

LF Canlife UK Property ACS Awarded Three Green Stars

We are delighted to announce that the LF Canlife UK Property ACS has secured another GRESB green star and is ranked 4th out of 14 in the UK Diversified Office/Retail non-listed segment.

Scoring 73 points out of 100 in the 2020 GRESB survey, the LF Canlife UK Property ACS sits comfortably ahead of its peers' average score of 65.

This gives the Fund three out of a possible five GRESB green stars for the first time, which was our key target this year, and is a marked improvement on the Fund's 2019 score of 67/100.

GRESB facilitates global ESG benchmarking for real assets, giving investors the ability to compare ESG performance and providing asset managers with a clear structure within which they can work towards improving their ESG profiles.

This year 1,229 property-related funds submitted GRESB real estate assessments, which require extensive and granular detail of managers' ESG policies and performance at a portfolio and underlying asset level. In some cases, the ability to collect the required data calls for good relationships with tenants, who have primary access to the information in question.

The GRESB survey has two mandatory components; management and performance. To encourage greater ESG impact and action, GRESB assign a higher weighting to the performance component, which carries a total possible score of 70 points, while the management component carries a total possible score of 30 points.

The performance score for the LF Canlife UK Property ACS was 45/70, slightly ahead of the average of 44/70. Its management score, which reflects policies, governance and asset management control was 28/30 (average 26/30). The Fund scored particularly well on social (18/19) and governance (18/20).

This year we gained extra points by completing the optional Resilience Module, for which we scored 69/100 (average 67/100).

GRESB has introduced significant changes to the assessment structure, scoring methodology and results process. The aim of the new structure is to emphasise consistent data collection and reporting in the performance module, which will increasingly focus on measuring actual environmental and social outcomes and impacts.

The assessment will be aiming for greater granularity in data analytics at an individual asset level. This will include physical and transitional climate risks, advanced benchmarking of different property types, standardisation of performance metrics across geographies and property types, and stronger validation quality controls for the reported data.

Over time we can expect GRESB scoring to get tougher as standards for good ESG management are better defined and the bar for ESG best practice is raised across the industry. Looking ahead to 2021, we will be examining what we can improve, particularly in relation the LF Canlife UK Property ACS's ESG performance score. Without wishing to jinx the result, we would love to be able to report the addition of a fourth GRESB green star this time next year.

Past performance is not a guide to future performance. The value of investments may fall as well as rise and investors may not get back the amount invested. Income from investments may fluctuate.

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The LF Canlife UK Property ACS is an Authorised Contractual Scheme and is suitable for institutional and professional investors. The fund invests in assets that may at times be hard to sell. This means that there may be occasions when you experience a delay or receive less than you might otherwise expect when selling your investment. For more information on risks see the prospectus and key investor information document. Subscription for shares and buying units in the fund(s) must only be made on

the basis of the latest Prospectus and the Key Investor Information Document (KIID) available at <https://www.canadalifeassetmanagement.co.uk/>

Requests for redemptions of units are subject to a notice period of up to 185 days. In normal market conditions this notice period is waived at the discretion of the manager and units can be sold without giving notice. The value of property is generally a matter of a valuer's opinion rather than fact. Costs of buying and selling real property are generally much higher than for other types of assets. Property investments may be subject to significantly wider price spreads than bonds and equities which could affect the valuation of the fund by up to 8.00 %.

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