

**Periodic disclosure for financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

**Product name:** ARP IV Sustainable Communities (Ireland) Fund

**Legal entity identifier:** 635400BG1YMJ9DBWIG36

## Sustainable investment objective

Did this financial product have a sustainable investment objective?	
Yes	No
<p><input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective: 100%</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input checked="" type="checkbox"/> It made <b>sustainable investments with a social objective: 100%</b></p>	<p><input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>

The **EU Taxonomy** is a classification system, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Defined terms used herein shall have the same meaning ascribed to them in the Supplement issued in respect of the Sub-Fund, to which this disclosure is to be read alongside.



**To what extent was the sustainable investment objective of this financial product met?<sup>1</sup>**

<sup>1</sup> In reading this disclosure, it is to be noted that as at the end of the Reference Period, the Sub-Fund had commenced construction activity on two development sites, but both were at a relatively early stage. The activity of the Sub-Fund has been assessed by the AIFM as being in accordance with the Sub-Fund’s Sustainable Investment Objective, but no new buildings have yet been completed.

The Sub-Fund's Sustainable Investment Objective can be divided into a core environmental objective applicable to 100% of the underlying assets of the Sub-Fund, and two social elements relating to Social and Affordable Housing.

The Sub-Fund's core environmental objective is to invest in sustainable Properties that will meet the EU Taxonomy criteria for Acquisition & Ownership of Buildings under the Climate Change Mitigation objective.

The Sub-Fund also has two social objectives, namely that:

- 30% of the units developed by the Sub-Fund are Social Housing units and
- 80% of the total units developed by the Sub-Fund are Social and Affordable Housing units.

During the reference period of 1 January 2023 to 31 December 2023 (the "**Reference Period**"), the Sub-Fund commenced the development of two projects; Citywest, Fortunestown, Dublin 24 and Airton Road, Tallaght, Dublin 24.

In relation to the Sub-Fund's environmental objective, the technical teams for each project have designed the relevant apartment schemes to ensure that they are capable of being built to meet the EU Taxonomy criteria for Acquisition & Ownership of Buildings under the Climate Change Mitigation objective. (These criteria are described in detail in the next section below.)

In relation to the Sub-Fund's social objective, commercial terms were agreed during the Reference Period to forward-sell both completed developments to Approved Housing Bodies, which are independent, not-for-profit organisations that provide social and affordable rented housing. For both projects, the respective purchasing entities have committed that when complete and operational, 100% of the units developed by the Sub-Fund will be used for "Social and Affordable Housing" purposes, as defined in the Supplement.

As development activity is ongoing on both sites, and accordingly the sustainable investment objective of the Sub-Fund has not yet been fully met, the activity of the Sub-Fund has been assessed by the AIFM as being in accordance with the Sub-Fund's Sustainable Investment Objective.

● ***How did the sustainability indicators perform?***

As at the end of the Reference Period, the Sub-Fund had acquired two sites, and development activity had commenced on both. The sustainability indicators for both the environmental and social objectives of the Sub-Fund as outlined below are being tracked for each of the two projects and are being used to inform investment decision making. As at the end of the Reference Period, all investments held by the Sub-Fund were on track to meet both the environmental and social objectives of the Sub-Fund.

The sustainability indicators used to measure the attainment of the

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

environmental objective are the EU Taxonomy criteria for Acquisition and Ownership of Buildings under the Climate Mitigation objective.

There are three criteria to be assessed to determine whether the new buildings substantially contribute to Climate Mitigation. These are:

1. **Primary Energy Demand Reduction** - The primary criterion relates to Primary Energy Demand (“PED”), which must be at least 10% lower than the threshold set for the nearly zero-energy building (“NZEB”) requirements in national measures. The energy performance is certified using an as built Energy Performance Certificate (“EPC”) when the building is complete. The national equivalent of an EPC in Ireland is a Building Energy Rating (“BER”) Certificate. Although final BER certificates will not be available until the buildings are fully constructed, at this stage it is possible to calculate what the projected EPC of the completed scheme will be using provisional BER certificates. This has been carried out by the teams for both projects and is being tracked on an ongoing basis to ensure that the completed properties will be aligned with the EU Taxonomy.
2. **Air Tightness and Thermal Integrity Testing** - For buildings larger than 5000 m<sup>2</sup>, upon completion, the building resulting from the construction will undergo testing for air-tightness and thermal integrity, and any deviation in the levels of performance set at the design stage or defects in the building envelope will be disclosed to investors and clients. As an alternative; where robust and traceable quality control processes are in place during the construction process this is acceptable as an alternative to thermal integrity testing.
3. **Life Cycle Assessment and Global Warming Potential (GWP) Disclosure** - For buildings larger than 5000 m<sup>2</sup>, the life-cycle GWP of the building resulting from the construction will be calculated for each stage in the life cycle and disclosed to investors and clients on demand.

The other indicators are detailed in full in the ‘Do No Significant Harm’ (“**DNSH**”) and Minimum Safeguards (“**MS**”) criteria outlined in the EU Taxonomy relating to Acquisition and Ownership of Buildings substantially contributing to the Climate Mitigation objective. They are discussed in detail below under the section entitled “*How did the sustainable investments not cause significant harm to any sustainable investment objective?*”.

The sustainability indicators that will be used to measure the attainment of the social objectives of the Sub-Fund will be the percentage of units built for Social Housing and for Social and Affordable Housing respectively.

In order to obtain the social investment objective, the Sub-Fund has agreed terms to sell both completed development projects to Approved Housing Bodies, which are independent not-for-profit organisations that provide social and affordable rented housing. For both projects, the respective purchasing entities have committed that when complete and operational, 100% of the units developed by the Sub-Fund will be used for “Social and Affordable Housing” purposes, as defined in the Supplement.

● **...and compared to previous periods?**

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Similar to previous reporting periods, the development projects being undertaken by the Sub-Fund are not yet complete. Accordingly, the sustainable investment objective of the Sub-Fund has not yet been fully met, but the ongoing activity of the Sub-Fund has been assessed by the AIFM as being in accordance with the Sub-Fund’s Sustainable Investment Objective.

***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

The Sub-Fund ensures that the sustainable investments do not cause any significant harm to the sustainable investment objective by adhering to the EU Taxonomy DNSH and MS criteria outlined for Acquisition and Ownership of Buildings substantially contributing to the Climate Mitigation objective. Separately, the Sub-Fund also considers the DNSH requirements under the SFDR.

For each investment, the aforementioned DNSH criteria are considered pre-acquisition, as part of the due diligence process, and on an ongoing basis thereafter until completion of each development. These arrangements also ensure that principal adverse impacts on sustainability and material environmental, social and governance issues and risks are identified, managed, and mitigated at all stages of the investment process.

A summary of the DNSH criteria and how they are assessed is provided below:

<b>DNSH Criteria</b>	<b>Description</b>	<b>Status</b>
Climate Adaptation	A Climate Risk and Vulnerability Assessment (CRVA) is being carried out on each investment, incorporating the results of a flood risk assessment and overheating assessment. If a requirement for adaptation solutions is identified, they will be integrated at the time of design and construction and have been implemented before the start of operations.	Complete.
Water Protection	Each of the Properties acquired by the Sub-Fund is required to be compliant with national law relating to sustainable use and protection of water and marine resources.	Compliant.
Circular Economy/Resource Consumption	Each of the Properties acquired by the Sub-Fund is required to be compliant with national law relating to:	Compliant.  The Sub-Fund places

	<ul style="list-style-type: none"> <li>• reuse, recycling and material recovery of hazardous and non-hazardous construction and demolition waste generated at the construction site, and</li> <li>• circularity in building design and construction techniques</li> </ul>	significant emphasis on achieving a robust recycling rate for each asset.
Pollution Prevention	<p>Each of the Properties acquired by the Sub-Fund is required to be compliant with national law relating to:</p> <ul style="list-style-type: none"> <li>• hazardous chemicals and substances included in building components and materials used in construction,</li> <li>• investigations for potential contaminants on new construction on brownfield sites, and</li> <li>• noise dust and pollutant emissions during construction or maintenance works</li> </ul>	Compliant.
Biodiversity	<p>Each of the Properties acquired by the Sub-Fund is required to be compliant with national law relating to:</p> <ul style="list-style-type: none"> <li>• protection and restoration of biodiversity and ecosystems</li> <li>• protection of land near biodiversity sensitive areas</li> <li>• protection of land of high biodiversity value</li> </ul>	Compliant.

*How were the indicators for adverse impacts on sustainability factors taken into account?*

There are two mandatory adverse sustainability indicators relating to climate and environment included in the SFDR which are applicable to investments in real estate assets, namely:

- exposure to fossil fuels through real estate assets, measured by the share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels; and
- exposure to energy-inefficient real estate assets, as measured by the share of investments in energy-inefficient real estate assets.

Pursuant to SFDR, the Sub-Fund has selected one further non-mandatory adverse sustainability indicator to disclose against, which relates to climate and environmental issues. The Sub-Fund has also opted to disclose against one

adverse sustainability indicator which relates to social issues. The Sub-Fund has determined these indicators to be:

- waste production in operations; and
- rate of accidents.

The investments made by the Sub-Fund during the Reference Period have been assessed by the AIFM on the basis of the indicators outlined above. On the basis of this analysis, the AIFM has verified that the Sub-Fund's investments do not lead to principal adverse impacts on sustainability factors.

- The Sub-Fund has not invested in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels or any activity of a "fossil fuel undertaking" as defined in the Fossil Fuel Divestment Act 2018;
- the Sub-Fund has not invested in any "energy-inefficient real estate assets" as defined in the SFDR, and instead, as noted above, is committed to only developing real estate assets that are EU Taxonomy aligned under the Acquisition and Ownership of Buildings making a substantial contribution to Climate Mitigation objective; and
- all service providers appointed by the Sub-Fund to assist with the development of the Sub-Fund's real estate assets are monitoring the rate of accidents, and there were none in the Reference Period.

Some of the indicators outlined above cannot yet be measured, but will be once construction activity commences, as follows:

- for any period of time where the Sub-Fund owns operational assets, it will measure and record the waste produced by the assets' and

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Sub-Fund has put in place policies and procedures to evidence its alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights in line with guidance provided in the Final Report on Minimum Safeguards of the Platform on Sustainable Finance, published in October 2022. The Sub-Fund treats partners, suppliers and stakeholders with respect and integrity with the aim of developing lasting and trusted business relationships. Accordingly, the AIFM has confirmed that the sustainable investments of the Sub-Fund are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

In line with its Investment Restrictions outlined in the Supplement, the Sub-Fund has not invested, directly or indirectly, in any assets which engage in questionable working practices (e.g. child labour, heavy pollution, poor operational health and safety standards), or in any Assets that are involved in the extraction, storage, transport or manufacture of fossil fuels in line with the "exposure to fossil fuels through real estate assets" adverse sustainability indicator, or any activity of a "fossil fuel undertaking" as defined in the Fossil Fuel Divestment Act 2018 or that is primarily engaged

in the following business areas: the manufacture of armaments or “prohibited munitions” or components thereof, including cluster munitions, explosive bomblets or anti-personnel mines as defined in the Cluster Munitions and Anti-Personnel Mines Act 2008; the production of nuclear and/or uranium material; tobacco; gambling; pornography; prostitution; trafficking or trade in endangered or protected wildlife; prohibited substances (e.g. ozone depleting substances).



**How did this financial product consider principal adverse impacts on sustainability factors?**

To support the investment decision-making process, and in line with the Sub-Fund’s related policies and procedures, principal adverse impacts on sustainability factors were considered as part of the Sub-Fund’s ESG management system. These are outlined above under the heading “How were the indicators for adverse impacts on sustainability factors taken into account?”

There are two mandatory adverse sustainability indicators relating to climate and the environment included in Table 1 of Annex 1 of the RTS that are applicable to investments in real estate assets. These are assessed in the table below.

The Sub-Fund is a real estate fund and therefore does not invest in investee companies. It does hold some assets via 100% owned subsidiaries, but those entities are subject the same policies as the Sub-Fund.

As adverse sustainability indicators 1-16 as contained in the RTS pertain to investee companies, these are not included in this disclosure, which pertains to real estate investments.

**Indicators applicable to investments in real estate assets**

Adverse sustainability indicator		Metric	Impact in 2023	Impact in 2022	Explanation	Actions taken
Fossil fuels	Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels.	N/A	N/A	The Sub-Fund does not invest in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels. These types of assets are specifically excluded in the Investment	N/A

					Restrictions as set out in the Supplement.	
Energy efficiency	Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets.	N/A	N/A	As of 31 December 2023, the Sub-Fund had not completed the development of any real estate assets. However, it has committed to only deliver Properties that will meet the EU Taxonomy criteria for Acquisition and Ownership of Buildings under the Climate Mitigation objective. Therefore 100% of the portfolio will be energy efficient when completed.	N/A

**Additional Climate and Other Environment-related Indicators**

<b>Adverse sustainability impact</b>	<b>Adverse sustainability impact (qualitative or quantitative)</b>	<b>Metric</b>
<b>Indicators applicable to investments in real estate assets</b>		



Waste	Waste production in operations	This metric will report the share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract.  There was no operational activity during the reference period.
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**Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters**

Adverse sustainability impact	Adverse sustainability impact (qualitative or quantitative)	Metric
<b>Indicators applicable to investee companies</b>		
Social and employee matters	Rate of accidents	This metric reports the rate of accidents on construction sites owned by the Sub-Fund (rather than in investee companies).  There were no such accidents during the reference period.



**What were the top investments of this financial product?<sup>2</sup>**

% excluding cash and cash equivalents

Largest investments	Sector	% Assets	Country
Lands at Citywest Drive, Dublin	Real Estate	45%	Ireland
Lands at Airton Road, Tallaght, Dublin	Real Estate	55%	Ireland

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is two development sites. % Assets is expressed in terms of total market value.

<sup>2</sup> The two sites are held as Inventories in the financial statements of the Sub-Fund. The Inventories figure includes the cost of land, raw materials, stamp duty, direct labour and development costs, but excludes indirect overheads. Borrowing costs are also capitalised into the cost of inventory.

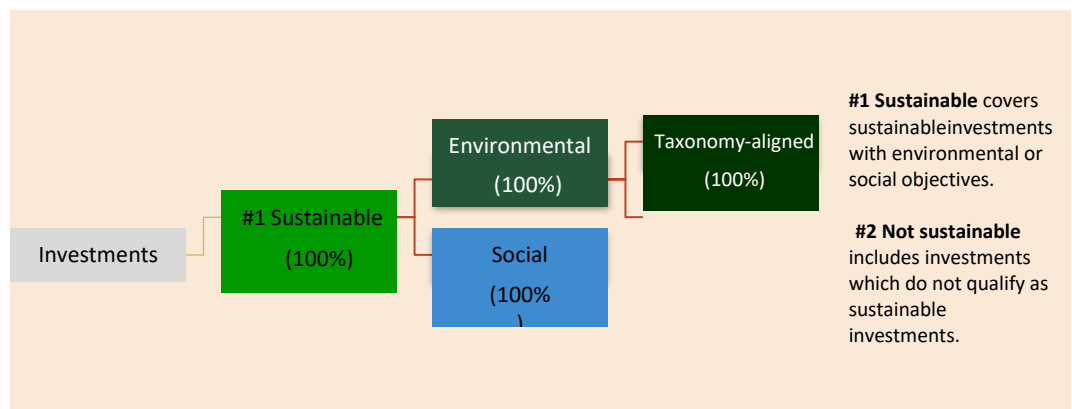
% including cash and cash equivalents

Largest investments	Sector	% Assets	Country
Lands at Citywest Drive, Dublin	Real Estate	40%	Ireland
Lands at Airton Road, Tallaght, Dublin	Real Estate	49%	Ireland



## What was the proportion of sustainability-related investments?

### ● What was the asset allocation?



**Asset allocation** describes the share of investments in specific assets.

The Sub-Fund has solely invested in two development land sites for the construction of real estate assets, in line with the sustainable investment objective. The significant majority of the Sub-Fund's investments will be in residential real estate assets, but ancillary commercial assets may be constructed as part of a residential development.

The Sub-Fund has solely invested in assets that will contribute to Climate Mitigation in line with the EU Taxonomy criteria for the Acquisition and Ownership of Buildings. It also has social objectives relating to the percentage of units built for Social Housing and Social and Affordable Housing respectively.

The Sub-Fund is permitted to hold up to 10% of its Net Asset Value in cash and bank deposits of credit institutions located in EU Member States or in regulated EU money market funds. As at the end of the Reference Period, the Sub-Fund held €3,986,814 of cash and cash equivalents, which corresponded to 8.3% of the Net Asset Value.

● ***In which economic sectors were the investments made?***

The Sub-Fund solely invested in real estate assets.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Sub-Fund is committed to only delivering properties that are within the definition of Acquisition and Ownership Buildings contribution to the Climate Mitigation objective under the EU Taxonomy.

As at the end of the Reference Period, the Sub-Fund's sustainable investments were fully aligned with the EU Taxonomy, albeit that construction activity had not yet completed.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>3</sup>?**

Yes:

In fossil gas

In nuclear energy

No

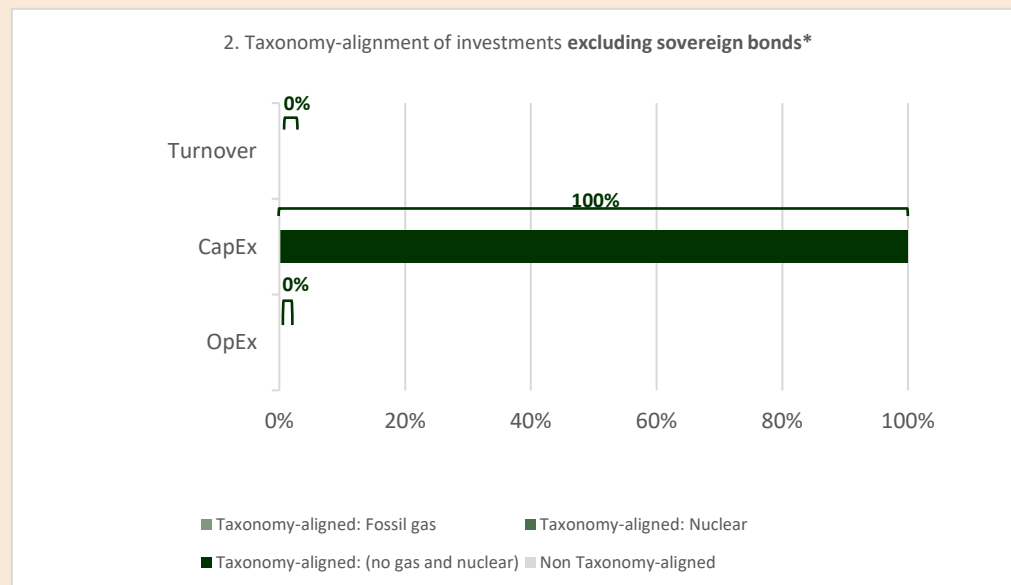
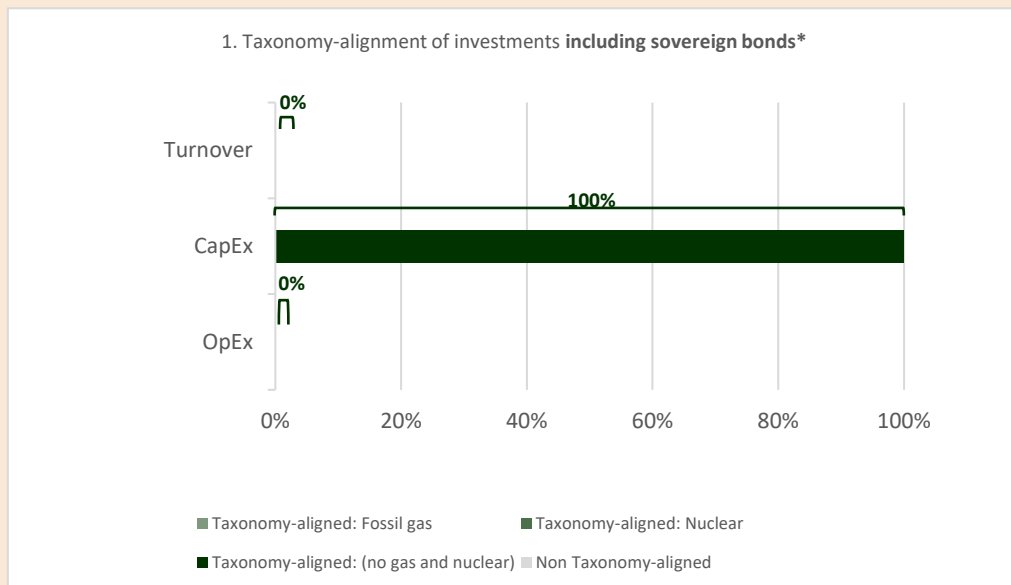
To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive

<sup>3</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures. The graphs represent % of the total investments.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective

**Transitional activities are activities** for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels

- **What was the share of investments made in transitional and enabling activities?**

Not applicable.

- **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

No change.



- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

The Sub-Fund does not hold any investments with an environmental objective that cannot be aligned with the EU Taxonomy, notwithstanding that development activity had not completed during the Reference Period.

In order to meet the requirements of the EU Taxonomy and the Technical Screening Criteria, any new buildings delivered by the Sub-Fund must firstly make a substantial contribution to one of the six environmental objectives set out in the Taxonomy. The Sub-Fund has selected Climate Mitigation, so the primary criterion relates to Primary Energy Demand (“PED”), which must be at least 10% lower than the threshold set for the nearly zero-energy building (“NZEB”) requirements in national measures. The energy performance is certified using an as built Energy Performance Certificate (“EPC”). The national equivalent of an EPC in Ireland is a Building Energy Rating (“BER”) Certificate. There are additional criteria relating to air tightness, thermal integrity and life-cycle global warming potential calculations for buildings larger than 5000m<sup>2</sup>. As part of the pre-construction design and planning project phase, each of the above criteria are being tracked. These criteria are discussed in detail above under the section entitled “*How did the sustainability indicators perform?*”.

Secondly, the development of the new buildings must not do significant harm to any of the other environmental objectives as set out in the SFDR. These are: climate adaptation, water, the circular economy, pollution prevention and biodiversity. As part of the pre-construction design and planning project phase, each of the above criteria are being tracked. These criteria are discussed in detail above under the section entitled “*How did the sustainable investments not cause significant harm to any sustainable investment objective?*”.

Finally, the Sub-Fund has put in place policies and procedures to evidence its alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Sub-Fund treats partners, suppliers and stakeholders with respect and integrity with the aim of developing lasting and trusted business relationships.

Furthermore, in line with its Investment Restrictions, the Sub-Fund has not invested, directly or indirectly, in any assets which have been found to engage in questionable

working practices (e.g. child labour, heavy pollution, poor operational health and safety standards), or in any Assets that are involved in the extraction, storage, transport or manufacture of fossil fuels in line with the “exposure to fossil fuels through real estate assets” adverse sustainability indicator, or any activity of a “fossil fuel undertaking” as defined in the Fossil Fuel Divestment Act 2018 or that is primarily engaged in the following business areas: the manufacture of armaments or “prohibited munitions” or components thereof, including cluster munitions, explosive bomblets or anti-personnel mines as defined in the Cluster Munitions and Anti-Personnel Mines Act 2008; the production of nuclear and/or uranium material; tobacco; gambling; pornography; prostitution; trafficking or trade in endangered or protected wildlife; prohibited substances (e.g. ozone depleting substances).



### **What was the share of socially sustainable investments?**

The Sub-Fund has two social objectives, namely that 30% of the units developed by the Sub-Fund are Social Housing units and 80% of the units developed by the Sub-Fund are Social and Affordable Housing units. The Sub-Fund also aims to deliver community property which delivers a positive social impact to the local community.

In order to obtain the social investment objective, the Sub-Fund has agreed terms to sell both completed development projects to Approved Housing Bodies, which are not-for-profit organisations that provide social and affordable rented housing. For both projects, the respective purchasing entities have committed that when complete and operational, 100% of the units developed by the Sub-Fund will be used for “Social and Affordable Housing” purposes, as defined in the Supplement. Therefore it is expected that the share of socially sustainable investments will be 100%.




### **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

Not applicable.



### **What actions have been taken to attain the sustainable investment objective during the reference period?**

In order to attain the environmental investment objective, specialist consultants have been appointed as part of the project team for each of the two development projects, in order to ensure that the properties will achieve a PED that is at least 10% lower than the threshold set for the NZEB requirements in national measures. The energy performance will be certified using an as-built EPC once the developments are complete. The national equivalent of an EPC in Ireland is a BER Certificate. The additional criteria relating to air tightness, thermal integrity and life-cycle global warming potential calculations for buildings larger than 5000m<sup>2</sup> that have also been assessed for the two prospective developments are being tracked by the design team on an ongoing basis. Detail on how these requirements are being actioned is included in detail above under the section entitled “How did the sustainability indicators perform?”.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The other indicators detailed in the 'Do No Significant Harm' ("DNSH") and Minimum Safeguards ("MS") criteria outlined in the EU Taxonomy relating to Acquisition and Ownership of Buildings substantially contributing to the Climate Mitigation objective are also being tracked. Detail on how these requirements are being actioned is included in detail above under the section entitled "How did the sustainable investments not cause significant harm to any sustainable investment objective?".

In order to obtain the social investment objective the Sub-Fund has agreed terms to sell both completed development projects to Approved Housing Bodies, which are not-for-profit organisations that provide social and affordable rented housing. For both projects, the respective purchasing entities have committed that when complete and operational, 100% of the units developed by the Sub-Fund will be used for "Social and Affordable Housing" purposes, as defined in the Supplement. Therefore it is expected that the share of socially sustainable investments will be 100%.

Finally, the Sub-Fund recognises that governance is key to ensuring the successful delivery of the Sustainable Investment Objective, and has put in place policies and procedures to support its attainment. The Sub-Fund has established a committee (the "ESG Committee"), chaired by the managing director of the Ardstone Group and featuring representatives from the Ardstone Group's asset management, development and property management teams. The ESG Committee is responsible for the development of the Sub-Fund's Sustainable Investment Objective and for monitoring its implementation. The ESG Committee met quarterly to review progress against objectives and key performance indicators.



#### **How did this financial product perform compared to the reference sustainable benchmark?**

Not applicable. No index has been designated as a reference benchmark for the purpose of attaining the Fund's sustainable investment objectives.

- ***How did the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.