CHANNEL ISLANDS PROPERTY FUND

Environmental, Social and Governance ('ESG') Policy

Annual Review — July 2026

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Background

Channel Islands Property Fund Limited ('CIPF' or 'the Fund') is a closed-ended investment company incorporated in Guernsey and regulated by the Guernsey Financial Services Commission ('GFSC') as an Authorised Collective Investment Scheme. Established in 2010, CIPF Limited provides shareholders with long-term total returns through the acquisition and management of commercial real estate across Guernsey, Jersey and the Isle of Man.

As a significant Crown Dependency landlord, CIPF invests responsibly, with sustainable finance objectives spanning climate change mitigation, community impact and governance. This policy sets out CIPF's approach, matched to the current regulatory and governmental reporting position in each jurisdiction; including accounting-related reporting obligations and the pace of the International Sustainability Standards Board ('ISSB') adoption, so that every commitment to shareholders is credible and verifiable. It is structured around the Governance, Strategy, Risk Management and Metrics pillar used by Taskforce on Climate-related Financial Disclosures ('TCFD') and carried forward into the ISSB's IFRS S1/S2 standards, positioning CIPF to move efficiently into formal disclosure as jurisdictional standards mature. The policy is reviewed annually by the Board; see 'Regulatory Alignment' below for how it aligns with current GFSC, JFSC and IOMFSA expectations.

Governance

The Board of Directors (the 'Board') has five members who hold overall responsibility for the governance and oversight of sustainability-related risks and opportunities, including approving CIPF's ESG policy, strategy and objectives along with monitoring CIPF's performance.

The Board leads the sustainability strategy and approves substantive changes proposed by the Property Manager or Investment Manager, drawing on identified risks, opportunities, and the evolving regulatory and governmental position in each jurisdiction.

Day-to-day management is delegated to Ravenscroft Corporate Finance Limited (the 'Investment Manager'), who works closely with D2 Real Estate (the 'Property Manager') to implement sustainability initiatives. The Board evaluates metrics reporting provided by Carbonxygen (the 'ESG Consultant'). This regular, disciplined reporting rhythm supports the Directors with informed oversight of the Fund's ESG performance using available ESG data and metrics (see 'Metrics and Reporting' below).

Strategy

Approach

CIPF's objective is to provide shareholders with a total return from capital growth and dividend income through the acquisition and active management of commercial property predominantly in the Crown Dependencies. CIPF integrates ESG factors into investment analysis and decision-making, calibrated to the current regulatory and government guidance in each jurisdiction, and engages tenants on material ESG issues within the scope of its influence.

Government Pathways

CIPF sequences capital investment proportionate to each jurisdiction's confirmed government pathway, directing capital where it can achieve a credible, well-evidenced return for shareholders while maintaining tenant obligations.

Jersey's Carbon Neutral Roadmap gives CIPF's Jersey assets a defined trajectory that tenant engagement and refurbishment planning are aligned to; in Guernsey and the Isle of Man, CIPF tracks developing government roadmaps closely, so it is well placed to scale investment promptly once these are confirmed; including grid capacity and renewable energy infrastructure.

Engagement

CIPF engages proportionately with tenants, communities, shareholders and suppliers to shape and implement its ESG strategy. The Property Manager maintains continuous tenant engagement that directly informs asset management decisions, Green Leases and memoranda of understanding are sought with every new tenant where feasible.

Community engagement through available channels such as tenant events, which can identify potential partnerships — for example around waste reduction. Shareholder perspectives are gathered periodically through AGMs, investor meetings, and direct Board contact to help inform ESG direction.

Biodiversity and Influence

Biodiversity is recognised as a material consideration for the real estate sector generally, primarily during construction. CIPF has very limited construction activity, restricted to occasional refurbishment, and the footprints of buildings in the portfolio are limited in terms of land area, which in turn limits opportunities for biodiversity enhancement to measures such as roof developments. Given the maturity and nature of the portfolio, biodiversity is monitored but is not treated as a material component of the strategy at this time.

Risk Management

ESG Risks

The Board manages ESG risks and opportunities through regular updates on climate change and regulatory developments across Guernsey, Jersey and the Isle of Man. The Board remains informed of relevant ESG risks to the portfolio and evaluates any opportunities to enhance properties on ESG grounds, weighing reputational and economic impacts.

Investment Process

Pre-investment

CIPF considers environmental sustainability and resource efficiency when evaluating potential acquisitions through measures including applying an informal positive screen and a feasible compliance to Government pathway ESG alignment post-acquisition, rather than requiring it as a precondition.

Due Diligence

Where the screening stage identifies areas of concern, CIPF will appoint a relevant professional to gather further information, such as a technical surveyor assessing energy efficiency, during the due diligence process.

Post-investment

CIPF engages with tenants on sustainability practices such as waste reduction, energy conservation and sustainable materials to improve assets over the ownership period at a pace consistent with lease terms and the wider regulatory environment.

Trade-offs

Where trade-offs arise between financial returns and sustainability outcomes, CIPF's preference is to engage stakeholders collaboratively to find solutions that support both objectives.

Metrics and Reporting

CIPF manages its portfolio with regard to environmental and social characteristics via a materiality assessment to define the metrics at Annex I, giving the Board a consistent basis for monitoring ESG performance year on year. Data quality is a continuous focus, with CIPF working closely with Property Managers, tenants and suppliers to strengthen the completeness and verifiability of data across the outsourced supply chain.

A Disciplined, Board-Governed Reporting Approach

CIPF maintains a Board-governed reporting process. Data is collected on an ongoing basis and reported to the Board through structured management information, giving Directors regular, evidence-based oversight, see Annex I metrics.

Reporting Framework and Sustainable Finance Alignment

Reporting Framework

CIPF voluntarily structures this policy around the governance, strategy, risk management and metrics pillars used by TCFD and carried forward into the ISSB's IFRS S1/S2 standards. This is not currently a mandatory requirement for CIPF, but adopting this architecture ahead of any formal mandate means the Fund's ESG reporting already sits on a globally recognised framework and is well placed to move efficiently to formal disclosure if and when such standards are introduced for Guernsey licensees.

Regulatory Alignment

CIPF is incorporated in Guernsey and regulated by the Guernsey Financial Services Commission ('GFSC'), its regulator for sustainable finance disclosure and governance. This policy is benchmarked annually against the GFSC's current expectations and is intended to provide shareholders with an up-to-date summary of CIPF's sustainability approach.

- CIPF has designed its sustainability statements with reference to GFSC anti-greenwashing guidance and seeks to ensure that sustainability-related claims are clear, fair and evidence-based.
- The Board considers environmental matters holistically, consistent with the GFSC's Finance Sector Code of Corporate Governance.
- Mandatory ISSB-aligned disclosure is not yet required for Guernsey licensees; CIPF's voluntary alignment with the TCFD/ISSB framework (above) means the Fund is ready to move to formal disclosure should this change.

CIPF holds property within Jersey and the Isle of Man which incorporates both Jersey Financial Services Commission's ('JFSC') and Isle of Man Financial Services Authority's ('IOMFSA') sustainability pathways in both jurisdictions, including JFSC Sustainable Finance Guidance Note and the Isle of Man Government's 2050 net-zero commitment which inform CIPF's planning in each location (see 'Strategy'). This policy reflects the regulatory position as understood in July 2026; verified against current GFSC, JFSC and IOMFSA publications as part of each annual review.

Annex I: Metrics

The metrics below are those CIPF collects and reports internally to the Board, as described under 'Metrics and Reporting' above.

Factor Category	Sustainability Indicator	Metric Name	Metric
Climate	Greenhouse gas emissions	GHG Emissions Scope 1	GHG Emissions by real estate assets
Climate	Greenhouse gas emissions	GHG Emissions Scope 2	GHG Emissions by real estate assets
Climate	Greenhouse gas emissions	GHG Emissions Scope 3	GHG Emissions by real estate assets
Climate	Carbon Intensity	Carbon Intensity	Carbon Intensity (GHG / Revenue)
Climate	Carbon Footprint	Carbon Footprint	Carbon Footprint (GHG / Value)
Nature	Water, waste, and material emissions	Water usage and recycling	Average amount of water consumed by the assets (in cubic metres) per million of revenue and sqm. Weighted average percentage of water recycled and reused by assets.
Nature	Water, waste and material emissions	Non-recycled waste	Tons of non-recycled waste generated by assets per million invested and per sqm, expressed as a weighted average.
Nature	Water, waste and material emissions	Waste production in operations	Share of real estate assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract.
Social	Social and Employee matters	Board gender diversity	Average ratio of female to male board members.
Social	Social and Employee matters	Rate of accidents	Rate of accidents from CIPF service providers in investee assets, expressed as a weighted average.
Social	Responsible procurement	Supplier code of conduct policy	Suppliers should pay a living wage and comply with human rights and anti-modern slavery / corruption practices. Where possible, local suppliers will be used.

This policy has been reviewed and updated to ensure alignment with the current regulatory position in Guernsey, Jersey and the Isle of Man, and to reflect CIPF's approach to sustainability reporting and target-setting.