

# Sustainable Finance Framework (May 2022)



## Newlon & Our Sustainable Approach

### About Newlon

The Newlon Group (“Newlon”) consists of Newlon Housing Trust (the “Trust”), the parent of the Group, and its five subsidiaries – Outward, Newlon Fusion, Access Homes, NewlonBuild and NewlonInvest. We all work closely together to provide a comprehensive range of high quality community services.

Newlon Housing Trust is a not for profit Community Benefit Society and a charitable housing association. Newlon owns or manages around 8,200 affordable homes, primarily in nine boroughs in north and east London, with many more in development. These homes are made up of a mix of affordable tenures and we provide housing for people nominated from local authority waiting lists, specialised accommodation for Key Workers and Shared Ownership homes to help people take their first step on the property ladder. Working in partnership with Outward we also provide housing for people with a wide range of support and care needs.

Outward is a charity working with more than 1,000 people who need additional care and support to live their lives and realise their full potential. They provide a range of specialist services for older people, people with mental health issues, young people and people with learning disabilities, including a specialised service that supports people on the autism spectrum. Outward works across north and east London, employs over 400 staff and runs an innovative and award-winning volunteer programme. It also owns a rural retreat at Nutley Edge in East Sussex.

Newlon Fusion is the Group’s community regeneration charity. It works with a wide range of partners to support Newlon residents and the people living in areas where Newlon has housing. It also delivers activities and services at the Lascar Wharf community centre in Limehouse.

Access Homes (“Access”) is a small non-charitable housing association which, like the Trust, retains any surpluses to invest in housing activities. Access also provides services to leaseholders. It does not employ any staff.

NewlonBuild is the Group’s construction arm. It is a private company limited by shares and provides design, build and development services for the Group. It is also able to invest in market housing. It has an independent Chair and is serviced by the Trust.

NewlonInvest is a wholly-owned subsidiary of Newlon Housing Trust which makes commercial investments in housing development.

### Awards

We are very proud to have won many local and national awards in recognition of our service to our residents, the sustainable neighbourhoods and lasting partnerships we have created, including:

**2020: What House Awards** – Winner of Best Partnership Scheme and winner of Best Mixed Use Development for Lime Quarter

**2018: Housing Design Awards** – Winner of GLA award for Camden Court

**2017: Inside Housing Development Awards** – Winner for Best Development Team

**2016: UK Housing Awards** – Winner for Outstanding Contribution to Promoting Home Ownership

**2016: National Learning Disabilities & Autism Awards** – Winner of Supporting Older People with Learning Difficulties category for Selwyn Road

**2016: Sport Islington Awards** – Winner of Sports Organisation of the Year for Barnsbury Community Centre

## Corporate strategy

Our simple mission is to increase the supply of affordable housing in London. To do this we provide a range of housing options designed to meet the diverse needs of local people. With the sector facing considerable, short and medium term challenges and uncertainty about the prospects of the wider economy, in 2020/21 the Newlon Board of Directors (the “Board”) decided it was appropriate to produce a new Corporate Plan that focused just on the next three years (2021-2024). It is a plan that acknowledges the need to meet the challenges of new regulation, to invest in improving existing properties and to continue to deliver new homes, whilst placing an emphasis on financial security and ensuring we remain in a strong position to fulfil our mission for many years to come. Instead of focusing on just two core objectives like we have previously, the scope of the plan has been broadened to identify five strategic priorities. This is a response to both changing regulation and some other challenges facing the organisation this year. It ensures that, in addition to growth and service improvement, equal focus is placed on asset investment, organisational resilience and working culture, and achieving value for money.

### *Priority 1 – Excellent services*

We will challenge ourselves and our partners to deliver great services to residents. We will take into account the needs and preferences of residents and make sure we are easy to deal with. We will get the basics right and be committed to finding solutions to more complex problems.

### *Priority 2 – High quality homes*

Newlon homes are safe, secure and well-maintained and residents feel safe where they live. We make the best use of our assets, ensuring that properties make a positive financial contribution and social impact whilst working to reduce their impact on the environment.

### *Priority 3 – Growth*

We will continue to contribute to the supply of new homes working within our financial capacity to maximise opportunities to develop good quality homes across a range of tenures.

### *Priority 4 – A dynamic work place*

We are a high achieving, performance focused and environmentally responsible organisation with a committed, diverse and creative workforce that represents the communities we work in. We are resilient, connected and committed to our goals and each other.

### *Priority 5 – Efficiency and effectiveness*

We are an organisation for the long-term and will ensure that there are strong foundations even in uncertain times. We will maintain low management costs by streamlining processes and integrating systems with partners.

## Key ESG objectives

### **Social**

#### *Affordability*

Newlon's board has adopted a policy and approach to the setting of affordable rents. The policy was audited by the internal auditors and the recommendations were successfully implemented. The rent setting policy was reviewed internally in April 2020 to ensure policy compliance. In December 2021, the Board sought assurance from our internal auditors regarding rent increases.

#### *Building Safety*

The safety of Newlon's residents and fire safety integrity of stock remains Newlon's highest priority and in meeting this obligation Newlon continues to work hard to stay abreast of the latest developments in recognised good, if not exemplar, practice. Information relating to building safety and fire safety is regularly reported to the Development Committee and to Newlon's Board.

#### *Resident Voice*

Newlon is very active at involving residents in the decision-making process. Besides having two residents on the Board, there are additional structures that enhance and promote the resident's voice, such as:

- Resident Forum: the primary resident consultative group at Newlon. Its main aims are to influence and be involved in general housing decisions taken by Newlon. It may also monitor Newlon's performance, including recommending performance issues or topics to appropriate scrutiny channels. It provides a voice for residents at senior management level, Resident Services Committee and Board level within Newlon.
- Resident Services Committee: works alongside residents, ensuring they have a say in how we provide or procure services, with a focus on enhancing our social impact.
- Resident' Think Tank: a resident involvement group at Newlon. It's an innovative approach to getting residents' views and hearing ideas about decisions that affect them and services they receive. The Think Tank is made up of around 200 residents who choose the level of involvement from very light touch to more hands on.

#### *Place Making*

Access to green space is set out as an important consideration for social housing residents in the White Paper. This forms a key part of plans for the transformation of the Barnsbury Estate, where Newlon will be providing additional green space and landscaping and unlocking unused green areas. For any new developments access to communal space, private outdoor space and local green space are significant design considerations and part of the planning process.

#### *Staff Wellbeing*

Newlon is a housing association that tries to create a pleasant environment for employees. Everyone that worked for Newlon even for a short period will feel a sense of family and close knit professional space.

Newlon is very active in promoting and enhancing the physical and mental wellbeing of staff, especially during the COVID-19 pandemics when employees had to work from home and currently, when everyone benefits from the hybrid set-up. Newlon managers have been provided with training in supporting staff working remotely and are holding weekly wellbeing individual discussions.

## Environmental

### Climate Change

As of March 2022, a total of 4,646 out of 5,775 Energy Performance Certificate (“EPC”) surveys have been completed to date, equating to 80% of the general needs stock. Of the 4,646 surveys completed 82% have a rating of EPC C or above.

SAP RATING	Number of Certifications	% of Certified Stock
A	7	0.2%
B	1,975	42.5%
C	1,807	38.9%
D	800	17.2%
E	55	1.2%
F	2	0.0%
	<b>4,646</b>	<b>100.0%</b>

Newlon expects to invest an additional £2.871m into cyclical works consisting of electrical testing, EPCs, asbestos resurveys, internal communal decorations and flooring in the 2022/2023 financial year.

### Ecology

Driven by the London Plan<sup>1</sup> and the Building Regulations<sup>2</sup>, Newlon’s new developments enhance the ecological profile of its stock through ensuring:

- Increased Urban Greening Factor through use of green roofs and tree cover
- Biodiversity Net Gain on all new developments, including bird, bat and invertebrate habitat enhancements
- Water Use of <105litres/person/year
- Sustainable Urban Drainage

<sup>1</sup> The statutory Spatial Development Strategy for the Greater London Area in the UK, as prepared by the Mayor of London and published by the Greater London Authority

<sup>2</sup> UK statutory legislation, The Building Regulations 2010 as updated from time to time

## Governance

### Board

Newlon has a diverse board of directors, consisting of 11 members, out of which just one is an executive and the rest are non-executives. The Board members have a diverse range of skills and competences, ranging from professionals in housing, finance, human resources, construction, etc. The proportion of women on the Board is 27%. While gender diversity might not be representative of Newlon's residents, ethnically the Board is diverse; making sure it reflects the ethnicity of our residents in North and East London. Five (45%) of our board members come from a BAME background.

### Systems and Risk Management

Newlon Housing Trust is a not for profit Community Benefit Society and a charitable housing association, registered with the Regulator of Social Housing ("Regulator"). Newlon will undergo an In-Depth Assessment in 2022. Newlon received a G1 / V2 rating from the Regulator following its last assessment in 2018. The Group did not have any adverse regulatory findings, proving the good operation and functionality of the organisation

Newlon ensures it has an effective risk management strategy in place. The Board has established the risk management framework detailed in the Risk Management Strategy document, which seeks to ensure that effective systems and processes are in place for identifying and managing risk. There is a clear structure within the organisation for managing risk, starting with the Board, Group Audit and Risk Committee, other Newlon's Committees and executive team. The Risk Management Strategy, risk appetite statement, etc. are reviewed annually and approved by the Board.

## Newlon's Key ESG Targets

- EPC C across the entire portfolio by 2030
- Net Zero Carbon by 2050
- Strategic aim to reduce the following by 85%, with the remaining 15% being accounted for by the UK's electricity supply chain becoming greener over time:
  - Regulated Energy (heating, hot water, lighting etc)
  - Unregulated energy (mainly appliances)
  - Other areas (staff commuting, business travel etc)
- Deliver 724 new homes by 2026
- Develop 200 homes a year beyond the current programme of 2,000 units by 2023
- Of the 945 completed/proposed homes for 5 years to 2025-26, c.51% will be Shared Ownership
  - The second largest tenure is the affordable/social homes which accounts for 46% of the development plan, and the remaining c. 3% of properties will be developed for outright market sale

Newlon consistently receives strong tenant satisfaction scores, of 71% for rented and 94% for supported housing (Outward) – placing us well within the top quartile in London. We pride ourselves on our strong social commitment, as measured by HACT's<sup>3</sup> social value calculator, delivering £3m of value in 2021.

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<sup>3</sup> Housing Associations' Charitable Trust



## 1.0 Sustainable Finance Framework

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### Framework

The Sustainable Finance Framework (the “Framework”) aligns Newlon’s sustainability goals with its funding requirements. Newlon has selected key spend areas which are fundamental to our corporate strategy, and deliver tangible environmental and societal impacts. Newlon aims to appeal to investors who are supportive of these goals as partners in funding our sustainability agenda.

The Framework provides Newlon the flexibility to issue Green, Social or Sustainable private placements or loans (“Sustainable Financing Instruments”). An amount equivalent to the net proceeds of a Sustainable Financing Instrument (the “Net Proceeds”) will be used or notionally allocated to support our environmental and social goals.

This Framework has been prepared recognising a number of important guidelines (together, the “Principles”), including those as published by the Loan Market Association (“LMA”):

- LMA Green Loan Principles (“GLP”) – 2021<sup>4</sup>
- LMA Social Loan Principles (“SLP”) –2021<sup>5</sup>

In this regard, Newlon will adopt the four pillars of the Principles with respect to the issuance of Sustainable Financing Instruments:

- I. Use of Proceeds
- II. Process for Project Evaluation and Selection
- III. Management of Proceeds
- IV. Reporting

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<sup>4</sup> [Green Loan Principles](#)

<sup>5</sup> [Social Loan Principles](#)












## 2.0 Use of Proceeds

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Newlon expects to use or allocate an amount equivalent to the Net Proceeds to refinance or finance future capital expenditures and/or operating expenditures (typically any “green” operating expenditures financed will contribute to at least maintain asset value or extend the useable life of an asset) with a lookback to expenditures which were funded up to 24 months before the issuance date of a Sustainable Financing Instrument (a new line item) in accordance with the Eligibility Criteria set out below (an “Eligible Project”). Before or after full allocation, it is possible that some proceeds may be periodically temporarily unallocated e.g. as a result of disposals. We endeavour to achieve a high level of allocation during the life of an outstanding Sustainable Finance Instrument. On exception, we may consider using Net Proceeds to finance or refinance existing legacy stock, without applying a lookback concept.

Project Type	Eligible Category	Use of Proceeds – Eligibility Criteria	Example Impact Indicators	Alignment to Guidelines <sup>6</sup>
Green	Green Buildings	<ul style="list-style-type: none"> <li>The construction, acquisition or ongoing ownership of buildings or properties with, or expecting to receive an:               <ul style="list-style-type: none"> <li>EPC (Energy Performance Certificate) rating of A or B</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Number of new built homes financed, split by EPC achieved</li> <li>Number of existing homes in portfolio meeting the Eligibility Criteria and average SAP score</li> </ul>	 <p>Take urgent action to combat climate change and its impacts</p> <p>SRS Theme: (6) Climate Change</p>
Green	Energy Efficiency	<ul style="list-style-type: none"> <li>Any minor projects on existing buildings which are expected to have a positive impact on energy efficiency, including, but not being limited to, the installation of highly rated energy efficient appliances (A or B rated), LED lighting, ground or air source heat pumps and sensor technology etc</li> <li>Retrofit or renovation of Newlon’s existing buildings, achieving either:               <ul style="list-style-type: none"> <li>An EPC rating of A, B, or C; or an equivalent Standard Assessment Procedure (“SAP”) score or other approved rating, where there is more up to date and widely used methodology reflective of energy improvement initiatives</li> <li>A 30% improvement in energy efficiency (measured by either (a) the energy needed to meet the energy demand associated with the typical uses of a building expressed by a numeric indicator of total primary energy use in kWh/m<sup>2</sup> per year and based on the relevant national calculation methodology, or (b) an equivalent increase in a property’s SAP score)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Number of homes retrofitted or renovated which achieve either:               <ul style="list-style-type: none"> <li>an EPC of A, B or C, or</li> <li>a 30% improvement in energy efficiency</li> </ul> </li> <li>Estimated tCO<sub>2</sub> emissions avoided</li> <li>Number of homes with a 30% improvement in energy efficiency</li> </ul>	 <p>By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies</p> <p>SRS Theme: (6) Climate Change</p>

<sup>6</sup> The Sustainability Reporting Standard for Social Housing (SRS) is a voluntary disclosure framework for housing providers to report on their ESG performance in a transparent, consistent and comparable way and can be found [here](#)

Project Type	Eligible Category	Use of Proceeds – Eligibility Criteria	Example Impact Indicators	Alignment to Guidelines
Green	Renewable Energy	<ul style="list-style-type: none"> <li>Acquisition and integration of renewable energy installations e.g. on-site solar photovoltaic or hot water panels, and wind systems operating at lifecycle emissions of less than 100gCO<sub>2</sub>/kWh</li> <li>Procurement of certified renewable green energy for office use (for the avoidance of doubt, excluding nuclear and gas)</li> </ul>	<ul style="list-style-type: none"> <li>Capacity of renewable energy installed (kW)</li> <li>CO<sub>2</sub> emissions saved in tCO<sub>2</sub>e</li> </ul>	 <p>By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p><b>SRS Theme: (6) Climate Change</b></p>
Green	Clean Transportation	<ul style="list-style-type: none"> <li>Electric vehicle charging points</li> <li>Investment in hybrid and electric vehicles owned by Newlon with emissions lower than 50gCO<sub>2</sub>/km (until 31<sup>st</sup> December 2025) or zero emissions thereafter</li> <li>Providing the infrastructure and assisting our employees with temporary financial support to enable healthy and active travel choices such as walking, cycling (storage, racks, lifts) and scooting</li> </ul>	<ul style="list-style-type: none"> <li>Number and type of clean transportation facilities or vehicles installed/purchased</li> <li>Number of bike racks provided</li> <li>Number of people benefitting from loans/support for bike purchases and maintenance</li> </ul>	 <p>By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies</p> <p><b>SRS Theme: (6) Climate Change</b></p>
Social	Affordable Housing	<ul style="list-style-type: none"> <li>The construction, acquisition and ongoing ownership of affordable housing</li> <li>Investment in capital improvement works to existing affordable housing</li> <li>Units must comply with the UK Government definition of affordable housing<sup>7</sup>, as a result, properties developed or acquired for outright market sale will be excluded from this category</li> <li>Target Population: Low income households, as well as any other applicants eligible for affordable housing schemes</li> </ul>	<ul style="list-style-type: none"> <li>Number of new affordable housing units completed</li> <li>Value of investment in existing affordable properties</li> <li>Number of affordable homes under development (i.e. completed options appraisal and plans approved internally)</li> <li>Existing number of affordable properties by category and average rents charged relative to private sector rents</li> </ul>	 <p>By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums</p> <p><b>SRS Theme: (1) Affordability and Security</b></p>
Social	Access to Essential Services	<ul style="list-style-type: none"> <li>Placemaking related investments and improving or investing in the construction and development of communal spaces (internal or external) to support physical and mental health and wellbeing</li> <li>Target Population: Per Affordable Housing category</li> </ul>	<ul style="list-style-type: none"> <li>Number of residents with increased access to communal spaces</li> <li>Investments delivered by type</li> </ul>	 <p>By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums</p> <p><b>SRS Theme: (5) Placemaking</b></p>
Social	Employment Generation	<ul style="list-style-type: none"> <li>Activities that promote economic development including support for employment generation, and programs designed to prevent and/or alleviate unemployment, such as: <ul style="list-style-type: none"> <li>Residents' Think Tank</li> <li>Newlon Gold Sessions</li> </ul> </li> <li>Target Population: Per Affordable Housing Category</li> </ul>	<ul style="list-style-type: none"> <li>Number of people provided with employment</li> <li>Number of programmes delivered</li> <li>Number of employees supported with training</li> <li>Number of individuals supported with advice including in relation to finances, employment, education and skills development</li> </ul>	 <p>By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p><b>SRS Theme: (4) Resident Support</b></p>

<sup>7</sup> <https://www.gov.uk/government/collections/affordable-housing-supply>



### 3.0 Process for Project Evaluation and Selection

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Newlon's Development Committee, comprising key Board members, the Chief Executive and the Group Finance and Resources Director of Newlon Housing Trust, will be responsible for establishing the parameters for identifying Eligible Projects meeting the Green and/or Social Eligibility criteria defined in section 2.0 (Use of Proceeds) and the application or allocation of the Net Proceeds to those Eligible Projects.

As necessary, the Development Committee will be helped by other relevant business units or individuals within the Group with appropriate subject matter expertise. Relevant and senior individuals from the teams will meet at least annually (or more frequently / ad hoc as necessary), and will be accountable for:

- Approving the addition of eligible Green and/or Social expenditures
- Reviewing the calculation methodology underlying the EPC or SAP score of properties to be financed by the Net Proceeds
- Overseeing the Eligible Project portfolio, confirming its continued compliance with the framework and recognised environmental and social standards
- Ensuring the framework reflects the organisation's strategy and remains in alignment with the relevant market standards (LMA principles)
- Ensuring that Newlon's internal risk management guidelines have been followed in relation to any Eligible Project identified for funding using the Net Proceeds from Sustainable Finance Instruments issued under this framework
- Excluding projects or investments that no longer comply with the eligibility criteria or have been disposed of and replacing them on a best efforts basis.
- Ensuring the gross proceeds will not be used to directly fund investments in or allocations to support activities in the fossil fuel, nuclear, weapons/defence, alcohol, tobacco or gambling industries
- Preparing and approving an allocation and impact report (where feasible) associated with the Framework
- As required, supporting investors with additional information pertaining to the eligible projects and eligibility criteria
- Effective and reliable risk management through Newlon's strong governance framework which allows for anticipation and mitigation of risks before they arise, and for proactive responses should they do so



## 4.0 Management of Proceeds

## 4.0 Management of Proceeds

The Net Proceeds of any Sustainable Financing Instrument will be deposited in Newlon's general funding accounts and allocated accordingly to Eligible Projects thereafter.

Until full notional allocation of an amount equal to the Net Proceeds of any Sustainable Financing Instrument, Newlon's treasury team will implement a monitoring and reporting process aimed at ensuring that such amounts are available for allocation to Green and/or Social Projects.

Pending notional or actual allocation to Green and/or Social expenditures, Newlon will manage any unallocated net proceeds in accordance with its normal treasury and liquidity policies – which may include cash deposits, investments in money market funds or ESG instruments, or otherwise used for temporary refinancing purposes. Such unallocated funds will be tracked and reported on.

Newlon's Development Committee will also be responsible, having received input from relevant business units, where necessary, for the preparation and co-ordination of the allocation and impact report(s) referred to in Section 5.0 (Reporting).



## 5.0 Reporting



## 5.0 Reporting

Newlon will make available on our website or otherwise directly to lenders or the holders of any Sustainable Financing Instrument, an annual allocation and impact report (where feasible) until full notional allocation of an amount equivalent to the Net Proceeds of a Sustainable Financing Instrument. Our allocation reporting will include:

- The split between Green and/or Social expenditure allocated to Eligible Projects
- The split between financing and/or refinancing
- A description of the Green and/or Social Projects (re)financed under the Framework with a breakdown of the allocated amounts by project category/sector/geography, with examples
- Information on where the remaining unallocated proceeds are being held (if any)

Newlon will also report against a number of example impact indicators (where feasible), outlining where Sustainable Financing Instruments have supported the achievement of Newlon's sustainability agenda and Corporate Plan. A non-exhaustive list of potential impact metrics is outlined in the table in the 'Use of Proceeds' section of the Framework.

The allocation of the Net Proceeds will be reviewed and approved by the Group Finance and Resources Director and/or other senior and appropriately qualified individuals.

## Section of Case studies: Recent Achievements

### Barnsbury Estate Transformation

Newlon Housing Trust in partnership with Mount Anvil are proposing to transform the Barnsbury Estate – creating high-quality homes, green spaces and a place for all of the community to enjoy. This represents a 10-year commitment for Newlon.



The transformation started in October 2019 when the owners of the Estate, Newlon Housing Trust, began consulting with residents. In February 2021, Newlon announced that Mount Anvil, an Islington based developer, had been selected as the developer partner to take the project forward.

In March 2021, 72.9% of eligible residents voted 'YES' in an independently run Residents' Ballot to say they wanted the project to continue.

Since the 'YES' vote, Newlon have continued to engage with residents in order to share the updated proposals, gather feedback and answer questions.

Newlon also held a public consultation with the wider community, providing neighbours with the opportunity to view the proposed masterplan, meet the team and share feedback.

The measures that have been incorporated into the proposals for the Barnsbury Estate include:

- MVHR in combination with building fabric
- LED lighting
- A commitment to only use electricity within the domestic units
- Air Source Heat Pump systems serving multiple domestic units
- Arrays of PV panels on the roof
- Operational energy monitoring strategy
- Sanitary ware designed to reduce potable water consumption
- Electric car charging points
- Waste reduction with over 95% of construction waste being diverted from landfill
- Green and Blue roofs
- Both active and passive EV charging provision

The transformation plan will add an additional 600 new homes in an area where affordable housing is scarce.

### Outward Social Value Evidence and Targets

Outward's aim is to employ local staff on our care and support contracts, creating local jobs for local people. One example of where we have achieved significant success this in in our PMLD services where by 60% of staff being Bromley residents. We prioritise the following to build on this success and mirror in other contracts

Outward bought Nutley Edge, our holiday complex, to provide safe, accessible and fun activity breaks for people with learning disabilities. We support over 150 people each year to attend. We have recently secured £18.5k to support families in need of respite following COVID lockdowns for others who would benefit and cannot afford to attend.

### Dunedin Road, Leyton: Completed 2019

'Pocket parks' allocated to each block, plus a pedestrian and cycle-friendly streetscape linking into the wider borough network



### Cannon Road, Tottenham: Completed 2015

Courtyard and podium amenity and playspace, including primary school spill-out games area; tree-lined streetscape and road layout designed to link into later phases of development (Fairgate site and High Road West masterplan)



## Disclaimer

This Sustainable Finance Framework (the “Framework”), which has been prepared by the Trust, includes statements that are, or may be deemed to be, “forward looking statements”, which can be identified by the use of forward looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward looking statements include matters that may not relate strictly to historical or current facts and include statements regarding the Trust’s intentions, beliefs or current expectations. By their nature, forward looking statements involve risk and uncertainty because they relate to future events and circumstances. A number of factors could cause actual results and developments to differ materially from those expressed or implied by any forward looking statements. Any forward looking statements in this Framework reflect the Trust’s view with respect to future events as at the date of this Framework and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Trust’s operations, results of operations, growth strategy and liquidity. The Trust undertakes no obligation to release the results of any revisions or updates to any forward looking statements in this Framework that may occur due to any change in its expectations or to reflect events or circumstances after the date of this Framework.

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Where this Framework is being communicated as a financial promotion it will only be made to and directed only at: (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”); (ii) those persons falling within Article 49 of the Order; and (iii) to persons outside of the United Kingdom only where permitted by applicable law (all such persons together being referred to as “Relevant Persons”) and must not be acted on or relied on by persons who are not Relevant Persons.

Neither the United States Securities and Exchange Commission (“SEC”) nor any securities regulatory body of any state or other jurisdiction of the United States of America, nor any securities regulatory body of any other country or political subdivision thereof, has passed on the accuracy or adequacy of the contents of this Framework. Any representation to the contrary is unlawful. This Framework is directed only at, and may only be communicated to, (i) persons that are outside of the United States within the meaning of Regulation S under the US Securities Act of 1933, as amended (the “US Securities Act”); or (ii) inside the United States to persons that are either “qualified institutional buyers” within the meaning of Rule 144A under the US Securities Act or institutional “accredited investors” as defined in Regulation D under the US Securities Act. No Sustainable Financing Instruments have been registered under the US Securities Act. The distribution of this Framework in other jurisdictions may also be restricted by law, and persons into whose possession this Framework comes should inform themselves about, and observe, any such restrictions.

This Framework should not be construed as an offer or solicitation to buy or sell any securities issued by the Trust or any of its direct or indirect subsidiaries or affiliates (the “securities”), or any interest in any securities. This Framework is not a “prospectus” for the purpose of Article 3 of the Regulation (EU) 2017/1129.