

EdenTree Green Future Fund

Performance	3 months	6 months	1 year	3 years	ITD*
Fund Performance (B Class)	6.2%	14.1%	7.1%	32.8%	24.6%
MSCI ACWI Net TR GBP**	9.5%	15.1%	16.8%	58.0%	52.4%
IA Global	7.3%	13.3%	11.8%	40.2%	32.0%
Sector Quartile	3	2	3	3	3

Source: Morningstar. Figures compared on a Bid to Bid basis with Net Income Reinvested. Data as at 30.09.2025

*Inception date: 24.01.2022

Market review

US trade policy remained a key investor focus during the third quarter. While tariff negotiations helped avoid some of the steep increases initially proposed by President Trump, there were some unexpected outcomes, with Switzerland and India facing a 39% and 50% tariff, respectively. However, with tariffs broadly not as high as initially proposed, global markets responded positively and advanced throughout the quarter.

The positive sentiment was bolstered by data suggesting the economic impact from tariffs hadn't been as negative as initially feared. However, signs of weaker US employment prompted the US Federal Reserve (Fed) to cut interest rates at its September policy meeting to a range of 4.00-4.25%. While this move boosted risk assets, concerns grew over the Trump administration's pressure on the Fed's independence.

The Bank of England cut rates by 25 basis points (bps) to 4.00% during the quarter while the European Central Bank (ECB) kept interest rates unchanged. The fiscal scenario in Europe was less stable, however, with the French Prime Minister François Bayrou being forced to resign amid budget tensions in September, which negatively impacted the country's equity and bond markets. The French fiscal situation remains fragile at the start of the fourth quarter, with the resignation and subsequent re-appointment of French Prime Minister Sébastien Lecornu shortly after the end of the third quarter reflecting the ongoing challenges of delivering a workable and widely accepted national budget.

Performance and activity

The EdenTree Green Future Fund delivered positive returns over the quarter but underperformed both the MSCI ACWI Net TR Index and the IA Global sector. The Fund's performance lagged primarily due to its underweight position in the technology sector, most notably to the 'Magnificent 7' stocks, as many of these stocks do not align with the Fund's remit of investing in environmental solutions. The Magnificent 7 led market gains, reflecting a material improvement in sentiment around artificial intelligence (AI) capital expenditure and data centres, creating a significant headwind for the Fund in terms of performance. Our sizeable overweight exposure to utilities via UK infrastructure stocks also weighed on relative performance, as the performance of these companies is tied to the direction of interest rates. Even though monetary policy in the UK was eased during the quarter, persistent inflation is limiting the prospect of future cuts.

Of the Fund's seven themes, six contributed positively, with the exception of future mobility. Our future mobility theme was affected by weakness in the global automotive space stemming from falling consumer demand, including demand for electric and hybrid vehicles, which then had a knock-on effect on inventory levels. On the positive side, we saw strong contributions from alternative energy and energy efficiency stocks, with key performers within these themes benefitting from the capital inflows around AI and data centres and the associated power infrastructure upgrades. Prysmian SPA was the standout contributor, with its gains driven by better-than-expected results and upbeat forward guidance reflecting its role as an enabler not only of power infrastructure but also of data centre connectivity and data sensitivity to the grid. Lattice Semiconductor's share price also rose due to solid second quarter results and confirmation of strong future orders for programmable semiconductor solutions that are largely linked to its data centre exposure. Acuity was another of the Fund's energy efficiency outperformers, benefitting from

pervasive construction trends. The water infrastructure theme recovered from its second quarter weakness, with Advanced Drainage Systems gaining ground on the back of strong results. Regenerative agricultural holding, Valmont Industries, was also a top contributor.

Other than the Fund's lack of exposure to the mega-cap technology stocks, the biggest detractor to performance came from insulation provider Rockwool, which issued a profit warning after experiencing a material slowdown in the US, with many construction projects being put on hold due to tariff uncertainty. The underperformance of Veolia Environnement, the French water and waste management solutions provider, reflected concerns surrounding the political environment in France, as its results remained strong in the second quarter.

In terms of portfolio activity, we trimmed the weighting of several holdings that have enjoyed sustained strong performance year-to-date, including Prysmian SPA, Brambles, Lattice Semiconductor and Stantec. These profits were then recycled into stocks where we wished to take a stronger active position, such as semiconductor manufacturer Infineon Technologies and agriculture and forestry services provider Rayonier.

Outlook

While economic and market challenges are likely to persist, we remain positive on the constructive secular trends that are not only driving our portfolio themes but are also supporting broader global equity markets. The proliferation of AI is still only at its initial phase, and the capital expenditure being committed to both AI and other technology trends – such as cloud computing – should continue to support a long runway of growth. Notably, many technology hyperscalers are directing spending towards expanding the supply of green and renewable energy to facilitate their growth ambitions.

And while parts of the political sphere continue to water down their commitment to green transitions, we believe the inevitability of climate change means that money will continue to be invested to enable both climate resilience and climate adaptation through infrastructure projects like stormwater management and power grid resiliency.

Against this backdrop, diversification remains paramount. As well as retaining its fairly defensive positioning, the Fund is highly diversified from a regional, sector and factor standpoint, as well as across our seven environmental themes. Our process targets companies providing valuable and much-needed environmental solutions, and we focus on cash generative companies with wide economic moats, robust balance sheets, and business models that do not rely on government subsidies or tax breaks.

Performance Discrete Rolling 12 months	12 months to 30/09/2021	12 months to 30/09/2022	12 months to 30/09/2023	12 months to 30/09/2024	12 months to 30/09/2025
Fund Performance (B Class)			6.5%	16.4%	7.1%
MSCI ACWI Net TR GBP**			12.2%	20.5%	16.8%
IA Global			7.7%	16.4%	11.8%
Sector Quartile			3	3	3

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

*Inception date: 24.01.2022

**The MSCI ACWI GBP Net Total Return Index was adopted as the Fund's comparative benchmark on 1 January 2024, replacing the FTSE World TR Index. As the Fund invests in a diverse range of global companies and sectors, we compare the Fund's performance to the MSCI ACWI GBP Net Total Return 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.

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