

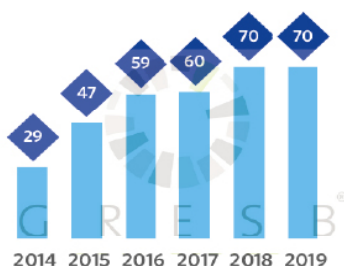
Developing a more sustainable approach to investment is important to us and, we hope, also to our tenants. Our efforts to incorporate sustainability factors into our buildings and practices has continued to advance this year...

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, assets valued at over \$4.5tn now contribute towards the index.

PITCH has been submitting data to GRESB for six 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 again achieved a score of 70/100 and we continue to improve our monitoring of energy, waste and water usage and also our performance indicators.



Responsible Investment

In 2019, 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 multilet 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 June, both our like-forlike gas and electricity usage has fallen sub-

	Measure	Year to Sep-19	Year to Sep-18	Change
Electricity (kWh)	Absolute	2,754,809	3,136,170	-12%
	Like-for-like	2,377,104	2,765,692	-14%
Gas (kWh)	Absolute	1,832,533	2,113,681	-13%
	Like-for-like	1,832,034	2,022,081	-9%
CO ₂ Emissions (tonnes)	Absolute	306	415	-26%
	Like-for-like	296	385	-23%
Water (m ³)	Absolute	19,637	21,481	-9%
	Like-for-like	19,627	20,370	-4%
Recycling	Absolute	66%	57%	
	Like-for-like	N/A	N/A	

stantially and this leads to a substantial fall in CO₂ emissions over the year. Water usage has also reduced slightly.

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

EPC Analysis

Energy Performance Certificates (EPC) cover 100% of the portfolio and 99% 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.

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.

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

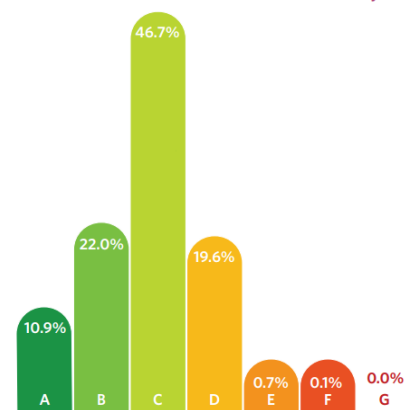
data collection is problematic - we do collect environmental performance data for all our directly held multi-let properties where we organise utility supplies and waste disposal.

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.

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



MCIM: As at Sep-19

- 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 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 Zyzyg 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.

Sustainable Fit-Out Guide

Undertaking a major fit-out 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 workers and the wider business.

We have assembled a guide that is available to all of our tenants to assist with this process. It works through design considerations in terms of both 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 have refurbished our Leeds office building (common parts and one of the four office floors) which has resulted in the EPC improving from E to C. Two more floors will be refurbished in the coming year.

We have also refurbished the entirety of our 30,000 sqft office building in Solihull including new M&E, new cycling facilities and showers, electric car charging points and a new external deck to take advantage of the attractive landscaping. The EPC here has improved from E to B.

Additionally, 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.

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

We cannot expect or encourage our tenants to operate ethically and with probity unless we do so ourselves.

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.

In running our business procedures are in place to give transparency and ensure that no undue influence is exerted over our decisions.

The company is authorised and regulated by the Financial Conduct Authority. It is also an approved Alternative Investment Fund Manager and complies with the Alternative Investment Fund Managers Directive.

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



G R E S B®

Signatory of:

