

# EdenTree Global Sustainable Government Bond Fund



This product was launched with sustainable characteristics on 28 October 2024 and adopted a Sustainability Focus label on 03 February 2025. The Fund has followed the same sustainability approach since launch. This report covers both the period without a label, as well as the 2025 calendar year (1<sup>st</sup> January - 31<sup>st</sup> December) which will be the standard annual reporting period moving forward.

## Sustainability Framework

### Sustainability Objective and Approach

The Fund’s objective is to invest in government and government-related green, social, sustainable or impact bonds whose proceeds will be used to finance new or existing projects that support a reduction in the level of carbon emissions caused by human activities (measured in tonnes of carbon dioxide equivalent CO2 avoided), and/or to enable greater access to basic services (measured in number of beneficiaries).

Over the period, the fund has made positive progress against this objective. This is outlined further in the metrics section. The Fund will invest at least 80% in assets that meet the fund’s Sustainability Objective. To be selected for investment, each bond is assessed through a structured process that applies four criteria: Intentionality, Label

Credibility, Reporting Framework and Responsibility. We apply a strict exclusion policy. We do not invest in issuers identified as ‘Oppressive Regimes’, based on EdenTree’s annually maintained list.

Over the period, 81% of assets were invested in line with the sustainability objective. This includes sovereigns, sub-sovereigns, agencies and supranational.

Up to 20% of the Fund may be invested in other assets that do not conflict with the Sustainability Approach. Over the period, 19% of assets were invested in this category for diversification purposes.

## Investor Stewardship

### Engagement Activities and Escalations

We engage with issuers, where necessary, in order to support their contribution to the fund’s sustainability objective. This includes engagement and advocacy to support the issuers’ contribution to a reduction in carbon emissions caused by human activities and access to services, as well as engagement as a means of escalation where a lack of progress against the KPIs is observed.

- **Fact finding engagement:** Due diligence with issuers to monitor the investment and ensure it remains aligned to the Fund’s sustainable objective.
- **Thematic engagement:** Engagement with a specific objective to support the issuers’ contribution to a reduction in carbon emissions caused by human activities and access to basic social; services including through policy and advocacy, working with the wider asset management industry, and adding to a body of transparency.

Over period we engaged with several existing and prospective issuers to support their contribution to the Fund’s sustainability objective. Given the Fund’s focus on government issuers, this largely involved policy-related engagement. No matters were escalated beyond engagement within the period.

Examples of this work can be found in our [2025 Stewardship Code Report](#), and on an ongoing basis in our [Quarterly SI Activity Reports](#).





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## Key Performance Indicators

### Sustainability Metrics

The Fund measures its sustainability performance via a range of Key Performance Indicators (KPIs), which reflect the Fund's Sustainability Goal to support a reduction in the level of greenhouse gas (GHG) emissions caused by human activity and/ or to enable greater access to basic services. As the Fund's absolute impact will change according to general fund flows, we have also presented the impact in terms of its intensity per £1m invested, a figure which should increase in line with the Fund's broader KPI. Progress towards this objective for the period 1<sup>st</sup> January 2025 – 31<sup>st</sup> December 2025, is shown below.



tCO<sub>2</sub>e avoided

15,724

328 (per £m)



Beneficiaries (# people)

547

11 (per £m)

*Note: Data sourced from Luxembourg Green Exchange, based on issuer reports. The figures are based on the Fund's holdings as at 31.12.25, drawing from the most recent reported data from underlying holdings in the Fund, which may be based on earlier periods than the year to 31.12.25. Incomplete data is omitted for holdings where disclosures do not provide enough information for adequate disclosure calculations. To reduce the risk of overrepresenting impact, we reduce reported data by 10% or 33% based on how data is reported to account for the likelihood that bond proceeds form part of wider impact financing for a given project.*

*The fund's contributions to greenhouse gas emissions reduction and the count of social beneficiaries have been excluded for the period from fund launch until 31 December 2024. This method ensures that the fund's contribution towards these objectives is not overstated during the initial portfolio establishment phase by the Fund Manager.*

In addition, we have provided the additional metrics below as of 31st December 2025.



Proportion of portfolio invested as a sustainable investment (%)\*

81%



Proportion of portfolio invested to support reduction of carbon emissions (%)

55%



Proportion of portfolio invested to enable greater access to services (%)

26%

*\*Please note that some social, sustainable and impact bonds have mixed objectives and might support the reduction in carbon emissions, as well as the provision of services.*

### Further information

For further Fund information, including about costs and charges, please refer to the Key Investor Information Document (KIID) and Prospectus and the Fund's Annual Sustainability Disclosure.

These are available at [edentreeim.com/fund-literature](https://edentreeim.com/fund-literature).

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