

Sustainability Strategy & Report 2024





Executive Summary

Waypoint is a real estate asset manager and adviser that creates and executes innovative and bespoke investment strategies for our clients. We advise on over £1bn of capital across established and alternative real estate sectors throughout the UK.



Nick Gregory
Joint Managing Director

At Waypoint, we are acutely aware that we have a duty to conduct our business at both a corporate and fund level in a sustainable and socially responsible manner. We recognize that similar values and expectations are held by our clients and investors and are therefore committed to the continuing development and implementation of our comprehensive sustainability strategy.

‘Building On Our Net Zero Commitment’

Key to our progress over the last year has been the development of our net zero pathway across all funds under management.

Based on comprehensive data collection, we are now able to report both our baseline footprint and annual like-for-like performance; covering energy consumption, GHG emissions and carbon intensity. The outcome of which is the ability to monitor our progress and develop an asset led strategy designed to maximise performance and understand transition risk at an individual asset level.

We also recognise that there will be many challenges ahead, including the importance of achieving a commercial balance to net zero related capital investment to reflect the cost versus carbon benefit, timing in line with natural obsolescence, impact on investment value and our wider net zero ambitions.

‘Progress Across the Board’

Away from Net Zero we are pleased to report on a broad spectrum of “ESG” related achievements and advances throughout the year as illustrated in our “2024 Sustainability Snapshot”.

Looking forward, we believe we remain in a strong position from which to continue driving our sustainability objectives to the benefit of all our stakeholders and in accordance with our fiduciary duty.



2024 Sustainability Snapshot

Net Zero



Significant advances in the development and understanding of our net zero pathway including publication of our first set of like for like energy and carbon intensity data across all funds.



Identification of a marginal increase in the like for like carbon footprint across AUM but a significantly lower increase in our corresponding carbon intensity.



An increasing depth and understanding of GHG emissions and energy consumption data at an asset level allowing for a targeted approach towards future net zero gains.



Improvements in data collection and data quality with 100% coverage relating to GHG emissions and energy consumption based on 62% actual data and 38% estimated data.



Continued rollout of EV charging points with 88 charging stations now installed across 19 properties and a combined saving of 1,694 tonnes of GHG emissions in 2024.



21,405 kWh of renewable electricity was generated from landlord-controlled PV systems, and an additional 169,075 kWh was produced from tenant-controlled PV systems.



Continued rollout of smart metering across the portfolio to aid both data quality and collection efficiency.



All landlord controlled energy supplies switched to renewable tariffs in 2024.

Governance



Waypoint completed its second UN PRI submission in 2024 resulting in the following individual scores all above the PRI Median:

- > Policy, Governance & Strategy – 82% and 4* Rating
- > Real Estate – 89% and 4* Rating
- > Confidence Building Measures – 80% and 4* Rating



Improved GRESB scores across all four property funds with an average increase of 9.7%.



Integrated ESG deeper into the business including enhanced sustainability due diligence on acquisitions with net zero risk consideration.



A continued commitment to sustainability training with 132 hours of both internal and external training achieved across the Waypoint team including leadership and management.

Social



Two Green Apple Awards received for the enhancement of biodiversity.



An active programme throughout the year of community engagement projects and social activity including charitable events.



Core Values and Commitments

Waypoint

Core values and commitments informed by engagement with our stakeholders



Commitments

- 1 – To achieve net zero at a corporate and fund level by 2050 combined with a series of clearly defined interim targets.
- 2 – An ongoing commitment to strong data collection and management on which to base our targets and report progress.
- 3 – Managing the transition risk to ensure environmental resilience for our stakeholders.
- 4 – To continue educating ourselves on net zero and adopt a strategy which embraces new technology and thinking in the real estate sector, including energy efficiency in buildings and a shift to renewable energy supplies.
- 5 – An understanding that our climate goals can only be achieved by working in conjunction with our occupiers.



Commitments

- 1 – Sustainability now fully embedded as a main board level consideration with operational responsibility managed by a separate sustainability committee which includes representation from across the business and a third party external consultant.
- 2 – To continue developing our legislative risk management and align our practices with both the TCFD and FCA SDR frameworks.
- 3 – A commitment to GRESB across all funds to ensure benchmarking against our peers.
- 4 – Monitor and develop our corporate governance policies to ensure they remain relevant and fit for purpose.



Commitments

- 1 – To ensure we contribute and seek to improve the local communities in which our real assets reside.
- 2 – Support employee health and wellbeing along with inclusivity and diversity in the workplace.
- 3 – Educate and advance the understanding of sustainability amongst employees.
- 4 – Undertake our business activities in accordance with our Responsible Investment and Stewardship Policy and commitments as a UN PRI signatory.
- 5 – Participate and contribute to the wider real estate industry advancement of sustainability.



Core Value

Tackling Climate Change & Managing Environmental Risk



Core Value | Tackling Climate Change & Managing Environmental Risk

Managing our Environmental Impact

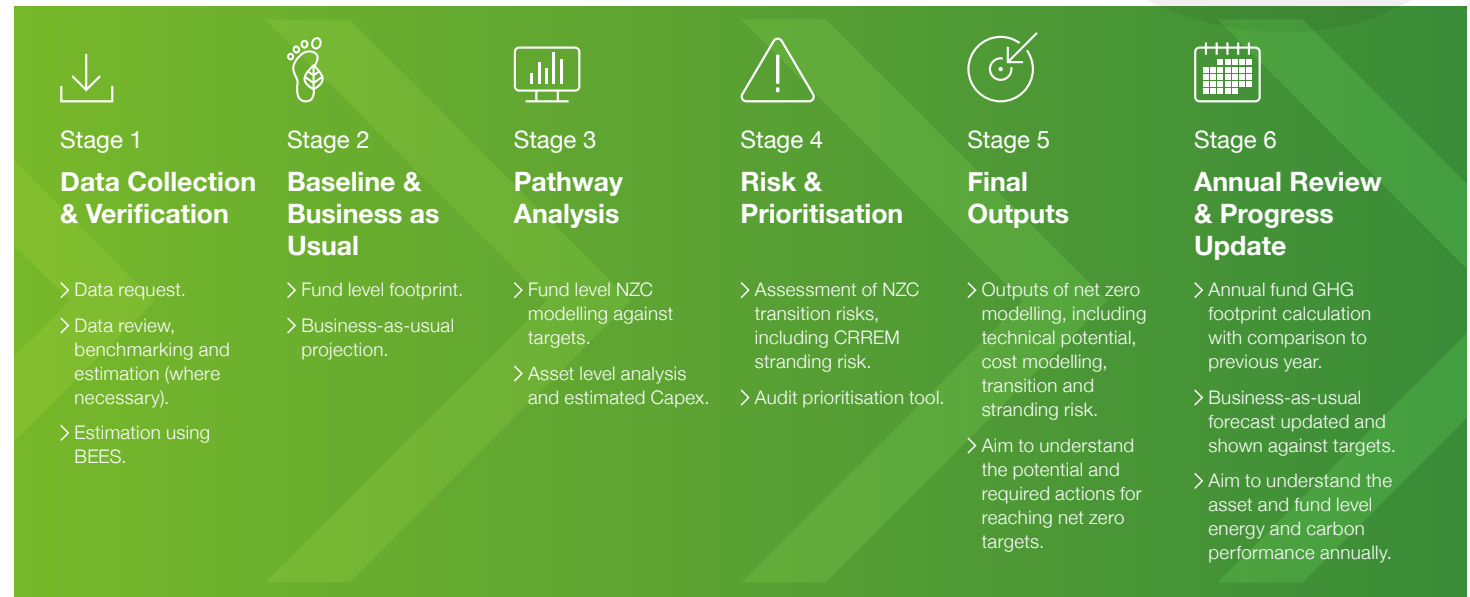
Waypoint recognises that its business activities have both direct and indirect impacts upon the environment and that it has a responsibility to pro-actively address the associated risks. At the forefront of our environmental strategy is the challenge presented by global warming and more specifically the goal to limit warming to 1.5°C in accordance with the Paris Agreement.

As a business we recognise that it is important for us to understand and quantify the impact of our activities on the environment, extending to emissions, waste generation, natural resource utilisation and depletion. We are then committed to reducing the impact of our activities by seeking efficiency improvements across our real estate assets and minimising the consumption of resources such as energy and water based on the approach of 'refuse, reduce, reuse and recycle'.

Net Zero Pathway

Waypoint is committed to achieving net zero across all assets under management by 2050. To assist in these goals we:

- > continue to work with specialist net zero consultants, Verco Global, to support us with the technical methodologies required to calculate our footprint and like-for-like annual performance at both an asset and fund level; and
- > have completed Stages 1-6 of the Verco project plan; including identification of the 2022 baseline footprint, business-as-usual modelling and our first annual like-for-like performance review.

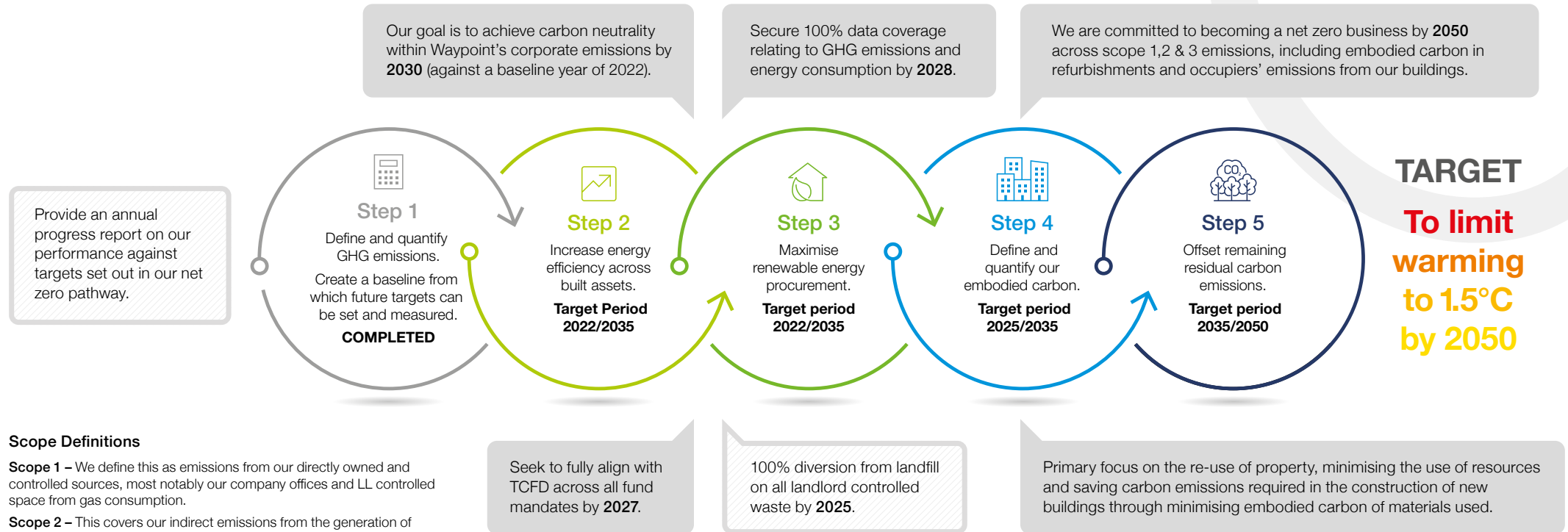


At Waypoint, we believe it is essential to have a strong understanding of environmental risk supported by quality data in order to have an effective net zero strategy.'



Core Value | Tackling Climate Change & Managing Environmental Risk

Net Zero – Our Pathway and Commitments





Core Value | Tackling Climate Change & Managing Environmental Risk

Net Zero Progress – AUM Absolute and Like-for-Like Footprint

As part of our ongoing commitment to net zero we are pleased to report our first set of annual carbon footprint data versus our established baseline year of 2022.

The data provided covers all AUM encompassing 152 individual assets and shows performance on both an absolute and like for like basis once the impact of investment activity has been removed.

On an absolute basis, we experienced an increase of 20% in carbon emissions between 2022 and 2023, driven largely by new property acquisitions and an increase in AUM.

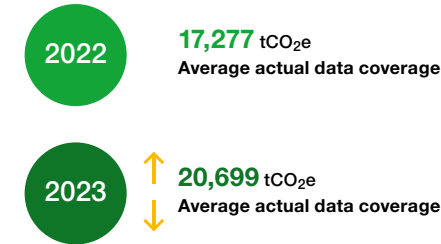
On a like for like basis, carbon emissions increased by 6% overall whilst our carbon intensity increased by 0.5%.

Whilst this may present as negative progress it was in part driven by a corresponding increase in carbon intensity across the national grid due to an increased reliance on imported fossil fuels arising from the tail end of the pandemic and emerging conflict between Russia and Ukraine. Looking ahead the expectations are that the UK grid emissions intensity will fall again as renewable capacity is expanded and reliance on fossil fuels declines.

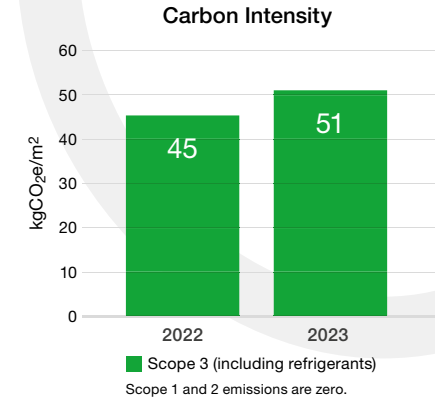
We also believe there are significant positives to be taken from our net zero progress and in particular the comprehensive collection and analysis of associated energy consumption and GHG emissions data. Most notably this now includes an ability to identify performance at an individual asset level allowing for a targeted net zero strategy and allocation of capex on a cost versus carbon benefit basis.

Absolute Carbon (tCO₂e) and Carbon Intensity (kgCO₂e/m²)

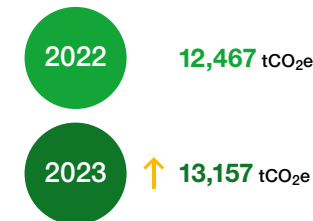
Absolute Carbon Emissions



Data coverage has reduced since 2022. Overall emissions have increased, due to the inclusion of a new acquisition. Refrigerant emissions have reduced due to better understanding of which assets use refrigerants.



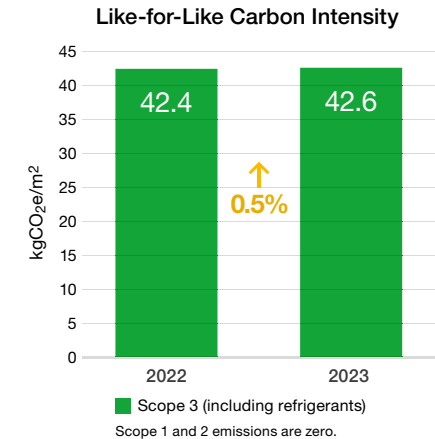
Like-for-Like Carbon Emissions



Scope 1: Landlord procured gas

Scope 2: Landlord procured electricity and district heating/cooling

Scope 3: • Downstream leased assets electricity, gas and district heating/cooling
• Tenant refrigerants



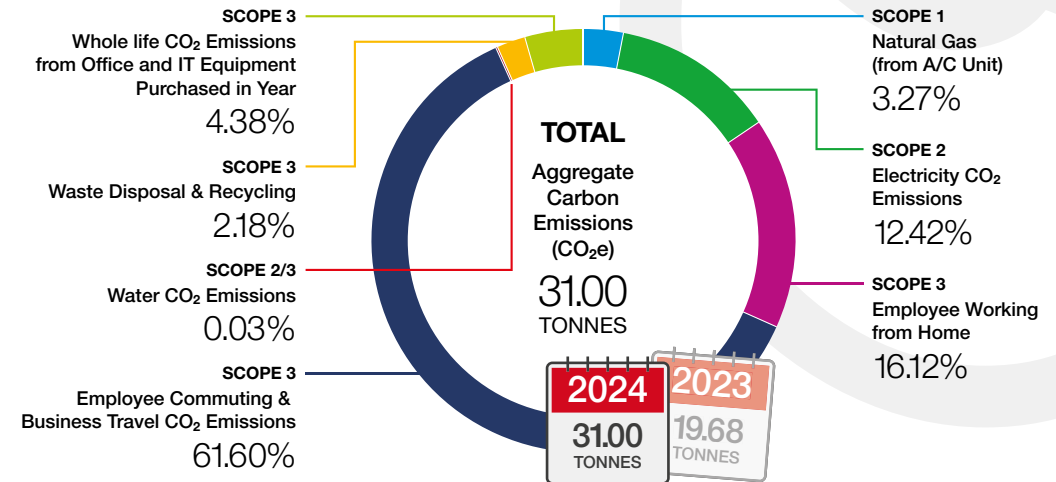


Core Value | Tackling Climate Change & Managing Environmental Risk

Waypoint Corporate Journey to Become a Net Zero Business

Waypoint initiated its corporate-level journey toward Net Zero by designating 2022 as the baseline year for measuring energy consumption and CO₂e emissions. This data has now been updated for 2024, with a comparative analysis against 2023 figures.

Our business operations experienced an overall increase in carbon emissions, primarily driven by work-related air travel and higher office occupancy due to new hires. However, we recorded notable reductions in emissions from gas, water and waste.



Waypoint Total Carbon Emissions Data 2024 v 2023

	2024					2023	
	Scope	Total tCO ₂ e	Office Related (%)	% of Total Emissions	Variance (%) vs 2023	Total tCO ₂ e	Office Related (%)
Emissions relating to use of Natural Gas (from A/C unit)	1	1.01	1.01	3.27%	-21.43%	1.29	1.29
Electricity CO ₂ emissions – office	2	3.85	3.85	12.42%	+8.17%	3.56	3.56
Whole life CO ₂ emissions from office and IT equipment purchase in year	3, Cat 2	1.36	1.36	4.38%	+46.99%	0.92	0.92
Employee working from home	3, Cat 3	5.00	0.00	16.12%	+11.36%	4.49	0.00
Water CO ₂ emissions	3, Cat 5	0.01	0.01	0.03%	-36.82%	0.01	0.01
Waste disposal and recycling	3, Cat 5	0.68	0.68	2.18%	-92.42%	0.04	0.04
Business travel	3, Cat 6	12.30	0.00	39.68%	+251.68%	3.50	0.00
Employee commuting	3, Cat 7	6.79	0.00	21.92%	+15.83%	5.87	0.00
Total Carbon Emissions (tCO ₂ e)	Total	31.00	6.90	100%	100%	19.68	5.83



Core Value | Tackling Climate Change & Managing Environmental Risk

Managing Environmental Risk and Challenges

Throughout the course of 2024 we have continued to advance our approach to environmental risk analysis to ensure it remains both relevant and integrated into our decision making process.



Operational Risk

In tandem with the ongoing implementation of Waypoint's sustainability strategy, a detailed review of the Fund's systems and processes has been undertaken with ESG related issues now fully embedded into its day-to-day business activities and governance procedures. This includes sustainability being included as a main board level consideration along with the creation of a separate sustainability committee with representation from across the company including an external advisor.



Acquisition Risk

ESG considerations are fully embedded into the acquisition process and incorporate a full sustainability assessment on every asset covering MEES, flood risk, contamination, social impacts, accessibility, the UN Sustainable Development Goals and a forward looking sustainability action plan. We also take into consideration the requirement for future capital expenditure to ensure assets can be upgraded to support our wider net zero ambitions.



Physical Climate Risk

Waypoint continuously monitors and updates physical climate risk reports for its assets, incorporating advancements in scenario analysis to ensure precise evaluation of exposure to hazards and proactive mitigation of future risks associated with ongoing climate change.

To remain at the forefront of climate risk assessment, Waypoint collaborates with Maplecroft, a globally recognised expert in this field. This partnership enables Waypoint to stay informed of the latest developments, respond effectively to emerging risks, and maintain compliance with evolving regulatory requirements.



Identification of Stranded Assets and CRREM

As part of our Verco Project Plan we have concluded Stage 4 – Risk & Prioritisation which includes the application of the CRREM stranding risk tool. This is designed to help us understand the operational carbon performance at both, the fund and individual assets level compared with the CRREM v2 benchmark and pathway for carbon and energy reduction. During the course of 2025 we will be analysing the outputs from this exercise to identify and target those assets at greatest risk of stranding and where the greatest impact in terms of carbon reduction and energy consumption can be achieved. This will include the potential for positive intervention based on the following four categories.

Optimisation

Measures to optimise the use of energy within an asset with a short-term payback; for example, upgrading lighting to LED's, boiler sequencing, outdoor lighting requalification and adjusting HVAC control settings.

Energy Efficiency

Measures to increase the energy efficiency of a building with longer-term payback; for example, better insulation, improving glazing and plant replacement.

Heat Decarbonisation

Replacing heating systems with a lower carbon alternative; for example, removing gas boilers and installing heat pumps.

Renewables

Installation of on-site solar PV arrays.





Core Value | Tackling Climate Change & Managing Environmental Risk



Data Collection and Management

We understand the importance of collating accurate data to identify baseline performance from which we can formulate clear and achievable targets to be included in our pathway to carbon neutrality. Our goal is therefore to improve on the percentage of actual data compared with estimated; whilst also undertaking an annual benchmarking exercise to check for anomalies in data sets. We believe quality of data is critical to the veracity of our net zero reporting and pathway and in support of this all our utility based data is verified by Orbis Advisory prior to submissions to GRESB or for use in our net zero calculations.

In conjunction with our managing agents, we have also advanced our utilisation of the environmental software and platform Envizi to manage and monitor our environmental performance including data and key metrics covering GHG emissions, energy consumption, waste re-cycling and water consumption.



Tenant Engagement and Collaboration

We recognise that despite many sustainability related activities being devolved to tenants, we still have a duty to influence their behaviour and therefore seek to pro-actively engage with occupiers to explore ways in which we can support, encourage and potentially invest in their own sustainability related goals (see case studies).



Supplier Engagement

We believe that our most important supplier relationship in terms of delivering on sustainability is with our external managing agents.

MAPP, our trusted property manager and an approved B-Corp business with aligned objectives and commitments, plays an integral role in our sustainability strategy. Their expertise is pivotal in driving asset-level improvements, enabling us to advance our efforts to minimise the environmental footprint of our real estate portfolio. Through close collaboration, we tackle initiatives aimed at enhancing sustainability while fostering the wellbeing of all who engage with our properties. MAPP's continued support and advice on sustainability matters are central to achieving our shared goals and they also act as a valued external representative to our Sustainability Committee.





Core Value | Tackling Climate Change & Managing Environmental Risk

Net Zero – 2024 Initiatives & Progress



Renewable Energy Promotion

We are pleased to report that during 2024 all landlord controlled energy supplies were switched to renewable tariffs and in 2025 we will be targeting a similar migration to green gas tariffs.

The third and more challenging phase of our renewable energy promotion involves the engagement and encouragement of take-up amongst occupiers and tenant controlled supplies.

In 2024 21,405 kWh of renewable electricity was generated from landlord-controlled PV systems, and an additional 169,075 kWh was produced from tenant-controlled PV systems. We are actively engaging with tenants to facilitate the increased installation of PV systems on assets with FRI leases.



Capex Intervention

We seek to identify inflection points in the lease cycle such as break options and lease expiries to offer capex towards green building improvements and the introduction of green lease provisions.

Examples include a Landlord's contribution of £2m towards an NHS comprehensive programme of internal refurbishment including green initiatives designed to modernise the accommodation and improve the EPC rating of 103 Self-contained studio flats reserved for Derriford hospital staff including trainees, medical students and staff for on-call shift work.



*Whilst our sustainability strategy has been developed from a top down approach, we believe performance will ultimately be driven from a **bottom up asset level approach.***



Green Lease Clauses

We now include green lease clauses in all new leases and lease renewals to support and encourage; reducing carbon emissions; compliance with energy efficiency regulations; data sharing; and waste reduction strategies.



Refurbishments and Landlord Works

When undertaking minor refurbishments or other landlord works we aim to identify opportunities to improve a property's environmental credentials.

We ensure suppliers have robust procedures in place to ensure all necessary health and safety and good governance practices are in place including ISO 14001, living wage and modern slavery. Where possible we also seek to source local suppliers.

When tenants undertake fit-out works themselves, we provide a comprehensive fit-out guide designed to support them in achieving our shared sustainability objectives.



Smart Metering

A structured installation programme is in place across landlord-controlled common areas and tenant-managed FRI leases to facilitate more precise measurement of Scope 3 emissions associated with energy consumption. 20 smart meters installed in 2024 and a further 17 sites identified for 2025.



EV Charging

We have signed an exclusivity agreement with EV provider Instavolt and by the year end December 2024 have installed 88 charging points across 19 assets with a combined annual saving of 1,694 tonnes of GHG emissions.



Core Value | Tackling Climate Change & Managing Environmental Risk

Our Biodiversity Strategy and Goals

We are committed to valuing nature as one of our green goals and during 2024 have sought to expand on both our understanding and application of biodiversity including:

- Stronger integration of biodiversity considerations – both in terms of risk and opportunity – into our investment decision process.
- The identification and physical implementation of biodiversity initiatives across existing assets including:
 - ✓ creating or restoring habitats
 - ✓ planting native vegetation
 - ✓ enhancing communal spaces with green vegetation
- We are pleased to report that in 2024 Waypoint received two Green Apple Awards relating to asset level biodiversity projects (see Case Studies).
- Keeping up to speed with regulatory changes such as a minimum 10% biodiversity net gain on planning and development.
- Working closely with our property managers, tenants and local communities to protect ecosystems and mitigate risk including reputational damage and operational disruption.
- We believe that embracing biodiversity-friendly practices will lead to new business opportunities, improved stakeholder relations, and compliance with emerging regulations such as TNFD.

The Four Biodiversity Principles Present as a Separate Advisory

1. Exceeding Best Practice

Biodiversity net gains which exceed minimum best practice levels being delivered through habitat enhancement, asset management interventions and an enhanced process for designing redevelopments. Gains should represent an increase in the quantity and quality of biodiverse habitats which benefit priority faunal species.

2. Functional Ecosystems

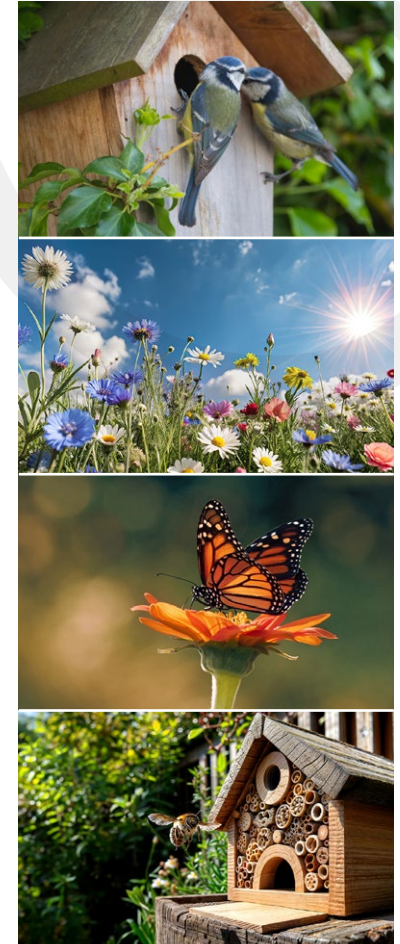
Responding to the climate emergency by creating multifunctional green assets and infrastructure, capable of delivering environmental co-benefits such as mitigating flood risk and reducing the urban heat island effect.

3. Reconnecting with Nature

Recognising that property must aim to strengthen people's affinity with nature and provide wellbeing co-benefits including integrating nature within the built form and bring wildlife into the community.

4. Maximising Return on Investment

To deliver the greatest impact across each principle, by making well-informed investment decisions grounded in an evidence-based approach to nature.





Core Value | Tackling Climate Change & Managing Environmental Risk

MEES Risk and Compliance

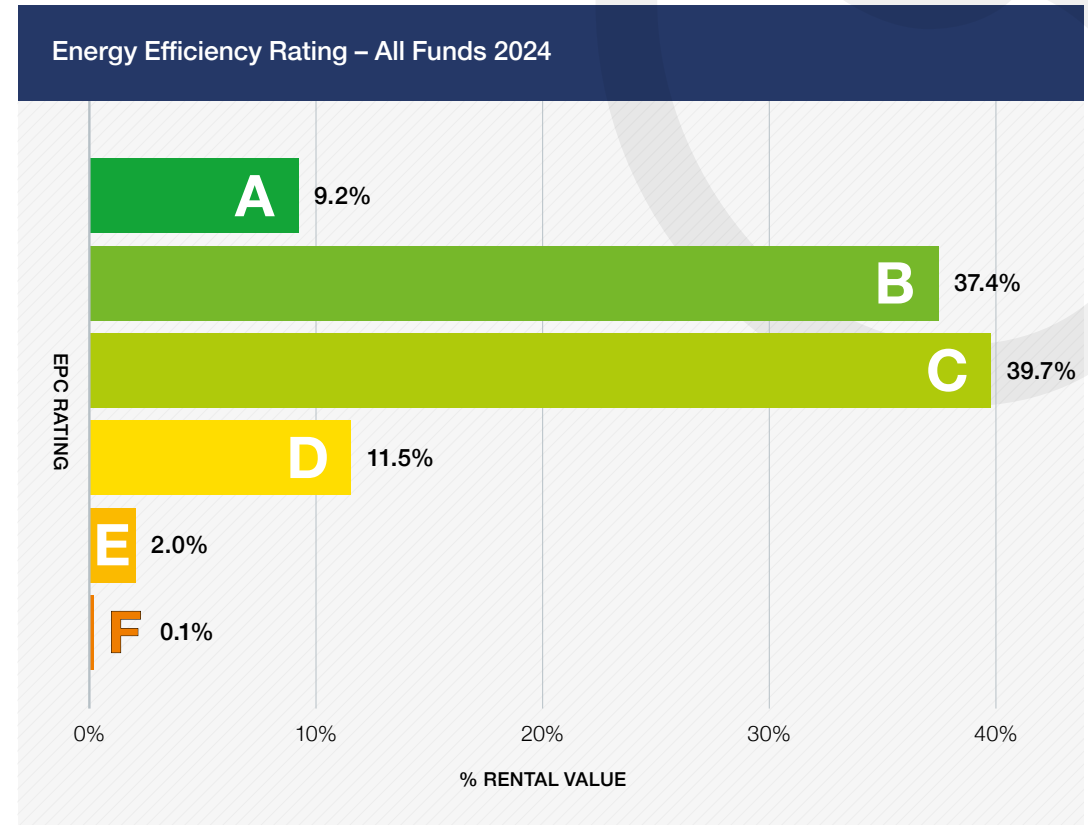
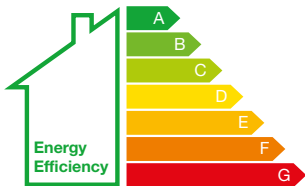
The Minimum Energy Efficiency Standards (MEES) made it illegal to grant new leases on commercial properties with a rating of F and G from April 2018 (and for existing leases from April 2023). From April 2028 it will become illegal to let any properties with a rating of less than C.

In order to mitigate the risks associated with Minimum Energy Efficiency Standards (MEES), we work closely with a specialist EPC consultant to:

- Track EPC expiries and ensure new assessments are implemented.
- Review the impact more stringent EPC regulations could have on the portfolio which can then feed into our asset management strategies and capital expenditure budgets.

Across all funds we have just one asset with a rating lower than “E” which is subject to future redevelopment and is located in Scotland where MEES Regulations do not apply.

We have also achieved positive gains in our EPC profile across all funds over the course of the year with the percentage of A, B and C ratings increasing from 83% to 86% and exposure to the lower D and E ratings falling from 17% to 14%.



As at 31 December 2024



Core Value

Strong Governance,
Disclosure & Accountability



Core Value | Strong Governance, Disclosure & Accountability

Our Commitment and Framework



Waypoint is a signatory to the UN PRI and we support the six Principles for Responsible Investment. Waypoint completed its second UN PRI submission in 2024 resulting in the following individual scores all above the PRI Median:

- Policy, Governance & Strategy – 82% and 4* Rating
- Real Estate – 89% and 4* Rating
- Confidence Building Measures – 80% and 4* Rating



All four Waypoint funds submit to GRESB for benchmarking against their peers. On average the funds achieved a 9.7% increase in their scores for 2023 compared to 2022 with one fund achieving 3 stars, two funds achieving 2 stars and one fund achieving a 1 star rating.



Waypoint Governance & Disclosure Framework

Committed

Alignment

Committed

Alignment

Alignment



As one of our 3 core values, we are acutely aware of the need for reliable disclosure relating to climate related risk and are committed to incorporating the TCFD framework into our governance practices at both a corporate and fund level. We view recent developments in both our net zero reporting and climate risk assessment strategy as critical components of our TCFD alignment.



Global GHG Accounting and Reporting Standard committed to measuring and disclosing the greenhouse gas emissions associated with investments and loans. Its mission is to facilitate transparency and accountability in the financial industry, aligning it with the goals of the Paris Climate Agreement.



We recognise that regulators, stakeholders and the public are increasingly holding businesses accountable for sustainable practices and to this end are committed to complying with best practice on disclosure as set out by both SFDR and SDR. Under the definitions of Article 3, Waypoint are not currently subject to the same compliance timeframes as larger AIFM's but where possible and in accordance with our client's wishes we will seek to adhere to the requirements as closely as possible. As a UK based AIFM investing in UK assets we are also exploring the disclosure requirements set out by the FCA's UK SDR.



Core Value | Strong Governance, Disclosure & Accountability

Climate Risk Assessment

As part of our ongoing commitment to TCFD alignment, we have implemented a climate risk assessment at both a corporate and fund level. We continue to review the scope and degree of risk which is currently summarised in Appendix 2.

TCFD Strategy and Implementation

Seek to align with TCFD across all fund mandates by 2027.

During 2024 we extended our trial of the GRESB TCFD Alignment Report to three of our core funds. For the GRESB data year ending 2023 we are pleased to report that the Waypoint Government Income Fund, Waypoint Essential Stores Fund and Waypoint Long Income Fund all secured an Alignment Score of A – Maximum Alignment for all components: Governance, Strategy, Risk Management and Metrics & Targets.



TCFD Alignment Report

The alignment report draws from information in our annual GRESB assessments and compares this with TCFD requirements to identify alignment opportunities and provide a basis for our own fund level TCFD reporting. The alignment report provides three core functions:

Gap Analysis

Identifies areas of the TCFD that a fund could further explore and implement.

Benchmarking

Compares a fund's TCFD alignment with that of its peer group.

Engagement

Illustrates the ability for a fund to report in line with TCFD and measure progress year-on-year.





Core Value | Strong Governance, Disclosure & Accountability

Diversity, Equity and Inclusion

At Waypoint we are committed to:

- Respecting diversity and equality in the workplace and aim to provide everyone with the opportunity to succeed, value the differences of each individual and recognise their contributions to the success of the business.
- The professional development of all staff members, with the communication, integration and training of sustainability principles forming a critical component of development across the company.
- Undertaking regular performance appraisals for all staff and ensuring that compensation is fair and equitable across the company.

Modern Slavery and Human Trafficking Policy

- Waypoint has adopted and adheres to a formal modern slavery and human trafficking policy and can confirm that neither the firm nor its funds are exposed to any incidence of modern slavery or human trafficking.



Male



Female

Gender Diversity –
Senior Management

86%

14%

Gender Diversity –
Total Employees

74%

26%

Gender Pay Ratio –
Total Employees

80%

20%

Gender Pay Gap –
Total Employees

33%

Employee	2021	2022	2023	2024
Total Number of Employees	14	17	16	19
Number of Joiners	2	3	0	4
Number of Leavers	1	1	1	1
Hiring Rate	15%	17%	0%	21%
Turnover Rate	0.8%	0.6%	6.25%	5.26%
Absenteeism Rate	0.1%	0%	0.1%	0.1%



Core Value | Strong Governance, Disclosure & Accountability

Corporate Governance

- › Our corporate operations are overseen by both a main board and operational board whilst all discretionary related investment activity is overseen by an Investment Committee including an independent member.
- › These committees work together to ensure proper execution of our investment strategies, consistent application of our policies, compliance with our procedures and compliance with local and regional regulatory requirements.
- › The main board is responsible for setting our strategic direction, for establishing appropriate investment programmes and for designing and implementing the policies and procedures that govern our operations.
- › We have fully integrated sustainability into all board and fund level reporting to ensure it remains a key consideration in all its business activities and is committed to the ongoing development of its sustainability policy to ensure it remains relevant, attainable, and practical in the context of both its corporate responsibilities and fiduciary goals.
- › To ensure both compliance and the ongoing development of sustainability matters, we have a dedicated Sustainability Committee which comprises members from main board, fund management operations and an external third-party advisor.

Compliance and Training

- › We are committed to conducting business with the highest integrity and in compliance with the letter and spirit of the law.
- › All employees must adhere to our management policies and procedures which are clearly set out in a comprehensive staff handbook and supporting compliance guide. A full schedule of these policies is set out in the appendices to this statement.
- › The Chief Compliance Officer is a member of our board and is primarily responsible for the implementation, monitoring, review and enforcement of our policy and procedures.
- › The Chief Compliance Officer implements and oversees global legal and regulatory compliance and risk management. Responsibilities include, among other things making regulatory filings, reviewing, updating and maintaining policies, advising on new laws and reviewing conflicts of interest.
- › Every employee undergoes training so that they are informed of their compliance obligations and how to identify compliance issues. This training extends to both internal and external developments and requirements relating to ESG.



“ This year the Waypoint team has completed 132 hours of professional sustainability related training. **”**



Core Value
Invest in
Social Value



Core Value | Invest in Social Value

At Waypoint, we recognise that we are part of a much wider community which covers employees, investors and suppliers but that it also extends to our real estate assets and the communities in which they reside. We appreciate that we have a responsibility to ensure our business activities are undertaken in a socially responsible manner and that they make a positive contribution to both people and place.

Waypoint is committed to the health, safety and well-being of its employees with initiatives including:

- The support of a social responsibility and employee welfare committee.
- Flexible working practices tailored to an individuals needs.
- Employee satisfaction & well-being surveys. During 2023, we conducted a survey providing employees the opportunity to share honest and anonymous feedback. The survey covered a comprehensive range of questions with feedback on the results shared with all staff. The 2023 survey produced an overall satisfaction score of 88.46% and Net Promoter Score of 89%.
- During the course of 2024, the social responsibility and employee welfare committee identified and actioned the following:



Continuing the Waypoint running club established in 2023 to encourage exercise and bonding within the team.



Introduced a team photo board to add more personality and interest.



5 days of additional annual leave offered to 2 employees at their 10-year anniversaries during 2024/25.



Created a Windowsill Garden to encourage team participation towards a greener office.



The steering and organisation of our **external social and community engagement programme**.

Waypoint encourages and supports its staff to get involved in the wider community including:

- Charity fund raise matching scheme whereby we match the funds raised by staff for good causes.
- Employees given flexibility to engage during office hours in the pro bono support of not-for-profit organisations and charities.
- Company participation in the Academy of Real Assets (www.acadrealassets.com) which endeavours to widen access to and increase diversity in the Real Estate, Real Assets and investment worlds via engagement with 2,000 of the most undervalued and higher need UK state schools.





Core Value | Invest in Social Value

Supporting Diversity and Careers in Real Estate

Waypoint has continued its work with The Academy of Real Assets, a charity which advocates diversity and equal opportunities by connecting state-funded schools with real estate professionals and aims to give young people the tools to pursue a career in the real estate industry.

During the year, Waypoint has offered work experience placement to a student from The Charter School who demonstrated a real interest in the various aspects of a career in real estate.

The partnership with The Oxford Brookes Real Estate Management Society (OBREMS) mentoring scheme, designed to help second year Oxford Brookes students make a smooth transition from their education to professional career, continued with a student placement providing practical experience and valuable industry exposure that complemented their academic learning.





Core Value | Invest in Social Value

Community Engagement 2024

Throughout 2024 the Waypoint team engaged in the following community led activities:

- Dedicated a working day litter picking at the River Lee County Park.
- Collected pet food donations in aid of animal charity Blue Cross.
- Collected Easter Egg donations for Be Enriched a food charity providing local canteens in South London.
- Donated unused laptops to The Turing Trust foundation who refurbish them before donating to schools.
- Volunteered to prepare lunch for a community canteen in Tooting organised by the BeEnriched food charity.
- Collected food donations for the Euston Foodbank.

In 2024 we continued with our commitment to a community service day for all members of the team.'



The Waypoint Team took part in the following 2024 charitable sporting events

- The JLL Property Triathlon – in support of The World Wide Fund for Nature.
- The LGN Wellbeing Property 5K Run – powered by JLL.
- Strong Women Trek 2024 in the Surrey Hills – in support of Care International.
- CBRE Great Property Bike Ride – in aid of Macmillan Cancer Support.

Charitable Donations in 2024





Core Value | Invest in Social Value

Negative and Positive Screening

- Waypoint and its associated funds will not invest in properties that are used for various unacceptable purposes or let to companies engaged in unacceptable business sectors.
- Where consistent with our fiduciary duty, we seek to give priority to occupiers who have a positive impact on the wider community, can demonstrate good governance and ethical business practices and have an established approach to diversity and inclusion in their workforce.

Tenant Engagement

During 2024, we continued with an extensive programme of tenant and community led engagement across multiple assets. Activities and projects included:

- An ongoing trial of occupier portal, Mallcomm giving occupiers digital access to H&S documents, tenant handbooks and site notifications. Indications are that this has already improved the efficiency of landlord and tenant communications.

- Installation of more solar powered life saving defibrillators including training to the local community on their use.
- We organised carol singing events at two of our assets to enhance the festive atmosphere during the Christmas season.
- Occupier awareness campaigns on matters ranging from Good Utility Management to Free Bike MOT & Repair service and rewilding projects.
- Invited mobile health screening, charities, book exchange libraries and food banks to use the sites to benefit the community.

Stakeholder and Supplier Values

- At Waypoint, we believe it is our duty to ensure that both clients and third-party suppliers involved in our business activities have appropriate environmental, governance and social values in place. We seek to identify any negative characteristics which may preclude us from engaging with an external third party.





Fund Level Sustainability Snapshot & Case Studies






Fund Level | Sustainability Snapshot

At Waypoint our sustainability strategy is based on a top down approach where our core corporate principles are designed to filter down to both a fund and individual asset level. The following table provides a summary of our core funds, along with their individual characteristics and approach to sustainability.

Fund	Social Value Characteristics	Governance & Disclosure	Climate Change & Environmental Risk
Waypoint Government Income Fund 	<p>A fund with significant investment in government backed social infrastructure assets including:</p> <ul style="list-style-type: none">> primary healthcare facilities, kidney dialysis centre's, GP surgeries and mental healthcare facilities;> NHS support infrastructure including key worker accommodation, laboratories, training facilities, offices and ambulance depots;> renewable energy infrastructure including a National Grid interconnector bringing renewable energy from Belgium to the UK;> local authority supported living comprising 11 properties offering 269 beds supporting people with mental health, dementia, learning needs or physical disabilities;> central government judicial services including family courts, immigration courts and probation services; and> universities.	<p>Internal Governance:</p> <ul style="list-style-type: none">> sustainability considerations including UN Sustainable Development Goals embedded into investment and asset management decision making processes;> UN PRI and Waypoint Responsible Investment Policy;> Waypoint corporate policies; and> sustainability incorporated into quarterly and annual fund reports. <p>Benchmarking:</p> <ul style="list-style-type: none">> GRESB 2 Star Fund. <p>External Disclosure:</p> <ul style="list-style-type: none">> SFDR Alignment – Article 8 Fund (2023); and> TCFD – GRESB TCFD Alignment Score of "A – Advanced".	<p>Waypoint's corporate level climate change objectives and risk strategy have been developed to reflect the values and ambitions of our key stakeholders. The core value of achieving net zero by 2050 in tandem with the 1.5°C target is a goal shared across all our funds.</p>
Waypoint Essential Stores 	<p>A retail warehouse fund with a focus on the discount and grocery sector:</p> <ul style="list-style-type: none">> serving their local community;> providing retailers with last mile delivery facilities to high density conurbations, supporting a move towards greener supply chain solutions; and> stores offering convenient provision of low-cost grocery and essential goods to lower socio-economic groups reliant on the discount sector.	<p>Internal Governance:</p> <ul style="list-style-type: none">> as above. <p>Benchmarking:</p> <ul style="list-style-type: none">> GRESB 2 Star Fund. <p>External Disclosure:</p> <ul style="list-style-type: none">> SFDR Alignment – Article 8 Fund (2023).> TCFD Alignment Score of "A – Advanced".	



Fund Level | Sustainability Snapshot – Continued

Fund	Social Value Characteristics	Governance & Disclosure	Climate Change & Environmental Risk
Local Retail Fund 	<p>Significant investment in neighborhood convenience parades providing:</p> <ul style="list-style-type: none">> essential retail provision to local communities often providing low cost grocery and essential goods;> accessible retail with reduced reliance on car journeys;> opportunities and support to local independent traders; and> proven sustainability over other retail sectors.	<p>Internal Governance:</p> <ul style="list-style-type: none">> As above. <p>Benchmarking:</p> <ul style="list-style-type: none">> GRESB 1 Star Fund.	
Waypoint Long Income Fund 	<p>A fund predominately invested in student housing:</p> <ul style="list-style-type: none">> a new-build 188 bed student accommodation development in central Leeds, constructed to a BREEAM "Very Good" standard and let to the student accommodation charity Unipol Student Homes;> the conversion of a historic former Nottingham cotton mill to student accommodation comprising 274 beds, also let to Unipol; and> 87% of Fund income is derived from Unipol, a student housing charity which leases property direct in its target cities but also promotes best practice in student housing nationally and provides an accreditation and code of practice scheme.	<p>Internal Governance:</p> <ul style="list-style-type: none">> As above. <p>Benchmarking:</p> <ul style="list-style-type: none">> GRESB 3 Star Fund. <p>External Disclosure:</p> <ul style="list-style-type: none">> SFDR Alignment – Article 8 Fund (2023); and> TCFD – GRESB TCFD Alignment Score of "A – Advanced".	<p>Waypoint's corporate level climate change objectives and risk strategy have been developed to reflect the values and ambitions of our key stakeholders. The core value of achieving net zero by 2050 in tandem with the 1.5°C target is a goal shared across all our funds.</p>
Waypoint Healthcare 	<p>Two separate funds comprising 41 UK General Practice surgeries providing primary healthcare services to 312,599 patients within their local communities.</p>	<p>Internal Governance:</p> <ul style="list-style-type: none">> As above.	

EV Chargers' Project

- Waypoint has partnered with EV charging operator, Instavolt, to integrate EV charging facilities into selected assets facilitating the transition to lower emissions travel.
- It has been an extensive process to identify each asset, involving comprehensive engagement with occupiers, navigating the intricacies of obtaining planning permission and securing essential grid connections.
- As at the end of 2024, we have completed leases at 19 sites comprising a total of 88 chargers.
- In 2024 the EV charging points achieved a saving of 1,694 tonnes of GHG.

Bridge Meadow Retail Park, Haverfordwest, Wales.



North Ayrshire Retail Park, Stevenston, Scotland.



Langsett Road, Sheffield, England.



Dunelm & Argos, Parc Plaza, Bridgend, Wales.

Waypoint Essential Stores LP

INSTAVOLT

Habitat and Biodiversity

Green Apple Awards

During 2024, the Local Retail Fund received two Green Apple Awards for biodiversity initiatives. Our focus was on biodiversity in the urban environment and creating a retail destination that had a positive impact on the environment.

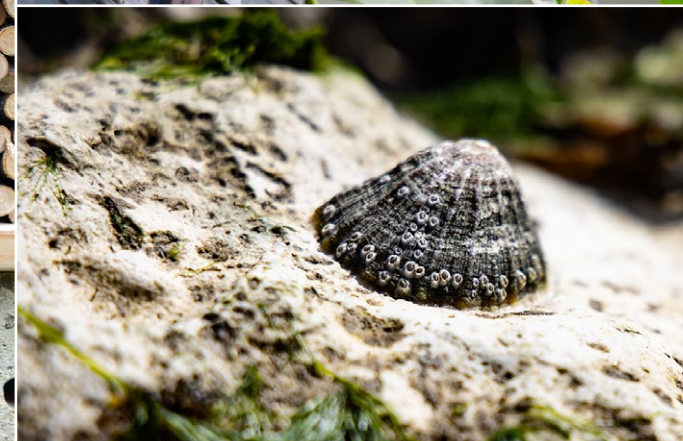
The projects encompassed:

- installing a bee pole at The Tillbridge Centre in Gainsborough; and
- installing bug hotels, bird boxes hotels at various assets across the LRF portfolio.

Similar initiatives have now been rolled out across other assets under management.

Sea Wall at Hythe, Hampshire, Southampton

- We used the Risk Management Fund to support an Ecology Report on the Sea Wall at Hythe prior to repair works being undertaken.
- The report highlighted the presence of protected ecosystems with particular types of molluscs and limpets present.
- Recognising marine ecosystems as vital to climate regulation and oxygen production, we were able to ensure repair works did not disturb the protected environment.



Local Retail Fund



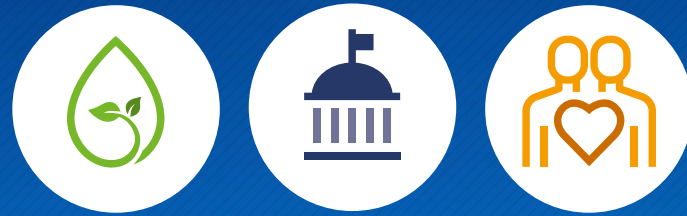
Solar Panels

- Waypoint has worked alongside Iceland Foods Limited on a project to install solar panels on store roofs.
- In 2024, Iceland doubled the size of its store at the WESLP asset in Bradford, taking a new 15-year lease. As part of the fit out, Iceland installed solar panels on the roof. Additionally, solar panels were installed on the WESLP asset in Preston, on which Iceland has a lease expiring in 2031.
- In total 669 PV modules have been installed across the two assets, estimated to generate energy of 250,000 kWh/year and saving 50,000 kg/year of CO₂ emissions. There is scope to add additional output and CO₂ savings across further Iceland sites in the WESLP portfolio.



Waypoint Essential Stores LP





Sustainability Progress Against our Framework



Sustainability Progress Against our Framework

As part of our overall sustainability strategy, we believe it is important to report on progress against our targets and long term goals. The following tables highlight progress in respect of our three core values at both a corporate and fund level.

Key: ■ On track ■ Some risk/delay ■ Not started

Core Value | Tackling Climate Change & Managing Environmental Risk

Strategy Target	Target Year /Period	Target Level		Progress	Target Commentary	Target Driver & Waypoint Core Commitment
		Corporate	Fund			
Aim to become carbon neutral business by 2030 in relation to our scope 1 & 2 corporate emissions.	2030	✓	✗	■	Corporate GHG emissions now identified with 2022 set as baseline year against which to compare future performance. 2024 corporate emissions measured at 31 tCO ₂ e versus 2022 at 19.68 tCO ₂ e mainly due to emissions from business travel. 2025 researching a switch of energy supplier, with the aim of providing the office with 100% green energy compared to the current 54%.	WAM led target in support of 1.5°C goal.
Aim to become carbon neutral in respect of Scope 1 & 2 by 2030 across landlord controlled space.	2030	✗	✓	■	Extent of landlord Scope 1 & 2 emissions identified across all funds with 2022 set as baseline year from which to target and compare future gains as part of Verco net zero project. In conjunction with our managing agents all landlord controlled energy supplies have now been switched to renewable tariffs.	WAM led target in support of 1.5°C goal.
Continue to develop net zero pathway to align with 1.5°C goal and utilisation of CRREM to understand transition and asset stranding risk.	Rolling	✓	✓	■	Having secured two years of carbon footprint data, we are advancing our commitment to reducing GHG emissions across our asset level operations. We are now selecting five properties per fund for detailed audits to assess technical potential and necessary interventions, ensuring alignment with the CRREM pathway.	WAM led target in support of 1.5°C goal.
Aim to become a net zero business by 2050 across Scope 1,2 & 3 emissions including embodied carbon in refurbishments and occupier's emissions from our real estate investments.	2050	✗	✓	■	Continue to develop and implement the Verco net zero pathways as highlighted above.	WAM led target in support of 1.5°C goal.
Quantify our carbon emissions in metric tonnes at both a corporate and fund level based on a "Financial Methodology" and set our baseline year for measuring future performance as 2022.	2022/2023	✓	✓	■	Completed as part of Verco net zero project with baseline GHG emissions and energy consumption now calculated for all funds and assets and with 2022 set as baseline year.	WAM led target to align with GRESB and TCFD.

Continues over page...



Sustainability Progress Against our Framework

Key: ■ On track ■ Some risk/delay ■ Not started

Core Value | Tackling Climate Change & Managing Environmental Risk – Continued

Strategy Target	Target Year /Period	Target Level Corporate	Fund	Progress	Target Commentary	Target Driver & Waypoint Core Commitment
Secure 100% data coverage relating to GHG emissions, energy and water consumption and waste re-cycling by 2028.	2028	✓	✓	■	Continue shift towards actual data versus estimated utilising Mapp, third party data provider and smart meter installations to assist in this challenge. Target of 100% actual data coverage by 2028 remains the goal but with caveats and limitations remaining in respect of tenant co-operation on data sharing in relation to some downstream Scope 3 emissions.	WAM led target to align with GRESB and TCFD.
Complete "Asset Sustainability Action Plans" for all real estate investments and identify assets at risk of "stranding".	Rolling	✗	✓	■	All new investments are automatically subject to a sustainability assessments and action plan as part of due diligence process. CRREM modelling tool now incorporated into Verco net zero pathways and will highlight stranding risk at an individual asset level.	WAM led commitment to manage environmental transition risk.
Target 100% diversion from landfill on all corporate level and landlord controlled waste generated by 2025.	2026	✓	✓	■	At a corporate level the target has already been achieved. All waste is either recycled or goes to a waste-to-energy facility where it's turned into energy to power homes. At a fund and asset level, we are working with our managing agents to ensure this is also achieved for all landlord controlled waste under management.	Reducing our environmental impact.
Pro-actively implement the installation of EV charging points across the investment portfolio.	Rolling	✗	✓	■	Excellent progress being made as part of tie-up with Instavolt with 88 charging stations installed across 19 different sites.	WAM led target in support of 1.5°C goal.
Initiate and progress capex intervention projects in conjunction with occupiers to enhance the environmental and social characteristics of assets.	Rolling	✗	✓	■	Assessed on a case by case basis but multiple capex intervention projects now implemented in conjunction with occupiers. Continue to target lease inflection points including tenant breaks and lease expiry dates to capitalise on opportunities.	WAM led target in support of Better Buildings Partnership.
Explore Green Building Certification on standing investments.	Rolling	✗	✓	■	Undertake cost/benefit analysis of undertaking BREEAM In Use. Consider initial trial on small sample of largest assets.	WAM led target in support of Better Buildings Partnership.
Ensure all new development or major refurbishment projects achieve the following scores for at least one/any of the following certifications: BREEAM – very good or better; SKA – Gold or better; Fitwel – 2 star or above; NABERS Uk – 4 star or above; SmartScore – Gold or better.	Rolling	✗	✓	■	Assessed on a case by case basis.	WAM led target in support of Better Buildings Partnership.

Continues over page...



Sustainability Progress Against our Framework

Key: ■ On track ■ Some risk/delay
■ Not started

Core Value | Tackling Climate Change & Managing Environmental Risk – Continued

Strategy Target	Target Year /Period	Target Level		Progress	Target Commentary	Target Driver & Waypoint Core Commitment
		Corporate	Fund			
Include green leases that incorporate clauses whereby the owner and the occupier undertake specific responsibilities/obligations with regards to the sustainable operation/occupation of a property, namely: energy efficiency measures; waste reduction/ management; and water efficiency.	Rolling	×	✓	■	In conjunction with our legal advisors we have developed a suite of green lease clauses that we now endeavour to include in leases on all lettings and renewals.	Setting clearly defined responsibilities to ensure compliance and good governance.



Sustainability Progress Against our Framework

Key: ■ On track ■ Some risk/delay ■ Not started

Core Value | Strong Governance, Disclosure, Transparency & Accountability

Strategy Target	Target Year /Period	Target Level		Progress	Target Commentary	Target Driver & Waypoint Core Commitment
Corporate	Fund					
Set-up Sustainability Committee with both broad internal representation and external representation.	2022	✓	✓	■	Formal committee created In Jan 2022 with representation from main board, fund management and operations plus an external consultant. Board meets quarterly with formal agenda and minute.	WAM led target to ensure sustainability is fully embedded in all our business activities.
Complete materiality assessment of key stakeholders to help identify core values and inform sustainability strategy.	2022	✓	✓	■	Materiality questionnaire completed in March 2022 with results helping to form our 2022 Sustainability Strategy.	Engagement with key stakeholders.
Integrate sustainability into our investment and transaction due diligence processes.	2020	✓	✓	■	Sustainability checks and measures fully integrated in 2020 and subject to ongoing monitoring to ensure they remain fit for purpose.	WAM and UN PRI target.
Integrate sustainability into our asset management processes covering lettings, refurbishments and lease events.	2022	✓	✓	■	Sustainability checks and measures fully integrated in 2021 and subject to ongoing monitoring to ensure they remain fit for purpose.	WAM led target to ensure sustainability is fully embedded in all our business activities.
Ensure all funds continue to submit to GRESB targeting year on year improvements.	Ongoing	✗	✓	■	All Waypoint funds submit to GRESB for benchmarking against their peers. On average the funds achieved a 10% increase in their scores for 2023 compared to 2022 with one fund achieving three stars, two funds achieving 2 stars and one fund achieving a 1 star rating.	GRESB performance.
To become an official UN PRI Signatory and commit to required "Transparency Reporting".	2022	✓	✗	■	Waypoint became a signatory to the UN PRI in 2022 and supports the six Principles for Responsible Investment. Waypoint Group also completed its second UN PRI submission in 2024 and secured a policy governance and strategy score above the industry median and 4 out of 5 stars across all components.	Externally driven social compliance requirement.
Develop Responsible Investment & Stewardship Policy in line with UN PRI and ensure it remains updated and relevant to Waypoint's business operations.	2021	✓	✓	■	Responsible Investment & Stewardship Policy publicly available on Waypoint website.	Internal led driver but underpinned by UN PRI.

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Sustainability Progress Against our Framework

Key: ■ On track ■ Some risk/delay ■ Not started

Core Value | Strong Governance, Disclosure, Transparency & Accountability – Continued

Strategy Target	Target Year /Period	Target Level Corporate Fund		Progress	Target Commentary	Target Driver & Waypoint Core Commitment
Target full alignment to the four pillars of TCFD and the 11 recommended disclosures across all funds.	Rolling	✓	✓		As one of our 3 core values, we are acutely aware of the need for reliable disclosure relating to climate related risk and are committed to incorporating the TCFD framework into our governance practices at both a corporate and fund level. We view our recent developments in net zero reporting and commitment to a climate risk assessment as a critical component of our TCFD alignment. GRESB also being utilised as a supporting tool including the TCFD Alignment Report and Transition Risk Report as guidance and a framework.	TCFD led target.
In accordance with SFDR formally identify and publicly disclose individual fund mandates as Article 6,7 or 8. Also explore FCA SDR and which is the most appropriate to WAM funds and activities.	Rolling	✗	✓		We recognise that regulators, stakeholders and the public are increasingly holding businesses accountable for sustainable practices and to this end are committed to complying with best practice on disclosure as set out by both SFDR and SDR. Under the definitions of Article 3, Waypoint are not currently subject to the same compliance timeframes as larger AIFM's but where possible and in accordance with our client's wishes we will seek to adhere to the requirements as closely as possible. As a UK based AIFM investing in UK assets we are also exploring the disclosure requirements set out by the FCA's UK SDR.	SFDR/SDR led target.
In conjunction with our managing agent's commit to the adoption and development of a formal environmental management system (EMS).	2024	✓	✓		Envizi identified as comprehensive software platform capable of driving sustainability performance management. Software now being trialled across a selection of assets.	WAM led target.
Develop ESG Incident Reporting.	2022	✓	✓		ESG incident reporting template created but additional training to be provided to all staff to help them identify ESG risks and incidents.	WAM led governance target.
Monitor and continue to develop existing suite of corporate level policies to ensure they remain relevant and fit for purpose.	Rolling	✓	✓		All policies subject to a rolling annual review by company secretary. Date of last review now recorded on all policy documents.	WAM led target.



Sustainability Progress Against our Framework

Key: ■ On track ■ Some risk/delay ■ Not started

Core Value | Social

Strategy Target	Target Year /Period	Target Level		Progress	Target Commentary	Target Driver & Waypoint Core Commitment
		Corporate	Fund			
Implement a staff satisfaction survey and conduct it every 3 years.	Rolling	✓	✗	■	During 2023, we conducted with an employee satisfaction survey providing employees the opportunity to provide honest and anonymous feedback. The survey covered a comprehensive range of questions with feedback on the results shared with all staff. Next survey due 2026.	WAM led well-being initiative.
Educate and advance the understanding/awareness of sustainability amongst employees.	Rolling	✓	✗	■	Internal and external training provided during 2024 with staff encouraged to ensure "Sustainability" forms a significant part of their own personal CPD requirements. Training plan implemented for 2024 and updated plan in place for 2025.	WAM led initiative.
Ensure sustainability targets are included as an integral part of performance reviews.	Rolling	✓	✗	■	Sustainability targets now included in performance reviews and targets for all members of the Sustainability Committee.	WAM led initiative.
Participate and contribute to the wider real estate industry advancement of sustainability.	Rolling	✓	✓	■	Significant engagement with multiple third parties including independent framework organisations, clients and suppliers to discuss developments in sustainability and implementation.	WAM and UN PRI initiative.
Ensure modern slavery and human trafficking policy is publicly available and include confirmation of compliance in annual statements at both corporate and fund level.	Rolling	✓	✓	■	Policy available on corporate website and compliance confirmed in annual statement.	WAM & Client led initiative.
Create a "Social Responsibility & Employee Welfare Committee".	Rolling	✓	✗	■	Committee formally set-up in 2022 with multiple actions and activities implemented (see "Social" section in Sustainability Report).	WAM led initiative.
Continue to develop our Inclusivity and Diversity strategy.	Rolling	✓	✗	■	Ensure existing policy remains fit for purpose in respect of existing employees and for the purposes of future recruitment.	WAM & Client led initiative.
Publish both our gender pay ratio and gender pay gap.	Rolling	✓	✗	■	Both included in the Waypoint annual sustainability strategy and report which is publicly available on the Waypoint website.	Internal led disclosure initiative.

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Sustainability Progress Against our Framework

Key: ■ On track ■ Some risk/delay ■ Not started

Core Value | Social – Continued

Strategy Target	Target Year /Period	Target Level		Progress	Target Commentary	Target Driver & Waypoint Core Commitment
		Corporate	Fund			
Continue to develop our tenant engagement programme.	Rolling	×	✓	■	During the course of 2024 progress was made in respect of the following; Implementing our occupier portal allowing digital access to H&S documents, tenant handbooks, site notifications. This will save printing and should improve the efficiency of communications; Inviting mobile health screening, charities, mobile libraries, food banks to use the sites to benefit the community; Running events at our multi-let assets which encourage community engagement and the adoption of sustainable practices; Partnering with local schools and charities, we are enriching biodiversity while inspiring the next generation with hands-on environmental education. Organised pop-up awareness campaign with an energy consultant on reducing water and waste at the site.	Community led driver.
Implement a tenant/occupier satisfaction survey.	Rolling (2025)	×	✓	■	During 2021, we implemented an occupier survey seeking feedback from our tenants on their satisfaction levels relating to the quality and management of the buildings they occupy. The survey included a range of sustainability led questions and the feedback received has provided us with a greater understanding of occupier expectations and priorities. Occupier survey to be updated on 3-year cycle and next due 2025.	Internal led driver to better understand occupier needs.
Ensure that those key stakeholders and third party suppliers involved in our business activities have their own appropriate ESG values in place and do not have any negative characteristics.	2023	✓	✓	■	Develop a database recording the core values and publicly available sustainability strategies and governance policies of our key stakeholders and suppliers.	Governance led driver.

A black and white photograph of two women sitting at a table in what appears to be a meeting or collaborative work environment. The woman on the left is looking towards the camera, while the woman on the right is looking slightly away. The image is overlaid with a dark, semi-transparent layer. In the top left corner, there is a large, dark, L-shaped graphic element. In the top right corner, there is a small white arrow pointing towards the top right. In the bottom left corner, there is a small white arrow pointing upwards and the number 39. The word "Appendices" is centered in the middle of the image in a white, sans-serif font.

Appendices



Schedule of Waypoint Corporate Policies

- › Anti-Financial Crime Policy and Procedures
- › Complaints Handling
- › Conflicts of Interest
- › Data Privacy
- › Data Protection and Cyber Security
- › Deal Allocation
- › Diversity, Equity and Inclusion
- › Employee Well-being
- › Environmental, Social and Governance
- › Errors and Omissions
- › Financial Promotions and Communications for Regulated Business
- › Gifts, Benefits and Entertainment
- › Maternity, Paternity and Family
- › Modern Slavery and Child Labour
- › Net Zero Carbon
- › Personal Account Dealing Rules
- › Political Contributions
- › Recruitment
- › Responsible Investment and Stewardship
- › Responsible Procurement
- › Responsible Use of Artificial Intelligence
- › Risk Management
- › Treating Customers Fairly
- › Waypoint Investment Management Valuations
- › Whistleblowing Policy and Procedure





Climate Related Risk Assessment

Key: ■ Very high risk rating ■ High risk rating
■ Medium risk rating ■ Low risk rating

Risk Type	Title	Risk Description	Short Term Risk	Medium Term Risk	Long Term Risk	Inherent Risk Rating (before controls or mitigation measures are applied)	Residual Risk Rating (remains after controls & mitigation strategies implemented)
Policy & Legal Risks	Exposure to litigation	Climate-related litigation claims brought by investors, insurers, shareholders, and public interest organisations for reasons such as greenwashing or breach of mandate.			✓	Medium risk rating	Low risk rating
	Increased costs in meeting enhanced emissions reporting obligations	Emission reporting requirements are changing all over the world, with multiple countries including the UK beginning to implement mandatory climate-related disclosures. Waypoint may have to increase its spending on emission data systems and reporting in the upcoming years.	✓			High risk rating	High risk rating
	Increasing price of GHG emissions	In order to drive reduction in carbon emissions to keep global warming below 1.5°C, enhanced carbon pricing mechanisms, such as emissions trading systems and carbon taxes are likely to be adopted by governments. Carbon prices could reach \$110 tCO ₂ by 2030 under 2°C or \$360 under 1.5°C, rising rapidly under a disorderly scenario. This would result in higher costs for building managers and tenants.		✓		High risk rating	High risk rating
	Non-compliance with building codes and guidelines	Building regulations to combat climate change are likely to increase and intensify out to 2030. Potential impacts include loss of rent for property managers during time properties do not meet standards, financial penalties for non-compliance, devaluation of assets which do not meet minimum standards and become stranded and an increase in development costs. These increased costs to comply with future regulations may impact operational and capex expenditures and consequently investment performance in the short term.		✓		Medium risk rating	Low risk rating
Market Risk	Sustainability-related geo-political risk	Sustainability-related macroeconomic and trend information insufficiently integrated in research publications, which in turn inform investment decisions and product origination.	✓			High risk rating	Medium risk rating
	Increased cost in emissions offset	Currently, the supply of carbon credits exceeds the demand, making the cost to offset carbon relatively cheap. As more companies commit to net zero, the demand for carbon credits is likely to increase, pushing the price up.		✓		High risk rating	High risk rating
	Increased cost and constraints of raw materials due to climate transition	Increased carbon pricing could increase the cost of raw materials used in Waypoint's buildings and could therefore impact overall development costs. However, due to projected increased recycling of steel and advances in the development of lower emissions concrete and steel by 2030 the impact of a carbon tax would be significantly reduced.	✓			High risk rating	High risk rating
	Increased cost of financing due to climate change considerations	As credit ratings begin to incorporate climate change considerations, there is a risk that ratings could be influenced by climate change and the cost and availability of financing increased/decreased. Getting loan financing for assets held by funds and mandates could become more difficult and expensive impacting performance negatively. Increasingly companies are issuing green bonds as a means to raise capital.	✓			High risk rating	Medium risk rating
	Negative shift in Investor demand due to climate transition	If Waypoint is unable to offer funds in line with clients changing expectations, it could lose AUM to competitors. Conversely this could present a significant opportunity for Waypoint if it is able to develop funds in line with changing demands.	✓			High risk rating	Medium risk rating
	Negative shift in Occupier Values as a result of climate transition	As more businesses commit to becoming net zero by 2030 or 2050, occupiers will increasingly demand net zero buildings to help them achieve these goals. Consequently properties could have to be given a brown discount and inefficient properties could fall in value.	✓			Medium risk rating	Low risk rating
	Benchmarking and market competitiveness in terms of ESG	If Waypoint underperforms in the market in terms of ESG and sustainability arrangements – for example underperforming against industry benchmarks from GRESB and UN PRI – this could result in a negative perception of Waypoint within the market and among investors.	✓			Medium risk rating	Low risk rating

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Climate Related Risk Assessment – Continued

Key: ■ Very high risk rating ■ High risk rating
■ Medium risk rating ■ Low risk rating

Risk Type	Title	Risk Description	Short Term Risk	Medium Term Risk	Long Term Risk	Inherent Risk Rating (before controls or mitigation measures are applied)	Residual Risk Rating (remains after controls & mitigation strategies implemented)
Technology Risk	Failure to leverage technology required to lower emissions	If Waypoint fails to leverage technology that enables emission and energy use reductions in its properties, it may hinder its ability to provide leading services to clients. Lower emission technologies include low carbon building materials and renewable technology.		✓			
Reputation Risk	Failure to deliver on strategic ESG objectives	Overpromising and underdelivering against set targets has the potential to negatively impact credibility, brand and reputation. Failure to engage investors to agree to empower us to implement sustainable initiatives to make their assets resilient. The risk is also not being able to measure or demonstrate the work that is being undertaken.	✓	✓			
	Competitive ESG focus negatively impacting employee retention or lack of interest from prospective job candidates	As employees become increasingly concerned with climate change issues, negative publicity around failure to deliver on targets and failing to effectively incorporate climate change considerations into decision making could make it difficult for Waypoint to attract and retain the best talent.	✓				
	Failure in alignment to ESG culture and values	Perception that sustainability is the responsibility of specific departments instead of mainstreamed throughout company culture leading to low engagement on the impacts of sustainability. Decision-making and attitude towards ESG/Sustainability are not given full consideration. Responsible investment policy not adhered to.	✓				
Acute and Chronic Risks	Physical damage to assets due to adverse climate conditions	Failure to assess, identify and mitigate physical climate risks that affect the assets we manage.			✓		



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MAPP Review Statement

This report has been externally reviewed by MAPP (Property Management) Limited.

Verco Review Statement

The fund level energy and carbon footprint figures included in this report were externally verified by Verco Global.



Sustainability Strategy & Report 2024



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