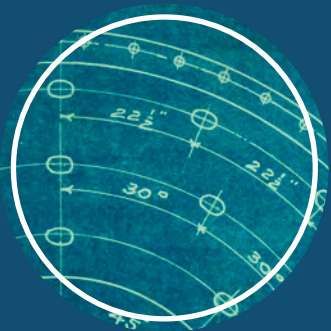


Darwin Alternative Investment Management
(Guernsey) Limited

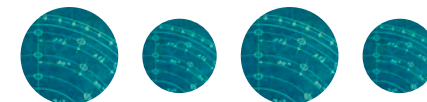


Stewardship Report 2022

Responsible Investing

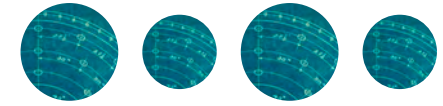


Contents



p3	Introduction
p4-10	Principle 1 Purpose, Strategy and Culture
p11-21	Principles 2, 5 and 8 Governance, resources and incentives Review and assurance Monitoring managers and service providers
p22-24	Principle 3 Conflicts of interest
p25-30	Principles 4 and 10 Promoting well-functioning markets Collaboration
p31	Principle 6 Client and beneficiary needs
p32-48	Principle 7 Stewardship, investment and ESG integration
p49-51	Principle 9 Engagement
p52	Principles 11 and 12 Escalation and Exercising Rights and Responsibilities

Introduction



Darwin Alternative Investment Management (Guernsey) Limited (DAIMGL) is a fund manager based in Guernsey with approximately £416m* of assets under management (as at 30 September 2022). DAIMGL is the Fund Manager of the Darwin Leisure Development Fund (DLDF) and Darwin Bereavement Services Fund (DBSF).

DLDF purchases and operates a portfolio of UK Holiday Parks whilst DBSF invests in a portfolio of UK bereavement services assets, including crematoria, cemeteries and memorial parks and other bereavement services businesses.

Both funds offer investors:

- Predictable, stable, long-term returns.
- Capital preservation and appreciation.
- Diversification from traditional real estate portfolios and mainstream asset classes.

At Darwin our aim is to create innovative, alpha-driven investment solutions in the alternative investment sector which also uphold the highest standards in environmental enhancement and protection, positive social development and strong, robust and successful governance.

Environmental considerations are at the forefront of our ongoing holiday park and bereavement services operations and whenever we carry out redevelopment work. We manage our holiday parks, crematorium and cemeteries in a way that enhances the natural environment. Buildings are constructed using 'green' technology to reduce carbon emissions, planting schemes encourage Net Biodiversity Gain and we are introducing electric crematoria that produce significantly less carbon emissions than traditional gas crematoria.

We are very conscious of our role within the local communities in which our businesses operate and the social value we can offer. We employ hundreds of people around the UK and offer training and development opportunities to all our staff members, and many have been promoted within the business to more senior roles. Our cemeteries and crematorium provide vital infrastructure, taking pressure off local authority and church providers and we are committed to offering affordable and appropriate funeral care.

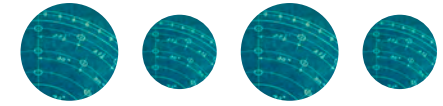
We are pleased to present our first UK Stewardship Code report which outlines how Darwin is committed to the UK Stewardship Code 2020 Principles. The Principles have recently been expanded to encompass asset classes other than traditional equity or bond investments, and this has therefore given us the opportunity to sign up to the Code.

Whilst we cannot undertake the more usual stewardship practices of voting and shareholder engagement, we do ensure that we are managing our assets in a responsible manner and hold ourselves to the same standards that we would expect to see from others running a business. We have adopted the definition of stewardship according to the UK Stewardship Code 2020 of the Financial Reporting Council (FRC), where it is defined as: "the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environmental and society". We have adopted the definition of stewardship according to the UK Stewardship Code 2020 of the Financial Reporting Council (FRC), where it is defined as: "the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environmental and society".



Principle 1

Purpose, Strategy and Culture



Purpose

Our purpose is to provide investor clients with alternative investment solutions which will provide stable, positive long-term returns.

Investment Approach

Our focus is on offering long-term diversified investment solutions. We understand that as well as capital growth, investors need regular streams of income that they can rely on, but we recognise that traditional sources such as cash and bonds do not always provide the best solution. Our investment solutions are designed to support investors in meeting their payment liabilities.

We believe that diversification from mainstream assets is key to generating the optimal returns for an investment portfolio. We therefore offer investment strategies that are uncorrelated with traditional asset classes. The team at Darwin specialise in identifying and establishing investment strategies in business areas which have not previously been considered by investment funds, creating new opportunities for investors to further diversify their portfolios.

Our strategy is to invest in businesses that are:

- Asset backed.
- Uncorrelated.
- Able to preserve capital.
- Able to deliver stable long-term returns.

Our focus is on 'unloved' sectors, particularly those where there is:

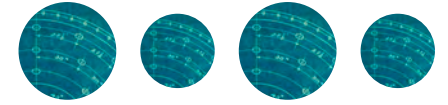
- A high degree of fragmentation and the opportunity for consolidation.
- A lack of 'professional' management (mostly family ownership).
- A lack of access to capital (opportunity to transform the business).

The services provided by the underlying businesses in which our Fund invests are market-leading in terms of quality and customer experience and we work hard to ensure that they will have a positive impact on the communities and environments in which they operate. At Darwin, we are committed to ensuring that a focus on Environmental, Social and Governance best practice underpins everything we do and we support 13 of the UN's 'Sustainable Development Goals' on all development projects and ongoing operations.

SUSTAINABLE DEVELOPMENT GOALS



Purpose



Environmental Aims

1. Create sites which enhance local ecology.
2. Create sites which enhance local environments.
3. Utilise designs which minimise operational carbon footprints.
4. Ensure minimisation of embedded carbon costs in Darwin's supply chain.
5. Ensure energy usage is as efficient as possible.

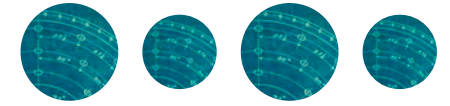
Social Aims

1. Decrease our gender pay gap: Although Darwin performs well in this area, we can do more.
2. Be a responsible member of the community: We aim to become integrated within our local communities. We will offer support, assistance and guidance that will benefit the areas in which we operate.
3. A career, not just a job: Darwin is committed to continuing to improve our Human Capital Development. We aim to offer increased opportunities for our staff, enabling us to provide careers, not just a job.
4. Eliminate social injustice: Darwin will not use suppliers whose social values are poor, and we will work to ensure we do not inadvertently support firms who operate immorally.
5. Support locally: We will use local producers and businesses as suppliers wherever we can.

Governance

1. Our corporate structure ensures that decision makers can be scrutinised and challenged, meaning that decisions are taken in the best interests of our stakeholders.
2. Regulatory Governance is a fundamental focus to ensure that we operate with the highest integrity, and do not act in a way which puts investors at risk. Darwin acts in full accordance with all relevant regulatory authorities.
3. DAIMGL is a signatory to the LGPS Advisory Board 'Code of Transparency'.

Strategy



DAIMGL is the fund manager to Darwin Leisure Development Fund and Darwin Bereavement Services Fund:



Darwin Leisure Development Fund

Launched in 2017, DLDF invests in a portfolio of UK holiday parks. The Fund owns 11 sites, six of which are open and operated under the 'Darwin Escapes' brand and five of which are currently going through the planning and redevelopment process.

The Fund focuses on parks with potential for redevelopment and sites which have planning permission that has not yet been implemented. Darwin has changed the face of the holiday park industry, transforming low-revenue tenting and touring sites or brownfield sites into luxury lodge resorts and utilising strong management and economies of scale to run successful businesses.



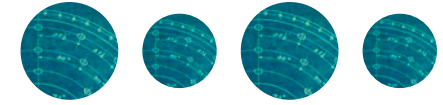
Darwin Bereavement Services Fund

Launched in November 2018, DBSF is a core Social Infrastructure solution for institutional investors, particularly UK Local Authorities, to acquire UK bereavement services assets which are actively managed to deliver sustainable, long-term free cash flow. DBSF initially acquired a portfolio of six cemetery and woodland ceremonial parks in the UK, operated under the GreenAcres brand and CDS Group, a bereavement services consulting business.

The last year has been one of considerable growth with the acquisition of Memoria, the UK's third largest developer and operator of high-quality crematoria and memorial parks along with Affordable Funerals, the country's largest supplier of online cremations and a major supplier of pre-arranged funeral plan products and RNS Publications, the leading supplier of Bereavement Information Books and Hospital Guides to hospitals and hospices throughout the UK.



Strategy



Darwin Leisure Development Fund

The Darwin Leisure Development Fund (DLDF) launched in 2017 and has been designed to help institutional investors meet their pension liabilities by generating stable, positive returns.

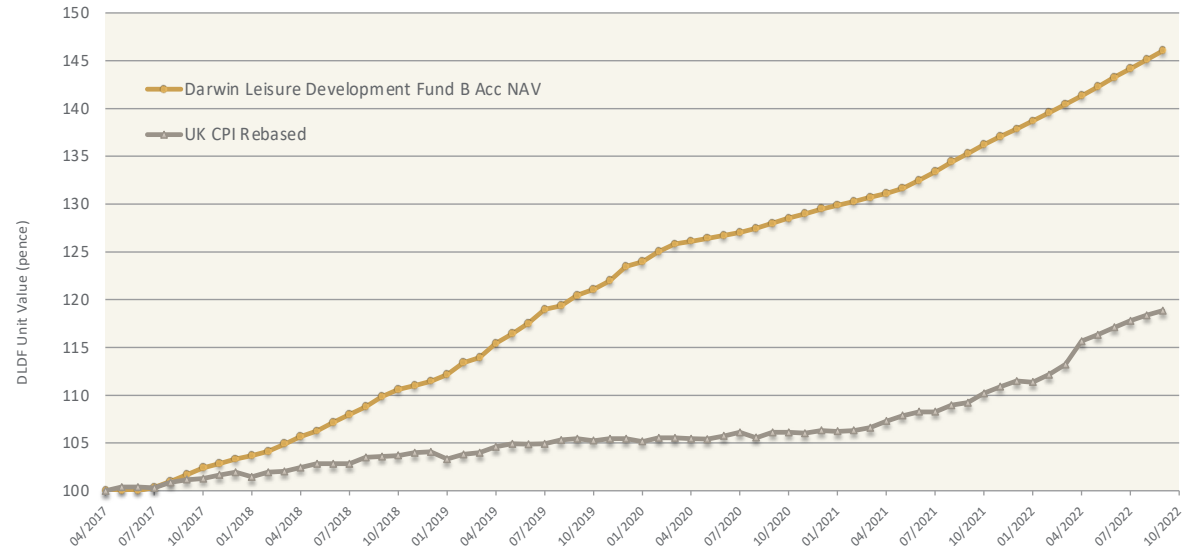
The Fund invests in UK holiday parks and there is a focus on acquiring sites with potential for redevelopment. Capital investment is then deployed to improve facilities, redeveloping sites on a full or partial basis. The Fund is geared by up to 20% to fund these redevelopments. In conjunction with this, there is a strategy to improve the management and operations of parks to maximise revenues.

DLDF is designed as a long-term investment and this ensures that the assets are managed with a long-term view rather than with the aim of making short-term profits, which could have a detrimental impact on staff, customers and other stakeholders.

The Fund was also designed to be uncorrelated with any other asset classes, and offers genuine diversification from mainstream equity, bond and real estate returns.

Our performance history demonstrates that the strategy has been effective in meeting the needs of our investors. Our long-term view is held by the majority of our clients which ensures that there is little turnover in our investor base which has allowed us to develop a long-term strategy and focus.

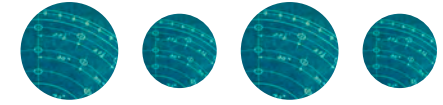
Performance History- Darwin Leisure Development Fund



Fund NAV	NAV Price	Cumulative Performance %						Annual Return %	Total Return %		Annualised Return % per annum	
September 2022	Current Month	1 Month	3 Month	6 Month	12 Month	YTD Return	2021	3 Year	5 Year	3 Year	5 Year	
£225.9m	B Accumulation GBP Launch date: 01/04/2017 1.4604	+0.66	+1.95	+3.99	+7.94	+5.94	+6.47	+21.25	+43.66	+6.63	+7.51	

Source: Darwin Alternatives. As at: 30 September 2022. Darwin Leisure Development Fund performance shown is for "B" Class Accumulation Units and based on the published NAV price. The 1 Month, Cumulative and Annualised performance returns indicated in the tables are also based on the published NAV price. UK Consumer Price Index all rebased to 100.0.

Strategy



Darwin Bereavement Services Fund

Darwin Bereavement Services Fund (DBSF) is a core Social Infrastructure solution for institutional investors, particularly UK Local Authorities, to acquire UK bereavement services assets which are actively managed to deliver sustainable, long-term free cash flow.

DBSF is the first investment fund in the bereavement services market targeted at institutional investors. The strategy of the Fund is to buy and operate a portfolio of cemeteries, crematoria and other bereavement services assets in the UK and the Fund acquired at launch a portfolio of six high-quality and differentiated cemetery and ceremonial parks, operated under the GreenAcres brand.

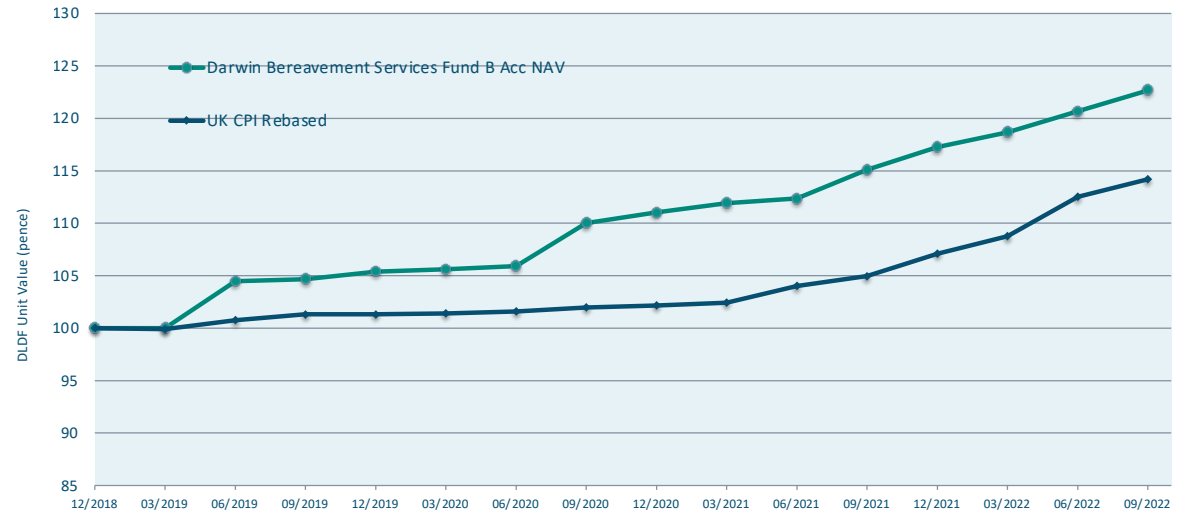
In February 2020 the Fund acquired the CDS Group, a bereavement services consulting business whose clients include the major private sector businesses as well as over 100 local authority clients.

2021 was a year of significant growth for DBSF with the acquisition of Memoria, the UK's third largest developer and operator of high-quality crematoria and memorial parks along with Affordable Funerals (previously Low Cost Funerals), the country's largest supplier of online cremations and a major supplier of pre-arranged funeral plan products.

The Memoria portfolio consists of 11 crematoria with two additional sites which have planning consent, one of which is now under construction. Memoria has been driving change within the cremation industry and November 2021 saw the official opening of the portfolio's electric cremator at its North Oxfordshire site, which is also the first electric cremator in the UK.

At the end of 2021, the Fund also acquired RNS Publications, the leading supplier of Bereavement Information Books and Hospital Guides to hospitals and hospices throughout the UK. The company derives its income from the sale of advertising within its publications, predominantly from funeral directors, but also from other ethical organisations within the bereavement services sector.

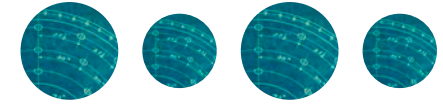
Performance History- Darwin Bereavement Services Fund



Fund NAV		NAV Price	Cumulative Performance %				Annual Return %	Total Return %		Annualised Return % per annum	
September 2022 ¹		Current Month	3 Month	6 Month	12 Month	YTD Return	2021	3 Year	5 Year	3 Year	5 Year
£190.3m		1.2266	+1.64	+6.56	+4.59	+5.62	+5.62	+16.16	#N/A	+6.19	#N/A

Source: Darwin Alternatives. As at: 30 September 2022. Darwin Bereavement Services Fund performance shown is for "B" Class Accumulation Units and based on the published NAV price. The 1 Month, Cumulative and Annualised performance returns indicated in the tables are also based on the published NAV price, FTSE All Share Total Return and CPI rebased to 100.

Culture



Darwin is committed to being a 'best in class' company, be it in employment, opportunities, social support or in ensuring that our products are sourced in the most sustainable and socially responsible way. We aim to uphold the best standards in corporate social responsibility. Our underlying businesses are all intrinsically linked to their local communities. They offer employment, support for local projects and initiatives, amenities for local residents and opportunities for local businesses. We aim to ensure that we make a positive, long-term impact within these communities.

Darwin Leisure Development Fund

Responsible Employer

Job creation

Five of the DLDF Darwin Escapes resorts have been completely redeveloped, transforming sites which were previously seasonal tenting and touring parks or brown or greenfield land into modern, luxurious lodge resorts with premium self-catering accommodation that can be used all year round. By offering high quality accommodation and opening year-round, we are able to increase permanent employment opportunities within the local area. This will also be the case with the sites that are currently undergoing redevelopment.

Darwin Escapes employs over 770 members of staff on a permanent basis and has created over 110 jobs at redeveloped sites across the DLDF portfolio.

Apprenticeships

Apprenticeships offer participants practical, paid, on-the-job experience combined with a study programme that leads to a formal qualification. Apprentices will study for at least 20% of their working hours- usually at a college, university or with a training provider- and complete assessments during and at the end of their apprenticeship.

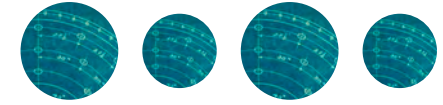
Darwin Escapes offers a range of apprenticeship schemes across its business. These range from Level 2, which is the equivalent educational level to GCSE's to Level 4, which is the equivalent educational level of a Foundation degree.

Career Development

Darwin Escapes is an 'Investors in People' accredited organisation, and we aim to provide opportunities for all staff to undertake training and educational programmes which will allow them to progress in their careers. Internal up-skilling, training and ultimately promotion not only motivates our staff, but also ensures that they are upholding our brand values.

As part of our 'Investors in People' accreditation, we have established 'The Darwin Academy'; a training program which offers consistent high quality personal development, designed specifically for those working within Darwin Escapes. The training and career development opportunities we provide mean that many members of staff have been promoted within the business to managerial roles.

Culture - Darwin Bereavement Services Fund



Responsible Employer

The acquisition of the Memoria portfolio in 2021 has more than doubled the size of our bereavement services workforce. 96 people are currently employed across the six sites in the GreenAcres portfolio while the Memoria portfolio employs 108 people in 13 different locations. CDS Group, our consultancy business, employs 13 people and around 100 are employed at RNS Group and Affordable Funerals.

A successful Human Capital Development strategy across the businesses has enabled the portfolios to retain staff and promote internally.

GreenAcres

The GreenAcres senior management team have been the cornerstone of instilling a corporate culture which ensures low staff turnover, and encourages staff progression throughout the company. Staff work directly with bereaved families and loved ones in what are usually difficult and painful circumstances so ensuring they offer the highest levels of service in a caring and compassionate manner is imperative.

The culture within the GreenAcres team ensures a close-knit and motivated workforce. A true testament to this is the response to the Covid-19 pandemic, where the drastic short-term adjustment to the business model ensured staff were able to continue to provide funerals in a safe manner in line with the Covid-19 restrictions, whilst ensuring they still continued to maintain the GreenAcres service standards and ethos.

GreenAcres has been working towards streamlining its career development programme and making investments in its staff. In 2021, GreenAcres launched the 'Champions in Organisations' scheme which will offer career progression opportunities by establishing Champions in areas such as mental health. The programme aims to up-skilling outside of an individual's normal career path and utilises CIPD mentoring programs, helping GreenAcres to build a diverse and inclusive workforce.

To help assist with training, a 'Human Focus Platform' has been introduced. This cloud-based e-learning site enables training in Health & Safety and Human Resources, including areas such as bullying and harassment prevention. Feedback so far has been overwhelmingly positive, with staff buying into a positive corporate culture that GreenAcres is continuing to develop.

GreenAcres has also introduced the Talent Management Project. The project identifies potential management candidates and assigns them to existing managers who mentor them and help them to develop the skills required to become successful managers. This mentoring includes day-to-day shadowing and the gradual taking-on of managerial responsibilities. The programme ensures that GreenAcres brand standards and operational practices are consistent across the portfolio, and ensure that staff can step into managerial roles seamlessly.

Memoria

Memoria's staff are trained to the highest levels of customer service provision, widely recognised throughout the industry as delivering the best levels of customer service to both funeral directors and families. Each member of our staff is trained carefully for a number of weeks before dealing directly with bereaved families. We run a multi-tasking, inter-changeable business model in Memoria which means that every staff member is trained in every single discipline within the crematorium from chapel attending to administration to cremation to grounds maintenance. This is to ensure that every team member can support each other through the pressure points of each day.

Once training has been completed, all staff members have a Personal Development Plan (PDP) which tracks their development and professional development. This is assessed closely during 6-month probationary periods and then checked by our Director of training and standards on an ongoing basis.

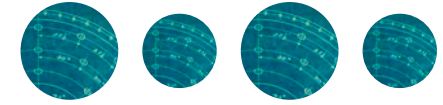
They are members of the Institute of Crematorium and Cemetery Management and Federation of Burial and Cremation authority and conform with every aspect of its charter.

Principles 2, 5 and 8

Governance, resources and incentives

Review and assurance

Monitoring managers and service providers



We have put in place a robust governance structure for our business to ensure strong stewardship over the assets under our management.

Investment Manager

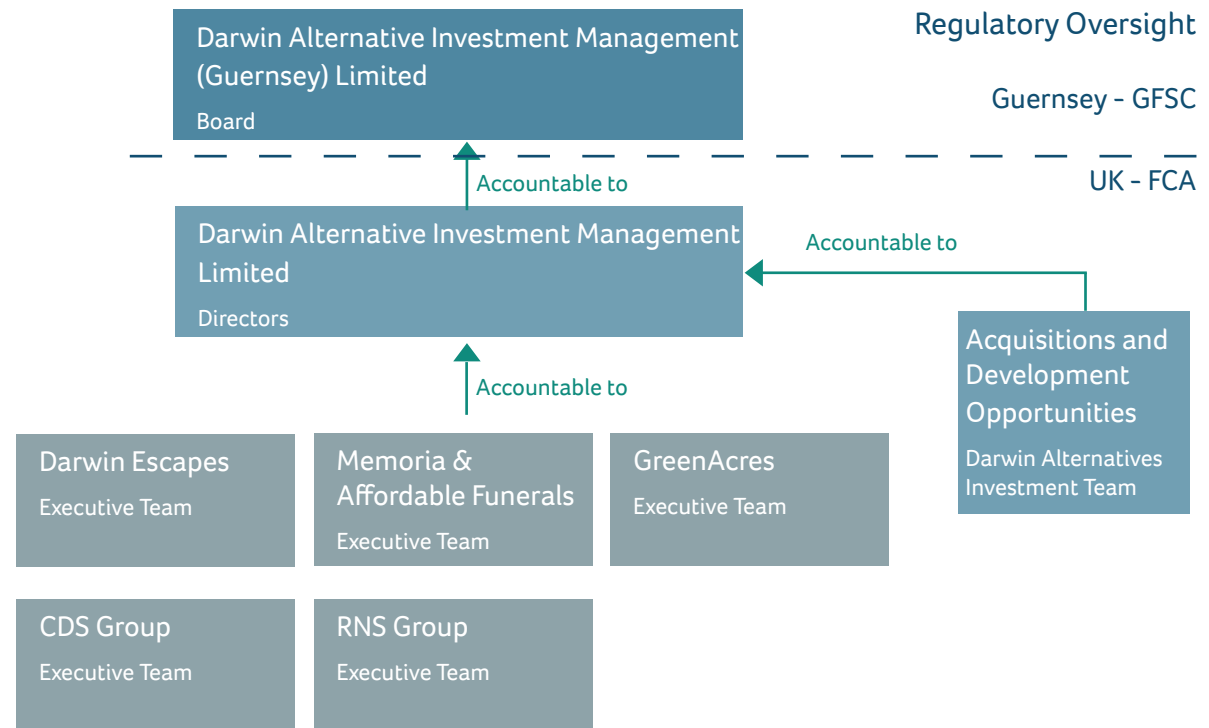
Darwin Alternative Investment Management (Guernsey) Limited (DAIMGL) is the fund manager to the Darwin Leisure Development Fund and Darwin Bereavement Services Fund. DAIMGL is a company incorporated in Guernsey with limited liability and is licensed by the Guernsey Financial Services Commission (GFSC) as a Controlled Investment Business. Guernsey has been a centre of international finance for decades and has a strong regulatory framework and reputation for its financial expertise.

Companies resident in Guernsey must comply with the Substance law by demonstrating that they have sufficient substance in Guernsey. Substance is demonstrated by a company through being directed and managed in Guernsey, conducting core income generating activities and having adequate people, premises and expenditure. In order to demonstrate substance, all Board members are required to report on a quarterly basis their CPD training and undertake annually an evaluation of Board effectiveness.

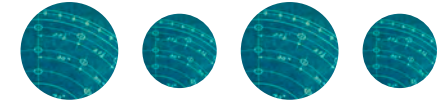
DAIMGL is a privately-owned limited company. There are five board members, three of whom are experienced Guernsey resident non-executive directors: Ian Burns, Martin Tolcher and Robin Smith. All directors are registered with the GFSC. The Board meets at least on a quarterly basis and a Chairman is appointed for each meeting, this is always one of the Guernsey-based directors and key investment decisions require a majority vote from the three Guernsey Directors.

The other two board members are James Penney and Anthony Esse, who are also Chairman and Chief Executive of Darwin Alternative Investment Management Limited (Darwin Alternatives), which is the Investment Advisor to the Darwin Leisure Development Fund and Darwin Bereavement Services Fund. Darwin Alternatives is based in the UK and is authorised and regulated by the Financial Conduct Authority.

Organisation Structure



Key Organisations



Investment Advisor

The Board of DAIMGL outsources investment advice to Darwin Alternative Investment Management Limited (Darwin Alternatives). Darwin Alternatives is based in the UK and is authorised and regulated by the UK Financial Conduct Authority. Under this authorisation, Darwin Alternatives must comply with all the requirements of the Financial Services and Markets Act 2000 (FSMA).

The directors of Darwin Alternatives oversee the day-to-day operations of the underlying businesses owned by the Darwin Leisure Development Fund. They work closely with the Guernsey based NED's of DAIMGL and all decisions on how the businesses are to be operated and in relation to acquisitions or development, are taken at DAIMGL Board Meetings held in Guernsey. The DAIMGL Board reviews the Compliance Report for Darwin Alternatives on a quarterly basis.

Darwin Alternatives is also the Investment Advisor to one other fund: Darwin Leisure Property Fund. The Fund Manager is a separate Guernsey-based entity, Darwin Property Investment Management (Guernsey) Limited (DPIMGL).

Darwin Alternatives is a small, privately owned boutique company, with 12 full-time employees who are supported by a number of strategic advisors and consultants.



Operating Company

The portfolio of holiday parks owned by the Darwin Leisure Development Fund is operated by Darwin Contract Management Limited (DCM). The holiday parks trade under the brand name 'Darwin Escapes'. DCM employs approximately 770 people in permanent full and part-time roles.

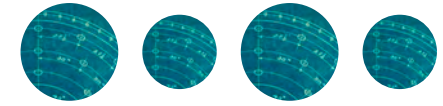
The Executive Team at DCM are accountable to the directors of Darwin Alternatives. A Portfolio Team of Heads of Departments for areas such as HR, Finance and Sales & Marketing reports to the Executive Team, as do the Regional Park Managers and Park Managers.

A formal meeting structure is in place within the organisation as well as a formal reporting process between the Executive Team and the Directors of Darwin Alternatives. The Darwin Alternatives directors have regular meetings to discuss budgeting and general business decisions with the Executive Team and the Finance department, which manages the accounting for the underlying Fund investments.

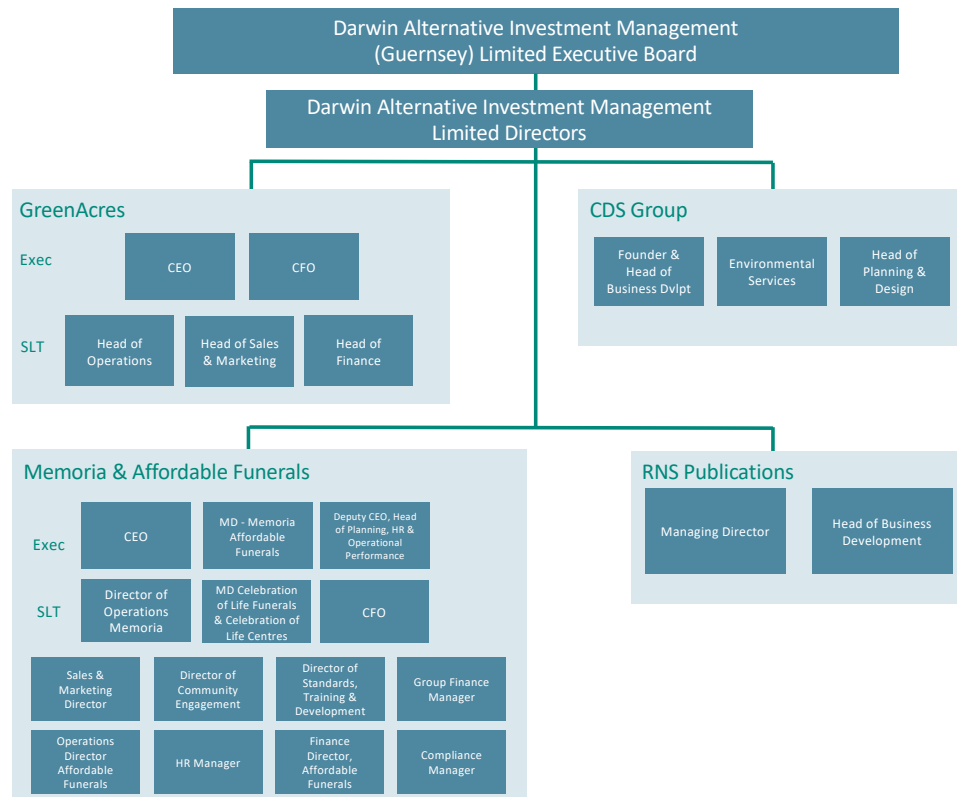
There is also a constant flow of information from the management of the holiday parks through to the Portfolio Management Team and Executive Team and the Directors of Darwin Alternatives.

The Darwin Alternatives directors provide feedback to the Board of DAIMGL about the ongoing operations at the quarterly Board meetings, and decisions on items requiring their approval will be taken then.

Key Organisations



C
D
S
I



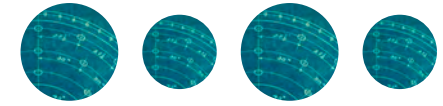
DBSF Operating Companies

The Executive Team at each of the operating companies within the DBSF portfolio is accountable to the Directors at Darwin Alternatives. There is a formal meeting structure between the Executive Teams and the Darwin Alternatives Directors, along with a formal reporting process.

The Darwin Alternatives team also hold regular meetings with the Senior Leadership teams within each of the businesses who cover roles such as Operations, Finance, Sales & Marketing and HR. Information is also shared between the businesses and the investment team at Darwin Alternatives who continually monitor their activities. A formal meeting and reporting structure is also in place within each of the businesses.

The Directors at Darwin Alternatives report into the Board of DAIMGL about the ongoing operations at each of the businesses at the quarterly Board meetings, and decisions on items requiring their approval will be taken at these meetings.

Decision Making



Investment Manager- Darwin Alternative Investment Management (Guernsey) Limited

Ian Burns, Independent Director (DAIMGL Investment Committee)

Ian Burns is a fellow of both The Institute of Chartered Accountants and The Securities Institute as well as a member of the Society of Trust and Estate Planners. He worked at director level with trust companies in Guernsey, Jersey, Switzerland and Mauritius over the last twenty years.

Martin Tolcher, Independent Director (DAIMGL Investment Committee)

Martin Tolcher is a Chartered Fellow of the Chartered Institute for Securities & Investment Institute (FCSI) and has been involved within the fund administration industry in Guernsey for over twenty-five years. He has worked at senior levels for three fund administration subsidiaries of Bermudan and Canadian international banks, gaining considerable experience in a wide variety of offshore funds and private equity structures.

Robin Smith, Independent Director (DAIMGL Investment Committee)

Robin Smith is a Fellow of the Chartered Association of Certified Accountants (FCCA) who was educated in Guernsey and studied accountancy at Bristol Polytechnic and Derby University. He has more than thirty years experience working within finance and fund administration at companies in Guernsey.

James Penney, Director (Scrutiny Committee and DAIMGL Investment Committee)

James Penney's early career was in academia, including undergraduate and postgraduate research at Trinity College, Cambridge, followed by six years as Principal Lecturer at Westminster College, Oxford. After Oxford, James was a Sloan Fellow at London Business School.

James was previously the owner and Managing Director of Darwin Consulting, a strategy consulting firm he co-founded in 1997. This firm provided strategic advice to directors and investors in a range of industries, including financial services, private equity and media. James has also held directorships at companies within the banking and investment sectors.

Anthony Esse, Director (Scrutiny Committee and DAIMGL Investment Committee)

Anthony Esse has worked in the investment management profession for over 30 years and held directorships with Hermes, Newton (part of the Bank of New York Mellon Group) and GT Management Plc. In 2003, Anthony co-founded The Darwin Group, a strategic consulting boutique providing investors with strategic research into how major quoted companies compete and create value, and helping smaller quoted companies raise long-term capital directly from internally managed pension funds.

Investment Advisor

Investment Manager



Scrutiny Committee

Investment Advisor- Darwin Alternatives

As a small business, Darwin Alternatives does not have a separate Stewardship team. The investment and portfolio team are responsible for ensuring that the assets on which Darwin Alternatives advises are managed in the best interest of their owners and that they meet our Environmental, Social and Governance goals.

Anthony Esse, Chief Executive

See above.

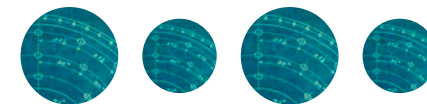
James Penney, Chairman

See above.

James Welch, Investment Manager

James Welch is a qualified Chartered Accountant. He started his career at Smith and Williamson LLP (now Evelyn Partners) where he was part of the Financial Services and Markets Group, responsible for providing audit and regulatory advice to small and medium size financial services businesses.

James oversees the preparation of the fund valuation models, provides oversight to the finance departments of the underlying Fund businesses and assists with compliance and regulatory matters.



Jon Hawkins, Investment Analyst

Jon has a background in banking having joined Lloyds Bank in 2010 on their Corporate Banking apprenticeship scheme. During his decade-long career with the bank he progressed through a range of Relationship Management positions managing a broad spectrum of clients. At Darwin Alternatives Jon supports with the fund valuation process and is involved with the review and analysis of future business opportunities as well as helping to maintain our finance relationships.

Zoe Twiston-Davies, Investment Analyst

Zoe started her career on the graduate program in Audit at Ernst & Young, before moving into their Restructuring Team. She then moved to Granular Capital where she was responsible for the financial modelling and performing research analysis on existing and potential equities. At Darwin Alternatives Zoe she assists on the valuation of the funds and supports the Investment Team on the acquisition and management of assets in the portfolio.

Dean Ricks, Development Director

Dean is a qualified Chartered Engineer and is a Member of the Institution of Structural Engineers. He gained extensive experience on numerous large and small scale building and infrastructure projects with WSP, across the majority of the construction sectors. As a Buildings Director for Stantec he oversaw regional operations and multi-disciplinary project delivery throughout the UK. In his role at Darwin Alternatives, Dean assists in site acquisitions, and oversees project design and construction across the funds.

Charles Esse, Investment Associate

Charles oversees potential acquisitions for the Darwin Leisure Development Fund, as well as conducting ESG analysis of the portfolio. Charles also is part of the Client Relationship Management team, specialising in ESG reporting. Charles joined Darwin in 2013 as a Trainee Investment Manger, participating in Darwin's trainee program before being promoted to Investment Associate.

Scrutiny Committee

The Scrutiny Committee is independent of DPIMGL. It comprises of a body of independent strategic advisors with extensive investment experience along with the Directors of Darwin Alternatives:

Peter Isard

The Scrutiny Committee is chaired by Peter Isard. Until recently, Peter Isard was the Head of Institutional Equities at Cenkos Securities, which he joined, shortly after its inception, in 2005. Prior to developing the Cenkos institutional business, Mr Isard had worked for over 20 years in

financial markets at such firms as Merrill Lynch, Schroders and Citigroup. During that time he has been both an analyst specialising in leisure companies and a general salesman providing advice to portfolio managers responsible for pension funds, retail funds and hedge funds.

David Richardson

David enjoyed a career in financial services leadership roles within the U.K. spanning forty years, including as a Regional Managing Director at Lloyds Bank. David now supports Darwin leadership as required. He is a former HRH Prince of Wales ambassador for the West Midlands and held both Regional and an educational board positions within Business in the Community.

Chris Gaskarth

Chris is the Founder Director of Institutional Investment Advisors and has broad and deep experience of treasury, capital markets and credit portfolio management, gained from Midland Bank, National & Provincial Building Society, Royal Bank of Scotland and Prudential/Egg. His involvement with Structured Credit includes financing, risk transfer and investment programmes. From late 2002 he has been a consultant, designing and delivering ALM and credit-based solutions for UK and European banks, building societies and fund managers.

Jeff Munroe

Jeff Munroe spent 28 years at Newton. He was CIO from 2001 to 2012 before moving to a more focused investment role in the organisation, where he was Investment Leader in the Global Equities team and the lead portfolio manager for Sustainable US Equity strategies. He left the firm at the end of December 2021.

Reward and Remuneration

All of the Directors of DAIMGL and the Directors at Darwin Alternatives have and continue to invest personally into the Darwin Leisure Development Fund and Darwin Bereavement Services Fund. This ensures that their motivations are aligned with those of the Fund investors.

Because our stewardship activities are entwined with our investment activities, the Darwin Alternatives remuneration policy does not specifically incentivise employees in relation to stewardship. Whilst Darwin Alternatives does not offer a share option scheme, employees are encouraged to choose to support the Funds through direct investment or investing through their SIPP's and the majority of the team do this.

We recognise that more could be done in this area to ensure that there is a direct link between the activities of the investment team and the responsible stewardship of the assets on which they advise, and this is something the Directors at Darwin Alternatives are currently evaluating.

Decision making

The investment decision making process is a rigorous three stage process which ensures that the Scrutiny and DAIMGL Investment Committees have the full and complete information required to make an informed decision.

Stage 1

The investment team at Darwin Alternatives review new investment opportunities and follow a detailed acquisition process for both DLDF and DBSF which includes site visits, planning assessment, environmental impact and development opportunities. If the Investment Team merits that further due is appropriate, a presentation is given to the DAIMGL Investment Committee to secure funds for this.

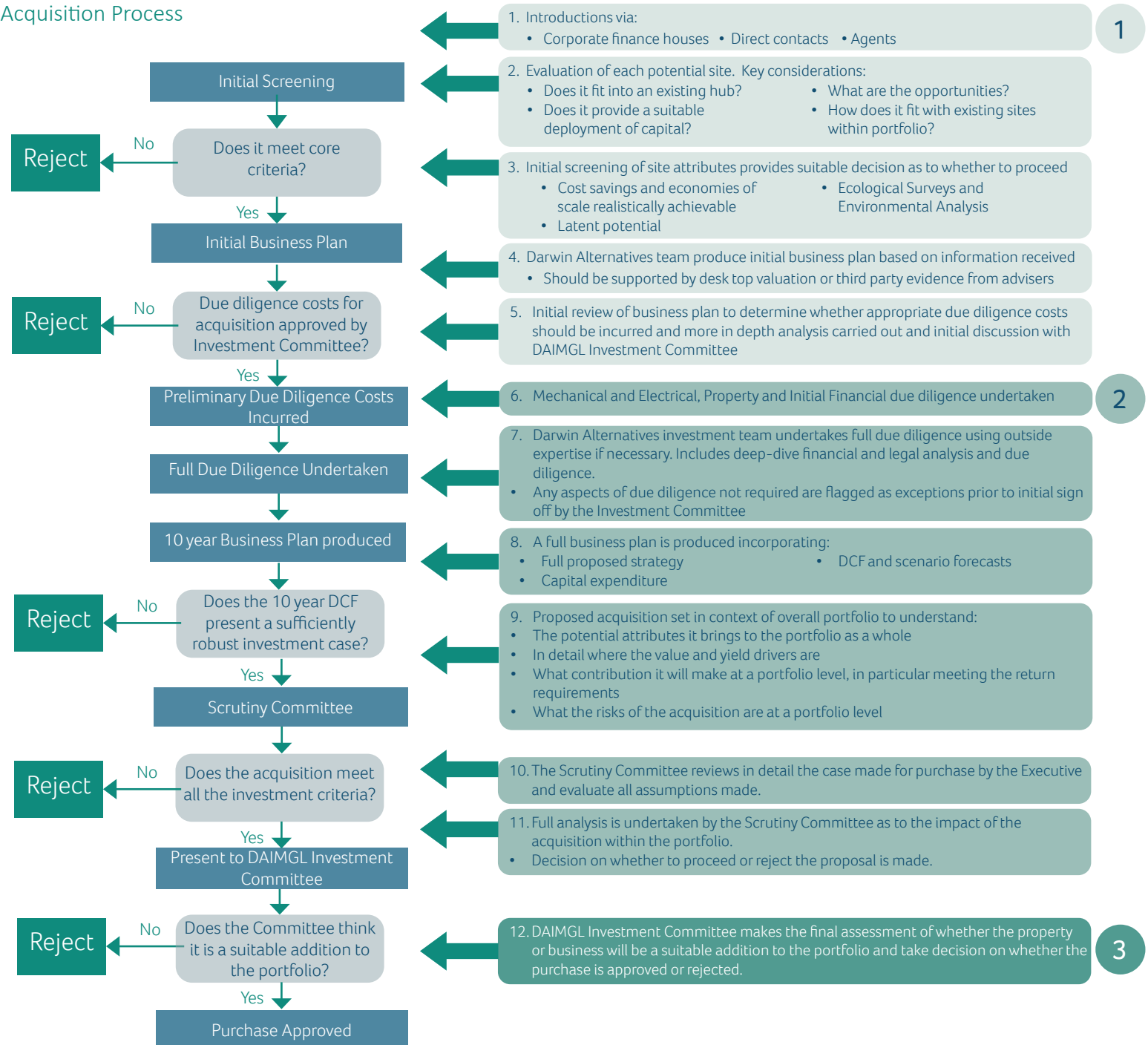
Stage 2

The team work with third party advisors and a detailed investment recommendation note is prepared and presented to the Scrutiny Committee, which includes the Directors of Darwin Alternatives and a number of independent advisors. At the end of this stage, propositions which have successfully completed due diligence are formally presented to the independent Scrutiny Committee for approval.

Stage 3

A final decision on whether to proceed with an acquisition is made by the DAIMGL Investment Committee, with a majority of the three Non Executive Directors having to approve the acquisition.

Acquisition Process



Decision Making in Practice

The robust investment processes that have been put in place for the Darwin Leisure Development Fund and Darwin Bereavement Services Fund have ensured that we have built portfolios of holiday parks and bereavement services assets that meet the investment goals of the Funds and provide our investors with the stable returns they are looking for. We have rejected many potential sites because we established that they would not be suitable investment opportunities including:

DLDF Case Study 1

Darwin was approached by a specialist golfing agent about the potential off-market sale of a golf course in the Suffolk Coast AONB. The site had previous planning permission in place for lodges and had already installed several lodges on the site. The site itself needed significant capital expenditure to upgrade the existing building footprint. The site met the Fund's investment criteria by satisfying the need for full redevelopment, in an area which would open a new customer base.

After beginning the due diligence process, it became apparent that the access to the site was owned by a 3rd party, and that parcels of land which were marketed as for sale, in fact did not belong to the vendor.

Darwin did not proceed with the acquisition at Stage 6 of the acquisition process due to the 3rd party risk and potential inflated costs which would have occurred for the development.

DLDF Case study 2

Darwin was made aware of a potential sale of a golf course in the south of England, in the West Sussex AONB. This was an off-market, vendor to purchaser introduction.

The site presented itself as being in an area which had a supportive local authority policy for increasing tourism, specifically in relation to the lack of existing accommodation. The local policy demonstrated that the area would be looking to increase overnight stays, and proximity to London suggested that the area would be ideal for short staycations.

A site inspection was undertaken, and it was evident that topographical risk to the site would cause a premium on development costs. Furthermore, the abundance of wildlife and the visible presence of protected/rare species would have exacerbated planning risk on the site. In addition, the nature and layout of the site would have caused significant disruption to the existing operations, which would have been unable to continue alongside any development.

Because of this, we did not proceed further than Stage 3 of the acquisition process.

DLDF Case Study 3

We were introduced to a site in the Yorkshire Dales through a direct agent introduction. The site fulfilled a variety of criteria in that it would offer geographical diversification and offered a variety of green technologies such as a Solar Array which is in line with our ESG principles. The site had significant scope for development, as the existing operation was only partially developed.

After an initial site inspection, the investment team was satisfied that this site met the main core criteria for the Darwin Leisure Development Fund.

We then began the in-depth due diligence process. Part of this process reviews licencing, planning and the title documents for the site. The site was found to be in breach of planning, due to the establishment of a food and beverage provision which was not part of the planning application for the site or part of the site licence. If the acquisition had gone ahead at this stage, the Fund would have been exposed to significant litigation risk. The DAIMGL Board approved that an offer to purchase the site be made which was subject to the vendor attaining retrospective planning permission. This was not achieved and therefore the purchase did not proceed.

The use of a 'subject to planning and contract' offer enabled Darwin to reduce the risk associated with the purchase, thereby protecting shareholders when the offer conditions could not be met.

DBSF - Case Study 1

We were introduced to a large golf course on the outskirts of a major conurbation on the south coast of England. The site was a municipal golf course and had suffered from lack of available investment due to local authority budgeting constraints. The site, which was brought to the attention of Darwin through a specialist Agent offered a large amount of space for burial, with a healthy mix of woodland and grassland. Darwin would have been able to ensure that the site continued to meet the local authority designation for green space whilst also offering a valuable community asset.

The site inspection showed that the property would have fulfilled the required investment criteria due to the proximity to a major conurbation, the access, the demand and the ability to develop.

Due diligence commenced with an investigation into groundwater, soil composition and the ability to bury. It became evident that the site was in fact located on a primary aquifer, with low depth ground water, which meant that the operator would have been unable to secure planning permission for burial.

The due diligence process was terminated at Stage 6 of the acquisition process.

DBSF - Case Study 2

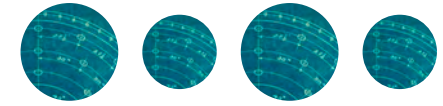
Darwin was made aware of a site in the South East of England which was an already functioning and operational natural burial site. The site had no amenities or service provision, as it was essentially a diversification option for a local landowner. An inspection of the site showed that, despite the site being operational, there would have been considerable development costs involved in order to create a site which fitted within the portfolio. It therefore did not meet the Stage 3 requirements of the acquisition process and did not proceed any further.

DBSF - Case Study 3

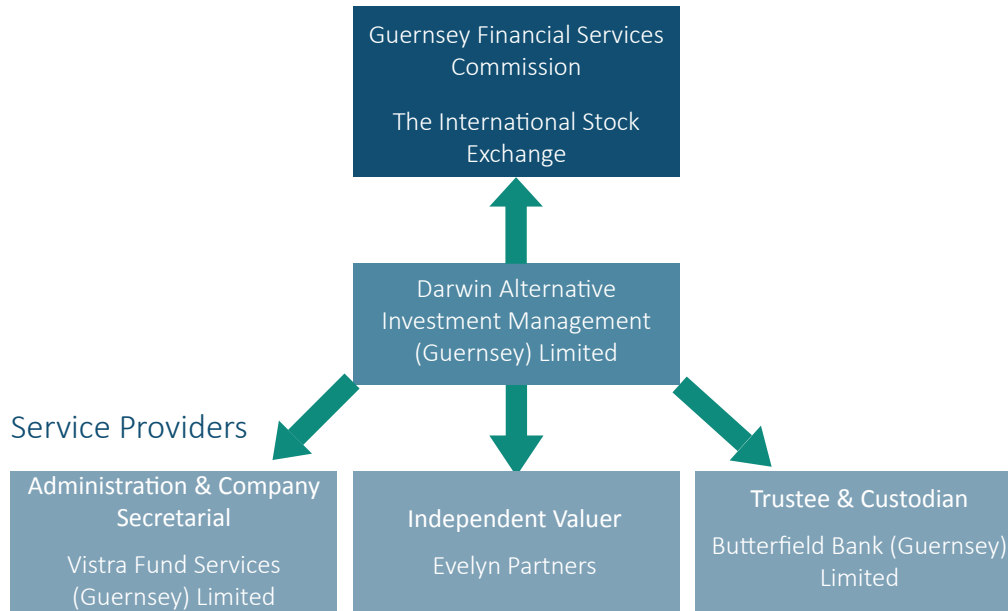
Darwin was introduced to a burial site in the North West of England. The site was marketed as having existing burials and planning for burials across the whole property. A site visit showed that, despite topographical challenges, the property could present an opportunity for a green burial site. Further due diligence commenced with desktop surveys but due diligence showed that the whole site in fact did not have full planning for burial, but only burial planning in one part. Furthermore, the groundwater levels showed that double depth burial would have been impossible on the site.

Due to the nature of the operational and planning risks to the site, the acquisition did not proceed beyond Stage 6.

Other Relevant Organisations



Regulatory Governing Bodies



Administrator

Vistra Fund Services (Guernsey) Limited (Vistra) is an independent Fund administrator which is responsible for the provision of administrative services in respect of the Darwin Leisure Development Fund and Darwin Bereavement Services Fund, including carrying out the valuation processes of the Funds, processing subscriptions for and redemptions of Units, preparing valuations, calculating issue and redemption prices and maintaining the accounts and records of the Funds.

The Administrator also acts as Registrar to the Funds and is responsible for company secretarial duties for DAIMGL and for preparing returns to comply with Guernsey law.

Financials are monitored daily by the DCM Finance team, reviewed by the Investment Team at Darwin Alternatives and then fed through to Vistra. Vistra prepares monthly NAV's for DLDF and quarterly NAV's for DBSF which are reviewed by the team at Darwin Alternatives and circulated to the DAIMGL Board for approval.

The Board reviews and confirms its acceptance of Vistra's policies and procedures on an annual basis. Hard copies of the policies are available to the Board and read only access is set up online.

On behalf of Vistra, BDO LLP completes a report on the internal controls of Vistra's administration operations. The report is prepared in accordance with International Standard of Assurance Engagements (ISAE) 3402. This report is available and reviewed by the Board and is also available to shareholders.

The latest UK Criminal Finance Act policies are reviewed by the Board annually and the Board adopts Vistra's anti-facilitation policy and procedures.

For each Board meeting, Vistra prepares a compliance report, listing sponsor report, administration report and company secretarial report which includes regulatory updates, cyber security reports and a policies and procedure report.

Vistra is licensed by the Guernsey Financial Services Commission. Vistra is part of Vistra Group, covering 46 jurisdictions, managing over 200,000 legal entities and assets valued at more than \$370billion.

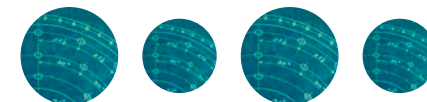
Independent Valuer

An independent valuer reviews the financials, budgets and NAV's on a quarterly basis and prepares a detailed report to the Board of the Managers. The Board discuss these reports at their quarterly meetings which are minuted by Vistra.

Trustee and Custodian

Butterfield Bank (Guernsey) Limited is the designated Trustee to the Darwin Leisure Development Fund and Darwin Bereavement Services Fund and as such carries out its own review of DAIMGL as Manager of the Funds and the principal documents.

The Trustee carries out on-site visits annually, monitors the custodian and prepares a report to the Board on a quarterly basis which is reviewed at each Board meeting.



Regulator

DAIMGL is authorised and regulated by the Guernsey Financial Services Commission (GFSC) which requires licensed companies to submit annual Assurance Statements to confirm that companies meet its Finance Sector Code of Corporate Governance ('COCG'). The Board of DAIMGL assesses their adherence to the COCG in October of each year.

The GFSC also requires licensed entities to complete a Financial Crime Risk Return ('FCRR') on an annual basis. The FCRR requires confirmation that the Board has reviewed and adopted policies and procedures including those of its administrator.

All Guernsey licensed entities are required to have implemented Anti Money Laundering and Counter Financing of Terrorism assessments. Business Risk Assessments are produced, reviewed and updated annually by the Board.

External Oversight in Practice

The external organisations working with DAIMGL play an integral role in the valuation processes for the Darwin Leisure Development Fund and Darwin Bereavement Services Fund, ensuring that there is a suitable level of oversight which safeguards the interests of its investors.

Step 1: Management Accounts

Management accounts are produced for each site or business on a monthly basis, at the individual site or business level by the investment team at Darwin Alternatives. These accounts are subject to annual audit by Grant Thornton, the Fund's auditors.

Step 2: Forecast Projections

Forecast projections for each site or business are prepared by Darwin Alternatives on a monthly basis. These forecasts are discussed with the Independent Valuer, a leading independent accounting firm, and reviewed by the auditors, Grant Thornton.

Step 3: DCF Model and Non-Operating Assets

The Discounted Cash Flow Model takes as inputs the latest management accounts for the sites and businesses and the latest forecast projections. The model is reviewed on a quarterly basis by the Independent Valuer. Non-operating assets are assets owned but not yet incorporated into the DCF projections. A register of these assets at each site or business is compiled on acquisition and any revaluation must be accompanied by evidence of a trigger event (e.g. planning). The register is maintained by JLL, the Fund's Property Valuer.

Step 4: Net Asset Value

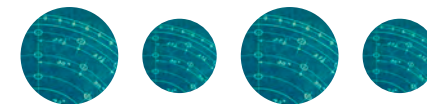
The value of the non-operating assets, the value of the DCF model and the value of any sites or businesses acquired recently (at acquisition cost), together with any un-invested cash plus the unpaid lease obligations are combined. Fund expenses are deducted from this to derive the Net Asset Value of the Fund. Vistra Fund Services Limited, the Fund Administrator, carries out this process.

Step 5: Validation

The Auditor, Independent Valuer and Property Valuer convene as appropriate to discuss with Darwin Alternatives the overall valuation methodologies and detailed inputs into the model. These discussions form an important part of the process they use to form a view that the technical factors of the DCF – the Weighted Average Cost of Capital and the Terminal Growth Rates – are commensurate with investment and industry norms. At the same time, the Darwin Alternatives investment team meet with the Independent Valuer to consider the future forecast projections input into the DCF models and this discussion is used by us to form our view that the future forecast projections are prudent.

Step 6: Authorisation

The Board of DAIMGL approve the NAV figures before they are published.



Review, Assurance and Oversight

We undertake formal reviews of all our policies on an annual basis to ensure that they remain appropriate and effective. As part of this process Vistra suggests potential changes and improvements to the policies and bring these to the Board for approval.

DAIMGL outsources some of its functions to other parties such as Vistra and Darwin Alternatives and also reviews its policies and procedures on a regular basis through quarterly reports produced for Board meetings. Outsourcing functions enables an extra level of policy and procedure as all service providers are regulated by an official body.

electric

the Board for review.

The Board of DAIMGL review the investment advisor agreement with Darwin Alternatives on an annual basis along with the agreements for the fund administrator, Vistra, and the fund trustee, Butterfield Bank. Any breaches or non-conformities are logged in the Vistra compliance report and notified to the Board and Vistra also provides the Board with a copy of its internal audit report and Disaster Recovery Plan. In addition, the auditors report and management letter are discussed at length by the Board and minuted.

The Board reviews periodically the terms of the service agreement for each service provider to ensure they are unambiguous, effective and in line with best practice. Where we have felt there have been issues with the level of service being offered by any service provider we have raised these with the senior management at that business and have always found that these have been resolved.

Effectiveness

The Directors at DAIMGL have worked together since 2007 as Directors of Darwin Property Investment Management (Guernsey) Limited. They founded DAIMGL as a separate company in 2015 to focus on alternative rather than property investments. This continuity has been instrumental in the development, growth and success of DLDF and DBSF and mirrors the long-term investment outlook of the Funds themselves.

The Directors, Investment team and Client Relations team at Darwin Alternatives have built up strong relationships with the investors of DLDF and DBSF, many of whom invested at

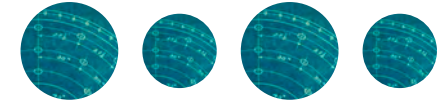
Fund inception and a number of whom invest in both funds. There is clear communication with investors and management try to accommodate their ever changing requirements. For example, as investors have focused more on meeting their ESG requirements, we have introduced ESG reporting into our quarterly investor reports, which provide updates on ESG factors within the portfolio as well as introducing a Corporate Responsibility Report for Darwin Alternatives.

The investment decision making structure supports the requirement for several levels of review which are provided by the team at Darwin Alternatives, differing consultants and experts and the Board of DAIMGL, ensuring effective stewardship of the assets owned by our investors.

In addition, the Independent Valuer and Vistra offer a level of oversight to ensure that the valuation process for both funds is robust and effective. The independent valuer ensures that there is a strong degree of oversight for the valuation process, including its methodology and its input data. They prepare full reports quarterly to the DAIMGL Board and discuss the individual performance of the sites and businesses as well as cost and profit drivers and valuation points. Vistra's oversight is focused on corporate governance and ensuring that the correct policies and procedures are in place.

Principle 3

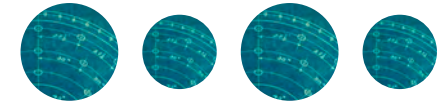
Conflicts of interest



It is imperative that DAIMGL acts in the best interests of all client investors and identifies and manages any conflicts of interest should they arise.

We have identified where potential conflicts of interest may occur and have adopted and implemented a formal Conflicts of Interest Policy. All directors, employees and other Approved Persons must confirm in writing that they have read and understood the Conflicts of Interest Policy and agree to abide by it. Conflicts or potential Conflicts of Interest must always be disclosed by Directors and employees. Measures covered include:

- There is a formal policy in place to ensure that there is a fair allocation of time spent on each of the investment funds managed by DAIMGL. Board meetings are held separately in relation to each Fund to ensure that there is a complete focus on each Fund at these meetings.
- We have established a record of the kinds of service or activity carried out by or on behalf of the Firm in which a conflict of interest entailing a material risk of damage to the interests of one or more clients has arisen or, in the case of an ongoing service or activity, may arise;
- We require all directors, employees and other Approved Persons to provide the Compliance Officer with a record of their business interests so as to assist the Firm in identifying any potential conflicts of interest before they occur.
- All directors, employees and other Approved Persons are required to confirm on an annual basis that their Record of Individual's Business Interests continues to be correct, or otherwise, by signing a declaration to that effect.
- We prevent conflicts arising regarding the selection of suppliers by refusing to accept or provide fees, commissions and non-monetary benefits which do not directly enhance the service offered.
- Any personal relationships are disregarded in the selection of service providers, third party suppliers, agents and distributors to prevent inappropriate selection.
- DAIMGL has a formal policy on the buying and selling of units in the Darwin Leisure Development Fund and Darwin Bereavement Services Fund by directors, employees, temporary employees, certain contracted consultants and other connected persons in accordance with financial services regulation and securities law and regulation in the United Kingdom.
- There is a record kept of Gifts and Benefits Given and Received and rules in place around these.
- There may be instances where an employee (an "insider" as defined in the Financial Services & Markets Act 2000), through industry contacts or due diligence exercises, may have information about a leisure property, or related assets, that is not in the public domain and could potentially lead to unfair financial gain or avoidance of losses. Abuse of this information is strictly controlled by separate Darwin policies.
- The organisational structure we have implemented provides for the segregation of duties and so prevents conflict arising through inappropriately apportioned roles and responsibilities by ensuring that no one individual can exercise inappropriate influence over a particular process.
- The Board of DAIMGL review and approve all investment decisions that are recommended by Darwin Alternatives and key investment decisions require a majority vote from the three Guernsey directors.
- Vistra prepares minutes of all meetings and offers oversight to potential conflicts of interest in its role as administrator to the Fund.
- All group companies have service provider agreements outlining the expectation of each company and the approach to dealing with potential conflicts should they arise.
- Annual financial accounts are audited by an independent auditor.
- Valuations are reviewed by an independent third party and reports produced quarterly for Board review.
- Vistra prepares quarterly reports noting directors shareholdings, close periods and the PAD.
- DAIMGL has an anti-bribery policy and procedure paper.



Darwin Alternatives is also the Investment Advisor to another holiday park fund, Darwin Leisure Property Fund (DLPF). The Fund's Investment Manager is Darwin Property Investment Management (Guernsey) Limited (DPIMGL), a separate entity to DAIMGL. The Boards of DAIMGL and DPIMGL spent some time considering how to ensure there would be no conflicts of interest between the Funds. DLDF was established with an entirely different primary investment objective to DLPF and a number of policies have been introduced to ensure that there are no conflicts of interest between the two during their ongoing operations:

Acquisitions

DLDF seeks to buy parks suitable for redevelopment into lodge parks, where planning permission is either already in place or likely to be obtained. DLPF seeks to acquire parks that can integrate straight into the Darwin Escapes brand, where no significant capital expenditure will be required to bring them up to this standard. Given these different acquisition strategies, there is unlikely to be a situation where a potential acquisition would be suitable for both funds.

Neither fund will be permitted to purchase a park which is located in close proximity to a park owned by the other fund and likely to take business from it. Both funds have an Investment Committee and part of the sign off process for any acquisition will involve analysis of any potential conflicts with other parks in either portfolio.

The effectiveness of the Acquisition Process for each Fund and adherence to the Conflicts of Interest Policy mean that where there might have been a conflict with a potential acquisition, it was flagged at the initial screening stages of the process and withdrawn from consideration immediately. The DAIMGL Board has not therefore had to reject any proposed acquisitions due to conflicts of interest.

Redevelopments

DLPF will not be undertaking any major redevelopments. DLDF will use the same external resources previously used by DLPF to assist in the planning, design and construction of each of its acquisitions. This team has gained considerable experience developing 13 of the DLPF sites and they are comfortable working on a number of projects at once, which may be required with DLDF.

Lodge and Caravan requisition

We have an established order process in place and have developed strong relationships with a number of manufacturers to ensure they can design and build lodges and caravans which meet our specific standards and requirements. We are therefore confident that we can utilise enough manufacturers to ensure that the needs of both funds can be met.

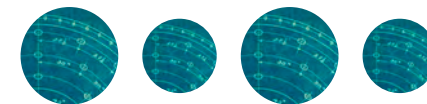
Holiday Park Management

At the time DLDF was being established, the DPIMGL and DAIMGL boards looked carefully at how to ensure there would be no conflicts of interest with the day-to-day management of the holiday parks in each portfolio. There were discussions about whether a separate management company should be set up to run the DLDF holiday parks, or whether this could be outsourced to another operator. Having had a poor experience with outsourcing in the past, and wanting to ensure that the DLDF holiday parks would offer the same “front of house” experience, which was seen as being a key to the success of the properties managed by DCM, it was decided that the services of DCM would be utilised.

To ensure that DLDF paid a fair rate for the use of DCM, the overall costs would be split between the two Funds, on a per pitch basis. The Directors of DAIMGL felt it was important to acknowledge the investment that DLPF had made into DCM and therefore the fees would be charged at a higher rate for DLDF to reflect this.

In order to protect the interests of both Funds, it was decided that the only service that wouldn't be shared was Finance. A separate business, Darwin Leisure Development Management Limited was established to provision this service and ensure that financial matters for both Funds were independent of each other.





Case Study- DLDF- Potential Conflict of Interests between Investors and the Operator

During the periods when DLDF's holiday parks were forced to close due to Government restrictions caused by the Covid pandemic, we had some instances where holiday home owners were unwilling or unable to leave our sites. All of our holiday parks have strict licences with the relevant Local Authority, which do not permit the Lodge or Caravan to be used as a main residence, even on a temporary basis. Anyone owning a holiday lodge or caravan must be able to prove that they have an alternative address which is their main home and not being able to do so will be in breach of their licence agreement with us.

In one particular instance, a couple who owned a caravan at one of the sites with holiday home ownership refused to leave when we announced that it had to close for the second national lockdown in November 2020, and that all owners must return to their main place of residence. Over a period of nearly 18 months the couple continually failed to produce proof that they had a main residence and during this time the local authority were separately alerted that there may be people living at the site permanently, in breach of the Fund's licence agreement with them.

This breach could have led to a fine or the closure of the holiday park by the local authority, but terminating the licence agreement of the owners was likely to leave the couple with no place to live and could lead to negative publicity for the holiday park. The local authority was also an investor in DLDF which meant that they would be negatively impacted if the business was forced to close, but may also be liable to house the couple if they did not have an alternative residence. Ultimately we felt we had no choice but to terminate the licence agreement with the couple because of the detrimental impact that being in breach of the operating licence could have on all of the Fund investors.

Bereavement Services

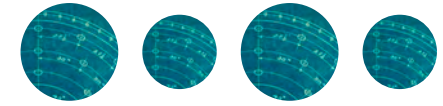
DBSF owns a number of bereavement services businesses, including crematoria, cemeteries and memorial parks, a direct cremation business and CDS Group, a cemetery development and environmental consulting business. CDS has undertaken in excess of 400 feasibility studies and designed and built over 40 new cemeteries, both in the UK and overseas. They also design and develop new crematoria sites and have a number of new sites currently under construction with many more at various stages of feasibility, design and planning.

CDS work with a range of clients including both private companies and local authorities and there will be times when they are invited to consult on projects which would be in direct competition with a DBSF site. In order to protect the interests of investors in the Fund, whilst also ensuring that CDS is able to operate successfully, we have put safeguards in place for CDS to follow when accepting new business. A review of the potential conflict with existing DBSF businesses will be undertaken and the senior management team will make a decision as to whether CDS should act on behalf of that client.

Principles 4 and 10

Promoting well-functioning markets

Collaboration



As a manager of real alternative assets, DAIMGL does not participate in mainstream financial markets. Whilst our activities do not therefore directly involve the promotion of well-functioning markets we do participate in a number of industry schemes which have been designed to improve reporting for pension fund investors and to help them manage their assets more efficiently and in line with their ESG objectives. Whilst we do not have a need to engage with other owners, influence issuers or exercise voting rights we do try and collaborate with other businesses within the holiday park and bereavement services industries to try and make improvements to the sector.

We are active members of the British Holiday and Home Parks Association, and have close working relationships with suppliers from across the industry, including lodge manufacturers, building contractors and environmental consultants.

Through these we have helped to drive change within the industry to make it more sustainable. We have completely redeveloped five of the sites in the DLDF portfolio, and have put environmental considerations at the forefront of these, using 'Green Technologies' to reduce the carbon output of facilities buildings. All our new lodges are constructed in accordance with British Standard 3632, which is the required standard for residential park homes and is a higher standard than is required for holiday park homes. The standard sets out minimum specifications in terms of ventilation, thermal insulation, stability once sited and room sizes.

In order to ensure our lodges are as energy efficient as possible, Darwin Escapes lodges exceed the minimum requirements in a number of areas such as insulation, glazing and cladding. All lodge suppliers to Darwin have a team of National Caravan Council approved inspectors checking lodges both during production and once finished. The NCC also carry out periodic un-announced inspections at both of our main suppliers' manufacturing facilities as part of the lodge supplier membership agreement.

All of our lodge suppliers promote environmental awareness among employees and encourage them to work in an environmentally responsible manner. All of their suppliers are requested to provide a copy of their Environmental Policy / Strategy to ensure that their products are sourced as ethically as possible.

Within the DBSF portfolio, the teams at our crematoria and cemeteries and memorial parks have established close working relationships with other service providers including funeral directors and other crematorium and cemetery owners. They have also developed close ties with local community groups including faith leaders from a number of religions as well as charities which support the sick and bereaved.

Cost Transparency Initiative

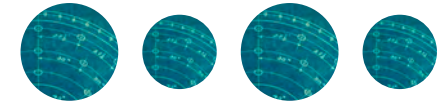
DAIMGL is a signatory of the Cost Transparency Initiative (CTI), which provides an industry standard for institutional investment cost data. The CTI is a partnership initiative between the Pensions and Lifetime Savings Association (PLSA), the Investment Association (IA) and the Local Government Pension Scheme (LGPS) Advisory Board.



We use the Fee Templates provided by CTI to provide full disclosure of the fees charged by the Darwin Leisure Development Fund to each of its local authority pension fund investors. The framework ensures that the pension funds can easily compare the charges from all their investment managers in a consistent and standardised format. This allows pension schemes to compare the fees charged by different managers and drive better value for their members.

Carbon Emissions Reporting

A number of our local authority investors have begun to request that we provide data on the carbon emissions produced by DLDF as this is becoming more of a requirement for their own reporting. As the owner of real assets that feature a variety of different buildings and park layouts, this is a complex process and we have therefore implemented a project which will allow us to report this data and feed into existing reporting frameworks including the Carbon Risk Real Estate Monitor and Global ESG Benchmark for Real Assets



Case Study: RPS Group

We recognise that we cannot achieve our environmental objectives on our own and have for a number of years partnered with RPS Group, an environmental consultancy, to support our development projects and ongoing operations.

RPS Group is a leading global professional advisory firm formed in 1970 which employs 5,000 consultants in over 125 countries, specialising in property, energy, transport, defence and government, water and natural resources.

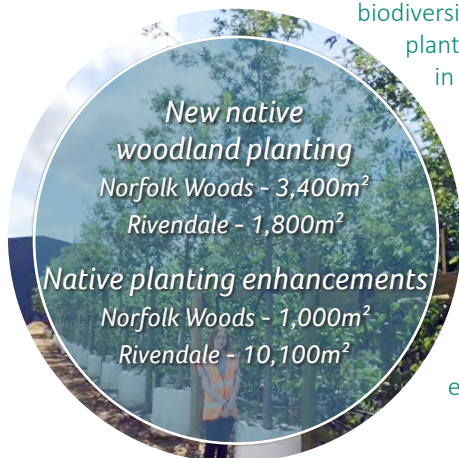
Over the last year, RPS has been working with Darwin Escapes to help develop a Carbon Reduction Strategy. RPS completed a full carbon sequestration survey on all the woodlands in the Darwin Escapes portfolio. The reintroduction of woodlands is a key aspect of the UK Government's drive to achieve a Net Zero Economy by 2050. The Government's ambition is to create more woodlands, protect peatlands and boost biodiversity. Increasing tree planting will form a central pillar in the efforts to reach Net Zero Emissions by 2050.

Under the new target, approximately 7,000 hectares of woodlands will be planted per year by the end of this Parliament (May 2024) alongside new initiatives to improve the health of trees and create more woodlands in cities. The UK Government is putting plans in place to treble woodland creation rates, reflecting England's contribution to meeting the UK's overall target of planting 30,000 hectares per year by the end of this Parliament.

RPS will continue to work alongside Darwin, and ensure that Darwin developments can maximise carbon sequestration, by ensuring that the right trees for the geographical location are planted in the most effective way to maximise carbon sequestration and increase

biodiversity. So far, 820,078 m² of wild-flower turf has been planted and 62,534 m² of new woodland has been planted in the Darwin Escapes Portfolio in addition to the existing 849,697 m² of woodland.

As well as this, RPS has looked at various different ways in which the Darwin Escapes portfolio can achieve Net Zero Carbon emissions in future developments. Energy Usage and energy efficiency is a key way that UK infrastructure can reduce CO₂e emissions, and working towards utilising ever more efficient technology will be a significant factor in reducing carbon emissions by 2050.



RPS has also been a cornerstone in our Landscape Architecture, Ecology and Flood Catchment management. With their guidance, development projects have been able to proceed and complete while ensuring that local environments on site are enhanced to benefit the local ecology.

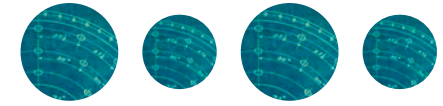
RPS Group are also consulted during the DLDF acquisition process in relation to potential site purchases. This enables Darwin to mitigate against development risk, and ensure a suitable and beneficial ecological management strategy is implemented immediately upon an acquisition completion.

Case Study: Prestige

One manufacturer with whom we work closely is Prestige Homeseeker (Prestige). Based in Northamptonshire, the firm has become a trusted supplier for Darwin, as well as an industry leader in terms of environmental standards both in their production line and in their final product.

The National Caravan Council use a 5 Star rating system to show a manufacturer's energy efficiency performance. Prestige has achieved a 4.8 Star rating whilst the industry average is around 3 Stars. Outlined below are some of the ways in which Prestige reduce their environmental impact:

- Timber supplies are sourced from companies that meet the Forest Stewardship Council (UK) Chain of Custody Certification including standards FSC-STD-40-004 and FSC-STD-50-001 in respect of the purchase, processing, sales and distribution of certified softwoods, hardwoods and sheet materials, including outsourcing.
- Timber suppliers to Prestige are registered with and regularly audited by BM Trada. This includes compliance with monitoring supply chains to ensure the validity of the respective supplier certificates and ensuring that they only purchase from those companies which hold current and valid certificates.
- Timber supplier Recycling Policies include:
 - Ensuring dust and shavings are blown into trailers for resale (for example – to be used as animal bedding)
 - Ensuring reject pieces are cut down and reused for alternative timber sizes, and blocks
 - Ensuring that off-cut pieces that cannot be used for the smallest moulding sizes or off cuts from jobs which have been cut to special lengths, are bagged and sold for sustainable re-use, such as fuel for biomass boilers.



- A higher grade of timber than required is used in the structure of lodges resulting in reduced core material rejection, less deliveries and less waste.
- PVCu product suppliers use their own recycling facility or a specialist recycling company to recycle any off-cut virgin window and door profiles. Old uPVC window and door frames and unused offcuts can be recycled into reusable polymer pellets. These are then passed onto approved extruders for use in new building products, including new uPVC window profiles, cills and trims, and cable management and construction products.
- The materials used in the build of lodges have to meet the requirements of BS6362:2015.
- The longevity and serviceability of fixtures and fittings is a key factor. For example, Prestige utilise lower maintenance exterior claddings (Artefoam, Canoxel, Marley) or where timber claddings are used, they have water based stain so no chemicals are needed to maintain the colouring of exterior walls.
- General layout and design are considered in order to enable the highest energy efficiency, for example by utilising sunlight for heating and light .
- 3D design programmes are used to proof the design to reduce or remove the need to re-design during manufacture. CNC machines (Computer Numerical Control machines) are used to optimise timber lengths, speed processing and reduce waste. In order to reduce delivery costs and emissions, trusses and timber frames are created on the factory site.

Darwin has established a close partnership with Prestige which allows us to customise the layout and interior of the lodges we acquire from them. This ensures they are robust enough to meet the demands of holiday rental usage and increases the lifetime of each lodge, therefore reducing the frequency with which they would need to be replaced and delivering sustainability over the long-term.



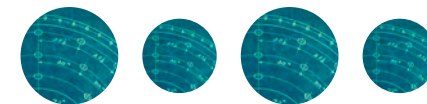
Case Study: CDS Group and the Environmental Stewardship Group

CDS Group, which is owned by DBSF, is a founding member of the Environmental Stewardship Group (ES Group) which was formed in late 2020. This group pro-actively supports 90% of all Public and Private cemetery and crematorium owner operators in the UK and was set up to provide a focal point for collaboration across the bereavement services sector and to lead it towards sustainability. In particular it is aiming to support the sector in meeting emission reduction targets by 2030 and ultimately becoming Net Zero by 2050.

The core of the ES Group is made up of the Cremation Society of Great Britain (CSGB), the Institute of Cemetery and Crematorium Management (ICCM), the Federation of Burial and Cremation Authorities (FBCA) and CDS Group. This innovative collaboration of two membership organisations, an educational charity and a consultancy company has quickly been recognised as leading the sector and acting as its advocate in all things environmental.

Bereavement services has traditionally been a fragmented industry with sub groupings of crematorium and cemetery owners and operators, funeral directors, government departments and other suppliers operating in silos. The ES Group is focused on drawing the sector together to share concerns and explore opportunities for change under the umbrella of the climate emergency.

The Environmental Stewardship Group was officially launched on 1st March 2021, when over 80 organisations and individuals gathered to learn about the group and its aims and objectives for the Bereavement sector. The launch was the precursor to a 6-month period of focused activity during which these stakeholders took part in a series of 12 round tables which aimed to identify where each of the four subgroups stood in relation to the climate emergency and environmental impacts within the sector.



The ES Group is keen to ensure it helps the sector understand and engage with the issues; to act as a focal point for the sector on environmental issues; to provide the space for engagement and open dialogue; to listen to concerns, understand barriers and help find common ground for everyone concerned; and to influence thoughts on improved regulations and joined up thinking. Its objectives are four-fold:

1. Protect the environment

To take a series of measures to reduce existing and negative impacts by 2025.

2. Promote continuous improvement

To establish a sector wide approach to driving positive change and innovation.

3. Shape regulatory requirements

To influence, legislation, guidance and advice that reflects the sector as a whole.

4. Communicate commitments

To embed within the sector, pro-active and positive commitment to promoting the sectors actions and efforts.

To achieve these goals there are three phases of activity underway:

- To increase understanding within the sector around Climate Change. This will help members to recognise the reasons behind the climate emergency declarations and what they are trying to achieve as well as how the Carbon Net Zero targets relate to their businesses and themselves as custodians of the planet.
- To generate traction and encourage engagement with all activities which can help the sector reduce and eventually reverse its environmental impact.
- To engage in positive action in addressing the issues identified and meeting the targets as laid out in the 6th Carbon budget which is the blueprint for carbon reduction between now and 2050.

In December 2021, the Environmental Stewardship Group published its first report on the state of ESG matters in the UK bereavement industry. A 'Year Zero'/ baseline approach was adopted in order to gain an understanding of the current situation and fundamental challenges within the industry. Stakeholders from across the industry participated in a number of round table discussions to help understand the challenges being faced and achieve a greater insight on the current position. These were divided into four sub-groups:

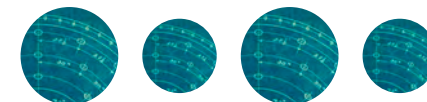
- Government Departments
- Owner Operators
- Funeral Directors
- Suppliers

Having analysed the findings from the roundtables, the ES Group established a set of targets which will guide the industry as it works towards achieving Net Zero Emissions:

- Improved environmental legislation
- Setting Environmental standards
- Improving Leadership & advocacy
- Improved communication
- Enhanced education
- Standardised Sector reporting
- Whole sector environmental focused events
- R&D sector fund creation

The report also included a full industry-wide Carbon Action Plan. The aim of this is to provide an over-arching framework which can help stakeholders within the industry make fundamental operational changes. A route map to Net Zero was also published, offering a step-by-step guide to help the industry achieve the Net Zero goal.

To read the report and for further information about the Environmental Stewardship Group, please visit www.environmentalstewardshipgroup.org.uk



Identifying and responding to market-wide and systemic risks

Systematic Risk

The DAIMGL Board are briefed by Vistra on financial services risk through detailed reporting by the GFSC to its signatories. Vistra engages regularly with the regulator and reports back to the Board. The DAIMGL Board are also part of the Guernsey Institute of Directors. They hold regular functions and support local initiatives.

ISEA 3402

Each year, Vistra produces an ISEA 3402 'Assurance Report on Controls at a Service Organisation'. ISEA 3402 is a control report which has been developed specifically for outsourcing activities that are related to the financial reporting of the client. It is an international service organisation assurance standard that is provided by certified auditors and can be used as a guideline for documenting that a service organisation has sufficient internal controls.

These standards are primarily designed as an accountability report by Vistra to the financial auditors of the Fund's investors. For the financial auditors, the report replaces their tests on the design, implementation and operating effectiveness of the internal controls vital to the accuracy and completeness of the financial reporting of the underlying investor.

Under the ISAE 3402 standard, Vistra has five primary responsibilities:

- Prepare and present a complete and accurate description of their internal control framework.
- Specify the control objectives.
- Identify the risks that threaten the achievement of the control objectives.
- Design, implement and maintain controls to provide reasonable assurance that the control objectives will be achieved.
- Provide a written assertion to accompany the description as to the completeness and accuracy of the information provided and state the criteria used as a basis for making the assertion.

Business Risk

A Business Risk Assessment is undertaken every year as part of the annual review of Darwin Alternatives' Business Continuity Plan.

Business Risk Assessment involves determining what risks the organisation faces and the relative importance of each of these risks. It reviews and rates risk categories important to all key stakeholders: business owners, directors, employees, clients, outsource partners and other business associates. Where Risks are deemed to be Medium or High, ways to mitigate these are set out.

This document has been prepared specifically for the investment adviser with Darwin Alternatives' operations in mind. It is not necessarily intended to include the funds managed by the DAIMGL or the operation of the holiday parks, crematoria or other assets held in these funds.

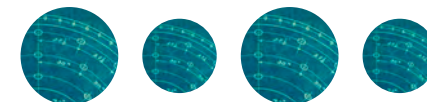
Market Risk

Our structure, systems and controls allow us to effectively identify, monitor, and respond to market-wide and systemic risks.

DLDF

The holiday park industry itself is one that is relatively stable in nature. Holiday parks generate stable cash flows arising from annual pitch fees from caravan and lodge owners, holiday rental income, the sale of caravan and lodges and from on-site ancillary spend including food and beverage and leisure activities.

Additionally, holiday parks have robust demand characteristics. Traditionally, when the economy has been strong, holiday home ownership has increased. In times of weakness, people have switched to UK caravan and lodge holidays as opposed to other types of holiday, driving rental income higher. The portfolio has therefore been structured to ensure that we offer a mix of both holiday rental and holiday home ownership accommodation to reduce the impact of wider macro-economic risks. In order to further reduce economic and geographical risks we aim to ensure that there is a good geographical spread of sites and a mix of property of styles, ranging from small lodge retreats to large sites with extensive facilities. This ensures that we attract as broad a customer base as possible.



DBSF

Bereavement services are something which will always be required and therefore market risks are generally relatively low. Even before the outbreak of Covid 19, there was a rising trend in the UK deaths rate and this is anticipated to continue for the next twenty years, before plateauing in the 2040's.

The trend is to prefer cremation over burial with 75% of UK funerals involving a cremation and this figure could increase further now that the Pope has given permission for Catholics to be cremated. Longer term cremations numbers are anticipated to stabilise in the 78-85% range.

The bereavement services market has strong fundamentals:

- Currently estimated to be worth £3.8bn annually, with over 600,000 funerals per year.
- Lack of supply in crematoria
- Lack of burial space, as many council cemeteries are close to full capacity

Cemeteries and crematoria operate essentially as local monopolies, since geography is the principal driver of consumer choice:

Direct cremation (where there is no funeral service) is an emerging and fast growing segment of the crematoria market, particularly during the pandemic when reduced numbers are permitted to attend services.

To reduce portfolio risk we have structured the DBSF portfolio to ensure that it is diversified in its offering, operating both crematoria and cemeteries. With burials decreasing we have ensured that our cemetery provision, which is largely in woodland memorial parks, is differentiated from those that are usually provided by local authorities or the Church of England. We have entered the direct cremation market through Affordable Funerals, which is

a leading player in the direct cremation sector.

Development Risk

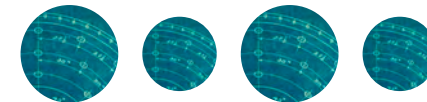
In order to decrease development risk, we do not purchase land on a speculative basis and risk management is focused on ensuring that we have an acquisition process that ensures that new sites are a good fit for the portfolio and that where planning permission may be required, that this is achievable.

All sites for DLDF will already have planning for leisure activities in some capacity or will be acquired on a 'subject to planning basis'.

Sites for DBSF would either have planning permission in place or discussions with the planning authority during the due diligence process would confirm the likelihood of planning being approved. We would not proceed with any acquisition without these assurance and would aim where possible to proceed on a 'subject to planning' basis to minimise the risk further.

Principle 6

Client and beneficiary needs



DAIMGL manages approximately £405m of assets (as at 31 August 2022), predominantly for UK local authority pension funds and local authority treasury departments. A number of clients have made investments into both DLDF and DBSF.

Our clients have chosen to invest in DLDF and DBSF because their strategies meet their investment needs. All of them understand and support the strategies which the Board of DAIMGL follow. Because we are not undertaking voting, or investing their assets in a variety of different products or strategies we don't look at individual policies of investors, but the Board ensures that all of our assets are managed in the best interests of all shareholders.

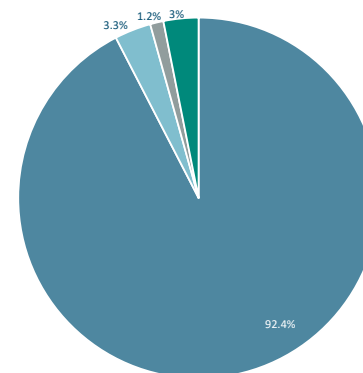
We do tailor and adapt our processes where appropriate following feedback from investors, and have initiated a number of changes to our reporting output to ensure that we are meeting the needs of our clients in their reporting.

- Whilst neither the Darwin Leisure Development Fund or Darwin Bereavement Services Fund is specifically an impact fund, at the request of one of our local authority pension fund clients, we have introduced Impact Reporting in order to demonstrate the positive impacts that our holiday park assets have. The impact reports provide data on impact measures ranging from the percentage of staff earning above the National Living Wage to the number of electric boilers in our lodges and the number of charity events we have participated in.

We tailor client communications in order to meet the needs of the different investor types and have taken on board their feedback in making improvements to our reporting.

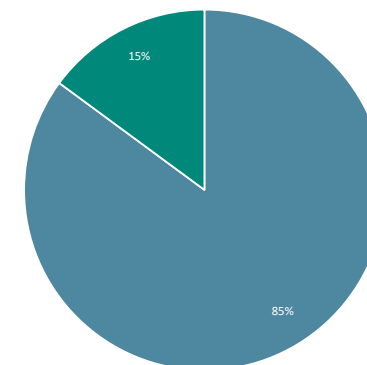
- Meetings with our investment team are offered to all institutional investors and the frequency of these is determined by the investor. Some investors opt for quarterly meetings, whilst others prefer an annual update. We also attend Local Authority Investment Committee meetings when requested. At each meeting a detailed analysis of the portfolio and ongoing trading and industry trends is provided. DLDF's distribution partner, Global Wealth Management Solutions, arranges meetings with the network of IFA's with which it works and members of the investment team will attend where appropriate.
- Factsheets are produced on a quarterly basis for all investors which include market commentary.
- For institutional investors, a detailed investor report is produced on a quarterly basis which includes information on valuations, transactions and performance as well as market

Darwin Leisure Development Fund
Client Breakdown



Local Authority Pension Funds
Retail Investors through IFAs
Other Institutional Investors
Other Investors

Darwin Bereavement Services Fund
Client Breakdown



Local Authority Pension Funds and Treasury Departments
Other Investors

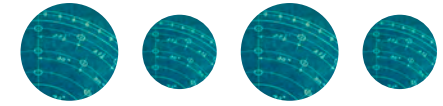
Source: Darwin Alternatives. DLDF data as at 31 August 2022. DBSF data as at 30 June 2022.

commentary and an economic outlook. An update on ESG matters has also been added following requests from some of our local authority investors for more frequent ESG reporting.

- Valuation statements are sent by the Fund administrator, Vistra, to all unitholders on a monthly basis.
- The Fund produces an Annual Report and Accounts which provides a financial update on the Fund and includes commentary on the properties within the portfolio. An ESG update was added to the Report and Accounts in 2021.
- Responsible investment is becoming an increasing concern for our investors and therefore in 2020 we introduced an annual Corporate Responsibility Report which outlines the Environmental, Social and Governance activities of the Fund and the work we are doing to make improvements in each of these areas.

Principle 7

Stewardship, investment and ESG integration



Responsible investment is an important aspect of our investment culture and we support 13 of the UN's 'Sustainable Development Goals' on all development projects and ongoing operations across the portfolio. We have implemented processes to limit our environmental impact and contribute positively to the communities in which we invest. We want to use our expertise in development and operations, combined with our inclusive and diverse culture, to lead the alternative investment sector into having a positive, meaningful impact.

Our corporate structure ensures that decision makers can be scrutinised and challenged, meaning that decisions are taken in the best interests of our stakeholders. Regulatory Governance is a fundamental focus to ensure that we operate with the highest integrity, and do not act in a way which puts investors at risk. Darwin acts in full accordance with all relevant regulatory authorities.

Darwin Alternatives will going forward be preparing an ESG report and presenting it to the DAIMGL board on a twice-yearly basis to ensure that the board have full oversight of ESG activities.

DAIMGL is a signatory to the LGPS Advisory Board 'Code of Transparency'.

As an owner of real assets, we aim to ensure that our buildings and accommodation are as energy efficient as possible, our park environments are managed in harmony with the local environment and that waste management is efficient and utilises recycling where possible. To ensure that we achieve this we have implemented a series of Environmental Aims and Targets:

Environmental Aims

1. Create sites which enhance local ecology.
2. Create sites which enhance local environments.
3. Utilise designs which minimise operational carbon footprints.
4. Ensure minimisation of embedded carbon costs in Darwin's supply chain.
5. Ensure energy usage is as efficient as possible.

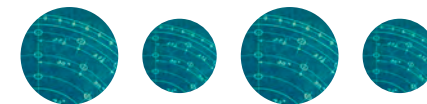
Environmental Targets

1. Actively work to reduce emissions, waste and energy use, where applicable, on all sites in all portfolios.
2. Increase measurement of emissions, waste and energy usage where appropriate, with the aim of analysing and initiating required changes over the next 5 years.
3. Achieve a Biodiversity Net Gain when undertaking any development work.
4. Increase ESG due diligence to ensure that suppliers, contractors, corporate partners & stakeholders are aligned with our principles.
5. Continue to demonstrate and report our ESG progress as the funds develop over the short, medium and long term.

On a practical level, this has resulted in:

- Range of environmental best practices for day-to-day operations.
- Planting strategies designed to provide the ideal habitats for local ecology and enable Biodiversity net gain in populations.

- Designing buildings to reduce energy usage over the long-term. Protecting and enhancing the existing natural environment is a key focus for developments with a priority on ensuring the safeguarding of protected species.
- Robust supply chain process which encourages all suppliers to share our environmental ethos.



We have also developed Social Principles and Social Aims to ensure that we are a responsible employer and that we provide social value to the communities in which we operate.

Social Principles

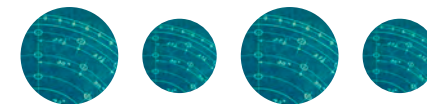
1. **Equality:** Darwin is committed to being an equal opportunities employer, offering the same opportunities to all staff, irrespective of race, religion or beliefs.
2. **Value:** All stakeholders are valued; our customers, staff, suppliers and investors. They are at the forefront of everything we do.
3. **Safety:** Locations will follow the highest standards of Health and Safety. By delivering continuous training and inspections to our staff, we are able to ensure risks to consumers are minimised.
4. **Real impact:** Social responsibility is more than just writing a cheque. Our underlying businesses aim to have a direct impact on local communities.
5. **Supply Chain:** Darwin supports international and UK goals to end modern slavery, inequality and social injustice.

Social Aims

1. **Decrease our gender pay gap:** Although Darwin performs well in this area, we can do more.
2. **Be a responsible member of the community:** We aim to become integrated within our local communities. We will offer support, assistance and guidance that will benefit the areas in which we operate.
3. **A career, not just a job:** Darwin is committed to continuing to improve our Human Capital Development. We aim to offer increased opportunities for our staff, enabling us to provide careers, not just a job.
4. **Eliminate social injustice:** Darwin will not use suppliers whose social values are poor, and we will work to ensure we do not inadvertently support firms who operate immorally.
5. **Support locally:** We will use local producers and businesses as suppliers wherever we can.



ESG in Action

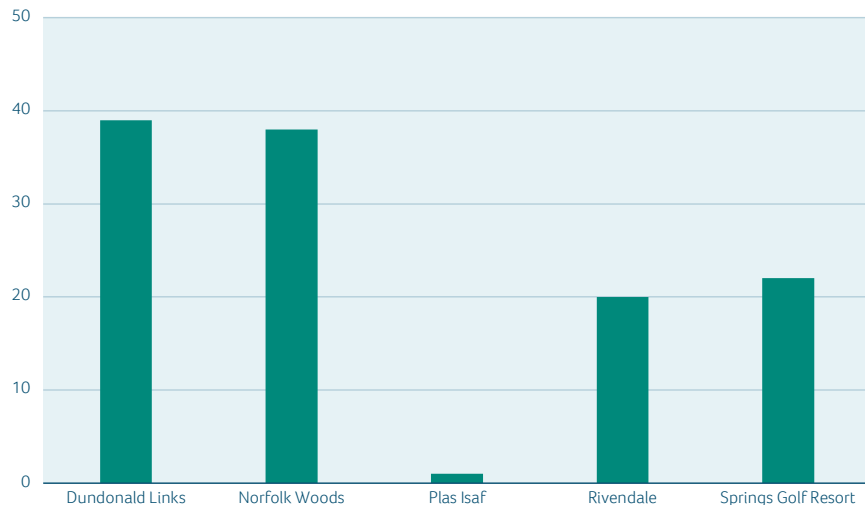


Job Creation

Five of the DLDF holiday resorts have been completely redeveloped, transforming sites which were previously seasonal tenting and touring parks or brown or greenfield land into modern, luxurious lodge resorts with premium self-catering accommodation that can be used all year round. By offering high quality accommodation and opening year-round, we are able to increase permanent employment opportunities within the local area.

Darwin is committed to ensuring that each of its resorts benefits the local community in which it is located. Darwin Escapes employs over 770 members of staff on a permanent basis and has created over 110 jobs at the sites in the DLDF portfolio which have undergone redevelopment.

Darwin Escapes Jobs Created at Redeveloped Sites



Source: Darwin Escapes. As at 30 June 2022

Gender Pay Gap

Holiday Resorts

Darwin offers job creation and career development opportunities across our businesses which employ over 800 people. Darwin Escapes, which operates the DLDF holiday parks publishes its Gender Pay Report on its website. The report also discloses how Darwin recruits and promotes the best candidates possible, from the widest possible talent pool. The Gender Pay Gap at Darwin Escapes, the Median Gender Pay Gap at Darwin Escapes has fallen from 4.5% in 2019/2020 to 2.9% in 2020/2021, which is significantly below the national average of 15.4%.

Bereavement Services

GreenAcres has a Gender Pay Gap of 0%. The business is able to maintain this through salary banding, with bands being equal for each job description. Although the public reporting standards are only mandatory for companies with over 250 employees, GreenAcres will be reporting internally as part of its Human Resources monitoring purposes. Memoria, at present, does not report on gender pay gap, due to the size of the organisation, but it is estimated that this too is 0% due to the salary bandings that are in place. The business intends to record this for internal purposes going forward.

Apprenticeships and Internships

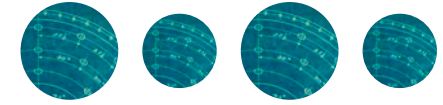
Darwin Escapes offers a range of Apprenticeship, Internship and Mentoring opportunities to help support the development and social mobility of young people.

Apprenticeships offer participants practical, paid, on-the-job experience combined with a study programme that leads to a formal qualification. Apprentices will study for at least 20% of their working hours- usually at a college, university or with a training provider- and complete assessments during and at the end of their apprenticeship.

Darwin Escapes offers a range of apprenticeship schemes across its business. These range from Level 2, which is the equivalent educational level to GCSE's to Level 4, which is the equivalent educational level of a Foundation degree.

Darwin Escapes offered 11 apprenticeships this year in business areas covering Marketing, IT, HR, Grounds, Accounts and Admin and Reception.





Carbon Emissions

Scope 1: All Direct Emissions from the activities of an organisation or under their control. Including fuel combustion on site such as gas boilers, fleet vehicles and air-conditioning leaks.

Scope 2: Indirect Emissions from electricity purchased and used by the organisation. Emissions are created during the production of the energy and eventually used by the organisation.

Scope 3: All Other Indirect Emissions from activities of the organisation, occurring from sources that they do not own or control. These are usually the greatest share of the carbon footprint, covering emissions associated with business travel, procurement, waste and water.

Darwin Leisure Development Fund

We are able to actively manage the Fund's scope 1 and 2 emissions. The vast majority of emissions at the holiday parks are created through Scope 2 emissions; i.e. emissions from mains supply.

One of the key ways of reducing these has been to introduce 'Green Technologies' within new central facilities buildings. These aim to:

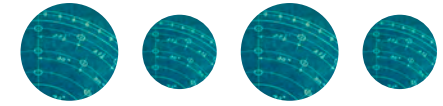
- Reduce energy use
- Maximise natural resource use
- Reduce electricity dependency

To date, the following have been incorporated into new central facilities buildings where appropriate in order to reduce their use of gas, electricity and water:

- Solar roof panels
- Combined heat and power pumps
- Air source heat pumps
- Wind catchers
- Automatic window openers
- Under floor heating
- Green roofs
- Waste water & Sludge Treatment systems
- Insulating buildings above Building Regulation Standards
- Most buildings sealed against heat loss above Building Regulations
- Boreholes to reduce mains water consumption where possible



ESG in Action - Darwin Leisure Development Fund



CO2e Emissions

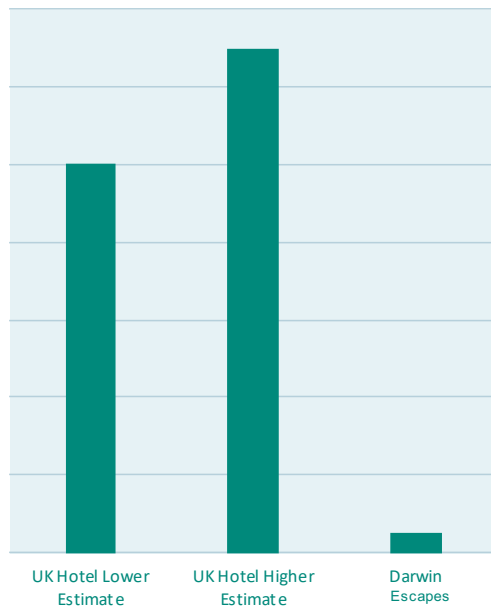
We have undertaken comparative analysis with the UK hotel industry which shows that Darwin Escapes' CO2e emissions are significantly lower than those produced by hotels.

The typical reporting metric used for hotels is tonnes of CO2e per bedroom per year, or kilograms of CO2e per bedroom per night.

Ecometrica is a group of leading reporting experts in carbon and their data shows that GHG emissions from electricity and natural gas consumption for UK hotels range between 10 and 13 tonnes of CO2e per room per year as shown, depending upon location and function of the hotel. For Darwin Escapes sites, emissions are typically 0.5 tonnes of CO2e per room.

Ecometrica assumes that the hotels have air conditioning and no pool in all calculations. All hotels are assumed to have 'typical' energy consumption rates.

CO2e per Bedroom



Darwin Escapes accommodation produces less than 10% of the CO2e emissions that are produced by hotels.

Source: Darwin, Ecometrica GHG Factsheet.

Electric Vehicles

Darwin has been at the forefront of driving the installation of electric vehicle charging points at UK holiday parks, being the first operator to do so. We are continuing to introduce more charging points across the portfolio as the demand for electric vehicles increases which will assist us in reducing the Scope 3 emissions associated with the Fund.

We are in the process of switching the fleet of vehicles used by DCM to electric and electric buggies are used where possible to reduce emissions across the group and cut down on noise pollution for the environment and our customers.

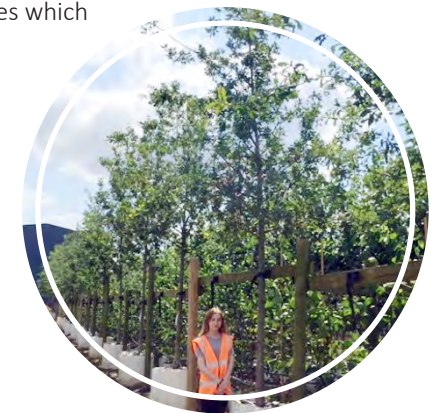


Carbon Sequestration

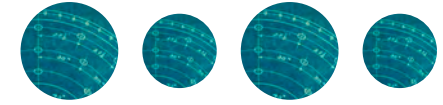
We are also able to measure the CO2e sequestration from the planting strategies at our holiday parks. By using the Woodland Carbon Calculator, we are able to view how much carbon is absorbed by woodlands, how we can absorb more, and ultimately how we can offset our carbon outputs. Our strategy for arboricultural care will ensure that developments and existing operations work towards becoming Carbon Net Zero, in line with the Paris Agreement.

This will be achieved with a variety of different techniques which include:

- Tree planting for phase 1 developments
- Tree planting in phase 2 park upgrades
- Tree selection to maximise CO2e Absorption
- Responsible woodland management program to clear dead trees and promote the growth of new ones.



ESG in Action - Darwin Leisure Development Fund

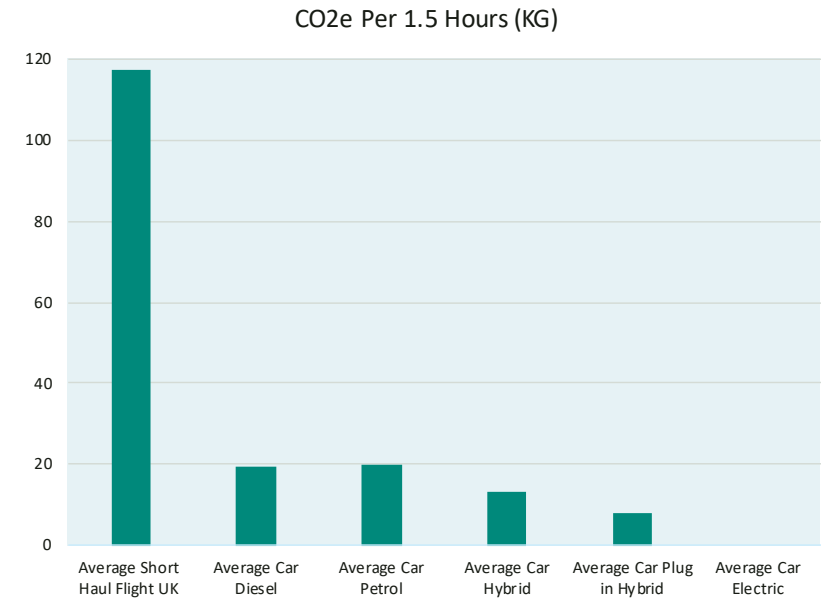


Scope 3 Emissions

Whilst we cannot directly reduce Scope 3 emissions, attracting people to holiday at Darwin holiday parks instead of travelling abroad can significantly reduce their Scope 3 emissions:

- Around 2.4% of global CO₂e emissions come from aviation. The industry is responsible for around 5% of global warming.
- Darwin Escapes' high quality lodge accommodation offers attractive alternative to European short breaks.
- Darwin Escapes is continuing to attract visitors who would previously have flown abroad for short breaks.
- The typical flight of 1 ½ hours from the UK to Europe creates around 117 kgs CO₂e.
- The same time length of journey for the average petrol car emits 16.95% of the total CO₂e.
- Figures for plug-in hybrid cars are less, whilst all-electric vehicles contribute 0kgs CO₂e.

Travel to a UK holiday by car for a family of four produces just 4% of the emissions of a holiday in Europe involving a 1.5 hour flight.



Native Planting

We are committed to enhancing the Darwin Escapes holiday resorts in order to achieve a Biodiversity Net Gain. We undertake a combination of strategies to achieve this within development projects.

New Native Woodland Planting (the planting of new trees around the site) and Native Planting Enhancement (through hedge planting and wild-flower meadows) allow wildlife populations to increase.

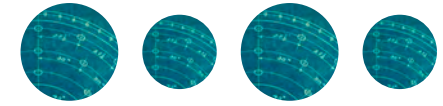
Darwin actively encourages the retention of existing trees during any site re-developments. RPS Group will carry out a baseline tree survey at the beginning of a development project which provides the design team with accurate arboricultural information about the tree stock on site and if a particular arboricultural feature is noted as part of this survey, it is often designed into the master-plan as a focal, integral part of the development.

As part of Darwin's commitment to enhancing the habitats for local wildlife, and reducing our carbon footprint, we have progressively added in an increasing amount of wild-flower planting at our holiday resort sites. This grassland enables smaller insects and mammals to flourish, which has a knock-on positive effect on the local ecology.

"Trees and woodlands on new Darwin sites are surveyed at the very earliest stage of the development process. This allows for informed decisions to be made by the master planning team about tree retention, integration and protection during the development process. Recognised industry standards are employed during this procedure, to ensure trees and woodlands remain at the forefront of the design and development process."

David Cox, RPS Group ecological consultancy

ESG in Action - Darwin Leisure Development Fund



Environmental Efficiencies in Lodges

Darwin Escapes offers luxury lodge accommodation across its holiday resort portfolio. Our newest lodges, at The Springs in Oxfordshire, highlight how Darwin is driving innovation in the design of lodges. The lodges, which have a striking modern design, are constructed in accordance with the current Building Regulations, which are the required standard for residential dwellings and is a higher standard than is required for holiday park homes. The standard sets out minimum specifications in terms of ventilation, thermal insulation, stability once sited and room sizes.

In order to ensure our lodges are as energy efficient as possible, these lodges exceed the minimum requirements in a number of areas such as insulation, glazing and cladding when compared to the British Standard 3632 for caravan construction.

We promote environmental awareness amongst our suppliers, contractors and partners, and encourage ethical and sustainable sourcing and the use of environmentally friendly materials and products. All lodge suppliers to Darwin have a team of National Caravan Council approved inspectors checking lodges both during production and once finished. The NCC also carry out periodic un-announced inspections at both of our main suppliers' manufacturing facilities as part of the lodge supplier membership agreement. They are the industry regulatory body and their 5 star rating is given for Compliance to Standards rather than energy ratings. Compliance is measured via regular inspections.

The lodge manufacturers we work with promote environmental awareness among employees and encourage them to work in an environmentally responsible manner. All suppliers to the lodge manufacturers with whom we work are requested to provide a copy of their Environmental Policy / Strategy to ensure that their products are sourced as ethically as possible.

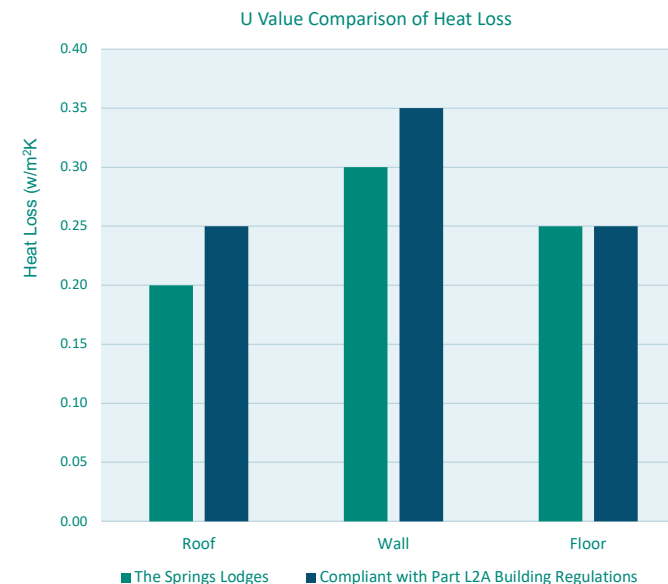
Each unit will be designed for a specific Darwin site and constructed off-site as a modular build, meaning that production efficiencies and material recycling are both easier and more effective when compared with on-site construction of traditionally built properties. As well as this, the building and design of lodges off-site enables material waste to be minimised which lowers the embodied carbon for the development and supports the circular economy.

A prudent way to measure the efficiency of buildings is using the U Values of Buildings. U Values show the amount of energy lost through the roofs, windows, walls and floors. In

Darwin lodges, we ensure that roofs, walls and floors constructed to beyond the threshold requirements of Part L2A of the Approved Documents of the Building Regulations. This ensures they are highly efficient elements.

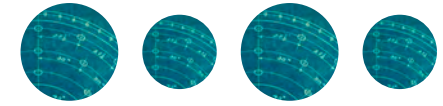
A U-value is typically a low number as it represents how much heat energy is lost or gained by the window, and thus a low U-value would be more desirable. The graph below shows the comparison between a Darwin Lodge at The Springs, a building that is compliant with Part L2A building regulations and a poorly insulated building. A higher value shows more energy lost.

While the lodges at The Springs marked a new way of thinking for lodge design, Darwin has continued to evolve this design process by looking at the "Passivhaus" concept, which is a leading international design standard that aims to slash energy use from buildings and deliver high standards of comfort and health. By adopting the Whole house principles, we are exploring a Fabric First approach to offsite timber modular build (e.g. SIP) which supports a low embodied carbon approach. The aim of this is to ensure our lodges require the least amount of energy use in both their build and their lifetime. By doing this, we are looking at routes to further decarbonise the portfolio, with less reliance on Gas, and moving towards an ever greening National Grid.



Source: Part L2A Building Regulations, DJE Project Services

ESG in Action - Darwin Leisure Development Fund



Endangered Species Protection

Case Study- Rivendale Lodge Retreat

Rivendale was acquired by the Darwin Leisure Development Fund in 2018 and is located within the Peak District National Park. A mixed-use touring, tenting and caravan park when it was acquired, it has recently been developed into a luxury lodge resort. The resort is set within a former quarry and offers open grassland along with a number of ponds.

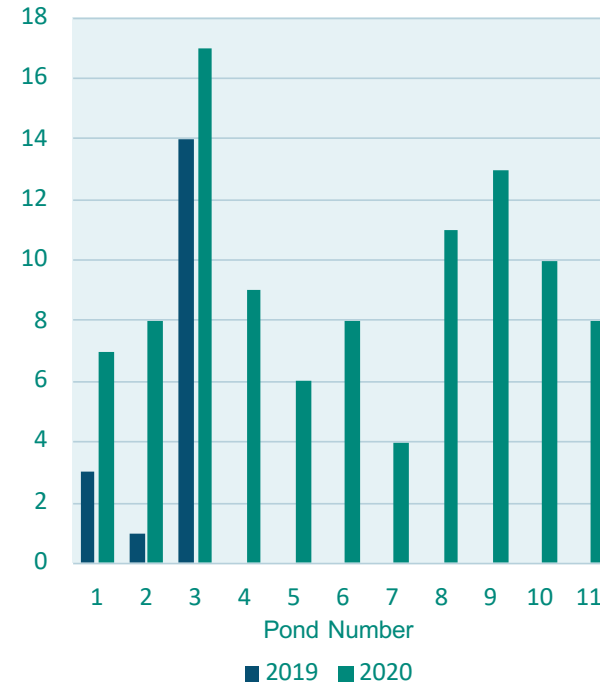
The site is home to a large population of Great Crested Newts (GCN) so RPS ecologists worked alongside RPS Landscape Architects to develop a unique mitigation scheme that would not only improve the site for the GCN populations but also provide them with an enhanced habitat in the long-term. By enhancing the three existing ponds, creating eight new ponds and delivering significant areas of new terrestrial habitats, RPS were able to secure a Natural England Mitigation License and provide space for the GCN to thrive.

These enhancements have increased the biodiversity value of the site by 11%. The habitats will be monitored, maintained and managed for their biodiversity benefit for at least the next 25 years.

Monitoring surveys, required as part of the Natural England Great Crested Newt licence have begun, and the first couple of surveys have shown the good population of newts are continuing to thrive on site; and they have even found their way into the newly created ponds.

The chart highlights how the GCN population has grown since the development work was carried out. Ponds 1-3 are the existing ponds, where numbers have increased by nearly 80%. The total size of the population, including the new ponds, has increased by 280% and with eight additional ponds created for the newts, it is expected that the numbers will continue to grow over the coming years.

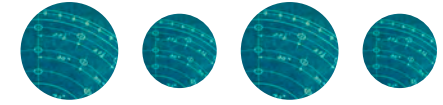
Great Crested Newt Population - Rivendale Lodge Retreat



Source: RPS Group



ESG in Action - Darwin Leisure Development Fund



Redevelopment Case Study- Dundonald Links

Dundonald Links Golf Club in Ayrshire, Scotland was acquired in March 2019. We have made extensive improvements to the golf course and in November 2021 completed the first phase of development to transform it into a leading golf resort. This included building a new 2-storey clubhouse to replace the previous temporary structure. The clubhouse features a bar, restaurant and lounge as well as a state-of-the-art gym and extensive changing facilities. 47 lodges have also been added to the site which offer a range of 1, 2, 4 and 6 bedroom accommodation designed with golfers in mind.

Dundonald Links continues to champion pioneering environmental practices and is at the forefront of Scotland's leading position in sustainable golf course management.



The redevelopment at Dundonald Links has been awarded a 'Good Practice Award' by the VIBES Scottish Environment Business Awards 2020 for collaborative working on an environmental sustainability approach. The environmental impact of our development has always been crucial, as we deliver a new clubhouse and luxury accommodation. This award recognises the efficient use of resource and best environmental practice, with a zero waste aim, a commitment to carbon reduction and our protection of the surrounding nature, which is ever important to Dundonald Links.

The awards are a partnership between Scottish Environment Protection agency (SEPA), the Scottish Government, Energy saving trust, Highlands and Islands Enterprise, Scottish Enterprise, Scottish Water, Zero waste Scotland and NatureScot and recognise efficient use of resources and best environmental practice.

Our team of landscape architects worked closely with a specialist wild-flower turf provider to develop and grow a native 'dune' grassland meadow which was laid around the new resort. This instant meadow uses only species which are native to the area, and the seed stock itself has only been purchased from Scottish seed nurseries to ensure the seed resource has Scottish provenance. In total, over 4 hectares of new, 'dune' meadow grassland have been established around the lodge and clubhouse areas. This grassland has been carefully tailored to match the local, coastal grassland species, including those species especially attractive to the locally important Little Blue Butterfly. This 'dune' turf includes seeds only sourced from Scottish seed nurseries.

Energy conservation was an important part of the design and construction of the clubhouse and focused on three main areas:

1. Reduce energy demand

- The design made use of passive design measures including:
- Building form, to allow natural ventilation 'automated opening windows / wind-catchers'
- Building orientation, limit summertime overheating by implementing solar control glass, limit glazing area to the south facing elevations and inclusion of solar shading such as overhangs, whilst maximising natural daylight and ventilation so that exhaustive artificial lighting and comfort cooling systems can be limited.
- Building Fabric and glazing, install elements to the floor, wall and roof to 'as minimum' the maximum permitted under Part L2a 2013 of the Building Regulations. 20% betterment was achieved

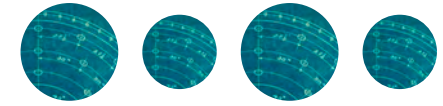
2. Improve energy efficiency (secondary energy technologies)

- Secondary energy technologies include:
- Presence detection lighting installations. Passive Infra-Red (PIR) sensors actuate the lighting in a space when a person enters the room. This ensures that lights are not left on when the room is not in use.
- High frequency dimmable ballast/control gear on lighting installations. High frequency controls use less energy compared with switch start control gear.
- Daylight linking with automatic lighting controls and maximisation of daylight. Light sensors detect daylight levels within a room and actuate the electrical lighting to maintain a level of lux.
- LED lighting. A light-emitting diode (LED) is a semiconductor light source, which provides visible, ultraviolet, and infrared wavelengths, with very high brightness, lamp life and high degrees of efficiency. This reduces electricity consumption
- Effective Solar Shading. Solar shading is used to reduce solar gain and therefore mitigate the use of cooling systems (electricity consumption). This leads to a Reduction in solar gain.
- Heat Recovery in Mechanical Ventilation Systems. High efficiency heat recovery on the air handling units (where practical) will reduce the energy required to heat the incoming outside air in winter and mid-season. This leads to a reduction in gas, electricity consumption through more efficient technology.

3. Implement renewable and low energy technologies (primary energy technologies)

- 'Photovoltaics (PV) and Air Source Heat Pump 'ASHP' were installed.

ESG in Action - Darwin Leisure Development Fund



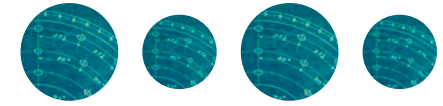
Community Engagement

Darwin Escapes prides itself on being able to support projects and organisations which make a real difference to local communities. By making tangible contributions they are able to ensure they take an active role in the local communities in which Darwin Escapes operates.

As well as providing employment opportunities in local communities, Darwin Escapes also works with local suppliers to source local produce within its restaurants, bars and shops. Different resorts stock everything from local gins, beers and ciders to artisan cheeses, chocolates, biscuits and toiletries. In 2021, Darwin Escapes:

- Continued its social partnership with Chester Zoo. Darwin Escapes has sponsored and supported the delivery and development of the Little Monkey's Coffee Mornings. These coffee mornings for parents and their children under 5, enable safe and highly educational interaction between children, as well as opportunities for parents to get together. Additionally, Darwin Escapes was the sponsor of Chester Zoo's Wildlife Connections Festival 2021 (postponed from 2020 due to Covid restrictions), a project led by the zoo to create safe spaces for the most protected wildlife. Both of these events focus on connecting families with wildlife, which in turn directly reflects Darwin's higher level environmental principles.
- Continued its four year partnership with the Birmingham Hippodrome. In 2021, Darwin Escapes continued to support Birmingham Hippodrome's "Relaxed Performances", including the pantomime Goldilocks and the 3 Bears, Joseph and the Amazing Technicolour Dreamcoat and Mamma Mia. These performances are open to all, but are designed for people with special needs who may find the theatre challenging, supporting them so that they can enjoy the magic of live theatre with their family and friends. This includes people with an Autistic Spectrum Condition, learning disability or sensory and communication disorder. For these special performances, the script may be adapted, bright lights and loud noises reduced, and the Hippodrome provides calm spaces in the main building with beanbags, sensory toys and a space to watch the show on screens outside of the main auditorium.
- Entered into a three year partnership with the Royal Shakespeare Company (RSC). Darwin Escapes sponsored the 2021 production of The Comedy of Errors to support the theatre in its first live production following the pandemic which took place in the specially constructed Lydia & Manfred Gorvy Garden Theatre. This additionally included the support of its Annual Summer School where over the course of one week, 111 participants engaged with a programme of talks, sessions with actors, insights and provocations from theatre makers, academics and reviewers, looking specifically at The Comedy of Errors. Alongside this, there was also a community focused event 'Tuesday Comedy Time' which an estimated 1,976 people attended.
- In 2022, Darwin Escapes is sponsoring the RSC's Henry VI productions, War of the Roses and Rebellion. These productions will see a professional cast work alongside members of the Royal Shakespeare Community including young performers from the RSC's Next Generation Act company and adults from RSC Shakespeare National participation programme. The production will also feature participants from six 'Shakespeare Nation' adult community groups and will be joined on stage by members of the Next Generation Act, a unique talent development programme made up of 25 young people from the RSC's nationwide network of 222 Associate Schools.
- Supported the Derby Book Festival, including sponsorship of the Festival Lunch with Anna Pasternak and the Afternoon Tea with Pen Vogler. The event aimed to bring Derby's residents together in a love of books and inspire a new generation of readers to appreciate the joy that books and reading bring to our lives, whilst also supporting the artistic and cultural life of Derby.
- Engaged with the British Heart Foundation to donate furniture that needs to be replaced when older units are refurbished. The British Heart Foundation will take the donations no matter what the condition and have their own workshops to bring the items to a standard where they can be sold through their charity shops or used within their own projects. During 2020/21 this has raised more than £20,000 for the charity and there are plans to continue this partnership following refurbishment projects by Darwin Escapes in 2022.
- Each Darwin Escapes resort also supports local charitable initiatives and our teams are encouraged to undertake fundraising and charity work for causes that are of importance to them or to the local community.

ESG in Action - Darwin Bereavement Services Fund



Reducing Carbon Emissions at Crematorium

Approximately 115,150 tonnes of carbon are released each year through cremations in the UK. Memoria has spearheaded the drive to reduce these carbon emissions by installing the UK's first electric cremator at its North Oxfordshire Crematorium and Memorial Park. Going forward, all new Memoria cremators (both in any new crematoria projects and for any replacements) will be electric, or a more sustainable alternative if it is developed.

Electric cremators have been designed to reduce the environmental impact of cremations on the environment and produce 90% less carbon emissions than the standard gas cremator. A single gas cremation has roughly the same domestic energy demands that one person would consume in a month, producing 245kg of CO₂. This is equivalent to a 1,276 mile journey for a typical car but an electric cremation can reduce this to just 24.5kg of CO₂, or 127.6 miles.

The acreage of tree seedlings required to offset annual cremation emissions would be reduced by 135,000 acres if all cremators were switched to electric.

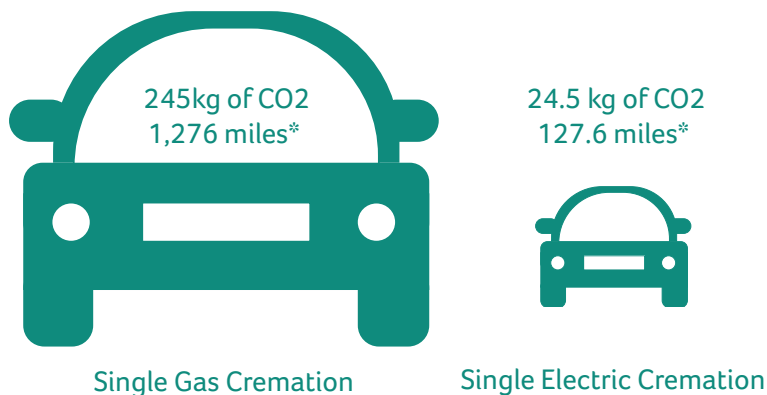
75% of those in favour of electric cremation would travel further to a crematorium with an electric cremator as opposed to a crematorium with a gas cremator*. The data averages used

in this analysis to quantify emissions are consistent with emission data viewed from both gas cremators and electric cremators in the UK and in Europe.

The introduction of electric cremators at Memoria sites will lead not only to a reduction in Scope 1 emissions, but also as the UK national grid supply becomes greener in the future, Scope 2 emissions will also decrease.

CDS Group were instrumental in the introduction of the UK's first electric cremator, which is owned and operated by Memoria. CDS Group are also advising a number of local authorities on the design and installation of other forthcoming electric cremators as well as the second and third Memoria electric crematorium which are currently under construction.

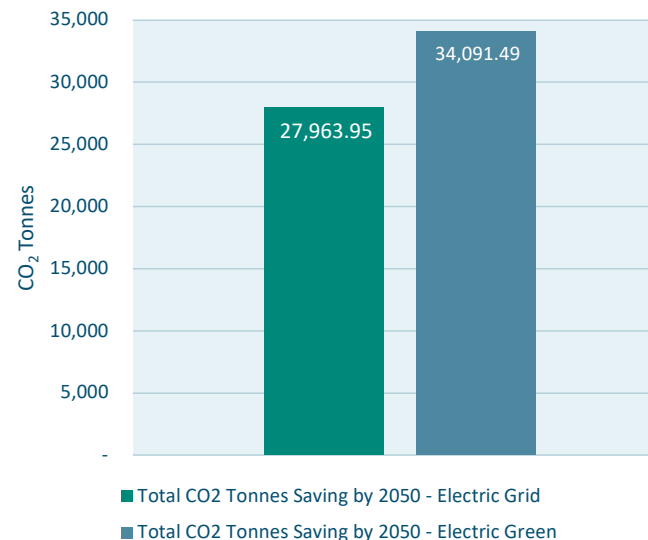
In line with Darwin's commitment to becoming carbon neutral by 2050, all new cremators in the portfolio will be fitted with electric cremators (or the most environmentally sound alternative), and a timeframe has been put in place to replace all existing cremators with electric after approximately 15 years of service. We anticipate completing this roll out in the existing portfolio by 2034 which would save around 28,000 tonnes of carbon emissions by 2050, equivalent to approximately 69.4 million miles driven by a family car.



* Equivalent Private Vehicle Mileage. Source: CDS Group

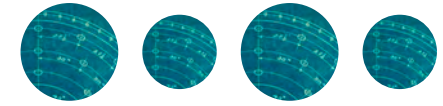
¹ Source: CDS Group 'Green Agenda' report, 2020

Estimated Total CO₂ Saving by 2050 of Installing Electric Cremators at all Memoria Sites



Source: Darwin Alternatives, CDS Group. As at June 2022. Data based on estimated daily volume of cremations at each Memoria site. Estimated Total CO₂ Saving based on estimated date for replacing existing gas cremator with electric cremator, after 15 years of service, and duration thereafter to 2050. Carbon equivalency calculated using United States Environmental Protection Agency Carbon Equivalency Calculator.

ESG in Action - Darwin Bereavement Services Fund



Protecting the Natural Environment at Cemeteries

GreenAcres' designs for cemeteries aim to minimise energy consumption by driving down energy demand through passive building design and operation techniques. Each of the six cemeteries and woodland memorial parks offers beautifully designed ceremonial buildings or woodland halls which provide a setting for funeral, cremation or memorial services. Most buildings are constructed using a modular timber construction, the buildings are designed to complement the environment and natural woodland setting and are constructed using renewable timbers from managed woodlands.

We respect and nurture the woodland and landscape settings of our parks and employ strategies that actively encourage their continuous environmental improvement and the enhancement of their natural biodiversity. Schemes such as beehive introduction at Chiltern enable pollination in plant life on park to thrive, and continue growth in biodiversity.



We respect and nurture the woodland and landscape settings of our parks and employ strategies that actively encourage their continuous environmental improvement and the enhancement of their natural

biodiversity.

All new trees planted are of UK provenance (preferably from on-site regeneration) and produced using peat-free growing methods wherever possible.



Food waste and dead flowers are composted on site. Compost bins have been built by staff using waste wood from the building process.

Staff and visitors are encouraged to recycle wherever paths for improved access within the woodland. The wood-chip used is produced on site from trees coppiced as part of the woodland management programme. As well as this, the use of single use plastic has been banned on site, with the aim of only using long term naturally recyclable materials going forward.



Our electricity is supplied from a renewable energy company.

At our Chiltern and Epping Forest sites, wood-chip burners heat buildings and water and run on wood from our own woodland. Lower grade chip is used to make wood-chip paths for improved access within the woodland. The wood-chip used is produced on site from trees coppiced as part of the woodland management programme.

Outdoor lighting is programmed to only come on when needed, computers are turned off at night and motion sensors operate lights in the buildings.



The active management of our woodland incorporates the integral nature of biodiversity and landscapes. Our current woodland management programme, which includes tree

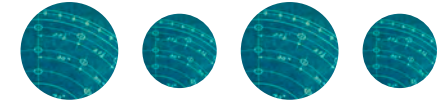
thinning, will work to reduce the mono culture in some areas of our woodlands whilst providing a natural hedgerow to support and grow a new habitat for species. Some of the trees felled will be left to provide further habitat.



Sustainable building materials are used during construction. Natural materials with low embedded energy, locally sourced materials and non-toxic materials are used wherever possible.

The timber frame buildings use only FSC approved wood where possible. All waste timber is retained and reused on-site, e.g. for compost bins or benches.

ESG in Action - Darwin Bereavement Services Fund



CDS Group is the UK's leading consultancy specialising in Cemetery and Crematorium Development, Open Space Design and Environmental Solutions.

CDS is fully committed to environmental best practice and is striving to reduce the carbon footprint of all the development projects on which it advises, aiming to deliver carbon neutral developments where possible. From cemeteries and crematoria, to parks and recreational spaces, CDS aims to maximise sustainability and, wherever possible, achieve a net gain to biodiversity. All CDS design projects go above and beyond the requirements of Local and National Planning Policies for environmental sustainability and carbon neutrality.



Plastic Roads

Plastic roads have been growing in popularity in recent years with many Local Authorities adopting the system on their framework agreements. These replace a significant proportion of the bitumen (a derivative from crude oil) in tarmac with pellets made from recycled plastics. The final product has even proven to be more durable and flexible than traditional bitumen bound roads. Incorporating plastic roads into developments helps to cut down carbon emissions, fossil fuel usage and reduces the volume of waste plastic in the environment. One tonne of plastic road contains the equivalent of 80,000 plastic bottles.



Low Carbon Cement

The environmental impact of cement in traditional concrete is significant, as it is the world's third highest source of man-made CO₂. New modern materials such as Cemfree concrete significantly reduce the embodied CO₂ compared to a conventional mix by 88%. By utilising innovative new products, the carbon footprint associated with traditional concrete can be significantly reduced.



Electric Cremators

CDS Group are working closely with Local Authorities to introduce electric cremators across the UK and their first two Local Authority projects are now in operation. Electric cremators have been designed to reduce the environmental impact of cremations on the environment and provide a green alternative to traditional gas cremators.

CDS Group is currently working with a number of local authorities on new crematoria developments, and advises that only electric cremators are utilised.



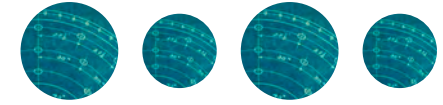
Sustainable Drainage Systems

SuDS designs are a required on all sites which are to be developed. The concept behind the design of SuDS systems is to reduce surface water flooding, improve water quality and enhance the amenity and biodiversity value of the development. This is achieved by mimicking natural drainage regimes which exist in the environment and can also lead to the development of a range of ecological environments which can improve and enhance biodiversity whilst providing an opportunity to design a landscaping feature on the site.

The team at CDS Group are at the forefront of driving environmental change within the bereavement services sector. They have been instrumental in bringing electric cremators to the UK but are also working to improve understanding about the damaging effects that practices such as embalming and the use of products such as black granite can have on the environment.

Techniques and strategies that they utilise to minimise carbon emissions include:

ESG in Action - Darwin Bereavement Services Fund



Community Engagement

The portfolios of Memoria, GreenAcres and CDS Group work closely with local authorities and other operators in the bereavement services sector to ensure bereavement services are conducted to the highest standard. They also undertake a range of charitable and community work, including:

GreenAcres

Locations across the GreenAcres portfolio have hosted events in conjunction with a range of national and local charities in order to raise funds. These are usually themed events which are held on particular days which relate to the specific charities involved. Events have been held on Mothers Day, Fathers Day, Easter and Christmas. As well as this, the sites also host national Macmillan coffee mornings, in order to support bereaved families. GreenAcres supports charities, like Marie Curie and Ovarian Cancer Action, to help raise funds for and awareness of all the challenges that life-limiting and terminal illness presents.

Kemnal Park has continued its partnership with the local Elenore Hospice, who aid in care for terminally ill children and adults in the Bexley, North Kent and West Kent area.

During the COVID-19 pandemic, the sites donated PPE to local care homes, to ensure the protection of NHS staff and key workers, as well as those being cared for, were protected.

GreenAcres is a member of the Institute of Cemetery and Crematorium Management (ICCM), Society of Allied Independent Funeral Directors (SAIF), National Association of Funeral Directors (NAFD) and Federation of Burial and Cremation Authorities (FBCA), and as such is independently assessed by national organisations that monitor the industry standards.

Local Resilience Forum

Rainford, a GreenAcres site in St Helens, remains a key member of the Local Resilience Forum. 'Local Resilience Forums' (LRFs) are multi-agency partnerships made up of representatives from local public services, including the emergency services, local authorities, the NHS, the Environment Agency and others. The LRFs aim to plan and prepare for localised incidents and catastrophic emergencies. They work to identify potential risks and produce emergency plans to either prevent or mitigate the impact of any incident on their local communities.

Children's Funerals

As part of the Governments Children's Funeral Fund, GreenAcres sites waive the costs of child funerals to families. GreenAcres will extend its offering on free burials for babies at all

its sites to include free single-depth graves up to the age of 18. The company will waive the interment fee and any grave digging costs for both ashes and burials where applicable. It has also set-up a Child Funeral Benevolent Fund, which will go towards third-party suppliers or other associated funeral costs for families suffering financial hardship. The Children's Funeral Fund is available to all families, regardless of income and is not means tested. Burial and Cremation authorities and funeral directors will claim the fees directly from the central fund.

Eternal Gardens

As generations of Muslims have become permanent residents of the UK, additional services have been required to support the bereavement needs of the community. Traditionally there has been a minimal focus on Islamic burial requirements, largely due to the lack of understanding within local councils and insufficient council provision.

Eternal Gardens was established by GreenAcres in 2013 in response to a deterioration in Islamic burial standards caused largely by the increasing shortage of burial spaces across London. The community had to resort to reused graves, coffin burials and not facing the deceased to the Qiblah. Whilst all of these can be permitted due to need, the Muslim community was not being well served, so GreenAcres set about aiming to develop facilities which would fulfil the Sunnah rights of the Islamic community when they pass away.

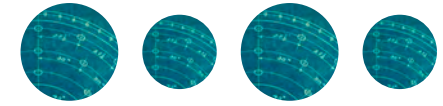
Eternal Gardens developed a model which would consider the long-term burial space limitations, the desire of the community in a Sunnah burial as well as affordability. Since then Eternal Gardens is able to provide one of the most affordable services across South London, with one of the highest levels of maintenance whilst also catering for the Islamic requirements as much as possible through the guidance of a dedicated board of Scholars.

Eternal Gardens seeks to serve the Muslim community for burials through a dignified, respectful, and supportive experience, fulfilling Sunnah requirements and ensuring the family are given priority and care at all times.

As we progressed over the years, the Eternal Gardens team has realised there where a whole host of additional services that the Muslim community required other than a funeral service. To ensure they support the community adequately, Eternal Gardens has partnered with experts from key fields of services that the Muslim community require and has developed an integrated system to ensure they only have to deal with one point of contact:



ESG in Action - Darwin Bereavement Services Fund



- **Coping with Bereavement**

Eternal Gardens runs a dedicated counselling service which runs out of the Tooting Community Support Centre which provides free bereavement support. Islamic counsellors help the bereaved talk through and explore their feelings. They will provide an Islamic perspective on death and how to cope with loss and can also arrange for sessions online for those who don't live locally.

- **Vulnerable Funeral Support**

With the rising costs of funerals due to severe land shortages, an increasing number of cases are arising in which individuals do not have sufficient funds to secure a burial. As the majority of people in Britain are cremated, burial issues have largely become an issue for minority communities such as the Islamic community.

Most often the ones who suffer are those in exceptional circumstances who have no close relatives or friends. With the rising number of cases, Eternal Gardens has joined hands with Eden Care, mosques and other benefactors and has provided a dedicated burial area for these cases. Eden Care is a charitable organisation which is funded by donations from local Islamic communities, with the aim of funding Islamic burials for those who would be unable to pay for burial services.

- **Islamic Wills, Inheritance and other Legal Support**

The Muslim community also faces issues relating to death duties. Large inheritance tax bills are often faced by families due to no Legal Islamic Will being present upon the death of a person. The Eternal Gardens team works closely with a firm of solicitors to help customers develop an integrated Later Life Plan, which includes a pre-planned funeral, Islamic and legal will and other legal services such as estate planning.

- **Education**

Without sufficient knowledge, it is difficult for members of the Muslim community to feel at ease when someone has passed away. Understanding what needs to be done and what needs to be avoided can give individuals and families the peace of mind they require as well as the confidence to organise funeral rites appropriately. Eternal Gardens offers courses that focus on theory, practice and spiritual elements of funeral related issues.

Memoria

Each of the Memoria sites offers bereavement support to their local communities through open-days. These themed days are held in conjunction with partners such as Macmillan Cancer Support and Marie Curie to assist bereaved families and friends. Memoria Group also makes use of social media in order to offer a support network and to facilitate families meeting at Memoria sites as part of a post-burial support network. The community importance of these 12 Facebook groups and 4 community groups became more prominent during the Covid-19 pandemic, as restrictions on funeral services were in place.



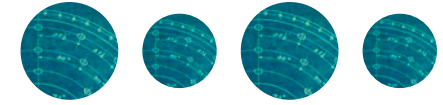
Memoria also hosts 'Light a Candle' events at Christmas which are held in conjunction with Macmillan Cancer Support. The Memoria team, along with local celebrants and community representatives host services which feature poems and Christmas carols and include a special five-minute reflective display where the Christmas lighting is lowered and the names and photographs of loved ones are displayed, whilst a candle is lit in their memory. These services offer a special moment where the bereaved can all pause, remember, and reflect. Afterwards, participants can come together over festive food and drinks to draw on the memories of those they have lost. The services are live-streamed for those unable to attend in person. The 'Light a Candle' events and close partnership with Macmillan Cancer Support not only raises awareness for the work of Macmillan but also benefits them financially, with £190,000 raised in 2021.

Memoria offers more widespread community support by producing innumerable community videos, supporting local charities and hospices, community radio stations, community networking groups, and local suppliers. More recently, an innovative six-part podcast was produced where industry professionals cover topics such as dealing with unexpected loss, funeral diversity and the profound impact of losing a much-loved family member or close friend. The Memoria podcast series 'The Loss of a Loved One' can be found on the major streaming services.

The company is also driving down the costs for families by creating a very clear accessible cremation service model that shows every option for every client, affordable high-quality funerals in an unrushed and lovingly cared for environment.

The team at Memoria work closely with a number of different faith groups as religiously diverse communities have many different requirements in order to adhere to their beliefs.

ESG in Action - Darwin Bereavement Services Fund



Sikh and Hindu families, for example, are required to witness the charge when cremating bodies and the Memoria South Leicestershire Memorial Park & Crematorium was the first to be designed and built in the UK to specifically cater for this. A Hindu shrine to Lord Shiva is also being installed there, which will be unveiled in May 2022 and special services and events such as Shradddha, which is a Hindu day of prayers for ancestors are held at the site in order to build links with the local community.

Memoria has linked with the Royal British Legion, the UK's largest military bereavement support charity to offer services which are sympathetic to ex-military personnel, a service which then directly contributes back to the associated charities supporting them and their families.

Customer Service

Many businesses claim to be customer-centric, but very few operate in such a sensitive environment as Memoria. The Memoria team utilise reviews as the standard method of customer satisfaction recording for two key reasons:

- Every piece of customer feedback (good or bad) goes directly into the system – we cannot interfere with that process in any way
- Only reviews that are proven to be about a fictitious service are ever removed.

Every single customer report that does not carry a 5-star rating is immediately passed to the Community Engagement Director for formal action. The same process is applied to any non-perfect reviews from customers from any other source. The team do not rest until they have done everything in their power to deliver total satisfaction to all clients that use Memoria facilities.

At the outset of the Covid-19 crisis Memoria were among the first to become fully COVID compliant, with sanitising stations, socially distanced seating, clear signage, and segregation management, in place the day after the government announcements. It has meticulously managed the requirement of streaming for absent family and friends and has been lauded for the quality of this provision – providing these services at cost-price for the duration of service restrictions.

Inclusivity

Memoria has teamed up with one of the UK's most advanced media distributors to offer a comprehensive high-definition sound and pictorials broadcast system, that also allows families to take control of a 5g streaming option and offer their friends and families the opportunity to watch the service live from anywhere in the world at the click of a link. The system also

provides them with a permanent moving record of their loved one's service. Every Memoria location allows clients to choose the colour of mood lighting that suits. We have even installed the option of having a high-resolution image projected above the catafalque.

Affordable Funerals

Affordable Funerals was established by Memoria to offer a selection of direct low cost cremation options throughout England & Wales. They offer three quality low cost cremation options – all at affordable prices and all delivered to the highest standard by Directors with expertise that has been gained by over 87 years of funeral and cremation service experience.

Affordable Funerals provide cremations and funeral plans in conjunction with the Memoria crematoria. As these facilities are part of the same business, they are able to guarantee the quality of the service and eliminate many of the costs associated with a traditional funeral. This makes Affordable Funerals one of the most cost-effective providers of funerals and cremations in England, Scotland and Wales. Their funeral packages can save customers as much as £3,372 (Source: Sun Life Cost Of Dying Report 2018) on the cost of an average funeral in the UK.

Affordable Funerals has a mission to provide exceptional standards of service and facility to the bereaved families that use its crematoria and gardens of remembrance. This is because it is not only commercially sensible to do so but also because it is an essential act of human decency towards people who have just lost a much-loved member of their family or friend.

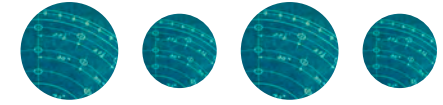
As attendance isn't included, customers do not need a crematorium nearby as the service is therefore available to all. The Affordable Funerals service includes the collection of the loved one and they carry out the cremation at one of the Memoria crematoria, with the cremated remains available to collect or they can be sent anywhere in the UK via their own private courier.

Unlike many other providers, Affordable Funerals do not have tiered rates or mileage charges and wherever you live, the basic cost is fixed at £950. There are no hidden charges and the published prices are guaranteed however, extras can be added if desired.

Financial Regulation

The funeral plan market has recently become regulated by the Financial Conduct Authority and Affordable Funerals (through its corporate entity Low Cost Funerals Limited) has been selected as an approved operator so is now authorised and regulated by the FCA for the sale of funeral plans.

ESG in Action - Darwin Bereavement Services Fund



Twenty-six firms have been approved by the FCA, covering more than 87 per cent of an estimated 1.85 million plans sold. However, 23 either did not apply for authorisation or failed to meet the requirements for regulation.

We see the introduction of FCA authorisation as a positive move for the industry, as it should lead to the end of some unscrupulous businesses who have tarnished the market and provide customers with more confidence that they are buying a sound financial product.

Because Affordable Funerals is an integrated provider, offering both funeral plans, funeral arrangement and ultimately funerals and cremations, which will be fulfilled by businesses within the Darwin group, we are able to guarantee that the plan will cover the cost of the funeral when it is required, something that most other providers cannot do.

RNS Publications

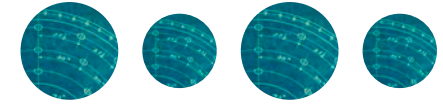
RNS Publications produces detailed booklets that give an essential step by step guide to bereaved relatives in terms of the necessary practical and legal arrangements following a death. An average of 2,000 booklets are sent each year to 192 hospitals and 85 hospices.

RPS works closely with each hospital or hospice create a comprehensive and informative booklet which is bespoke to each of them. The service can be provided free of charge through the sensitive inclusion of local services for the bereaved.

RNS also offer In-Patient bedside folders which ensure that patients, carers and visitors all have comprehensive information to their sides both during their stay in the Hospital and when preparing to be discharged.

Principle 9

Engagement



As an alternative fund manager with a portfolio of real assets, DAIMGL does not participate in mainstream financial markets and therefore does not engage with issuers. We do, however focus on improving the value of the assets that we own in order to generate dividends and capital growth for our underlying investors.

It is important to us that we deploy our clients' capital judiciously and we have high expectations of all of our suppliers. If we became aware of allegations any of our suppliers were profiteering or participating in irregular activities we would thoroughly investigate and challenge their management.

Darwin Leisure Development Fund

We apply a structured process to the acquisition, development and management of each of our parks in order to maximise their returns for the overall portfolio:

Targeted acquisition of parks

We have a formal acquisition process, overseen by an Investment Committee, which evaluates potential purchases based on location, park attributes and opportunities for growth and development. The search for new parks is focused on those that can be easily incorporated into the portfolio and be earnings positive from the outset.

Capital investment to improve facilities

We believe that by offering best-in-class facilities we can maximise the income revenues for the parks. Where necessary, we will improve and develop the infrastructure and leisure facilities to ensure that a park is offering the best possible amenities, which we believe will lead to an increase in rental and sales revenues, as well as income from food, beverage and leisure operations.

Improved management of parks

Our acquisition process identifies parks which have not been managed to their full potential. In order to maximise revenues, we will utilise our specialist, experienced management team to improve their commerciality and incorporate the parks into the rest of the group to create economies of scale.

The investor and customer virtuous circles

Our philosophy is simple – to create parks which are best in their class and drive strong, stable income returns and capital appreciation. This can only be achieved by creating parks that continually attract customers and provide them with outstanding holiday experiences.

All of the holiday parks within the portfolio have benefited from either a total transformation from touring park to 5* lodge retreat or have been enhanced to ensure that they meet with the standards and expectations associated with the Darwin Escapes brand under which they operate. A number of these have been in National Parks and Areas of Outstanding Natural Beauty and many have had very serious environmental constraints.

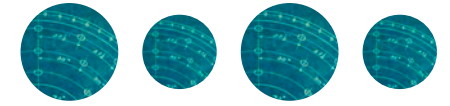
We have heavily embraced green technology in all of these developments in order to minimise our impact on the environment. Everything from Solar Roof Panels and self-insulating Grass Roofs to Wastewater & Sludge Treatment systems and electric car charging points have been incorporated where appropriate.

Darwin has been the largest buyer of lodges in the UK for the last 8 years, with manufacturers designing and building lodges to our specifications. We utilise our experience to ensure lodges are robust enough for rental occupancy and can meet our service standards.

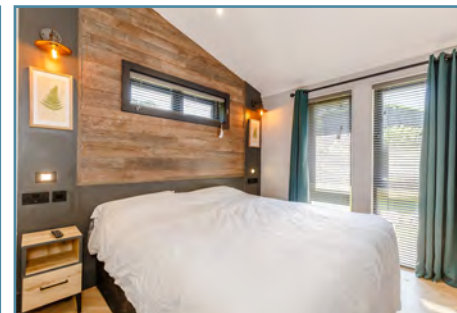
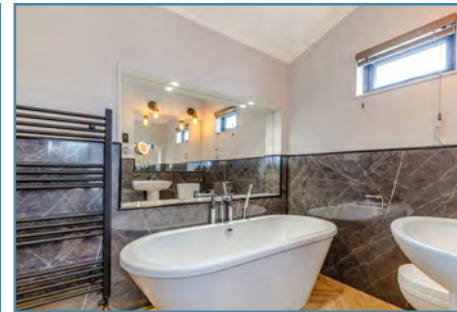
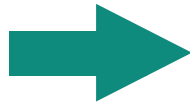
Lodges offer premium self-catering accommodation which, combined with our service standards, offer guests an experience to rival a five-star hotel in a more spacious setting with more amenities, at an affordable price.

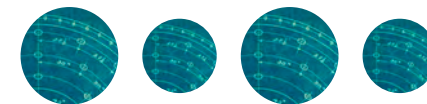
Darwin Escapes has become a market leader, attracting a new type of customer who may not traditionally have visited a holiday park but who are following the increasing trend of taking short staycation breaks in the UK. Darwin Escapes parks has won a host of industry accolades and awards and feedback from guests is consistently above average within the industry.





Transformation of a portfolio asset: Rivendale Lodge Retreat





Darwin Bereavement Services Fund



A programme of upgrade work is being carried out across the GreenAcres cemetery and memorial park portfolio to ensure that the sites are offering the highest possible level of service to customers. Parks are being expanded to create more options for burial and created remains that best suit the needs of a variety of faith groups and at a number of the sites we have expanded the gathering space facilities, where mourners meet ahead of a ceremony, to help services run more efficiently.

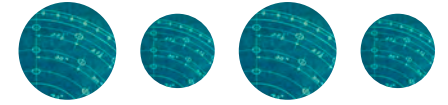
Bringing together a variety of businesses within the portfolio, which includes crematoria, cemeteries and memorial parks, a cemetery development and environmental consulting business and a direct cremation business, has helped to create synergies.

CDS Group is able to engage with and offer acquisition and development advice to both GreenAcres and Memoria, and both rely heavily on CDS Group to advise them on ways to follow environmental best practice. GreenAcres and Memoria are also able to work closely with Affordable Funerals to help them deliver their service.

CDS Group are at the forefront of driving environmental change within the bereavement sector and the close relationship between the businesses helps CDS to understand some of the commercial realities and difficulties that implementing their proposals can entail. Whilst CDS are leading the introduction of electric cremators in the UK, it is not, for example, feasible for the Fund to convert all of the gas cremators in the Memoria portfolio to electric in the immediate short-term. This is not only because the financial cost of doing so would be detrimental to the Fund and its investors, but because on a practical level there is a constraint in the supply of these cremators. The long-term ambition for the portfolio is to move to electric cremators, or whatever the most environmentally friendly version is, and we expect to replace all of the cremators in the portfolio after 15 years of use. New crematoria which will feature electric cremators are currently under construction at new sites in Doncaster and Kent. In the meantime, Memoria is working with CDS to improve the environmental efficiency of its existing gas cremators.

Principles 11 and 12

Escalation and Exercising Rights and Responsibilities



As an investor in real assets, none of the investments held by the Darwin Leisure Development Fund carry voting rights. Escalation of stewardship activities to influence issuers will therefore not be necessary beyond the asset management activities we have outlined under Principles 7 and 9.



For further information please contact:

T: +44 (0)20 7408 1060 email@darwinalternatives.com

Darwin Alternative Investment Management Limited, Empire House, 175 Piccadilly, London, W1J 9EN

Disclaimer: The purpose of this document is to provide summary information and does not constitute a recommendation to buy or sell units in any investment fund. Any decision to buy and sell shares should be made after seeking appropriate professional advice and on the basis of that Fund's Prospectus, available from the Administrator to investors in certain jurisdictions where the fund has been authorised. Funds can only be marketed to Eligible Investors as defined in their Prospectus. The Fund mentioned in this document is not marketed or sold in any jurisdiction that is not legally permitted. Investments in property carry specific risks and may not guarantee a return, and the value and the income on them may go up or down, so that you may not realise the amount originally invested. Changes in exchange rates between currencies may cause the value of investments to go up or down. Persons in receipt of the information contained herein are required to inform themselves about, and observe such restrictions. Past performance of this or any other Darwin fund is not necessarily a guide to future performance, nor can the performance of this fund be linked to performance of another Darwin fund. The value of investments and the income from them can fluctuate and is not guaranteed. The views expressed are as at September 2022 and are subject to change. This document does not constitute investment or any advice.

This document is produced on behalf of Darwin Alternative Investment Management (Guernsey) Limited by Darwin Alternative Investment Management Limited who are authorised and regulated by the Financial Conduct Authority.

© Darwin Alternative Investment Management Limited.