

EdenTree Exclusions Policy



Introduction

EdenTree is an active investment management house dedicated to sustainable and impact investing – it's all we do. We have a 35+ year track record in this space, having launched our first ethical fund in 1988.

Supported by a team of dedicated sustainable investment specialists, our experienced fund managers aim to invest in high-quality organisations offering products and services that support positive, long-term structural change.

There are certain sectors and activities where we consider the sustainability or ethical risks to be fundamentally misaligned with our investment approach. We apply baseline exclusions to exclude organisations active in these areas from our investment universe. This document outlines how we apply our Exclusions Policy.

Our Exclusions

Activity	Description	Revenue Threshold*
Alcohol Production	Companies that manufacture alcoholic beverages.	10%
Gambling Operations	Companies that manage gambling operations including betting shops, internet sites, casinos, lotteries and the supply of gaming machines.	10%
Pornographic and Violent Materials	Companies that produce pornographic or violent materials, including print, digital and broadcast.	10%
Conventional weapons	Companies that manufacture weapons and weapons systems, or goods and services specifically to support those systems.	10%
Tobacco Production	Companies that manufacture tobacco products.	10%
Intensive Farming	Companies involved directly in intensive farming of beef, dairy, poultry and fish sectors.	10%
Fossil Fuel Exploration and Production	Companies involved directly in oil and gas exploration and production, as well as thermal coal extraction.	10%
High Interest Lending	Companies operating wholly or mainly in high interest lending (non-standard sub-prime credit) where this is defined as (and limited to) door-stop lending, pay-day loans and/or pawn-broking sub-prime credit.	10%
Unconventional (controversial) weapons	Companies with exposure to the manufacture of unconventional weapons, defined as nuclear, biological and chemical weapons, land mines and cluster bombs.	0%
Animal Testing (non-essential)	Companies that use animals to test cosmetic or household products. We do allow animal testing where required by law, for example by pharmaceuticals companies or under REACH regulation.	0%
Oppressive Regimes	Companies deemed to be supporting the activities of oppressive regimes, as determined by our proprietary methodology (available here) are reviewed on a case-by-case basis to determine suitability for our funds. Bonds issued by countries on our oppressive regime list are excluded.	N/A

*The maximum estimated percentage of revenue that a company is permitted to derive from the identified activity.

Scope of exclusions

We aim to apply this policy across EdenTree Investment Series 1 and 2 funds. Our segregated mandate clients will also be consulted on whether they would like to opt into the policy. We recognise that some investors may wish to avoid additional activities, and for those clients, we can offer solutions that exclude these activities from the investment universe.

Monitoring

Issuers are assessed against these exclusions prior to inclusion in our funds, and involvement in these activities will lead to exclusion of such companies from our investment universe. In addition, issuers are monitored on an ongoing basis against these exclusions. If a change in activity is identified resulting in a newly identified excluded issuer, divestment shall be completed as soon as reasonably practical and usually within 90 days.

The application of our exclusions is reliant on data provided by third-party data providers. Data from third-party data providers may be incomplete, inaccurate or unavailable. As a result, there is a risk that, a data provider may incorrectly assess a security or issuer. There is also a risk that the third-party data providers on which we depend may not interpret or apply the relevant ESG characteristics correctly. All relationships with data providers are subject to tender and legal contract and are routinely monitored through due diligence exercises to ensure they deliver as expected.

The value of an investment and the income from it may go down as well as up and the investor may not get back the amount invested.

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