PITCH

Property Income Trust For Charities

Swiss Life Asset Managers

Annual Report and Audited Accounts

For the year ended 31 December 2024

Helping charities fulfil their charitable purpose by achieving an attractive return from property

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Investors' Committee Chairman's Report

2024 was a difficult year for commercial real estate, and in particular for the open ended funds, such as The Property Income Trust for Charities (PITCH), which were faced with unforeseen redemptions, at scale in some instances, as some investors sought to rebalance their portfolios away from property. It is therefore a matter of great pride and satisfaction that PITCH was able to meet all its redemption obligations strictly in accordance with the timetable set out in the Trust Deed, paying all withdrawals from the Fund in full.

Nick Shepherd
Chairman

The Investors' Committee is of the view that the rebalancing away from property has largely been completed by investors, and we are encouraged in the early part of 2025 to see fresh interest from charities and their advisers in investing into PITCH this year.

This report sets out details of the performance of the Fund during 2024, and its principal activities during the year, as well as providing the usual financial statements.

It was another challenging year for the Fund's investors – all charities of course – facing inflationary pressures on costs, the absence of meaningful economic growth in the UK economy, a high (relative to recent years at least) interest rate environment, and very variable returns from all asset classes. In this environment, PITCH was able to make an important contribution to investors' finances by delivering a high income yield of 5.9% during the year. The Fund is well placed to continue to deliver a high income return into 2025 and beyond.

Whilst maintaining a high income yield for our investors has remained a priority for the Fund, PITCH has outperformed the MSCI/AREF UK All Balanced Open-ended Property Fund Index in seven of the last ten years on a total return, net of costs basis.

With charities ever more cognisant of their environmental responsibility obligations, I am delighted to report that PITCH continues to improve its sustainability performance, now ranked 6th out of 90 in its peer group for GRESB 2024, a testament to the hard work and commitment of the fund manager, Swiss Life AM UK.

The Investors' Committee welcomed Meenal Devani, representing St Catharine's College Cambridge, during the year, following the resignation of Simon Summers after many years' service to PITCH. The Committee provides governance to the Fund Manager, Swiss Life AM UK Ltd, and its principal work revolves around the approval of strategy, formulation and approval of the ethical policy, key buy and sell decisions and policy in relation to the Fund's borrowings. Committee meetings are attended by the corporate trustee as well as individual specialists from within the Fund management team.

In finishing, I would like to thank my fellow committee members for their commitment to PITCH, and also to the Swiss Life AM UK team for their dedication and professionalism over the year.

Fund Information

Fund Objectives and Key Information

The Property Income Trust for Charities (PITCH) is a unit trust designed as a pooled property vehicle available to all UK Charities.

The Fund was established to permit qualifying charities to co-invest in UK property in a manner that is tax efficient for both income and capital. It also has the advantage of allowing properties to be acquired free of Stamp Duty Land Tax (SDLT).

The Fund aims to deliver a relatively high and sustainable income yield whilst at least maintaining the capital value in real terms over the economic cycle, by acquiring income producing properties in the UK with growth prospects, together with properties where there is "embedded" value that can be extracted through active asset management. The Fund aims to diversify risk through tenant, sector and geographic spread throughout the UK. It will not undertake any speculative development activity although refurbishment of existing assets will be undertaken where appropriate.

The Fund operates both ethical and environmental policies and seeks to be a socially responsible investor. These features are embodied in the operations of the Fund.

Full particulars of the Fund can be found in the Trust Deed and the Fund summary.

All information is correct as at 31 December 2024.

Further information is available on our website, including the Fund Summary.

Gross Asset Value

£546.28m

Fund Summary

As at 31 December 2024

Gross asset value	£546.28m
Net asset value	£478.35m
Bid price	73.36p
Offer price	75.56p

Paid Distribution History 2024 (p.p.u)

As at 31 December 2024

January	0.341	July	0.336
February	0.380	August	0.359
March	0.412	September	0.365
April	0.328	October	0.353
May	0.298	November	0.412
June	0.438	December	0.360

Performance in 2024

5.0% total return (as per MSCI/AREF)

Fund Borrowings

As at 31 December 2024

Total Debt	£66.88m
LTV on GAV	12.24%
LTV on NAV	13.98%

Property Portfolio

As at 31 December 2024

Direct Properties - Commercial	38
Direct Properties - Residential (Number of Sites)	6
Indirect holdings	0

1. Gross Asset Value is calculated by adding the value of the Fund's properties (both direct and indirect) and capital cash and amounts receivable on disposals held for sale at year end.
2. Pence per unit (p.p.u); distributions are quoted on a paid basis in line with the MSCI/AREF reporting.

Dealing in the Fund

Subscriptions and Redemptions

Units in the Fund may be acquired on a monthly basis and redeemed on a quarterly basis. The Trust Deed contains provisions which enable the Manager to scale back or delay redemptions in certain circumstances. Matched trades are periodically available for larger redemptions.

Investors

Only registered and exempt charities in the UK may invest in the Fund since it is exempt from SDLT on all property purchases. Please see the Unitholder Movement which is an analysis of unit issuance and redemptions during the year, including secondary market trades, together with an analysis of the unitholder base as at 31 December 2024.

As of December 31, 2024, there were 117 outstanding redemption notices. In January 2025, 48 of these notices, which pertained to Q3 redemptions, were successfully redeemed. The remaining notices, related to Q4, were redeemed in April 2025. The Fund is currently fully capable of adhering to its redemption policy and expects to maintain this capability for the foreseeable future.

Pricing

The Fund's bid and offer prices have been determined in accordance with the recommendation of The Association of Real Estate Funds ("AREF") except that fixed rate loans have been valued at amortised cost rather than fair value.

Unitholder Movement

	Year to 31 Dec 2024	Year to 31 Dec 2023
Issues and redemptions		
Units in issue at start of year	692,737,613	720,061,734
Units issued during the year	8,268,054	30,381,736
Units redeemed during the year	57,735,765	57,705,856
Units in issues at end of year	643,269,902	692,737,613
Secondary market		
Matched trades	13,498,055	2,505,982
Matched trades as % of units in issue at end of year	2.10%	0.36%

Redemption Notices Outstanding

As at 31 December 2024

Number of notices related to Q3 24	48
Number of units	34,383,930
Bid per unit	£0.7336
Value at bid	£25,24,051
Total units (%)	5.35%

Redemption Notices Outstanding

As at 31 December 2024

Number of notices related to Q4 24	69
Number of units	11,211,748
Bid per unit	April Bid Price once available
Value at bid	Not yet available
Total units (%)	1.74%

Largest investors and percentage of units in issue by ownership band

Units in issue	Number of investors	Total holding (%)
<1%	1,045	48.65%
>1% <2%	9	12.73%
>2%<4%	6	17.29%
>4%<8%	0	0.00%
>8%	2	21.33%
Total	1,062	100%
Largest investor		13.26%
Largest Three investors		24.88%
Largest five investors		31.00%
Largest ten investors		42.40%

Expense Ratios

The Fund calculates annual expense ratios as per AREF guidelines, against the Fund's Gross Asset Value (GAV) and Net Asset Value (NAV) both averaged over the prior 12 months, a summary of these ratios is shown in the table opposite.

Total Expense Ratio (TER) includes both direct Fund management fees and additional Fund operating costs such as third party administration and audit fees. Property Expense Ratio (PER) includes direct property costs not recoverable from tenants such as business rates on void units, general repairs and maintenance or aborted transaction costs. Real Estate Expense Ratio (REER) is the total of the Fund's TER and PER. The transaction cost ratio includes all professional fees and other costs directly incurred in the purchase and sales during the year. As the Fund does not accrue or pay any performance fee, no performance fee ratio has been calculated.

The portfolio turnover ratio highlights how often the Fund buys or sells property ignoring the impact of subscriptions or redemptions and displays this as a percentage of average yearly NAV. In 2024 the Fund's turnover ratio was 0.0% (2023: 1.6%).

Expense Ratios

As at 31 December 2024

	2024		2023	
	GAV	NAV	GAV	NAV
Fund Management Expense Ratio	0.51%	0.58%	0.51%	0.60%
Fund Operating Expense Ratio	0.20%	0.23%	0.18%	0.21%
Total Expense Ratio	**0.71%**	**0.81%**	**0.69%**	**0.80%**
Property Expense Ratio	0.36%	0.41%	0.29%	0.34%
Real Estate Expense Ratio	**1.07%**	**1.22%**	**0.98%**	**1.14%**
Transaction Costs	0.16%	0.18%	0.12%	0.14%

Citu, Leeds (Residential)

General Information

Valuation

CBRE Limited (CBRE) are the external valuers to the Fund. CBRE also carry out valuations for secured lending purposes when properties are acquired with the use of borrowings or for the Fund's acquisitions out of cash resources. Commercial valuations are carried out on a monthly basis on the last working day of each month and residential valuations are carried out on a quarterly basis on the last working day of each quarter. Valuations are carried out in accordance with the requirements of the RICS Valuation – Global Standards which incorporate the International Valuation Standards ("IVS") and the RICS Valuation UK National Supplement (the "RICS Red Book") edition current at the valuation date. It follows that the valuations are compliant with "IVS".

Investors' Committee

The Committee comprises of the following:

- Nick Shepherd, Chairman (re-elected June 2024)
- Neil Harper, The National Trust for Scotland (re-elected May 2023)
- Jenny Segal, Nesta Trust (re-elected June 2024)
- Meenal Devani, St Catharine's College, Cambridge (elected June 2024)

Conflicts of Interest

In accordance with its terms of reference, the Investors' Committee may advise the Trustee or the Manager on any conflict of interest issues.

Subject to the provision of the Trust Deed, the Manager may effect transactions with or for the Trustee in relation to which it has a conflict of interest, provided that any material interest must be managed and resolved in accordance with the Manager's conflicts of interest policy and the rules of the Financial Conduct Authority.

Risk Management Provisions

The parameters by which the Manager acts, through guidance from the Investors' Committee, include risk management provisions that are designed to avoid concentration of risk through imposing constraints on the maximum exposure that the trust may have to single properties, and tenants, as a source of income to the trust accordingly:

- No one property will amount for more than 10% of the portfolio value at the time of purchase
- The three largest properties will not exceed 35% of portfolio value
- Excluding the UK Government (and related bodies) no one tenant will account for more than 10% of portfolio income
- Investments in other property funds are limited to 10% of total assets of the Trust

The Fund is in compliance with the above.

Fund Advisers

Trustee
Vistra Trust Corporation (UK) Limited
7th Floor, 50 Broadway
London
SW1H 0DB

Fund Manager
Swiss Life Asset Managers UK Limited
55 Wells Street
London
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Residential Investment Advisor
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29 Throgmorton Street
London
EC2N 2AT

Residential Property Manager
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Bedfordshire
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Fund Administration
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EC2Y 5AS

Commercial Property Manager
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W1B 5NH

External Valuers
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Henrietta Place
London
W1G 0NB

Independent Auditor
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LS1 5AB

Dentons UKMEA LLP
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Performance Measurement
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Ten Bishops Square
London
E1 6EG

Depository
NatWest Trustee and Depositary Services Limited
House A, Floor 0
Gogarburn
175 Glasgow Road
Edinburgh
EH12 1HQ

Bankers
The Royal Bank of Scotland PLC
1st Floor, 440 Strand
London
WCR2 0QS

Santander UK PLC
2 Triton Square
Regent's Place
London
NW1 3AN

Barclays Bank PLC
1 Churchill Place
Leicester
LE87 2BB

Epworth Investment Management Limited
9 Bonhill Street
London
EC2A 4PE

Property Management and Accounting
In respect of the commercial properties, Swiss Life Asset Managers UK Limited ("Swiss Life AM UK") has appointed JLL to undertake property management including rent collection, service charge administration and be the main point of contact with tenants on matters such as assignments and alterations. Asset management or added value initiatives remain the responsibility of Swiss Life AM UK.

JLL is remunerated by the Fund Manager but charge additional fees on multi-let properties where service charges are operated.

In respect of the residential properties, the Fund appointed Hearthstone as investment advisor, with Connells providing the day to day property management. Both are remunerated by Swiss Life AM UK directly.

Fund Administration
This role is outsourced to a third party provider, Apex Group Limited.

Management of the Fund

Simon Martindale, Fund Director

Simon joined Swiss Life AM UK in 2012 and was Fund Manager of the Property Income Trust for Charities (PITCH) from 2015, becoming Fund Director in 2021. He is responsible for formulating and implementing the Fund investment strategy, investor reporting and portfolio analysis whilst also overseeing all acquisition, disposal and asset management activities. He has over 20 years' experience in commercial property and previously worked at DTZ (now Cushman & Wakefield) and Edward Symmons (now LSH).

Scott Fawcett, Head of Asset Management

Scott joined Swiss Life AM UK in 2013 and is Head of Asset Management. He is responsible for implementing PITCH asset management initiatives and supporting the investment activities of the Fund. Scott has over 25 years of experience in property markets previously with Drivers Jonas (became Deloitte Real Estate) and Matrix Securities.

Laura Sweet, Fund Manager

Laura joined Swiss Life AM UK in 2015, during which time she progressed to the role of Fund Manager for MCPUT. Laura became Fund Manager of the Property Income Trust for Charities in 2024. Her role involves formulating and implementing fund investment strategy, investor reporting and portfolio analysis, as well as overseeing transactional activity and undertaking asset management initiatives.

Frances Spence, Executive Director, Head of UK Research, Strategy and Risk

Frances joined Swiss Life AM UK in September 2013. Her role includes the economic and market trend analysis integral to PITCH's strategic approach to investment. She is also responsible for reporting and monitoring investment risk. Frances has worked in commercial property research for over 10 years, beginning her career at Estates Gazette before spending several years in the EMEA research team at Jones Lang LaSalle.

Christi Vosloo, Head of UK ESG

Christi joined Swiss Life AM UK in August 2021 as Head of ESG, UK and is responsible for implementation of the ESG strategy for the PITCH Fund and the UK business. She works closely with the Division to promote best practice within the UK and develop our approach to responsible investment. Christi was previously an Associate Director at Jones Lang LaSalle (JLL) in the sustainability consulting team, advising clients in the real estate sector across a range of sustainability services.

Tim Munn, Chief Investment Officer

Tim Munn has been at Swiss Life AM UK since March 2020. He is a member of the Swiss Life AM UK Investment Committee Real Estate, the UK Executive Board and the UK Investment Risk Committee.

In this role, he is responsible for formulating new strategies and business development.

James Lloyd, Head of Charities and Endowments

James joined Swiss Life AM UK in 2009. James is responsible for all Charity and Endowment clients at Swiss Life AM UK. His role includes the marketing and management of investors in PITCH, along with business development for other Funds and mandates to the Charity and Endowment sector. James is a Trustee to two registered charities and on the Finance Committee for a Great XII Livery Company.

Charlotte Eversfield, Investment Associate, Charities and Endowments

Charlotte joined Swiss Life AM UK in March 2023, as an Investment Associate for Charities and Endowments working alongside James Lloyd and Georgie Lockwood. Charlotte is responsible for liaising with and supporting PITCH investors, as well as assisting with the marketing. Charlotte holds her level 6 Certificate in Private Client Investment Advice & Management from the Chartered Institute of Securities and Investments as well as a BA (Hons) degree in Business Management from Newcastle University.

Georgie Lockwood, Sales Team Assistant

Georgie joined Swiss Life AM UK as a Sales Team Assistant in August 2022. Prior to joining Swiss Life AM UK, Georgie spent nearly two years working for the London Ambulance Service. Previous to this, she worked as a Personal Assistant in a variety of different industries. Georgie graduated from Oxford Media and Business School in 2017 with a Professional Business Diploma.

Tim Cridland, Executive Director, Finance Director

Tim joined Swiss Life AM UK in January 2017 as Finance Controller. He oversees all accounting and tax affairs of both Swiss Life AM UK and the firm's investment funds, including being responsible for meeting all group reporting and business forecasting requirements. Tim also regularly provides support across the business in areas such as compliance, fund modelling, fund structuring, operations and transaction due-diligence. In April 2023 he became Finance director and sits on the Swiss Life AM UK executive board.

Louisa Gulati, Fund Financial Controller

Louisa joined Swiss Life AM UK in November 2021, working within the finance team to oversee all fund and corporate accounting, including for PITCH. Louisa has over 8 years of experience working within the funds industry, having previously worked at an alternative asset administrator. She has worked primarily on Real Assets and has experience in servicing funds from both a governance and accounting perspective.

Further information on the Management Team can be found at: **https://www.pitch-fund.co.uk/en/home/meet-the-team.htm**

Fund Commentary

Property Fund Manager's Report

A notable feature of the 2024 market was the continued strength of rental growth across all sectors, which increased by 3.7% over the course of the year and in doing so, outgrew inflation (UK CPI 2024: 3%).

Simon Martindale
Fund Director

In 2024 two of our key sectors accounting for over 50% of the portfolio outperformed, with total returns in retail warehousing of 12.2% and industrials 8.3%.

Economic & Property Market

After the cyclical downturn of the previous 18 months, 2024 proved to be a reasonable year for the property market with investment volumes slowly improving and valuations stabilising. This helped deliver a market total return of 5.4%, as measured by the MSCI/AREF All Balanced Open-Ended Funds Index, largely from rental income and rental growth. Although underperforming relative to other asset classes, this marks a significant improvement from 2023 of -1%, and -9.1% in 2022, and in so doing, marked the start of a new cycle.

This performance rebound took place against a backdrop of geo-political tensions, sluggish GDP growth (normally a good proxy for property returns), stubbornly high inflation and elevated borrowing rates. Although the Bank of England embarked on some monetary easing, base rates finished the year at 4.75% with a further 25 basis point cut in January 2025 to 4.5%. Meanwhile the 10-year gilt, otherwise known as the 'risk-free rate' reached 4.5%, as investors became increasingly nervous about UK debt levels and its future growth prospects.

Despite this environment, investment volumes rebounded to £45bn, an increase of 15% on the previous year with a return to competitive bidding for prime assets supported by good building fundamentals and favourable supply-demand characteristics. In some sectors, such as retail warehousing this led to a tightening of yields meaning that it was the best performing sector over 12 months with an impressive total return of 12.2%. This was followed by industrials, which returned 8.3% mainly from income and rental growth. Office valuations, however, remained under pressure with total returns broadly flat although showing signs of stabilising towards the end of the year.

A notable feature of the 2024 market was the continued strength of rental growth across all sectors, which increased by 3.7% over the course of the year and in doing so, outgrew inflation (UK CPI 2024: 3%). Once again, industrials led the way at 5.7%, followed by offices at 3% and retail at 2%. This marks one of the longest sustained periods of rental growth since records began due to a continued undersupply of good quality property relative to demand. Development activity remains constrained and so for the best assets in sectors benefiting from structural tailwinds, this continues to put upwards pressure on rents.

Property Fund Manager's Report

Forest View, Mansfield (Residential)

Fund Performance

PITCH generated a total return of 5% in 2024, which was largely from income with the capital value component of the portfolio seeing a small decline of -0.5%, which mainly occurred in Q1. Encouragingly, valuations continued to improve throughout the year and in Q4, increased by 1.3% from a combination of rental growth and moderate yield compression on some of the retail warehousing holdings.

The Fund delivered an attractive distribution yield of 5.9% in 2024, enhanced by gearing, asset management and a low vacancy rate of only 7.1% (as at 31 December 2024), remaining considerably below the index average of 12%. We completed some notable asset management wins during the year. This included a particularly compelling letting at an office at Wallbrook Court, Oxford; achieving a record rent of £40 per sq ft and a 100% increase on the previous passing rent. This was agreed during the refurbishment meaning that there was virtually no void period.

Elsewhere across the portfolio, the Fund agreed a total of three lettings, six lease renewals and seven rent reviews adding around £450,000 of new additional income to the portfolio. We believe that the success of this leasing activity and low void rate reflects the high quality nature of the portfolio, having been finessed over the last few years by the Fund's thematic strategy in tandem with our active asset management approach. This is despite an average unexpired lease term that has now reduced to below five years. In our view, provided that a portfolio is invested in the right areas of the market and the income profile is managed carefully, this will provide the opportunity to capture above average rental growth at more regular intervals than a traditional five-year rent review.

Due to the stabilisation in capital values, fund borrowings provided a positive contribution to performance in 2024, having detracted from returns during 2022 and 2023. We continue to believe that debt remains an important differentiator for the Fund, enhancing the distributable income we can deliver investors and having made a positive long-term contribution to performance. The current fixed cost of debt stands at an attractive level of 2.78%, which in the context of prevailing property yields and re-based values, puts the Fund in a good position to outperform the market.

The MSCI/AREF All Balanced Open-Ended Funds Index returned 5.4% in 2024, meaning that PITCH slightly under performed. Over nine months, however, PITCH performed in line with the index returning 4.9%. During this period, we observed some encouraging contribution from the higher yielding segment of the portfolio, particularly some of the larger, well let office assets where values have now stabilised. These now offer a substantial risk premium over interest rates, providing an attractive income return relative to the market and some of the lower yielding assets in the Fund, e.g. residential and south east industrials. With continuing strong rental growth to exploit at the prime end of the market, we expect these assets to provide a growing contribution to performance over the coming cycle.

Towards the end of 2024, with property performance improving, we noted increased investor interest with several direct charities deciding to increase their allocations

Investment and Liquidity

The fundraising environment remained challenging in 2024 with numerous factors contributing to limit the number of new subscriptions into the Fund and redemption levels remaining elevated compared to historic averages. In overall terms, this translated to net investment of -£36m. Despite this, PITCH was able to repay all redemptions in line within the quarterly timetable prescribed by the Trust Deed. This maintained the Fund's unique track record of never having had to defer redemptions for liquidity reasons since its launch 20 years ago.

Towards the end of 2024, with property performance improving, we noted increased investor interest with several direct charities deciding to increase their allocations. This included a £10m subscription from a large endowment, a decision made to take advantage of current market pricing with valuations having stabilised.

Orion Business Park, Stockport (Industrial)

Acquisition & Sale Activity

The main acquisition activity focused on increasing the Fund's allocation to residential. Unfortunately, two potential acquisitions were aborted, one for due diligence reasons and the other for pricing considerations. In early 2025, the Fund agreed a new acquisition of 12 single family houses in Exeter, which is due for completion in Q2 2025. This will increase the residential allocation to c.5% of portfolio value.

The Fund completed six sales in 2024 for a total of £67m comprising two offices, one industrial asset, two retail warehouses and a restaurant investment. These disposals occurred after a disciplined hold-sell analysis process carried out at the start of the year and, in some cases, following completion of asset business plans. The one exception related to the sale of an office on the Cambridge Research Park, which came about following an unsolicited 'off market' approach by the freeholder of the wider estate. This allowed us to negotiate a premium price above valuation and crystallised an attractive IRR of 8.8% p.a. over its 10-year hold period.

Property Fund Manager's Report

ESG

The Fund continued to develop its approach to ESG during 2024 prioritising its core aims of managing sustainability risks; reducing climate impact; enhancing health, safety and wellbeing; fostering social inclusion and increasing transparency and stakeholder engagement. This strategy delivered some successful initiatives including another strong GRESB result, further improvements in EPC ratings, the launch of the second social value initiative in partnership with Swiss Life AM UK and further solar installations.

We were delighted with the Fund's 2024 GRESB result delivering its strongest score of 84 out of 100 and maintaining its outperformance to be the sixth highest ranked fund out its peer group of 90. This strong result came about after working tirelessly throughout the year to increase its share of tenant-controlled energy, waste and water usage data. As we have highlighted before this is only possible through having a lean portfolio and maintaining good and close relations with our tenant base. We have also invested in new technologies, to facilitate automated data collection, which we hope to extend to other assets across the portfolio.

The Fund enhanced its environmental credentials in 2024 with new refurbishments and PV solar installations at an industrial estate in Hook and an office at Wallbrook Court, Oxford. We also commenced a £2m refurbishment at The Paragon office in Bristol to upgrade the reception and shower/WC facilities and deliver a CAT A refurbishment. Following this activity, 94% of the portfolio is now rated EPC A-C and 80% of the Fund's offices are rated A-B. This is substantially ahead of the wider market. A recent report by the British Property Federation indicated that only around 17% of all commercial buildings in London and the 'Big Six' office markets are rated EPC A-B.

94% *of the portfolio is now rated EPC A-C*

Fund Strategy and Outlook

After a challenging 2023, it is pleasing to see the Fund returning to growth and well positioned to outperform as we enter a new property cycle. Property has faced strong competition from other asset classes in the past two years but with rising volatility in equity and bond markets, the conditions look set for the sector to provide stable and attractive relative returns over the next few years, which reinforces the important role that the asset class can play within a diversified investment portfolio.

We expect the higher interest rate / inflationary environment to persist which places greater emphasis on portfolios that can deliver real rental growth and a higher relative income yield. The Fund is positively aligned with structural tailwinds with around 50% of the portfolio invested in industrial and residential providing the 'growth engine' of performance through rental growth, a further 25% providing high income in the form of prime offices and retail warehousing, and the balance in hotels and care homes to provide long income and inflation-linked rental increases.

PITCH celebrated its 20th anniversary in 2024 having been set up to enable charities of all sizes to invest in property in ethical, responsible and tax efficient way. We are proud to have delivered on these aims for over twenty years delivering an attractive annualised income return of 6.7% and providing responsible stewardship and transparency. This has often occurred during periods of severe market stress and so it is a credit to the PITCH Team, the Investors' Committee and those advisers responsible for running the Fund that it has maintained this track record and that it continues to remain a relevant and attractive proposition to so many charity investors.

Statement of Manager's responsibilities

The Trust Deed requires the Manager to prepare accounts for each accounting period which give a true and fair view of the financial affairs of the Fund at the end of that period and of its income and expenditure for the financial year.

In preparing the accounts the Manager is required to:

- Select suitable accounting policies and apply them consistently.
- Follow generally accepted accounting principles.
- Make judgements and estimates that are reasonable and prudent.
- Prepare accounts on the basis that the Fund will continue in operation unless it is inappropriate to presume this.
- Ensure proper accounting records are kept which enable the Fund to demonstrate that the annual accounts as prepared comply with the above requirements.

The Manager is also responsible for:

- Appointing the auditors of the Fund.
- The maintenance and integrity of the corporate and financial information included on the company's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Manager shall keep or cause to be kept proper books of account and records showing all transactions effected on behalf of the Fund and shall permit the Trustee and its authorised agents from time to time on reasonable notice to examine and take copies of and extracts from such books of account and records.

The Manager shall also, whenever requested to do so, furnish to the Trustee all such information and explanations as the Trustee may require in relation to such transactions or dealings or the conduct of the affairs of the Fund (in so far as such conduct is in the hands of the Manager) and shall produce to the Trustee from time to time on demand all documents in the possession or power of the Manager relating to the matters aforesaid.

The Trustee may accept and shall not be bound to verify information and documents so given or produced by the Manager (including any valuation made or obtained by it for the purposes of the Trust Deed) unless the Trustee has actual notice of any irregularity.

Environmental, Social and Governance (ESG)

2024 ESG Highlights

Data Coverage

Continued improvement in environmental data coverage

Decarbonisation

Decarbonisation analysis and progress towards net zero

GRESB*

★★★★☆

Continued improvement in GRESB Score

UK Social Value Strategy

Contribution to the UK Social Value Strategy

Simon Martindale,

Fund Director of the Property Income Trust for Charities

"2024 was another strong year of progress for PITCH towards achieving its ESG goals. Highlights included continued outperformance within GRESB (achieving its strongest score to date), record levels of energy data coverage (89%) and further improvements in EPC ratings (94% rated A-C). We also continued to make good progress towards our net zero carbon commitments and developing the Fund's social credentials.

We believe that the Fund's lean, focussed portfolio, supported by Swiss Life Asset Manager's substantial internal resource, places PITCH in a unique position to continue to develop its ESG credentials. This not only ensures continued strong alignment with the charitable objectives of the investor base but will also help to future proof the portfolio and maximise returns. We look forward to developing on this further in 2025 and beyond."

Laura Sweet,

Fund Manager of the Property Income Trust for Charities

"Responsible and ethical investment remains fundamental to the way PITCH is managed, and ESG will continue to be key for the Fund Team in 2025. In 2024, PITCH showed a further year-on-year improvement to its GRESB score, achieved a rating of 84 out of 100 and four green stars, and ranked in the top 7% of its peer group. ESG is at the heart of the asset management decisions we make on the Fund, and it is our intention to continue the roll out of solar PV and other positive environmental upgrades across the portfolio upon refurbishments of buildings.

2024 also saw PITCH contribute for the second year towards the Swiss Life AM UK social value strategy, supporting charities in Bristol. We look forward to developing this strategy further in 2025 and supporting communities in and around our assets."

> *"Highlights included continued outperformance within GRESB... record levels of energy data coverage (89%) and further improvements in EPC ratings (94% rated A-C)."*
>
> *Simon Martindale*

* GRESB: Global Real Estate Sustainability Benchmark (GRESB).

Introduction

The Property Income Trust for Charities (PITCH) has practiced responsible investment and has had a strict ethical policy since Fund inception in 2005. This reflects Swiss Life Asset Managers UK's longstanding track record of ESG integration as well as the underlying investor base, consisting of a diverse group of charities.

ESG continues to be a critical and strategic priority for PITCH. In August of 2021, Christi Vosloo joined as Head of UK ESG. Christi is the first ESG hire for Swiss Life Asset Mangers UK and works closely with the PITCH Fund Team, ensuring that ESG considerations are embedded in all stages of the investment process.

All Swiss Life AM UK employees have ESG and Stewardship Key Performance Indicators (KPIs) included as part of their standard performance objectives, ensuring that financial incentives are linked to ESG performance.

This ESG update outlines progress and actions for the YE 2024. YE 2023 environmental data included in this report has been assured to the AA1000AS Assurance Standard, however YE 2024 data has yet to undergo formal data assurance and is subject to change following quality assurance and validation processes.

Responsible Property Investment

We regard Responsible Property Investment (RPI) as a core part of our management approach and define it as the consideration of environmental, social and governance (ESG) issues within our investment process and operations. We integrate ESG criteria, as well as risk factors and financial metrics, into a controlled and structured investment process. We invest selectively, prioritising a high quality of specification on new acquisitions and in the refurbishment and ongoing management of the buildings under our care. We believe this generates long-term risk-adjusted returns, supports climate change mitigation, and aligns our investment goals to those of our investors and stakeholders.

Please find the link to our Responsible Investment Policy **here**.

Swiss Life Asset Managers PRI scores[1]

PRI Principles for Responsible Investment

77% Policy Governance and Strategy score accredited by PRI

81% PRI score for Real Estate

(1) The topics assessed and scores can be found in the full PRI assessment and transparency reports (see swisslife-am.com/pri-assessment).The PRI accreditations are based on 2022 reporting figures. The Investment and Stewardship policy score accredited by PRI shown in the Responsible Investment Report 2022 is replaced by the new indicator "Policy Governance and Strategy". The new indicator combines the "Investment & Stewardship Policy" with the "Listed Equity" indicator.

ESG Strategy

As part of the Swiss Life Asset Managers UK ESG Strategy development process, we have identified five ESG priority focus areas outlined below. These focus areas form the building blocks of our UK ESG Strategy that is implemented at country, portfolio and asset level.

The focus areas are:

Managing Sustainability Risks and Resilience
Managing sustainability risk and resilience as part of our fiduciary duty.

Reducing Climate Impact
Reducing the climate impact of our real estate products.

Enhancing Health, Safety and Wellbeing
Enhancing health, safety and wellbeing to manage risk and improve the experience at our assets.

Fostering Social Inclusion
Fostering social inclusion as part of our market leader role.

Increasing Transparency and Stakeholder Engagement
Increasing transparency and stakeholder engagement to deliver more value.

Contributing to the following SDGs:

The Sustainable Development Goals (SDGs) are a collection of 17 interlinked goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set in 2015 by the UN General Assembly and are intended to be achieved by 2030.

Included in the following section are ESG updates for the PITCH portfolio, centred around each focus area and tailored to The Fund's specific ESG requirements.

Managing Sustainability Risks and Resilience

We aim to proactively manage sustainability risk to build portfolio resilience and maintain value over the long term.

Compliance and Risk Management

Maintaining compliance with all environmental and sustainability legislation is a priority for PITCH. External consultants advise on entity compliance and significant legislative changes that can impact advisory or discretionary mandates. JLL, as managing agents, are responsible for ESG compliance matters at asset level and report on a quarterly basis to the Fund team or as a matter arises.

External consultants and law firms provide further support with compliance updates, briefings and regular ESG training sessions for Swiss Life AM UK.

Minimum Energy Efficiency Standard (MEES) Risk

Under the Minimum Energy Efficiency Standard (MEES) regulation, since April 2018, landlords are unable to let properties with F and G EPC ratings. From 1 April 2023, this has expanded to capture all existing lettings. The MEES threshold is an EPC in band "E". It is unlawful to lease or sell any property in England and Wales which does not meet MEES.

In addition, the government's 2019 consultation on a future regulatory target for the Non-Domestic Private Rented Sector of EPC B by 2030 gained large support. As a result, the 2020 Energy white paper confirmed that the future trajectory for non-domestic minimum energy efficiency standards will be EPC B by 2030. Further, the government is consulting on raising the minimum EPC for private rented homes to a C by 2030.

In view of the likely forthcoming legislation, we are conducting MEES planning sessions, reviewing the portfolio to assess units that are below the EPC B threshold, and that have a lease expiry that falls after a MEES deadline. We are prioritising these tenants for engagement whilst also identifying opportunities to enhance the EPC ratings of assets as part of refurbishment planning.

Energy Performance Certificates (EPCs) cover 100% of the portfolio and 94% of the portfolio by floor area is rated A-C. All units are compliant with the current MEES threshold of E. As of December 2024, the EPC position has improved since last year as we have reduced the number of D rated properties through a combination of asset improvements and sales. All of the Fund's residential properties have an EPC of C or above.

Energy Performance Certificates (EPCs)

The table below includes the EPC profile of the PITCH portfolio by percentage of portfolio floor area.

Energy Performance Certificate Rating	% of portfolio floor area
A	21.4%
B	35.9%
C	37.3%
D	4.6%
E	0.0%
F	0.0%
G	0.0%
Exempt	0.0%
No EPC	0.0%
Coverage	100%

Notes:

EPC data included in this report is valid as of 31 December 2024 and covers 100% of assets under management in PITCH (where EPCs are required).

80% of the Funds Offices are rated A-B

Flood Risk

In line with our strict Swiss Life AM UK Flood Risk Policy, as part of our acquisition process, we assess flood risk for all new acquisitions and document this in our ESG Acquisition Checklist. On a regular basis, we review the flood risk ratings of the portfolio using the Environment Agency (EA) flood maps.

Future flood risk is assessed as part of the portfolio climate risk analysis process (details included below) that we repeat annually. At acquisition, we conduct climate risk screening and we also commission detailed flood risk assessments by specialist advisors where applicable.

Climate Risk

Swiss Life Group are supporters of the Task Force on Climate-related Financial Disclosures (TCFD) with the latest TCFD report available here.

Swiss Life AM UK, as the managers of PITCH, are acutely aware of both the physical and transition risks posed as a result of climate change. As a result, we assess physical and transition risks for both standing investments and new acquisitions.

Integrating Flood and Climate Risk into our Investment Process

Standing Investments
As part of a Division-wide project, we conduct climate risk analysis of the portfolio on an annual basis – assessing both physical and transition risk exposure.
This Real Estate Climate Value-at-Risk tool assesses current and future exposure to the following physical hazards: coastal flooding, fluvial flooding, tropical cyclones, extreme heat, extreme cold and wildfire. Physical risks are assessed based on the geolocation of assets and their increased or decreased exposure to individual hazards as a consequence of climate change.
Transition risk (specifically policy or regulatory) risk is assessed based on the carbon intensity of an asset and the gap to meeting sector specific emission reduction targets.
We have incorporated findings into our annual internal ESG Risk Reporting, where areas for further analysis are identified and actions assigned.

New Acquisitions
We undertake extensive sustainability due diligence on all acquisitions. This includes an assessment of climate risk and flood risk.
We also undertake net zero carbon assessments for all acquisitions to better understand the assets energy performance potential, and the cost to improve the asset in line with net zero carbon operational targets.

Unit 1, Newmarket (Industrial)

Sky House, Waverley (Residential)

Reducing Climate Impact

Comprehensive environmental data is key to providing an accurate understanding of performance and to informing targeted actions.

Data Management and Monitoring

Obtaining comprehensive and high quality ESG data is an ongoing and industry-wide challenge and consequently, also a challenge for PITCH. Tenant data can be particularly difficult to obtain due to the nature of Full Repairing and Insuring (FRI) lease terms, where tenants are responsible for the procurement of their utilities and do not have an obligation to share this data. PITCH holds a relatively high proportion of single let assets on FRI lease terms (with limited landlord control or restricted access to energy data).

Improving data collection, coverage, management and monitoring is a priority for PITCH. Comprehensive environmental data is key to providing an accurate understanding of performance and to informing targeted actions.

To further improve our data coverage, we have appointed a third-party to automate tenant data collection, subject to tenant permissions. This technology will automatically collect tenant data directly from the supplier or national database and further support the aim of collecting quality whole building data.

To support the implementation of this solution, the PITCH Fund Team and managing agents continue to actively engage tenants on data sharing to obtain signed Letters of Authority or collect data via manual means. We are also increasingly using automatic data collection methods.

The table below outlines PITCH's current data coverage and progress to date:

Data Coverage	YE 2018	YE 2019	YE 2020	YE 2021	YE 2022	YE 2023
Energy	20%	34%⇧	54%⇧	56%⇧	72%⇧	89%⇧
GHG	26%	35%⇧	55%⇧	53%⇩	70%⇧	90%⇧
Water	11%	18%⇧	45%⇧	30%⇩	51%⇧	41%
Waste	14%	22%⇧	32%⇧	49%⇧	62%⇧	55%⇧

* As per our GRESB entry.

Net Zero Carbon

Swiss Life AM UK, as investment manager of the Property Income Trust for Charities (PITCH), has a duty to take practical steps to decarbonise, future-proof and maintain value of the real estate portfolios under our care. As a result, building climate resilience and developing a clear pathway to net zero carbon has been a primary focus for Swiss Life Asset Managers UK and our parent company, Swiss Life Asset Managers ("The Division"). In 2021, we commenced a Division-wide project to develop a decarbonisation pathway, with the analysis based on the CRREM (Carbon Risk Real Estate Monitor) tool. This culminated in a Divisional commitment to reduce the carbon intensity (kgCO2e/m2) of the direct real estate portfolio by 20%, in line with the aims of the Paris Agreement .

In May 2022, the Division became signatories of the Net Zero Asset Managers Initiative (NZAMi), reinforcing its commitment to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius; and to support investment aligned with net zero emissions by 2050 or sooner.

41% Greenhouse gas emissions intensity reduction achieved since 2019.

RACE TO ZERO

PITCH's Commitment

In 2022, we advanced the analysis for PITCH, whilst progressing our programme of asset and portfolio level net zero actions in line with our parent company's commitment to the Net Zero Asset Managers initiative (NZAMi). We set out the Fund-level commitment below:

The Property Income Trust for Charities (PITCH) is committed to the goal of limiting warming to 1.5 degrees by 2050 or sooner and taking practical steps to manage the portfolio in line with these aims.

By 2030

we aim to reduce the carbon intensity (kgCO2e/m2) of the portfolio by 32% across scope 1, 2 and 3 greenhouse gas emissions and to disclose our progress.

By 2050

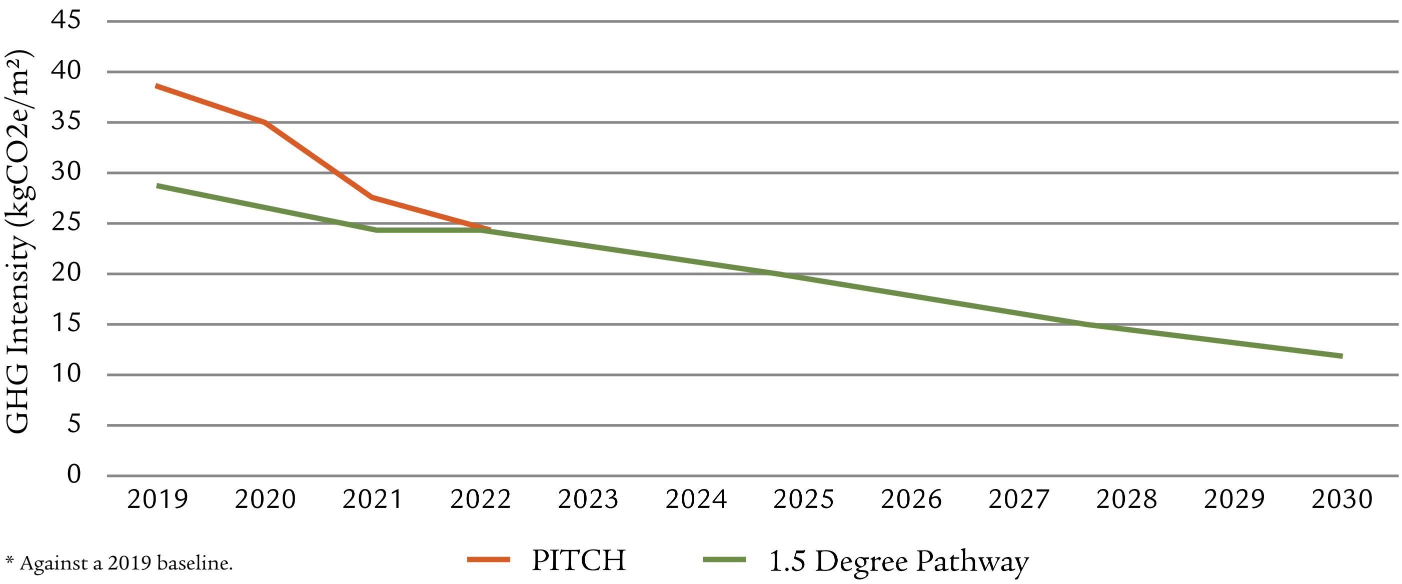
(or sooner), our commitment is for the Property Income Trust for Charities portfolio to be net zero carbon.

2024 Update

Decarbonisation Dashboard Analysis
Throughout 2024 we continued to update the information associated with our decarbonisation dashboard. The data dashboard and its assumptions are revised on an annual basis and we aim to continually improve data quality, coverage and cost estimations. The purpose of the tool is to assist the fund teams in their asset management initiatives and investment decisions.

A 41% reduction has been achieved since 2019. Progress is monitored on an annual basis via the decarbonisation dashboard tool. Please find below our most recent decarbonisation pathway:

PITCH Decarbonisation Pathway

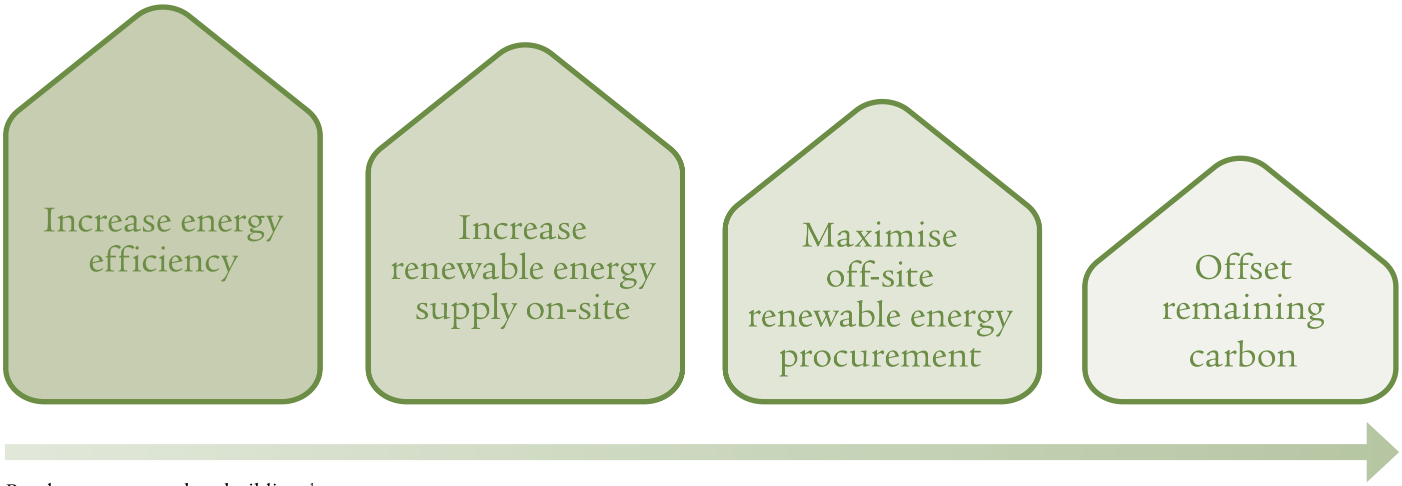


* Against a 2019 baseline.

Reducing Climate Impact

PITCH's Approach

Our decarbonisation strategy follows the operational net zero carbon hierarchy, of:



Road to net zero carbon buildings[1]

As part of our analysis, we have included a high-level assessment of cost. Many measures are met through standard maintenance and system replacement, whilst other energy reduction and carbon saving measures, e.g. LED lighting and solar PV installations, offer attractive payback periods. Energy and carbon reduction measures are included as part of our standard approach to refurbishment and enhancing the assets' sustainability credentials. As we undertake more asset level net zero audits, our view on expected costs will become more exacting, which will improve over time.

PITCH's decarbonisation strategy is not static, it will evolve as our approach to net zero carbon is enhanced, new and improved solutions become available, and we improve our energy data coverage across the portfolio. We will proactively report on changes and updates as and when appropriate.

By having a clear understanding of our pathway to net zero, we will be able to plan carefully, prioritise effectively, and utilise all the decarbonisation levers available, in order to make informed investment decisions and maintain value and performance for our PITCH investors over the long term.

"PITCH's lean portfolio provides the opportunity to collaborate efficiently with our tenants to maximise data collection and enhance energy efficiency across the portfolio." *Simon Martindale, PITCH Fund Director*

(1) Source: 2021, The 10 Green Building Principles aiming to get real estate to net zero, World Economic Forum.

Integrating ESG into our Investment Process

Investment Acquisition

As part of standard practice, Swiss Life AM UK conducts rigorous ESG and sustainability due diligence prior to any purchase.

The Swiss Life AM UK ESG Acquisition Checklist is completed as part of due diligence for all new acquisitions. The checklist covers a comprehensive list of ESG areas including (but not limited to):

Environmental
Green Building Certification
Energy source(s)
On-site renewable energy
Building system information and characteristics
Environmental consumption data
EPC
Site contamination information
Climate risks analysis
Net zero carbon assessment

Social
Mobility: e-mobility, cycling, public transport
Inclusion: accessibility, affordable living
Wellbeing: access to green space

Governance
Safety (fire safety and evacuation plan)
Health and safety
Controversial tenants

In consideration of future requirements and our net zero carbon ambitions, in 2021 we have also included net zero carbon screening as part of the standard due diligence process.

Improvements and Refurbishments

Swiss Life AM UK has a Sustainable Development and Refurbishment Guide that is used to guide all refurbishment projects ensuring that during each refurbishment, strong sustainability credentials and efficiency improvements are targeted. Swiss Life AM UK aims for sustainability best practice on all refurbishments. In 2025, the aim is to update the refurbishment guide to include quantitative sustainability targets.

We have also assembled a guide covering Sustainable Fit-Outs that is available to all of our tenants and contractors to assist with this process. The guides include sustainable design considerations in terms of specification and materials, layout, supply chain and flexibility as well as energy and waste considerations.

Citu, Leeds (Residential)

Reducing Climate Impact

Integrating ESG into Operations

The table below outlines how ESG initiatives are integrated into the ongoing management and operations of the PITCH Portfolio:

Initiative	Actions
Green lease clauses	The PITCH Team engage with tenants to try and include green lease clauses in all new lettings and lease renewals. These clauses help address ESG compliance, energy, water and waste data sharing and co-operation on ESG matters. This negotiation remains very challenging (as experienced across the industry), given landlords are not able to oblige tenants to share data. However, we have had success with automated tenant data solutions and find that it provides a useful and practical solution to overcoming some of the data sharing challenges.
On-site renewable energy	The PITCH Team is actively seeking to increase the number of solar PV installations across the PITCH Fund, with careful consideration for the net zero carbon hierarchy. Solar PV installations will be considered during planned refurbishment projects where we aim for best practice energy and carbon reduction measures. Solar installations will also be considered as standalone installations, for both existing and future acquisitions, engaging with our tenants to obtain approval where required.
Renewable Tariffs	Electricity at landlord-controlled assets within the PITCH portfolio is supplied by a 100% renewable tariff. In terms of the current contract, the power used over the course of the year is fully matched with Renewable Energy Guarantees of Origin (REGOs) from wind, solar and hydro sources.
Electric Vehicle Charging	The PITCH Team is working to increase the number of EV charging points across the portfolio, enabling the transition to low/no emission vehicles. We seek to include these into all major refurbishments.
Green Building Certification	We target strong certification standards in refurbishment projects in alignment with our Swiss Life Asset Managers UK Sustainable Development & Refurbishment Guidelines. For standing investments green building certifications are targeted on a case-by-case basis where applicable and of value. Please see the table below outlining current green building certification coverage for PITCH:

Certification	Number of Assets	Area (sqft)	% of total area
BREEAM/Refurbishment and Fit-out	1	114,154	4%
BREEAM/New Construction	5	417,529	13%
BREEAM/In Use	4	508,959	16%
WiredScore	2	179,539	6%
Total	12	1,119,683	36%

Enhancing Health Safety and Wellbeing

Enhancing health safety and wellbeing to manage risk and improve the experience at our assets.

In 2021, Swiss Life AM UK was accredited as a Living Wage Employer by the Living Wage Foundation. The real Living Wage is the only UK wage rate that is voluntarily paid by 15,000 UK businesses who believe their staff deserve a wage which meets basic everyday needs. Swiss Life AM UK's Living Wage accreditation demonstrates not only a commitment to our employees, but also to those who work in our supply chain, ensuring they are paid the 'real Living Wage'.

We recognise the majority of our impact and influence is in the PITCH supply chain. As a result, in 2022 we undertook an extensive supply chain review to prepare for Living Wage accreditation, and The PITCH Fund was approved by the Living Wage Foundation as an accredited Living Wage Employer. To support the accreditation, the PITCH Fund team and managing agents regularly review and monitor supply chain contracts to ensure Living Wage accreditation is maintained and that all those working on behalf of PITCH are paid a wage rate that allows them to meet their basic needs.

In 2024 all employees working at our multi-let assets (the only ones where JLL engage staff on behalf of the fund) received at least the Real Living Wage.

Living Wage Employer

In 2022, PITCH was accredited as a Living Wage Employer by the Living Wage Foundation.

Fostering Social Inclusion

Fostering social inclusion as part of our market leader role.

UK Social Value Strategy and Community Fund in partnership with PITCH

In 2023, Swiss Life AM UK launched the 'Empowering Places' UK social value strategy and community fund, in partnership with our charity fund, the Property Income Trust for Charities. This strategy was the culmination of an extensive social value project completed in 2022 and signals our continued commitment to creating positive social impact within the communities in which we invest.

The UK Government launched its 'Levelling Up' agenda in recognition of the geographical inequality affecting towns and cities across the UK. There are significant differences in productivity, pay, education levels and health and wellbeing, with regional towns and cities disproportionately affected[1]. As a UK real estate investor with significant regional exposure (c. 72% of our AuM is located outside of London and the South East), we believe we can make a positive and meaningful contribution to tackling these disparities and challenges through our approach to social value.

Our Strategy: 'Empowering Places'

Our strategy is 'place based' and aims to tackle these challenges by relying on local authority data and the close community connections of local charities, so that we have a clear understanding of the needs within the communities in which we invest. Through our strategy we aim to make a substantial contribution to these focus areas by supporting local community projects, and by using our influence within our supply chain and with our stakeholders.

£15,000

donated in 2024 via our UK Community Fund to support local community projects and causes.

Focus Areas of our UK Social Value Strategy:

1 Creating healthy, sustainable and inclusive communities in and around our assets

2 Promoting access to education and skills for underserved groups

3 Creating an inclusive economy within our value chain and collaborating with our partners to maximise impact

(1) Source: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1095544/Executive_Summary.pdf

Delivering on This Commitment

We are delivering on this commitment through our UK Community Fund that was launched in partnership with our Property Income Trust for Charities Fund. This included a commitment of £15,000 in 2024 to support local community projects and causes. In addition to this, we plan to review our processes and policies to incorporate social value considerations, and to use our influence to engage with our supply chain and collaborate with our partners to maximise our impact.

Delivery Mechanisms

Initiative Focussed

SwissLife Asset Managers In partnership with PITCH Property Income Trust For Charities

UK COMMUNITY FUND

£15,000

comitted to support local community projects and causes in 2024*

Procedural

Process, policies & stakeholder engagement

* Swiss Life Asset Managers UK contributed £10,000 and The Property Income Trust for Charities contributed £5,000 to the UK Community Fund to support local community projects in 2024. All donations are paid for separately.

The Place Retail Park, Milton Keynes (Retail)

Fostering Social Inclusion

2024 Update

We furthered our commitment to stewardship in 2024 by delivering on the second year of our UK Social Value Strategy and by publishing our first annual Social Value report. Our strategy, titled "Empowering Places", is 'place-based' and aims to tackle challenges caused by the geographical inequality affecting towns and cities across the UK.

Following the formal launch of our strategy in 2023, £15,000 was made available in 2024 to support local causes in Bristol, which was selected following portfolio analysis and an assessment of local needs in the communities in which we invest.

As investors in the built environment, we feel the 'S' (Social) within ESG is an area where we can make a significant contribution. We believe in delivering social impact in the places in which we invest. For this reason, we have focussed our UK social value strategy on uplifting the communities around our property assets, delivering tailored impacts that respond to the needs of local communities.

We selected Quartet Community Foundation (based in Bristol) as our key community partner for 2024. Quartet collated a shortlist of community projects, which were submitted to our internal Charity Committee for selection. Consequently, we were able to fully-fund two projects and part-fund one project during the year:

1) Rebel Girls Club is a women-led group for anyone who identifies as a woman to share, learn, connect, grow and feel supported without judgement.

2) Oasis Community Hub South Bristol supports the community work of 6 Oasis academies in South Bristol, combatting food insecurity, providing school holiday/after school provision, and engaging children, young people, and families.

3) Hartcliffe & Withywood Community Partnership is one of a number of community partnerships across Bristol established in the late-1990s to support regeneration work.

"Quartet acts as a hub for community philanthropy in the Bristol area. It enables effective giving that supports people to overcome disadvantage, creates stronger communities and makes the area a better place to live. We do this by enabling a wide variety of donors to fund projects that make a difference to where people live and work. We were delighted to work with Swiss Life Asset Managers UK to connect them with causes in our area, and use their Fund to empower local communities."

Quartet Community Foundation

Quartet Community Foundation

Increasing Transparency and Stakeholder Engagement

We are committed to transparent reporting and continual improvement on ESG.

Industry Initiatives and Reporting

Swiss Life Asset Managers plays an active role in a number of industry bodies and memberships that support the advancement of ESG.

We are a member of the following:

Swiss Life Group:

- UNEPFI Principles for Sustainable Insurance (PSI)
- UN Principles for Responsible Investment (UN PRI)
- Global Real Estate Sustainability Benchmark (GRESB)
- UN Global Compact (UNGC)
- Institutional Investors Group on Climate Change (IIGCC)

The full list of industry memberships is available here.

ESG Reporting

Swiss Life Group publishes an annual Sustainability Report and Swiss Life Asset Managers publishes an annual Responsible Investment Report.

Task Force on Climate-related Financial Disclosures (TCFD)

The Swiss Life Group have been supporters of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) since 2018 and are reporting in line with the recommendations.

Please find the Swiss Life Group response to TCFD available here.

United Nations Principles for Responsible Investment (UN PRI)

Swiss Life Asset Managers UK has been a signatory to UN PRI since 2017, and in 2020, our PRI submission and reporting was combined with that of our parent company, Swiss Life.

Please find the Swiss Life UN PRI transparency report available here.

UK Stewardship Code

Swiss Life AM UK was amongst the first signatories – and one of the first real estate investment managers – accepted to the UK Stewardship Code in 2021. We have successfully retained our signatory status for the past four years running.

Swiss Life Group

PRI Principles for Responsible Investment; PSI Principles for Sustainable Insurance; UN Global Compact; TCFD Task Force on Climate-related Financial Disclosures; CDP Driving Sustainable Economies

Swiss Life Asset Managers

ICGN International Corporate Governance Network; IIGCC The Institutional Investors Group on Climate Change; GRESB; Climate Action 100+; Race to Zero Partner

Swiss Life Asset Managers UK: UK Stewardship Code

Increasing Transparency and Stakeholder Engagement

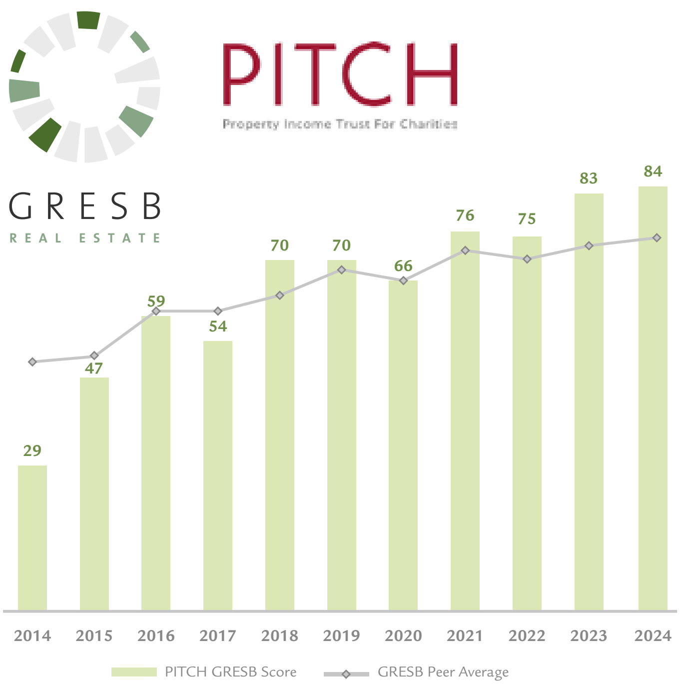
Global Real Estate Sustainability Benchmark (GRESB)

The Global Real Estate Sustainability Benchmark (GRESB) has developed over the past several years to become the dominant measure or benchmark for assessing Environmental, Social and Governance (ESG) performance of property funds. PITCH has participated in GRESB for the past 10 years and we have made substantial progress over this period.

In 2024 the Fund achieved a score of 84 (out of 100) and maintained its four Green Star status. The key improvement areas for PITCH are: energy, water and waste data coverage and green building certification. The Fund Team and the property managers are focussed on driving the sustainability programme forward through implementation of asset level initiatives that improve the ESG credentials of the assets and further support GRESB reporting. PITCH intends to participate in GRESB in 2025 for the 12th consecutive year.

Please find the 2024 GRESB Results Report available here.

PITCH Fund GRESB Track Record (2014-2024)



GRESB 2024 Scores: PITCH achieved a score of 84 (out of 100) and retained it's four green star status

Stakeholder Engagement

'Increasing transparency and stakeholder engagement' is one of the five priority focus areas of our strategy, as collaboration and engagement with our key stakeholders is fundamental to ensuring successful ESG outcomes. Depending on the type of engagement, the Fund Director, Head of Asset Management and Head of UK ESG play pivotal roles in the process.

Property managers, tenants, suppliers and investors are considered the primary stakeholders of the PITCH portfolio.

Property Managers

Implementation of property level ESG initiatives for PITCH centres on collaborating with our managing agents to deliver on our sustainability programme.

In 2021, we commenced a process to clearly define sustainability standards, expectations and reporting requirements for property managers. The PITCH property managers are pivotal to ESG implementation and ESG improvement for the Fund. The Property Managers, are responsible for the maintenance of the ESG Logbooks for all assets where we have operational control. The Logbooks, alongside regular reporting and monthly meetings, form the foundation of the sustainability programme, ensuring momentum is maintained and actions implemented.

PITCH is ranked **6th out of a peer group of 90** in 2024.

Tenants

PITCH benefits from its lean property portfolio with fewer assets, allowing the Fund's management team to maintain regular dialogue with its tenants, to foster close tenant relationships and to obtain direct and actionable feedback from occupiers.

We seek to incorporate green lease terms in all leases. Green lease clauses are included in the standard lease offered as part of all new lettings. The clauses typically cover information sharing, collaboration and co-operation with the landlord to support improvement works and to ensure that the Energy Performance Certificate (EPC) is improved or maintained. During these negotiations, we explain the rationale and intention of these clauses to encourage that these are retained in the lease agreement.

We regularly engage with tenants on various ESG initiatives: e.g. the installation of roof mounted solar, conducting energy audits, energy and carbon reduction measures and data sharing. Data sharing is a key priority as this supports implementation of automated tenant data collection solutions, and collaboration on sustainability initiatives that will improve the ESG performance of the occupied properties. We request environmental performance data from tenants on an annual basis and encourage the signature of Letters of Authority to automate data collection via our ESG data management system.

We also undertake regular tenant surveys to seek formal feedback to improve assets in line with tenant requirements and sustainability expectations. This allows us to obtain direct and actionable feedback from occupiers about their future requirements.

We have developed a Sustainable Fitout Guide for tenants, to encourage sustainable fitouts and provide additional guidance. The managing agents provide this to any new tenant in the PITCH Fund.

We engage with our tenants regularly on ESG matters, sharing occupier sustainability newsletters/updates and sustainability is a standing agenda item at property manager and tenant meetings.

Suppliers

As a responsible investor, we recognise the influence we have within our supply chain and are committed to ensuring that ESG and responsible property investment principles are integrated throughout. We aim to work with suppliers that are aligned with our ESG ambitions, with this forming a key consideration in our procurement decisions.

In 2022, we asked all material suppliers to sign The Swiss Life AM UK Supplier Code of Conduct. All new, material, suppliers are asked to sign this code of conduct prior to contract signing. This code of conduct sets out our minimum ESG expectations of all suppliers or third-party contractors, that are working with or on behalf of Swiss Life AM UK. This practice has been maintained throughout 2024.

We undertake regular sustainability reviews of the Fund's suppliers and their approach to ESG, to ensure that they have a compatible approach to our own. A detailed sustainability survey is provided, responses reviewed, and any suppliers failing to meet minimum expectations are engaged with as required.

In addition, in 2024, The PITCH Fund was accredited as a Living Wage Employer, which involved extensive review and engagement with our supply chain.

Governance

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

Industry Standard Reporting

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

Swiss Life AM UK Limited is an FCA regulated business and an approved Alternative Investment Fund Manager (AIFM). We are also signatories to UN PRI and a member of the Association of Real Estate Funds. We adhere to their principles and believe that a good understanding of regulation and policy requirements demonstrates responsible risk management.

Alternative Investment Fund Managers Directive (AIFMD)

The AIFMD was transposed into UK Law on 22 July 2013. The Manager is authorised by the FCA to manage both authorised and unauthorised Alternative Investment Funds (AIFs). PITCH is considered an AIF and as such the Manager is required to comply with the disclosure, reporting and transparency obligations of the AIFMD.

The Manager's remuneration Policy:

- aims to promote sound and effective risk management and discourage risk-taking that exceeds the level of risk tolerated by the Manager and the AIFs it manages
- is in line with the business strategy, objectives, values and long-term interests of the Manager, the AIFs and their investors
- aims to reward performance and retain talented employees

The Manager has established a Remuneration Committee to ensure the requirements of the AIFM Remuneration Code are met proportionately for AIFM Remuneration Code Staff.

The aggregate total remuneration paid to the AIFM Remuneration Code Staff of The Manager for the accounting period was £1,323,513 (2023: £1,561,225), all of which was paid to senior management. The AIFM Remuneration Code Staff provide services to other funds managed or advised by the Manager, and are included in this disclosure as their professional activities are considered to have a material impact on the risk profile of the Manager and/or PITCH.

Swiss Life Asset Managers UK Investment Risk Committee

Responsibility for the implementation of Swiss Life AM UK investment risk processes sits with the Investment Risk Committee (IRC).

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

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

On an annual basis, the investment report will also include comments on the stress testing of the assumptions that underpin the annual hold-sell analysis and prospective base case Internal Rate of Return.

These assumptions are stress tested under a number of different economic scenarios that have been outlined by Property Market Analysis in order to determine the Fund's resilience to a change in market conditions.

PITCH Investors' Committee

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

The IC approves all transactions (both acquisitions and sales) and also monitors risk parameters on a quarterly basis. The IC monitors the tenants in the property portfolio, according to the Fund's stated policy, and ensures that none are involved in any activity which would likely bring the Fund into disrepute with its investors or wider stakeholders. This would include careful consideration of those companies whose primary business is in the production of alcohol, tobacco, armaments, gambling, pornography and the sex industry or involved in other matters that may also be considered by the IC to be relevant and are therefore judged on a case by case basis. Further details of the current members of the Investors Committee are shown on page 8.

UK Stewardship Code

Effective from 1 January 2020, the Financial Reporting Council's ("FRC") UK Stewardship Code (the "Code") was updated to be applicable to a broader range of investment strategies, such as real estate and infrastructure. It also reflects the increasing importance of environmental factors, particularly climate change, as well as social and governance factors as material issues for asset managers to consider when making investment decisions.

In the 2020 version, the Code defines stewardship as "the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society". The Code has 12 Principles and the FRC requires that firms intending to be signatories to the Code must produce an annual Stewardship Report explaining how they have applied the Principles of the Code in the previous twelve months. The FRC will evaluate reports against an assessment framework and those meeting the reporting expectations will be listed as signatories.

Swiss Life AM UK has adopted the Principles of the UK Stewardship Code 2020. We were included as one of the first real estate Investment Managers accepted as a signatory in September 2020, retaining our signatory status for 4 consecutive years.

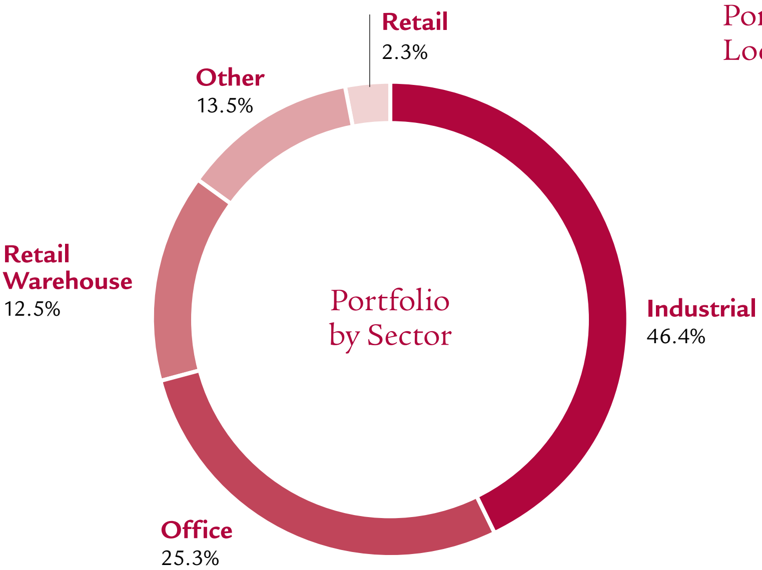
UK STEWARDSHIP CODE

Swiss Life AM UK was one of the first real estate investment managers – accepted to the UK Stewardship Code in 2020 now retaining our signatory status for 4 consecutive years.

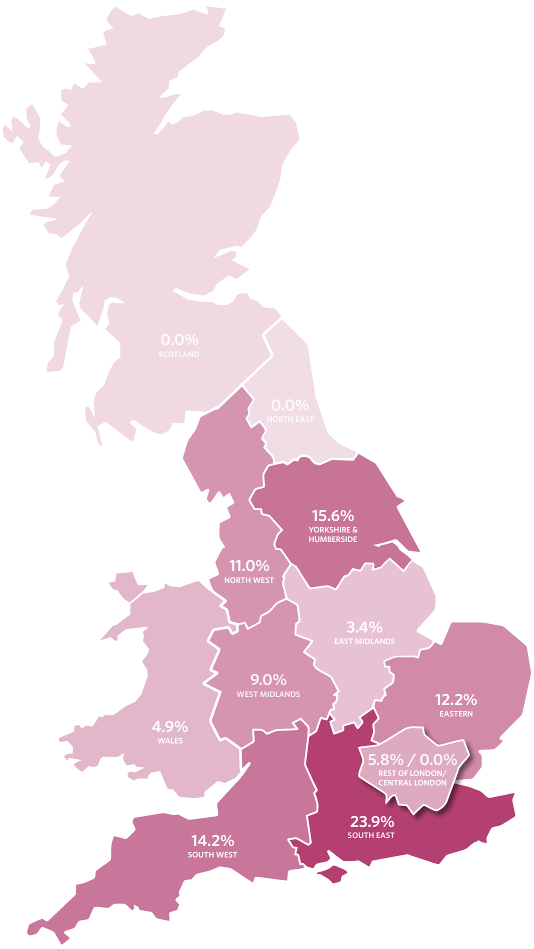
Properties

Portfolio Analysis

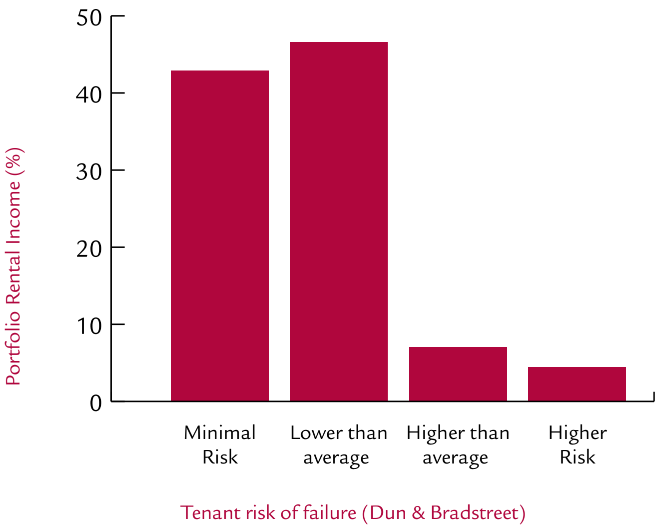
As at 31 December 2024



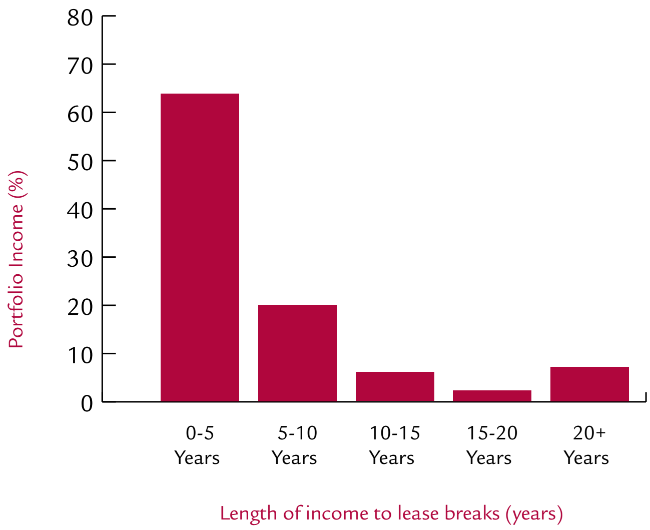
Portfolio Locations



Portfolio by Covenant Weighting



Portfolio by Unexpired Lease Profile



Five Largest Assets
(by value)

Paragon, Bristol	5.4%
Trax Park, Doncaster	5.3%
Newmarket Business Park, Newmarket	5.2%
West Moor Park, Doncaster	4.5%
Bartley Point, Hook	4.3%

Five Largest Tenants
(by income)

British Telecommunications Public Limited Company	6.5%
Premier Inn Hotels Limited	6.1%
Wincanton Holdings Limited	5.0%
Asos.com Limited	4.1%
Sky CP Limited	3.6%

Upper Quartile Fund Performance Over 10 Years
compared to the MSCI/AREF UK All Balanced Property Funds Index

£546m
Fund Size (GAV)

5.9%
Fund Yield (Rolling 12-months as a % of NAV)

7.1%
Vacancy Rate

Secure income

88.7%

of the portfolio let to low or minimal risk tenants

(based on Dun & Bradstreet Credit Rating)

Properties Sold in 2024

Retail Warehouse

Lady Bay Retail Park, Nottingham

Matalan, Tunnel Drive, Redditch

Offices

Building 3000, Beach Road, Cambridge

86 Deansgate, Manchester

Industrial

The Big Berry, Droitwich

Retail

Block A, Peninsular, Greewnwich

Properties Held

Industrial

Property	Town	Principal Tenants	Region
1 Yorkshire Way, West Moor Park	Doncaster	ASOS	Yorks & Humberside
Bartley Point	Hook	Various	South East
Brackmills Trade Park, Caswell Road	Northampton	Various	East Midlands
Coventry Business Park	Coventry	Woodland Global Limited	Coventry
Phases I & II, Trax Park	Doncaster	Wincanton Holdings	Yorks & Humberside
Plot 1, Newmarket Business Park	Newmarket	Smiths News Trading	Eastern
Plots 2-4, Newmarket Business Park	Newmarket	One Farm	Eastern
Plot 8, Newmarket Business Park	Newmarket	Mr Fothergill's Seeds	Eastern
Plots 9-11 Newmarket, Unit A	Newmarket	Tristel	Eastern
Plots 9-11 Newmarket Business Park, Unit B	Newmarket	Cosentino UK	Eastern
Rehau Distribution Unit, Manor Park	Runcorn	Rehau	North West
Rockingham Gate, Cabot Park	Avonmouth	Various	South West
Thatcham Unit, Colthrop Lane	Thatcham	Thatcham Research	South East
Trelleborg Unit, Tewkesbury Business Park	Tewkesbury	Trelleborg Sealing Solutions UK	South West
Units 1A, 1B & 1C New Hythe Business Park	Aylesford	British Telecommunications	South East
Units 1 & 2 Langley Connect	Langley	Premier Forest Products	South East
Unit 1, Bristol Distribution Park, Hawkley Lane	Bristol	DHL International (UK)	South West
Units A-D, Orion Business Park	Stockport	Various	North West
Unit DC2, Sideways Park	Stoke-on-Trent	Simarco International	West Midlands

West Moor Park, Doncaster

Toledo Drive, Coventry

Rockingham Gate, Avonmouth

Properties Held

Offices

Property	Town	Principal Tenants	Region
3 Capital Quarter	Cardiff	BT	Wales
31 Booth Street	Manchester	Various	North West
36 Clarendon Road	Watford	Wunderman Thompson	South East
Brewery Wharf	Leeds	NHS Confederation	Yorks & Humberside
Jessop House, Jessop Avenue	Cheltenham	Various	South West
Oakleigh House	Cardiff	Sedgwick International UK	Wales
Paragon	Bristol	Various	Bristol
Stone Cross	Brentwood	Sky CP	South East
T1 Trinity Park	Solihull	Various	West Midlands
T2 Trinity Park	Solihull	Mitie	West Midlands
Wallbrook Court, Botley	Oxford	Various	South East

Residential

Property	Town	Principal Tenants	Region
Citu, Leeds	Leeds	N/A	Yorks & Humberside
Forest View	Mansfield	N/A	East Midlands
Grange Park	Colchester	N/A	South East
Huxley House	Godalming	N/A	South East
Sky House	Waverley	N/A	South East
St John's Grange	Lichfield	N/A	West Midlands


Capital Quater, Cardiff


Jessop House, Cheltenham


Sky House, Waverley

Retail Warehouse

Property	Town	Principal Tenants	Region
Interchange Retail Park	Bedford	Various	South East
Pudsey Road, Hough End	Leeds	Wickes Building Supplies	Yorks & Humberside
The Place	Milton Keynes	Various	South East
Western Way Retail Park	Bury St Edmunds	B&M	Eastern
Widnes Trade Park	Widnes	Various	North West

Retail

Property	Town	Principal Tenants	Region
M&S, Winchmore Hill Road	Southgate	M&S	Rest of London

Other

Property	Town	Principal Tenants	Region
Brookfield Care Home, Little Bury	Oxford	Methodist Homes	South East
Premier Inn, Lansdowne Road & Co-operative Foodstores Ltd	Croydon	Premier Inn Hotels	Rest of London
Premier Inn, Whitehall Plaza	Leeds	Premier Inn Hotels	Yorks & Humberside
Travelodge & Bathstore, Queens Road	Norwich	Travelodge Hotels	Eastern

M&S, Winchmore Hill Road, Southgate


Brookfield Care Home, Oxford


Premier Inn, Whitehall Plaza, Leeds

Financials

Independent Auditor's Report

to the Unitholders of Property Income Trust for Charities

Opinion

We have audited the financial statements of Property Income Trust for Charities for the year ended 31 December 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Change in Net Assets, Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Managers use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report.

Other Information

The Manager is responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Manager

As explained more fully in the Statement of Management's Responsibilities set out on page 16 the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions

Independent Auditor's Report

of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant correspondence; and
- the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Trusts financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested some of the larger journal entries around the year end;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of Our Report

This report is made solely to the Unit Trust's unit holders as a body, in accordance with our agreed terms of engagement. Our audit work has been undertaken so that we might state to the unit holders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Unit Trust and the unit holders members as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP.

Crowe UK LLP
Statutory Auditor
Medway Bridge House
1-8 Fairmeadow
Maidstone
Kent
ME14 1J

29 April 2025

Statement of Comprehensive Income

For the year ended 31 December 2024

	Notes	£'000	2024 £'000	£'000	2023 £'000
Net capital (losses)	3		(2,616)		(31,347)
Movement in unamortised tenant incentives	8		284		177
			(2,332)		(31,170)
Revenue	4	32,396		37,086	
Expenses	5	(5,877)		(6,191)	
Net income before interest payable and similar charges		26,519		30,895	
Interest payable and similar charges	6	(2,021)		(2,696)	
			24,498		28,199
Total gain / (loss) before distribution			**22,166**		**(2,971)**
Distributions	7		(28,408)		(32,571)
Change in net assets attributable to unitholders from investment activities			**(6,242)**		**(35,542)**

Continuing Operations

All items dealt with in arriving at the result for the year ended 31 December 2024 and for the year ended 31 December 2023 relate to continuing operations.

There is no other comprehensive income other than that listed above for the year ended 31 December 2024 (year ended 31 December 2023: nil).

The accounting policies and notes on pages 53 to 61 form part of these financial statements

Statement of Financial Position

As at 31 December 2024

	Notes	31 December 2024 £'000	31 December 2024 £'000	31 December 2023 £'000	31 December 2023 £'000
Fixed Assets					
Investment properties	8	501,419		566,060	
			501,419		**566,060**
Current assets					
Investment property held for sale	9	6,400		-	
Debtors	10	21,570		22,580	
Cash at bank	15	30,398		15,663	
		58,368		**38,243**	
Creditors: amounts falling due within one year	11	(39,621)		(16,968)	
Net current assets			**18,747**		**21,275**
Total assets less current liabilities			**520,166**		**587,335**
Creditors: amounts falling due after more than one year	12		(41,815)		(66,481)
Net assets			**478,351**		**520,854**
Net assets attributable to unitholders			**478,351**		**520,854**

These financial statements were approved by the Manager on 29 April 2025 and signed on its behalf by:

Swiss Life AM UK Limited

The Accounting policies and Notes on pages 53 to 61 form part of these financial statements.

Statement of Changes in Net Assets Attributable to Unitholders of the Trust

For the year ended 31 December 2024

	2024	2023
	£'000	**£'000**
Opening net assets attributable to unitholders	**520,854**	**577,284**
Amounts receivable on creation of units	6,242	24,303
Amounts payable on redemption of units	(42,503)	(45,191)
Change in net assets attributable to unitholders	(6,242)	(35,542)
Change in net assets attributable to unitholders	**478,351**	**520,854**

The Accounting policies and Notes on page 53 to 61 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2024

	Notes	£'000	2024 £'000	£'000	2023 £'000
Cashflows from operating activities					
Net revenue		24,498		28,199	
Loan interest payable		1,874		2,410	
Loan cost amortisation		147		286	
Bank interest received		(1,204)		(969)	
Decrease/(Increase) in debtors		1,547		495	
(Increase)/Decrease in creditors		(1,405)		(1,109)	
			25,457		**29,312**
Cash flows from investing activities					
Purchase of investment property		-		(10,094)	
Sale proceeds from investment property		59,712		38,293	
Capital expenditure on existing propertiesw		(4,341)		(3,194)	
Interest received		1,204		969	
			56,575		**25,974**
Cash flows from financing activities					
Loan interest paid		(1,869)		(2,519)	
Loan issue costs		-		6	
Loan repayment		-		(26,000)	
Distributions paid		(28,801)		(32,689)	
Cash received for new units		5,876		24,657	
Units redeemed		(42,503)		(45,191)	
			(67,297)		**(81,736)**
Increase / (decrease) in cash and cash equivalents			**14,735**		**(26,450)**
Cash and cash equivalents at beginning of year			**15,663**		**42,113**
Cash and cash equivalents at end of year			**30,398**		**15,663**

Reconciliation to net revenue	2024	2023
Distribution expense	28,408	32,571
Capital expenses	(3,910)	(4,372)
	24,498	**28,199**

The Accounting policies and Notes on page 53 to 61 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2024

1. Accounting Policies

Statutory Information

Basis of Accounting

The financial statements are prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements of the Trust have been prepared on the going concern basis under the historical cost convention. The principal accounting policies adopted are described below:

Financial Instruments

The Fund only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties.

Valuation of investment property

The freehold and leasehold investment properties, both commercial and residential, were valued by the Fund's independent valuers, as at 31 December 2024 and 2023, on the basis of Market Value in accordance with the requirements of the RICS Valuation - Global Standards which incorporate the International Valuation Standards ("IVS") and the RICS Valuation UK National Supplement (the "RICS Red Book") edition current at the Valuation Date. It follows that the valuations are compliant with "IVS".

Acquisitions and disposals

Proceeds from the sale of properties are recognised when the risks and rewards of ownership have been transferred to the purchaser. This is generally considered to be on completion of the sale. Gains or losses on the sale of property are included under net capital gains in the Statement of Comprehensive Income. The book cost of an asset consists of the purchase price, related legal fees, survey fees, agents' costs, certain refurbishment costs and other associated professional costs.

Income and expenditure

Rental income, interest and expenditure are accounted for on an accruals basis net of VAT.

The Fund recognises an impairment loss (bad debt) when there is objective evidence that a loss has occurred and that it is a result of one or more past events. In the Fund's case, impairment losses usually relate to income due from tenants.

Objective evidence that income due from tenants is impaired includes observable data that comes to the attention of the Fund about the following loss events:

a) significant financial difficulty of the debtor (tenant);

b) significant delays in the payment of amounts due under a lease agreement;

c) it has become probable that the tenant will enter bankruptcy or other financial reorganisation; and

d) observable data indicating that there has been a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets.

Rental income is recognised on a straight-line basis over the term of the lease even if payments are not made as such. Lease incentives are spread on a straight-line basis from the lease start date until the end of the lease.

Capital contributions paid to tenants are shown as a debtor and amortised in line with the provisions of FRS 102. The valuation of the investment properties is reduced by all amortised lease incentives in accordance with accounting standards.

In accordance with the Trust Deed, Fund manager, administrator and several other fees are treated as capital expenses. They are reported within expenditure in the Statement of Comprehensive Income but are not taken into account in determining the Fund's distributable income, instead being taken to the capital expenses reserve. The effect of this treatment is to increase income distributions and reduce the Fund's Net Assets by the value of such expenses each year. Property investment transaction costs as outlined above are capitalised and reported as part of the net capital gain or loss in the Statement of Comprehensive Income.

Notes to the Financial Statements

For the year ended 31 December 2024

1. Accounting Policies (continued)

Distributions

It is the policy of the Fund to distribute all income net of revenue expenses to the unit holders monthly.

Taxation

As an exempt unauthorised unit trust whose investors are all charities, the fund qualifies for exemption from tax on capital gains. Accordingly no tax reconciliation note is included.

Depreciation

No depreciation is charged in respect of freehold or leasehold investment properties.

Bank Borrowings

Interest bearing bank loans are recorded at proceeds received, net of direct issue costs. Finance charges, including direct issue costs, are recognised on an accruals basis. Issue costs are amortised over the period to the date of expiry of the facility agreement.

Going Concern

The Manager has reviewed the Fund's ability to remain a going concern and meet the Fund's liabilities as they fall due for at least 12 months from the date the financial statements are signed.

During 2024 the Fund effectively executed six sales, totalling £67m, ensuring sufficient liquidity levels were maintained within the Fund. The Fund was able to meet all redemption requests, preserving its record of never deferring redemptions.

Despite the challenges faced by the property market in 2024, the Fund managed to provide reasonable returns to investors as investment volumes and valuations began to stabilise. However, despite the improved 2025 outlook, a number of properties have been sold/identified for sale to meet any future redemption requests, these were all identified from the hold-sell analysis completed at the beginning of the year.

The Fund's maturing loan of £24.8m to Aviva is set to be repaid in September, supported by a sale which is subject to contract. Following the loan repayment, any extra cash will be kept on deposit to ensure the Fund maintains a suitable cash weighting for the foreseeable future. In the event that the sale does not go through, the Fund would seek to refinance or extend the loan with Aviva.

Based on the cash flow forecasts, there is reasonable expectation of the Fund having adequate resources to continue in operational existence for the foreseeable future and at least for a further 12 months beyond the date of signing the financial statements. Therefore, the Fund considers it appropriate to continue to adopt a going concern basis in preparing the financial statements.

Notes to the Financial Statements

For the year ended 31 December 2024

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The Fund may be required to make estimates and assumptions concerning the future. These estimates and assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the actual results. The principal areas where judgement was exercised was as follows:

i) Valuation of investment properties: The properties held by the fund are valued in accordance with RICS Valuation Professional Standards 2019. The valuations take into account the current and estimated future yield, the current state of the properties and the property market as a whole. More details are disclosed in note 8.

ii) Amortisation of tenant incentives: Tenant incentives are released on a straight line basis over the life of the underlying lease agreement as the Fund has a reasonable expectation that the tenants will not exercise their break option, where one exists.

iii) Provision for doubtful debts: The Fund applies a rigorous approach to the bad debt provisioning exercise. Every month, the Fund reviews the rent receivables balance on a tenant-by-tenant basis and provides for all debts that are overdue at the month-end date, unless the Fund has a reasonable expectation that the tenant will settle its outstanding debts.

3. Realised & Unrealised Capital Gains / (Losses)

	2024 £'000	2023 £'000
Net unrealised gains / (losses) on investment property	17,765	(33,643)
Movement in unamortised tenant incentives	(284)	(177)
Net realised (losses) / gains on investment property	(20,097)	2,473
Total	**(2,616)**	**(31,347)**

4. Revenue

	2024 £'000	2023 £'000
Rental income	30,458	34,026
Interest received	1,204	969
Other income	734	2,091
Total	**32,396**	**37,086**

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2024 £'000	2023 £'000
No later than 1 year	27,891	32,346
Later than 1 year and no later than 5 years	72,372	88,479
Later than 5 years	55,045	66,188
Total	**155,308**	**187,013**

Notes to the Financial Statements

For the year ended 31 December 2024

5. Expenses

	2024 £'000	2023 £'000
Charged to income:		
Legal and professional fees	388	527
Bank charges	36	34
Premises expenses	1,458	1,205
Property level costs	80	43
Charity /Donations	5	10
	1,967	1,819
Charged to capital:		
Investor committee	37	37
Trustee fees	126	137
Fund management fees	2,812	3,242
Administrator fees	419	420
Valuation fees	141	109
Audit fees	44	39
Depository fees	100	102
Residential fees	140	140
Irrecoverable VAT	36	61
Other Professional fees	55	85
	3,910	4,372
Total	5,877	6,191

6. Interest Payable and Other Similar Charges

	2024 £'000	2023 £'000
Loan interest payable	1,874	2,462
Amortisation of loan costs	147	275
Total	**2,021**	**2,737**

Notes to the Financial Statements

For the year ended 31 December 2024

7. Distributions

	2024 £'000	2023 £'000
Distributions paid		
Month ended 31.01.2024/31.01.2023	2,516	2,547
Month ended 28.02.2024/28.02.2023	2,730	2,551
Month ended 31.03.2024/31.03.2023	2,178	2,494
Month ended 30.04.2024/30.04.2023	1,933	3,961
Month ended 31.05.2024/31.05.2023	2,841	2,498
Month ended 30.06.2024/30.06.2023	2,231	2,866
Month ended 31.07.2024/31.07.2023	2,330	2,588
Month ended 31.08.2024/31.08.2023	2,374	2,985
Month ended 30.09.2024/30.09.2023	2,296	2,692
Month ended 31.10.2024/31.10.2023	2,640	2,623
Month ended 30.11.2024/30.11.2023	2,315	2,402
	26,384	**30,207**
Distributions payable	2,024	2,364
Total	**28,408**	**32,571**
Reconciliation of net income to distributions		
Net revenue	24,498	28,199
Expenses charged to capital	3,910	4,372
Total	**28,408**	**32,571**

8. Investment Properties

	2024 £'000	2023 £'000
Fair value of investment properties brought forward net of tenant incentives	**566,060**	**622,233**
Adjustment in respect of tenant lease incentives	7,355	7,532
Fair value of investment properties brought forward	**573,415**	**629,765**
Additions from acquisitions at cost including purchase costs	-	10,094
Additions to existing properties at cost	4,341	3,194
Value of properties sold	(60,250)	(38,291)
Value of properties held for sale	(6,400)	-
Net unrealised gains / (losses) on investment property	17,765	(33,643)
Movement in unamortised tenant incentives	(284)	(177)
Net realised (losses) / gains on investment property	(20,097)	2,473
Fair value of investment properties carried forward	**508,490**	**573,415**
Adjustment in respect of tenant lease incentives	(7,071)	(7,355)
Fair value of investment properties carried forward net of tenant incentives	**501,419**	**566,060**

The Fund's commercial and residential investment properties were valued by an independent valuer, CBRE Ltd, at £488,475,000 (2023: £553,200,000) and £20,015,000 (2023: £20,215,000) respectively. The commercial valuations are on a market value basis and have been reduced by unamortised tenant incentives amounting to £7,071,285 (2023: £7,354,866) in line with accounting policies (see note 1). The Fund's residential investment properties were valued on the basis of fair value on the special assumption of vacant possession.

Notes to the Financial Statements

For the year ended 31 December 2024

8. Investment Properties (continued)

Valuation Method and Assumptions

Valuations are carried out in accordance with the requirements of the RICS Valuation – Global Standards which incorporate the International Valuation Standards ("IVS") and the RICS Valuation UK National Supplement (the "RICS Red Book") edition current at the Valuation Date. It follows that the valuations are compliant with "IVS". No adjustments have been made to reflect any liability to taxation that may arise on disposals, nor any costs associated with disposals incurred by the owner. Deductions have been made to reflect purchaser's acquisition costs.

a) Title

CBRE Ltd have assumed that no title issues have arisen and that, save as disclosed in the draft Reports or Certificates of Title, the Properties have good and marketable title and that the properties are free from rights of way or easements, restrictive covenants, disputes or onerous or unusual outgoings. It has also been assumed that the properties are free from mortgages, charges or other encumbrances.

b) Condition of Structure and Services, Deleterious Materials, Plant and Machinery and Goodwill

The properties were inspected for the purpose of the valuations for loan purposes and due regard has been given to the apparent state of repair and condition of the properties; however no condition surveys were undertaken. Unless informed by the property manager, CBRE Ltd have assumed that the properties are free from rot, infestation, adverse toxic chemical treatments, deleterious materials, asbestos, and structural or design defects.

No Mining, geological or other investigations have been undertaken to certify that the sites of the properties are free from any defects to foundations. CBRE Ltd have made an assumption that the load bearing qualities of the sites are sufficient and that there are no abnormal ground conditions, nor archaeological remains present.

c) Environmental matters

CBRE Ltd have made enquiries of the property manager in order, so far as reasonably possible, to establish the potential existence of contamination arising out of previous or present uses of the sites of the properties and any adjoining sites.

No investigations have been made into past or present uses, either of the properties or any neighbouring land to establish whether there is any contamination and CBRE Ltd have made no allowance for actual or potential contamination in its valuation.

d) Statutory requirements and planning

CBRE Ltd have not undertaken any planning enquiries.

Save as disclosed in the Reports or Certificates of title, CBRE Ltd have made an assumption that the buildings have been constructed in full compliance with valid town planning and building regulations approvals, that where necessary they have the benefit of current Fire Risk Assessments compliant with the requirements of the Regulatory Reform (Fire Safety) Order 2005.

CBRE Ltd have also made an assumption that the properties are not subject to any outstanding statutory notices as to their construction, use or occupation. A further assumption has been made that the existing uses of the Properties are duly authorised or established and that no adverse planning conditions or restrictions apply.

e) Leasing

Unless CBRE Ltd have become aware by general knowledge, or have been specifically advised to the contrary they have made the assumption that the tenants are financially in a position to meet their obligations. Unless informed to the contrary, CBRE Ltd have also assumed that there are no material rental arrears of rent or service charges, breaches of covenants, current or anticipated tenant disputes. Finally, CBRE Ltd have assumed that wherever rent reviews or lease renewals are pending or impending, with anticipated reversionary increases, all notices have been served validly within the appropriate time limits.

Restrictions on realisability

There are currently two loans, which have been secured against certain of the Fund's investment properties (see note 11)

Contractual obligations

The responsibilities for repairs, maintenance and enhancements are clearly set out in the leases.

Notes to the Financial Statements

For the year ended 31 December 2024

9. Investment Property Held for Sale

	2024 £'000	2023 £'000
Sale of Block A – Peninsular Square	6,400	-
Total	**6,400**	**-**

On 20th December 2024, the Fund exchanged on the sale of Block A – Peninsular Square, which subsequently completed on 21st January 2025. As at 31st December 2024, Block A – Peninsular Square was categorised as investment property held for sale.

10. Debtors

	2024 £'000	2023 £'000
Debtors: Unamortised tenant incentives falling due after 1 year	5,987	6,643
Rental arrears	2,701	3,757
Provisions for impairment / write-off	(39)	-
Prepayments and accrued income	137	347
Unamortised tenant incentives	1,084	712
Rent deposit debtors	1,118	1,755
Amounts receivable on disposals	567	29
Other debtors	10,015	9,337
Total	**21,570**	**22,580**

Provisions for impairment/write-off represents the rent due from tenants who on assessment are facing financial difficulties and The Manager deems unlikely to pay any outstanding sums.

11. Creditors: Amounts Falling Due Within One Year

	2024 £'000	2023 £'000
Distributions payable	2,026	2,420
Deferred income	6,037	6,229
VAT payable	1,156	1,391
Rent deposit creditors	901	2,156
Investor funds received for January dealing	204	570
Loan interest payable	370	365
Accruals and other creditors	4,261	3,984
Bank loan	24,800	-
Less: unamortised loan costs	(134)	(147)
Total	**39,621**	**16,968**

Notes to the Financial Statements

For the year ended 31 December 2024

12. Creditors: Amounts Falling Due After More Than One Year

	2024 £'000	2023 £'000
Bank loans	42,080	66,880
Less: unamortised loan costs	(265)	(399)
Total	**41,815**	**66,481**

The amount detailed above consists of two loans as follows:

A loan facility with Aviva in the amount of £24,800,000 (2023: £24,800,000) attracts interest at a fixed rate of 3.10% per annum and becomes repayable in full on 28th September 2025. This loan is interest only and is secured against certain of the Fund's investment properties, the total value being £55,400,000 as at 31 December 2024 (2023: £100,175,000). With the loan due for repayment in September 2025, the Fund has identified a sale which is subject to contract to ensure that funds are readily available in time for the payment. In the event that the sale does not go through, the Fund would seek to refinance or extend the loan with Aviva.

A second loan facility with Aviva in the amount of £42,080,000 (2023: £42,080,000) attracts a sustainability driven, KPI performance dependent interest rate of 2.59% per annum. This loan becomes repayable in full on 13th October 2028. This loan is interest only and is secured against certain of the Fund's investment properties, the total value being £104,100,000 as at 31st December 2024 (2023: £54,675,000).

13. Reconciliation of Net Income to Net Cash Flow in Net Debt

	2024 £'000	2023 £'000
Increase / (decrease) in available cash during the year	14,735	(26,450)
Decrease in loans during the year	-	26,000
Decrease / (increase) in net debts during the year	14,735	(450)
Opening net debt attributable to unit holders	(51,217)	(50,767)
Closing net debt attributable to unit holders	**(36,482)**	**(51,217)**

14. Analysis of Net Debts

	2024 £'000	2023 £'000
Cash	30,398	15,663
Bank loans	(66,880)	(66,880)
Total net debts	**(36,482)**	**(51,217)**

Notes to the Financial Statements

For the year ended 31 December 2024

15. Counterparty Risk

Cash	2024	2023
Barclays Bank Plc	-	10,172
Royal Bank of Scotland	14,637	5,323
Santander	192	93
Epworth	15,569	75
Total cash	**30,398**	**15,663**

Loans	2024	2023
Aviva 2	42,080	42,080
Aviva	24,800	24,800
Total Loans	**66,880**	**66,880**

16. Forward Commitments and Contingent Liabilities

There were no contingent liabilities at 31 December 2024 (31 December 2023 : £nil).

17. Related Party Transactions

Amounts payable to the manager were £2,812,169 (31 December 2023: £3,241,930). The amount outstanding at the year end in respect of those fees was £695,143 (31 December 2023: £780,853).

Amounts payable to the Trustee were £125,809 (31 December 2023: £137,073). The amount outstanding at the year end in respect of those fees was £31,322 (31 December 2023: £34,262).

18. Post Balance Sheet Events

There have been no post balance sheet events affecting the Fund since the year-end.

PITCH
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