portfolio duration of around 5.5 years (post-lengthening) against 5.8 years for the benchmark was positive, partially offset by wider corporate spreads for the Fund's aggregate 'BBB+' credit against the 'A' rated index.
- Fund underweight to 'AAA'-rated non-gilt government bonds including supranational and sub-sovereign issues, sacrificed -1.0% total relative performance, which was more than compensated for by long maturity (> 15 Years) and BBB overweight outperformance vs. benchmark.
- Underweight exposure to Utilities, and outperformance in Financials and Consumer Discretionary overweights were key positives, with the majority of other industry allocations also constructive to total Fund relative performance.
- The absolute performance rating remains Green.
- **RELATIVE PERFORMANCE** Sector performance was 4th quartile over 3 and 5 years and 3rd quartile over 10 years . 12 month yields are the amongst the highest in the comparator set.
- The relative performance rating remains Green.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2017 to 31/12/2018	31/12/2018 to 31/12/2019	31/12/2019 to 31/12/2020	31/12/2020 to 31/12/2021	31/12/2021 to 31/12/2022
<b>Fund</b>	-2.3%	8.8%	6.4%	-0.3%	-13.6%
<b>Sector</b>	-2.5%	9.3%	6.1%	0.9%	-11.7%

Table showing the year by year percentage growth of the EdenTree Responsible and Sustainable Sterling Bond Fund – Share Class B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance

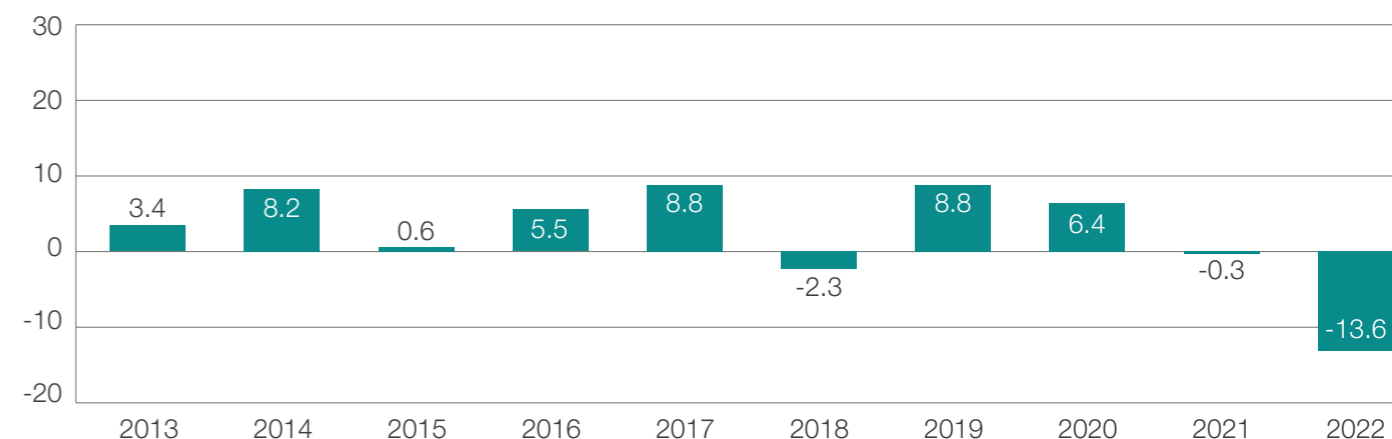


Table showing the year by year percentage growth of the Edentree Responsible And Sustainable Sterling Bond Fund – Share Class B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** For both A and B share classes in the selected comparator group for the period to 31 December 2022 the Sterling Bond Fund charges were aligned with peers with similar objectives. Investment horizons are long term and we have long holding periods for stocks, this has the added benefit of keeping transactional costs in the fund low.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Responsible & Sustainable Short Dated Bond Fund

**Fund manager:** David Katimbo-Mugwanya

**Fund objective:** The fund aims to preserve capital and generate a regular income payable quarterly.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class B</b>	0.35%	0.00%	0.38%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The fund objective to preserve capital and generate a regular level of income payable quarterly has been met. The fund outperformed the benchmark over 3 years but as the fund launched September 2018 5 year performance data was not yet available.
- Fund duration of around 2.1 years was shorter than the benchmark's 2.6, driving outperformance, whilst portfolio incremental credit risk of 'A+' was only very slightly below 'AA-' index, limiting spread impact.
- The overweight of almost 20% in Financials was the main outperformer, adding +1.5% to total Fund relative.
- The absolute performance rating remains Green.
- **RELATIVE PERFORMANCE** The Short Dated Bond fund does not have many appropriate comparators and the IA sector (corporate bond more generally) is largely inappropriate to draw comparison.
- The relative performance rating remains Green.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2017 to 31/12/2018	31/12/2018 to 31/12/2019	31/12/2019 to 31/12/2020	31/12/2020 to 31/12/2021	31/12/2021 to 31/12/2022
<b>Fund</b>	-0.4%	2.9%	2.3%	-1.4%	-5.2%
<b>Sector</b>	-2.2%	9.5%	7.9%	-2.0%	-16.3%

Table showing the year by year percentage growth of the EdenTree Responsible and Sustainable Short Dated Bond Fund – Share Class B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance



Table showing the year by year percentage growth of the Edentree Responsible And Sustainable Short Dated Bond Fund – Share Class B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** For the B share class in the selected comparator group for the period to 31 December 2021 the Short Dated Bond Fund charges were aligned with peers with similar objectives, though it is noted there are not many comparable funds.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number / nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Amity Balanced Fund for Charities

**Fund manager:** Chris Hiorns and David Katimbo-Mugwanya

**Fund objective:** The Fund's primary objective is to deliver longer term capital appreciation and an income from a portfolio of global equities.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class X</b>	0.55%	0.00%	0.67%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The fund is meeting its objective of achieving a balance of capital growth and income. Over 3, 5 and 10 years the fund has consistently underperformed its benchmark.
- The Fund's active allocation against benchmark is over 30% underweight fixed interest - mostly in favour of UK equities. This would have been positive had it not been for -11.3% UK equity underperformance, whilst overseas equity overweight was +6.8% ahead.
- The rating for the year has moved the absolute performance rating from Amber to Green.
- **RELATIVE PERFORMANCE** When compared against those chosen as comparator funds over 3, 5, and 10 years performance was 4th quartile. The Fund has the highest 12 month yield amongst the comparator set.
- The relative performance rating has moved from Amber to Yellow.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2017 to 31/12/2018	31/12/2018 to 31/12/2019	31/12/2019 to 31/12/2020	31/12/2020 to 31/12/2021	31/12/2021 to 31/12/2022
<b>Fund</b>	-6.66%	17.07%	-2.75%	11.6%	-8.8%
<b>Benchmark</b>	-0.90%	15.28%	5.40%	8.1%	-10.8%

Table showing the year by year percentage growth of the EdenTree Amity Balanced Fund – Share Class X. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance



Table showing the year by year percentage growth of the Edentree Amity Balanced Fund – Share Class X.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** Within the selected comparator group for the period to 31 December 2022 the Fund charges were aligned with peers with similar objectives. The OCF was competitive when compared to the peer group.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Amity Global Equity Fund for Charities

**Fund manager:** Ketan Patel and David Osfield

**Fund objective:** The Fund's primary objective is to deliver longer term capital appreciation and an income from a portfolio of global equities.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class X</b>	0.55%	0.00%	0.67%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The fund is meeting its objective of achieving long term capital growth and an income. The Fund has outperformed its benchmark over 3 and 5 and 10 years.
- The Fund's 19% overweight in North America added +7% in outperformance and +6.8% overweight in Europe resulted in +4.4% to total Fund relative, but was offset by more material underperformance in the UK and Asia.
- The US equity portfolio consisted predominantly of mature established businesses on undemanding valuations, limiting exposure to higher multiple de-ratings within the growth complex.
- The absolute performance rating has improved from Yellow to Green.
- **RELATIVE PERFORMANCE** When compared against those chosen as comparator funds over 3, 5, and 10 years performance was 4th quartile.
- The relative performance rating has improved from Amber to Yellow.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2017 to 31/12/2018	31/12/2018 to 31/12/2019	31/12/2019 to 31/12/2020	31/12/2020 to 31/12/2021	31/12/2021 to 31/12/2022
<b>Fund</b>	-3.22%	19.96%	7.95%	17.7%	-5.7%
<b>Benchmark</b>	-6.32%	20.24%	7.16%	17.2%	-5.0%

Table showing the year by year percentage growth of the EdenTree Amity Global Equity Fund – Share Class X. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance

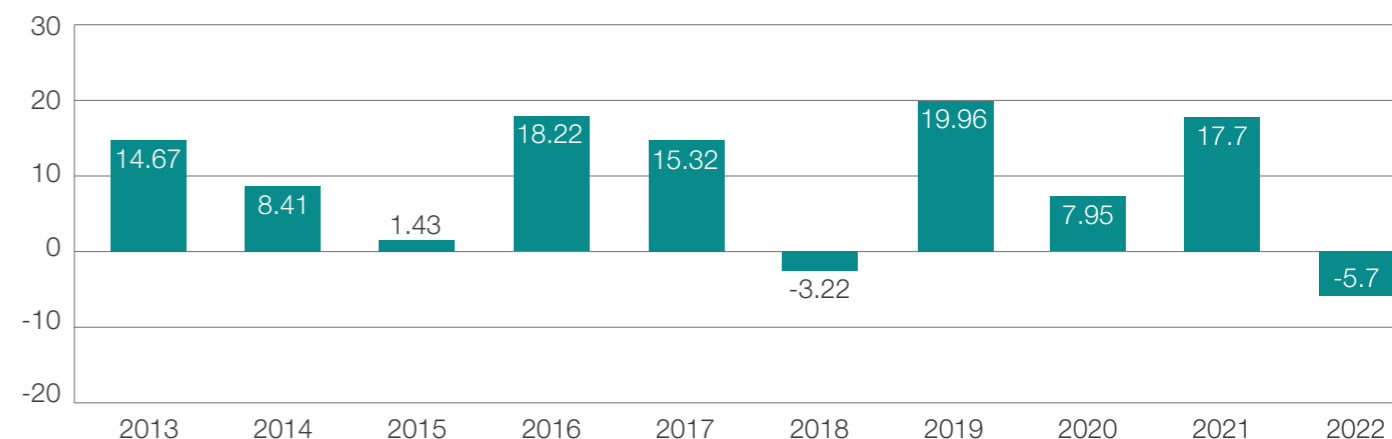


Table showing the year by year percentage growth of the Edentree Amity Global Equity Bond Fund – Share Class X.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** For the period to 31 December 2022, both the AMC and OCF were competitive when compared to the peer group.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Responsible & Sustainable Multi-Asset Cautious Fund

**Fund manager:** Chris Hiorns

**Fund objective:** Our EdenTree Responsible and Sustainable Multi-Asset Cautious Fund seeks to provide long-term capital growth and income over five years or more with a lower level of risk relative to other funds within our range.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class A</b>	1.25%	0.00%	1.40%
<b>Class B</b>	0.75%	0.00%	0.90%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The Fund has underperformed it's IA Sector. The Fund is currently still at growth stage with a very low assets under management. The Fund has a long-term performance objective, and we will therefore not rate absolute performance until there is sufficient track record.
- With only 45% allocated to equities via EdenTree OEIC Funds, MAF Cautious has the lowest risk profile of our 3 multi asset products, outperforming MAFs Balanced and Growth over the period.
- Equity exposure favours large-cap value over small-cap growth. Fixed interest exposure tends towards shorter duration and higher quality credit. Within alternatives, core infrastructure outweighs exposure to REITs.
- Infrastructure (including Green Infrastructure Fund), R&S Managed Income and Short Dated Bond Funds were top absolute performers YTD, against weakness from the R&S UK and R&S Global Funds, R&S Sterling Bond Fund and REITs.
- **RELATIVE PERFORMANCE** When compared against those chosen as comparator funds performance was towards the lower end of the group. The Fund however does not yet have two full years of historic performance and we therefore have not rated it's relative performance.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2021 to 31/12/2022
<b>Fund</b>	-12.7%
<b>Benchmark</b>	N/A

Table showing the year by year percentage growth of the EdenTree Responsible & Sustainable Multi-Asset Cautious Fund – Share Class A & B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance



Table showing the year by year percentage growth of the EdenTree Responsible & Sustainable Multi-Asset Cautious Fund – Share Class A & B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** Both the AMC and OCF are high in comparison to the remainder of the selected peer group. We have capped the OCFS at 1.40% and 0.90% for the A and B Class respectively. The cap will ensure that investors will not pay abnormally high costs while the Fund is in its early stages with low assets under management.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.



# EdenTree Responsible & Sustainable Multi-Asset Balanced Fund

**Fund manager:** Chris Hiorns

**Fund objective:** Our EdenTree Responsible and Sustainable Multi-Asset Balanced Fund seeks to provide long-term capital growth and income over five years or more with a more moderate level of risk relative to other funds within our range.

**Overall rating:** **GREEN**

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class A</b>	1.25%	0.00%	1.40%
<b>Class B</b>	0.75%	0.00%	0.90%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The Fund has underperformed it's IA Sector. The Fund is currently still at growth stage with a very low assets under management. The Fund has a long-term performance objective, and we will therefore not rate absolute performance until there is sufficient track record.
- With 57% allocated to equities via EdenTree OEIC Funds, MAF Balanced risk profile is midway between the Cautious and Growth multi asset products, with performance outcome over the period consistent with this design.
- Equity exposure blends small-cap growth with large-cap value. Fixed interest exposure averages out at lower-mid duration and investment grade credit. Within alternatives, incrementally more REIT risk is adopted.
- Infrastructure (including Green Infrastructure Fund), R&S Managed Income and R&S Short Dated Bond Funds were top absolute performers YTD, against weakness from the R&S UK and R&S Global Funds, R&S Sterling Bond Fund and REITs.
- **RELATIVE PERFORMANCE** When compared against those chosen as comparator funds performance was towards the lower end of the group. The Fund however does not yet have two full years of historic performance and we therefore have not rated it's relative performance.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

31/12/2021 to 31/12/2022	
<b>Fund</b>	-14.1%
<b>Benchmark</b>	N/A

Table showing the year by year percentage growth of the EdenTree Responsible & Sustainable Multi-Asset Balanced Fund – Share Class A & B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance



Table showing the year by year percentage growth of the EdenTree Responsible & Sustainable Multi-Asset Balanced Fund – Share Class A & B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** Both the AMC and OCF are high in comparison to the remainder of the selected peer group. We have capped the OCFS at 1.40% and 0.90% for the A and B Class respectively. The cap will ensure that investors will not pay abnormally high costs while the Fund is in its early stages with low assets under management.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Responsible & Sustainable Multi-Asset Growth Fund

**Fund manager:** Chris Hiorns

**Fund objective:** Our EdenTree Responsible and Sustainable Multi-Asset Growth Fund seeks to provide long-term capital growth and income over five years or more with a higher level of risk relative to other funds within our range.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class A</b>	1.25%	0.00%	1.40%
<b>Class B</b>	0.75%	0.00%	0.90%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** The Fund has underperformed it's IA Sector. The Fund is currently still at growth stage with a very low assets under management. The Fund has a long-term performance objective, and we will therefore not rate absolute performance until there is sufficient track record.
- With almost 70% allocated to equities via EdenTree OEIC Funds, MAF Growth has the highest risk profile of our 3 multi asset products, and experienced the greatest drawdowns over the period.
- Equity exposure favours small-cap growth over large-cap value. Fixed interest exposure tends towards mid duration and lower investment grade credit. Within alternatives, greater emphasis is placed on REITs against the core infrastructure allocation.
- Infrastructure (including Green Infrastructure Fund), R&S Managed Income and R&S Short Dated Bond Funds were top absolute performers YTD, against weakness from the R&S UK and R&S Global Funds, R&S Sterling Bond Fund and REITs.
- **RELATIVE PERFORMANCE** When compared against those chosen as comparator funds performance was towards the lower end of the group. The Fund however does not yet have two full years of historic performance and we therefore have not rated it's relative performance.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2021 to 31/12/2022
<b>Fund</b>	-14.8%
<b>Benchmark</b>	N/A

Table showing the year by year percentage growth of the EdenTree Responsible & Sustainable Multi-Asset Growth Fund – Share Class A & B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance



Table showing the year by year percentage growth of the EdenTree Responsible & Sustainable Multi-Asset Growth Fund – Share Class A & B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** Both the AMC and OCF are high in comparison to the remainder of the selected peer group. We have capped the OCFS at 1.40% and 0.90% for the A and B Class respectively. The cap will ensure that investors will not pay abnormally high costs while the Fund is in its early stages with low assets under management.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Green Future Fund

**Fund manager:** Charlie Thomas and Thomas Fitzgerald

**Fund objective:** To provide long term capital growth over 5 years or more with an income by investing globally in companies which, at the core of their business, provide sustainable solutions to some of the world's environmental challenges.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class B</b>	0.75%	0.00%	0.85%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** Since inception in January 2022, the Fund has slightly underperformed its benchmark.
- Strategy focuses on deployment of capital to environmental solutions, renewable energy infrastructure and technology
- The Fund's European and UK overweights underperformed, together sacrificing -2.6% from total Fund relative performance, against a gain of +1.5% from outperformance in the US underweight, with double-digit outperformance in Asia ex Japan also constructive.
- At industry level, Technology underweight was most beneficial along with outperformance from Fund top overweight Industrials, which represents 48% of total Fund exposure. On the downside, zero exposure to outperforming Health Care and Energy were most detrimental.
- The Fund has a long-term performance objective, and we will therefore not rate absolute performance until there is sufficient track record.
- **RELATIVE PERFORMANCE** The Fund has outperformed its IA Sector since inception. The Fund is within the 2nd quartile within its peer group.
- As the Fund only launched in January 2022 we have not rated it's relative performance.
- **INVESTMENT PROCESS** The screening process for the Green Future Fund differs from the Responsible and sustainable Funds by only using the 10 criteria within the Ethics/Values portion of the screen. The fund managers also embed ESG criteria through their own analysis, working closely with (but not directed by) the RI Team.

## Discrete Performance (as at 31/12/2022)

	31/12/2021 to 31/12/2022
<b>Fund</b>	-2.9%
<b>Benchmark</b>	-3.8%

Table showing the year by year percentage growth of the EdenTree Green Future Fund – Share Class B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance



Table showing the year by year percentage growth of the EdenTree Green Future Fund – Share Class B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** The Fees for the Fund are amongst the lowest within the peer group.
- The OCF for the Fund has been capped at 0.85% in order to allow the newly launched Fund to grow. EdenTree will pay any excess fees above this level.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.

# EdenTree Global Impact Bond Fund

**Fund manager:** David Katimbo-Mugwanya and Michael Sheehan

**Fund objective:** To deliver measurable positive environmental and social impact alongside a regular level of income, payable quarterly.

**Overall rating:** GREEN

	Annual Management Charge (AMC)	Initial charge	Ongoing charge (OCF)
<b>Class B</b>	0.55%	0.00%	0.60%

## Fund performance and investment process

- **ABSOLUTE PERFORMANCE** Since inception in January 2022, the Fund has outperformed its benchmark.
- Fund duration of 5.1 yrs was 1.5yrs shorter than the index, whilst credit was only very slightly incrementally riskier at 'A-' vs. 'A' benchmark.
- Portfolio is invested across USD (47%), EUR (23%), GBP (25%) and CAD (5%) bonds, with currency risk hedged back to sterling as per the GBP hedged global bond benchmark.
- Government underweight and Financials overweight collectively added +3.8% to unhedged total Fund relative, whilst underperformance in Utilities and Industrials detracted -1.4%.
- The Fund has a long-term performance objective, and we will therefore not rate absolute performance until there is sufficient track record.
- **RELATIVE PERFORMANCE** The Fund has underperformed its IA Sector since inception, however this is a broad sector does not have a full year of performance history. The Fund was in the 3rd quartile within its peer group.
- As the Fund only launched in January 2022 we have not rated it's relative performance.
- **INVESTMENT PROCESS** EdenTree is extremely proud of its Screening process. Responsible and sustainable investing is at our core, using investment capital as a force to drive positive change, believing that in the long term this will generate better returns.

## Discrete Performance (as at 31/12/2022)

	31/12/2021 to 31/12/2022
<b>Fund</b>	-13.5%
<b>Benchmark</b>	-10.6%

Table showing the year by year percentage growth of the EdenTree Global Impact Bond Fund – Share Class B. Source: FE fundinfo. Fund and sector performance is shown in local currency on a bid to bid basis with income reinvested in the fund.

## Past Performance



Table showing the year by year percentage growth of the EdenTree Global Impact Bond Fund – Share Class B.

## Costs and charges

- **COMPARABLE MARKET RATES AND CLASSES OF SHARE** The Fees for the Fund are at the higher end of the peer group.
- The OCF for the Fund has been capped at 0.60% in order to allow the newly launched Fund to grow. EdenTree will pay any excess fees above this level.
- **FUND MANAGER COSTS** We concluded that the costs incurred for running the fund are reasonable and are being appropriately managed. Depositary fees, for example, are incurred on a tiered basis to ensure the fund receives the best possible price. EdenTree's parent company is supportive of its growth strategy and has invested significantly in distribution and operational areas. These costs have not been passed on to the end investor.
- **COMPARABLE SERVICES** Both our institutional mandates and our pooled funds leverage the same investment process. Due to our specialism around responsible investment, mandates are likely to have a customer centric view on the types of investment permitted in their particular strategy so it is often difficult to use a direct comparison.
- **ECONOMIES OF SCALE** As a boutique asset manager we are not looking to gain the scale of operation larger asset managers can leverage. Where we can take advantage of industry scale, such as using industry platforms and use of outsourcers we do.

## Services

- **QUALITY OF SERVICE** As a firm we measure ourselves against a set of customer conduct metrics which are reviewed quarterly by the Board. The metrics take into account customer feedback and the number/nature of errors and complaints. For 2022 all of the key metrics were met. Key performance indicators provided by our outsourcer confirm that key service levels were met.



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## CONTACT US

If you have any questions, or would like to know more about our responsible investment and in-house research and analysis, please get in touch.



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