

## Green Infrastructure Fund

Managed by Tommy Kristoffersen



## Investing for a better tomorrow

Infrastructure is crucial to the transition to a more sustainable world and listed infrastructure is a key part of the solution. A deepening pool of green infrastructure companies is providing alternative sources of income and growth for investors. Some estimates suggest building a low-carbon global economy will require over \$10 trillion of investment in new power capacity across solar, wind, and batteries between 2020 and 2050. Green infrastructure is part of that journey.

The **EdenTree Green Infrastructure Fund** seeks to generate income with the potential for capital growth by investing in listed infrastructure-related companies, which demonstrate positive environmental outcomes.

#### Why Green Infrastructure?

The fund offers access to real assets and projects that are making a difference.

# A sustainable future Inflation-mitigation A growing role in the low-carbon energy transition Exposure to inflation-linked income investment A genuine alternative investment

#### **Fund Overview**

**Investment Focus:** Global Infrastructure

Investment Horizon: 3 years +

Fund Style: Income orientated

Holdings: Between 15 and 20, potentially increasing as

the fund scales

Return target: Regular income in excess of long term

CPI, with the potential for capital growth

Performance references: Investment Association

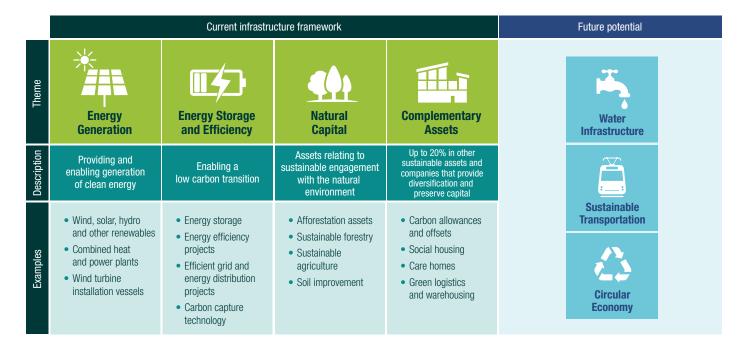
Infrastructure Sector and CPI

Currency: GBP

#### The Green Infrastructure Framework

The Fund operates under our **Green Infrastructure Framework**, which is a thematic approach that incorporates both bottom-up and top-down analysis. The Fund will seek to invest in companies that own, operate, construct, develop, or

provide debt funding for real assets and projects that enable the systems and services that a society needs to work effectively in a way that demonstrates positive environmental outcomes. These investments will initially focus on four key themes.



#### **Investment Process**

The investment approach is primarily focused on bottom-up stock-picking. The team assesses each business's activities against the themes defined by the Green Infrastructure Framework, such as energy generation, energy storage and efficiency, natural capital, circular economy, water management, or sustainable transportation.

Investment analysis is grounded in close reading of prospectuses and analysis of financial statements to determine the quality of the yield on offer and how well it is covered. Where appropriate, this may be supported by the valuation of an investment company's underlying assets. Regular meetings with company managements are central to the team's fundamental analysis process. Similarly, the team conducts site visits where appropriate.



keep us informed of IPOs and

capital raisings

 Each potential investment must be aligned with the Green Infrastructure Framework

Alignment and

categorisation

- Each potential investment must fit into one of the following categories:
  - Core holdings, providing either:
  - Secure income or
  - High return potential
  - Diversifiers



Investment analysis



Portfolio construction

- Analysis of prospectuses and financial statements to assess likelihood of indicated yield being delivered or if we estimate a different yield
- Valuation of underlying holdings, where appropriate
- Regular meetings with company managements to support analysis
- Site visits where appropriate
- Portfolio modelling to achieve appropriate characteristics (yield, beta, valuation, diversification)
- Sector and geographical weights informed (but not prescribed) by EdenTree Asset Allocation Committee
- Position size adjustment with reference to conviction and **liquidity**

#### Focused, yet diversified

By focusing on diversified investment companies, we can reduce the number of top-level holdings, allowing us to regularly meet with underlying management teams as well as increase the frequency with which we can review each holding – without compromising on diversification because each investment company will itself have a diversified portfolio of investments.

Potential holdings must clearly fit into one of three investment categories: secure income, high return potential, and diversifiers.

- Secure income indicates holdings that are judged to be likely to provide a secure source of income even if they may not have as much upside potential as holdings in the 'high return potential' category.
- High return potential indicates holdings that the manager believes can offer potential for greater returns.
- Diversifiers are holdings where past or likely future return profiles clearly complement those of existing holdings. They may not offer high (or any) income, but they will be deemed likely to help preserve capital in the portfolio as a whole.

#### Positive social and environmental outcomes

The underlying business and assets of each holding must demonstrate 'intentionality' and 'materiality'. The team expects these attributes to be clear from the nature of the company and its fundamental purpose, with each engaging in one or several themes such as energy generation, energy storage and efficiency, natural capital, circular economy, water management, or sustainable transportation.

When it comes to positive environmental outcomes, the team does not require that investments supply a unique product or service, but rather must be able to quantify a materially positive impact: peak capacity for an energy generator or tonnes of CO2 sequestered for an afforestation investment, for example.



### The EdenTree Team

## A highly experienced sustainability-orientated investment team

Tommy Kristoffersen is the Lead Fund Manager and has managed the Fund since launch. Tommy joined EdenTree in 2021 and assists with the management of Multi Asset Strategies & European Equities, contributing to funds such as the Responsible & Sustainable Managed Income Fund and the Responsible & Sustainable Multi-Asset fund range. He has over 11 years' financial services experience.

In the management of the EdenTree Green Infrastructure Fund, Tommy works closely with Charlie Thomas, Chief Investment Officer and global equity fund manager with 21 years' sustainable investment experience, and Chris Hiorns, Head of Multi Asset Strategies and European Equities with over 25 years' experience investing across asset classes.



## **Tommy Kristoffersen**Green Infrastructure Fund Manager

Tommy joined EdenTree in 2021 and manages the EdenTree Green Infrastructure Fund. He also assists with the management

of other funds within the Multi Asset Strategies & European Equities ranges. Prior to EdenTree, Tommy worked at JP Morgan and Jupiter Asset Management, most recently within Jupiter's Alternatives business. Tommy holds the Investment Management Certificate (IMC), and is studying towards the FMVA certification from the Corporate Finance Institute.

#### Why EdenTree?

EdenTree is a Responsible and Sustainable investment manager with a strong heritage. We are proud to be part of the Benefact Group – a charity owned, international family of specialist financial services companies that give all available profits to charity and good causes.

EdenTree are dedicated to responsible and sustainable investing, having launched our first ethical fund in March 1988.

Partnering with us can empower your clients with a suite of investment strategies designed to help address pressing environmental and social challenges, while seeking to deliver competitive rates of return. Together, we can help to shape a more sustainable future for generations to come.

For additional information on the Green Infrastructure Fund, please contact your EdenTree relationship manager, or get in touch with us at:



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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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