

EdenTree Sustainable UK Equity Opportunities Fund

Performance	3 months	6 months	1 year	3 years	5 years	10 years
Fund Performance (B Class)	-10.7%	-11.3%	-2.4%	10.8%	-1.7%	49.4%
FTSE All-Share TR GBP*	2.4%	8.9%	21.5%	45.6%	69.3%	129.8%
IA UK All Companies	-2.0%	1.8%	12.7%	27.4%	31.5%	82.8%
Sector Quartile	4	4	4	4	4	4

Source: Morningstar. Figures compared on a Bid to Bid basis with Net Income Reinvested. Data as at 31.03.2026

Market review

During the quarter, the FTSE All-Share Index rose in sterling terms, supported by the positive performance of the large-cap FTSE 100 Index. However, small and mid-cap companies fell during the period.

The UK domestic backdrop remained subdued, with no major policy announcements in the Chancellor's Spring Statement. In March, the Bank of England held interest rates at 3.75%, with the Monetary Policy Committee voting unanimously. Members highlighted the risk that a sharp rise in energy prices could feed through into wages and inflation.

Global equity markets were largely weaker amid heightened geopolitical uncertainty following the outbreak of conflict in the Middle East. In the US, the Federal Reserve held the federal funds rate at a target range of 3.50-3.75%, with most members acknowledging that the conflict could raise inflation. During the period, the Supreme Court also ruled against President Trump's tariff regime. In Europe, the European Central Bank (ECB) left its key interest rate unchanged at 2.00%, with its President Christine Lagarde highlighting the upside risk for inflation and downside risks for economic growth arising from the geopolitical backdrop.

Geopolitical risks remained elevated throughout the quarter. Alongside developments in the Middle East, the conflict in Ukraine continued. In commodity markets, oil prices rose sharply over the period amid heightened supply concerns.

Performance and activity

The EdenTree Sustainable UK Equity Opportunities Fund underperformed its benchmark, the FTSE All-Share, during the quarter and also lagged the IA UK All Companies sector.

At a sector level, the Fund's overweight exposure to technology, particularly software and computer services, detracted from relative performance over the quarter, as did its lack of exposure to the energy sector. Within financials, the Fund's zero weighting to banks contributed positively to performance, although this was offset by the negative impact of its overweight position in investment banking and brokerage services. The Fund's underweight exposure to consumer staples contributed positively to relative performance over the period.

Stock-specific detractors included GlobalData, Keystone Law and On the Beach. GlobalData, the data analytics company, declined following a trading update that wasn't well received by the market. The share price of Keystone Law, a platform for self-employed lawyers, also struggled despite a strong trading update, in which the company stated that it expected to deliver FY26 revenue and adjusted profit before tax marginally ahead of consensus expectations. On the Beach underperformed after temporarily suspending its FY26 financial guidance, citing the volatile environment arising from the conflict in the Middle East.

The Fund's top contributors included overweight positions in Sabre Insurance, Diaceutics and Bloomsbury. Sabre Insurance, the motor insurer, performed strongly following well received full-year results. Diaceutics, a provider of end-to-end solutions for the launch of precision medicine diagnostics to pharmaceutical companies, gained on the back of a strong trading update. Bloomsbury, an independent academic and trade publisher whose catalogue includes Harry Potter, performed well following an announcement by author Sarah J Maas of publication dates for her next two novels, which consequently is expected to lead to materially upgraded earnings forecasts for full year 2027.

In terms of activity, we increased our holdings in GB Group, Rightmove and Mortgage Advice Bureau. We took profits in St James's Place, Next, Games Workshop, GlobalData, SSP and InterContinental Hotels Group. We sold out of JTC following a successful takeover bid by Permira.

Outlook

The global economy has begun to feel the negative effects of the conflict in the Middle East. The intensity and duration of the conflict, and whether a ceasefire holds between the US and Iran, will be key in determining whether the resulting energy price shock proves temporary or develops into a more persistent drag on growth and inflation.

In the US, the recent Supreme Court ruling has added uncertainty regarding US tariffs. While a recent US-China trade truce has helped ease near-term concerns, relations between the two countries remain fragile, and any fallout could have global consequences.

In the UK, the economic outlook is uncertain. The continued freeze on personal allowances is likely to weigh on consumer incomes. However, the UK government is weighing up targeted measures to potentially help eligible households with energy costs, which could help support consumer confidence. Ultimately, developments in the Middle East will play an important role in shaping the UK's economic trajectory, while the path of interest rates remains highly uncertain and closely tied to the duration of the energy price shock.

In Europe, the conflict in Ukraine continues to weigh on growth prospects. This has been exacerbated by conflict in the Middle East. However, increased fiscal stimulus in Germany could provide some offset.

Looking beyond the near-term geopolitical and policy risks, continued investment in artificial intelligence could play an important global role in supporting productivity and, ultimately, medium-term economic growth. However, the impact of artificial intelligence is unlikely to be evenly distributed, with company-level winners and losers set to emerge over time.

Against this backdrop, we remain focused on identifying new opportunities in companies that meet our strict criteria of strong earnings growth, high margins and strong cash flows.

Performance Discrete Rolling 12 months	12 months to 31/03/2022	12 months to 31/03/2023	12 months to 31/03/2024	12 months to 31/03/2025	12 months to 31/03/2026
Fund Performance (B Class)	-3.0%	-8.5%	10.5%	2.8%	-2.4%
FTSE All-Share TR GBP*	13.0%	2.9%	8.4%	10.5%	21.5%
IA UK All Companies	5.3%	-2.0%	7.6%	5.0%	12.7%
Sector Quartile	4	4	1	3	4

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

*As the Fund invests in a diverse range of UK companies and sectors, we compare the Fund's performance to the FTSE All Share Index. However, the portfolio manager is not bound or influenced by the index when making investment decisions.

Past performance is not necessarily a guide to future returns.

This document has been prepared by EdenTree Investment Management Limited for Financial Advisors, other intermediaries and other investment professionals only. It is not suitable for private individuals. This document has been produced for information purposes only and as such the views contained herein are not to be taken as advice or recommendation to buy or sell any investment or interest thereto.

Please note that the value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations, you may not get back the amount originally invested. Past performance is not necessarily a guide to future returns. A full explanation of the characteristics of the investments is given in the Key Investor Information Document (KIID). Any forecast, figures, opinions, statements of financial market trends or investment techniques and strategies expressed are, unless otherwise stated, EdenTree Investment Management's own at the date of this document. They are considered to be reliable at the time of writing, may not necessarily be all-inclusive and are not guaranteed as to accuracy. There is no guarantee that any forecast made

**For further information please speak to your EdenTree representatives.
Or call our support team on 0800 011 3821**

Monday to Friday 9am to 5pm. We may monitor or record calls to improve our service.

Or visit us at

www.edentreeim.com

Proudly part of the BENEFACT GROUP 

EdenTree Investment Management Limited (EdenTree) Reg. No. 2519319. Registered in England at Benefact House, 2000, Pioneer Avenue, Gloucester Business Park, Brockworth, Gloucester, GL3 4AW, United Kingdom.

EdenTree is authorised and regulated by the Financial Conduct Authority and is a member of the Investment Association.

Firm Reference Number 527473.

© EdenTree 2026. All data as at 31.03.2026

