

## SHINING A LIGHT ON THE..... Edentree Global Impact Fund

### AT A GLANCE

Investment Objective
To deliver measurable positive environmental and social impact alongside a regular level of income.

Inception Date	24 <sup>th</sup> January 2022
Fund Factsheet Link	<a href="https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00001D4Y7">https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00001D4Y7</a>

Management	
Manager Name	Start Date
David Katimbo-Mugwanya	24 <sup>th</sup> January 2022
Michael Sheehan	24 <sup>th</sup> January 2022

### UPDATE....

One of the areas with the least number of options is the impact and strategic bond space. This fund therefore is perfectly positioned to take advantage of this. David has been at EdenTree since 2015, and Michael joined from abrdn in 2021. EdenTree have been managing assets within the responsible investment arena for over 30 years and this is part of a new range of funds they are looking to launch.

The team hope that this fund will eventually become an Article 9 strategy. (An Article 9 Fund under Sustainable Finance Disclosure Regulation (SFDR) is defined as “a **Fund that has sustainable investment as its objective or a reduction in carbon emissions as its objective.**”)

The team see this as a growing opportunity with over \$7 trillion of new bonds to be issued by 2025 globally across energy, financials, government, healthcare, industrials, utilities, consumer, and communications.

Although this is an impact strategy, they are looking to deliver competitive returns and currently hold 45 bonds. It aims to invest in higher quality bonds with a BBB+ rating and follows a 4-pillar framework covering intentionality, contribution, measurement, and responsibility. A minimum of 80% will be invested in impact instruments.

The key themes are sustainable solutions, social infrastructure, health and well-being. There is a three-step process:

Issuer analysis – impact assessment and fundamental factors  
Portfolio construction – multi thematic and prudent management  
Review – active engagement

Examples include:

Asian Development Bank – supports social and economic development for its member countries and partners. Sub themes include promoting girls’ education and human development

## LWM Consultants Ltd

---

Xylem – covers water issues and sub themes include pollution prevention and control and water

International Finance Facility – delivers life saving vaccines in the world's poorest countries. Sub themes include access to medicines and pharmaceuticals R&D

Other examples include Mohawk, Pearson and Thames Water.

In summary, this is a new fund launch into a part of the market that is currently lacking many credible options. We would want to do more research before we consider adding to our watchlist.

*The source of information in this note has been provided by Edentree and is correct as of May 2022. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to decide based on these notes we cannot take responsibility for this, and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.*