

EdenTree Global Impact Bond Fund



Performance	3 months	6 months	1 year	3 years	ITD*
Fund Performance (B Class)	-3.2%	-0.6%	-0.4%	12.8%	-2.0%
iBoxx Glo Green Soc Sust Bond Hdg TR GBP**	-3.1%	-0.9%	-0.3%	14.4%	-3.7%
IA Global Corporate Bond	-3.0%	-1.4%	-0.7%	14.7%	3.2%
Sector Quartile	1	1	2	2	3

Source: Morningstar. Figures compared on a Bid to Bid basis with Net Income Reinvested. Data as at 30.09.2026.

*Inception date: 24.01.2022

**This benchmark is a comparator against which the overall performance of the Fund can be measured. It has been chosen based on the Fund's multi-currency portfolio of debt instruments, the bulk of which possess a clear use of proceeds and as such are labelled Green, Social and/or Sustainable. The portfolio manager is not bound or influenced by the index when making investment decisions and the Fund's holdings may deviate from the benchmark's constituents.

Yields***

Distribution	4.3%
Underlying	3.8%
Historic	3.9%

Source: EdenTree. Data as at 30.09.2026

Market review

Global bond yields rose significantly over the quarter as hopes for a resolution to the conflict in the Middle East faded, pushing energy prices higher. At the same time, global economic activity remained resilient, with demand and GDP growth holding up well. Against this backdrop, central banks were increasingly vocal about the potential for higher energy prices to generate broader, second-round inflationary pressures, prompting market participants to price in further near-term interest rate hikes. Longer-dated bond yields also came under pressure, as persistent inflation concerns were compounded by renewed worries over fiscal sustainability and sizeable government deficits.

In the US, the Federal Reserve (Fed) unanimously raised its benchmark interest rate, for the first time in three years, by 25 basis points (bps) to a target range of 3.75%-4.00%. The Fed's Chair, Kevin Warsh, emphasised that rates were increased to return inflation to the Fed's 2% target in a "timelier" way. Policymakers also pencilled in another rate increase before year-end. The European Central Bank (ECB) also raised its benchmark interest rate by 25 bps, taking its deposit facility rate to 2.50%, with President Christine Lagarde describing the September hike as a "no-brainer" given the evolving inflation outlook. The ECB also revised up its growth and inflation projections for 2027 and 2028. In contrast, the Bank of England held its benchmark interest rate at 3.75% but noted that risks to the inflation outlook are tilted to the upside.

Credit spreads widened modestly during the period, notably in September, as fears grew following significant issuance alongside risk sentiment somewhat deteriorating. Lower quality credit underperformed as risk appetite softened. However, corporate bonds outperformed sovereign debt, which saw a more pronounced repricing, particularly at longer maturities.

Performance and activity

The EdenTree Global Impact Bond Fund marginally underperformed its iBoxx Global Green Social Sustainability benchmark and the IA Global Corporate Bond sector over the quarter. The Fund's overweight allocation to US dollar denominated debt and euro denominated corporate debt detracted from its relative performance. This was partially offset by the Fund's higher allocation to corporate bonds over quasi-government debt.

The Fund participated selectively in new issuance over the period, initiating a position in TenneT Germany's EU green bond corporate hybrid 4.25% (2031 call), which supports green energy connections across Germany. The Fund also initiated a position in the IDB Invest 4.125% 2030 social bond, which focuses on supporting private-sector development, with a particular focus on Latin America and the Caribbean.

The Fund also added to its positions in Prudential Financial 6.5% 2054 (2033 call), the Xylem 5.45% 2036 blue bond, the ABN AMRO Bank 6.375% (2034 call) and the German 2.3% 2033 green bund.

Outlook

Fiscal sustainability is becoming an increasingly important market theme across geographies. While geopolitical tensions remain a key source of uncertainty, bond markets are increasingly focused on elevated government debt levels, and their longer-term implications; higher refinancing costs; and continued bond issuance. Investors are responding by demanding greater compensation for lending over longer horizons, contributing to upward pressure on sovereign yields, despite early signs that growth is moderating across many developed economies.

Inflation remains the key variable for policymakers. Energy-related pressures and supply-side disruptions have the potential to keep inflation above target, yet softer demand and/or employment may exert downward pressure. As a result, major central banks are likely to remain data dependent, balancing inflation risks against signs of slowing growth. Policy divergence is also becoming more pronounced: the US economy continues to benefit from relatively stronger growth dynamics and greater energy independence, while the UK and Europe face a potent mix of weaker growth, higher energy prices and persistent fiscal pressures. This divergence may well create differentiated opportunities across underlying sovereign bond markets and influence relative-value decisions within global portfolios.

Credit markets have remained resilient despite higher yields and tighter financial conditions. Corporate fundamentals are generally supportive, refinancing activity has been orderly and default expectations for public credit are contained. However, with spreads close to historically tight levels, future returns are likely to be driven more by income generation and security selection than by further spread compression.

As such, we continue to favour a disciplined and selective approach, seeking out opportunities to add to high-quality credits, and scrutinising the robustness of business models and cash flows to ensure adequate compensation for risk. We continue to selectively participate in newly issued corporate debt that offers better risk premia, seizing opportunities to lock in attractive yields, while remaining cautious on duration.

Performance Discrete Rolling 12 months	12 months to 30/09/2022	12 months to 30/09/2023	12 months to 30/09/2024	12 months to 30/09/2025	12 months to 30/09/2026
Fund Performance (B Class)		2.9%	11.1%	2.0%	-0.4%
iBoxx Glo Green Soc Sust Bond Hdg TR GBP**		1.7%	10.9%	3.4%	-0.3%
IA Global Corporate Bond		2.1%	10.7%	4.4%	-0.7%
Sector Quartile		2	2	4	2

Source: Morningstar. Figures compared on a Bid to Bid basis with Net Income Reinvested.

*Inception date: 24.01.2022

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***The Distribution Yield reflects the amounts that may be expected to be distributed over the next 12 months as a percentage of the mid-market share price of the fund as at the date shown. The Underlying Yield reflects the annualised income net of expenses of the fund (calculated in accordance with relevant accounting standards) as a percentage of the midmarket share price of the fund as at the date shown. Both yields are based on a snapshot of the portfolio on that day. The yields do not include any preliminary charge and investors may be subject to tax on distributions. The Distribution Yield is higher than the Underlying Yield because the Fund's Annual Management Charge is charged to capital. This has the effect of increasing the distributions for the year and constraining the Fund's capital performance to an equivalent extent. The Historic Yield reflects distributions declared over the past twelve months as a percentage of the share price.

Past performance is not necessarily a guide to future returns.

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