

The Property Income Trust for Charities

INVESTMENT POLICY AND OBJECTIVES

The Trust's investment objective is to deliver a relatively high and sustainable income yield whilst at least maintaining capital value in real terms over the economic cycle.

INVESTOR CONSTITUENCY

Any exempt charity in the UK or a unit trust whose members are all exempt charities may invest in the Trust. It is also possible for charities from the EU to apply for exemption from HMRC.

| Fund details | |
|-----------------------------|--------------------------|
| Type of fund | Exempt, unauthorised PUT |
| Residence | United Kingdom |
| Launch date | September 2004 |
| Open/closed-ended | Open-ended |
| Earliest date of winding up | Not applicable |
| Year-end | 31 March |
| NAV (GBPm) | 556.1 |

Source: Swiss Life Asset Managers UK Ltd

| Management/professional advisors | |
|----------------------------------|---------------------------------------|
| Trust manager | Swiss Life Asset Managers UK Ltd |
| Trust Administrator | Sanne Group |
| Property investment manager | Swiss Life Asset Managers UK Ltd |
| Property advisor | Jones Lang LaSalle |
| Fund Director | Simon Martindale |
| Trustees | Vistra Trust Corporation (UK) Limited |

Source: Swiss Life Asset Managers UK Ltd

| Investment rates of return, % | | | | |
|-------------------------------|---|---|-------------------------------|-----------|
| | | MSCI /AREF UK Quarterly Property Fund Index | | |
| | The Property Income Trust for Charities | Other balanced open-ended funds | All balanced open-ended funds | All funds |
| 3 months | 1.1 | 0.3 | 0.4 | 0.3 |
| Year-to-date | 1.5 | 0.1 | 0.2 | 0.1 |
| 12 months | -18.2 | -17.1 | -17.4 | -17.1 |
| 3 years+ | 3.0 | 3.3 | 3.4 | 2.3 |
| 5 years+ | 2.4 | 2.3 | 2.2 | 1.1 |
| 10 years+ | 7.2 | 6.6 | 6.3 | 5.5 |

Source: Swiss Life Asset Managers UK Ltd

| Property investment restrictions | |
|--|------------------------------|
| Maximum development exposure | Nil |
| Maximum speculative development exposure | Nil |
| Maximum lot-size holding as a standing investment | Nil |
| Maximum lot-size holding permitted at purchase | 10% of the value of the Fund |
| Maximum exposure to limited partnerships | N/A |
| Maximum exposure to joint ventures | N/A |
| Maximum exposure to closed and open-ended property unit trusts | 10% of the value of the Fund |

Source: Swiss Life Asset Managers UK Ltd

| Portfolio distribution % | | | | |
|------------------------------|---|--|-------------------------------|-----------|
| | | MSCI/AREF UK Quarterly Property Fund Index | | |
| | The Property Income Trust for Charities | Other balanced open-ended funds | All balanced open-ended funds | All funds |
| Standard retail – South East | 2.9 | 4.9 | 4.6 | 4.6 |
| Standard retail – Rest of UK | 0.2 | 1.2 | 1.4 | 2.3 |
| Shopping centres | 0.0 | 0.6 | 0.9 | 2.5 |
| Retail warehouses | 13.3 | 12.4 | 12.1 | 7.6 |
| All UK retail | 16.4 | 19.1 | 19.0 | 17.1 |
| City offices | 0.0 | 3.3 | 3.4 | 3.2 |
| West End offices | 0.0 | 8.1 | 7.5 | 5.1 |
| Rest of South East offices | 7.7 | 7.5 | 7.1 | 5.5 |
| Rest of UK offices | 19.0 | 5.2 | 4.9 | 5.3 |
| All UK offices | 26.7 | 24.2 | 22.9 | 19.1 |
| South East industrial | 12.8 | 24.0 | 24.5 | 20.3 |
| Rest of UK industrial | 28.1 | 13.6 | 13.7 | 11.8 |
| All UK industrial | 41.0 | 37.6 | 38.2 | 32.1 |
| Other UK properties | 9.2 | 12.4 | 12.5 | 25.9 |
| Cash*** | 6.7 | 6.7 | 7.4 | 5.8 |
| Overall | 100.0 | 100.0 | 100.0 | 100.0 |

Source: Swiss Life Asset Managers UK Ltd

| Property ownership structure | | | |
|------------------------------|------------------|------------------|----------------------|
| | Number of assets | Valuation (GBPm) | % of total portfolio |
| Direct holdings | 48 | 606.7 | 100.0 |
| Joint and indirect holdings | 0 | 0.0 | 0.0 |
| Listed investments | 0 | 0.0 | 0.0 |
| Total | 48 | 606.7 | 100.0 |

Source: Swiss Life Asset Managers UK Ltd

| Largest direct investments by lot size & percentage of total portfolio | | | | |
|--|------------|-------------|------------------|----------------------|
| Property | Location | Sector | Valuation (GBPm) | % of total portfolio |
| Paragon - Bristol | BRISTOL | Office | 30-35 | 5.3 |
| UNIT A, 9-11 NEWMARKET BUSINESS PARK | NEWMARKET | Industrial | 25-30 | 4.5 |
| PHASES I & II TRAX PARK | DONCASTER | Industrial | 25-30 | 4.3 |
| WEST MOOR PARK | DONCASTER | Industrial | 20-25 | 3.9 |
| BARTLEY POINT, HOOK | HOOK | Industrial | 20-25 | 3.5 |
| 3 CAPITAL QUARTER, CARDIFF | CARDIFF | Office | 20-25 | 3.4 |
| LADY BAY RETAIL PARK, NOTTINGHAM | NOTTINGHAM | Retail Park | 15-20 | 3.1 |
| THE BIG BERRY, DROITWICH | DROITWICH | Industrial | 15-20 | 3.1 |
| PREMIER INN | CROYDON | Hotel | 15-20 | 3.0 |
| UNITS A-D ORION BUSINESS PARK, STOCKPORT | STOCKPORT | Industrial | 15-20 | 3.0 |
| 10 largest investments as % of portfolio | | | | 37.1 |

Source: Swiss Life Asset Managers UK Ltd

| Direct portfolio structure by lot-size bands | | | |
|--|------------------|------------------|----------------------|
| Value band (GBPm) | Number of assets | Valuation (GBPm) | % of total portfolio |
| 0 -2.5 | 2 | 3.0 | 0.5 |
| 2.5 - 5 | 3 | 12.1 | 2.0 |
| 5-10 | 13 | 98.8 | 16.3 |
| 10-25 | 27 | 407.3 | 67.1 |
| 25 - 50 | 3 | 85.6 | 14.1 |
| 50 - 100 | 0 | 0.0 | 0.0 |
| 100-150 | 0 | 0.0 | 0.0 |
| Over 150 | 0 | 0.0 | 0.0 |
| Total | 48 | 606.7 | 100.0 |
| Average lot size | | 12.6 | |

Source: Swiss Life Asset Managers UK Ltd

| Property Yield | | Voids as % of ERV | |
|--------------------------|-------|-------------------|-------|
| Net initial yield | 5.40% | Investments | 6.10% |
| Nominal equivalent yield | 6.26% | Developments | 0.00% |
| True equivalent yield | 6.50% | Total | 6.10% |
| Net reversionary yield | 6.48% | | |

Source: Swiss Life Asset Managers UK Ltd

| Rental income & ERV by type of property | | |
|---|-----------------|--------------------------|
| | Rental income % | Estimated rental value % |
| Standard retail | 2.1 | 2.6 |
| Retail warehousing | 15.1 | 13.6 |
| Shopping centres | 0.0 | 0.0 |
| Central London offices | 0.0 | 0.0 |
| Other offices | 33.2 | 35.2 |
| Industrial | 39.9 | 40.6 |
| Other | 9.7 | 8.0 |
| Overall | 100.0 | 100.0 |

Source: Swiss Life Asset Managers UK Ltd

| Over Renting and Reversionary Potential, % Rent Passing | | | | | | | | |
|---|----------------------------|---------------------------|-------------------------------------|------------------------------------|----------------------------|---------------------------------------|---|-----------------------------|
| Sector | Rent Passing, GBP Millions | Rent Free, % Rent Passing | Development vacancy, % Rent Passing | Investment vacancy, % Rent Passing | Over rented,% Rent Passing | Reversionary potential,% Rent Passing | Reversionary potential Net of Over renting,% Rent Passing | Market Value,% Rent Passing |
| Standard retail | 0.7 | 21.7 | 0.0 | 32.6 | -7.7 | 50.8 | 43.1 | 150.8 |
| Retail warehousing | 5.2 | 9.4 | 0.0 | 2.6 | -5.3 | 10.6 | 5.3 | 111.0 |
| Shopping centres | - | - | - | - | - | - | - | - |
| Central London offices | - | - | - | - | - | - | - | - |
| Other offices | 11.5 | 2.5 | 0.0 | 19.1 | -2.1 | 30.1 | 27.9 | 130.3 |
| Industrial | 13.9 | 0.0 | 0.0 | 0.7 | -5.6 | 16.6 | 11.0 | 125.0 |
| Other | 3.4 | 0.0 | 0.0 | 0.0 | -1.9 | 0.3 | -1.6 | 101.0 |
| Overall | 34.7 | 2.6 | 0.0 | 7.5 | -4.1 | 19.2 | 15.1 | 122.9 |

*Comprising the ERV of developments in progress or contracted which have not been pre-let

Source: Swiss Life Asset Managers UK Ltd

| Listed Investments | | | |
|--------------------|-----------------|------------------|---------------------------|
| | % of Issue held | Valuation (GBPm) | Est. % of total portfolio |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |

| The unexpired term of leases | |
|---------------------------------------|-------------------|
| Years | % of rent passing |
| 20 years or greater | 4.5 |
| 15 years or greater, but less than 20 | 1.1 |
| 10 years or greater, but less than 15 | 10.1 |
| 5 years or greater, but less than 10 | 27.5 |
| Less than 5 years | 56.8 |

Source: Swiss Life Asset Managers UK Ltd

| Joint and Indirect property holdings | | | | | | |
|--------------------------------------|--------|----------------|--------------|-------------|-----------|---------------------------|
| Holdings | Sector | Joint/Indirect | Vehicle Type | Ownership % | Valuation | Est. % of total portfolio |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |

Source: Swiss Life Asset Managers UK Ltd

| Debt analysis | | | | | | |
|-----------------------|------------------|--------------------------------|--------------------------|--------------------------------------|--------------------------------|--|
| Fixed rate borrowings | | | Variable rate borrowings | | | |
| Amount drawn (GBPm) | Average rate (%) | Average unexpired term (years) | Amount drawn (GBPm) | Rate above LIBOR (incl expenses) (%) | Off balance sheet debt (GBPm)+ | |
| 26 | 2.25% | 0.45 | 0 | 0% | 0 | |
| 24.8 | 3.10% | 2.25 | 0 | 0% | 0 | |
| 42.08 | 2.61% | 5.29 | 0 | 0% | 0 | |
| 0 | 0.00% | - | 0 | 0% | 0 | |
| 0 | 0.00% | - | 0 | 0% | 0 | |

Source: Swiss Life Asset Managers UK Ltd

| Development exposure* | | | | |
|------------------------------------|-----------------|--------------|------------------|---------------------------------------|
| Capital value of developments | | | | Cost to complete schemes in progress+ |
| | Not yet started | In progress+ | All developments | |
| GBPm | 0 | 0 | 0 | 0 |
| % of all directly held properties* | 0.00% | 0.00% | 0.00% | 0.00% |

* Includes joint ventures in which the Fund has an interest of 50% or more

Source: Swiss Life Asset Managers UK Ltd

| Valuations/performance monitors/affiliations | |
|---|--|
| Frequency of valuation | Monthly, as at the last day of the month |
| Valuers | Cushman & Wakefield |
| Portfolio performance monitored by MSCI | Yes |
| Constituent of MSCI/AREF UK Quarterly Property Fund Index | Yes |
| Member of the Association of Real Estate Funds | Full member |

Source: Swiss Life Asset Managers UK Ltd

| Restrictions on holdings of cash/borrowings | |
|---|---------------------------------|
| Maximum total gearing permitted | 50% (loan to value at purchase) |
| for investment purposes | * |
| for liquidity purposes | * |
| Cash holdings (maximum) | * |
| Cash holdings (minimum) | * |

Source: Swiss Life Asset Managers UK Ltd

| The contribution of major tenants to rental income | |
|--|------|
| Tenant | % |
| BRITISH TELECOMMUNICATIONS PUBLIC LIMITED COMPANY | 5.6 |
| PREMIER INN HOTELS LIMITED | 4.8 |
| WINCANTON HOLDINGS LIMITED | 4.4 |
| ASOS.COM LIMITED | 3.2 |
| SKY CP LIMITED | 3.1 |
| ANTOIN INTERIORS UK LIMITED | 3.0 |
| CDS SUPERSTORES INTERNATIONAL LIMITED | 2.8 |
| WUNDERMAN THOMPSON COMMERCE UK LIMITED | 2.4 |
| ERNST & YOUNG LLP | 2.3 |
| MITIE GROUP PLC | 2.2 |
| Three largest tenants' contribution to rental income | 14.7 |
| Five largest tenants' contribution to rental income | 21.0 |
| Ten largest tenants' contribution to rental income | 33.7 |

Source: Swiss Life Asset Managers UK Ltd

| Balance sheet/gearing | | | | | |
|------------------------------|-----------------|----------------|----------------------|--------------------|-------|
| | Direct holdings | Joint holdings | Indirect investments | Listed investments | Total |
| Balance sheet (GBPm) | | | | | |
| Properties at valuation | 606.7 | 0.0 | 0.0 | 0.0 | 606.7 |
| Listed investments | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Debt | -92.9 | 0.0 | 0.0 | 0.0 | -92.9 |
| Cash | 43.7 | 0.0 | 0.0 | 0.0 | 43.7 |
| Other net assets/liabilities | -1.4 | 0.0 | 0.0 | 0.0 | -1.4 |
| Total net assets | 556.1 | 0.0 | 0.0 | 0.0 | 556.1 |
| Gearing (%) | | | | | |
| Net debt (cash)/properties | 8.1 | - | - | - | 8.1 |
| Net debt (cash)/equity | 8.8 | - | - | - | 8.8 |

Source: Swiss Life Asset Managers UK Ltd

| Quarterly data per unit | | | | | | |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| As at | 31-Mar-22 | 30-Jun-22 | 30-Sep-22 | 31-Dec-22 | 31-Mar-23 | 30-Jun-23 |
| Bid (GBP) | 0.9588 | 0.9963 | 0.9915 | 0.8351 | 0.7816 | 0.7800 |
| Offer (GBP) | 0.9875 | 1.0251 | 1.0207 | 0.8605 | 0.8064 | 0.8038 |
| Mid (GBP) | 0.9732 | 1.0107 | 1.0061 | 0.8478 | 0.7940 | 0.7919 |
| Bid/offer spread | 2.9% | 2.8% | 2.9% | 3.0% | 3.1% | 3.0% |
| Net asset value (GBP) | 0.9719 | 1.0095 | 1.0048 | 0.8467 | 0.7930 | 0.7908 |
| Quarterly distribution (GBP) | 0.0107 | 0.0103 | 0.0104 | 0.0111 | 0.0109 | 0.0128 |
| Yield | 3.7% | 3.3% | 3.4% | 3.8% | 4.0% | 5.6% |

Source: Swiss Life Asset Managers UK Ltd

Unit pricing

The Trust's NAV and the bid and offer price of its units are re-calculated as at the date of the monthly revaluation of the portfolio. Income is not included in this re-calculation. The Trust's fixed rate debt is not marked to market; any difference between the market value and the nominal value of its debt is thus not reflected in the monthly re-calculation of its net asset value and the pricing of the units.

Distributions

Distributions of income are made monthly, within one month of the month end in which the income is earned.

Minimum investment/disinvestment

| | |
|--------------------------------|------------|
| Minimum initial | GBP 50,000 |
| Minimum additional investment: | No minimum |
| Minimum redemption: | No minimum |

Creation, transfer and realisation of units

Subscriptions may be made on a monthly basis, on the last business day of the month. Application forms must be sent to the Trust Administrator together with the application monies (to be cleared by that date).
Redemptions may be made on a quarterly basis on 31 December, 31 March, 30 June or 30 September. Formal notification must be sent to the Administrator 15 days prior to a (calendar) quarter day. In normal market conditions the redeeming investor will receive the sales proceeds within 15 working days of the end of the quarter following the quarter in which the redemption notice was served. The Manager may defer redemption notices under the following circumstances: a) redemptions exceed 10% of Units; b) there is insufficient cash; c) the property valuer expresses material uncertainty about the value of 20% or more of the property investments or d) it determines there is a significant risk of Units being materially mispriced due to a severe lack of liquidity or a significant fall in property values.

Taxation

The following is a summary of current law and practice and is subject to change. The information should not be regarded as legal or tax advice.

Capital Gains Tax and Income Tax

Trust is not subject to capital gains tax. The Trust is an approved exempt unauthorised unit trust and as such pays distributions gross.

Stamp duty land tax

All property purchases by the Trust are exempt from SDLT

Stamp duty reserve tax

Transfers of units in the Trust are exempt from SDRT.

Charges

Annual charge

The Manager is entitled to a fee of 0.65% pa of the first GBP40m of the Gross Asset Value of the Trust and of 0.50% pa of the Gross Asset Value of the Trust above that amount.

Initial charges / Performance fees

None

| Redemption notices outstanding | | | | |
|--------------------------------|-----------------|------------------|-------------------|------------------------|
| Unit Type | Number of units | NAV per unit (£) | Value at NAV (£m) | % of total NAV of Fund |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 |

| Unit holder analysis | | |
|--------------------------------|-----------------------|--------------|
| | Number of unitholders | Total % held |
| Less than 1% of units in issue | 1,113 | 53.3 |
| 1% or greater but less than 2% | 10 | 14.1 |
| 2% or greater but less than 4% | 5 | 13.2 |
| 4% or greater but less than 8% | 1 | 7.0 |
| Greater than 8.0% | 1 | 12.5 |
| Total | 1,130 | 100.0 |
| Major investors | | |
| Largest holder | 1 | 12.5 |
| Three largest holders | 3 | 22.6 |
| Five largest holders | 5 | 28.1 |
| Ten largest holders | 10 | 38.0 |
| Internal/external investors | | |
| Internal | 0 | 0.0 |
| External | 1,130 | 100.0 |

Source: Swiss Life Asset Managers UK Ltd

| Liquidity | | | | | | |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Period | Year to Dec 2018 | Year to Dec 2019 | Year to Dec 2020 | Year to Dec 2021 | Year to Dec 2022 | Year to Dec 2023 |
| Issues and redemptions | | | | | | |
| Units in issue as at start of period | 533,952,465 | 614,131,315 | 669,408,636 | 691,202,860 | 694,740,183 | 720,061,283 |
| Units issued during period | 90,726,816 | 71,220,336 | 45,613,723 | 48,587,104 | 66,627,689 | 18,532,308 |
| Units redeemed during period | -10,547,966 | -15,943,015 | -23,819,500 | -45,049,781 | -41,306,589 | -35,445,303 |
| Units in issue at end of period | 614,131,315 | 669,408,636 | 691,202,860 | 694,740,183 | 720,061,283 | 703,148,288 |
| Unit transfers | | | | | | |
| Matched bargains | 0 | 0 | 0 | 0 | 0 | 0 |
| Matched bargains % * | 0.00% | 0.00% | 0 | 0.00% | 0.00% | 0.00% |

* as % of units in issue at the end of the period

Source: Swiss Life Asset Managers UK Ltd