

Darwin Alternative Investment Management
(Guernsey) Limited

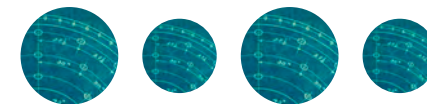


Stewardship Report 2023

Responsible Investing

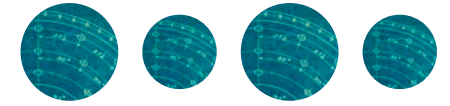


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Introduction



Darwin Alternative Investment Management (Guernsey) Limited (DAIMGL) is a fund manager based in Guernsey with approximately £440m of assets under management (as at 30 September 2023). 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.

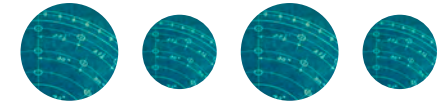
DAIMGL was proud to become a signatory of the UK Stewardship Code earlier in 2023 and our 2023 Stewardship Code report outlines how Darwin continues to be committed to the UK Stewardship Code 2020 Principles.

Whilst the nature of our investments, which are in real assets in private markets, means that 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 environment 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:

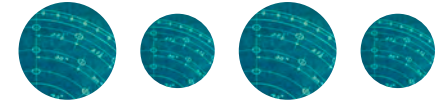
- A high degree of fragmentation and the opportunity for consolidation.
- A lack of 'professional' management (mostly family ownership).
- A lack of access to capital (opportunity to transform the business).

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.

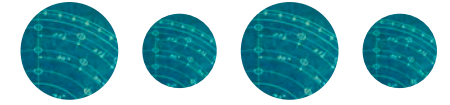
Social Aims

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, eight of which are open and operated under the 'Darwin Escapes' brand and three 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.



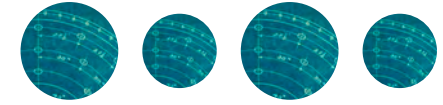
Darwin Bereavement Services Fund

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 owns and operates a portfolio of six cemetery and woodland ceremonial parks in the UK, operated under the GreenAcres brand. It also owns Memoria, the UK's third largest developer and operator of high-quality crematoria which operates 14 crematoria around the UK, 12 of which are owned by the Fund.

In addition to these assets, the Fund also owns CDS Group, a bereavement services consulting business; Affordable Funerals, one of the country's largest suppliers of online cremations and a major supplier of pre-arranged funeral plan products; RNS Publications, the leading supplier of Bereavement Information Books and Hospital Guides to hospitals and hospices throughout the UK; and Addfield, a manufacturer of cremators and waste incineration systems.



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.

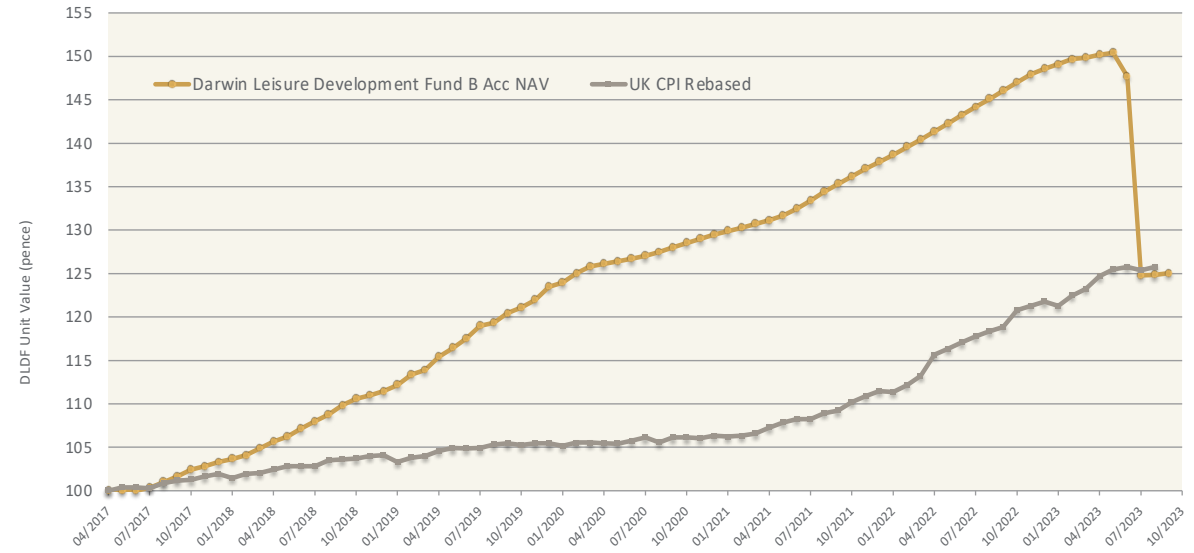
The Fund invests in UK holiday parks and there is a focus on acquiring sites with potential for redevelopment. Capital investment is then deployed to improve facilities, redeveloping sites on a full or partial basis. The Fund is geared by up to 20% to fund these redevelopments. In conjunction with this,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

Whilst recent performance has been negatively impacted by a change in the Weighted Average Cost of Capital for the Fund, following a sustained upwards movement in the Risk Free Rate, the Fund's longer-term 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

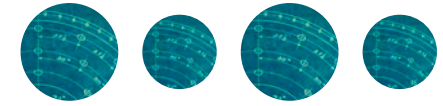


Fund NAV	NAV Price	Cumulative Performance %						Annual Return %	Total Return %		Annualised Return % per annum	
September 2023	Current Month	1 Month	3 Month	6 Month	12 Month	YTD Return	2022	3 Year	5 Year	3 Year	5 Year	
£210.8m	1.2502	+0.16	-15.35	-16.57	-14.39	-15.85	+7.77	-2.33	+13.82	-0.78	+2.62	

B Accumulation GBP
Launch date: 01/04/2017

Source: Darwin Alternatives. As at: 30 September 2023. 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. UK CPI data not yet available for Sept 2023.

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. The Fund currently owns the following businesses:

GreenAcres

A portfolio of six high-quality and differentiated cemetery and ceremonial parks in the UK, operated under the GreenAcres brand, which was acquired in November 2018.

- The parks total over 270 acres in size and offer c.83,000 burial plots and each site provides full burial, cremated remains and cremation services, with lease options for customers that range from 10 to 125 years.
- They offer a multi-faith approach including Eternal Gardens specifically designed, built and operated for the Muslim community.

Memoria

DBSF acquired both parts of the Memoria Group - Memoria Ltd. and Affordable Funerals (previously Low Cost Funerals Ltd.) in May 2021.

- Memoria is the UK's third largest developer and operator of private crematoria and memorial parks widely recognised as an industry leader and innovator - the first installation of an electric cremator in the UK. Through its Affordable Funerals business, it is also one of the country's largest supplier of online, fulfilled direct cremation and attended funeral fixed price packages.
- Memoria's portfolio of 14 high-quality sites across England and Wales has been built with a single vision to deliver the best possible standards of service and facility to look after bereaved families.

CDS Group

In February 2020, the Fund acquired the CDS Group, a leading bereavement services consulting business in the UK.

- Over 100 local authority clients and the principal private sector operators.
- Undertake feasibility, planning and design of new crematoria and cemeteries, including extensions.

- Lead player in the Environmental Stewardship Group which seeks to lead the bereavement sector to sustainability
- Other environmental improvements focus on alternatives to coffin materials, embalming and imported black granite.

Turnside Marketing Ltd

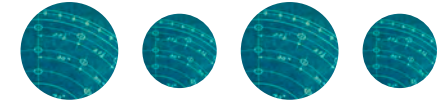
A business that trades under the name of RNS Publications, was acquired in December 2021.

- RNS is the leading supplier of Bereavement Information Books and Hospital Guides to hospitals and hospices throughout the UK.
- Income is derived from the sale of advertising within its publications, predominantly from funeral directors, but also from other ethical organisations within the bereavement services sector.
- RNS has strong links to a network of over 2,500 funeral directors which will be of value to the other businesses within the portfolio.

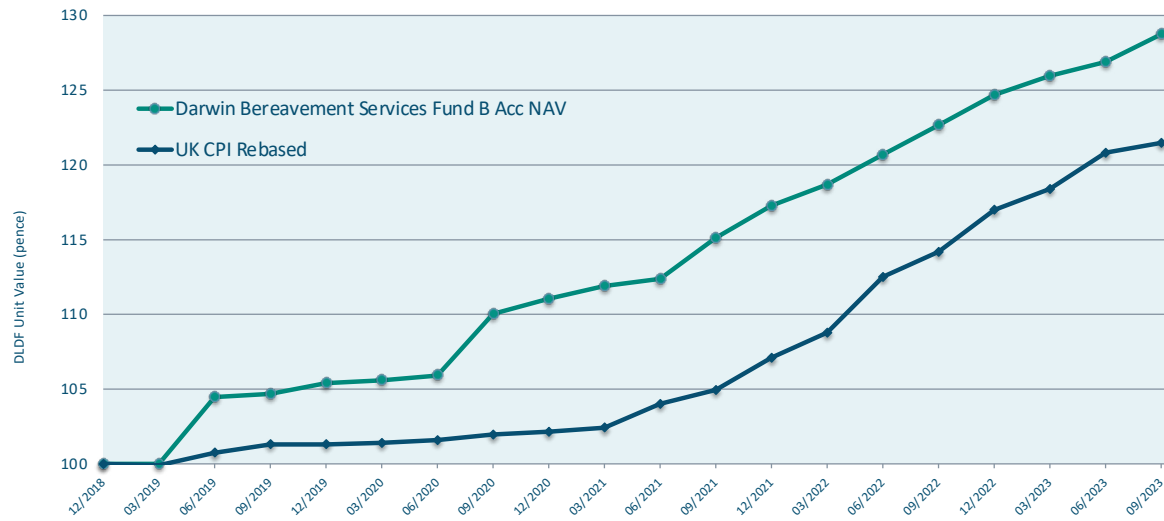
Addfield

Addfield Environmental Systems Ltd and Addfield Projects Ltd. were acquired in February 2023.

- Strong proven global reputation of designing, manufacturing and installing waste incineration systems to over 142 countries.
- Has recently begun to explore how it can evolve its existing technology to develop electric cremators for use with human remains. Electric cremators produce significantly less carbon emissions than standard gas cremators.
- Addfield cremators will be manufactured in Staffordshire, capable of replacing gas cremators on existing sites, and produced at scale over time.



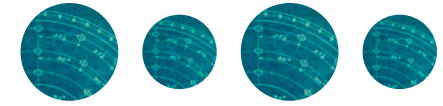
Performance History- Darwin Bereavement Services Fund



Fund NAV	NAV Price	Cumulative Performance %				Annual Return %	Total Return %		Annualised Return % per annum		
Sept 2023	Unit Class	Current Month	3 Month	6 Month	12 Month	YTD Return	2022	3 Year	5 Year	3 Year	5 Year
£229.5m	B Accumulation GBP Launch date: 1/12/2018	1.2874	+1.45	+2.21	+4.96	+3.26	+6.31	+17.00	#N/A	+5.37	#N/A

Source: Darwin Alternatives. As at: 30 September 2023. 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. UK 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

Seven 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 240 members of staff on a permanent basis at sites owned by DLDF and has created over 150 jobs at redeveloped sites across the DLDF portfolio.

Inclusivity and Diversity

Both Darwin Alternatives and Darwin Escapes are equal opportunities employers. The Board of DPIMGL review inclusivity data annually and work with the businesses to ensure that their recruitment processes are sufficiently diversified and inclusive. The Median Gender Pay Gap at Darwin Escapes, which operates the Fund's holiday parks, has fallen from 2.9% in 2021/2022 to 2.0% in 2022/23, which is significantly below the national average of 14.9%. 48% of the Darwin Escapes team are female whilst 43% of the Darwin Alternatives team are female.

Darwin Alternatives encourages a diverse workforce by offering work from home opportunities, part time employment and generous maternity and paternity leave. All team members have the flexibility to work remotely when required and our systems are set up to help facilitate this.

Darwin Escapes offers a range of training and development programs and a wide range of employee benefits, including Employee discounts, Gym membership and wellness programs, Cycle to work, Referral bonuses, Discounted meals and an Employee Assistance Scheme.

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.

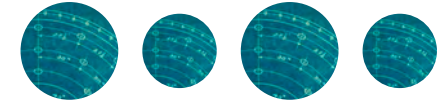
Darwin Escapes offers a range of apprenticeship schemes across its business. These range from Level 2, which is the equivalent educational level to GCSE's to Level 4, which is the equivalent educational level of a Foundation degree. Take-up of apprenticeships has reduced in the past year, but the group does have one apprentice training to be a chef.

Career Development

Darwin Escapes aims 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. Darwin Escapes is continuing to utilise a hybrid employment model which involves up-skilling staff in a variety of different areas of the business, in order to be able to utilise their different skill-sets during a full working day. The benefits for staff of this include an increase in their skill-set and a better understanding of the operations across various aspects of the business, which can help to make them better qualified to be promoted to more senior roles.

Darwin Escapes has 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

DBSF employs 331* people across its businesses, with 149 jobs created across all of the businesses since they were acquired by the Fund.

A successful Human Capital Development strategy has enabled the portfolios to retain staff and promote internally with the average length of service for all staff 3.79 years*.

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. 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.

**As at 30 June 2023.*

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. The business operates a multi-tasking, inter-changeable business model 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.

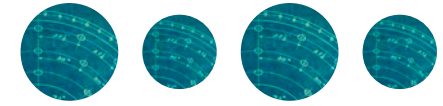
Memoria is a member of the Institute of Crematorium and Cemetery Management and Federation of Burial and Cremation authority and conform with every aspect of its charter.

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.

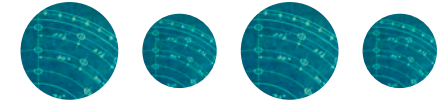
DAIMGL is a privately-owned limited company. There are five board members, three of whom are experienced Guernsey resident non-executive directors: Ian Burns, Martin Tolcher and Robin Smith. All directors are registered with the GFSC. The Board meets at least on a quarterly basis and a Chairman is appointed 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 Adviser 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 Adviser

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 Adviser 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 advisers 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'. Darwin Escapes has a team of approximately 740 people in permanent full and part-time roles, 240 of whom are employed at businesses owned by DLDF.

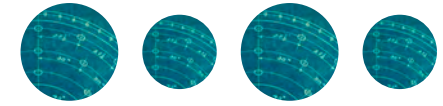
The Executive Team at DCM are accountable to the directors of Darwin Alternatives. A Portfolio Team of Heads of Departments for areas such as HR, Finance and Sales & Marketing reports to the Executive Team, as do the Regional Park Managers and Park Managers.

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.

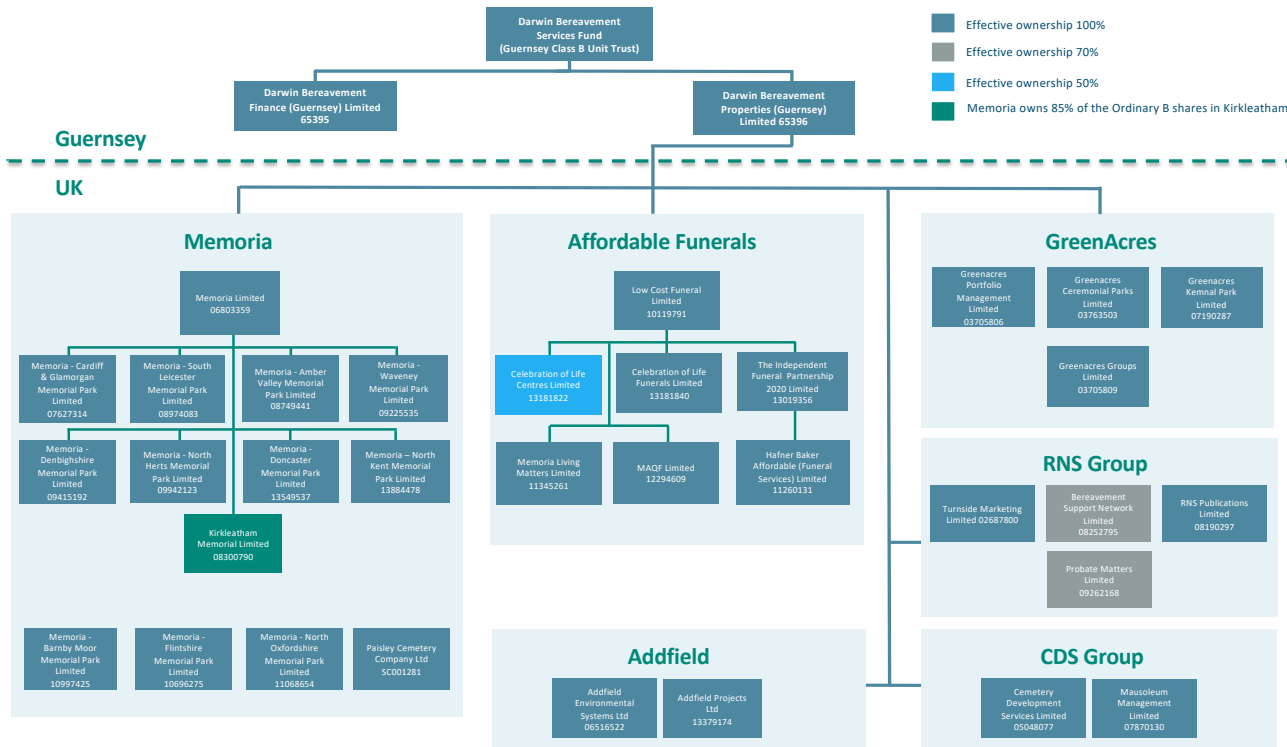
There is also a constant flow of information from the management of the holiday parks through to the Portfolio Management Team and Executive Team and the Directors of Darwin Alternatives.

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



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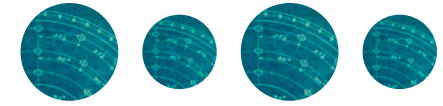
DBSF Operating Companies

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 was a Chartered Fellow of the Chartered Institute for Securities & Investment Institute (FCSI) for many years 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.

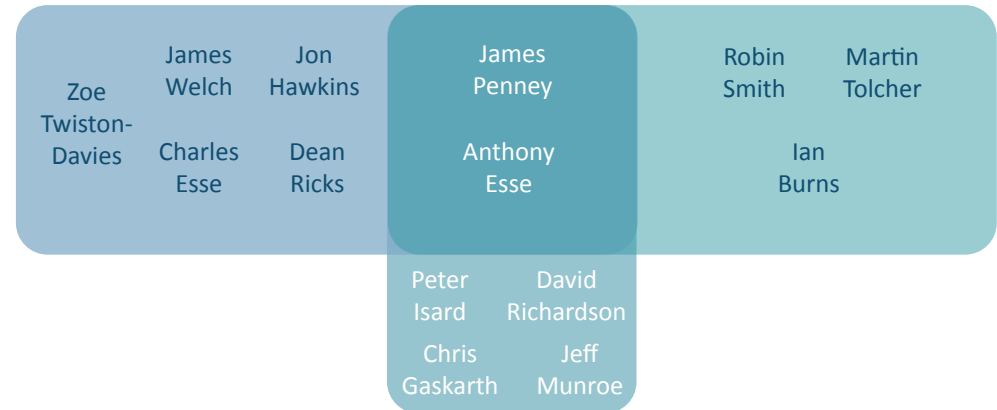
James was previously the owner and Managing Director of Darwin Consulting, a strategy consulting firm he co-founded in 1997. This firm provided strategic advice to directors and investors in a range of industries, including financial services, private equity and media. James has also held directorships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

Investment Manager



Scrutiny Committee

Investment Adviser- 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.

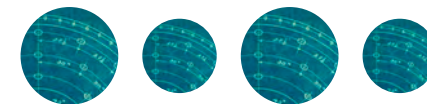
James Penney, Chairman

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 advisers 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 Advisers 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 ince

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.

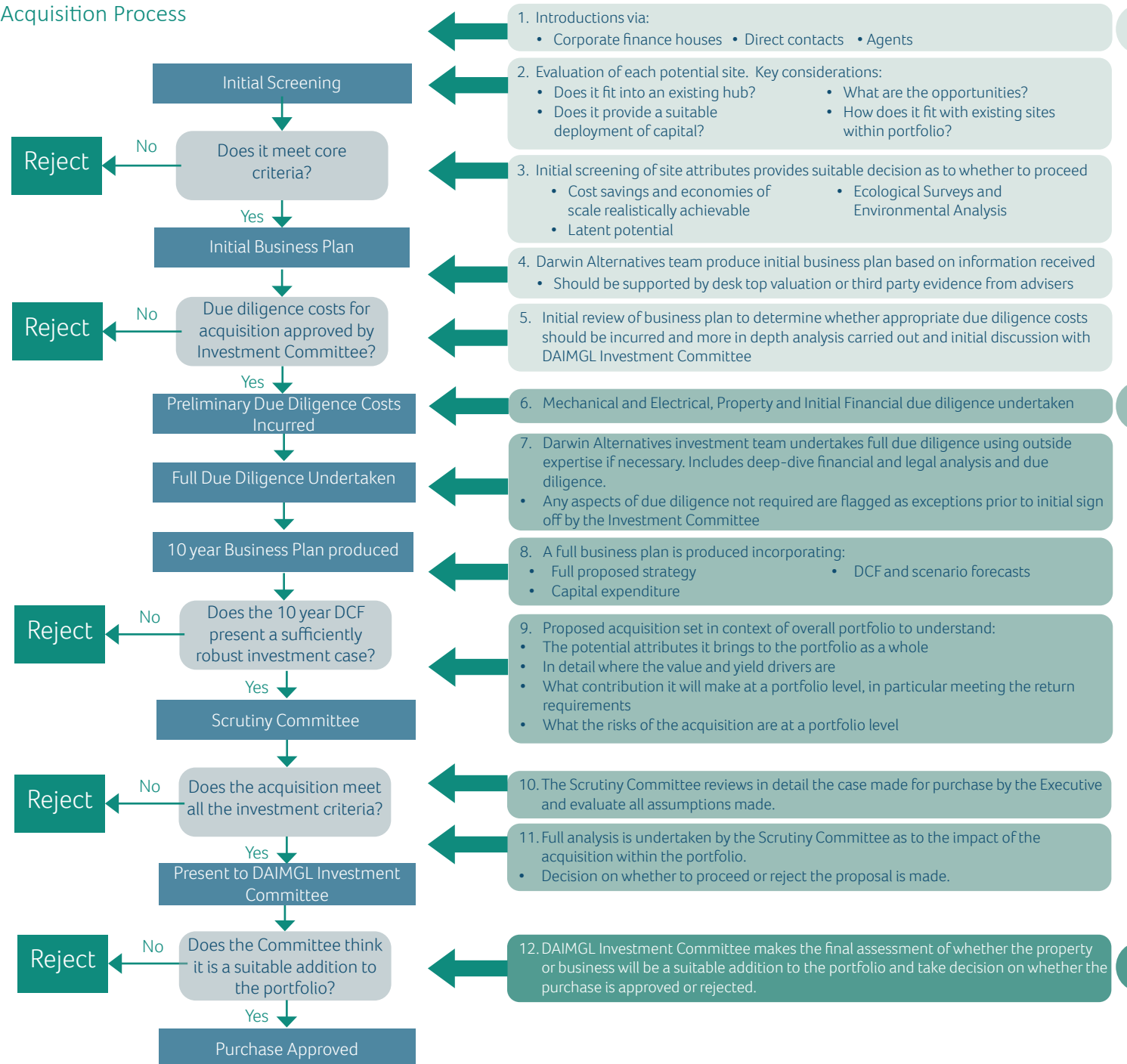
Stage 2

The team work with third party advisers 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 advisers. 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 introduced to a large Golf course in the Midlands in 2023 as an off market opportunity. The site consisted of two 18 hole golf courses, and a small 9 hole golf course. The site already had a number of hotel rooms and large central facilities, alongside a small cluster of lodges, with planning for further lodges to be added. Desktop analysis of the acquisition process showed that the site would be a positive acquisition for DLDF, due to the large amount of development potential.

Following the site inspection, it became apparent that the site was not fit for acquisition for the portfolio. Noise from a major road was a major disruption to the site, which is not in keeping with the portfolio's premium aim. The central facilities were at a reasonable standard, however, significant costs would be incurred in order to update the site in-line with Darwin brand standards, to avoid reputational risk for customers. The development opportunity for lodges also showed that there would be significant and highly uneconomical development costs due to the undulating land. Fundamentally, the site would not have been able to deliver the required return to investors over the long term, given the development capital needed, along side an unrealistic asking price. The acquisition was rejected during Step 9 of the acquisition process.

DLDF Case study 2

As an open market opportunity, land agents introduced Darwin to a caravan park in the Lake District. The Lake District is one of the most popular staycation destinations in the UK and there is a lack of supply to satisfy demand in the area. However, the area itself has its nuances. The site was a large caravan park with static caravans and tenting pitches, as well as a variety of glamping pods and Shepard huts.

Initial due diligence research showed that the site looked like a potential acquisition for the portfolio. However, the site visit showed that the site was located in an area of the national

park which was difficult to access, and would have proved highly costly to re-develop. There was increased planning risk in the area and fundamentally, the Fund would not have been able to achieve the target return required and the acquisition was rejected during Step 2 of the acquisition process.

DLDF Case Study 3

Darwin was introduced by a specialist agent to an opportunity close to the North Pennines Area of Outstanding Natural Beauty. The site was partially developed with planning permission in place for 37 Lodge pitches and a small meet and greet café.

It was proposed that one third of the site be rented back to the current owners to continue the operation of a play barn, coffee shop and farm experience. There were significant issues with the proposal as the lack of designated power combined with potential shared access would have caused the holiday park area of the site to essentially become an entry way for customers to the other facilities. This would have had a significant risk to the customer experience, as well as increasing injury risk from vehicles.

The existing owners had already done a significant amount of development on the site however, the overall park design would need to be revisited to accommodate the improvements in the park's utilities, including electricity and water supply uplifts, which would be required to ensure that the site would meet the Darwin's brand standards. The initial acquisition cost, combined with the additional redevelopment costs, meant that the site was not a feasible investment, and the acquisition was rejected during Step 5 of the acquisition process.

DBSF - Case Study 1

The Fund was presented with the opportunity to acquire a large woodland site in Oxfordshire, which could have acted as a bolt-on acquisition to the GreenAcres portfolio. It was a semi commercial woodland, with good access to the major conurbations of Reading and Oxford. The site, in terms of composition, seemed to have potential for acquisition. However, desk top studies showed that the site would be at high risk of flooding. As well as this, there were no permanent buildings already existing on the site, which would have increased planning risk for the construction of service halls and reception buildings. Given both the flood and planning risks, the acquisition of the site was rejected at Step 3 of the acquisition process.

DBSF - Case Study 2

Darwin was approached by an agricultural farm in Cheshire about the opportunity for developing a burial site on a parcel of land. The site had a high amount of funeral directors within reach, and there were several nearby crematoriums, which would have ensured that it would have been commercially viable.

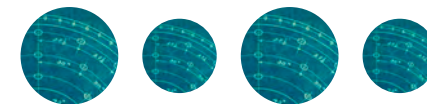
Step 3 of the acquisition process showed that the site lay on a secondary bedrock aquifer and was on the border of a primary bedrock aquifer. The site was designated as being of medium high ground water risk and this would have made double depth burial and traditional burial untenable. The acquisition was rejected at this stage of the process.

DBSF - Case Study 3

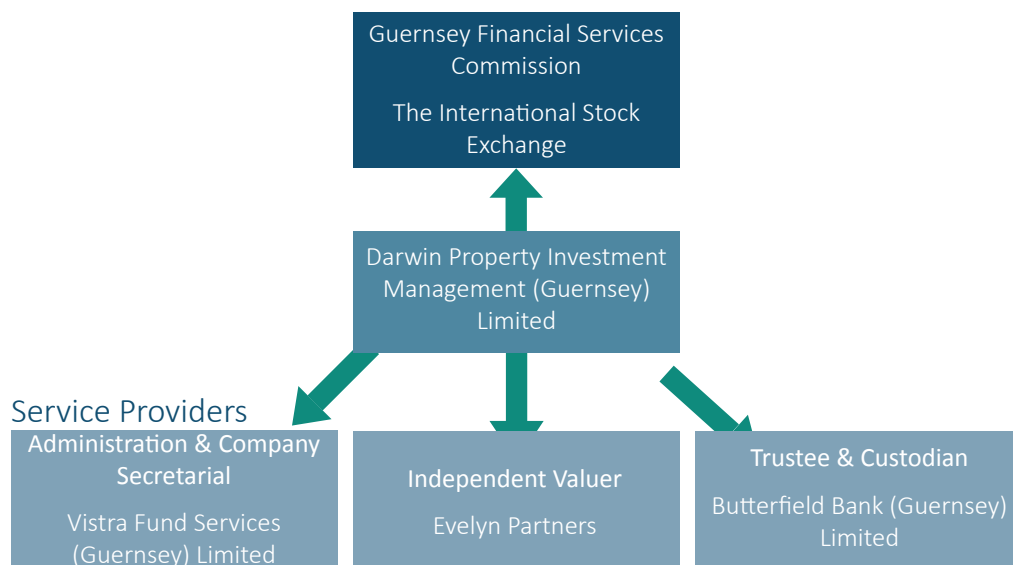
Another site considered for acquisition by DBSF was in Worcestershire. The site was approximately 35 acres of mixed woodland, including two small areas of pasture land. The site would have offered increased geographical diversity for the GreenAcres portfolio.

Whilst undertaking Step 3 due diligence, it was discovered that the site was designated as ancient woodland. Ancient woodland sites are highly protected by the National Planning Policy Framework. Planning permission would there only be granted in exceptional circumstances e.g. for critical infrastructure. Darwin would need to argue via an Alternative Site Assessment why this site is the most suitable and the chances of this being successful for non critical infrastructure would be minimal. Given the planning risk, Darwin did not pursue the opportunity further and the acquisition was rejected.

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.

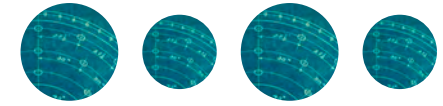
The Trustee carries out on-site visits annually, monitors the custodian and prepares a report to the Board on a quarterly basis which is reviewed at each Board meeting.

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.



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.

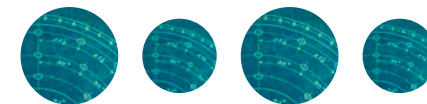
DAIMGL outsources some of its functions to other parties such as Vistra and Darwin Alternatives and also reviews its policies and procedures on a regular basis through quarterly reports produced for Board meetings. Outsourcing functions enables an extra level of policy and procedure as all service providers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

DAIMGL has a Business Risk Assessment that is reviewed by the Board and administrator annually. Specific controls include procedures to ensure information is processed reliably and

effectively, appropriate supervisory controls are in place, procedures to ensure compliance with laws and regulations, a robust process for reporting control weaknesses or changes in risk and management of business continuity.

There is a formal meeting structure in place which ensures regular oversight of managers and service providers. The Board of DAIMGL meets on a quarterly basis and the Board of Darwin Alternatives meets on a monthly basis. There are also monthly meetings between executives at Darwin Alternatives and the senior management team at Darwin Escapes who operate the holiday parks as well as regular internal meetings within Darwin Escapes.

As well as meetings there is a regular flow of reporting on a weekly and monthly basis between the different entities which ensures that contracted services are delivered as they are meant to be. In particular, Darwin Alternatives prepares a quarterly investment adviser report



to the independent directors. This report is discussed at length at board meetings. The Darwin Alternatives quarterly compliance report is also circulated to the Board for review.

The Board of DAIMGL review the investment adviser 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.

In order to improve compliance reporting, the Board of DPIMGL requested that the compliance officers of the Vistra, the Fund administrator meet on a regular basis with the Guernsey Financial Services Commission. Feedback from these meetings now forms part of their verbal report in addition to the written report.

Systems and Processes

Systems and processes are continually reviewed to ensure they are as effective and up to date as possible. A new business management system which can be utilised by all departments at the holiday parks, including finance, housekeeping and maintenance and food and beverage is now being used across the Darwin Escapes portfolio. Several other systems were reviewed, but this was chosen as it was the simplest, most cost-effective and integrated with the software used by Hoseasons, the booking agent for the holiday parks. The system provides improved internal reporting and should make working practices more efficient.

Vistra and Butterfield Bank report regularly to the Board of DPIMGL on their systems and processes, including any failings, any upgrades and any research into potential new systems.

Vistra, the Fund Administrator are working on introducing new systems which will come into effect in 2024. Vistra are working closely with the team at Darwin Alternatives to ensure that the new systems will meet our reporting and administration requirements and to ensure that there will be a smooth transition when implemented.

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.

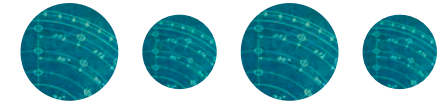
The Directors, Investment team and Client Relations team at Darwin Alternatives have built up strong relationships with the investors of DLDF and DBSF, many of whom invested at Fund inception and a number of whom invest in both funds. There is clear communication with investors and management try to 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

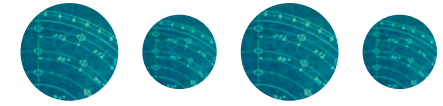
Conflicts of interest



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 Adviser 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.

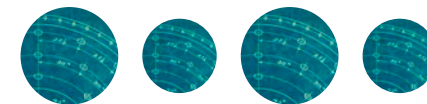
Holiday Park Management

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 pays a fair rate for the use of DCM, the overall costs are split between the two Funds, on a per pitch basis.

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 - Bentley Rowe

DLDF acquired a 30% stake in lodge manufacturer Bentley Rowe in February 2023. Bentley Rowe are one of the UK's leading modular construction companies and also offer retail refurbishment and commercial interior fit out companies.

The investment in Bentley Rowe will allow the Fund to benefit from a lower cost of manufacturing lodges whilst also driving the key energy and sustainability design considerations that underpin our ESG agenda. Examples of this include enhanced thermal performance, photovoltaics, reduced embodied carbon, reduced water demand, smart controls and all electric heating and hot water.

Whilst Bentley Rowe will be a preferred supplier for new lodges for DLDF, a conflict of interest policy has been put in place which means that they won't automatically be awarded new contracts and must take part in a tender process along with other suppliers. This will ensure that lodges are priced on a competitive basis, which meets the needs of Bentley Rowe to sell their products at a profitable level and for DLDF to acquire lodges at a fair price.

Case Study- GreenAcres and Memoria

For funerals being held at GreenAcres Kemnal Park, where the service will be followed by a cremation not attended by the mourners, these cremations will largely take place at Memoria Faversham, which is the closest Memoria crematoria site. This policy has been introduced following consultations with local funeral directors, and pricing levels have been agreed which ensure that they are in line with market norms and prices are not inflated for the underlying customers.

Case Study- CDS Group

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.

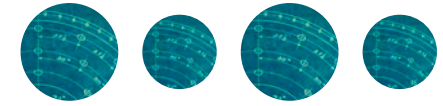
CDS work with a range of clients including both private companies and local authorities and there will be times when they are invited to consult on projects which would be in direct competition with a DBSF site. In order to protect the interests of investors in the Fund, whilst also ensuring that CDS 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.

CDS Group have also been heavily involved in the acquisition of the Fund by Addfield, which will manufacture electric cremators. They have worked with a number of Local Authority clients on building new crematoria and with others on the replacement of their existing cremators and will continue to do so going forward. We have a policy in place which will ensure that CDS always advise the client on the most appropriate and cost effective solution for them, and CDS will not automatically recommend an Addfield cremator.

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 seven 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.

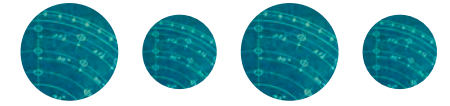
Carbon Emissions Reporting

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.

Place-Based Impact Investing (PBII) Reporting Framework

At the request of one of our local authority pension fund investors, DAIMGL through Darwin Alternatives is now providing place-based impact investing reporting. This is provided through a framework developed by The Good Economy, Pensions for Purpose and the Impact Investing Institute. The framework was designed "to explore how to scale-up institutional investment into opportunities that enhance local economic resilience, sustainable development and the Levelling Up agenda."

Darwin Alternatives has provided data that measures geographical location, financial objectives, the Fund's impact objectives and its financial performance. The Fund is also scored on 5 PBII traits. The data provided by Darwin Alternatives is amalgamated with that of the other managers of each of the pension funds participating in the trial, and a report is produced which outlines the overall impact that their investment portfolio is having, both in their local area and around the UK. This should help guide their future investment decisions to ensure that they are managing their pension fund assets in the best interests of their scheme members.



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.

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.

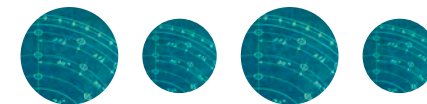
RPS will continue to work alongside Darwin, and ensure that Darwin developments can maximise carbon sequestration, by ensuring that the right trees for the geographical location are planted in the most effective way to maximise carbon sequestration and increase biodiversity. So far, 836,328 m² of wild-flower turf has been planted and 63,234 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.





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.

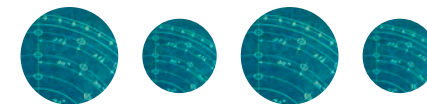
Business Risk Assessment involves determining what risks the organisation faces and the relative importance of each of these risks. It reviews and rates risk categories important to all key stakeholders: business owners, directors, employees, clients, outsource partners and other business associates. 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.

Real Estate Risk

Both Fund's acquisition processes are designed to ensure that properties which are acquired have minimal exposure to flood risk. We continually monitor the portfolio to ensure that any impact from climate change or flooding is dealt with as quickly and efficiently. Central facilities buildings at the holiday parks have been designed to withstand periods of extreme heat with minimal use of air conditioning. The buildings offer cooling features such as wind catchers, automated windows, window awnings, natural shading and background ventilation.

As mentioned, lodges across the portfolio 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. This ensures that they are highly insulated and can be comfortably used by guests during cold winters. Whilst they do not offer air conditioning, they are designed to be well ventilated and fans are offered to guests during periods of hot weather.



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

** SunLife Cost of Dying Report 2023*

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. During the pandemic, demand for direct cremation rose with many people choosing unattended cremations followed at a different time by a commemorative event. 14% of all deaths in 2020 resulted in a cremation that avoided a traditional funeral service. This trend has continued and in 2022, 18% of all funerals were direct cremations*.

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. The Fund has also entered the direct cremation market through Affordable Funerals, which is a leading player in the direct cremation sector.

Development Risk

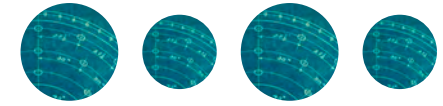
In order to decrease development risk, we do not purchase land on a speculative basis and risk management is focused on ensuring that we have an acquisition process that ensures that new sites are a good fit for the portfolio and that where planning permission may be required, that this is achievable.

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 £440m of assets (as at 30 September 2023), 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.

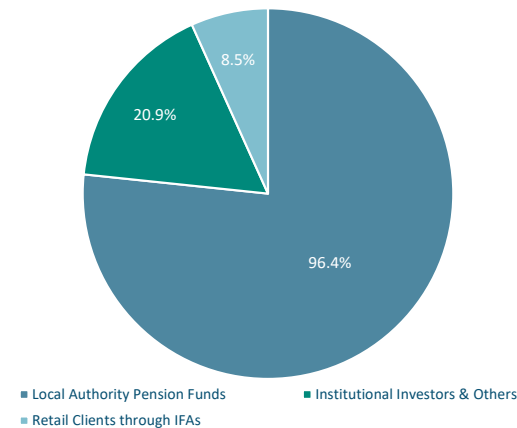
We do tailor and adapt our processes where appropriate following feedback from investors, and have initiated a number of changes to our reporting output to ensure that we are meeting the needs of our clients in their reporting.

- Whilst neither the Darwin Leisure Development Fund or Darwin Bereavement Services Fund is specifically an impact fund in the past year 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.

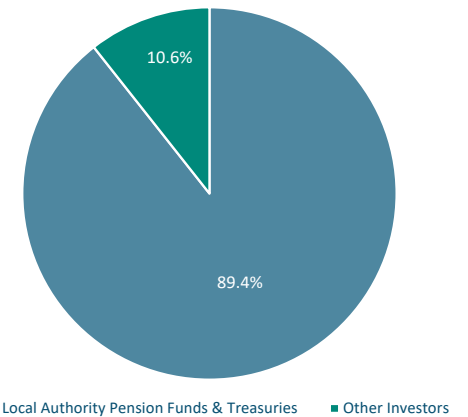
We tailor client communications in order to meet the needs of the different investor types and have taken on board their feedback in making improvements to our reporting.

- 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 Investor Breakdown



Darwin Bereavement Services Fund Investor Breakdown



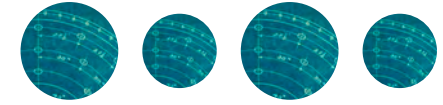
Source: Darwin Alternatives. As at 30 September 2023.

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.
- We have introduced quarterly impact reporting which provides quantitative data on the environmental and social impacts of the underlying businesses owned by each Fund. The report allows investors to report back to their members on the ESG impacts of their investment. At the heart of the chosen metrics is Darwin's commitment to be Net Zero Carbon Emissions by 2050. The metrics are based around the most material impacts the fund portfolios have on ESG issues such as electric vehicle usage, job creation and carbon emissions savings from electric cremators.

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 prepares an ESG report and presents 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' and provides standardised fee and cost data for all local authority investors using the Board's fee templates.

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.

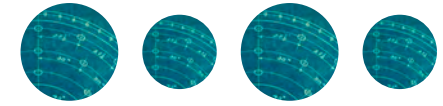
Environmental Targets

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

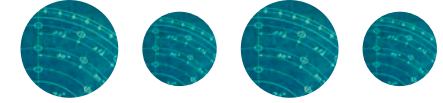
1. **Equality:** Darwin is committed to being an equal opportunities employer, offering the same opportunities to all staff, irrespective of race, religion or beliefs.
2. **Value:** All stakeholders are valued; our customers, staff, suppliers and investors. They are at the forefront of everything we 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 improving 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

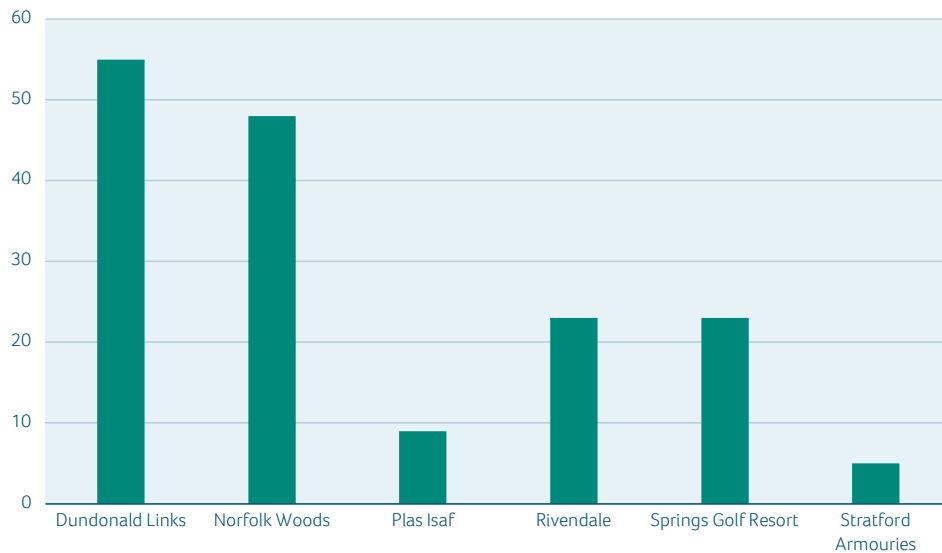
Darwin Leisure Development Fund

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. The Darwin Leisure Development Fund employs 240 members of staff on a permanent basis and has created over 150 jobs at the sites in the DLDF portfolio which have undergone redevelopment.

150 Jobs Created

Darwin Escapes Jobs Created at Redeveloped Sites



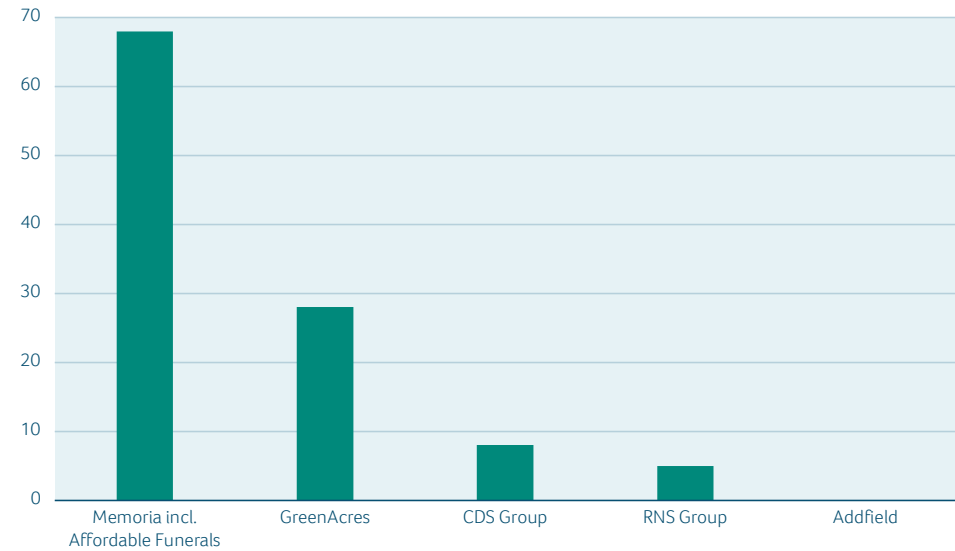
Source: Darwin Escapes. As at 30 June 2023

Darwin Bereavement Services Fund

Whilst the Fund has not completely redeveloped any sites, the portfolio businesses have grown since being acquired by DBSF and over 120 jobs have been created. The Fund now employs over 330 people on a permanent basis throughout the UK.

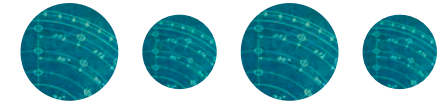
124 Jobs Created

Jobs Created at DBSF Businesses



Source: DBSF. As at 30 June 2023

ESG in Action



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 Median Gender Pay Gap at Darwin Escapes has fallen from 2.9% in 2021/2022 to 2.0% in 2022/23, which is significantly below the national average of 14.9%.

Bereavement Services

The DBSF companies employ over 330 people. The businesses have a weighted Median Gender Pay Gap of -0.28% for the year 2022/23. Salary bandings are in place to ensure that all workers are paid fairly.

Career Development

There is a strong focus on career development within Darwin Escapes and across the DBSF businesses as we believe that developing our staff and promoting them internally has benefits both for team members and for the businesses.

Holiday Resorts

Within Darwin Escapes there has been a focus on cross-training staff so that team members are able to work across a variety of different business areas. This can lead to improved opportunities for offer career progression as staff develop new skills. 143 Darwin Escapes staff employed by the Darwin Leisure Development Fund have undertaken training and development courses within the last 12 months, with 27 team members being promoted internally.

Bereavement Services

Each of the different DBSF businesses has its own Human Resources function, but all are committed to the continued development of their team members. In total, 20 members of staff have taken part in training and development courses, with 28 people being promoted internally.



Work Placements

In May 2018, I started a placement year with The CDS Group after completing two years of study at Coventry University on the BSc Geography course. During the 14 months I spent at CDS, I experienced working for several sides of the business and undertook various tasks. My time was split between office working and being out on site with the environmental team where we would assess geology and groundwater conditions. On the office days, I would complete Tier 1 and Tier 2 Environment Agency Groundwater Assessment reports following site investigations. This element established my understanding of geology and groundwater vulnerability. In addition, I would support the planning team by producing Need Assessments and Planning Policy Statements for cemetery and crematoria developments.

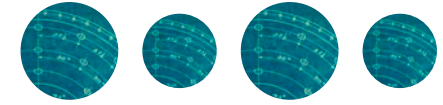
The placement was thoroughly enriching and supported me with new found researching and reporting skills to help me in my final year at university. The team at CDS supported me in my dissertation by inspiring the research topic 'investigating whether groundwater is more vulnerable where there is a greater need for burials' for which I received the highest dissertation mark in that year.

Upon graduating mid pandemic in 2020, I re-joined CDS and have been building on earlier experience. The company has allowed me to thrive in an area of particular interest, feasibility for new projects which involves GIS skills, demographic analysis and identification/assessment of sites in accordance with a wide range of planning and environmental criteria. I am therefore leaving CDS with a wide ranging knowledge base with relevance to my degree, improved confidence and enhanced skills in: reporting, analysis, viability, presenting and client relations.

The experience of Lucy, who undertook a student work placement and full time employment at CDS Group, DBSF. CDS is continuing to partner with a number of universities to provide practical work placements where students can build on the knowledge they are acquiring during their studies and apply it in practical work situations. CDS also provides students with research opportunities that can provide subject matter for dissertations and research papers. This not only helps the students to complete their studies but also provides CDS with valuable data and information which they can utilise in their ongoing work and projects.

*All data as at 30 June 2023 unless otherwise stated. *Source: Department for International Trade, as at 28 November 2022.*

ESG in Action



The Talent Tap



Darwin Alternatives has been a supporter of The Talent Tap charity for many years. The Talent Tap is the UK's leading charity targeting social mobility coldspots. Each year the charity provides long term mentorship, residential work experience and career and skills based support for hundreds of disadvantaged young

people. When Darwin Alternatives first started working with The Talent Tap, they partnered with just one school, but this has now expanded to a network of nearly 30 schools across the country with work experience taking place in London and Manchester. As part of their residential programme, The Talent Tap offers interview training, CV advice and sessions in leadership skills. The residential programme, which includes work experience with one or two employers, is completely funded by the charity, which covers all costs for accommodation, travel, subsistence and necessary equipment.

Today, you are still 60% more likely to be in a professional job if you were from a privileged background rather than a working-class background.

State of The Nation 2021: Social Mobility and the Pandemic (July 2021).

Darwin Alternatives provides financial support to The Talent Tap and also welcomes a group of students for a week of work experience every summer. We offer career guidance sessions with both team members and some of our business contacts in order to offer the students insights into a number of different careers which they may have already expressed an interest in, or which may be completely new to them. The aim is to offer them an understanding of what different careers really entail, and advice on the best ways to step into that career and progress through it. The programme also offers the students the chance to build their network of contacts, something which those from disadvantaged backgrounds often find difficult to do.

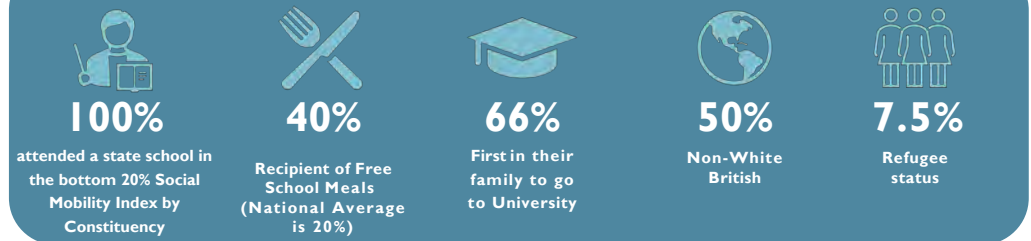
Socioeconomically disadvantaged students from social mobility coldspots have half the earning potential as those from geographic hotspots.

The Long Shadow of Deprivation: Social Mobility Commission (Sept 2020).

As well as the career guidance sessions, the students also take part in a group project, carrying out research and analysis on subject relevant to one of our businesses. In 2023, they investigated the viability of Darwin installing solar panels and other green technologies to power or reduce the power used in lodges and central facilities buildings at three of the Darwin Escapes lodge resorts. The group presented their findings at the end of the week to members of the Darwin team, and these will be used by us to help drive our sustainability programme across the holiday parks.

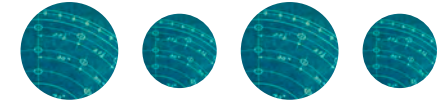
The students benefit hugely from taking part in The Talent Tap programme. They receive support and work experience opportunities for three years, from when they are taking A Levels through to when they are at University. The students who visit Darwin generally leave having grown in confidence and with a much better understanding of what the world of work actually entails. They have also been given access to a network of business contacts, which would not otherwise have been open to them as well as a supportive network of peers.

TALENT TAP STUDENTS



TALENT TAP WORK





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 lodges and central facilities buildings. These aim to:

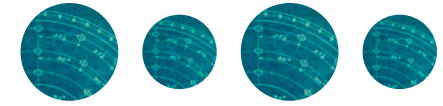
- Reduce energy use
- Maximise natural resource use, eg solar power
- Reduce electricity dependency

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



Case Study: Blenheim Palace Lodge Retreat

DLDF has recently completed the development of a new lodge resort which is located within the grounds of the Blenheim Palace Estate. 36 lodges and a small reception facility have been added to the 9.5 acre site, which was previously home to a tenting and touring caravan site. The new resort opened in August 2023 following a year-long period of redevelopment. Our development team worked in close partnership with the Estate team at Blenheim Palace to ensure that the new site was in line Darwin Escapes' sustainability goals and with the Palace's ambition of becoming carbon neutral on scopes 1-3 of the Greenhouse Gas (GHG) protocol across all its operations by 2027.

As a result, Blenheim Palace Lodge Retreat is one of the few holiday parks in the UK to offer an all-electric solution for heating and power, with most sites still using either mains-supplied or bottled gas. The lodges utilise air source heat pumps powered by electricity, which act as a low-carbon and low-energy method of heating buildings and water to reduce the impact on the environment. Air Source Heat Pumps are three to four times more efficient than a gas boiler. They emit zero Scope 1 emissions whilst Scope 2 emissions will reduce as the electricity grid continues to de-carbonise.

In addition, each lodge features an electric car charger, with an additional 4 fast car charging points at reception whilst all equipment including buggies, lawnmowers and other machinery will be electric-powered. Every detail of the design of the lodge resort was carefully thought out. All of the lodges were intentionally oriented to the west, to make the most of the afternoon sun and provide a view over the meadow. The landscaping was designed to enhance the existing flora and fauna, with £400,000 invested into the landscaping in order to create an environment which protects and encourages wildlife.



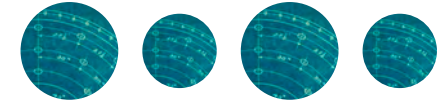
Heating homes with gas is responsible for 13-14% of the UK's total carbon emission.

Gas boilers account for a fifth of air pollution from nitrogen oxides in urban areas.

Analysis has shown that Air Source Heat Pumps will use 29% less energy than a traditional boiler in a holiday lodge.

Carbon emissions will be 84% lower for Air Source Heat Pumps in holiday lodges compared to gas boilers.

ESG in Action - Darwin Leisure Development Fund

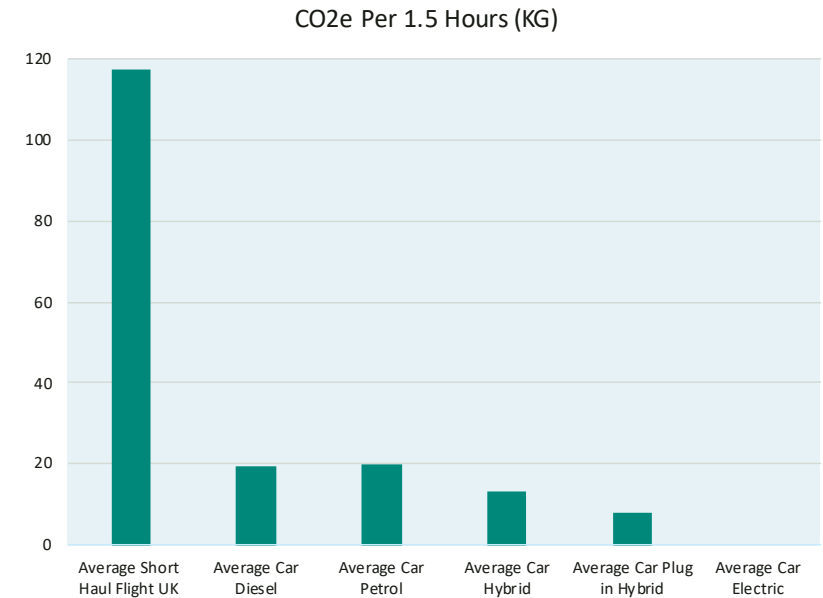


Scope 3 Emissions

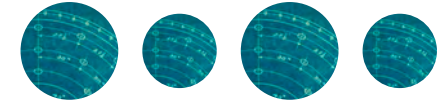
Whilst we cannot directly reduce Scope 3 emissions, attracting people to holiday at Darwin holiday parks instead of travelling abroad can significantly reduce their Scope 3 emissions:

- 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.



ESG in Action – Darwin Leisure Development Fund



Native and UK Provincial 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.

RPS and Darwin have an ongoing partnership with UK based nurseries, who provide high quality trees, plants and meadow turf. These nurseries work to high levels of biosecurity and apply UK Provenance to the plant propagation standards. Before trees and plant stock arrive at Darwin sites, they are checked and agreed by our landscape architects, to ensure high quality, native plants are delivered on our schemes.

Darwin actively encourages the retention of existing trees during any site redevelopments. RPS Group 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

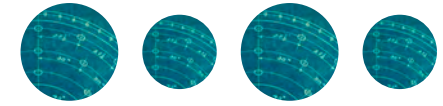
Case Study – Blenheim Palace Lodge Retreat

As part of the redevelopment of this park, RPS's landscape architects worked closely with the incumbent Estate Managers at the Palace. The in-house team at the Palace provided botanical surveys of the existing, important meadows within the historic Palace grounds. Using these botanical survey results, RPS worked with a UK wildflower meadow specialist to contract grow a new meadow turf to mimic the aged meadows within the historic grounds. These new meadows have been laid on the Darwin park, and are already attracting a variety of wildlife.

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.

Darwin continue with their commitment to trees and woodlands, by tasking a portfolio-wide survey of all sites over a planned programme of tree condition surveys. These surveys (on a biennial basis) review the trees and woodlands health and condition on all sites, allowing informed tree works programme to be established and delivered.





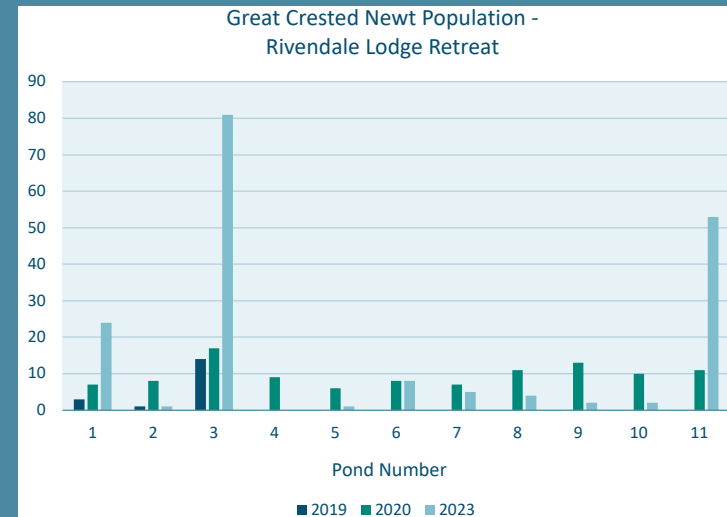
Endangered Species Protection

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 Licence 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. The monitoring surveys, required as part of the Natural England Great Crested Newt licence have continued in 2023, with survey results showing that the GCN populations on site have continued to grow over the year, with breeding populations observed in nearly all of the newly constructed ponds on site. The total GCN population has grown by 69% since 2020 to 181.



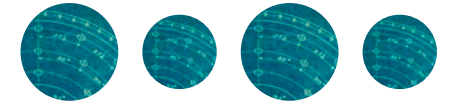
Source: RPS Group

Case Study – Plas Isaf

A specialist team of bat ecologists have overseen the redevelopment at Plas Isaf, this included a long programme of bat surveys, and the completion, submission and approval of a European Protected Species Licence application (EPS) to Natural Resource Wales (NRW) for the removal and re-establishment of new bat roosts across the site. Specialist bat ecologists oversaw the work on site, including the construction of a new, bespoke “bat barn” which will hopefully house bats for years to come.



ESG in Action - Darwin Leisure Development Fund

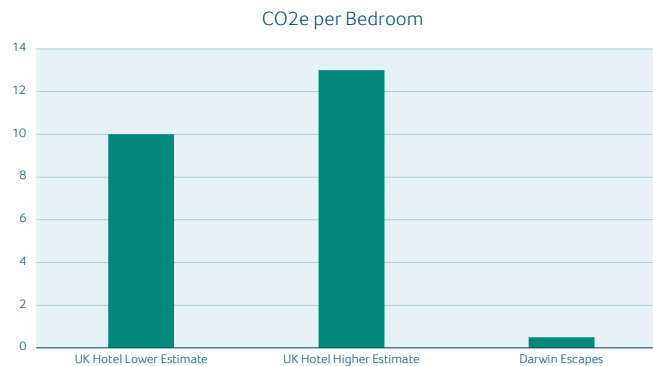


CO2e Emissions

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.

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



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

Health and Wellbeing

Working with our specialist landscape architects, Darwin continues to promote health and wellbeing to its guests and staff alike. This includes close contact to wildlife and the creation of pleasant, safe and inclusive working environments. Walking, active sport and passive recreation are at the forefront to all our developments. At our scheme in Blenheim Palace, the designs carefully integrated access opportunities into the Palace's grounds, and the wider network of footpaths. At Plas Isaf a long, and interesting recreational walk was provided, allowing guest to enjoy and experience the Welsh countryside. Wayfinding and interpretation is also provided as part of most welcome packs.

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. 87* charging points have now been installed at sites owned by DLDF.



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. 71.1%* of the vehicle fleet used within the DLDF portfolio are electric.

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.

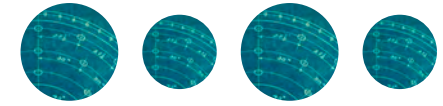
This will be achieved with a variety of different techniques which include:

- 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.

* As at 30 June 2023



ESG in Action - Darwin Leisure Development Fund



Environmental Efficiencies in Lodges

Darwin Escapes offers luxury lodge accommodation across its holiday resort portfolio. Lodges at The Springs in Oxfordshire, which opened in October 2021, 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.

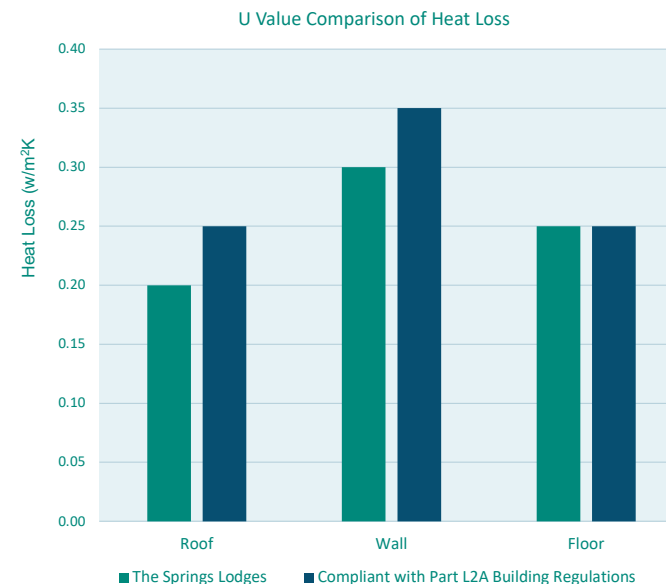
Each unit will be designed for a specific Darwin site and constructed off-site as a modular build, meaning that production efficiencies and material recycling are both easier and more effective when compared with on-site construction of traditionally built properties. As well as this, the building and 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.

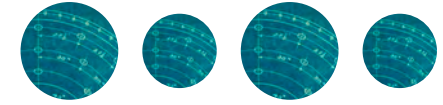
A U-value is typically a low number as it represents how much heat energy is lost or gained by the window, and thus a low U-value would be more desirable. The graph below shows the comparison between a Darwin Lodge at The Springs, a building that is compliant with Part L2A building regulations and a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



Case Study: Bentley Rowe

Darwin Leisure Development Fund recently acquired a 30% stake in lodge manufacturer Bentley Rowe in February 2023. Bentley Rowe are one of the UK's leading modular construction companies and also offer retail refurbishment and commercial interior fit out companies.

DLPF will, going forward, use Bentley Rowe as one of their preferred lodge suppliers. Based in Daventry, Northamptonshire, DLDF's investment in Bentley Rowe will help to drive the key energy and sustainability design considerations that underpin our ESG agenda. Examples of this include enhanced thermal performance, photovoltaics, reduced embodied carbon, reduced water demand, smart controls and all electric heating and hot water.

Modular buildings such as holiday lodges are built with the same materials and to the same building codes and architectural specifications as traditional construction. Once assembled, they are virtually indistinguishable from their site-built counterparts.

The indoor construction environment reduces the risks of accidents and related liabilities for workers whilst the factory-controlled process generates less waste, creates fewer site disturbances and allows for tighter construction. When building in a factory, waste is eliminated by recycling materials, controlling inventory and protecting building materials.

Because the modular structure is substantially completed in a factory-controlled setting using dry materials, the potential for high levels of moisture being trapped in the new construction is eliminated, improving air quality within the buildings.

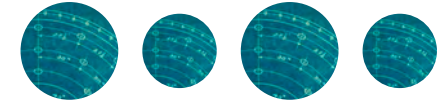
Outlined below are some of the ways in which Bentley Rowe reduce their environmental impact:

- Timber suppliers are all accredited and registered with the Forest Stewardship Council (UK) and meet its 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 Bentley Rowe are also 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.
- One of Bentley Rowe's main suppliers of sheet material, including particle board and MDF board, is Finsa. Finsa's manufacturing process is optimised to minimise waste (through recycling and reuse) and maximise energy savings through co-generation. In this way, the unusable waste created in the manufacturing process, together with matter recovered from other industries, is used as an energy resource.
- Bentley Rowe is working with the local school and college and some local charities in order to donate any off cuts, left over paint and excess materials for any projects they have.

The Darwin team is working closely with the Bentley Rowe design team in order to develop layouts and interiors of lodges which are robust enough to meet the demands of holiday rental usage and increase the lifetime of each lodge. This will reduce the frequency with which they would need to be replaced and deliver sustainability over the long-term.

ESG in Action - Darwin Leisure Development Fund



Environmental Practices and Equipment Introduced at Rivendale Lodge Retreat

Sustainability is an important focus at all of the holiday parks. Outlined below are measures that have been implemented at Rivendale to protect and enhance the natural environment, reduce energy and water usage and reduce waste and increase recycling.

Nature and Wildlife

- Pesticide use has been limited.
- Environmental planting.
- Living walls created using plant waste from across the resort.
- Bird boxes, Bat barn and boxes, hedgehog housing, newt habitats and many more have
- Dead trees are replaced with new ones. The dead trees are turned into chippings which are used across the resort.
- Native wildflower meadows have been planted and some areas of the site have been re-wilded.
- An off lead dog area has been created which is away from ground nesting birds and animals with young.
- Wildlife cameras have been introduced.
- A wildlife hunt has been created for children as an interactive family activity.

Energy and Water

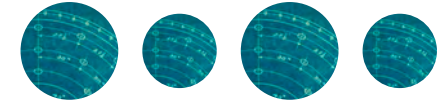
- Meters have been introduced across the park to monitor water and energy usage so the team can check for potential leaks etc.
- LED bulbs are used throughout.
- Most energy efficient electrical equipment selected where possible.
- Light sensors used where possible.
- Timers on lights in central facilities building.
- Low level outdoor lighting across the resort to limit light pollution.
- Solar panels on the facilities building to reduce the reliance on grid electricity.
- The majority of fleet vehicles used by staff at the park are electric-powered.
- Water butts have been installed on the facilities building to collect rainwater.

Waste and Recycling

- Zero to landfill waste collection.
- Biodegradable dog bags available across the resort.
- Cleaning bottles refilled to reduce plastic waste.
- Book swap in coffee area for guests and staff.
- Single use plastic and materials have been reduced in lodges.
- Welcome booklets are no longer printed, and guests given QR codes instead.
- Biodegradable or recyclable containers are used for takeaways.
- The shop, restaurant and bar use and stock a wide range of local products.



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 was 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

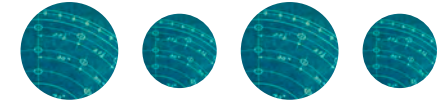
- The design made use of passive design measures including:
- Building form, to allow natural ventilation 'automated opening windows / wind-catchers'
- Building orientation, limit summertime overheating by implementing solar control glass, limit glazing area to the south facing elevations and inclusion 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.



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.

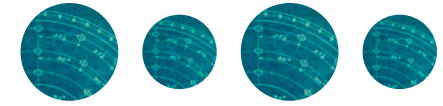
As well as providing employment opportunities in local communities, Darwin Escapes also works with local suppliers to source local produce within its restaurants, bars and shops. Different resorts stock everything from local gins, beers and ciders to artisan cheeses, chocolates, biscuits and toiletries.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



- Continued its long-standing partnership with the Royal Shakespeare Company (RSC). Darwin Escapes was the headline sponsor of the spring/summer 2023 production of As You Like It. The sponsorship facilitated the RSC Learning and National Partnerships team creating an As You Like It Teacher Pack 2023 to support work in classrooms around the country. The activities in the pack were specifically designed to support KS3-4 students attending the performance and studying As You Like It but all activities could be adapted for learners of different ages and abilities. These activities aimed to help students explore some important features of the text and production, using the RSC's rehearsal processes.
- Sponsored the RSC's Henry VI productions: War of the Roses and Rebellion. These productions saw 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 also featured participants from six 'Shakespeare Nation' adult community groups and were 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 work of the RSC more broadly. As a Theatre & Learning Charity, the RSC work with over 500,000 young people each year, with a particular focus on working in areas of structural disadvantage.
- Continued its partnership with Chester Zoo. Darwin Escapes sponsored the Wildlife Connections Festival in September 2022 which attracts over 10,000 attendees over 2 days and we are currently organising an appropriate sponsorship for 2023. Their team are aiding us with our conservation work by showing us new ways we can encourage wildlife on our resorts.
- Continued to sponsor the Birmingham Hippodrome, which included supporting the Van Gogh Alive exhibit, a digital art experience using stunning projections and classical music which gave visitors the unique opportunity to step on to the Hippodrome's main stage and truly venture into Van Gogh's world.
- Continued to partner with Venue Cymru to support local theatre in North Wales.
- 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 2022/23 this has raised £31,412 for the charity and there are plans to continue this partnership following refurbishment projects by Darwin Escapes in 2023/24.
- Supported the Derby Book Festival held in June 2023. 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.

Each Darwin Escapes resort also supports local charitable initiatives and the 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



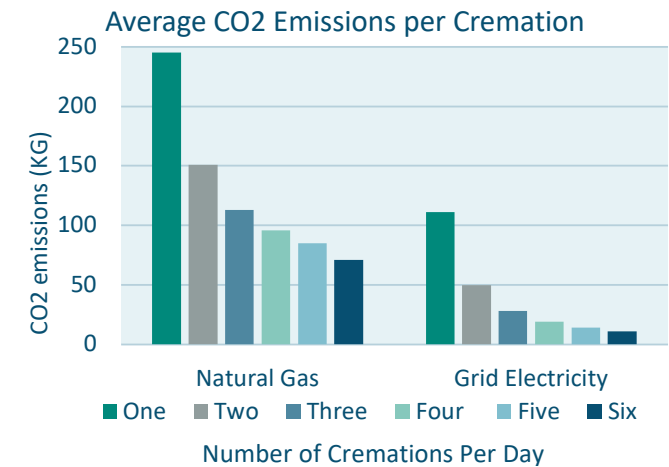
Reducing Carbon Emissions at Crematoria

One of the most significant environmental impacts of the bereavement industry is the release of harmful CO₂ and NO_x emissions through gas powered cremations. In 2021 there were 669,762 deaths in the UK and 78.4% of these people were cremated. A single gas cremation produces an average of 130kg of Carbon Dioxide and 0.5kg of Nitrogen Oxide. These cremations therefore resulted in 75,000 metric tonnes of CO₂ and 262 metric tonnes of NO_x being emitted from gas powered cremators. This is equivalent to the average petrol car driving over 192 million miles. Off setting these emissions would require 1.1m acres of tree seedlings to be planted. 1.8% of the entire UK would be required to sequester the carbon from cremations every year and therefore the solution is to reduce or stop the carbon at its source.

Electric Cremators

Electric powered cremators emit up to 80% less CO₂ and 33% less NO_x than gas powered cremators. If all UK crematoria switched to electric cremators, CO₂ emissions would be reduced to approximately 15,000 tonnes every year whilst NO_x would be reduced to approximately 175 tonnes.

An electric cremator operates as a 'hot insert', reaching its optimal temperature within 3 days of initial install and then maintaining that temperature thereafter, using electrical energy to maintain the heat. The more electric cremation completed, the lower the average electrical consumption, as the body acts as the fuel to the process. Emissions savings would be higher if green electricity sources were used.



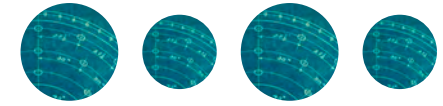
A single gas cremation produces an average of 130kg of Carbon Dioxide and 0.5kg of Nitrogen Oxide.

Electric powered cremators emit up to 80% less CO₂ and 33% less NO_x than gas powered cremators.

75,000 metric tonnes of CO₂ and 262 metric tonnes of NO_x are emitted from gas powered cremators each year.

This is equivalent to the average petrol car driving over 192 million miles.

Installing electric cremators in all UK crematoria would be the equivalent of taking 199,200* cars off the road every day.



Electric Cremators at Memoria Sites

The first electric cremator to be installed in the UK is at Memoria's North Oxfordshire site, which opened in 2020. Memoria has opened two new crematoria which feature electric cremators in 2023: Doncaster and South Yorkshire, which opened in May and Faversham in North Kent, which opened in July



These bring the total number of crematoria in the UK which utilise electric cremators to 6 - there are 7 electric cremators at these sites in total. CDS Group has advised on the planning, design and construction at all of these crematoria. Going forward, at the end of their lifespan, all existing Memoria crematoria will be replaced with electric cremators and all new sites will continue to feature electric cremators.

Installing Electric Cremators across the UK to reduce emissions

Installing electric crematoria at new sites is straightforward and there are now 6 new crematoria with 7 electric cremators in the UK, out of a total of over 600 cremators. CDS has advised on the design, planning and installation of all of these electric cremators and 3 of the crematoria are owned and operated by Memoria.

The number of new crematoria that will be built is, however, limited and switching existing gas cremators to electric is the key to reducing emissions in the bereavement sector. Gas powered cremators are likely to need to be replaced after approximately 15-20 years of use but installing electric crematoria at existing sites is complex. Existing electric cremators are larger than gas cremators and are likely to require building work such as temporarily removing walls or extending the building to accommodate the cremators. This can make the cost of installing electric cremators prohibitive and CDS has advised a number of local authorities

who would have liked to have installed an electric cremator when replacing their existing gas model, but who have been prevented from doing so either by the cost of the required building work or the lack of available space to expand the crematorium.

Today there are two suppliers of electric cremators, one based in The Netherlands and one based in Germany. There is limited supply of these machines and both of their cremators are too large to replace a gas cremator in the existing site without any building work. There is also a high level of embedded carbon in moving the cremators from Europe to the UK.

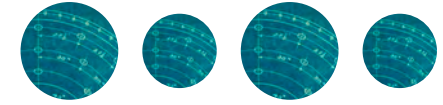
In light of the difficulties of switching existing gas cremators to electric, CDS identified an opportunity for a British manufacturer to enter the market and develop a model which can be installed within the footprint of existing crematoria. CDS therefore advised DBSF on its recent acquisition of the Addfield group of businesses, including Addfield Environmental Systems Ltd and Addfield Projects Ltd, in February 2023. Addfield Employs 62 people across its two operating businesses and has a strong proven global reputation of designing, manufacturing and installing industry leading waste incineration systems to over 142 countries.



Addfield has recently begun to explore how it can evolve its existing technology to develop electric cremators for use with human remains. Addfield cremators will be manufactured in Staffordshire, capable of replacing gas cremators on existing sites, and produced at scale over time.

Addfield's Electric Cremator is an innovative design which utilises a mixture of heating elements in both the hearth and roof to ensure an efficient and consistent heating with no usage of gas. It will produce less emissions and have greater efficiency than conventional gas-fired cremators. The design is fully customizable and will be deliverable in flat pack format to enable retro-fitting of existing gas-fired facilities.

ESG in Action - Darwin Bereavement Services Fund



Protecting the Natural Environment at Cemeteries

Sustainability is at the heart of everything GreenAcres does and care is taken to maintain the parks so that they can be enjoyed for years to come. They have implemented a range of eco and conservation policies to protect the landscape and encourage the use of natural materials wherever possible.

Each GreenAcres park has a unique and enchanting atmosphere providing a beautiful setting for a final resting place and the dedicated teams support families to find the perfect way to say goodbye to a loved one.

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.



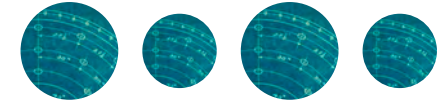
The active management of our woodland incorporates the integral nature of biodiversity and landscapes. Our current woodland management programme, which includes tree thinning, will work to reduce the mono culture in some areas of our woodlands whilst providing a natural hedgerow to support and grow a 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.



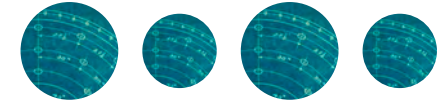
Sustainable Drainage Systems

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

The six cemeteries and ceremonial parks manage over 260 acres of woodland, meadowlands, and grounds, providing bespoke services within serene surroundings for people of any faith or no faith in the community.

They value their team; they are special people who work with kindness and thoughtfulness guiding families through loss. They look after their people, through supportive training programmes to strengthen their own resilience, so they can care for others.

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.

Sustainability

Sustainability is at the heart of everything GreenAcres does and care is taken to maintain the parks so that they can be enjoyed for years to come. A range of eco and conservation policies have been implemented to protect the landscape and encourage the use of natural materials wherever possible. They actively support the drive to evolve to more environmentally conscious funeral and burial services.

Five Parks do not use any imported granite or marble. All Parks encourage the display of fresh flowers, in place of plastic, synthetic materials, decorations or balloons, protecting the wildlife as well as reducing the carbon footprint. Shroud burials are accommodated and GreenAcres advocates the discouragement of embalming of bodies with toxic fluids that harm the environment.

Community and Support

The Park teams engage in different initiatives depending on the needs of the local area. Some of the highlights include:

- Rainford, in St Helens, remains a key member of the Local Resilience Forum (LFR). LRFs are

multi-agency partnerships made up of representatives from local public services, NHS, Environment Agency, and others. Their role is to plan and prepare for localised incidents and catastrophic emergencies to mitigate the impact of any incident on their local communities.

- In 2023 Kemnal Park joined some of the other Parks in welcoming two beehives to the site. Working in partnership with a local bee society the hives were situated near a newly planted heritage wildflower meadow. The team are also actively engaged in supporting local community projects including sponsorship in 2022 of a “green” Christmas grotto with foliage supplied from the Park, non-plastic toys and recyclable wrapping. Both Kemal Park and Eternal Gardens teams work with an interfaith forum to support local faith communities.
- Colney and Epping are situated close to large NHS hospitals which has lead to relationships being built with the Bereavement Services, Bereavement Midwives and Spiritual Care teams to support families who have lost babies or children. Both Parks have delivered education days in conjunction with hospitals and charities to bring together health care professionals and bereavement sector professionals in a learning environment to share best practice when a baby or child has died.

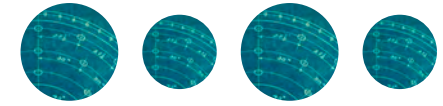


All sites hold memorial services for Mothers Day, Fathers Day and Christmas as well as special services like the Wave of Light during Baby Loss Awareness Week.

Bereavement Groups are held in every Park monthly which are run by GreenAcres team members who have been specially trained to facilitate these peer support sessions in a safe and supported way for those attending. The groups are open to anyone who is bereaved and offer a kind, supportive space with understanding from others who are also living life after loss. The aim is to help people find a different way to live a fulfilled life without the person they love but still honour their memory.

A partnership has also been established with Cruse Bereavement Care where Cruse Bereavement Volunteers attending some groups. All fundraising activities are directing to supporting Cruse Bereavement Care in their vital work for those struggling with grief. Other alliances have also been forged with other support charities to benefit the groups, for example: Pets As Therapy dogs and SANDS baby loss volunteers visiting the groups.

ESG in Action - Darwin Bereavement Services Fund



Eternal Gardens

In response to a deterioration in the standard of Islamic burial standards across London, GreenAcres rose to the challenge by establishing Eternal Gardens dedicated Muslim burial area within the grounds of Kemnal Park in 2013.

Eternal Gardens serve the Muslim community to ensure they transition to the Ākhirah (hereafter) in comfort and confidence at the end of their life. They provide a compassionate and faith-orientated environment, working in partnership with Mufti Amjad Mohammed, founder of The Olive Foundation. This provides surety that processes are scholarly approved, Shariah-compliant, and following the best Islamic practice.

GreenAcres has made significant investment in 2023 to extend the space for Eternal Gardens and has worked on a pioneering solution to alleviate the burial space crisis affecting the Muslim community. They supported several years of research into developing the first Islamic Duo-Grave burial model (two separate and distinctive compartments within one plot of land) to be accepted by the Shariah board in London.

Islamic Wills, Inheritance, and other Legal Support

All Muslims have a duty to prepare for death, both spiritually and practically. It is prescribed in Islam and it eases the burden on those who are left behind. Eternal Gardens multilingual team provides support for planning ahead and signposting to expert legal advisers who have the knowledge to execute a Sharia Law compliant will.

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. A Bereavement Support Officer was appointed in August 2023 who is on hand for every family who uses Memoria's services. The Bereavement Support Officer is fully trained in bereavement support and calls the applicant of every funeral held at a Memoria site 3-4 weeks after the service has taken place. Her role is to make sure that the bereaved are OK and have the support in place that they need, whether that be to help navigate their grief journey or signpost them to resources to assist with managing the deceased's estate.

The Memoria Group announced the launch of its new charity partnership with the UK's leading dementia research charity, Alzheimer's Research UK in November 2022. Memoria has donated over £200,000 in the last year to help fund the charity's ground breaking dementia research which seeks to make breakthroughs in the diagnosis, prevention, treatment and cure of this terrible condition. By supporting Alzheimer's Research UK, Memoria hopes that it can increase awareness of dementia and help accelerate the charity's efforts in finding a cure. The 'Light a Candle for a Loved One' at Christmas memorial services marked the start of the partnership and throughout the year Memoria will be inviting the wider communities from across its portfolio of sites to raise awareness and ensure that the vital work carried out by Alzheimer's Research UK can continue.

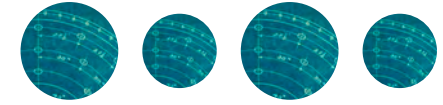
The 'Light a Candle' events at Christmas are hosted by the Memoria team, along with local celebrants and community representatives and the services feature poems and Christmas carols along with a special five-minute reflective display where the Christmas lighting is lowered and the names and photographs 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.



Memoria has also funded a second animation video for Child Bereavement UK to help children find ways to remember their loved ones. Child Bereavement UK is there to support children who are bereaved, as well as families who have been touched by the loss of a child and this short animated film suggests ways that children and young people can remember someone important to them who has died.

Memoria offers more widespread community support by producing innumerable community videos, supporting local charities and hospices, community radio stations, community

ESG in Action - Darwin Bereavement Services Fund



networking groups, and local suppliers. For example, Waveney in Suffolk recently donated £12,000 to the St Elizabeth East Coast Hospice, which has allocated the donation towards the ongoing project to provide a new hospice facility in the Waveney area. The hospice and Memoria Waveney will also be collaborating on further fundraising initiatives including a 'Doggy Day', a Santa Fun Run and a Felixstowe 'Christmas Day Dip'.



Memoria North Oxfordshire has recently been very proud to be involved with the Ashfield Trust and the new Butterfly Garden at the John Radcliffe Hospital. Memoria helped provide new planting at the new Butterfly Garden in the hospital grounds, turning a previously uninspiring outside space next to the hospital's bereavement suites into a beautiful environment, brimming with colour and hope. The head grounds keeper at North Oxfordshire has been fundamental in creating the garden.

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. In May 2023 Memoria implemented a 5% price increase across its portfolio. A decision was taken to keep price rises as low as possible in order to try and protect customers, and the rise was well below the UK inflation level at the time.

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. 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. Special services and events such as Shradha, 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.

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 and funeral plans 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.

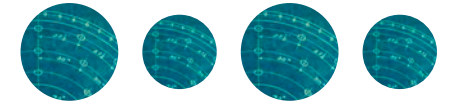
Affordable Funerals provide cremations and funeral plans in conjunction with the Memoria crematoria. As these facilities are part of the same business, they are able to guarantee the quality of the service and eliminate many of the costs associated with a traditional funeral. Affordable Funerals' attended service packages start from £1,675, saving over £2,000* compared to typical funeral costs. This makes Affordable Funerals one of the most cost-effective providers of funerals and cremations in England, Scotland and Wales.

Direct cremation is the lowest-priced funeral method and is an important element in eradicating funeral poverty. Memoria and Affordable Funeral's direct cremation packages start from £990 that and offer a simple, dignified option in which a loved one is cremated without a funeral service or ceremony.

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.

**Savings are calculated when comparing the average cost of a funeral of £3,953 published in the SunLife Cost for Dying Report 2023.*

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Financial Regulation

The funeral plan market became regulated by the Financial Conduct Authority in 2022 and Affordable Funerals (through its corporate entity Low Cost Funerals Limited) was selected as an approved operator so is now authorised and regulated by the FCA for the sale of funeral plans.

The introduction of FCA authorisation has been a positive move for the industry, resulting in some unscrupulous businesses who have tarnished the market closing and providing 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 238 hospitals and 76 hospices.

RNS works closely with each hospital or hospice to 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.



RHS Chelsea Flower Show

In May 2023 Darwin Alternatives sponsored a show garden at the 2023 RHS Chelsea Flower Show. The Memoria and GreenAcres Transcendence Garden set out to create a space where people could reflect and remember loved ones as well as have open and honest discussions around death, dying and coping with grief.

The aim of the garden was to immerse visitors in the healing power of nature and open up positive conversations about the end of life. All too often people put off talking about their dying wishes, what they would like for their funeral and even simple things such as whether they would like to be buried or cremated or where they might like their final resting place to be. Discussing this with loved ones can help to ease the emotional burden of planning a funeral for those left behind whilst taking proactive steps such as having a will in place or purchasing a funeral plan can help to ease the financial burden. We wanted the garden to encourage people to think and talk about dying, ensuring people are better prepared for the end of life and that their wishes are understood and met.

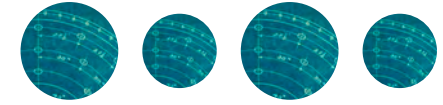
Many people also struggle with how to deal with grief or to help others overcome their loss. Transcendence Garden provided a place for reflection and an uplifting space where people could spend time remembering the loved ones they have lost, talking about their grief, and sharing their loss.

The garden touched many visitors to the show throughout the week who connected with the design and the inspiration behind it. Teams from Darwin Alternatives and the DBSF portfolio businesses volunteered at the show throughout the week to engage with visitors and whilst it was an emotional week at times all of the garden volunteers felt that the garden had achieved its aims of encouraging people to talk about dying, and helping people to come to terms with their grief. These are themes which will continue to drive their engagement work with the local communities in which they operate.



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.

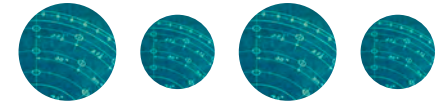
We have heavily embraced green technology in all of these developments in order to minimise our impact on the environment. Everything from Solar Roof Panels and self-insulating Grass Roofs to Wastewater & Sludge Treatment systems and electric car charging points have been incorporated where appropriate.

Darwin has been the largest buyer of lodges in the UK for the last 10 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.

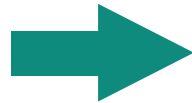
Lodges offer premium self-catering accommodation which, combined with our service standards, offer guests an experience to rival a five-star hotel in a more spacious setting with more amenities, at an affordable price.

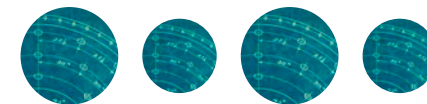
Darwin Escapes has become a market leader, attracting a new type of customer who may not traditionally have visited a holiday park but who are following the increasing trend of taking short staycation breaks in the UK. Darwin Escapes parks has won a host of industry accolades and awards and feedback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





Transformation of a portfolio asset: Blenheim Palace 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.

Engaging With Customers

All of the underlying businesses use customer feedback as a means to drive improvements in their service and operations and to enhance and maintain the portfolio assets.

Memoria

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:

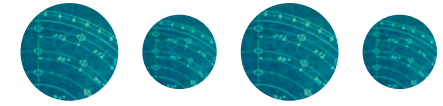
- Every piece of customer feedback (good or bad) goes directly into the system – we cannot interfere with that process in any way
- Only reviews that are proven to be about a fictitious service are ever removed.

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.

Darwin Escapes

Customer feedback is received through booking partner Hoseasons' Feefo review system. These reviews are from verified guests and the central Darwin Escapes team constantly monitors these to ensure that standards at holiday parks across the portfolio are being maintained. Specific issues will be raised with the park management whilst ideas for improvements are also considered and implemented where appropriate.

For example, a recent guest at Blenheim Palace pointed out that sunlight coming through the glass doors of the lodges was increasing temperatures within the lodge during the summer, so the management is in the process of making modifications to prevent this.



Engaging with Partners - Dundonald Links



Dundonald Links earned distinction in two categories at the Scottish Golf Tourism Awards in February 2023, collecting first-place prizes for Best Clubhouse and Best Sustainability Project. Dundonald Links' distinction in the Best Sustainability Project category was in recognition of the resort's work around the 2022 Trust Golf Women's Scottish Open, which it staged in July 2022, working with industry experts to create the #TGSWOOOnTheGreen strategy.

The 2023 FREED GROUP Women's Scottish Open presented by Trust Golf achieved the notable milestone of becoming the first GEO Certified® Tournament on the Ladies European Tour, recognising the tournament's leadership as a more sustainable golf event.

The distinction is awarded and assured by the international non-profit GEO Foundation for Sustainable Golf, and is based on the strength of commitment, breadth and depth of action, and range of tangible measured impacts across a broad sustainability agenda.

The tournament, run by IMG and co-sanctioned by the LPGA and LET, returned to Dundonald Links from August 3-6. The 2022 edition was recognised for its comprehensive approach to minimising adverse environmental impacts while maximising benefits to the community.

Harry Owen, Senior Director, Golf Events, IMG, said: *"The FREED GROUP Women's Scottish Open presented by Trust Golf has been inspired on this sustainability journey by our hosts at Dundonald Links and we are thrilled to achieve this notable first on the LET. This was a truly collaborative team effort and our thanks to the many partners and suppliers across the event and for the support through the LPGA Accelerator Grant provided by Dow to access tools and programs to help us track and deliver positive impacts. While we are still at the start of this journey, working towards these industry standards has helped accelerate our actions and results and provided clear areas to continually improve and push boundaries in the years ahead."*

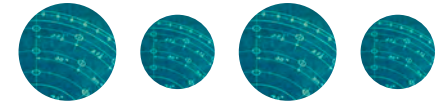
Angus Robertson, Cabinet Secretary for Culture, Scottish Government, said: *"This is a deserved accolade for the pioneering work undertaken by the FREED GROUP Women's Scottish Open to deliver a world-class golf event that minimises environmental impacts while providing additional benefits to local communities. Their commitment to renewable energy, locally-sourced food and innovative ideas like apparel made from recycled materials are all in keeping with our vision of making Scotland the perfect stage for events."*

Jonathan Smith, Founder and Executive Director of GEO Foundation for Sustainable Golf, added: *"It is wonderful to see another high-profile professional golf event step forward with the commitment to deliver on and then exceed the sustainable golf standards. In doing so the tournament has built on the longstanding work of Dundonald Links to extend action across staging, legacies and communications with an impressive breadth and depth of work taking place – in protecting and promoting nature; in striving to minimise resource use, waste and emissions; and in engaging with people and communities."*

Highlights from the 2022 Women's Scottish Open included:

- 85% of the tournament energy supplied through mains supplied renewable energy with few remaining generators powered with sustainability-sourced biofuel (HVO).
- 75% of food sourced by Hickory from within 50 miles of Dundonald Links.
- A comprehensive recycling and waste management programme with zero waste to landfill across the tournament operations.
- Items of apparel, from staff uniforms to caddie and marshal bibs made from recycled materials and used year on year.
- 400 spectators educated by RSPB in relationship between golf and nature.
- A comprehensive awareness campaign #TGSWOWGoingforGreen highlighting sustainability initiatives onsite and through social media.
- Golf clinics with leading LET players including Louise Duncan and Catriona Matthew provided for local schoolchildren.
- Water refill points and removal of single use plastic items in public catering.





Engaging with Partners - Rivendale & Chester Zoo

Darwin Escapes has partnered with Chester Zoo for a number of years and a team from the zoo recently visited the Peak District to liaise with the team at Rivendale Lodge Retreat.

The Rivendale team enjoyed a few days training with the Chester Zoo ecology team, learning all about the animals and plants at the resort. In particular, there was a focus on ways in which the Rivendale team could grow its populations of certain animals. There was also education about lifecycles and the best way in which these can be supported.

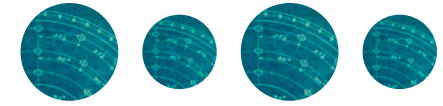
The visit led to the team:

- Introducing new habitats.
- Growing established habitats.
- Installing hedgehog housing.
- Installing wildlife cameras.
- Introducing toad and newt patrols in damp weather.
- Adding water butts around the facilities building to collect rainwater to refill ponds in hot dry weather.



Principles 11 and 12

Escalation and Exercising Rights and Responsibilities



Because it invests directly in unlisted businesses and assets, DAIMGL does not generally interact with or have a need to influence public issuers. We do take an active role in considering governance, risks, strategy and the business plan for each underlying business. The Board perform ongoing monitoring of financial, operational and sustainability matters within each business along with performance and given the hands-on approach by the Board and the Investment Team at Darwin Alternatives, the requirement for escalation of stewardship activities is rarely required beyond the asset management activities we have outlined under Principles 7 and 9.

There are occasions where the Board of DAIMGL will escalate issues with the Fund's businesses or service providers, or vice versa. DAIMGL is a regulated financial services business and must, amongst other duties, undertake an assessment of its business to identify the risk of its products and services being used for money laundering, terrorist financing or proliferation financing purposes. DAIMGL, as manager to DLDF and DBSF, must comply with specific requirements for a business risk assessment, as outlined by the Guernsey Financial Services Commission ("GFSC") handbook.

On 10th July 2023 the GFSC issued an updated version of its handbook. Within this was a new requirement to identify financial crime risk as a standalone risk within the business risk assessment ("BRA").

This requirement was escalated to the Board by the compliance department of Vistra, administrator to DAIMGL. A new, detailed financial crime risk assessment document was drafted by Vistra which also took into account the national risk assessment, thereby understanding the wider risks that DAIMGL may be exposed to in relation to its domicile in Guernsey. The Board used a four point rating system to rate its residual risks. The overall residual risk rating was low for all risk categories.

The final document was reviewed and approved by the Board at its quarterly board meeting in October 2023.



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