



Property Income Trust For Charities

Property Income Trust for Charities ESG & RPI Credentials 2022

A Fund managed by Mayfair Capital

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Introduction

Tim Munn, Chief Investment Officer

Environmental, Social and Governance considerations have never been more important to investors of responsible capital. Climate change and the environment is the most urgent challenge facing humanity and will have such a pervasive impact on the way we live, work and play over the coming years. With real estate responsible for a significant proportion of global carbon emissions, we at Mayfair Capital believe passionately that we have our part to play in helping reduce the adverse impact of the built environment. As a committed responsible investor, sustainability and stewardship is central to the way we think, behave and act as investors.

Our investment philosophy is income-focused and we regard property investment as a long term commitment. We contend that income is the driving force behind real estate investment and therefore we build portfolios that provide resilient and sustainable income returns. We do this by investing in accordance with themes that are focussed on the secular trends impacting occupational demand for property now and into the future. We believe this approach will lead to income-generated out-performance.

As a manager of property, we recognise the impact our buildings and operations have on the environment and society.

The building sector contributes 30% of annual global greenhouse gas emissions according to the UN's Principles for Responsible Investment (PRI). Accordingly, as good stewards of our clients' capital we are committed to managing land and buildings efficiently to make more prudent use of existing resources and reduce emissions.

It is our view that ESG not only makes moral sense, it makes financial sense too. Property is an income-producing asset. Owning and operating a building that is managed for people and which uses land and energy efficiently will produce stronger, more enduring income returns than an inefficient, energy hungry building. Accordingly, as an income-focussed investor, ESG considerations are central to the way we manage our business and our portfolios.

Both ESG factors and financial returns shape our investment strategies to target assets for which occupational demand will endure both today and tomorrow. By targeting quality assets in accessible locations with low energy usage and compelling ESG attributes, we are also acquiring assets that will be most attractive to occupiers over the long-term. This underlines why ESG is fundamental to our investment approach. We also seek to improve the buildings that we acquire through new



capital investment, making them better aligned to ESG objectives to generate more secure income streams. We actively manage, monitor and measure our progress and strive for continual improvement.

At a corporate level, we understand that ESG can lead to better business outcomes. Striving for an inclusive working environment which promotes wellbeing, social causes and the environment keeps our team happier, healthier and more productive. Examples of our corporate ESG approach include our Annual Charity Quiz Night where we have raised significant funds over the last 10 years for our chosen charities, and the provision of two days per year on top of annual holiday allowance for every staff member to undertake charity work and put some of their time back into community based projects. Successful business performance is entwined within an active ESG approach which we place at the heart of all that we do.



Mayfair Capital ESG Policy

Mayfair Capital as the manager of PITCH is committed to managing the Fund in a responsible way by integrating ESG criteria, as well as risk factors and financial metrics, into a controlled and structured investment process. We believe this helps to generate long-term risk-adjusted returns and aligns our investment goals to those of our investors and stakeholders.



Environmental

Actively managing and improving the environmental performance and climate related resilience of our portfolio.



Social

Managing safe and healthy buildings to encourage productivity and promote positive engagement with workers, visitors and the local community.



Governance

Minimising legislative, environmental and social risks through disciplined observance of robust risk management processes and striving for continual improvement.

We are committed as a manager of real estate capital to use our influence where possible to improve the sustainability of the built environment. We do this through the careful specification of developments and the management and refurbishment of buildings under our care. Through this approach our goal is to reduce carbon emissions from the built environment, mitigate the effects of climate change, minimise the consumption of resources, promote wellbeing and quality of life and protect biodiversity.

To ensure our commitments are met, we have established an ESG strategy

supported by an environmental management system (EMS) aligned to the internationally recognised standard, ISO 14001. The framework ensures the development and continual improvement of our ESG performance, but also enshrines our commitments as a business, which are set out below.

To support our principles, we have developed objectives categorised across our investment stages: Transactions, Developments & Refurbishments and Operational. To ensure the tracking and achievement of each objective, key performance indicators (KPIs) have also been established, including

measurable success parameters and defined timescales. Mayfair Capital will endeavour to inform and support all employees and key stakeholders in their responsibilities for governing these commitments. This policy applies to all Mayfair Capital investments and related business operations. A review of this policy, objectives and progress against KPIs will be monitored and reported at least annually by the Mayfair Capital Investment Management Board.



Mayfair Capital ESG Policy Objectives:

Transactions

- E** • Undertake a formal risk assessment on potential investments (including EPC's, flood risk, ground contamination, asbestos, pollution, energy, water waste etc.)
- S G** • Due diligence screening of tenants is carried out in line with PITCH's ethical policy at the time of acquisition of a property. This is reviewed across the portfolio on a quarterly basis and monitored by the Investors' Committee.
- E S** • Conduct a review of potential to improve the existing environmental or social performance as part of due diligence, including capital expenditure required.
- E S G** • As part of IRC review, ensure social aspects such as health, safety, tenant comfort, location and transport aspects of the building are assessed.
- E S** • Review the applicability to complete an 'Impact Sustainability Action Plan' (ISAP) where this is aligned with stakeholders' expectations
- G** • In addition to industry relevant policies, ensure that all assets under management, potential investments, employees and stakeholders adhere to internal policies on anti-bribery and equal opportunities employment.

Operational

- E** • Where landlord controlled, ensure energy, water and waste data is monitored through a data management system on a quarterly basis, at a minimum and, where relevant, establish relevant asset and fund level improvement programmes.
- E S** • Where tenant controlled, engage with tenants to monitor energy, water and waste data on an annual basis, where possible. Seek to implement green lease clauses / Memorandum of Understanding to encourage data sharing and tenant collaboration on ESG goals.
- E S G** • Incorporate ESG issues into asset business plans and ensure training needs are met for all employees and relevant stakeholders.
- E S** • Maintain an active dialogue with key stakeholders on social issues whilst encouraging building occupants to improve environmental performance.
- E S G** • Ensure minimum ESG requirements for Property Managers to encourage best practice, particularly where there is a stakeholder expectation to do so.

Development & Refurbishments

- E S G** • Ensure stakeholders have robust procedures in place to manage environmental (e.g. ISO 14001) and social issues (e.g. Modern Slavery Act and Living Wage).
- E G** • Ensure compliance with Minimum Energy Efficiency Standard (MEES) and maintain a good understanding of all current and future regulatory requirements.
- E** • Identify opportunities to implement green building certification, where commercially viable.
- E** • Where practical, track and assess the impact on energy efficiency of improvements made as part of refurbishments.
- E S** • Engage with key stakeholders to ensure both environmental and social aspects are carefully considered throughout the refurbishment process, including health and wellbeing of occupants.



Introduction to PITCH & ESG

Simon Martindale, Fund Director

The Property Income Trust for Charities (PITCH) helps over 1,200 charities to invest in property in an ethical, responsible and tax-efficient way.

PITCH has c.£731m of property assets under management invested across a diversified portfolio of commercial property throughout the UK. It aims to deliver a relatively high and sustainable income yield whilst at least maintaining capital value in real terms over the economic cycle. We do this by investing thematically, seeking to build a portfolio that is fit for purpose for the occupier both today, and in the future. Most importantly though, we do this in an ethical and responsible way mindful of our fiduciary duty to our charitable investors but also to society and the environment, in which we work and live.

ESG has always been central to the management of PITCH. It was one of the first property funds, for instance, to adopt an ethical policy, which has been in place since inception in 2004. This means it will not, for example, acquire property whose occupiers' business turnover depends primarily on alcohol, tobacco, armaments, gambling or the sex industry. This ensures a natural alignment with the charitable investor base but also reflects our own belief that it is right to take a stand against unethical practices whose continued

growth may detrimentally affect society. As owners of commercial property, we recognise the potential harm that carbon emissions can have on the environment. For this reason, we constantly strive to improve the environmental credentials of the Fund's buildings whilst also ensuring we act as stewards towards our tenants and other stakeholders to align all interests in this process. This is set out in more detail within the key objectives of our ESG policy as explained on page 5.

We are pleased that the continued refinement of our ESG strategy has been reflected in its scoring within one of the key global benchmarking Indexes, the Global Real Estate Sustainability Benchmark, GRESB. PITCH has reported annually since 2014 to this benchmark and has seen its score increase by over 141% in the last 6 years enabling it to achieve Green Star ratings - please refer to our report on pages 16 - 17. Mayfair Capital is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and was recently accepted as a signatory of the 2020 UK Stewardship Code. As a member of the Association of Real Estate Funds (AREF) it also commits to best



practice across a range of measures on Fund Governance and Risk having been awarded an AREF Quality Mark every year since this was introduced.

We hope that this document demonstrates our ongoing commitment to ESG and our continued desire to be a responsible investor. We do this first and foremost because inherently, we believe it is the right thing to do and that remains our guiding principle, however, we also recognise there are many different interpretations of ESG. With this in mind, we acknowledge the need to continually improve and modernise our approach to responsible investing. We hope we have been able to demonstrate our commitment to this cause in this document.



PITCH Ethical Policy

The Property Income Trust for Charities (PITCH) adheres to a responsible investment policy in the management and investment of the Fund, with a particular focus on the underlying charitable purpose of its investor base.

Mayfair Capital Investment Management as managers of the Property Income Trust for Charities (PITCH) adhere to this responsible investment policy in the management and investment of the Fund, but with a particular focus on the underlying charitable purpose of its investor base. Many charities have their own ethical policies measured alongside their mission or charitable objectives. Whilst a pooled Fund such as PITCH cannot adhere to each investor’s policy requirements in every case, it is important for its own ethical policy to provide a clear and transparent set of ethical guidelines that are adhered to in the management of the property portfolio.

Due diligence screening of tenants is carried out by PITCH’s Fund management team at the time of acquisition of a property and then reviewed across the portfolio on a quarterly basis. This is reported to both Mayfair Capital’s Investment Risk Committee and the Fund’s external Investors’ Committee who meet with the Manager on a quarterly basis.

The Investors’ Committee includes representatives from a religious body and from two universities. These charities are at the forefront of ethical investment. The Investors’ Committee monitors the tenants in the property portfolio, according to the Fund’s stated

policy, and ensures that none are involved in any activity which would likely bring the Fund into disrepute with its investors or wider stakeholders. This includes companies whose primary business is in the production of alcohol, tobacco, armaments, gambling, pornography and the sex industry. Those companies that are involved in other industries that may be considered by the Investors’ Committee appropriate for exclusion or restrictions are assessed on a case by case basis.

Listed below are those tenants who derive some turnover from a ‘flagged’ activity within our ethical policy:

ETHICAL POLICY	COMMENT	% OF FUND INCOME *
Alcohol production or consumption (we hold no pubs, bars or wine merchants as tenants)	The Fund holds several restaurants: Las Iguanas, Pizza Express, Côte, Café Rouge and Zizzi.	<2%
Gambling	None	0%
Manufacture or sale of armaments	None	0%
Manufacture or sale of tobacco products	None	0%
Pornography or the sex industry	None	0%
Other activities deemed to be unacceptable from time to time	None	0%

* The amount of income received from a tenant where their business turnover includes some activity highlighted by the Fund’s ethical policy
Source: Mayfair Capital (30.12.2021).



PITCH Ethical Policy - Policy during the acquisition process:

Investment Exclusions (Pornography; Gambling; Armaments & manufacture of Alcohol & Tobacco):

Our Ethical Policy states that the agreed ethical investment screens should be applied to individual tenants of property assets. Our ethical exclusions mean that we would not invest in properties which included tenants involved in the following banned activities: Pornography, Gambling, Armaments and the manufacture of Alcohol and Tobacco.

It is not always possible to determine the exact amount of revenue derived from a particular activity, and so we adopt a maximum 10% threshold of a company's turnover to cover unavoidable or inadvertent breaches. Therefore, if the turnover threshold for a tenant company's activity, subject to an ethical investment exclusion is exceeded, then that property will be ineligible as a new investment.

Investment Restrictions (sale of Alcohol and Tobacco):

Our Ethical Policy states that companies involved in the manufacture of alcohol or tobacco should be excluded, as above; however, to ensure that potential tenants, where only a minor part of their business comes from this activity are not excluded, the sale of the end-product is allowed up to 25% of a company's turnover. We must take into account stewardship responsibilities towards our clients with regard to investment performance, as well as their ethical standpoint.

To give examples, supermarket retailers that sell alcohol and tobacco would be permissible tenants; however, a wine merchant would not; family restaurants serving alcohol would be permissible but pubs and bars serving predominantly alcoholic drinks would not.

Other Investment Restrictions on a case by case basis:

Our Ethical Policy allows for other activities to be considered by our Investors' Committee (IC) on a case by case basis, where in their opinion, a tenant's corporate activities might be deemed to be in conflict with the ethical principles of our investor base. The IC mandates the PITCH management team, during its due diligence process on any asset, to flag any such issues in its reporting.

For example, cases that have been discussed in the past have included issues that have arisen over the "living wage", corporate governance, animal testing and companies extracting thermal coal or tar sands. The IC has the final say over what is considered an acceptable tenant for the PITCH property portfolio and is not already covered by a clear investment exclusion or restriction (as above).

PITCH Ethical Policy - Policy through property ownership:

It should be noted that property investment differs in one clear respect from other types of investment, in that leases can be assigned by existing tenants after the investment has been made. Under a standard lease, Landlord's consent to an assignment should not be unreasonably withheld or delayed. It should be noted that agreeing leases which place more restrictions on a tenants' ability to assign or sublet would diminish the economic value and marketability of the property assets.

If, as a result of an assignment, a turnover threshold of a corporate tenant's activity was to breach the ethical investment exclusion or restriction, then the IC would consider the appropriate way forward with the PITCH management team on a case by case basis. There is no blanket requirement for a forced disposal but if the assignment were to clearly breach the stated ethical policy then the IC would require the sale of the asset over an appropriate time period dependant on market conditions and with regard to achieving an appropriate market value.

It should be noted that the above issue could also arise as a result of corporate activity such as a take-over or merger.

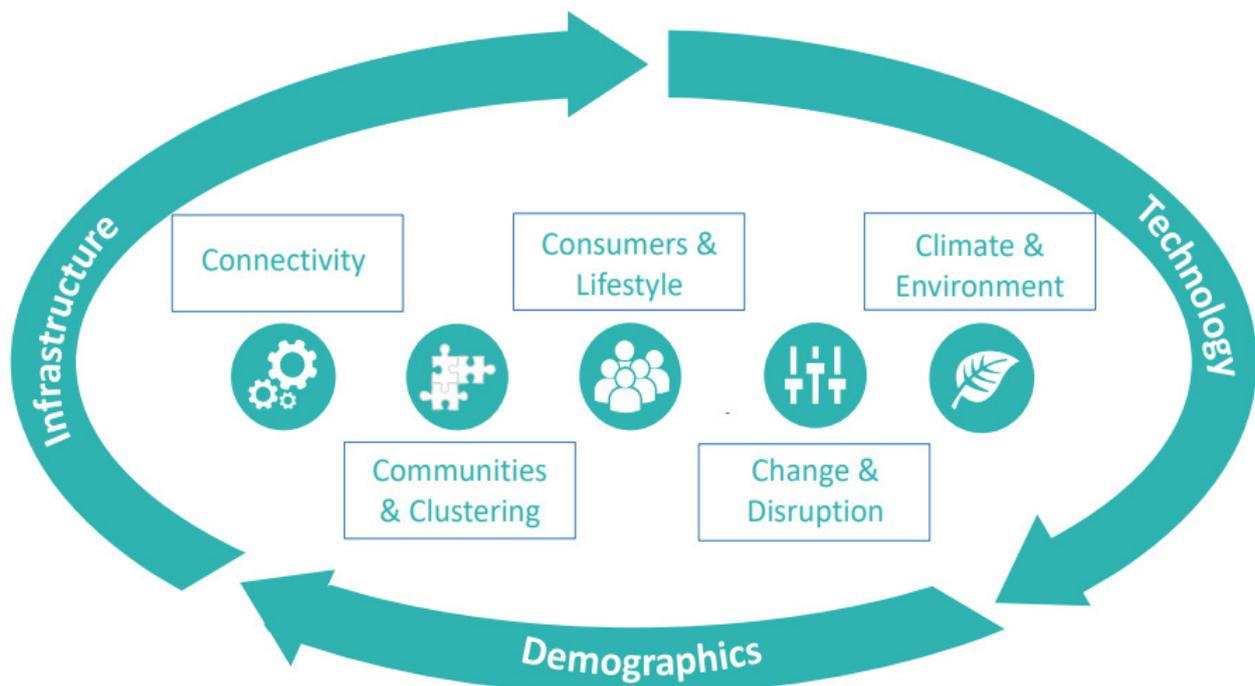
Summary:

The above stated Ethical Policy for PITCH should be read in conjunction with the Fund's approach to responsible property investment, the Fund's overall ESG policy and its approach to stewardship towards its investors, stakeholders and the management of its assets. (www.pitch-fund.co.uk)

In addition, this policy should be viewed alongside the Fund's commitment through the following industry wide memberships and reporting: As a signatory to the UNPRI; annual reporting and measurement to the Global Real Estate Sustainability Benchmark (GRESB); membership of the Association of Real Estate Funds (AREF).

ESG and Thematic Investing

A key part of our decision making process is to invest in accordance with defined investment themes that we believe will lead to outperformance. Many of these themes have strong links to sustainable investment.



Demographic shifts, globalisation and digitalisation are having a profound impact on how we are using property. In an environment where sustainable income streams are most desired, we are searching for ways to anticipate changes in tenants' needs in order to provide them with the real estate they want.

We analyse and track these changes in order to guide our investment strategy. To achieve this, we have adopted a thematic research program, grouping

identified trends into overarching “themes”. We analyse how society and businesses are being influenced by these themes, which gives us an understanding of what these changes mean for tenant demand over the long-term and the implications for real estate. This knowledge combined with in-depth local market intelligence underpins our investment strategy and give us conviction in our transaction and asset management activities.

We have identified five themes, which provide more tangible guidance about how to apply these changes to real estate. Locations or assets, which are aligned with one or more of the following themes are expected to be able to meet tenants' requirements over the long term.



5 Core Themes and ESG Impacts:

1. Consumer & Lifestyle

It is crucial to understand who consumers are – reflecting the change in population structure due to an ageing population – and how their attitude, demands and behaviours are evolving. In an environment, where consumers are placing a greater emphasis on value - both of time and money - convenience and experience gain in importance. Taking these changes into account, employers are using their real estate as a differentiator by providing a high quality workplace which has a range of working and social environments to attract the best working talent.

ESG Impact: Attracting staff - Green Space within and near to assets. Also promotes inclusion of biophilia within work space and encourages attention to wellness issues.

2. Connectivity

Transport infrastructure projects have a major impact on property markets and accessibility is key to occupiers. While physical connectivity is an important driver, digital connectivity – both speed of connection and access – is also growing in importance. This digital need is driving the requirement for stable access to power but “power connectivity” will also increasingly be needed to support the shift to automation.

ESG Impact: Public transport - proximity to public transport reduces car borne journeys. Access to labour – nearby labour pool reduces number and length of journeys.

3. Change & Disruption

This is a broad theme and the most fluid, as it covers everything from political & economic change through to changes in e-commerce. Impact of further technological change is analysed, taking into account that it has enabled employees to become a more mobile workforce. The growth in big data, which brings the ability to analyse large data sets to understand how we use the built environment is likely to have a significant impact for the real estate sector as well and is part of this analysis.

ESG Impact: Flexibility and Adaptability – adds to resilience and reuse.

4. Climate & Environment

There is a growing emphasis on health and wellness within society. Being resilient to shifting weather patterns and providing environments that meet the expectations of consumers looking for a more sustainable future is key. The desire to decrease one’s carbon footprint is combined with growing demand for access to green spaces, reduced city congestion and lower levels of carbon emissions and water use. Green power sources and smart metering are becoming standard in a building.

ESG Impact: Clear links to assets that are environmentally friendly.

5. Communities & Clustering

This theme reflects the importance of business and individual networks. For individuals, the desire for integration in a community is a social need. Industry clustering continues to gain in importance, as businesses continue to favour being part of a community in order to access skilled staff, shared resources and support networks.

ESG Impact: Promotes social elements such as diversity, cross business engagement and fostering community.

Internal Governance

As a responsible investor, it is essential that we adhere to high standards of conduct in our business dealings. We cannot expect or encourage our stakeholders to operate ethically and with probity unless we do so ourselves.

Mayfair Capital is an FCA regulated business and an approved Alternative investment Fund Manager (AIFM). As signatories to UN PRI, a member of the Association of Real Estate Funds we adhere to their principles and believe that a good understanding of regulation and policy requirements demonstrates responsible risk management.

Mayfair Capital Investment Risk Committee

Responsibility for the implementation of Mayfair Capital's investment risk processes sits with the Investment Risk Committee (IRC).

Our risk management framework covers our entire investment process. The Investment Risk Committee (IRC) is central to this framework and has the following responsibilities:

- Approval of all purchases and sales
- Monitor and ensure all transactional activity is in accordance with pre-agreed strategy and risk parameters
- Review and approve the Investment Strategy annually.

- Overall responsibility for implementing ESG strategy.

On an annual basis, the investment report will also include comments on the stress testing of the assumptions that underpin the annual hold-sell analysis and prospective base case IRR. These assumptions are stress tested under a number of different economic scenarios that have been outlined by Property Market Analysis in order to determine the Fund's resilience to a change in market conditions.

PITCH Investors' Committee

The Investors' Committee (IC) has been established to represent the Unitholders and is primarily drawn from representatives of the investors. It holds quarterly meetings with the Manager and the Trustee.

The IC approves all transactions (both acquisitions and sales) and also monitors risk parameters on a quarterly basis. It includes representatives from a

religious body and from two universities (see below). These charities are at the forefront of ethical investment. The IC monitors the tenants in the property portfolio, according to the Fund's stated policy, and ensures that none are involved in any activity which would likely bring the Fund into disrepute with its investors or wider stakeholders. This would include careful consideration of those companies whose primary business is in the production of alcohol, tobacco, armaments, gambling, pornography and the sex industry or involved in other matters that may also be considered by the IC to be relevant and are therefore judged on a case by case basis.



Social Engagement

The social sustainability of our investments is important and we believe that we have an obligation to undertake business activities that will have a positive impact on those people who live, work and invest in those assets.

As such, we commit ourselves to the following:

- Review the ethical, environmental and social performance of all key suppliers;
- Encourage regular training and development for employees;
- Promote safe and healthy buildings which encourage productivity and positive customer experiences for the communities, workers and visitors who use them; and
- Implement and monitor the adoption of the Fund’s Ethical Policy under the supervision of the Fund’s Investors’ Committee.

We recognise the benefit of engaging with our employees, stakeholders and the wider industry to create awareness around sustainability issues and ensure our objectives are achieved.

It is our policy to work with all our stakeholders, as well as peers in the market, to encourage the adoption and consideration of sustainability principles within business practice. As such, we commit to the following:

Tenant Engagement

- Promote dialogue and raise awareness among all tenants with respect to energy, water and waste consumption;
- Where possible include a Memorandum of Understanding (“MoU”) or green clauses in leases to encourage data sharing and cooperation to improve sustainability.

Stakeholder Engagement

- Encourage all managing agents, third party consultants and service providers to apply sustainability principles as part of their obligation and commitment to Mayfair Capital and when necessary take appropriate action when these principles are not being adopted to a satisfactory standard;
- Consider the level of commitment to sustainability of potential investment partners and pursue dialogue with these parties when their standards are in conflict with Mayfair Capital’s sustainability principles;
- Ensure that all employees of Mayfair Capital are aware of the RPI statement, Fund policies and KPIs.

Industry Engagement

- Engage with the wider industry in promoting sustainability as a mainstream consideration of investment performance by contributing to and attending relevant working groups and industry events.

Community Engagement

- Striving for an inclusive working environment which promotes wellbeing, social causes and the environment keeps our team at Mayfair Capital happier, healthier and more productive.
- Examples of our work to help the community includes our Annual Charity Quiz Night where we have raised significant funds over the last 10 years for our chosen charities. Also we provide for two days per year on top of annual holiday allowance for every staff member to undertake charity work and put some of their time back into community based projects. Successful business performance is intertwined within an active ESG approach which we place at the heart of all that we do.



Measuring, Monitoring and Performance

As manager of the PITCH property portfolio we recognise the impact our buildings and operations have on the environment and believe that we are responsible for minimising our consumption of natural resources.

In order to assess our performance on ESG and sustainability we report across a series of platforms at both an industry and property level. We seek to measure all landlord controlled energy and water supplies throughout our portfolios, concentrating on the more substantial assets where we believe that we can make a difference. We consider ESG elements through the transaction process when undertaking our acquisitions and report at Industry Standard and PITCH Property Level:



Industry Standard Reporting

1. United Nations Principles of Responsible Investment (UNPRI)
2. Association of Real Estate Funds (AREF)
3. Global Real Estate Sustainable Benchmark (GRESB)
4. 2020 UK Stewardship Code



PITCH Property Level Reporting

1. Energy Efficiency
2. Sustainable Suppliers
3. Green Leases
4. British Research Establishment Environmental Assessment Method (BREEAM)



Industry Standard Reporting

In order to track both our progress and help drive further performance we submit data across a series of platforms at Industry level and our results have been very positive. Early on it's important to understand energy, waste and water usage within a portfolio in order to identify opportunities at inefficient properties and to gauge what areas are worth investigating in order to focus efforts.

United Nations Principles for Responsible Investment (UNPRI)

As a subsidiary of Swiss Life Asset Managers we come under their umbrella for PRI assessment. Our result for 2020 shows strong performance in both Strategy & Governance and Property. See the [2020 UNPRI Report here](#).



The Association of Real Estate Funds (AREF)

PITCH achieved one of the top scores in the AREF code of practice as well as being awarded a Quality Mark for the high level of transparency and corporate governance managing the Fund.

PITCH received best practice in 8 of the certification matrix and we endeavour to continue to adopt best practice whenever possible.



Global Real Estate Sustainability Benchmark (GRESB)

PITCH has been reporting to GRESB since 2014 and we are pleased to report that in 2021 the Fund scored 76/100. View the [2021 GRESB Summary Report here](#). The Fund has been awarded 3 green stars and achieved 30/30 for its management. See our GRESB 2021 Report summary on pages 16 - 17.



2020 UK Stewardship Code

Consistent with our long history of stewardship and responsible investment, Mayfair Capital has adopted the Principles of the UK Stewardship Code 2020 and has been approved as a signatory. The Code recognises the importance of effective stewardship among asset managers, institutional investors and other stakeholders and identifies the challenges involved in good stewardship. It aims to address these obstacles by developing a 'Stewardship Framework' which Mayfair Capital will implement through its approach to governance.

We submitted a Stewardship Report to the FRC in March 2021 and will continue to do so on an annual basis thereafter. This report explains how we have complied with the Principles and will be published on the Mayfair Capital website. View our [report here](#). For more information on the [UK Stewardship Code 2020](#) [click here](#).

2021 GRESB Report:

[Click here to view the full 2021 GRESB Report](#)

Mayfair Capital Investment Management

Property Income Trust for Charities

2021
GRESB
Real Estate
Assessment

GRESB Standing Investments Benchmark Report

Property Income Trust for Charities Mayfair Capital Investment Management

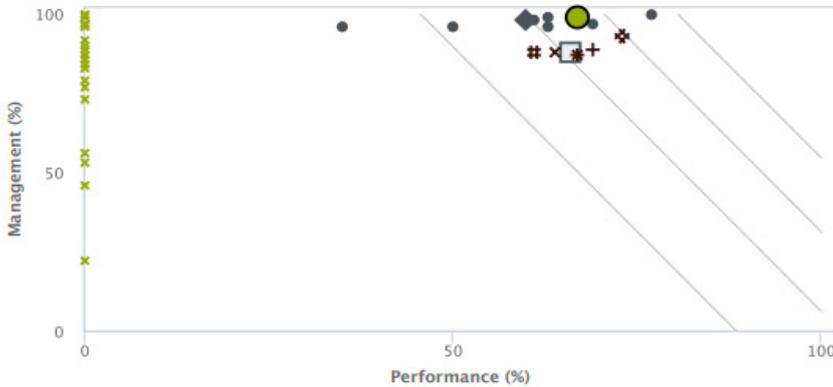
2018 2019 2020 2021

3rd
Out of 9

G R E S B[®]
☆☆☆ 2021

Status: Non-listed
Strategy: Core
Location: United Kingdom
Property Type: Diversified - Office/Industrial

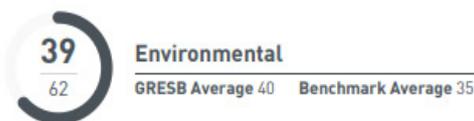
GRESB Model



- This Entity ◆ Peer Group Avg. ● Peer Group □ GRESB Average
- GRESB Universe + Asia × Europe * Americas * Oceania
- # Globally diversified × Entities with only one component submitted

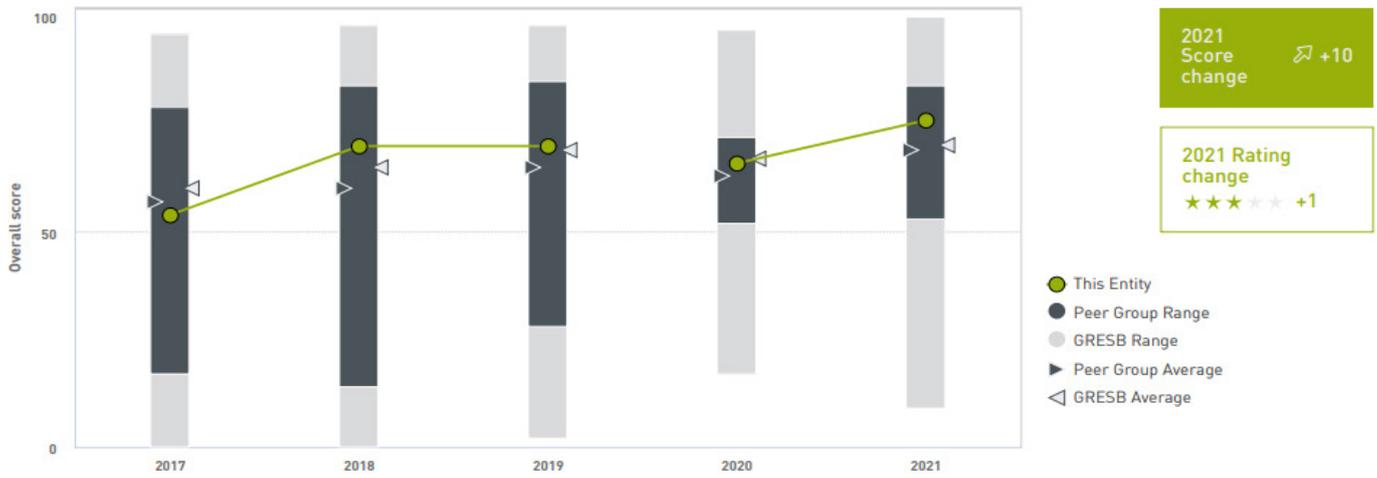


ESG Breakdown



2021 GRESB Report:

Trend



Note: In 2020, the GRESB Assessment structure fundamentally changed, establishing a new baseline for measuring Performance. As a result, GRESB advises against a direct comparison between 2020 GRESB Scores and prior year results. For more information, see the 2020 Benchmark Reports.

Property Level Reporting

We seek to embed RPI considerations into our processes even before an asset is acquired and many of the considerations that we have will echo the requirements of current or potential occupiers. We also seek to measure all landlord controlled energy and water supplies throughout our portfolios, concentrating on the more substantial assets where we believe that we can make a difference. For further information, view our [PITCH 2020 Sustainability Report](#) on pages 19 - 20.

Energy Efficiency

Energy Performance Certificates (EPC) cover 100% of the portfolio and 99% of the portfolio is rated 'D' or better. The EPC is an important consideration - efficient buildings will always be desirable, as are low running costs.

EPC ratings are also important beyond just considering running costs. The Minimum Energy Efficiency Standards (MEES) will make it illegal to grant new leases on commercial properties with a rating of F or G from April 2018 (and for existing leases from April 2023).

Only one small industrial unit within our portfolio has an F rating and that is principally due to its current quasi-showroom use. The unit is to be refurbished during the coming year. We ensure that all our assets have EPCs and that we have strategies in place to deal with any assets that are unlikely

to meet the minimum criteria at the relevant dates.

Sustainable Suppliers

Sustainable objectives are more easily attained by working in partnership. We are seeking out opportunities to introduce companies that can help our tenants to achieve their own sustainable goals.

We have arranged discount opportunities for our tenants to purchase energy and water saving technology from Save Money Cut Carbon and additionally have introduced Zumtobel to work with tenants to investigate self-funding installations of LED lighting. We have recently begun working with Syzygy to investigate opportunities to incorporate solar power into our assets.

Green Leases

We believe that enhancing the sustainable qualities of our assets has the potential to make them more desirable to occupiers, combat obsolescence and improve investment performance. By its nature, the PITCH fund contains many single let, long lease assets where data collection is problematic - we do collect environmental performance data for all our directly held multi-let properties where we organise utility supplies and waste disposal.

In order to improve data collection across the portfolio, and to work more closely with our tenants, we are seeking to incorporate terms to facilitate this into material leases.

British Research Establishment Environmental Assessment Method (BREEAM)

PITCH owns a number of BREEAM rated buildings. BREEAM is a voluntary scheme that aims to quantify and reduce the environmental burdens of buildings by rewarding designs that take positive steps to minimise their environmental impacts. 25% of the Fund's portfolio has been rated BREEAM 'excellent' or 'very good' for their incorporation of designs which reduce impact on the environment.



PITCH 2020 Sustainability Report:

Developing a more sustainable approach to investment is important to us and, we hope, also to our tenants. Our efforts to incorporate sustainability factors into our buildings and practices has continued to advance this year....

GRESB Progress

The Global Real Estate Sustainability Benchmark (GRESB) has developed over the past several years to become the key measure of property funds progress in sustainability matters.

PITCH has been submitting data to GRESB for seven years and we are pleased to have made substantial progress over this period.

From a starting point of 29 in 2014 we have this year achieved a score of 66/100 - a slight reduction on last year due to a change in the weighting towards data collection.

Improving this area will be a focus over the coming years.



Responsible Investment

In 2020, our PRI submission was combined with that of our parent company, Swiss Life, and this has resulted in an A+ rating in the areas of Strategy and Governance and an A within the Property Module.



Understanding our Assets

We continue to collect data for our portfolio - principally for the more substantial multi-let assets where we can make a material difference.

As the portfolio changes, so does the pool of assets covered and this can lead to some substantial movements in the data.

Over the year to September, both our like-for-like gas and electricity usage has fallen

	Measure	Year to Sep-20	Year to Sep-19	Change
Electricity (kWh)	Absolute	5,642,783	2,968,409	+23%
	Like-for-like	2,373,446	2,738,480	-14%
Gas (kWh)	Absolute	1,920,201	1,713,598	+12%
	Like-for-like	1,468,692	1,708,991	-14%
CO ₂ Emissions (tonnes)	Absolute	1,225	1,095	+12%
	Like-for-like	834	1,034	-19%
Water (m ³)	Absolute	2,083	23,474	10%
	Like-for-like	19,218	22,609	15%
Recycling	Absolute	74%	60%	
	Like-for-like		N/A	

substantially (Covid will have had a large impact) and this leads to a substantial fall in CO₂ emissions over the year. Water usage has also reduced markedly.

We have set individual targets for our most energy intensive assets in order to focus efforts on areas where improvement will be most meaningful.

for all our directly held multi-let properties where we organise utility supplies and waste disposal.

In order to improve data collection across the portfolio, and to work more closely with our tenants, we are seeking to incorporate terms to facilitate this into material leases.

How is this done?

- By including “green lease clauses” into new and renewed leases, where possible and meaningful. These facilitate data sharing, undertaking improvement works and ensuring that alterations do not detrimentally affect the energy efficiency of a building.

EPC Analysis

Energy Performance Certificates (EPC) cover 100% of the portfolio and 98.6% of the portfolio is rated ‘D’ or better. This information is important as, since April 2018, landlords are unable to let properties with F & G ratings.

The EPC position has improved since last year as we have now eliminated the F & G rated properties through a combination of asset improvements and sales.

Green Leases

We believe that enhancing the sustainable qualities of our assets has the potential to make them more desirable to occupiers, combat obsolescence and improve investment performance.

By its nature, the PITCH fund contains many single let, long lease assets where data collection is problematic - we do collect environmental performance data

EPC Analysis



MCIM: As at Dec-20

PITCH 2020 Sustainability Report:

- By entering into a Memorandum of Understanding with tenants where we believe a positive difference can be made.

- By raising sustainability topics and opportunities with our occupiers and seeking to improve assets to the benefit of both parties.

In practice:

- Measurement of energy usage and waste and subsequent sharing of performance reports.
- Seeking to improve energy and waste efficiency.
- Seeking to introduce sustainable measures into alteration and refurbishment projects.
- Discussion of, and planning for, sustainability initiatives at tenant meetings.

Working with Tenants

Sustainable objectives are more easily attained by working in partnership. We are seeking out opportunities to introduce companies that can help our tenants to achieve their own sustainable goals.

We have undertaken tenant surveys to seek opportunities to improve assets in line with tenant requirements, and also to further encourage data sharing.

We have arranged discount opportunities for our tenants to purchase energy and water saving technology from Save Money Cut Carbon and additionally have introduced Zumtobel to work with tenants to investigate self-funding installations of LED lighting and Syzygy for solar power installations.

We have also continued to offer the £5,000 PITCH Award which encourages our tenants to actively support charities that are local to them by providing money to either enhance their fundraising or facilitate their activities.

Sustainability Guides

Undertaking a major fit-out or refurbishment is a complex operation - not just in the execution, but also in the early stages of consideration and planning to ensure that the space created works optimally both for the tenants, their staff and the buildings longer term owners.

We have assembled guides covering both Sustainable Fit-Outs and Sustainable Refurbishment and Development that are available to all of our tenants and contractors to assist with this process. They work through sustainable design considerations in terms of specification and materials, layout and flexibility as well as energy and waste considerations. It also considers the procurement chain and ongoing thoughts for running a sustainable environment.

Portfolio Activity

This year, we refurbished one of our office units in Oxford that had been occupied for almost 30-years by the same tenant and was in great need of enhancement. Through replacing the outdated M&E and lighting the EPC has improved from C to A. Enhanced shower facilities and landscaping will not only improve wellbeing but make the property highly marketable.

We are also on-site at one of our Cardiff offices, undertaking a complete refurbishment of the 41,000 sqft building. All M&E is being upgraded, gas has been removed and lighting replaced with LEDs. The shower facilities have been extended and green walls introduced into the atrium along with larger windows to enhance natural light. We expect to see a material improvement in the current D rated EPC.

This year we have finished the entire refurbishment our Leeds office building which has resulted in the EPC improving from E to C and we recently refurbished the entirety of our 30,000 sqft office building in Solihull where the EPC here has improved from E to B.

We continue to replace ageing lights with LEDs and optimise lighting use through the addition of PIR sensors.

We have also been engaging with tenants to encourage greater levels of recycling and to try to keep office temperatures down.

Investment Acquisition

We don't only acquire assets that already have strong sustainability credentials, we also look for opportunities where we can acquire properties that can be improved in order to enhance both value and their sustainability performance.

However, in both cases we carry out rigorous pre-purchase due diligence and sustainability issues form a large part of this.

We look for assets that have good transport and infrastructure links in order that they are highly accessible to occupiers.

We also review their energy efficiency and vulnerability to environmental risks such as contamination and flooding.

Consideration of alternative and longevity of use is also important to us so as to minimise obsolescence, as is flexibility of space so that occupiers can utilise it in ways that work best for them.

We have also introduced new sustainability surveys as part of our due diligence to consider ESG matters in more detail.

Ethical Policy

Our Ethical Policy is also of key importance as we will not purchase investments where an unacceptable level of the tenant's income is derived from non-ethical sources and these include:

- Alcohol production or consumption
- Gambling
- Manufacture or sale of armaments
- Manufacture or sale of tobacco products
- Pornography or the sex industry

These areas are reviewed quarterly by us as Manager of PITCH and also by the Fund's Investors' Committee

Governance Procedures

Mayfair Capital has rigorous procedures and training to ensure that our investors' funds are wisely invested and completely protected. We operate numerous investment committees and review boards to scrutinise investment decisions and to ensure that investment risk is properly managed.

We are members of the IIGCC and GRESB and a signatory of UNPRI.

Signatory of:



ESG & Asset Management

Scott Fawcett, Head of Asset Management

Following an acquisition into PITCH, and as an integral part of each asset's business plan over the life of the investment, we look for opportunities to enhance the asset, whilst working with our tenants to improve sustainability across the PITCH portfolio.

Tenant Engagement

Tenant engagement is key when seeking to develop a more sustainable portfolio. For us, this journey begins as soon as a property is acquired. As part of a tenant's introduction to PITCH, they are provided with a copy of our Sustainable Fit-Out Guide and a tenant questionnaire to seek information on their energy use and potential for enhancing their demise.

This interaction continues throughout a tenant's stay with sustainability forming a standing item on the agenda for all tenant meetings. We also seek to work with and educate tenants on the correct use of heating and cooling systems and to introduce recycling and waste management programmes.

Where possible, we have utilised green leases to try to improve cooperation and encourage the sharing of data by tenants.

Improving the sustainability of our assets is highly important to raise the quality of our property portfolio. Despite Covid and lockdowns, throughout 2020 we have been undertaking numerous refurbishments to ensure that we can offer accommodation of the highest quality once the crisis has passed.

This means ensuring that we keep pressing ahead with our sustainable aims in order to enhance the environmental performance of our buildings and to provide tenants with the facilities they require.

Sustainable improvements to our properties

We look to enhance our assets through new Building Management Systems and M&E plant in order to ensure efficient operation. We install LED lighting in common areas where possible and link this to PIR sensors in order to minimise its operation.

Reduced flush WCs, auto-off taps and reduced flow taps are also installed to reduce water usage. We have installed new shower and changing facilities in some of our offices in order to promote cycling as a means of commuting along with exercise during the working day and



we continue to look for opportunities to enhance further properties in this way.

For example, In Manchester, at our Deansgate property, we completed the refurbishment of two floors and the common parts – including the provision of a new cycling hub providing storage, maintenance and shower facilities and a fantastic new 5th floor terrace. Further projects are considered in the case studies that follow.

Whilst the shape of office demand may change over time, if we can offer high quality, sustainable and flexible space that caters for the requirements and wellbeing of our tenants, we believe PITCH will continue to attract occupiers to its properties creating a more resilient investment portfolio.



Case Studies

T2 Trinity Court, Solihull

Complete refurbishment of vacant office building

T2 Trinity Court is a 33,000 sqft, modern office property that was built in 1999 and provides accommodation over basement, ground and two upper floors.

We acquired it in 2016 with only around 2.5 years unexpired on the lease as it occupies a very attractive location adjacent to Birmingham airport, Birmingham International railway station and junction 6 of the M42.

We were aware that the M&E equipment in the property was close to the end of its economic life and that the EPC of was poor (E-114).

Refurbishment:

The property has recently been refurbished to completely replace the

M&E and also enhance the amenity of the building:

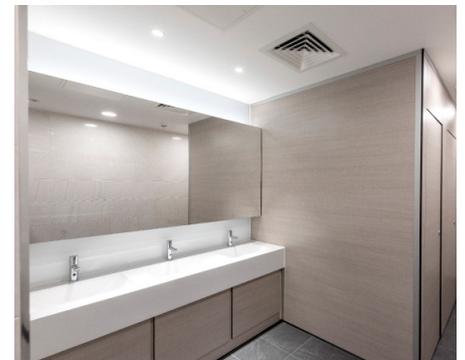
- Externally, a new entrance area has been created incorporating a new canopy, improved disabled access and external steps with bike wheeling ramp.
- This leads to the new basement cycle storage facilities with 30 secure storage spaces and 30 lockers.
- Existing shower facilities within the building core have been refurbished and extended to provide four showers and more locker space.
- A new deck, accessed from the building at ground floor level and extending out over the car park provides attractive breakout space for occupiers with views over the adjoining lake.

- Four electric vehicle charging points have also been provided.

The new M&E incorporates:

- Energy efficient VRF air conditioning.
- Suspended ceilings with energy efficient LED lighting and PIR sensors.
- High-efficiency sanitary ware that reduce water usage.

Following completion of the refurbishment, the EPC has improved to B-45.



Case Studies

2 Brewery Wharf, Leeds

Refurbishment of office floor and common parts

Developed in 2004, 2 Brewery Wharf provides modern office accommodation over basement, ground and three upper floors.

We acquired the property as part of a portfolio in 2013 with the intention of improving it over time, at purchase the property had an EPC rating of E-108.

Refurbishment:

Following the tenant of the second floor vacating, we had the opportunity to undertake a refurbishment of this office space and the common parts, including:

- A new Building Management System (BMS) has been installed throughout the property to permit more efficient running of the boilers, chiller and air handling units.
- There is now the ability to control individual air conditioning units on each floor which will improve efficiency and reduce energy usage.
- We have replaced the dated fluorescent and halogen lights with energy efficient LED lights within the second floor, WCs, stairs and lobbies.
- Installation of energy efficient PIR sensors to same areas.

- Incorporated more efficient WC cistern flushing systems and water flow reducers to taps.

In addition to the mechanical and electrical improvements, we have also:

- Added a green wall in the reception.
- Refurbished the two existing showers.
- Installed new lockers and drying cupboard to make cycling more attractive to occupiers.

In selecting our contractor (Styles & Wood) we ensured that they had suitable ESG policies relating, amongst others, to sustainability and supply chain.

The new EPC rating for the refurbished floor is a substantially improved C-57.

We have also sought to maximise recycling and re-use of materials. In total, 95% of the waste was reused or recycled.



Case Studies

Jessop House, Cheltenham

High quality modern office

Jessop House is a modern office that is one of best in the town. It lends itself to both single and multi-let occupation, with ground floor canteen and communal areas throughout the floors.

Refurbishment:

The property benefits from the following specification and has been enhanced by asset management:

- Fully accessible raised floors
- Suspended ceiling with recessed lighting
- Recently improved canteen and replaced operator to enhance service.

- Four pipe fan coil air-conditioning
- Attractive full height, glazed reception area

ESG Features:

- New BMS system and replacement of all air conditioning control valves to enhance efficiency
- Additional shower and changing facilities constructed.
- Incorporation of wild flower bank into landscaping.



Glossary of Terms

AREF	The Association of Real Estate Funds
CSR	Corporate social responsibility
EMS	Environmental Management System
EPC	Energy Performance Certificate
ESG	Environmental, social and governance
GRESB	Global Real Estate Sustainability Benchmark Investors' Committee
IC	Investors' Committee
MCIRC	Mayfair Capital Investment Risk Committee
MEES	Minimum Energy Efficiency Standards
M&E	Mechanical and electrical
NGO	Non-governmental organisation
RPI	Responsible property investment
UNPRI	United Nations Principles for Responsible Investment

PITCH Management Team



Simon Martindale

Fund Director

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Simon joined Mayfair Capital in 2012, became Fund Manager of PITCH in 2014 and Fund Director in 2021. He has 15 years of commercial and residential property experience.



Scott Fawcett

Head of Asset Management

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Scott has over 25 years of experience in commercial property markets. He joined Mayfair Capital in 2013 to manage the assets in PITCH.



Christi Vosloo

Head of ESG, UK

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Christi joined Mayfair Capital in August 2021 and is responsible for implementation of the divisional ESG strategy. Prior to joining she worked at JLL.



James Lloyd

Head of Business Development

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James has been at Mayfair Capital for 11 years and is responsible for business development and investor relations. He is a Trustee of two registered charities and on the Finance Committee for a Great XII Livery Company.



Clare Berthoud

Director - Business Development UK Charities

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Clare joined Mayfair Capital in 2017. She has 19 years' experience of managing and advising charities as a Senior Client Relationship Director and a fund manager at two of the largest charity fund managers in the UK.



James Thornton

Non-Executive Chairman

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James founded Mayfair Capital in 2002, launched PITCH in 2004 and retired as Chief Executive Officer in 2021, becoming Non-Executive Chairman.

For more information on the PITCH management team, please visit our [Meet the Team page](#).



Awards





Property Income Trust For Charities

A Fund managed by Mayfair Capital

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