

Channel Islands Property Fund Limited (“CIPF”)

Environmental, Social and Governance (“ESG”) Policy

Updated: May 2023

Purpose

To deliver sustainable returns to investors from a diversified portfolio of high quality office premises in the Crown Dependencies in a manner which minimises adverse impact on the environment and contributes positively to the communities we invest in.

ESG Objectives

- Mitigate climate change
- Be the Landlord of choice based upon our responsible, sustainable, ethical and transparent approach
- Maintain ethics and integrity in our governance and dealings.
- Positively impact the communities we work in

In achieving our objectives we ensure that sustainability considerations are integrated into all investment decisions and the ongoing management of our portfolio. We promote social responsibility, act with integrity in governance and aim to ensure that our actions fully take into account their effect on the environment.

Our portfolio impacts on people and the environment, whether it be our customers in our role as Landlord, or the wider communities in which we operate and it is essential for environmental, social and economic sustainability to come together to deliver the investment proposition in the long term. It is also incumbent upon us to make it clear that this responsibility to act with care, consideration and integrity also applies to our service providers.

This Policy aims to demonstrate how these responsibilities are discharged.

Roles and Responsibilities

The Board has overall responsibility for the ESG Policy and the delivery of its objectives.

The Policy applies to all stages of the investment process and to all asset management activities.

Day-to-day management is delegated to Ravenscroft Specialist Fund Management Limited, the Investment Manager and D2 Real Estate (“D2RE”) as the Property Manager. Both apply this Policy so that CIPF can deliver on its objectives employing guiding principles where environmental, social and governance opportunities and risks

are considered throughout the investment cycle and both have a strong track record as socially responsible partners contributing much to the communities in which we operate.

Corporate values must be lived and adhered to by all those with whom we deal and this is a fundamental part of our procurement processes, how they are applied and monitored.

Review

Particularly with climate change, the change in public attitudes and advances in technology, this is a fast moving area and this Policy will be formally reviewed each year to measure against the objectives and to seek to take account of changes that can positively impact on the environment, our social contribution and governance whilst delivering sustainable returns for our stakeholders.

Property Managers

Our appointed Property Managers, D2RE, incorporate numerous aspects of ESG into their day-to-day management of our property portfolio with a copy of their internal ESG policy available upon request from Grant Irvine:

E-mail: grant.irvine@d2re.co.uk

Telephone: 01534 716238

Please see below a select few examples of how ESG is incorporated by D2RE into their management of our portfolio:

- All multi-let buildings energy consumption is benchmarked and results shared with occupiers to identify improvement areas.
- Waste strategies are in place for all multi-let buildings which promote minimal waste to landfill
- ESG is a key consideration when undertaking project work tender reviews encouraging suppliers to incorporate it into their thinking. For example, this led to a Generator being donated to a Ukrainian hospital.
- Considering the lifecycle of mechanical and electrical assets when undertaking replacement projects. For example, a lift replacement project had a requirement for all new equipment to be at 90% recyclable at end of life.
- Embracing technological advances with replacement projects. The aforementioned replacement lift will self-generate some electricity.
- Having a “local sourcing first” policy for all suppliers to ensure as much money and benefit is put back into the local economies as possible.
- All hard services maintenance contracts are to industry best standard SFG20. This initiative-taking approach is expected to be able to reduce consumption by up to 15% and reduce unplanned reactive visits.



- D2RE target reducing physical wastage when occupiers refit their premises by promoting and facilitating recycling and donating of redundant fixtures and fittings to either charities or small businesses. This resulted in over 50 individual items re-used in 2022 rather than being sent to landfill.
- The introduction of an allowance within supplier contracts to allow for cost-of-living increases for low salary roles.
- The requirement for all suppliers not to discriminate in their pay between female and male employees.