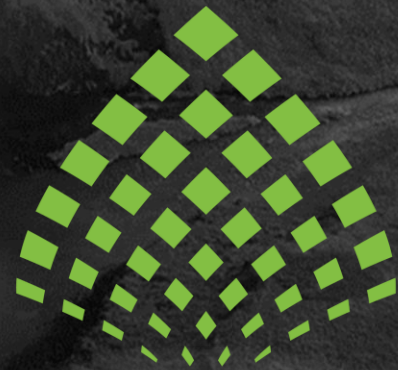


Key Principal Adverse Impact (PAI) Critical Minerals

Eden Global Natural Resources UCITS ESG Fund



eden
ASSET MANAGEMENT

Fund Overview



Eden Global Natural Resources UCITS ESG Fund

- Eden Asset Management is the Investment Manager of the Eden Global Natural Resources UCITS ESG Fund (the “Fund”).
- The Fund aims to achieve long term growth by investing in equities in the **Global Natural Resources** sector, incorporating the metals and mining, energy and agriculture sub-sectors. The Fund will focus on equities listed on recognised investment exchanges globally.
- Eden will manage the fund on an active basis, uncorrelated to the benchmark index, and include special situation investments in companies with smaller market capitalisations for which investments are transaction-driven.
- Eden’s investment strategy combines a top-down approach, employing macro-derived allocations across the three resources sub-sectors, with a bottom-up assessment of selected companies in order to derisk investment decisions.
- ESG considerations are a key part of Eden’s investment process, and potential investments which do not meet required ESG measures will be excluded from the Fund’s investment universe.
- Eden Global Natural Resources UCITS Fund is classified as a Light Green Fund under Article 8 of the EU Sustainable Finance Disclosure Regulation (“SFDR”).

Located in the Capital of Critical Minerals & World's Premier Mining Jurisdiction

Underlining Perth's strategic importance in accessing leading Miners & advancing the green energy transition

- Fund strategically located in Western Australia, home to >700 listed Mining firms, underlining its role as a **major hub for the mining and exploration sectors globally**.
- Several of the world's largest mining leaders capable of influencing the global energy transition are HQ'd in Perth incl. **BHP, Rio Tinto, South32, & Fortescue Metals**.
- Producer of a dominant supply of the world's Critical Minerals including: **Lithium, Nickel & Copper**.
- Home to the world's **highest grade, and most profitable Lithium mine** (Greenbushes)
- Home to the western World's largest producer of **Rare Earth Elements** – critical for modern technology, Electric Vehicles & defence tech.
- **Enables access to an extensive network of technical, commercial and strategic knowledge of the resources sector ⇒ ⇒ POINT OF DIFFERENCE WITH OTHER GLOBAL RESOURCES FUNDS**



Portfolio Parameters and Strategy

Investment Strategy

- **Specialist natural resources investment:** the Fund will seek exposure to companies with natural resource assets across the metals and mining, energy and agriculture sectors at different points in the development cycle, to include producing assets, projects seeking financing for development and advanced exploration assets.
- **Deliver risk-adjusted returns through active management:** stock selection employs top-down analysis of the investment universe incorporating a macro asset allocation process to generate a shortlist of eligible stocks which are then subjected to bottom-up due diligence.
- **Disciplined portfolio construction process:** focus on delivering key metrics including liquidity, volatility and diversification across commodities.
- **Special situations resources investment:** up to 30% of portfolio to be allocated to special situations investments in companies with smaller market capitalisations (typically <A\$500m), with selections driven by assessment of underlying asset, management, liquidity and participation in corporate transactions / equity placements:
 - Investing in companies engaged in project development can yield significant alpha returns under favourable sector conditions. Eden's strategic location and specialized team enable access to these opportunities and facilitate the necessary due diligence.

Portfolio Construction

Market segment	Minimum portfolio weighting
Metals & Mining	10%
Energy	10%
Agriculture	10%
Cash	0 - 10%
Special Situations	0 - 30%
Fund parameters	Range
Market capitalisation range	Typically \$50m – \$350bn (large cap focus)
Number of holdings	70 – 120 securities
Geographical	Global – preference for low risk jurisdictions, i.e. Australia and Canada

Key Principal Adverse Impacts (PAIs) (PAI is any impact of investment decisions or advice that results in a negative effect on sustainability factors):

- The global economy's shift towards sustainability is driven by the exploration and production of **Critical Minerals**, which are vital for the **energy transition**.
- Promotion of **diversity and inclusiveness** in the workforces in investee companies.

Eden's ESG Investment Principles

Eden Global Natural Resources UCITS ESG Fund (the "Fund") considers external ESG ratings for investment decisions and conducts due diligence on ESG policies and reporting for companies without available ratings.

Key Principal Adverse Impacts (PAIs)

- The Fund promotes the following environmental characteristics: the transition of the global economy to a more sustainable basis through the exploration and production of **Critical Minerals***.
- The Fund promotes the following social characteristic: promotion of **diversity and inclusiveness** in the workforces in investee companies.

"We believe that carefully managed ESG integration is an indispensable tool for proper risk management and a prerequisite for long-term healthy returns"

* **"Critical metals"** or **"critical minerals"** are essential metals and non-metallic minerals vital to the economy and national security, susceptible to supply disruptions. In Eden's context, these also include metals pivotal for transitioning from fossil fuels and enabling modern technologies like electric vehicle batteries, renewable energy systems, and modern electronics. This includes lithium, cobalt, vanadium, copper, nickel, uranium and manganese. Additionally, Eden's investment universe includes **precious metals** such as gold, silver, and PGEs, which offer significant portfolio diversification, serve as a hedge against inflation and monetary debasement, and provide a safe-haven during geopolitical and macroeconomic uncertainties.



Eden Global Natural Resources UCITS ESG Fund

Why is Eden interested in Critical Minerals?

Critical Minerals

Li

Cu

Co

REE

U

Let's start with some definitions

- “Critical metals” or “critical minerals” are essential metals and non-metallic minerals vital to the economy and national security, susceptible to supply disruptions.
- In Eden's context, these also include metals pivotal for transitioning from fossil fuels and enabling modern technologies like **electric vehicle batteries, renewable energy systems, and modern electronics.**
- Each Country will have bespoke lists that vary over time.
- For Eden, they include: rare earth elements (REEs), lithium, cobalt, vanadium, copper, nickel, uranium & manganese.

1. BATTERY METALS

- Used in batteries, especially electric vehicles & renewable energy storage

2. CRITICAL METALS

- Vital to a nation's security, economic prosperity & strategic ambitions

3. MAGNET METALS

- Used for high-efficiency permanent magnets / modern electronics

4. PRECIOUS METALS

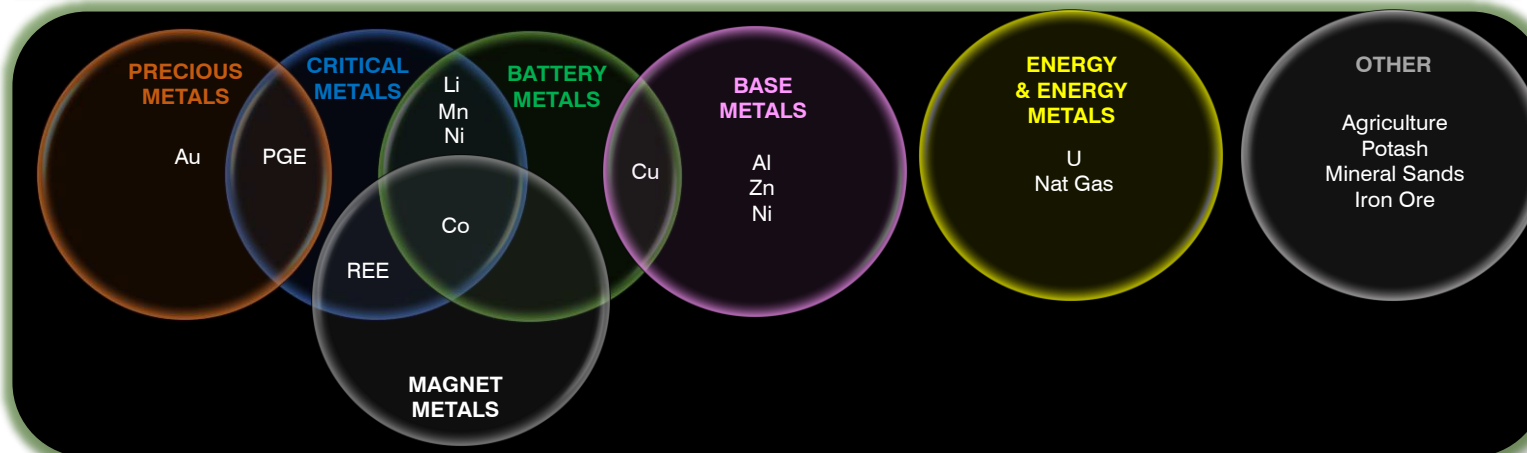
- Rare and have a high economic value, often used to store wealth

5. ENERGY & ENERGY METALS

- Those used for power generation

6. BASE METALS

- Common industrial + bulk commodities



Some Energy Transition Minerals

What are some of the key minerals used for Electric Vehicles & Wind Turbines?

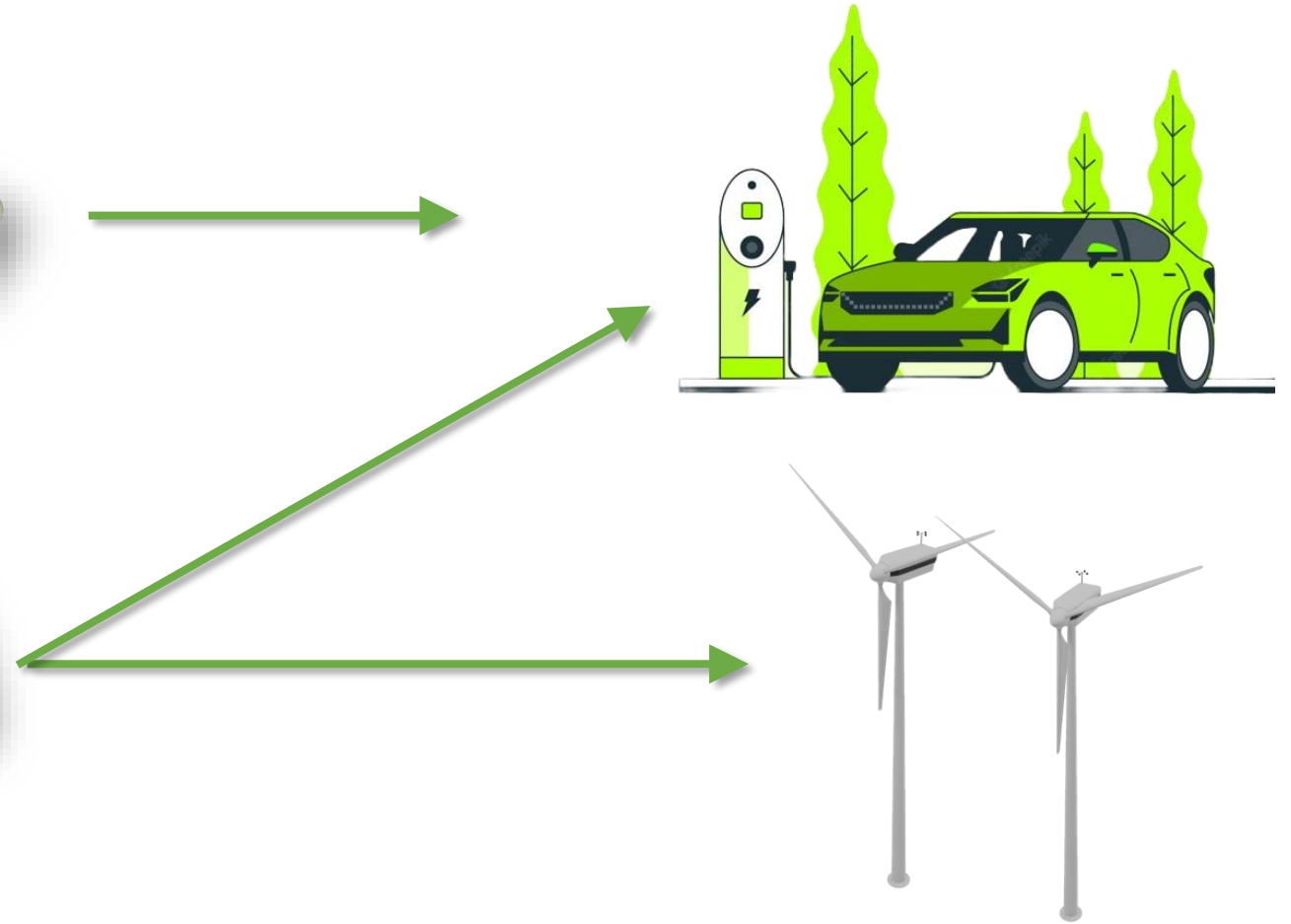
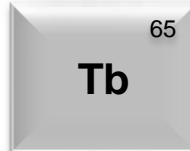
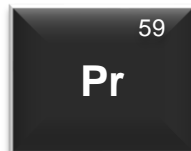
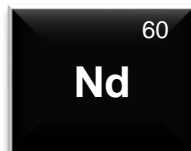
Lithium
(spodumene)



MINERALS

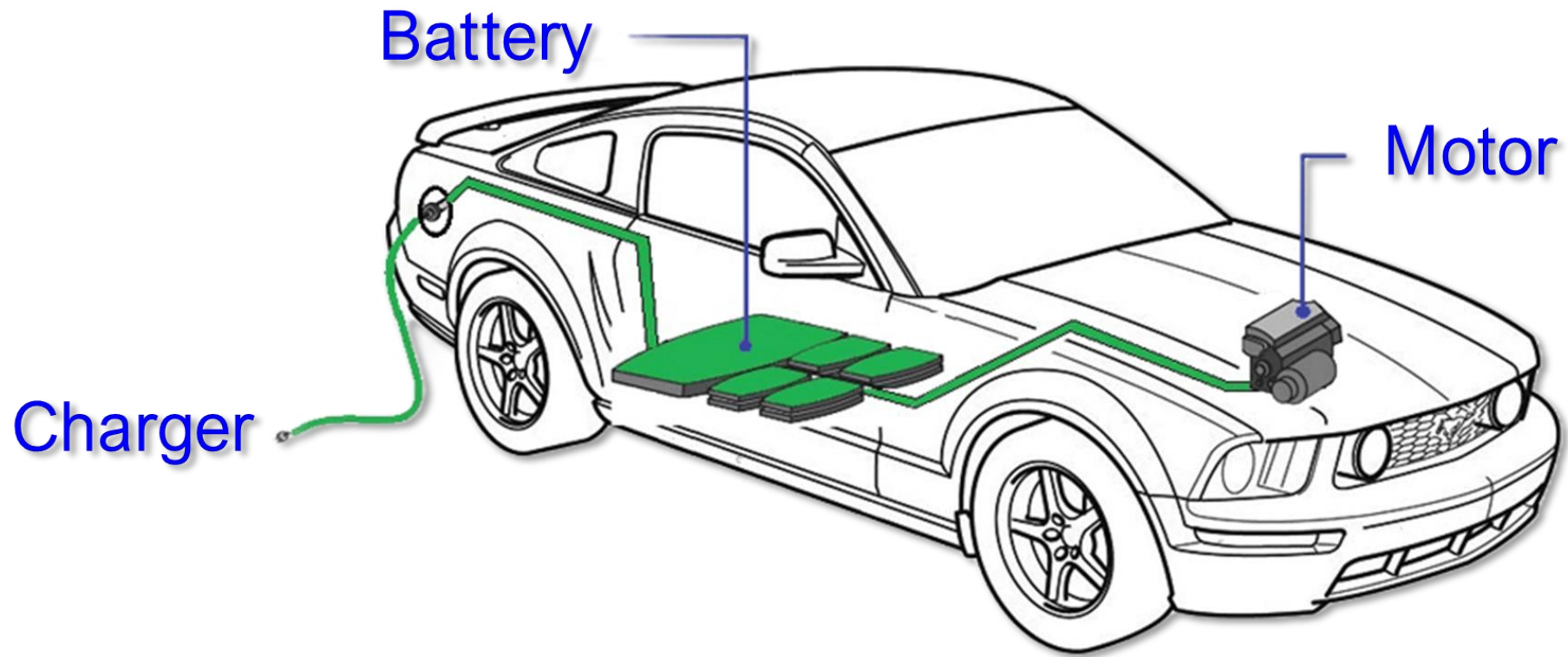


REE
(monazite)



Electric Vehicles

What are the key parts?

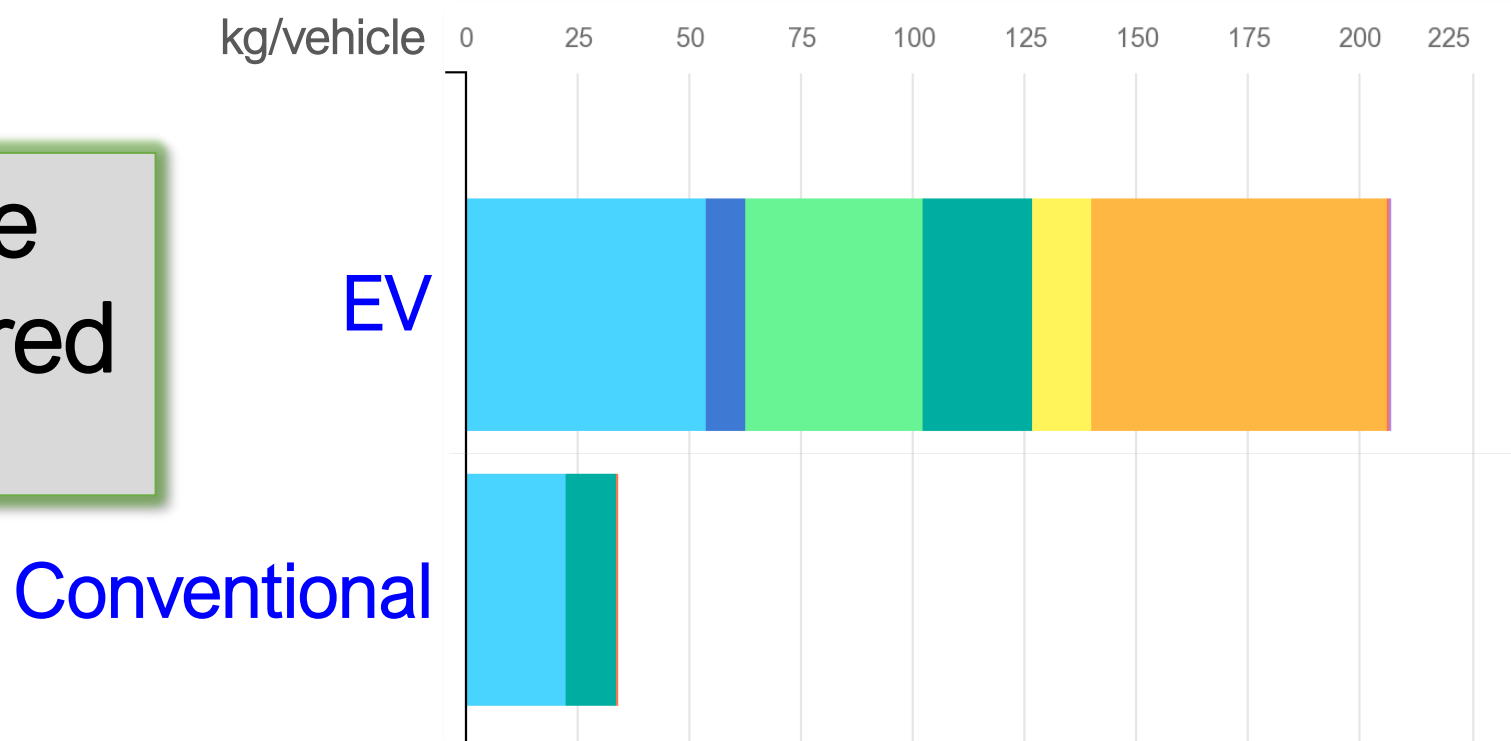


Electric Vehicles vs Conventional Internal Combustion Engine

Difference in metal requirements

● Copper ● Lithium ● Nickel ● Manganese ● Cobalt ● Graphite ● Zinc ● Rare earths

600% more metals required (by mass)



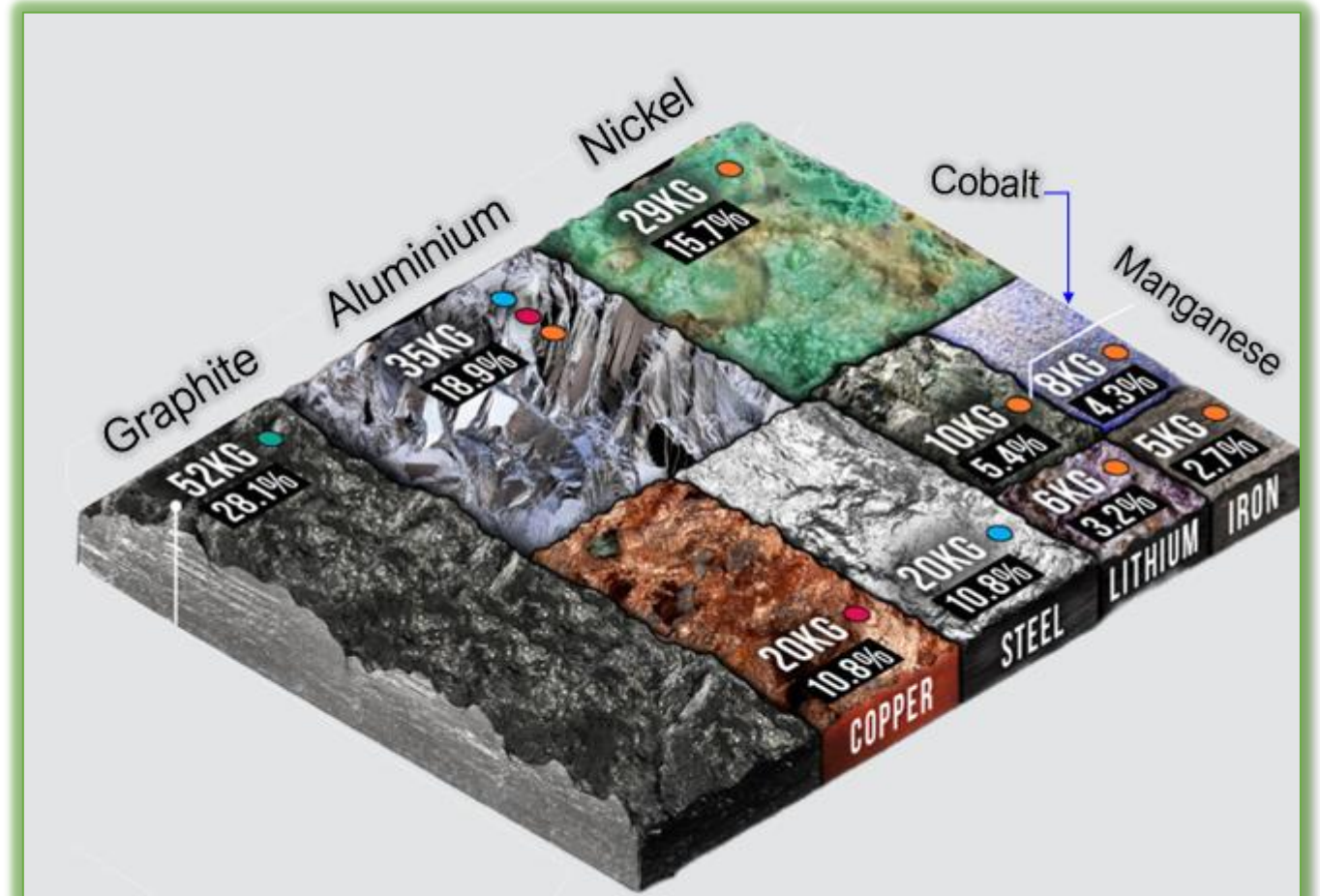
Source: IEA (2022), Minerals used in electric cars compared to conventional cars
<https://www.iea.org/data-and-statistics/charts/minerals-used-in-electric-cars-compared-to-conventional-cars>

Metals in EV Battery (2020)

Various “Critical” and “Base” Metals required

Typical 60 kWh ‘NCMA’ battery

- 185 kg metals
- 6 kg lithium
- 29 kg nickel
- 20 kg copper
- 8 kg cobalt



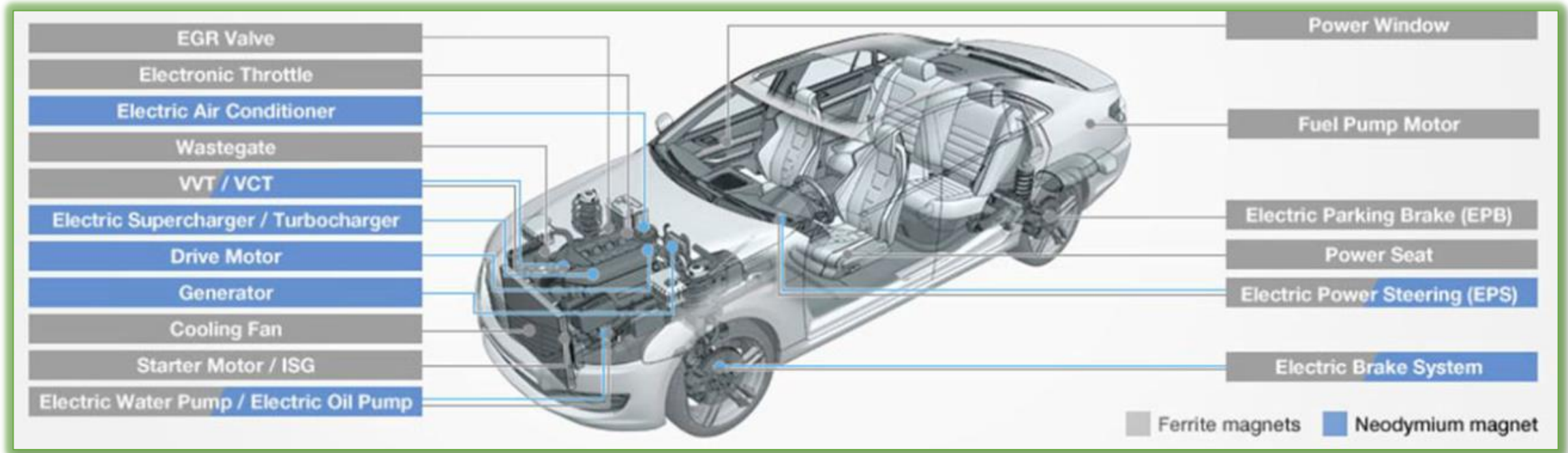
Source: VisualCapitalist (2022)

REEs in Electric Vehicles

Critical for enabling “super properties”

Typical 60 kWh EV (2020)

- 0.5 – 3.0 kg;
- Several important functions



Source: S&P Global (2020)

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REEs in Wind Turbines

Critical for enabling “super properties”

Typical 3 MWh WT (2020)

- 2,000 kg of REE permanent magnets;
- Nd, Pr, Dy, Tb



Source: S&P Global (2020)

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REEs are foundational to modern technology and life

Nature's "Pixie Dust" - the key elements are Nd, Pr, Dy, Tb

Critical to Modern Life

All key ingredients to:

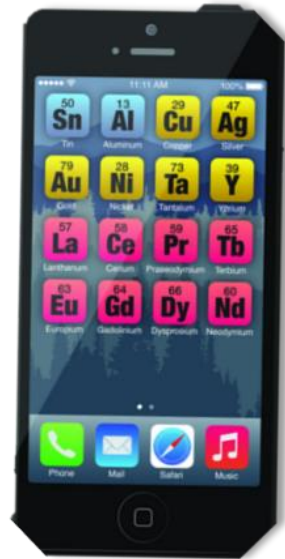
- Energy Efficiency
- Clean Energy Production
- Modern Technology

Special Properties

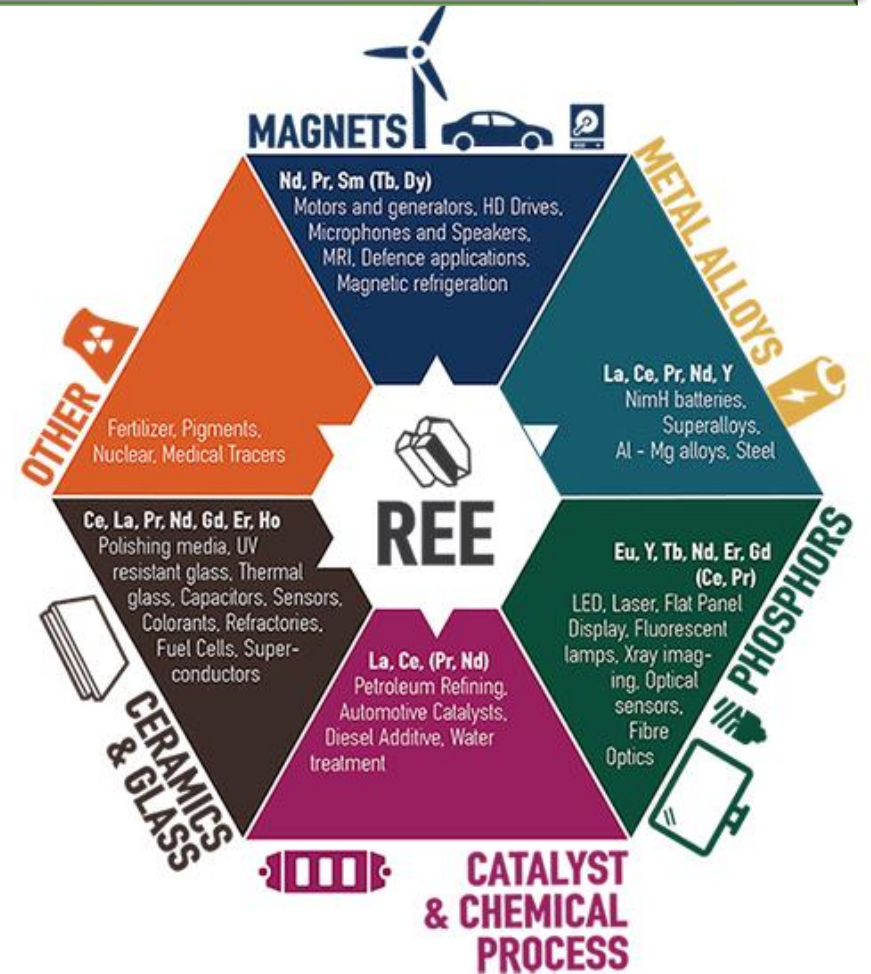
- Magnetic
- Electrical
- Luminescence
- Radioactive

Inferior or No Substitutes

Average smartphone

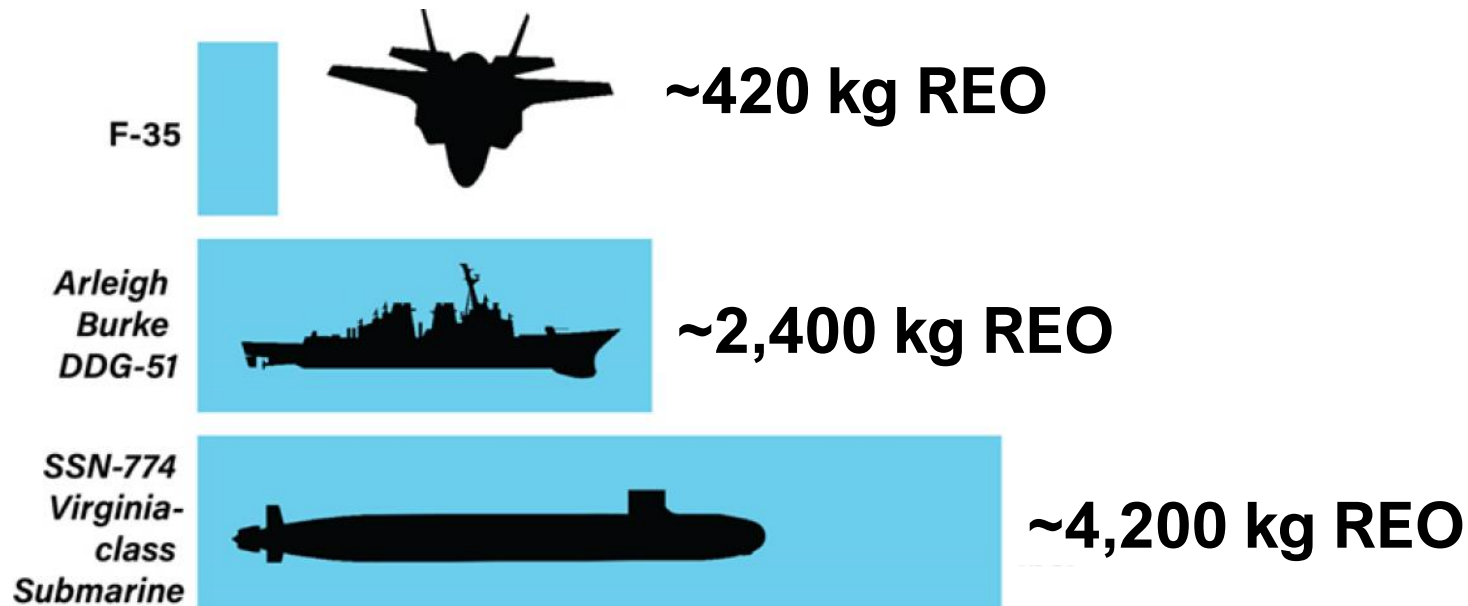


16 REE Elements
~0.05 kg REO

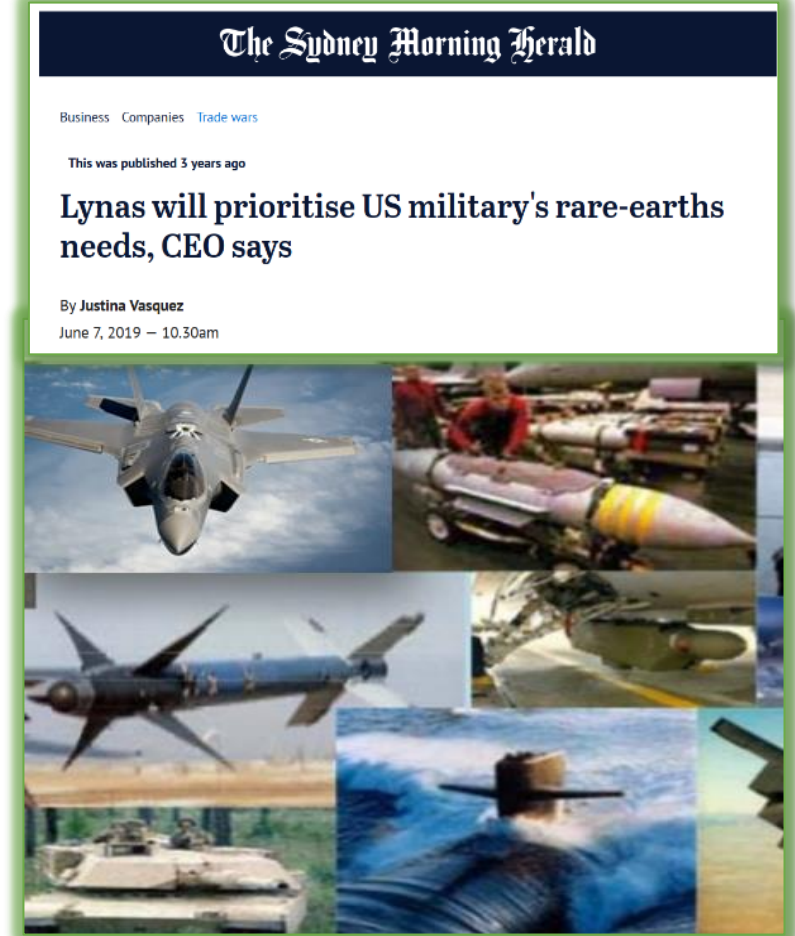


Strategic importance of REEs

Magnet & Heavy REEs are crucial in Defence Applications



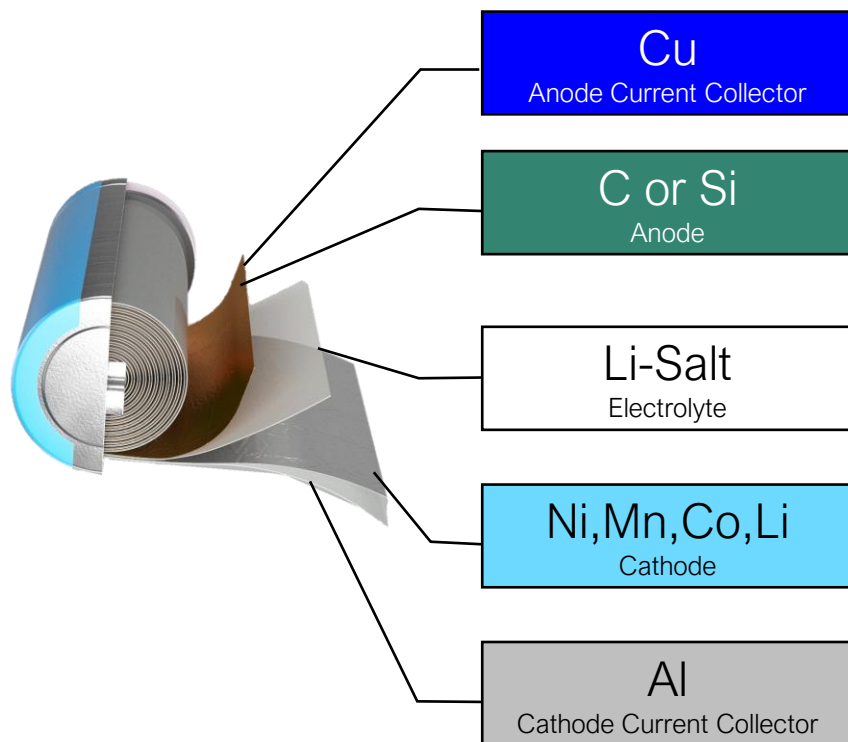
Source: Congressional Research Service



Metal demand from the Global Energy Transition

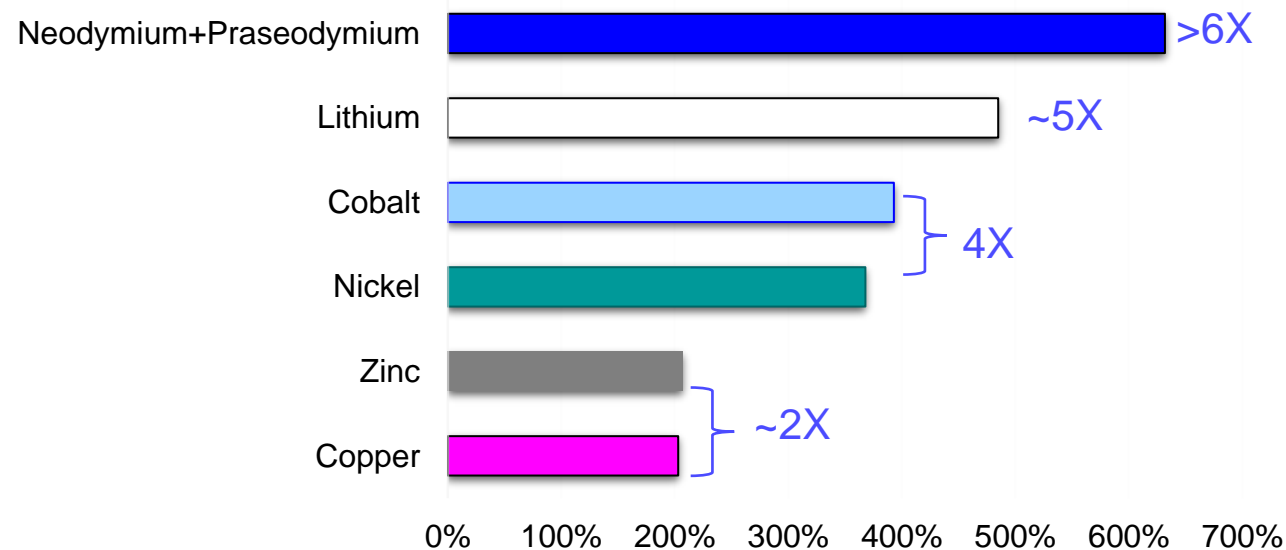
Huge increase in metals required vs current demand to achieve “Net Zero”

Typical lithium-ion battery



Cathodes can have many different compositions, example shown is NMC (Nickel, Manganese, Cobalt (with Lithium))

Supply Growth Required to Achieve 'Net Zero 2050' Targets



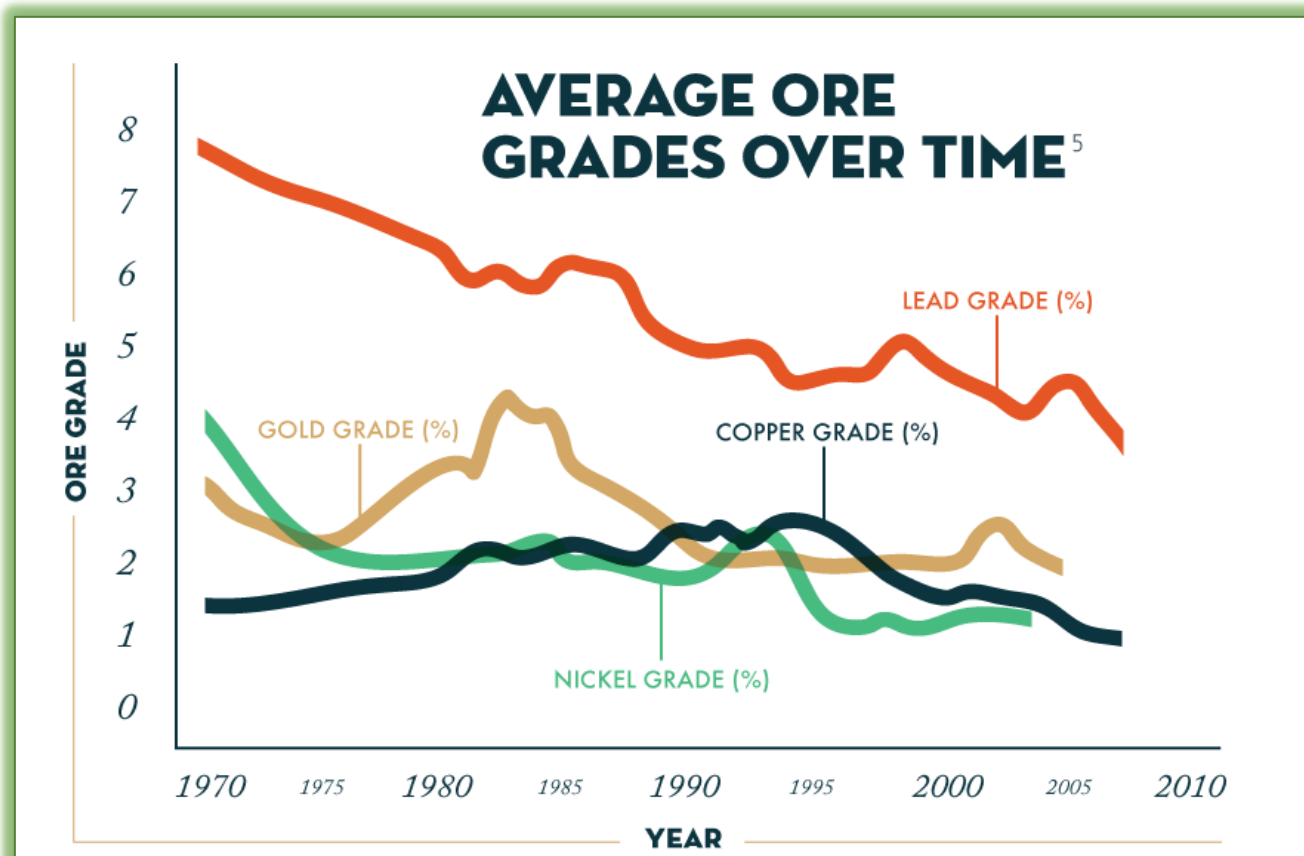
Source: World Bank Group (2020)

Metal demand from the Global Energy Transition

Ore grades are progressively declining over time \Rightarrow Eden will invest in companies who can remedy this shortfall

The transition can only happen via:

1. The discovery of new deposits,
2. Proactive government support and,
3. Sustainable mining practices



Source: AusIMM (2016)

Eden Asset Management

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