2024

Charities Property Fund

SAVILLS INVESTMENT MANAGEMENT

Responsible Investment Report

savills investment management

CHARITIES PROPERTY FUND

Contents

Manager's Introduction

In a year marked by economic uncertainty and political transition, the Charities Property Fund (CPF) has remained steadfast in its mission to deliver secure, sustainable income for our charity investors. Our commitment to Responsible Investment (RI) and Environmental, Social and Governance (ESG) principles continues to shape every aspect of our investment strategy—from acquisition and asset management to tenant engagement and corporate responsibility.

2024 has been a year of tangible progress. We have furthered our commitment to achieving Net Zero Carbon (NZC) by transitioning to the Deepki Ready ESG data platform, covering all of our assets under management. This marks a significant step forward in our ability to track and report on our carbon performance with greater accuracy and transparency.

We are proud to have been recognised for our efforts, winning the Boutique Investment Manager category at the Charity Times Awards and being shortlisted for the Outstanding Fund Achievement by the Association of Real Estate Funds (AREF). These accolades affirm our leadership in responsible investment and our ongoing drive to raise standards across the sector.

As we look ahead, we remain focused on delivering resilient financial returns while advancing our ESG objectives. With a vacancy rate of just 3.6%, a robust pipeline of sustainable initiatives, and a clear path to Net Zero, CPF is well-positioned to continue supporting our investors' missions -financially, ethically, and environmentally.

Harry de Ferry Foster
Fund Director The Charities Property Fund
Head of UK for Savills Investment Management

Awards

We are pleased to highlight the recognition and awards received for our commitment to sustainable practices and responsible investment. These awards are a testament to our unwavering dedication to ESG principles and highlight our ongoing efforts to drive positive change in the industry and beyond.

Award: Charity Times Awards – Boutique Investment Manager
Winner: The Charities Property Fund

We are proud to have won the Boutique Investment Manager category at the Charity Times Awards, which celebrated its 25th year of honouring best practice in the UK charity and not-for-profit sectors. Being one of only three managers recognised, highlights our commitment to providing exceptional investment services tailored to the needs of charitable organisations.

Our success in winning this award reflects our dedication to best practices, professional development, and raising the standards within the charity sector, reinforcing our mission to support and enhance the work of charities through responsible and innovative investment management.

Award: Property Fund Manager of the Year
Winner: Savills Investment Management

We are pleased to report that Savills Investment Management was awarded 'Property Fund Manager of the Year' in 2023 at the Property Week Awards in June 2023. This is one of the most prestigious awards in Real Estate and we were recognised primarily for our work on the Charities Property Fund.

Award: Outstanding Fund Achievement Award
Shortlisted: The Charities Property Fund

The Association of Real Estate Funds (AREF) is the respected industry body for Real Estate funds. There are only four award categories each year and we were shortlisted for the 'Outstanding Fund Achievement Award'. CPF was one of only four funds to make the shortlist and the only charity specific fund to do so.

Objectives and Targets

Our Net Zero Commitment

The Charities Property Fund aligns with Savills Investment Management's net zero carbon pathway, and we will be reporting against our first interim target in 2026.

2025	2030	2040	2050
By 2025, 25% reduction in emissions intensity compared to 2019 baseline.	By 2030, we will target 50% reduction in emissions and energy intensity for AuM held for more than two years (based on 2019 baseline). By 2030, for corporate emissions we will target net zero operational carbon emissions.	By 2040, we will target net zero emissions based on 2019 baseline.	By 2050, we will target absolute zero emissions as part of our commitment to become a restorative business.* * By absolute zero emissions we mean absolute contraction of GHG emissions, rather than GHG emissions by intensity

In doing this, we will follow an emissions hierarchy of avoid, reduce, use renewables and offset, as follows:

- We will avoid any unnecessary emissions and reduce embodied carbon where possible.
- We will reduce operational emissions through efficiency measures and changing fuel sources.
- We will increase onsite renewables and promote and use renewable energy contracts where available.
- We will offset the remainder of emissions as a last resort, initially only focusing on offsetting residual embodied carbon from developments and refurbishments.

We work with our clients and stakeholders to understand the necessity of implementing achievable interim targets whilst working towards net zero outcomes. We have invested in training for both our people and partners to work towards investing in and managing real estate that has a clear pathway to net zero carbon emissions by 2040.

One example of this is at an industrial unit in Basingstoke where CPF has worked closely with the in situ tenant to provide professional expertise to assist them in meeting their own net zero objectives. The result is a significant financial commitment by the Fund for the installation of 765 photovoltaic panels and a 6,000 litre hydrotreated vegetable oil tank allowing the tenant to transfer to a HVO fleet instead of diesel which is anticipated to reduce their fleet emissions by 90%.

Objectives and Targets

In order to understand relevant and meaningful decarbonisation initiatives, CPF has also conducted 17 in-depth asset-level net zero carbon audits across the portfolio and we continue actioning our strategy by implementing scalable, data-driven approaches across our managed assets building towards our net zero targets.

See examples in the Case Study section (pages 15-20)

Transition to support transparency

2024 was a landmark year in terms of environmental data and reporting. CPF took the decision to transition to a new ESG Data Platform – Deepki Ready. This has been no small task for a fund this size with hundreds of utility meters to mobilise in an effort to improve data collection, automation and quality. With advanced analytics, this now forms the bedrock of tracking our journey to net zero.

Regulation and associated disclosures are becoming an ever greater driver for change and something we would consider to be a minimum requirement (our compliance with legislation can still be found on page 28) . We strive to go 'beyond compliance' by implementing an ESG programme focused on creating performance improvement throughout our portfolio.

As such, we have a set of dedicated and ambitious sustainability objectives to drive our ESG programme and track performance improvements as sustainability initiatives are rolled out. By doing this we will create a more resilient resource efficient portfolio that is recognised by the market, our site teams and occupiers.

These objectives have been consolidated into our overarching targets.

Partnerships and Memberships

GRESB

INREV

AREF The Association of Real Estate Funds

CREFC Europe

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

GREEN Global Real Estate Engagement Network

CRREM

SCIENCE BASED TARGETS

ULI Urban Land Institute

PRI Principles for Responsible Investment

BBP BETTER BUILDINGS PARTNERSHIP

Fund Specific Objectives and Targets

Target	Key performance metric	Progress		
		2022	2023	2024
1) Engage with all occupiers each year on ESG to improve understanding and influence positive change.	% of occupiers contacted to discuss ESG initiatives/ performance	100%	100%	100%
2) Emissions reduction compared to 2019 baseline:	Emissions intensity, $kgCO_2e/m^2$ GIA	44	44	45
a) By the end of 2025, 25% reduction in emissions intensity; b) By the end of 2030, 50% reduction in emissions intensity; c) Net zero carbon by 2040.	% reduction from 2019 baseline[1]	28%	28%	26%
3) Engage with our occupiers to increase whole-building coverage of energy data by floor area to 50% by 2030	Whole-building data coverage by floor area (%)	21%	21%	57%
4) 100% procurement of renewable electricity in landlord-controlled areas by 2025	% landlord-procured electricity from renewable sources	100%	100%	100%
5) 100% of non-domestic EPCs rated B or better by 2030	% EPCs rated B or better by floor area	30%	30%	39%

[1] Note that this and the 2024 figures are based on an ongoing rebasing exercise which should be completed by the end of August 2025.

Fund Specific Objectives and Targets

Notes on progress against targets

1) It is important for the Fund that there is at least an annual cyclic engagement with occupiers where sustainability opportunities and ESG risks are discussed. As the majority of the portfolio is let under long-term leases, it is vital that we collaborate with our occupiers to encourage and influence a positive transition, particularly with regards to decarbonisation.

2) The Fund reports its progress as it transitions to net zero, with two interim targets, in order to align with Savills Investment Management 2040 net zero ambition. Final progress against its 2025 target will be reported in 2026.

3) Linking the first two targets is the need to improve our quality and coverage of real energy consumption data, both from our occupiers and from landlord managed supplies. Since migrating to Deepki Ready the Fund has witnessed a significant improvement in data collected in 2024 and this in turn feeds into conversations with our occupiers in relation to energy efficiency and our reported emissions intensity figure.

4) Prior to the implementation of Deepki Ready to host our collated data, it remained a challenge to accurately collect information on the source of electricity procured. Whilst Savills, the Fund's Property Manager was mandated to ensure all landlord procured electricity supplies were renewable, 2024 was the first year we could collect all the evidence to support this claim. This confirmed that our 2025 target had been met a year in advance of the deadline.

5) The Fund has completed a review of MEES (Minimum Energy Efficiency Standard) risk and has no assets with an EPC rating of an E or below.

Our Sustainability Approach

Our ESG Focus Areas

Savills Investment Management is committed to becoming a restorative business meaning we seek to restore social and ecological systems to a healthy state.

Achieving net zero carbon (NZC) emissions for both our corporate business and the assets that we manage is our first priority in this journey. But Savills Investment Management intends to go beyond net zero.

By 2050 we want to be a climate positive business that has helped restore nature and biodiversity, and strengthened communities. The Savills Investment Management team have already started this journey.

We recognise that a transition to a restorative economy goes beyond carbon emissions. At Savills Investment Management our interventions align to three focus areas:

We are committed to ensuring that material RI (Responsible investment) issues are assessed against each focus area when acquiring new assets and at each appropriate stage in the investment lifecycle.

In doing this, we will ensure appropriate focus is given to each of our priority areas whilst indirectly seeking to contribute to the UN Sustainable Development Goals ("SDGs").

To enable Savills Investment Management to deliver the highest positive impacts through our RI processes, whilst reducing negative impacts from our business operations to the highest extent possible, we have categorised our impact as contributing to the six priority SDG goals (7, 8, 11, 12, 13 and 15) and aligned with three others (3, 4 and 5).

Our Sustainability Approach

Asset Acquisition and Asset Management

Savills Investment Management periodically reviews how ESG is embedded into its Due Diligence (DD) process. CPF utilises Savills Investment Management's Technical & Environmental Due Diligence guidance documentation, further embedding considerations on topics such as climate risk, energy sources, energy intensity and embodied carbon into the DD process.

All purchases are reviewed and presented to the Investment Committee (IC). The IC paper template contains guidance on ESG considerations to be made in stock selection, and acquisition due diligence, such as environmental and social risks and opportunities, regulatory compliance, green building accreditation or value-add innovation.

We identify opportunities for, and the risks of not implementing sustainable practices. Opportunities may include tenant engagement to help meet sustainability targets, the installation of green technology and infrastructure within an asset or participating in benchmark surveys and reporting at both a fund and corporate level. We evaluate and manage the impact that sustainability has on investment performance; for example, this may include depreciation costs due to additional capital expenditure or the ability to let or sell a property. We seek to manage these elements in a manner appropriate to the Fund's risk and return profile.

For all investment management mandates Savills Investment Management aims to meet and, where possible, exceed the minimum requirements of any relevant planning, construction or environmental legislation.

Property Development, Refurbishment or fit-out

Integrating sustainability and ESG considerations into the earliest stages of design and construction of asset development, refurbishment or fit-out creates an opportunity to add tangible value to asset value, future-proof against obsolescence, improve occupier appeal and results in improved building performance. (See Maidenhead example on page 6). A sustainable fit-out guide has been made available to all tenants, which contains mandatory requirements and best practice guidance for conducting refurbishments and developments.

Property Management

Where we manage the assets in our investment portfolios, we select managing agents who have a strong track record in sustainability and responsible property management, and expect that they adhere to our Responsible Investment strategy and incorporate ESG into all aspects of their day to day management. The Fund's managing agent is a member of the Better Buildings Partnership's Managing Agents Partnership (BPP MAP) ensuring that they are at the forefront and have input into improving sustainable management of commercial real estate. For further information, click here.

Our focus on integrating sustainability and ESG into property management practices ensures we can continue to add value, improve and enhance assets in our ownership, reduce operational costs and foster tenant satisfaction and occupier appeal. This includes an analysis of the portfolio's pedestrian accessibility using the WalkScore database and a desktop study assessing the liveability of the locations where the Fund has assets using the Indices of Multiple Deprivation from the Ministry of Housing, Communities and Local Government.

Our Sustainability Approach

Resource Efficiency

We have implemented an Environmental Management System (EMS) based on the principles of ISO14001; the international standard for establishing an EMS. This framework adopts a concept of 'continual improvement' which is enacted through a 'Plan, Do, Check, Act' approach. This requires goals and objectives to be developed for identified material environmental impacts ('Plan'), actions to be implemented to manage impacts ('Do'), progress against objectives to be monitored and evaluated ('Check'), and a review to be undertaken to continually improve performance ('Act').

To improve resource efficiency we apply this approach through our programme of technical sustainability audits at our assets which identify improvement opportunities with respect to energy and water consumption, waste generation and the health and well-being of our tenants.

Stakeholder Engagement

The Fund is actively engaging with tenants across the portfolio through face-to-face meetings, newsletters and tenant surveys. Our property and facilities management teams are continually aiming to support and educate occupiers over possible improvements they can make. We have engaged with tenants on food waste to encourage partnerships with local food banks and have provided tenants with a sustainable occupier guide.

Asset Disposal

When a property is being positioned for sale, sustainability measures and programmes can be used to further enhance the property's status and maximize its value. For example, information on an asset's performance in comparison to its required decarbonisation trajectory is becoming an increasingly popular request. Such features help provide valuable criteria that differentiate the property from other offerings in the market and serve as an indicator of overall quality. Being able to bring high-performing assets to market will result in a greater choice of prospective buyers, and potentially lead to a more profitable and efficient exit.

Responsible Corporate Governance

We believe it is important to be a responsible business and observe fundamental standards of good management and conduct. CPF is committed to transparent monitoring and disclosure of ESG targets as well as measurement of asset performance through reporting and participating in the GRESB survey and bi-annual UNPRI reporting requirements.

Industry Initiatives

Throughout 2024 Savills Investment Management engaged in several initiatives with our partners; some highlights of the past twelve months have been detailed below.

In January 2024, the Better Buildings Partnership (BBP) launched its updated Green Lease Toolkit - a collaborative resource with legal clauses spanning a range of topics, aimed at promoting sustainable practices and cooperation among property owners, occupiers, and other stakeholders. As part of the Green Lease Toolkit Steering Committee, Savills Investment Management participated in the Green Lease Toolkit Consultation Period in Q4 2023 and provided feedback to help shape the final elements of the toolkit.

Savills Investment Management's Director – Net Zero and Sustainability Lead, Joey Aoun, is a member of the BBP's Net Zero Carbon Working Group. In 2024, Savills Investment Management was invited to present its Net Zero Audits strategy and shared its internal Net Zero Audits scope with the group, reflecting our commitment to industry-wide knowledge sharing. This detailed scope template, developed through lessons learned from a global net zero tendering process, guides the appointment of net zero carbon delivery consultants. Savills Investment Management is now implementing these audits at fund and asset levels to facilitate the rollout of actionable implementation budgets and plans.

In 2023, Savills Investment Management became an Icon Sponsor of the Urban Land Institute (ULI) C Change programme, which focuses on addressing transition risks in real estate. The programme aims to standardise how transition risks are managed across the real estate industry and encourages collaboration between the ULI and its members to pilot guidelines and share insights on advancing decarbonisation across the sector.

In 2024, Savills Investment Management piloted the ULI's C Change Transition Risk Assessment Guidelines to assess a multi-tenanted office building in central London, scheduled for refurbishment. The full case study is publicly available and provides details on quantitative impacts of transition risk and how this risk can be integrated into financial models, including discounted cash flow models and capital expenditure budgets. The case study also provides an overview of Savills Investment Management's current approach to transition risk, the impact of stranding risk on our assets, and which transition risks the guidelines identified.

Industry Initiatives

Our Chief Sustainability Officer is a member of the INREV ESG Committee, which strives to develop a unified approach to ESG considerations. The Committee's goal is to enhance understanding across all three ESG pillars and promote strong corporate governance standards that integrate these principles for non-listed real estate vehicles. This work aims to help the industry more effectively incorporate ESG factors into real estate investment decisions.

As a sign of our commitment to embed responsible investment into Savills Investment Management, we have been a signatory of the United Nations Principles for Responsible Investment since 2014. In 2023 - our most recent mandatory reporting period - we completed the PRI assessment submitting data for the period of 2022 calendar year and received the following scores:

Policy, Governance and Strategy: 5 Stars
Direct – Real Estate: 4 Stars
Direct – Fixed Income: 5 Stars
Confidence Building Measures: 5 Stars

By following and applying the voluntary and aspirational principles central to UN PRI we intend to improve our ability to meet commitments to investors and better align our investment activities with the broader interests of society and the environment.

Each year, many of Savills Investment Management funds participate in the Global Real Estate Sustainability Benchmark (GRESB) survey. The survey measures environmental, social and governance performance of a fund or mandate at a governance and asset level across a diverse question set, with data and evidence submitted to validate responses. The survey provides each reporting entity a score out of 100 points. The mission is to provide financial markets with consistent scoring between investment vehicles across the globe, reliable ESG data, and robust benchmarks.

The principles entail a set of internationally agreed guidelines which aim to help institutional investors incorporate ESG issues into their investment decision making and ownership practices. These principles are based on the notion that ESG issues can affect the performance of investment portfolios and should therefore be considered alongside traditional financial analysis. This aligns with our belief that, as an investment manager, there are pragmatic as well as ethical reasons for the consideration of ESG issues in our investment decision making and asset ownership.

CPF Initiatives and Case Studies

GRESB 2024 – CPF Results and Analysis

In 2024, CPF achieved a score of 70 along with a two green star rating. As a result of a change of GRESB methodology, the 2024 score is not comparable to previous years' results.

The Fund scored full points available for 'Social' and 'Governance' demonstrating the Fund's commitment to tenant engagement, informed guidance and robust policy. On the 'Environmental' breakdown the Fund was marginally behind the peer group average, which is mainly due the high proportion of single let properties and the inability to obtain energy data from some tenants who are not under an obligation to provide to the Fund.

The Fund was ranked 1st in the following rankings:

- ✓ Management Score (out of 1,061 funds)
- ✓ Management Score within Europe / Non-listed / Core (out of 653 funds)
- ✓ Management Score within Europe / Non-listed / Core / open end (out of 458 funds)

Travelodge, Newmarket Road, Cambridge

Net Zero Carbon enabled refurbishments

Maidenhead

At lease expiry the Fund obtained vacant possession of the entire building enabling a full net zero enabled refurbishment of the building. The refurbishment included the following:

- Review of M&E equipment along with local market requirements for the accommodation.
- Commissioning of a Net Zero Pathway report to define future strategy for the building.
- Consider further improvements to the building to support rental levels.
- Implement Net Zero Pathway, BREEAM and SKA objectives.
- Tender and implement refurbishment work.

The Results

- ✓ BREEAM Excellent Certification
- ✓ EPC A rating
- ✓ SKA Gold Rating
- ✓ Air source heat pumps replaced gas boilers - 9% targeted energy savings*
- ✓ Hybrid VRF, heat recovery, improved efficiencies and setpoints - 13% targeted energy savings* and reduced CO_2 depleting gases within installation
- ✓ LED lighting, DALI daylight controls and small power reduction
- ✓ 43% targeted energy savings*
- ✓ 8 EV charging points
- ✓ 20 cycle racks
- ✓ Sedum roof with pollinators
- ✓ Bat boxes, Bird boxes, Bee Hotel installation
- ✓ Water saving fittings and leak detection for water conservation
- ✓ Enhanced metering and BMS controls
- ✓ 20kW PV installation - 13% targeted energy savings*
- ✓ 88kWh/m2/yr targeted energy savings*
- ✓ 60% targeted energy savings over baseline*
- ✓ 98% of non-hazardous waste recycled**
- ✓ Donation of carpet tiles

- ✓ Reuse of materials including ceramic floor & wall tiles, plasterboard, wall mirror units and doors.
- ✓ 6 apprentices on site during project, 4 work experience, 1 undertaking an NVQ, 1 Foundation Programme
- ✓ The project's operational energy aligns with UKGBC's Energy 2030 target, maintaining it at 53.9kWh/m2/year, which is below the threshold of 55 kWh/m2/year. Additionally, to support the net-zero commitment of this project, the team has showcased exemplary upfront embodied carbon (A1-A5) of 166 kgCO2e/m2, well under the LETI 2030 target of 350kgCO2e/m2 for new builds and major renovation.

*Targeted energy savings against the modelled performance of the building before the refurbishment works

** Interim figures

Net Zero Carbon enabled refurbishments

Milton Keynes

Dawson 84 is a detached distribution warehouse unit totalling approximately 87,000 sq ft. It was originally constructed in 1980 and was acquired by the Fund in 2005. During the Fund's ownership the asset had been let in its entirety until lease expiry in 2023.

When the Fund gained vacant possession upon lease expiry a net zero enabled refurbishment was carried out. This resulted in the property receiving BREEAM Excellent certification and an EPC rating of A+.

Sustainable Initiatives

- ✓ Photovoltaic panels installed on the roof
- ✓ New energy efficient LED lighting throughout ((LED life up to 60,000 hours)
- ✓ PIR sensors and daylight sensors
- ✓ Air source heat pumps
- ✓ Mechanical ventilation with heat recovery
- ✓ Water reducing products, e.g. low flush appliances with anticipated water saving per annum of 261,000 litres
- ✓ Water recycling: rain water harvesting, tank size: 5000 litres > annual CO_2 Emission saved 41.6kg
- ✓ Installation of cycle shelters and shower/changing facilities
- ✓ Reclamation and reuse of building materials to reduce embodied carbon
- ✓ EV charging points
- ✓ Low maintenance, drought- tolerant planting provides nectar rich food for butterflies, bees and other wildlife
- ✓ Installation of birds and bat boxes, and insect habitats to nest and increase pollination and pest predation

PV Projects

Vivendum, Bury St Edmunds

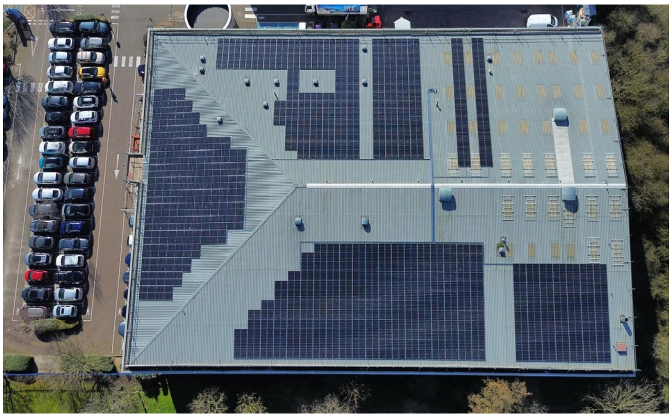
Implementing demonstrable sustainable change in physical real estate is rarely straightforward however it becomes more challenging when assets are fully let and the landlord is not in control. The Fund endeavours to create meaningful relationships with tenants which results in real change, as outlined below.

- ✓ 1,660 photovoltaic (PV) panels
- ✓ 34% of electrical needs generated on site
- ✓ 25 year useful life
- ✓ Estimated CO_2 reduction of 141,000 KG per year which represents more than 20% of Vivendum's total UK Scope 1 and 2 emissions

The Fund completed the redevelopment of this site in 2017 and continued to engage with the tenant, Vivendum, to further improve the ESG credentials of the building.

Vivendum were considering onsite renewable energy generation as part of their efforts to achieve their corporate ESG objectives. The Fund worked with Vivendum to facilitate a major solar PV project. The implemented system covers approximately 75% of the roof area and comprises 1,660 PV panels generating approximately 34% of the Tenant's electrical needs at this site.

Further examples of PV schemes where the Fund has worked with tenants in situ have been outlined below



Tewkesbury

607 PV panels
251 kW

Basingstoke

759 PV panels
319 kW

Acquiring Sustainable Buildings

SP147, Bury St Edmunds

SP147 was acquired by the Fund in June 2019 having been newly constructed in December 2018. It has an EPC rating of A and BREEAM Excellent certification.

The following sustainable features have been incorporated into the building:

- ✓ High efficiency VRV heating/cooling
- ✓ Mechanical ventilation with heat recovery (MVHR)
- ✓ LED lighting
- ✓ PIR and daylight sensing light controls
- ✓ Maximum use of natural daylight
- ✓ Solar shading
- ✓ Thermodynamic hot water system
- ✓ Rainwater harvesting (grey water)
- ✓ Energy metering
- ✓ Low building fabric u-values
- ✓ Low air infiltration rate
- ✓ Photocell and time clock controlled external lighting
- ✓ Optimum BMS efficiency
- ✓ Leak detection

Whitechapel, London

A modern office constructed in 2016 with BREEAM Excellent certification and an EPC rating of B. Sustainability measures include:

- ✓ 24 cycle racks and showers
- ✓ PV panels
- ✓ Bird boxes
- ✓ Insect hotel
- ✓ Habitat Management Plan

Specialised Supported Housing

CPF owns four Specialised Supported Housing (SSH) assets, located in attractive locations in the south of England, namely Dorchester, Poole, Nailsea and Shanklin on the Isle of Wight. We partnered with a best-in-class developer to deliver a pipeline of these newly built assets directing capital to this important sector and demonstrating impact and additionality. The properties are all let to Housing Associations with the Leonard Cheshire Charity providing care packages. The leases are long and they all benefit from annual indexation.

We believe exposure to this sub-sector provides defensive income that is decoupled from economic and property cycles thus offering counter cyclical characteristics due to entrenched and enduring demographic trends.

In addition to the social benefits, the assets provide Government backed, index linked income. They comprise relatively small individual lot sizes, because for the residents it is better to pepper pot these units throughout existing communities. However this also means they are liquid and will appeal to a diverse range of investors. The locations and buildings are important as they provide significant underlying value – up to 80% of the investment value, affording additional protection.

Importantly all are newly refurbished or constructed and the income risk is mitigated through purpose built properties that look almost identical to typical mainstream housing. The alternative use is residential in areas where there is significant demand.

All of the assets have EPC ratings of B or better. They also provide excellent 'social' characteristics which we forecast to gain increasing attention as investors become more sophisticated when thinking of ESG.

In 2024 the Fund commissioned an impact report on its Specialised Supported Housing Portfolio, prepared by The Good Economy Partnership Limited (The Good Economy) a specialist advisory firm with expertise in impact measurement and management.

Biodiversity

CPF Biodiversity Ecology and Biodiversity Initiatives

At our multi-let industrial park in Epsom, we have developed a dedicated *Sustainable Break-Out Area* to enhance health and wellbeing for both workers and visitors. This space includes:

- The revitalisation of a wooded area with native planting to attract and support local wildlife.
- The installation of wildlife-friendly features such as bug hotels, hedgehog shelters, and bird boxes to encourage biodiversity.
- Natural seating elements, including tree stump stools and a park bench, offering a peaceful spot for lunch or relaxation.

Adjacent to the Fund's service station in Telford, we've partnered with the Shropshire Wildlife Trust to carry out a comprehensive Preliminary Ecological Assessment. Based on their expert recommendations, we've implemented a habitat management plan that includes:

- Careful maintenance of hedgerows, trees, and scrubland.
- The creation and ongoing management of wildflower grasslands to support pollinators and other species.
- A follow-up invertebrate survey to monitor biodiversity as part of our long-term ecological commitment.

Across our wider property portfolio, we've introduced a range of biodiversity enhancements, including pollinator-friendly planting schemes at our retail parks, along with additional bug hotels and bird boxes to further enrich local ecosystems.

Policies

Ethical Occupier Policy

Since inception of the Fund almost 25 years ago, the Fund has had an ethical policy which prevents it investing in companies whose primary business is the production or sale of tobacco, arms, pornography or involved in animal testing, although this list is not exhaustive (see table below). As a Common Investment Fund and a UK Registered Charity, we have therefore avoided investing into properties whose tenants could potentially cause embarrassment to us and our unitholders. We provide complete transparency on investments by listing all tenants in the annual and interim report and accounts as well as on the Fund's website.

We take ethical considerations very seriously and continue to monitor every tenant to ensure that the tenant is acceptable; however, it would be easy to find a reason to not accept a multitude of tenants and so we look at the bigger picture.

We do own properties related to the ancillary sale of fuel, alcohol and tobacco, for example a supermarket. These properties also provide advantages for society and the sale of fuel is for many a necessity. However, we endeavour to ensure that no more than 5% of the portfolio income is derived through the sale of these items.

All proposals and tenants are reviewed by an Advisory Committee made up of representatives from charities that are investors in the Fund and we would specifically consult with them for their views on whether a proposed tenant was unacceptable.

Activity	Estimated % of rent derived from activities
Production of tobacco	Not Applicable
Production of alcohol	Not Applicable
Animal testing	Not Applicable
Military involvement	Not Applicable
Nuclear power	Not Applicable
Pornography	Not Applicable
Gambling	0.06%
Fossil fuels	1.28%
Ancillary sale of alcohol and tobacco (i.e. supermarkets)	0.89%
Total	**2.23%**

<5%

Policies

Health & Well Being Policy

Training, awareness and communications

Savills Investment Management continually aims to incorporate sustainability into the training and development of all employees and include ESG- linked objectives for all investment and asset management employees. The Firm conducts an annual ESG training survey with all employees globally. The results of the survey guides our approach to training and development.

A focused intranet is used to communicate and share information on sustainability topics, corporate projects, reports and case studies from across all Savills Investment Management funds, as well as new green initiatives being introduced by the Savills Investment Management Responsible Investment Committee, policies and terms of reference.

Employee engagement, development and welfare

Savills Investment Management encourages its employees to acquire skills and knowledge through training and volunteering opportunities, where new skills can be developed and applied, such as fund-raising, communication, leadership, teamwork and problem solving. We also support our employees to volunteer their time for charitable causes, with employees having the opportunity to take one day of charity leave per year (taken as one full day or two half days).

The company ensures adequate controls are provided for health and safety risks arising from work performed for and on behalf of the company by its own employees, and at properties owned or controlled by the company. Savills Investment Management implements and adheres to its own Conflicts of Interest policy as well as subscribing to the Savills Group Conflicts of Interest, Anti-Corruption and Environmental policy.

Policies

Health and wellbeing benefits

Savills Investment Management is committed to creating and maintaining an open, healthy and balanced working environment for all our employees. A wide range of health and wellbeing benefits are offered to employees.

Savills Investment Management has an impartial, third party-provided Employee Assistance Programme, which is available to all UK employees with a focus on wellbeing. The programme offers free, confidential access to practical information, referrals to local services and counselling on a wide range of personal issues. All employees are also entitled to use regular virtual Mental Health and Wellbeing sessions via our third-party provider MyndUp. This platform offers free confidential live 1-1 video sessions across the entire mental health spectrum, including therapy, counselling, life coaching, career coaching, mindfulness and meditation.

All UK employees are offered private medical care, and convenient access to healthcare via the Aviva Digicare app, which can be used to book virtual GP consultations, often on the same day, as well as an annual health check, nutrition sessions, mental health sessions and a second opinion consultation. With an awareness of staff health and wellbeing, we ensure all employees have access to the services and provisions needed to stay healthy, engaged in work and comfortable in a personal and professional sense.

We have a specific intra-net page dedicated to Wellbeing, providing employees with access to resources on three key areas: Physical, Mental, and Financial Wellbeing. Savills Investment Management UK employees are also offered subsidised gym memberships to support mental and physical fitness, and the Firm encourages all employees to exercise during the working day with the provision of showers, changing facilities, sports lockers and a drying room at our London office, and bicycle racks to encourage healthy commuting. A Cycle to Work scheme is also in place to support this initiative.

Policies

Our Human Resources department promotes flexible working at Savills Investment Management. A formal flexible working policy is available to support a range of flexible arrangements across the Company, including part-time and home working (beyond our usual work from home standard). Other benefits which contribute to health and wellbeing include annual leave provision which offers a minimum of 5 days above the required legal minimum and allows employees to roll over holiday annually. Further benefits currently include:

- ✓ Help to Rent scheme for UK employees
- ✓ Travel Loan scheme to aid UK employees with commuting costs
- ✓ Corporate health and fitness events
- ✓ Life Assurance for UK employees
- ✓ Critical Illness cover for UK employees
- ✓ Enhanced maternity and paternity pay, as well as Shared Parental Leave, Dependent Care Leave, Adoption Leave, Fertility Leave, Neonatal Care Leave, Parental Bereavement Leave and Sabbaticals
- ✓ Financial Wellbeing Webinars
- ✓ Pension for UK employees - Employee 5%, Company 4%, after 6 months completed service this increases to Employee 5%, Company 8%.

Diversity, Equity and Inclusion

Diversity & Inclusion Strategy

Diversity and Inclusion (D&) is a central part of Savills Investment Management's social strategy; both within the business and through interaction with our communities and our peers in the real estate investment management industry.

We have adopted a strategic framework to help our business achieve its D&I aim, to set priorities and underpin our progress as we continuously seek to improve our working environment for the benefit of all.

Our D&I programme seeks to ensure that everyone has an equal chance to achieve their potential and feel that they can be themselves, free from discrimination and prejudice.

Our D&I Focus Groups

Our focus groups direct their attention to particular areas of diversity and inclusion. The focus groups are open to all staff regardless of level or location and are a safe space where open discussion is encouraged, and confidentiality is respected.

Each focus group has a Chair and Deputy Chair(s), who sit on the Steering Committee. The purpose of each focus group is to:

- ✓ Connect with colleagues globally to share and highlight matters relating to their particular D&I focus;
- ✓ Develop initiatives that advance D&I strategic priorities and promote awareness and celebration of specific D&I focus areas;
- ✓ Collaborate with other D&I focus groups and Savills Investment Management business functions to raise awareness and educate on D&I matters; and
- ✓ Report regularly to the D&I Steering Committee on the above via the Chair and Deputy Chair.

For more information on our D&I strategy and to see the latest activity from all our focus groups, please see our Diversity & Inclusion Report.

Diversity, Equity and Inclusion

Our Focus Groups are:

Works to support and enhance mental and physical health, foster overall wellbeing and raise awareness for neurodiversity.

Seeks to appreciate and expand the representation of ethnic and cultural diversity among employees across all organisational levels.

Strives to foster a culture where everyone feels comfortable and confident disclosing their sexuality.

Aspires to ensure individuals from underrepresented or socioeconomically disadvantaged backgrounds have equal access to opportunities and career advancement in the workplace.

Aims to ensure all gender identities within the organisation benefit from equal opportunities and rights.

Coming Soon in 2025.

Governance

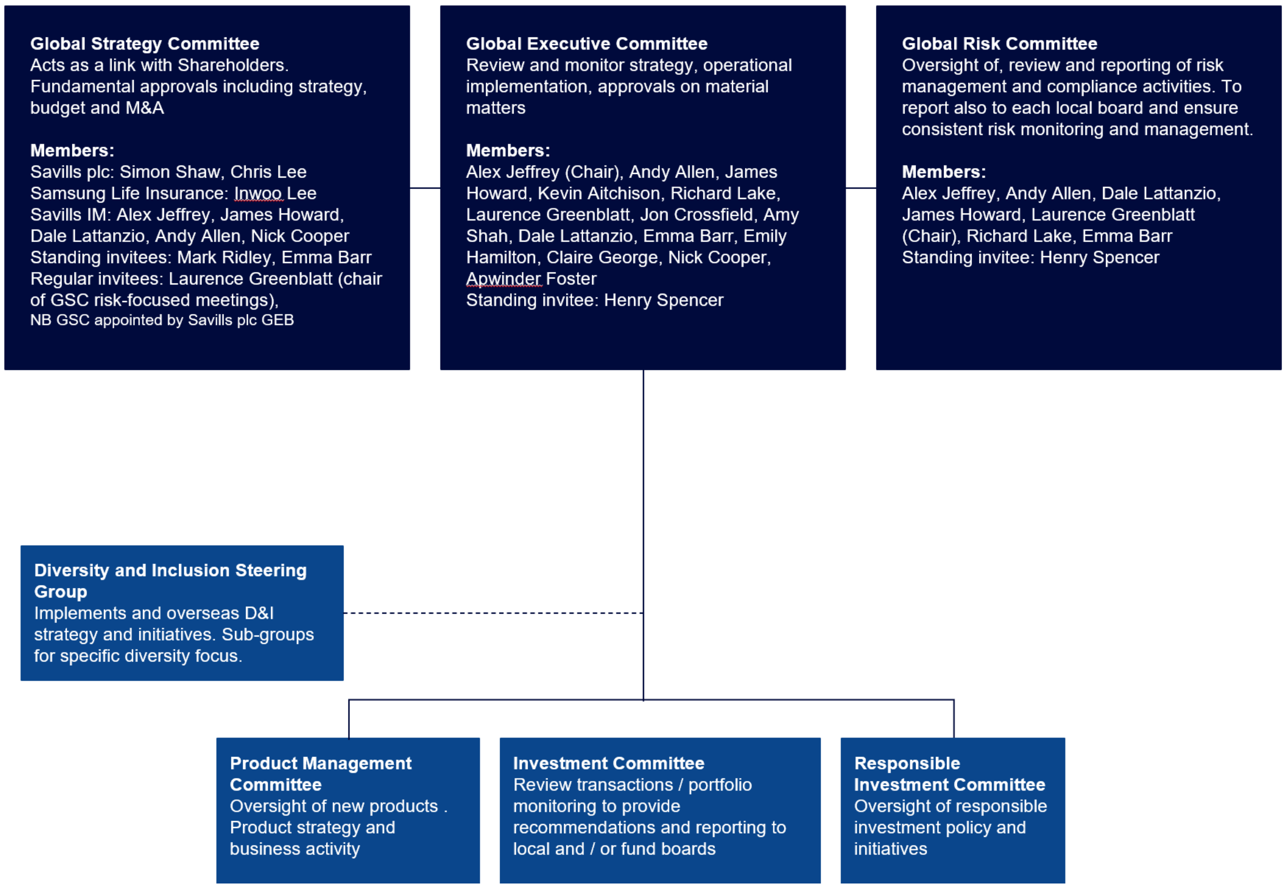
The Charities Property Fund benefits from the governance, procedures and oversight of the wider Savills Investment Management business, and in addition, benefits from an external Advisory Committee.

Savills Investment Management operates with a Responsible Investment (RI) Committee.

Our Global RI Committee comprises of senior leaders from across our business including the Chief Investment Officer, Global Head of Strategy and Client Capital, Global Head of Investment Risk, Chief Sustainability Officer, Head of Asset Management and members of the ESG team. Savills Investment Management's RI Committee reviews, inter alia, the global implementation of the Savills Investment Management RI Policy and is responsible for recommending amendments to the Global Executive Committee (GEC).On every Investment Committee (IC) of our fund products one of our RI Committee members sits for oversight and consultancy purposes to improve and ensure prudent implementation of the RI Policy without having a voting right.

The IC is responsible for considering and reviewing all investment and asset management proposals above a defined threshold made by dedicated investment teams. At the early stages of the pre-acquisition, the IC ensures sustainability risks and opportunities are highlighted to include a climate risk screening process. Further due diligence is then undertaken using specialised consultants to establish potential shortfalls and enhancements.

Internal Governance Structure



Governance

CPF Advisory Committee

At the same time as the Fund was launched, an external Advisory Committee was set up to provide an ongoing review of the structure and performance of the Fund, taking into account the outlook for the property market and any special factors that may affect the Fund. To see further detail on our Advisory Committee members, please click here.

The Committee remains mindful of the fact that all our investors are registered charities with charitable objectives and responsibilities. They work closely with Savills Investment Management to ensure the Fund's clear ethical policies are observed, and likewise that the Fund invests and manages in accordance with socially responsible investment (SRI) principles. The Committee meets on a quarterly basis and all the members have experience in either investment or the property market and represent charities that are unitholders in the Fund.

Compliance with Legislation

Compliance with Existing Legislation

MEES compliance

The Fund has completed a review of the Minimum Energy Efficiency Standard (MEES) risk and has no assets with an EPC rating of E or below. A breakdown **of the EPC ratings is shown on page 40.**

Compliance Reporting

CPF is required to participate in the UK Government's Energy Savings Opportunity Scheme (ESOS). This requirement is in response to the EU's Energy Efficiency Directive and requires larger UK organisations to carry out energy audits every four years to identify cost-effective energy saving measures. The Fund met all requirements of ESOS ahead of the 2024 deadline.

Climate Risk and Asset Resilience

Climate Resilience

Savills Investment Management is a public supporter of TCFD and has set out a full response to the TCFD's reporting guidelines in our 2023-2024 annual sustainability report.

Climate-related matters are overseen by Savills Investment Management's Global Executive Committee (GEC). The GEC has delegated responsibility for ESG, including climate-related decisions, to the Global Head of Investment Risk, supported by the ESG Team and Responsible Investment Committee (RIC). These decisions include resourcing for climate resilience activities and approval for new responsible investment projects; for example, changing ESG data providers and approving new responsible investment (RI) policies and procedures.

CPF has adopted Savills Investment Management's climate risk screening process for new acquisitions. All acquisitions will be required to screened for physical climate risks. If a high risk is found, the transaction team must detail their plans to reduce this risk including onsite and local mitigations. If the risk mitigations cannot be identified through desktop analysis then a site engineer will be required. Savills Investment Management's approach to addressing climate risk is to seek to retrofit the asset first rather than divestment on the proviso of financial prudence

Corporate Responsibility

Our Partner Charity – The Cycle

As part of our commitment to responsible and restorative business practices, Savills Investment Management is proud to partner with The Cycle; a not-for-profit organisation dedicated to improving sanitation, menstrual health and food security in underserved communities since 2005.

The Cycle delivers holistic, community-led solutions that include:

- ✓ Construction of safe, sustainable EcoSan (Urine Diverting Dry Toilets)
- ✓ Clean water access initiatives
- ✓ Menstrual health education and support programmes
- ✓ Distribution of sustainable period products
- ✓ Soil regeneration to enhance local food production

The EcoSan toilets used by The Cycle are above-ground, waterless systems that separate waste at source. This enables the safe transformation of human waste into organic compost and fertiliser—supporting both environmental sustainability and agricultural resilience.

Our Ongoing Partnership

We began our partnership with The Cycle in April 2022, funding the construction of a two-storey EcoSan toilet block, handwashing facilities, and a menstrual pad incinerator at a school in Tamil Nadu, India.

This project also included a comprehensive hygiene and menstrual education programme, empowering students and the wider community with essential knowledge and practices.

Building on this success, we committed to a second project at a school in **Chennai, India**, with construction scheduled to begin in late 2023. In the meantime, The Cycle has already launched its **Climate Literacy** and **Happy Periods** training programmes in the community.

Going the distance for good causes

Investment 20/20 and Real Estate Balance

Our London office is a proud partner of Investment 20/20, which aims to help drive a forward thinking, responsible and inclusive investment industry where every firm attracts, develops and retains talented people from all backgrounds. We have recruited through Investment 20/20 in the past and will continue to do so in the future. They have supported us by ensuring that our recruitment practices appeal to individuals from diverse backgrounds. In the UK, we are also members of Real Estate Balance, who campaign for a more balanced and inclusive property sector.

REAL ESTATE BALANCE

INVESTMENT 20/20

Euston Foodbank

In June 2024, a total of 36 employees volunteered to help prepare essential food packages to those who are experiencing food insecurity. The food is sourced from local businesses, schools, churches and supermarkets, making it a community effort to address hunger locally.

Interview Support

In April 2024, 14 colleagues across Savills Investment Management's European offices participated in an online interview practice event for students attending a school in the UK. Our team provided their expertise and experience of the corporate recruitment process and between them, our employees 'interviewed' 40 students, enabling them to practice interview skills in a safe environment. Our support allowed students to build confidence in a key skill and be better equipped for entering the working world. Additionally, in London and Luxemburg, our Gender D&I group collected and donated interview clothing to disadvantaged individuals, providing professional styling, interviewing coaching and ongoing workplace support.

Performance Data (Externally Assured)

Sustainability Reporting

Properties within CPF continually generate building performance data covering energy, water and waste which has been historically collected and analysed on an annual basis for internal monitoring and performance tracking as well as supporting external disclosures such as GRESB. The methodology of this year's report is aligned with the approach Savills Investment Management follows for its annual reporting, as explicated in the text below.

In collaboration with the Fund's property management team and sustainability consultants, the Fund collects sustainability data at properties where it has control of the consumption and supply of utilities, as well as properties where the tenant is in operational control (however tenants are not obliged to provide this data).

Due to increased tenant data coverage over the past two years, we have included tenant procured energy and emissions in this report. This allows the Fund to monitor and track its Scope 3 greenhouse gas (GHG) footprint where tenants are in operational control of the building in addition to the Scope 1 & 2 emissions. The majority of the Fund's total emissions are in Scope 3.

Performance Data (Externally Assured)

Methodological Overview

CPF reporting is aligned with the Savills Investment Management annual sustainability reporting practices. CPF engaged external consultants at Deepki UK Ltd to prepare the tables of environmental performance data which are aligned to EPRA's 2017 Sustainability Best Practices Recommendations. This table is primarily based on actual data1 that was successfully collected and assured. The assurance of the underlying data submitted to GRESB was conducted by a third party - Lucideon CICS Limited - and was consistent with the requirements of ISO14064-3 - [Charities Property Fund - CY2023 - Verification Statement FINAL issued 20241016.pdf]. Metrics in the following tables include actual, including gap-filled, absolute consumption, intensity and data coverage. The tables report on the Fund's consumption, greenhouse gas emission, water, and waste data.

Due to investor requirements and portfolio management the number of assets in this dataset fluctuate year to year and result in changes to the absolute number of properties for which data is captured. In 2022, CPF reported on 129 properties, which changed to 120 properties across portfolios in 2023.

Reporting Methodology Details

- Energy consumption, GHG, water, and waste data is represented for each asset sector where data was available in 2022 and 2023. The typologies are aligned with GRESB Sectors. The GRESB Sectors are as follows (number in parentheses indicate 2023 numbers): Education (1); Healthcare (2); Hotel (7); Industrial (42); Lodging, Leisure & Recreation (2) ; Mixed Use (17); Office (20); Other (5); Residential (4); Retail (20). The same sectors are leveraged for all data types (energy consumption, GHG, water, and waste).

- Energy, water, and waste consumption & production data is reported according to automatic meter reads, manual meter readings or invoice estimates as provided to Deepki during the data collection period. Historic consumption data is restated in the event that more complete or accurate records become available.

- Energy consumption is reported in kilowatt hours (kwh), GHG is reported in tonnes of CO2equivalent (tCO_2e), Water in meters cube (m^3), and Waste in kilograms (kg).

Performance Data (Externally Assured)

- The intensity metrics are normalised by the building's floor area reported in metres (m2). The floor area taken into account is the Gross Internal Floor Area (GIA) of the asset.

- Coverage is calculated both on an absolute basis (count of assets with data) as well as a % of floor area covered compared to total possible floor area for more accurate reflection of the quantity and coverage of data.

- The "like for like" methodology includes only assets that have been consistently in operation during the reporting period which therefore excludes assets that have been purchased, sold, undergoing refurbishment or that have undergone a significant change within the two years reported. (January 1 2022 - December 31 2023). This allows the like-for-like energy intensity to show a truer representation of the asset performance (as the total internal floor area is used as the denominator) and be a more reliable comparison between reporting years due to increased reporting consistency. The same like-for-like approach is leveraged for consumption, GHG, water and waste data reporting.

The table below shows a summary of total energy, GHG, water and waste across the whole portfolio. The data is split between absolute and like-for-like, splits between billing entity where possible and a comparison between 2022 and 2023 data, including the percentage change. The ‘count of buildings’ refers only to applicable buildings within the portfolio that have specific coverage (i.e. in 2023 61 assets had energy consumption data).

Energy, GHG, Water and Waste Consumption - Total Fund Summary						
	2022	2023	% Change	2022	2023	% Change
	Absolute Emissions (tCO2e)			Like-for-like Emissions (tCO2e)		
Total Scope 1	163.5	154.3	-6%	163.5	154.3	-6%
Total Scope 2	433.4	514.6	19%	420.4	513.7	22%
Total Scope 1 and 2 [Landlord]	596.9	668.9	12%	583.8	668.0	14%
Total Scope 3 [Tenant]	11,442.4	12,871.3	12%	11,259.2	12,687.4	13%
Total Emissions	12,039.3	13,540.3	12%	11,843.1	13,355.4	13%
Total % of Floor Area Covered	61%	58%	-5%	60%	60%	0%
Count of Buildings	66	61	-8%	57	57	0%
	Absolute Consumption (kwh)			Like-for-like Consumption (kwh)		
Total Energy Consumption	58,755,066	64,541,054	10%	57,793,231	63,668,215	10%
Total Landlord Energy Consumption	2,908,096	3,175,689	9%	2,845,287	3,171,363	11%
Total Tenant Energy Consumption	55,846,969	61,365,365	10%	54,947,944	60,496,852	10%
Total % of Floor Area Covered	61%	58%	-5%	60%	60%	0%
Count of Buildings	66	61	-8%	57	57	0%
	Absolute Water Consumption (m^3)			Like-for-like Water Consumption (m^3)		
Total Water Consumption	261,194.1	259,804.0	-1%	256,112.1	259,804.0	1%
Total % of Floor Area Covered	24%	22%	-8%	24%	24%	0%
Count of Buildings	26	22	-15%	22	22	0%
	Absolute Waste Production (kg)			Like-for-like Waste Consumption (kg)		
Total Waste Production	201,210	357,821.2	78%	201,210	357,821.2	78%
Landlord Waste Production (kg)	201,210	357,821.2	78%	201,210	357,821.2	78%
Tenant Waste Production (kg)	-	-	-	-	-	-
Count of Buildings	8	13	63%	8	13	63%

Performance Data (Externally Assured)

Total Energy Consumption & GHG Emissions Methodology

The tables in this section set out total energy & GHG consumption for the Fund by GRESB sector

- The estimation method used for energy consumption data is a gap-filling method which consists of estimating the data for the missing periods using only the known consumption of former periods for the metered supply in question. The estimation rate refers to the proportion of the consumption data reported by the owner that is estimated by the gap-filling method.

- GHG emissions are calculated from actual energy consumption using a location-based approach and use carbon emissions factors (kgCO2e/kWh) sourced from several emission factors databases including IEA, CREEM, nation-specific reference bases and others. Emissions factors are applied to the consumption data at a meter level, considering the type of fluid as well as the paymaster of the meter to determine to correct emissions factors as well as the scope of emissions.

- GHG emissions are presented as tonnes of carbon dioxide equivalent (tCO2e). GHG intensity is presented as kilograms of carbon dioxide equivalent (kgCO2e) per m2.

- For the GHG data, a corporate accounting approach methodology is followed.

- Scope 1 includes direct emissions that occur from sources owned or controlled by the reporting entity, such as those resulting from the creation of on-site energy from combustible sources like gas boilers.

- Scope 2 includes indirect emissions generated off-site but relating to purchased or acquired electricity and district heating/cooling when procured by the reporting entity. Both Scope 1 and 2 relate to Landlord procured consumption.

- Scope 3 emissions result from assets or areas not controlled by the reporting entity, but that occurs in its value chain, including emissions related to energy use in leased assets that are entirely controlled by the occupiers. Scope 3 thus includes both Category 3 as well as Category 13 emissions. Fuel and energy-related activities (FERA), classified under Scope 3 Category 3 in the GHG Protocol, encompass the indirect emissions associated with the production, transmission and delivery of fuels and energy purchased by a company, which are not accounted for in Scope 2 emissions. Due to the lease arrangements in the Charities Property Fund most of the energy reported and the resultant GHG emissions calculated are generated from tenant consumption at assets where the tenant is in operational control of the utilities procured.

Performance Data (Externally Assured)

This is categorised as Scope 3, following the GHG Protocol definition of Category 13 - Downstream Leased Assets. As the Fund has minimal influence here explanations or commentary regarding the consumption trends of data provided by the tenants is limited.

The Fund, through the property management team, procures electricity from 100% renewable resources using green tariffs at assets where the Fund has operational control of the utilities procured (landlord data). Therefore, in an analysis following a market-based approach the Fund's like-for-like Scope 2 emissions are 0 tCO_2e in both 2022 and 2023. As the market based approach for the Fund's Scope 2 emissions are 0 tCO_2e, the table below only reports results using a Location-Based approach.

Energy Consumption

	Absolute Energy Consumption (kWh)			Like-for-like Energy Consumption (kWh)			Like-for-like Energy Intensity (kWh/m²)		
Sector	2022	2023	% Change	2022	2023	% Change	2022	2023	% Change
Retail	8,893,296	11,437,312	29%	8,893,296	10,566,598	19%	187.9	223.3	19%
% of Floor Area Covered	70%	72%	3%	70%	70%	0%			
Count of Buildings	10	13	30%	10	10	0%			
Industrial	36,638,624	40,028,338	9%	36,571,966	40,028,338	9%	296.6	324.6	9%
% of Floor Area Covered	50%	44%	-12%	47%	47%	0%			
Count of Buildings	20	19	-5%	19	19	0%			
Office	3,855,715	4,028,225	4%	3,855,715	4,026,099	4%	90.3	94.3	4%
% of Floor Area Covered	82%	81%	-1%	82%	82%	0%			
Count of Buildings	14	15	7%	14	14	0%			
Lodging, Leisure & Recreation	138,975	138,975	0%	138,975	138,975	0%	24.9	24.9	0%
% of Floor Area Covered	50%	50%	0%	50%	50%	0%			
Count of Buildings	1	1	0%	1	1	0%			
Hotel	4,787,388	5,210,492	9%	4,724,579	5,210,492	10%	115.6	127.5	10%
% of Floor Area Covered	93%	93%	0%	93%	93%	0%			
Count of Buildings	6	5	-17%	5	5	0%			
Mixed Asset	3,572,309	3,661,321	2%	3,572,309	3,661,321	2%	158.8	162.8	2%
% of Floor Area Covered	59%	53%	-10%	59%	59%	0%			
Count of Buildings	7	7	0%	7	7	0%			
Other	583,459	-	-100%	-	-	-	-	-	0%
% of Floor Area Covered	100%	0%	-100%	-	-	-			
Count of Buildings	4	0	-100%	0	0	-			
Residential	283,427	36,391	-87%	36,391	36,391	0%	57.3	57.3	0%
% of Floor Area Covered	58%	29%	-50%	29%	29%	0%			
Count of Buildings	3	1	-67%	1	1	0%			
Healthcare	1,872	-	-100%	-	-	-	-	-	-
% of Floor Area Covered	38%	0%	-100%	-	-	-			
Count of Buildings	1	0	-100%	0	0	-			
Education	-	-	-	-	-	-	-	-	-
% of Floor Area Covered	-	-	-	-	-	-			
Count of Buildings	0	0	-	0	0	-			
Total Energy Consumption	58,755,066	64,541,054	10%	57,793,231	63,668,215	10%	204.3	225.1	10%
Total % of Floor Area Covered	61%	58%	-5%	60%	60%	0%			
Count of Total Buildings	66	61	-8%	57	57	0%			

Performance Data (Externally Assured)

Greenhouse Gas Emission

	Absolute Emissions (tCo2e)			Like-for-like Emissions (tCo2e)			Like-for-like Intensity (kgCO2e/m²)		
Sector	2022	2023	% Change	2022	2023	% Change	2022	2023	% Change
Retail	1,827.1	2,401.9	31%	1,827.1	2,217.5	21%	38.6	46.9	21%
Scope 1	-	-	-	-	-	-			
Scope 2	14	13.1	-6%	14	12.2	-13%			
Scope 3	1,813.1	2,388.8	32%	1,813.1	2,205.3	22%			
Industrial	7,512.7	8,408	12%	7,498.8	8,408	12%	60.8	68.2	12%
Scope 1	-	-	-	-	-	-			
Scope 2	0.8	0.9	13%	0.8	0.9	13%			
Scope 3	7,511.9	8,407.1	12%	7,498	8,407.1	12%			
Office	791.8	850	7%	791.8	849.6	7%	18.6	19.9	7%
Scope 1	163.5	154.3	-6%	163.5	154.3	-6%			
Scope 2	387.6	491.1	27%	387.6	491.1	27%			
Scope 3	240.7	204.7	-15%	240.7	204.2	-15%			
Lodging, Leisure & Recreation	28.7	29.5	3%	28.7	29.5	3%	5.2	5.3	3%
Scope 1	-	-	-	-	-	-			
Scope 2	-	-	-	-	-	-			
Scope 3	28.7	29.5	3%	28.7	29.5	3%			
Hotel	974.9	1,083.5	11%	961.8	1,083.5	13%	23.5	26.5	13%
Scope 1	-	-	-	-	-	-			
Scope 2	17.6	5	-72%	4.6	5	9%			
Scope 3	957.3	1,078.5	13%	957.3	1,078.5	13%			
Mixed Asset	727.2	759.4	4%	727.2	759.4	4%	32.3	33.8	4%
Scope 1	-	-	-	-	-	-			
Scope 2	13.4	4.5	-66%	13.4	4.5	-66%			
Scope 3	713.8	755	6%	713.8	755	6%			
Other	119.5	-	-100%	-	-	-	-	-	0%
Scope 1	-	-	-	-	-	-			
Scope 2	-	-	-	-	-	-			
Scope 3	119.5	-	-100%	-	-	-			
Residential	56.9	7.8	-86%	7.6	7.8	3%	11.9	12.3	3%
Scope 1	-	-	-	-	-	-			
Scope 2	-	-	-	-	-	-			
Scope 3	56.9	7.8	-86%	7.6	7.8	3%			
Healthcare	0.4	-	-100%	-	-	-	-	-	
Scope 1	-	-	-	-	-	-			
Scope 2	-	-	-	-	-	-			
Scope 3	0.4	-	-100%	-	-	-			
Education	-	-	-	-	-	-	-	-	
Scope 1	-	-	-	-	-	-			
Scope 2	-	-	-	-	-	-			
Scope 3	-	-	-	-	-	-			
Total Scope 1	163.5	154.3	-6%	163.5	154.3	-6%			
Total Scope 2	433.4	514.6	19%	420.4	513.7	22%			
Total Scope 1 and 2	596.9	668.9	12%	583.8	668.00	14%			
Total Scope 3	11,442.4	12,871.3	12%	11,259.2	12,687.4	13%			
Total Emissions	12,039.3	13,540.3	12%	11,843.1	13,355.4	13%			
Total % of Floor Area Covered	61%	58%	-5%	60%	60%	0%			
Count of Total Buildings	66	61	-8%	57	57	0%			

Total Energy Consumption & GHG Emissions Commentary

In 2023, total absolute energy consumption increased by 10% compared to 2022. This yearly change is attributed predominantly to the increase in data coverage within the retail and industrial sectors. The total floor area covered dropped by 3% YoY as a result of a decrease in reporting assets reporting, from 129 to 120. As data coverage impacts the absolute energy consumption of the Fund so dramatically, asset-level performance and improvement cannot be addressed in this section. For a more detailed summary of the energy performance of the Fund unaffected by changing data coverage and availability trends please refer to the following section addressing like-for-like energy consumption.

In 2023, total like-for-like energy consumption increased by 10% YoY, predominantly due to yearly increases in the Retail, Industrial and Hotel sectors. Looking at total consumption, the Industrial sector makes up 63% of total like-for-like energy consumption.

The table below sets out the Fund's GHG emissions by GRESB sector, split by scope, using a location-based approach. Total absolute Scope 1 emissions dropped by 6%, from 163.5 tCO2e in 2022 compared to 154.3 tCO2e in 2023. Meanwhile, total absolute Scope 2 and 3 emissions increased year-on-year, by 19% and 12%.

Performance Data (Externally Assured)

The year-on-year increase in Scope 2 and 3 emissions is partly attributable to changes in electricity grid emission factors. Between 2022 and 2023, the electricity emission factor rose from 3.38%. In contrast, gas emission factors remained unchanged over the same period, which helps to explain why absolute Scope 1 emissions fell by 6% year-on-year, reflecting a genuine reduction in gas consumption rather than a methodological change. Even if electricity consumption had remained stable, the higher carbon intensity of grid electricity in 2023 would still have resulted in higher reported Scope 2 (landlord emissions) and scope 3 (tenant emissions).

In addition, the Fund's overall energy consumption rose from 58.8 GWh in 2022 to 64.5 GWh in 2023 (an increase of around 10%). This was largely driven by tenant energy use, which sits outside of the Fund's direct operational control but still forms part of the Scope 3 boundary. The combination of higher tenant demand and increased electricity emission factors contributed to the reported increases in Scope 2 and 3 emissions, despite the reduction in Scope 1 emissions.

Waste Calculation Methodology & Commentary

Waste data has been reported where the Fund is responsible for the provision waste management services and where waste collection data is available.

The methodology applied is based on the GRESB reporting framework & defined waste streams–defined as the complete flow of waste from generation to final disposal. We have also calculated the waste diversion rate. The diversion rate requirements meet a specified diversion rate which means materials diverted from landfill, incineration (WTE) and the environment / total generation.

The following table sets out the waste managed by the Fund, broken down by disposal route and GRESB sector. In 2023, total waste diverted dropped to 21%. This is predominantly due to an increase in waste data collected for retail assets and the waste diverted to incineration. Aligning with GRESB methodology, the percentge of waste diverted is calculated by waste reported as recycled, reused or converted to energy. Previously, incinerated waste referred to waste which has been incinerated with energy recovery.

The largest increases in absolute waste (%) collected came from the Industrial and Hotels sectors, due to improved data collection for assets including Severn Drive - Tewkesbury Trident Park - Normanton, WilverleyTrading Estate - Bristol and Lifeboat Quay - Poole. In the like-for-like analysis of waste, only waste routes which were consistently reported between 2022 and 2023 at an asset-level have been included.

Performance Data (Externally Assured)

		Absolute Waste Production			Like-for-like Waste Production		
Sector	Waste Route	2022	2023	% Change	2022	2023	% Change
Retail	Total (kg)	176,260	230,438.3	31%	176,260	230,438	31%
	Landlord Waste Production (kg)	176,260	230,438.3	31%	176,260	230,438	31%
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	176,260	-	-100%	176,260	-	-100%
	% of Waste Diverted	100%	0%	-100%	100%	0%	-100%
Industrial	Total (kg)	280	9,518.0	3299%	280	9,518.0	3299%
	Landlord Waste Production (kg)	280	9,518.0	3299%	280	9,518.0	3299%
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	112	5,769.72	5052%	112	5,769.7	5052%
	% of Waste Diverted	40%	61%	53%	40%	61%	53%
Office	Total (kg)	23,590	68,666.2	191%	23,590	68,666.2	191%
	Landlord Waste Production (kg)	23,590	68,666.2	191%	23,590	68,666.2	191%
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	23,590	38,270.7	62%	23,590	38,270.7	62%
	% of Waste Diverted	100%	56%	-44%	100%	56%	-44%
Lodging, Leisure & Recreation	Total (kg)	-	-	-	-	-	-
	Landlord Waste Production (kg)	-	-	-	-	-	-
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	-	-	-	-	-	-
	% of Waste Diverted	-	-	-	-	-	-
Hotel	Total (kg)	1,080	48,294	4372%	1,080	48,294	4372%
	Landlord Waste Production (kg)	1,080	48,294	4372%	1,080	48,294	4372%
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	756	33,142	4284%	756	33,142	4284%
	% of Waste Diverted	70%	69%	-1%	70%	69%	-1%
Mixed Asset	Total (kg)	-	904.8	-	-	904.8	-
	Landlord Waste Production (kg)	-	904.8	-	-	904.8	-
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	-	-	-	-	-	-
	% of Waste Diverted	-	0%	-	-	0%	-
Other	Total (kg)	-	-	-	-	-	-
	Landlord Waste Production (kg)	-	-	-	-	-	-
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	-	-	-	-	-	-
	% of Waste Diverted	-	-	-	-	-	-
Residential	Total (kg)	-	-	-	-	-	-
	Landlord Waste Production (kg)	-	-	-	-	-	-
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	-	-	-	-	-	-
	% of Waste Diverted	-	-	-	-	-	-
Healthcare	Total (kg)	-	-	-	-	-	-
	Landlord Waste Production (kg)	-	-	-	-	-	-
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	-	-	-	-	-	-
	% of Waste Diverted	-	-	-	-	-	-
Education	Total (kg)	-	-	-	-	-	-
	Landlord Waste Production (kg)	-	-	-	-	-	-
	Tenant Waste Production (kg)	-	-	-	-	-	-
	Total Waste Diverted (GRESB Classification)	-	-	-	-	-	-
	% of Waste Diverted	-	-	-	-	-	-

Performance Data (Externally Assured)

Sustainability Certification: Green Building Certificates

The 2023 portfolio of standing assets reported 18 BREEAM certified buildings to GRESB in June 2024 representing 15% of the portfolio and approximately 100,000 m^2 of certified area - highlighting the Fund's continued appetite to invest in sustainable properties.

BREEAM Rating	Sector	Asset
BREEAM/In Use | Excellent	Industrial	Milton Keynes
BREEAM/In Use | Very Good	Industrial	Normanton
BREEAM/In Use | Very Good	Industrial	Belvedere
BREEAM/In Use | Very Good	Industrial	Chigwell
BREEAM/In Use | Good	Office	International House, Brighton
BREEAM/In Use | Good	Hotel	Leonardo Hotel, Brighton
BREEAM/New Construction | Excellent	Industrial	Liverpool - Knowsley
BREEAM/New Construction | Excellent	Office	London E1
BREEAM/New Construction | Very Good	Office	Ilkley
BREEAM/New Construction | Very Good	Retail Warehouse	London SE7
BREEAM/New Construction | Good	Hotel	Bath - 5-10 Westgate Building
BREEAM/New Construction | Very Good	Alternatives	Harrogate
BREEAM/New Construction | Very Good	Office	Maidenhead
BREEAM/New Construction | Very Good	Office	Paulton House
BREEAM/New Construction | Very Good	Industrial	Normanton
BREEAM/New Construction | Good	Hotel	Poole
BREEAM/New Construction | Very Good	Hotel	Cambridge

Performance Data (Externally Assured)

Sustainability Certification: Energy Performance Certificates

An Energy Performance Certificate (EPC) gives a property an energy efficiency rating from A+ (the most efficient) to G (the least efficient). These certificates are valid for 10 years. EPCs are required whenever an asset is built, sold or leased. In 2024 the Fund owned no properties with a F or G rating.

The Fund had 100% EPC coverage across all assets in 2024. In 2024, the proportion of EPC's rated A, B or C increased when compared with 2023.

Rating	Portfolio by floor area (%)	
A/A+	8.3%	
B	22.0%	84.6%
C	54.3%	
D	14.4%	
E	1.0%	
F	0.0%	
G	0.0%	
Portfolio Coverage	**100%**	

Disclosure of compliance / non-compliance with the INREV Sustainability Reporting Guidelines

This Sustainability Report has been prepared in accordance with the INREV Sustainability Guidelines. These Guidelines establish required and best practice sustainability disclosures for the non-listed real estate sector. We have conducted a self-assessment against the requirements specified in the INREV Sustainability Guidelines and we conclude that this INREV ESG Report is compliant with all requirements.

Further Responsible Investment Materials

Savills Investment Management's Responsible Investment Policy (RI Policy) is publicly available and describes Savills Investment Management's approach to responsible investing for our assets under management including the identification and management of ESG risks and how we act upon sustainability opportunities.

Savills Investment Management recognises that taking a responsible approach to property investment can protect and enhance the long-term performance of the funds we manage. Measurement and disclosure are vital parts of Responsible Property Investment. Savills Investment Management's most recently available reporting metrics are shown below.

2024 GRESB Assessment

100%

of funds submitted to GRESB received at least one green star.

UN PRI 2023 Assessment

★★★★★
in Policy, Governance & Strategy

★★★★★
in Confidence Building Measures

★★★★★
in Direct – Fixed Income

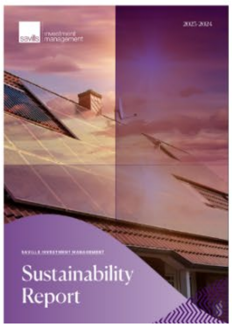
★★★★
in Direct – Real Estate

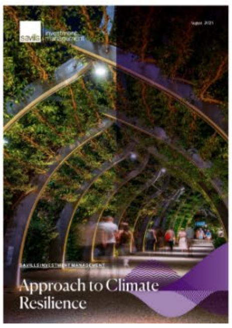
Savills Investment Management Climate Screening

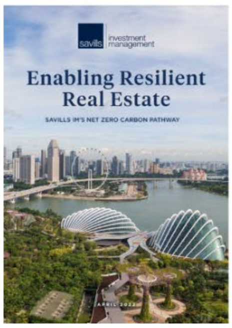
100%

Please see our other Responsible Investment Materials for more information on our approach.

Annual Sustainability Reports	Approach to Climate Resilience	Responsible Investment Policy	Diversity & Inclusion Report	Net Zero Carbon Pathway







Glossary

BBP	Better Buildings Partnership
BMS	Building Management System
BREEAM	Building Research Establishment's Environmental Assessment Method
DALI	Digital Addressable Lighting Interface
D&I	Diversity and Inclusion
EPC	Energy Performance Certificate
ESG	Environmental, Social and Governance
ESOS	Energy Saving Opportunity Scheme
EV	Electric vehicle
GHG	Greenhouse Gas
GRESB	Global Real Estate Sustainability Benchmark
LED	Light Emitting Diode
MEES	Minimum Energy Efficiency Standard
NZC	Net Zero Carbon (see below)
PV	Photovoltaic
Scope 1	Direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization (e.g. emissions associated with fuel combustion in boilers, furnaces, vehicles)
Scope 2	Indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling.
Scope 3	All other indirect emissions that occur in a company's value chain and often represent the majority of an organization's total GHG emissions
SKA rating	SKA rating is an environmental assessment method, benchmark and standard for non-domestic fit-outs, led and owned by RICS.
SRI	Socially Responsible Investment
TCFD	Task Force on Climate-Related Financial Disclosures
UNPRI	United Nations Principles for Responsible Investment
VRF	Variable Refrigerant Flow

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This Fund is a registered charity (number 1080290) and is a common investment fund established by the Charity Commission for England and Wales under Section 24 of the Charities Act 1993. Investment into the Fund is only available to charities within the meaning of section 96 or 100 of the Charities Act 2011.

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The value of property is generally a matter of a valuer's opinion rather than fact. Please remember that past performance is not necessarily a guide to future performance. The value of an investment and the income from it can fall as well as rise and investors may not get back the amount originally invested. Taxation levels, bases and if relevant, reliefs can change. Property can be difficult to sell and it may be difficult to realise your investment when you want to.

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CHARITIES

PROPERTY FUND