

## **EdenTree Asset Management Limited**

(Company Number 11923964)

### **Section 172 statement**

The directors confirm that during 2024 and to the date of this Report, they have acted to promote the success of the Company for the benefit of its members as a whole and considered the matters as set out in section 172(1)(a) to (f) of the Companies Act 2006. This section provides an overview of how the directors have had regard to those matters when performing their duties.

The Company is part of Benefact Group plc therefore some activity is undertaken at Group level. The Company itself has no employees. Individuals who undertake work on behalf of the Company are employed by Ecclesiastical Insurance Office plc (EIO), and therefore employee engagement has been disclosed within EIO's Annual Report and Accounts.

Each board within the Group has delegated day-to-day management of the business to the Chief Executive Officer and management.

### **Our approach to the long-term success of the company**

The directors recognise that the long-term success of the Company and its ability to help people, charities and good causes is dependent on having stakeholder interests at the heart of activity and decision making. Moreover, the Board understands the need to listen and respond to stakeholders to enable the Company to achieve its strategic ambitions.

As a part of a global financial services group driven by the ambition of transforming communities and lives, the Company is continually striving to always do the right thing. However, there are occasions where the needs of different stakeholders may not be aligned. In these situations, the Board attempts to balance the conflicting interests of, and impacts on, our stakeholders in their decision-making.

### **Stakeholder engagement in decision making**

The Board adopts a range of approaches to engage with stakeholders and recognises that the importance of a stakeholder group may differ depending on the matter to be considered. Given the nature of the business, the Board sometimes engages directly with stakeholders and understands that it may be more appropriate for engagement to be undertaken at an operational or at Benefact Group plc level.

Certain stakeholder matters are led at Benefact Group plc level, especially where the matters are of group-wide significance or have the potential to affect the reputation of the Group. The Board considers a variety of information to understand the impact of the Company's operations and the interests and views of our key stakeholders. A one-year rolling plan of business for discussion is agreed annually to ensure that the Board is focused on the right issues at the right time and sufficient time is allowed for appropriate consideration and debate. Information is provided to directors in papers in advance of each meeting. In addition, people from the business are invited to attend meetings to provide insight into key matters and developments. At each Board meeting, the directors discuss strategic and business matters, financial, operational and governance issues and other relevant issues that arise. Because of this, the Board has an appreciation of engagement with stakeholders and other relevant matters, which enables the directors to comply with their legal duties.

Below is an example of a key decision made by the Board:

### **Sustainability Disclosure Requirements (SDR rules)**

EdenTree is a pioneer in responsible and sustainable investing therefore the environmental and climate matters are at the heart of what we do. Consequently, implementation of the SDR rules was a key focus

for the Board throughout the year. SDR is the UK's legislative framework to ensure transparency of sustainable investment products and minimise greenwashing. The rules come with associated investment labels, which came into effect in July 2024. The labels are designed to give consumers the information they need to make informed choices with regards to which products meet their needs and sustainability preferences. With a broad range of differentiated responsible and sustainable solutions, the Board recognises the important role EdenTree plays in improving transparency and investor understanding in this area of the market. In November 2024, EdenTree achieved 'Sustainability Impact' labels for the EdenTree Green Future Fund, EdenTree Green Infrastructure Fund and Global Impact Bond Fund. In February 2025, the EdenTree Global Select Government Bond Fund was renamed the EdenTree Global Sustainable Government Bond Fund after achieving a 'Sustainability Focus' label.

## Stakeholder engagement

Below is an overview of our approach to stakeholder engagement and outcomes:

<b>Key stakeholders</b>	<b>Methods of engagement and outcomes</b>
Clients	<p>During the year, the Board and the Audit, Risk and Compliance Committee received reports from Management on client matters.</p> <p>The Board also takes account of customer experience through regular reviews of a range of measures including customer satisfaction.</p> <p>Regular meetings are held between Management and key clients (including the Group and Ecclesiastical Insurance Office plc) to understand their needs. In addition, there is also regular engagement with clients (including conducting listening exercises, surveys, holding focus or consultative groups, monitoring client complaints and satisfaction data).</p> <p>Portfolio liquidity was also considered to ensure appropriate outcomes for clients.</p> <p>The Board celebrated EdenTree achieving several external awards including (i) Best Ethical Investment Manager at the Investment Life &amp; Pensions Moneyfacts Awards 2024, (ii) Sustainable Investment Fund Management Group of the Year (Assets Under Management under £50bn) and (iii) Best Sustainable European Equity Fund at the Investment Week Sustainable Investment Awards 2024.</p>
Colleagues	<p>Although the Company has no employees (individuals who undertake work on behalf of the Company are employed by Ecclesiastical Insurance Office plc) the Board appreciates that these individuals are the Company's greatest asset given their specialist skills and knowledge and propensity to go above and beyond.</p> <p>Members of the management team and subject matter experts (such as fund managers) are invited to Board and Committee meetings to present on items and input into discussion that affects colleagues. The Chief Executive provides regular resource updates to the Board. In addition, the Head of HR reported on people, culture and values. This included consideration of diversity and inclusion, the "Action, Challenge, Transparency" (ACT) standard and the staff survey.</p> <p>On behalf of the Board, the following methods are used to engage, involve and inform colleagues who undertake work on behalf of the Company:</p> <ul style="list-style-type: none"> <li>a variety of communication channels including regular huddles (which provide quick updates on what's going on, what's coming up and opportunities to ask questions); circulating information to keep employees up-to-date on key financial and business metrics and sales and business development activities (such as planned client pitches and wins); employee meetings on general business performance and strategic direction; and involvement in projects.</li> </ul>

<b>Key stakeholders</b>	<b>Methods of engagement and outcomes</b>
	<ul style="list-style-type: none"> <li>• colleague engagement surveys adopting the b-Heard Survey provided by an external partner, Best Companies.</li> <li>• whistleblowing policy and procedures are operated at a Benefact Group plc level;</li> <li>• direct engagement and consultation through employee representative forums which have a mandate to build trust, collaboration and strong teams through the strengthening of internal networks, familiarity and relationship building activities;</li> <li>• a performance related bonus scheme is operated, which directly links individual objectives and business performance to encourage employees to participate in the overall financial success of the Company and Benefact Group plc; and</li> <li>• a range of training, development and volunteering activities are available to employees, including technical courses, mentoring, coaching and community opportunities.</li> </ul> <p>Some matters are considered at Ecclesiastical Insurance Office plc level and associated information is set out in Ecclesiastical Insurance Office plc's Annual Report and Accounts.</p>
Suppliers	<p>The Board does not usually directly interact with suppliers, however they receive reports and updates from management allowing them to oversee associated relationships and to keep up to date on developments.</p> <p>The Board, supported by the Audit, Risk and Compliance Committee has overseen the relationship with material outsource providers. Regular updates are received and discussed in respect of the performance and relationship with Northern Trust (Transfer Agency) and Ecclesiastical Insurance Office plc who provide a variety of service resources (including HR Payroll, procurement and technology). In addition, Management has regular meetings with key suppliers to understand their needs and perspectives and reports to the Board appropriately.</p>
Regulators	<p>The Board (via the Audit, Risk and Compliance Committee) receives reports detailing the Company's regulatory interactions. Regular reports are also received on the evolving legal and regulatory landscape incorporating a detailed impact and progress assessment.</p>
Shareholders	<p>EdenTree Holdings Limited owns the entire issued Ordinary share capital of the Company. EdenTree Holdings Limited is wholly owned by Benefact Group plc who in turn is wholly owned by Benefact Trust Limited with whom the Board has an open and constructive relationship.</p> <p>Protocols for the exchange of information between Benefact Trust Limited and Benefact Group plc and its subsidiaries (including the Company) are in place and cover performance, operations and financial position. The directors of the Boards of the Company and EdenTree Holdings Limited are identical. In addition, there is at least one 'Common Director' (i.e. a Director who is a member of the Boards of Benefact Group plc, EdenTree Holdings Limited and the Company) who is expected to attend every Board meeting. Mark Hews and Rita Bajaj are such directors. Denise Cockrem was also a Common Director until her retirement from the Benefact Group plc Board on 30 June 2024.</p>

<b>Key stakeholders</b>	<b>Methods of engagement and outcomes</b>
	<p>The Common Directors present a summary of highlights from the Benefact Group plc Board and Committee meetings to the directors. There is also engagement between respective Board and Committee Chairs. Regular dialogue takes place on the Shareholder's expectations of the Company and strategy for the development of the business. This ensures that the views of the Shareholder are communicated to the Board as a whole. In turn, the Common Directors support the directors of the Shareholder to understand the performance and strategic issues faced by the Company.</p> <p>Entities within Benefact Group plc are also clients. Group funds are managed on a commercial basis and a discretionary Investment Management Agreement is in place, as is the case for all external clients. Dealing is conducted at arm's length and on the same terms as external clients. Allocations of stocks and any associated costs of trading for both Benefact Group plc and external clients are strictly pro-rated according to Assets Under Management.</p>
Communities	<p>We are owned by a charity and have a unique purpose to contribute to the greater good of society therefore all our available profits are donated to good causes. We are part of Benefact Group plc which has been named the third largest UK corporate donor over a decade in the DSC UK Guide to Company Giving.</p> <p>Given the Company's desire to maintain its leading position in responsible investment, ESG matters have been a key focus for the Board during the year and throughout the life of EdenTree</p>
EdenTree Investment Management Limited	<p>Historically the Company and EdenTree Investment Management Limited had 'Common Directors'. However given the responsibilities of EdenTree Investment Management Limited as the ACD of the EIF1 and EIF2, the composition of the EdenTree Investment Management Limited Board was changed to remove the Common Directors.</p> <p>The Board and the Audit, Risk and Compliance Committee consider any matters that need to be raised with the EdenTree Investment Management Limited Board. There is also appropriate engagement between the respective Board Chairs. Moreover, Management representatives attend meetings of both the Company and EdenTree Investment Management Limited.</p> <p>The Board also received a report from the EdenTree Responsible Investment Advisory Panel which was established by EdenTree Investment Management Limited to help to ensure that the range of funds and portfolios managed by EdenTree meet its stated ethical or responsible investment aims and objectives.</p>