

Our Consumer Duty assessment process involved collecting data from diverse sources, such as company websites, reports, and datasets. We conducted an evaluation of the Regional REIT and its peers, assessing their compliance with the consumer duty guidelines established by the FCA. Throughout the assessment, we encompassed various elements, including fair value assessment, cost-benefit analysis, consideration of contextual factors, evaluation of differential outcomes, and examination of data and governance practices. The resulting document provides a concise overview of Regional REIT’s performance and offers a comparative analysis of its peers in relation to meeting consumer protection standards.

Rating system We implemented a four-star rating system to illustrate the compliance with FCA guidelines and the performance of Regional REIT compared to its peers and the overall market.

★★★★★ - Evidences comprehensive consumer duties

★★★★☆ - **Fulfilled a significant portion of consumer duties**

★★★☆☆ - Consumer duties are met

★★☆☆☆ - Areas for improvement have been identified

Summary Our qualitative assessment is to assign Regional REIT with ★★★★★ across the Consumer Duty assessment, demonstrating strong consumer focus in most areas assessed.

The Company’s communication has been excellent relative to its close peers. While recent performance has been low compared to industry and close peers, this has been justified transparently on the Company website. A full four-star status would be appropriate if Regional REIT gave positive absolute returns since inception.

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Categories	Rating	Outcome
Board governance	★★★★★	Management and control is diverse
Integrity	★★★★★	Readable risk disclosures
Financial prudence	★★★★☆	Maintains adequate financial resources, however this is a geared investment
Consumers financial objectives	★★★★☆	Clear objectives to the target market
Assessment of the target market	★★★★★	Target market remains suitable
Consumer understanding	★★★★★	Meets all regulatory performance requirements
Performance	★★★☆☆	Total returns low compared with industry peers
Dividends	★★★★★	Dividend yields are high for the REITs sector
Risk adjusted performance	★★★☆☆	Market risk is fair, but returns have been low
Peer group sensitivities	★★★★★	Common investment sensitivities with UK peers
Economic sensitivities	★★★★☆	Sensitive to UK small-cap equities
Consumer financial objectives	★★★★☆	Downside return expectations fair
Cost comparison: Economies of scale	★★★★☆	Economies of scale and costs fair
Market rate and charges	★★★★☆	Expense ratio comparable to industry peers
Overall Consumer Duty Assessment	★★★★☆	<i>Generating income, fair risk for a geared REIT exposure</i>