Gresham House
Specialist investment

Pre-contractual disclosures relating to Gresham House Solar Distribution LLP (the "Partnership") under the Sustainability Disclosure Requirements ("SDR")

Sustainable investment label

Sustainable investment labels help investors find products that have a specific sustainability goal. This product does not have a UK sustainable investment label.

The Partnership does not have a UK sustainable investment label on the basis that it is marketed on a confidential basis to a limited number of sophisticated investors (subject to applicable marketing restrictions in each relevant jurisdiction), and in the view of Gresham House Asset Management Limited (the "Manager" and "our" or "we"), reading the Memorandum is an appropriate way to gain an understanding of the relevant sustainability characteristics.

Investment Policy and Strategy

The investment objectives of the Partnership are, in summary, to invest in UK based solar parks with a view to profit by the generation and sale of electricity and renewable energy benefits, to provide regular distributions.

The Manager as well as the broader Gresham House Limited group of companies ("Gresham House") has a clear commitment to sustainable investment as an integral part of its business mission. As a signatory to the UN-supported Principles for Responsible Investment, Gresham House is committed to operating responsibly and sustainably. Gresham House integrates Environmental, Social and Governance ("ESG") considerations into the selection, evaluation, governance and management processes across the lifecycle of each investment.

The Manager's Energy Transition investment strategy aligns with national and international goals to decarbonise energy generation and supports the move to a low-carbon economy as a transition to a net-zero scenario. It also supports local and national resilience in energy supply.

Our investments in assets are long term and, where possible, we improve the value and lifespan of assets though extension of permissions and licences and the adoption of technology that increases and/or optimises renewable energy output without materially increasing land use or environmental impact. The Manager integrates ESG considerations into the lifecycle of each investment as follows, with more detail available in the Sustainable Investment Policy of the Manager.

Preliminary due diligence

During the origination phase, material ESG risks are identified for further investigation during the due diligence stage. Investments are screened for alignment with the Energy Transition strategy's sustainability objectives including contribution to decarbonisation and alignment with UK policy and net zero goals. If certain risks are unlikely to be manageable or mitigated, then we may choose not to proceed at this stage.

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Due diligence

At the due diligence stage, sustainability risks and opportunities are assessed using our ESG Decision Tool tailored to energy infrastructure. Factors assessed include exposure to physical climate risks and supply chain risk. Where appropriate, independent technical and environmental assessments are commissioned to inform decision-making.

Investment appraisal

Investment recommendations to Investment Committees include an assessment of material ESG risks and opportunities identified in due diligence which are then factored into the decision-making process.

Appropriate risk mitigation approaches will also be referenced and assurance that the business is open to making improvements is sought.

Asset operation

We aim to construct and operate our projects with minimal disruption to local communities and the environment. Construction and operational contractors are subject to ongoing review and the requirement to manage material ESG risks is included in contract terms. Compliance with planning conditions is stringently adhered to and monitored. We continue to assess how we can enhance positive environmental and social impacts of our projects.

Sustainable Investment Framework Application

Environmental

Climate change and pollution	Natural capital	Waste management
Optimal contribution to low carbon energy generation in the UK	Visual impact and biodiversity management	Waste reduction and sustainable management of waste in construction, operation and decommissioning

Social

Employment, health, safety and well-being	Marketplace responsibility	Supply chain sustainability	Community care and engagement
First class H&S system; site safety policy	Maximum uptime and minimal local disruption	Robust policy relating to materials impact, quality and ethics	Good practice consultation; local investment strategy

Governance

Governance and ethics	Risk and compliance	Commitment to sustainability
Governance good practice; strong business ethics management and culture	Robust risk and compliance management	Continuing enhancement of the portfolio and its impacts

The integration of ESG considerations into our Energy Transition investments is underlined by the following:

- We conduct regular monitoring of ESG risks, opportunities and performance in our investments and over time will prepare comparative data analysis for reporting to our investors.

- Prior to investment, we will review and take heed of the environmental aspects of an asset, in particular the Environmental Impact Assessment where relevant, and any other technical studies required to gain planning permission, as well as the process for public consultation. Opportunities for enhancing the environmental benefits and minimising the environmental impact of projects is often assessed as part of this process, through Habitat Management Plans and in line with planning requirements. If done, this analysis will form part of our investment decision making, alongside other due diligence reports.

- Prior to investment and as part of ongoing asset management, we also consider the social impacts of our assets including supply chain risks and opportunities and engagement with stakeholders such as local communities. The safety of employees and contractors is of paramount importance for all our assets and is a key focus for ongoing management and monitoring. We will act to minimise any social risks and ensure compliance with relevant policies.

- We participate in community-led initiatives in order to contribute towards the local economy, help to improve biodiversity, and keep an open forum of communication with community stakeholders.