2025

Sustainability Report

ARCH Capital Management Co. Ltd.

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About ARCH Capital

ARCH Capital Management Co. Limited (ARCH Capital) is an independently owned real estate private equity investment platform with an established track record of investing across opportunistic, value-add, and core/core plus strategies in major markets throughout the Asia Pacific region. ARCH operates across 10 offices spanning the Asia Pacific, including Hong Kong, Singapore, Taipei, Thailand, Japan, Australia, the Philippines, Macau, and selected cities in Mainland China, deploying capital across a diversified range of asset classes and geographies.

GAV

$15.1bn

Gross Asset Value under Management

TOTAL PORTFOLIO GFA (SQM)

4.5mn

Investments across residential, retail, office, industrial, and mixed-use segments in Asia Pacific

ARCH ASIA OFFICES

10

Headquartered in Hong Kong with offices and physical presence in all invested locations

NUMBER OF INVESTMENTS

56

Completed investments capitalising on rising Asian wealth accumulation, urbanisation, and household formation

TOTAL HOMES

30,000+

Homes built across Thailand, Philippines, Australia, Hong Kong, Taiwan, Macau and Mainland China

YEARS OF OPERATION

20 yrs

20 years of Building on Strengths and Partnerships

Senior Management Statement

To our Partners and Stakeholders,

2025 marked a clear inflection point in how regulators and institutional investors view ESG. From a commitment-centric disclosure approach, fund managers are now treating ESG as an operating discipline. Consequently, ARCH Capital's sustainability strategy is increasingly grounded in quantifiable ESG metrics and targets, portfolio-level targets and integration across the investment cycle. With our fourth Sustainability Report, we aim to present not only our key indicators, but also how they reflect the progress of our sustainability journey in 2025.

The year marked the first full reporting cycle under IFRS S1 and S2[1], with Hong Kong, Singapore, Australia, and Japan all progressing to mandatory or "comply-or-explain" adoption of ISSB[2]-aligned climate standards. GRESB recorded its highest participation rate, with over a thousand fund managers submitting assessments. ARCH Capital also achieved its highest GRESB scores across its fund submissions, achieving green star recognitions across all three funds.

As a real estate investment manager, we recognise that sustainability must translate into enhanced asset quality, operational efficiency, and investment resilience. In 2025, we executed targeted asset enhancement and green retrofits initiatives across our portfolio, **increasing the proportion of assets with green certifications and pre-certifications to 93.5% of portfolio GFA**. Through focused investments in energy and water efficiency, we enhanced the operational performance of our properties while creating long-term value for our investors, tenants, customers, users, community and other stakeholders.

At the same time, we remain cognisant of the structural challenges confronting the real estate industry. Climate change, regulatory transition, and asset obsolescence continue to reshape investment and asset management decisions, with stranded asset risk emerging as an increasingly material consideration. In response, we undertook an updated climate risk assessment across our portfolio, strengthening our understanding of both physical and transition risks and enhancing our ability to proactively manage emerging exposures and opportunities.

Recognising the need for measurable action, FY2025 also marked an important milestone in our decarbonisation journey with the establishment of our first portfolio-wide climate target. Informed by CRREM decarbonisation pathways, we have **committed to reducing our entire portfolio's carbon intensity by 25.8% by 2030** relative to our FY2025 baseline. This target reflects our commitment to enhancing the environmental performance of our assets throughout the investment lifecycle while supporting the transition toward a lower-carbon built environment.

Looking ahead, ARCH Capital remains focused on embedding sustainability considerations across all stages of the investment lifecycle. We believe that disciplined execution, transparent reporting, and continuous improvement will be critical to building resilient assets, delivering sustainable investment performance, and contributing a more sustainable, climate-resilient built environment over the long term.

1 International Financial Reporting Standards (IFRS)
2 International Sustainability Standards Board (ISSB)

Richard Yue and **Jonathan Umali**

Founder & Chief Executive Officer — Chief Investment Officer

Anson House, Singapore

About the Report

This is ARCH Capital's 2025 Sustainability Report, detailing our sustainability performance as an organisation and across all assets in our active funds and mandates. The contents of this report cover the firm's ESG performance over the reporting period of 1 January to 31 December 2025. This report serves as a voluntary tool to provide timely and relevant sustainability-related disclosures that address both investor and regulatory feedback.

The report has been prepared with reference to GRI Standards 2021, SFDR, GRESB, and TCFD requirements. For FY2025, the Climate Change section is structured to align with the four pillars of IFRS S2 (Governance, Strategy, Risk Management, Metrics & Targets) as APAC jurisdictions advance adoption of ISSB-aligned disclosure standards. As a signatory to the UN PRI, this report also adheres to PRI's responsible investment principles.

John Calvin R. Reyes

Regional Manager for Climate, Sustainability, and ESG Investing

jcreyes@archcapital.net

Materiality

Understanding which sustainability topics are most material to our business and our stakeholders is the foundation of a credible and useful sustainability report. ARCH Capital's materiality assessment determines what we report, how we prioritise management resources, and how we communicate our ESG performance to investors, tenants, employees, and other stakeholders.

Our Materiality Assessment Process

Our materiality assessment follows a structured four-step process, conducted annually and validated by senior management. The Materiality process is designed to be rigorous, transparent, and responsive to changes in ARCH Capital's portfolio, operating environment, and stakeholder expectations.

STEP **01** — **Universe Identification**

Establish the long list of potential material topics

STEP **02** — **Stakeholder Engagement**

Gather inside-out and outside-in perspectives

STEP **03** — **Dual-Lens Scoring**

Score each topic on financial materiality and impact materiality

STEP **04** — **Validation & Prioritisation**

Confirm material topics and map to reporting framework

One Oasis, Macau

Materiality Matrix

The diagram below presents the FY2025 materiality matrix, plotting each material topic according to its financial materiality score (x-axis) and its impact materiality score (y-axis). Topics in the upper-right quadrant are Tier 1 (highest combined materiality); mid-range topics are Tier 2; and lower-left topics are Tier 3 (monitored).

E = Environment
S = Social
G = Governance

Our Responsible Investment Approach

Responsible investment for ARCH Capital is a deliberate commitment to incorporate ESG factors throughout our investment lifecycle. From deal sourcing, operations, development or renovations to exit, we have measures in place to ensure responsible investment practices. We align our approach with the UNPRI's guidelines for private equity.

The Responsible Investment and Sustainability Management Policy (RISMaP) provides the mandatory minimum standards for ESG integration across all ARCH Capital assets, portfolios and geographies. The RISMaP is reviewed annually by the ESG Taskforce with sign-off from the CIO, and its requirements improve as new regulatory standards and LP expectations evolve.

RISMaP covers

6

core domains

ESG exclusion criteria

A defined list of asset types, activities, and geographies that ARCH Capital will not invest in on environmental, social, or governance grounds.

Pre-investment ESG due diligence

Mandatory minimum screening and assessment activities at origination and full due diligence stages, including physical climate risk and CRREM pathway analysis.

Asset management standards

Minimum ESG action plan requirements, data collection obligations, certification targets, and tenant engagement expectations across all operational assets.

Green and sustainable finance

Criteria and process for pursuing green loans, sustainability-linked loans, and other responsible financing instruments.

ESG exit requirements

Mandatory exit assessment, ESG performance documentation, and lessons-learned review for all asset realisations.

Reporting obligations

Data collection timelines, GRESB participation requirements, SFDR compliance, and sustainability report contribution requirements across all fund teams.

ESG Across the Investment Lifecycle

The table below describes how ARCH Capital integrates ESG considerations at each of the five stages of the investment lifecycle, from initial screening through to exit and realisation.

STAGE 01

Origination & Screening

- ESG flag-check against RISMaP exclusion criteria
- Preliminary physical climate risk screening via WRI Aqueduct
- CRREM preliminary stranding year estimate for all assets above threshold deal size
- Market-level transition risk assessment: regulatory trajectory, carbon pricing, green building standards

STAGE 02

Due Diligence & Underwriting

- Full physical risk assessment: seven risk categories, RCP 2.6/4.5/8.5 scenarios
- CRREM pathway analysis: stranding year calculation and post-retrofit projection
- Green building certification feasibility: EDGE, LEED, WELL, Green Mark, etc.
- Social and governance review: community sensitivities, tenant mix, regulatory compliance

STAGE 03

Asset Management

- Asset-level ESG Action Plan tailored to value creation strategy and hold period
- Green building certification pursuit and monitoring
- Energy efficiency programmes: sub-metering, HVAC optimisation, LED, renewable procurement
- Annual environmental data collection: Scope 1, 2 GHG, energy, water, waste
- Tenant ESG engagement: green lease implementation and data sharing agreements
- Semi-annual CRREM and ESG risk portfolio review by ESG Taskforce (introduced FY2025)

STAGE 04

Financing & Refinancing

- Green loan and sustainability-linked loan (SLL) eligibility assessment
- SLL KPI structuring tied to energy intensity, certification, or GHG improvement
- Ongoing lender reporting and covenant compliance

STAGE 05

Exit & Realisation

- ESG exit questionnaire: performance progress since acquisition
- Quantification of ESG improvement delta: GHG and energy intensity at exit vs acquisition
- Lessons-learned review feeding back into RISMaP for continuous improvement

Environment

Climate Change

Considered to be the most consequential issue across our sector, climate change is a priority for ARCH Capital. We are mindful of the rapid adoption of ISSB-aligned climate disclosure standards in the regions where we operate and how this trend has raised the bar for how real estate investment managers identify, assess, and report on climate-related risks and opportunities.

We have a management oversight system in place to ensure leadership accountability. ARCH Capital's climate change strategy is structured around a science-based approach that determines climate-related risks and opportunities for the organisation. We refer to the four disclosure pillars of IFRS S2 (Governance, Strategy, Risk Management, and Metrics & Targets) to provide a comprehensive and transparent disclosure mechanism for our stakeholders.

Governance

Board and management oversight of climate-related risks and opportunities is embedded throughout ARCH Capital's governance structure. The Board of Directors holds ultimate oversight responsibility for ESG matters, including climate change, and receives regular updates from the Management Team on material climate-related developments.

At the management level, the Chief Investment Officer and Head of Sustainability has direct oversight of climate risk integration across the portfolio, supported by the ESG Taskforce — a cross-functional regional group drawn from investment management, asset management, and finance functions. The Regional Manager for Climate, Sustainability, and ESG Investing leads day-to-day climate programme implementation and coordinates across the ten regional offices.

Climate considerations are integrated into the investment committee processes for all new acquisitions. Integrated into our RISMaP process, a mandatory due diligence which includes physical climate risk assessment and CRREM pathway analysis are included as investment analysis requirements. This ensures that climate risk is explicitly documented in the approval record for every new investment decision.

Climate Governance Improvement for FY2025

For FY2025, ARCH Capital introduced a formal requirement for the ESG Taskforce to review the portfolio-wide CRREM pathway position on an annual basis and report findings to the CIO. This provides a structured mechanism for tracking the portfolio's aggregate climate transition risk trajectory and identifying assets that require accelerated CapEx allocation or repositioning.


MontAzure, Phuket, Thailand

Strategy

Climate-Related Risks and Opportunities

ARCH Capital identifies climate-related risks and opportunities across short (1–3 year), medium (3–7 year), and long (7+ year) time horizons.

Key climate-related risks identified for FY2025 include:

Physical Risks	
Typhoons	Increasing frequency and severity of these risks across APAC have potential impacts on asset operability, insurance, and valuation
Flooding	
Extreme Heat	
Transition Risks	
Regulatory	Accelerating adoption of mandatory climate disclosures and tightening building energy codes across ARCH Capital's operating markets
Market	Rising LP and tenant expectations green / low-carbon assets; risk of stranded assets failing to meet future performance standards
Technology	Cost and availability of low-carbon retrofitting technologies, renewable energy procurement, and smart building systems in emerging APAC markets

MontAzure, Phuket, Thailand

On the other hand, we recognise that regulatory and market conditions can pose climate-related opportunities for our firm.

- **Brown-to-green value creation:**

  ARCH Capital's portfolio strategy is aligned with the opportunity to acquire underperforming assets, execute targeted ESG improvements during the hold period, and realise a green premium at exit.

- **Green finance**

  Sustainability-linked loan structures and green bonds provide access to preferential financing terms for assets meeting defined ESG performance criteria.

- **Digital infrastructure**

  The growing demand for energy-efficient, low-carbon data centre capacity and cold-storage logistics across APAC creates investment opportunities that intersect ESG leadership with structural market demand.

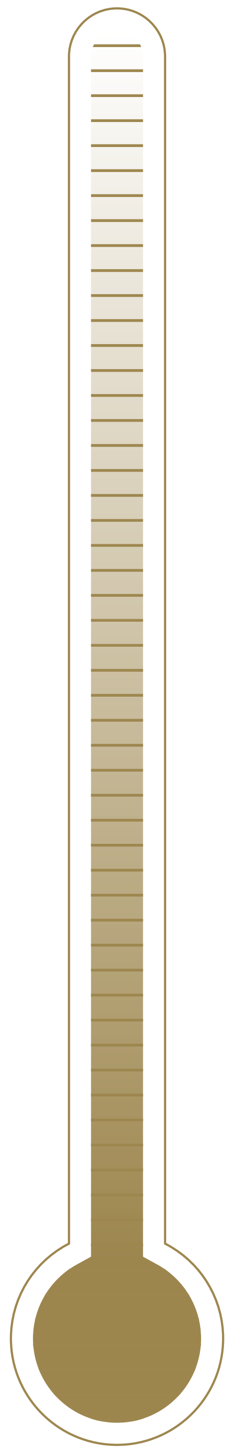
- **Certification premium**

  Assets with EDGE, LEED, WELL, or equivalent certification demonstrate measurably stronger leasing outcomes, lower vacancy risk, and higher buyer quality at exit in ARCH Capital's core markets.

Risk Management

Physical Risk: Measurabl Assessment

ARCH Capital conducts an annual physical climate risk assessment of its portfolio using Measurabl, a third-party risk assessment platform. The assessment covers seven physical risk categories across three climate scenarios (RCP[3] 2.6, 4.5, and 8.5), providing an asset-level view of current and projected exposure.



- **RCP 8.5 (4°C+ warming — high emissions)**

  Limited policy action; physical risks dominate. Severe flooding, heat stress, and extreme weather events increasingly affect asset operability and insurance availability in ARCH Capital's APAC markets. Transition risks are lower (less policy pressure) but physical adaptation costs and asset impairment risk are high by the long term.

- **RCP 4.5 (2.5–3°C warming — intermediate)**

  Gradual policy transition with delayed implementation. Mixed regulatory environment across ARCH Capital's markets; some jurisdictions progress, others lag. Green premium widens as supply of certified space tightens. Physical risks begin to materialise more visibly in coastal markets by mid-2030s.

- **RCP 2.6 (1.5–2°C warming — Paris-aligned)**

  Strong and early transition policy action. Near-term carbon regulation tightens significantly; green building standards become mandatory in most ARCH Capital markets by 2030. Physical risks remain relatively contained but transition costs for carbon-intensive assets are high. ARCH Capital's brown-to-green strategy is most financially rewarding under this scenario.

Under all three scenarios, ARCH Capital's current portfolio remains predominantly in the low-to-medium physical risk band, reflecting our urban focus and active origination screening. The most material scenario divergence is in transition risk: under RCP 2.6, near-term regulatory and market pressure creates urgency for decarbonisation CapEx; under RCP 8.5, physical adaptation costs escalate significantly in the medium-to-long term for coastal and low-lying assets.

Transition Risk: CRREM Pathway Analysis

ARCH Capital uses the Carbon Risk Real Estate Monitor (CRREM) tool for Asia Pacific to assess transition risk at the asset level. The CRREM tool projects each asset's GHG intensity trajectory against a Paris-aligned decarbonisation pathway, identifying the 'stranding year' — the point at which the asset's emissions intensity exceeds the pathway and becomes at risk of regulatory or market obsolescence.

Assets approaching their stranding year are prioritised for capital expenditure allocation toward retrofits, energy efficiency upgrades, or renewable energy procurement. CRREM outputs are reviewed semi-annually by the ESG Taskforce and are a mandatory component of investment committee papers for all new acquisitions.

Metrics & Targets

In 2025, ARCH Capital conducted a comprehensive decarbonisation analysis across our entire investment portfolio. This resulted in an inventory of asset-specific decarbonisation pathways aligned with the CRREM standards.

Accordingly, we have established a target to reduce portfolio carbon intensity by 25.8% by 2030 from a 2025 baseline. This target is informed by CRREM decarbonisation pathways and reflects our ambition to create long-term value while supporting the global transition toward a net-zero economy consistent with the goals of the Paris Agreement.

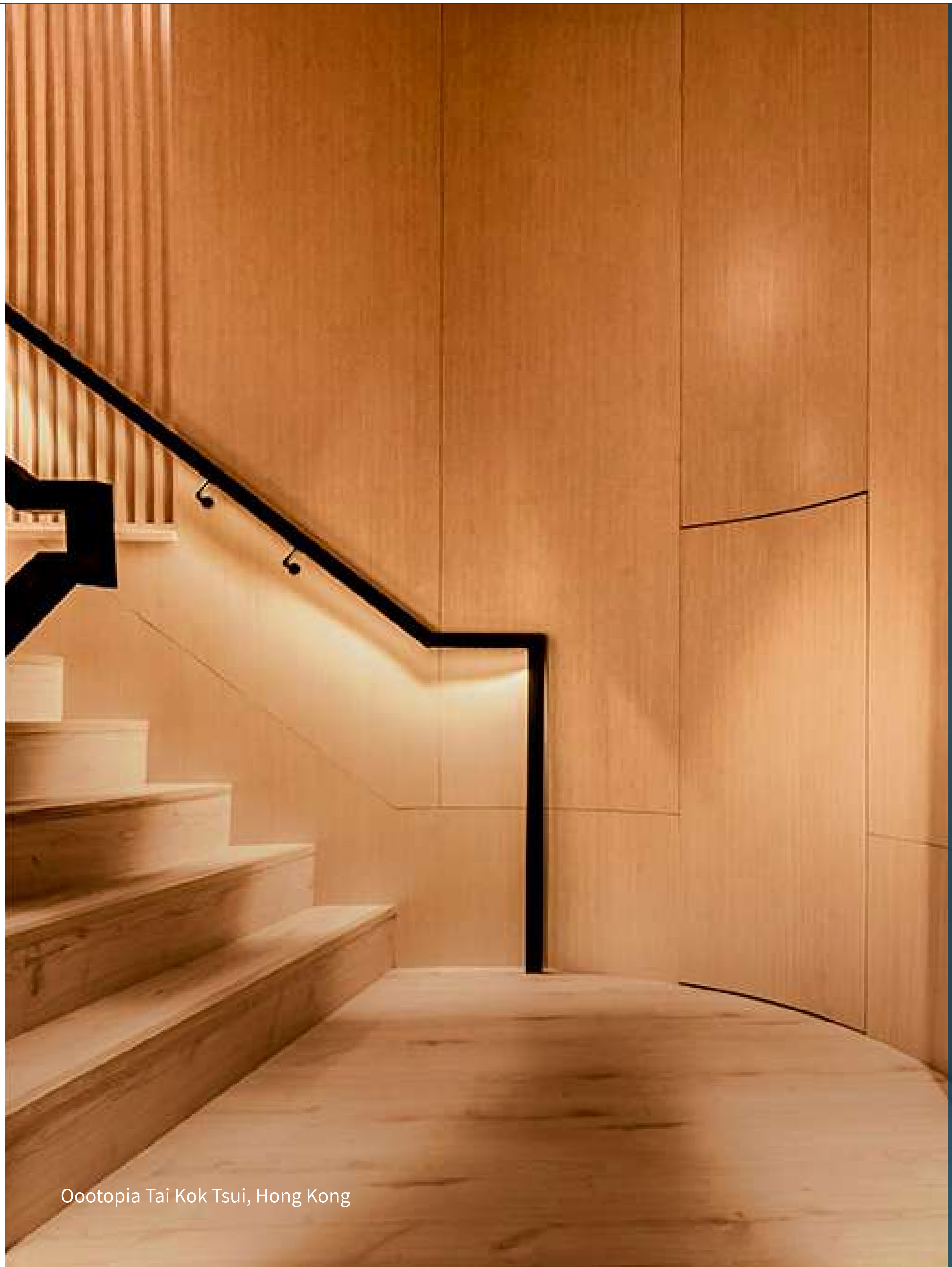
[3] Representative Concentration Pathway (RCP) refers to greenhouse gas concentration trajectories and future climate scenarios

Energy

Energy management is one of ARCH Capital's highest-priority environmental topics. Electricity consumption is the dominant source of GHG emissions across our portfolio, and energy intensity is a primary metric for assessing both operational performance and climate transition risk. Our approach to energy management is guided by our Energy Consumption Policy, which establishes the minimum standards for data monitoring, efficiency improvement, and renewable energy procurement across all assets where we have operational control. Consistent with our climate targets.

By 2030, we plan to reduce our portfolio's operational energy intensity by

25.8%



Ootopia Tai Kok Tsui, Hong Kong

CASE STUDY

Renewable Energy In Hong Kong

FY2025 marked an important milestone in the sustainability journey of our assets in Hong Kong through the procurement of renewable energy credits for selected assets for the first time. Along with continued efforts to improve operational efficiency, this initiative enables our assets in Hong Kong to stay within CRREM decarbonisation limits.

As renewable energy markets continue to mature across Asia Pacific, we will continue to evaluate opportunities to expand the adoption of renewable electricity and other low-carbon energy solutions across our portfolio, where commercially and operationally feasible.

Water & Waste Stewardship

Water

ARCH Capital recognises water as a critical and increasingly scarce resource, particularly across the Asia Pacific markets where we operate. Water stress is a growing physical climate risk for our portfolio. Markets such as Australia, Thailand, and parts of China face increasing pressure on water availability, with implications for asset operability, insurance costs, and regulatory compliance.

In 2025, ARCH Capital recorded a total of 683,793 cubic metres of water consumption across our operating portfolio.

This represents a

9%

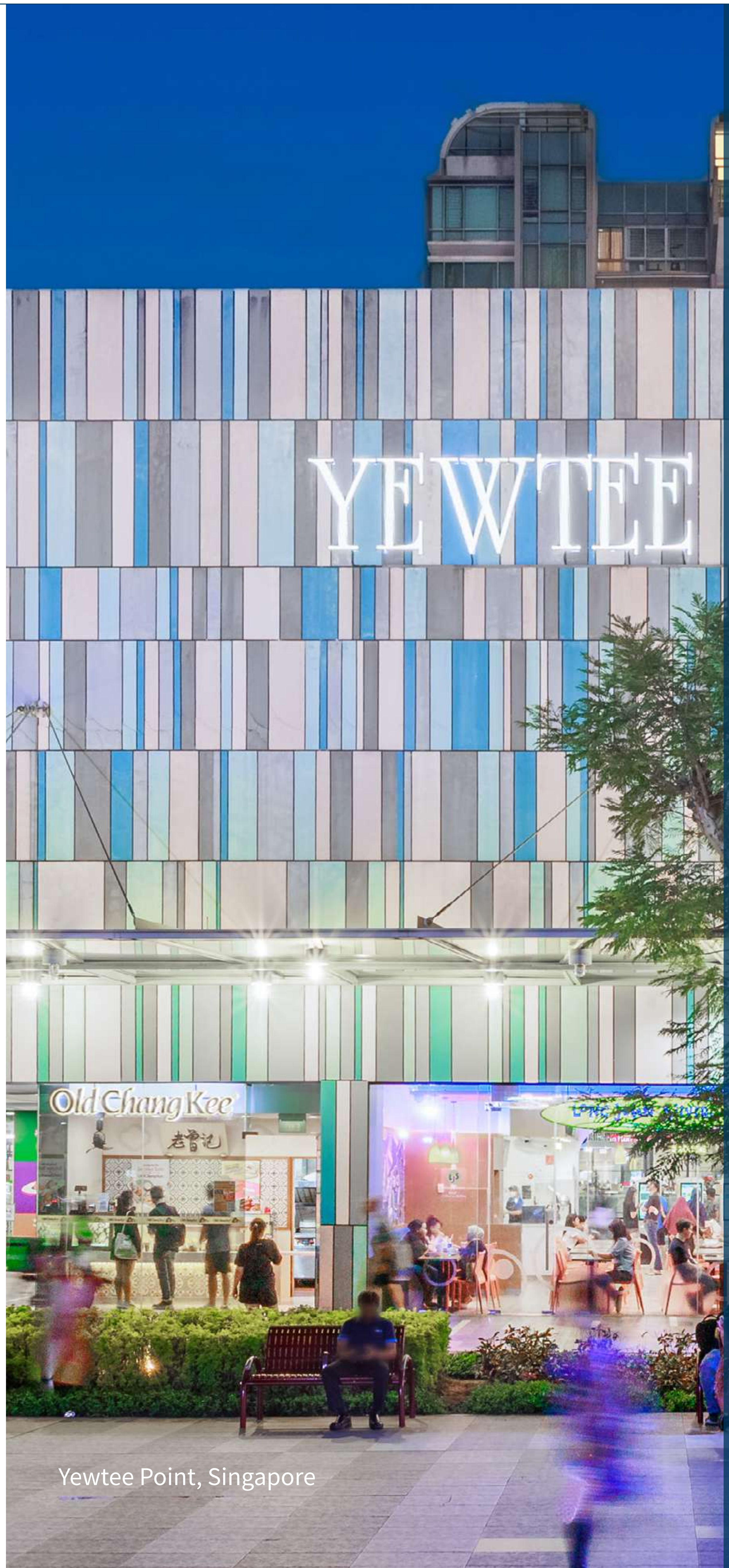
decrease from last year's consumption figures and covers both landlord and tenant-controlled operating spaces.

Resource Efficiency

Throughout FY2025, we continued to optimise building operations across our portfolio by improving the performance of our energy and water systems. We strengthened our approach to water stewardship through regular consumption monitoring, preventive maintenance programmes, and the continued use of water-efficient fixtures and fittings. Operational reviews and good housekeeping practices were also implemented to support responsible water use and minimise wastage across our properties.

To advance circular resource management, we continued to promote recycling initiatives and segregation programmes remained in place to improve recycling outcomes and support the efficient management of operational waste streams.

Through these ongoing initiatives, we seek to enhance asset performance, reduce operational costs, and strengthen the long-term resilience and sustainability of our portfolio.



Yewtee Point, Singapore

CASE STUDY

Efficiency initiatives in Singapore

In 2025, we conducted a comprehensive asset enhancement programme for two of our operating assets in Singapore which spanned across three themes: energy efficiency, water stewardship, and waste management.

We utilised an Integrated Building Management Systems (IBMS) to monitor building operations and identify opportunities for energy savings. ACMV systems, including chillers, Air Handling Units (AHUs), and Fan Coil Units (FCUs) were optimised to improve energy performance.

We also continue to source 100% of our building electricity from renewable energy sources. We maintained the operations of water efficient fixtures and fittings across both properties and implemented preventative maintenance programmes. Lastly, we engaged our tenants to promote responsible waste management practices by organising information drives across the properties.

As a result of our ongoing efficiency initiatives, both assets have earned the Platinum level Green Mark certification – representing top tier environmental performance of our buildings.

Supplementary Environmental Policies

Underpinning our management of water, waste, and other environmental impacts, ARCH Capital maintains a suite of environmental policies ensuring compliance and responsible management across our value chain:

Environmental Policy Area	Management Approach
Biodiversity and habitat	Our policy mandates compliance with all environmental laws relating to the protection of biodiversity and natural habitat. For development assets, environmental impact assessments are conducted where required by local regulation. We do not invest in properties that would result in the destruction of protected habitat or critical ecosystems.
Indoor environmental quality	Our policy mandates compliance with local indoor environmental quality standards. For assets pursuing WELL or EDGE certification, indoor air quality, thermal comfort, and lighting standards are actively monitored and managed. Tenant satisfaction surveys include feedback on indoor environment.
Material sourcing and sustainable procurement	Our policy requires that construction and fit-out materials are sourced from legal and ethical vendors. For development and major refurbishment projects, we specify sustainable and low-embodied-carbon materials where technically and commercially feasible. Supplier ESG screening is being formalised as part of the FY2026 supply chain ESG programme.
Resilience to catastrophe/ disaster	Our policy encompasses the systematic identification, prioritisation, mitigation, and monitoring of environmental hazards and physical risks. All assets are assessed against seven physical climate risk categories using Measurabl under RCP 2.6, 4.5, and 8.5 scenarios. Business continuity plans are maintained for assets in high-hazard geographies.
Pollution control	Our policy mandates strict compliance with all environmental laws relating to pollution prevention and management. This includes the management of construction-phase dust, noise, and waste; the prevention of soil and groundwater contamination; and compliance with air quality standards in all operating jurisdictions.

Residential Co-living, Sydney

Green Certifications

In 2025, we improved the coverage of our portfolio with green certifications, achieving a 93.5% rate across operating assets. ARCH Capital pursues internationally recognised certification schemes across both development projects and standing assets, including IFC EDGE, LEED, WELL, BCA Green Mark, BERDE, CASBEE, Fitwel, and Green Mark. The choice of certification standard is tailored to each asset's type, geography, and value creation strategy.

The Chelsea, Hong Kong

WELL Health and Safety Ratings

Anson House, Singapore

BCA Green Mark Platinum, Wiredscore Platinum

Tonnochy, Hong Kong

WELL Health and Safety Ratings

Yewtee Point, Singapore

BCA Green Mark Platinum

Ootopia, Hong Kong

WELL Health and Safety Ratings

Xuzhou Central Avenue, China

Arc Performance Certifications

Sathorn Prime, Thailand

WELL Health and Safety Ratings

Podium 荟亭, China

LEED

Alfred House, Australia

WELL Health and Safety Ratings

Tokyo Multifamily Portfolio, Japan

CASBEE A

Taimall, Taiwan

Fitwel 2

Halo 捷立, Taiwan

LEED

Lucima, Philippines

IFC EDGE, LEED, WELL, BERDE

O2+ Living, Philippines

WELL Health and Safety Ratings

MNL1 Data Center, Philippines

IFC EDGE

Pinnacle Cold Storage, Philippines

IFC EDGE

GHG Emissions Inventory

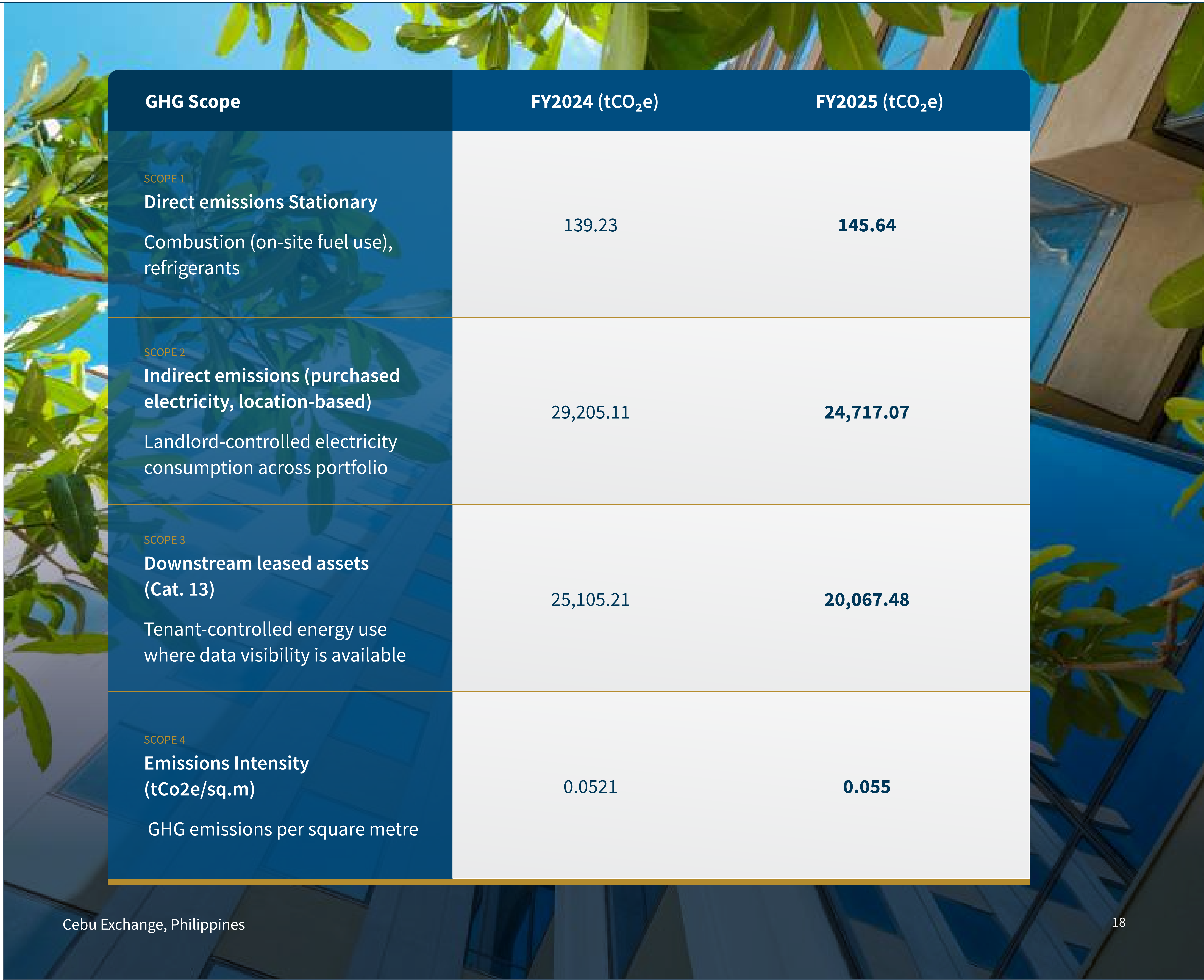
ARCH Capital's GHG emissions inventory is prepared annually in accordance with the GHG Protocol Corporate Standard. The inventory covers Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased electricity), and Scope 3 (indirect value chain emissions, currently limited to Category 13: downstream leased assets). The inventory covers all assets in ARCH Capital's active portfolios for the reporting period 1 January to 31 December 2025.

In 2025, gross emissions for Scopes 2 and 3 declined year-on-year with reductions of 15% and 20% respectively. This decline primarily reflects portfolio composition changes in FY2025.

On the other hand, ARCH Capital recorded a modest increase in intensity-based GHG emissions across our portfolio. This outcome primarily reflects higher tenant occupancy and activity levels, particularly in more resource-intensive asset classes. While we view stronger y-o-y leasing performance in these assets as a positive indicator of portfolio resilience, we remain focused on ensuring that growth is accompanied by disciplined energy and carbon management.

Looking ahead, we will continue to enhance efficiency measures, tenant engagement and operational controls to mitigate emissions intensity and support our longer-term decarbonisation objectives.

GHG Scope	FY2024 (tCO_2e)	FY2025 (tCO_2e)
SCOPE 1 **Direct emissions Stationary** Combustion (on-site fuel use), refrigerants	139.23	**145.64**
SCOPE 2 **Indirect emissions (purchased electricity, location-based)** Landlord-controlled electricity consumption across portfolio	29,205.11	**24,717.07**
SCOPE 3 **Downstream leased assets (Cat. 13)** Tenant-controlled energy use where data visibility is available	25,105.21	**20,067.48**
SCOPE 4 **Emissions Intensity (tCo2e/sq.m)** GHG emissions per square metre	0.0521	**0.055**



Cebu Exchange, Philippines

Social

Our Tenants

Tenants are central stakeholders in ARCH Capital's assets. Tenant satisfaction and retention directly influence asset performance, rental income stability, and asset valuations. As occupier expectations for high-quality, sustainable and well-managed spaces continue to rise across Asia Pacific, our approach to tenant engagement has evolved from a traditional property management function into a strategic ESG priority, embedded in how we manage the assets and support long-term value creation.

ARCH Capital engages tenants through a structured set of channels designed to foster open communication, understand evolving needs, and drive shared sustainability outcomes:

Satisfaction surveys

Conducted at regular intervals across commercial and residential assets, capturing feedback on building quality, services, ESG initiatives, and overall satisfaction

Property management check-ins

Regular operational touchpoints between asset management teams and tenant representatives, used to identify and address service issues and sustainability opportunities

Tenant fit-out manuals

Distributed to all incoming tenants, incorporating green fit-out recommendations covering energy-efficient lighting, water-saving fixtures, sustainable materials, and waste management guidelines

ESG engagement events

Sustainability-themed events and communications at select assets, covering topics such as energy conservation, waste reduction, and occupant wellness

Green lease discussions

Proactive engagement with tenants on green lease clause implementation as part of new lease and renewal negotiations

Social Policies Relating to Tenants and Customers

Policy Area	Management Approach
Customer satisfaction	Our policy and protocols encourage regularmonitoring of tenant satisfaction across managed assets, using structured feedback mechanisms, satisfaction surveys, and property management engagement. Feedback is used to continuously improve service quality and sustainability programmes.
Community development	Our policy and protocols encourage support to nearby communities through job creation, social activities, and other indirect support to the local economy.
Stakeholder relations	Our policy provides for a grievance sharing and resolution approach for all stakeholders. Tenant grievance channels are embedded in property management processes across all operating assets.
Human rights	We have a zero-tolerance policy against any violations of the rights inherent to all human beings, regardless of nationality, place of residence, gender, national or ethnic origin, colour, religion, language, or any other status. This applies across our portfolio, including in supply chain and contractor relationships.

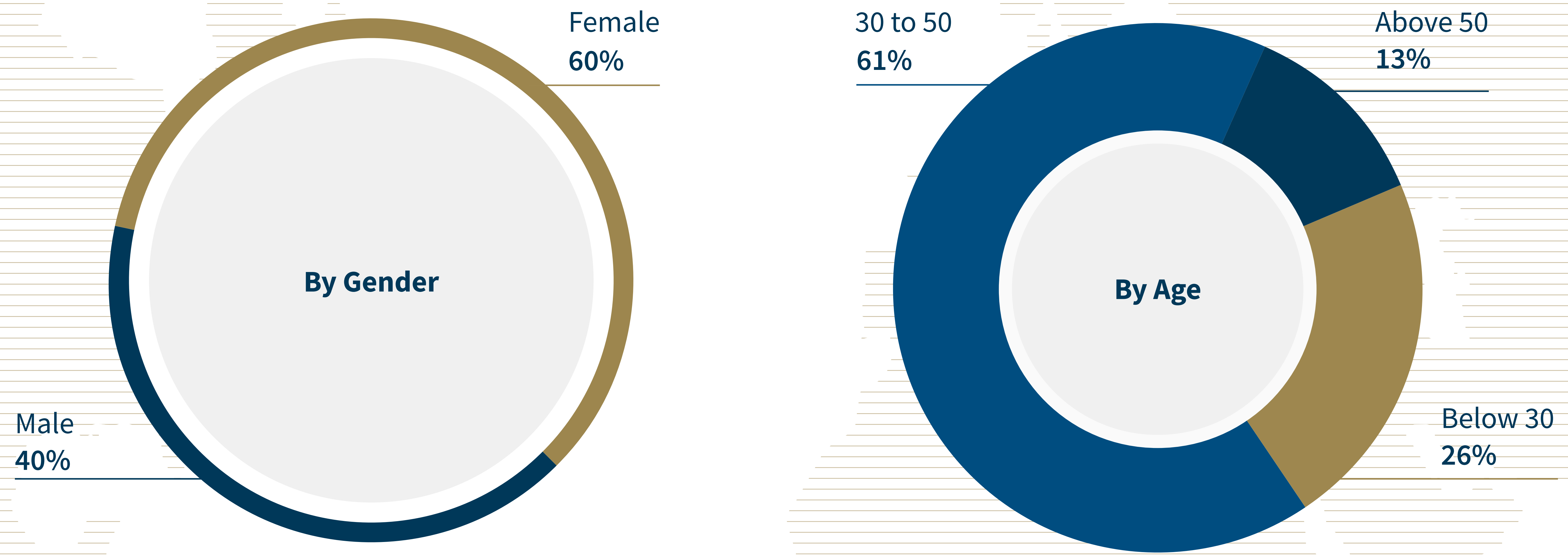
Our Employees

ARCH Capital's employees are our most important asset. We are proud to build a diverse workforce as we partner with local operators across the regions we operate in. As a real estate investment manager operating across ten countries in Asia Pacific, our competitive advantage rests on the depth of local market knowledge, professional expertise, and cross-cultural capability that our people bring. We are committed to building a workplace that attracts and retains outstanding talent — one that is inclusive, professionally stimulating, and supportive of employee wellbeing.

Diversity, Equity, and Inclusion

ARCH Capital is committed to fostering a diverse, equitable, and inclusive workplace across all levels of the organisation. We believe that diverse perspectives enhance decision-making quality and drive innovation. At ARCH Capital, women make up 60% of the workforce, with representation shown across all working levels. We prioritise local hiring across the 10 operating offices we have in our region. Our hiring and promotion practices are grounded in equal opportunity principles and are free from discrimination on any grounds.

ARCH Workforce Profile



Learning and Development

ARCH Capital invests in the professional growth and development of our people, recognising that a high-performing, continuously developing workforce is essential to delivering on our investment and sustainability commitments. Our approach to learning and development spans formal training programmes, performance management, mentorship, and access to professional qualifications.

In 2025, ARCH Capital ensured that 100% of employees were able to receive functional and technical training. Furthermore, we conduct a comprehensive performance review cycle where all employees undergo a structured annual performance review, including goal setting, development planning, and feedback from managers. Reviews are grounded in both professional performance objectives and alignment with ARCH Capital's values and culture.

Labour Standards & Employee Social Policies

Policy	Management Approach
Child labour	ARCH Capital has a zero-tolerance policy on child labour across its portfolio and in its supply chain. No child labour is permitted in any capacity in any operation or asset managed by ARCH Capital.
Forced or compulsory labour	ARCH Capital has a zero-tolerance policy on forced or compulsory labour across its portfolio. This applies to directly employed staff, contractors, and supply chain partners operating on ARCH Capital-managed assets.
Diversity, equity, and inclusion	As required under our Code of Conduct, ARCH Capital does not discriminate or apply inconsistent standards in the determination of staff performance, development, opportunities, or promotion based on gender, race, religion, nationality, sexual orientation, or any other characteristic.
Labour standards and working conditions	Our policy mandates strict compliance with country-specific labour standards and working conditions across all markets of operation, including minimum wage requirements, working hour limits, and leave entitlements.
Employee engagement	Our policy provides for clear and adequate employee engagement, including career development pathways, equitable and competitive remuneration, and regular needs assessments to ensure the workplace continues to meet employee expectations.
Grievance mechanisms	Our policy provides for a grievance sharing and resolution approach that is accessible, anonymous, legitimate, safe, and improvement-based, available to all employees and contractors across our portfolio.

Anson House, Singapore

Governance

Sustainability Governance

The quality of any sustainability programme is determined by the governance that underpins it. Without board-level accountability, clear management ownership, and defined escalation pathways, an ESG strategy risks remaining aspirational rather than delivering measurable outcomes. At ARCH Capital, we continue to progressively strengthen the governance foundations of our ESG programme since our first Sustainability Report, and in FY2025 we implemented several key enhancements to further embed ESG into our decision-making and oversight processes.

Our governance approach is structured around three tiers: board-level oversight, management-level accountability, and operational delivery through the ESG Taskforce and regional teams. Each tier has defined responsibilities, escalation protocols, and reporting obligations.

Board of Directors	Holds ultimate oversight and responsibility for ESG matters, including climate-related risks and opportunities material to ARCH Capital. Receives regular updates from the Management Team on material ESG developments, significant risks, and progress against sustainability commitments. Reviews and approves the annual Sustainability Report.
Chief Executive Officer	Defines ARCH Capital's overall sustainability strategy and vision. Communicates the value of ESG integration to internal and external stakeholders. Plays a key role in ensuring organisational commitment to sustainable investment objectives and sets the tone from the top on responsible investment culture.
Chief Investment Officer & Head of Sustainability	Oversees sustainability performance across the portfolio. Guides the ESG Taskforce in developing and implementing sustainable investment standards. Responsible for integrating ESG findings into the investment and asset management processes and for the semi-annual portfolio-level CRREM pathway review introduced in FY2025.
ESG Taskforce	A cross-functional regional group comprising investment management, asset management, and finance professionals from ARCH Capital's offices across Asia Pacific. Responsible for developing and implementing sustainable investment standards, initiatives and processes at the project level; determining the viability of and ensuring green building certifications; reviewing climate risk findings; and coordinating ESG data collection for annual reporting.
Regional Manager, Climate, Sustainability & ESG Investing	Leads day-to-day ESG programme implementation across ARCH Capital's portfolio. Responsible for coordinating environmental data collection via Measurabl, managing the GRESB submission process, overseeing green building certification programmes, drafting the annual Sustainability Report, and engaging with investors and stakeholders on ESG due diligence requests.

One Riverbend, Taiwan

Corporate Governance Policies

In FY2025, the scope and depth of our corporate governance policy suite was reviewed against best practice and the expectations of our institutional LP base. The full suite of policies is summarised below:

Anti-Bribery & Corruption

Management Approach

ARCH Capital maintains a zero-tolerance policy on bribery and corruption in all forms. Our Anti-Bribery and Corruption Policy covers facilitation payments, gifts and entertainment, political contributions, and interactions with public officials. All employees receive mandatory training on the policy requirements. Violations are subject to immediate investigation and disciplinary action.

Cybersecurity & Data Protection

Management Approach

Our Cybersecurity Policy establishes comprehensive protocols covering data protection, access controls, incident response, vendor security assessments, and employee awareness training.

Fiduciary Duty & Responsible Investment

Management Approach

Our Fiduciary Duty Policy establishes clear obligations to protect clients' and investors' interests in all investment decisions. The policy explicitly incorporates ESG factors as material considerations in investment analysis and decision-making — reflecting ARCH Capital's view that climate risk, social licence, and governance quality are financially material to long-term real estate investment performance. This is consistent with ARCH Capital's obligations as a UN PRI signatory.

Anti-Fraud & Financial Crime

Management Approach

ARCH Capital maintains a zero-tolerance policy on fraud in all forms, including misrepresentation, falsification of documents, theft, and financial crime. All reports of fraud are investigated thoroughly by the relevant management team, with appropriate regulatory notification where required. The policy applies to all employees, contractors, and counterparties.

Corporate Governance Policies

Conflicts of Interest

Management Approach

Our Conflicts of Interest Policy establishes protocols for identifying, disclosing, managing, and, where necessary, recusing from actual or potential conflicts of interest in investment decisions, business relationships, and external activities. All employees are required to disclose potential conflicts annually and as they arise.

Whistleblowing & Speak-Up

Management Approach

ARCH Capital maintains a Speak-Up Policy that provides employees and contractors with a confidential, protected mechanism for reporting suspected violations of law, policy, or ethical standards. Reports can be made anonymously. The policy prohibits retaliation against good-faith reporters and requires all reports to be investigated promptly and fairly.

Anti-Money Laundering & Financial Sanctions

Management Approach

Our AML and Sanctions Policy require due diligence procedures for all counterparties, investors, and service providers. The policy ensures compliance with applicable AML regulations and financial sanctions regimes in each operating jurisdiction.

Data Privacy

Management Approach

ARCH Capital's Data Privacy Policy establishes standards for the collection, use, storage, and disposal of personal data in compliance with applicable data protection laws across our operating jurisdictions.

Code of Conduct

Management Approach

Our Code of Conduct sets out the ethical standards and behavioural expectations that apply to all ARCH Capital personnel in their professional activities. It covers honesty and integrity, respect and inclusiveness, compliance with laws and regulations, protection of confidential information, and proper use of company resources. All employees are required to read and acknowledge the Code annually.

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Sustainability Inquiries

Inquiries regarding ARCH's sustainability related matters or Sustainability Report may be addressed to: jcreyes@archcapital.net