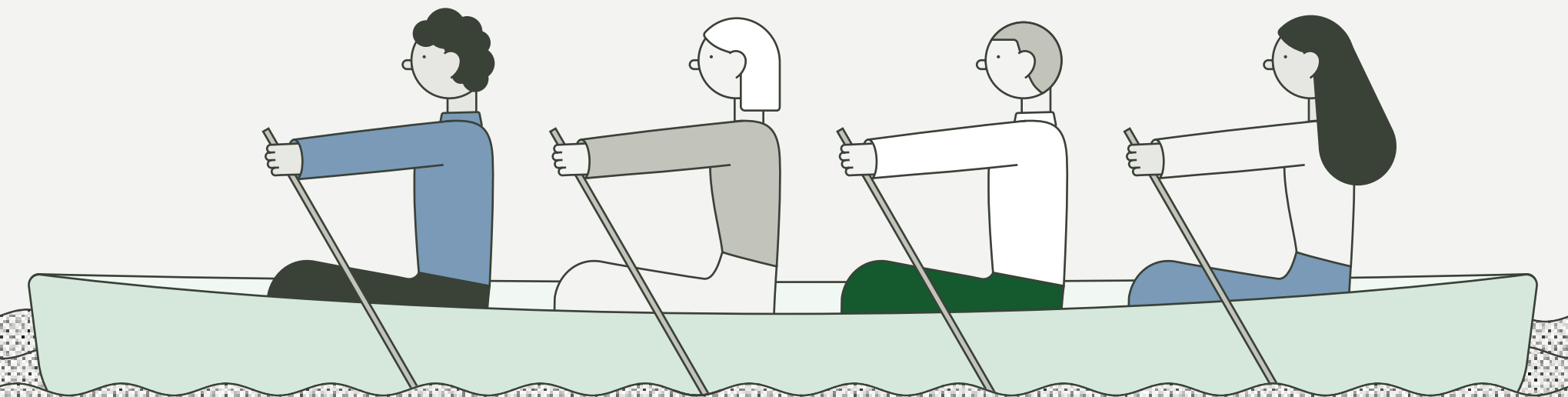


Kokoro

The principle of kokoro which often translates to heart, actually has a range of meanings which include wisdom, sincerity and sensibility. To us kokoro embodies how we approach sustainability in its widest context - to be a custodian of the resources we utilise for the benefit of future generations



Planet

Today, our impact as humans on the biosphere has led us to anthropogenic mass or human-made mass exceeding overall living biomass on this planet.

Most of this human-made mass comes in the form of buildings and infrastructure, composed of concrete, aggregates, bricks and asphalt that produce c.40% of global greenhouse gas emissions.

Climate change to some could be considered a tail risk, but like a pandemic the consequences could be severe for our civilisation. Therefore we believe buildings we own need to both consider the resources they consume and be resilient to both climate change and societal shift.

Policy

Each investment we own has a sustainability plan, this is in-built into our investment process and impacts our underwriting. For instance, will a greener building command higher rents and be more resilient producing less volatility in exit yield? Our aim is to make our built environment better in every way under own ownership. That means understanding the lifecycle of our buildings, including the embodied carbon we are adding to buildings through refurbishment and the operational carbon our stakeholders emit in utilising our buildings.

We are currently assessing our buildings with BREEAM but we are not wedded to any particular standard and look to the most appropriate assessment for the investment. Law sets the minimum standard but we are more aspirational.

People

We are cognisant that everyone we engage with is on their own net zero pathway and therefore our goal is to make engagement mutually beneficial. We ask all our new tenants to sign green leases and where we have incumbent tenants to engage in operational assessments. Sometimes just helping tenants to better understand the equipment in the office, the building management systems and/or energy management systems can provide a cue for changing habits.

The list of people we engage with in order to successfully execute an investment are numerous, our goal in bringing together a team is to ensure we are like minded, for instance we like to understand whether people we appoint believe in paying all of their staff a living wage and have their own sustainability practices in place.

Place

Its in our DNA to think macro and micro and this is no more evident than the community our investments touch, our social goal is foremost to make sure our stakeholders are happy, we do this by being visible and giving them a level of service which exceeds their expectations.

We also do not like our real estate to feel like fortresses that the community cannot engage in and actively consider how we create social spaces in our buildings. A good example would be our collaboration with Artbox.London, in our Dover Street and Berkeley Street investments, which you can learn more about here.



Philanthropy

From a philanthropic perspective we look for local charity partners and do more than donate money, but time too.

We donate money to a range of charities through our commitment to 1% for the planet but we donate time to 4 which we hope will grow in lock step with our team.

Purpose

Ultimately we are guided by our mandate to create sustainable real estate that generates outsized risk weighted returns for our investors whilst enriching our planet and its inhabitants. We believe these are not incompatible goals.

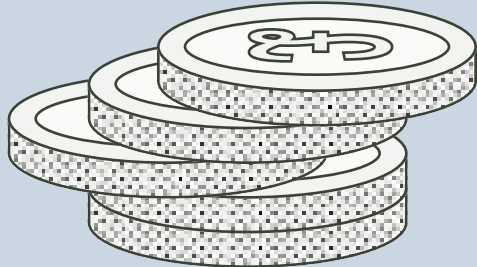
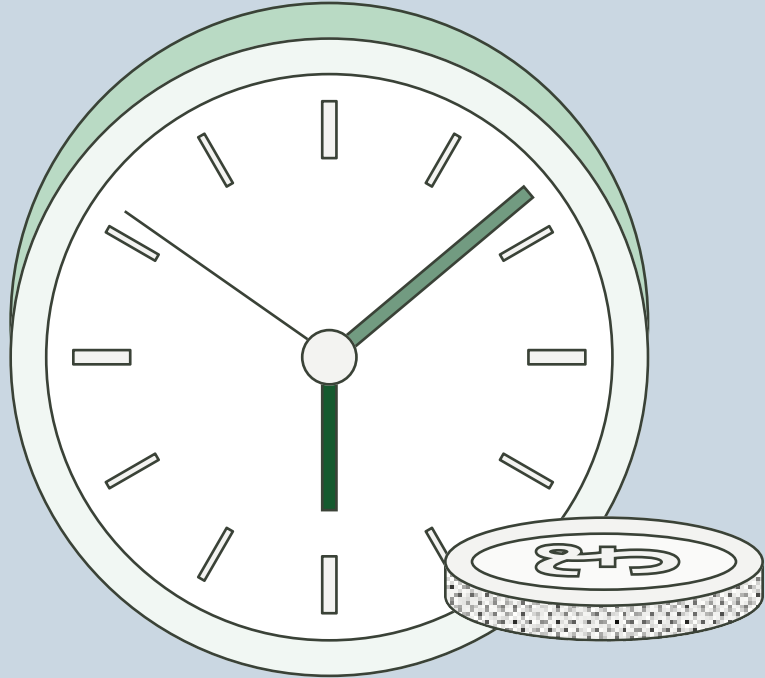
Parity

From a diversity and inclusion perspective we are partnering with both Upreach and Neurodiversity in Business, we hope adding our voice to their causes magnifies their impact.

We believe in the network effect, whether it's providing people without a natural network access to ours and/or using our interactions to talk about their causes.

Plasticity

Beyond real estate we encourage the team to stretch their minds, promoting angel investing in social impact businesses broaden our lens to consider all of the United Nations Sustainability Goals.



Our commitments and objectives

Kokoro principle	Aspect	Objectives	Actions	KPIs
Planet	Overarching Commitments	Develop a Net Zero Carbon Strategy.	Measure portfolio Net Zero Carbon Scope 1 & 2 emissions for each asset by March 2026.	
Policy	Operational Energy and Carbon (“OE&C”) - Overarching	<p>Transition all our buildings to fully electric power by 2030.</p> <p>Develop better granularity on energy and water consumption data across the portfolio.</p> <p>Set targets for reduced energy and water consumption across the portfolio for 2025 and beyond.</p> <p>Develop better granularity on waste production and recycling data across the portfolio.</p>	<p>Develop asset-level plans for phasing out of gas by 2030</p> <p>Develop and implement a comprehensive metering strategy on all assets across the portfolio and different strategy lines.</p> <p>Set targets to reduce energy and water consumption levels.</p> <p>Develop and implement a comprehensive waste strategy on an asset level.</p>	<p>Percentage of assets which achieve the goal.</p> <p>Percentage of assets which achieve the goal.</p> <p>Percentage reduction/ Offer a carbon offset scheme to tenants.</p>
People	Wellbeing & Engagement	Build an environment where employees can thrive holistically: professionally, mentally, physically, and financially.	Transparent appraisal process, jointly set career goals and aspirations with bi-monthly checkins with the Partners, provide a market leading benefits package include health and psychiatric insurance, review pay scales to peer review quality of life.	
	Training & Development/Performance	<p>Establish an environment that promotes a growth mindset, within which employees feel challenged, supported to continuously develop, and share their learnings.</p> <p>Improve employee awareness of general issues of sustainability via training and awareness-raising initiatives for all.</p> <p>A clear and transparent performance bonus policy which assigns compensation based upon retention, outperformance and embodying Kokoro either at the LLP or with respect to assets managed by the fund.</p>	<p>Employees are required to contribute to thought leadership and this is demonstrated through (I) memberships to accredited professional bodies, (II) undertaking professional development/CPD (III) maintaining professional qualifications. Financial support is provided for subscriptions, educational loans and industry memberships.</p> <p>All employees are invited to contribute to improving the firms GRESB rating and are invited to participate in Kokoro committees.</p> <p>Improve sustainability team awareness through the provision of training and seminars.</p> <p>Update and include ESG obligation in all role responsibility documents (i.e. core role requirements for all staff).</p>	Monitor staff CPD attendance on an annual basis. In annual review, discuss professional development options with each member of staff.
Place	Communities	<p>Engagement.</p> <p>Alignment to recognised industry standards.</p>	<p>Tenant engagement: ensure an annual ESG meeting is held with all tenants and all new tenants sign a green lease.</p> <p>Industry alignment: Study and work to create alignment to the industry best practice standards.</p>	<p>Seek opportunities to implement improvements and collaborate with occupiers to improve ESG performance with a focus on Net Zero.</p> <p>ESG Committee has determined that Task Force on Climate-Related Financial Disclosures (TCFD) alignment is most applicable in the short-term. Goal is to implement in next 3-5 years. In longer-term, will seek Corporate Sustainability Reporting Directive (CSRD) alignment and Sustainable Finance Disclosure Regulation (SFDR) classification.</p>

Kokoro principle	Aspect	Objectives	Actions	KPIs
Philanthropy	Communities	Charitable Giving.	Donation Matching Policy and set up and launch Payroll Giving. Renew annual partnership with 1% for the Planet. Volunteering: Encourage staff to donate their time to causes they feel passionate about.	Publish results of Tokoro's achievements within annual ESG/Impact report.
Parity	Diversity and Inclusion	Embed diversity and inclusion into our processes and culture and ensure our environment promotes and protects respect and psychological safety.	Use a double blind hiring policy, ensure equality in pay bandings. Participate with the social mobility charity, Upreach, in providing work experience to disadvantaged students. Re-draft version of the DEI Policy to include these initiatives.	
Plasticity	Stretching Minds	Social Impact Investment Policy. Actively encourage every Tokoro employee to dedicate time to a non-profit.	Publish list of organisations being supported on website and provide ongoing support.	Publish list of organisations being supported on website.
Purpose	OE&C - 24hr City Strategy	Deliver projects sustainably, considering the amount of intervention appropriate, whilst generating outsized risk weighted returns for our investors.	All developments to be fully electric power. All developments to be EPC B equivalent or higher. All developments to be BREEAM Very Good or equivalent.	Percentage of assets which achieve the goal Percentage of assets which achieve the goal Percentage of assets which achieve the goal
	OE&C - 18hr City Office Strategy	Deliver projects sustainably, considering the amount of intervention appropriate, whilst generating outsized risk weighted returns for our investors.	All developments to be fully electric power. All developments to be EPC B equivalent or higher All developments to be BREEAM Very Good or equivalent.	Percentage of assets which achieve the goal Percentage of assets which achieve the goal Percentage of assets which achieve the goal
	OE&C - Logistics Strategy	Deliver projects sustainably, considering the amount of intervention appropriate, whilst generating outsized risk weighted returns for our investors.	All developments to be EPC C equivalent or higher. Investigate the use of on-site renewable power generation on a case-by-case basis, such as photovoltaic panels.	Percentage of assets which achieve the goal Percentage of assets which achieve the goal
	OE&C - Student Strategy	Deliver projects sustainably, considering the amount of intervention appropriate, whilst generating outsized risk weighted returns for our investors. Improve supply of safe and affordable housing.	All developments to be EPC C equivalent or higher. Publish an affordability score vs competition. Increase supply by conversion/refurbishment of tired properties to meet market demand. Refurbishments to be performed to a high level. Following refurbishment, donation of all unused FFE to charitable organisations in local areas.	Percentage of assets which achieve the goal Over time, source feedback and reviews from students.

Our social impact investments

Oxwash

Oxwash is an on-demand sustainable closed-loop laundry and dry-cleaning service for SMEs and individuals.



Foodsteps

Foodsteps is a market-leading subscription-based SaaS platform that enables food companies to measure, monitor and report on their environmental impact.



zen

Zen Educate is leading the wave of intervention needed to improve supply teaching recruitment. Its online platform streamlines the recruitment process.



RideTandem

RideTandem offers a smart, tech-enabled solution to help communities move.



Thalamos

Thalamos helps to improve patient outcomes for mental healthcare.



NOVA I

A British biotech start-up that has developed a patented 'biomarker' technology known as DARC which is used alongside AI algorithms to detect cellular level disease in the retina.



AMLo

AMLo Biosciences is translating ground-breaking research in cancer biomarkers into a revolutionary range of prognostic and companion diagnostic products to improve patient outcomes and reduce the financial burden of cancers on global healthcare economies.



SOJO

Sojo is on a mission to make fashion circular. Described as the 'Deliveroo of clothing repair', Sojo connects registered tailors with customers who need alterations and repairs via its app.



MiAlgae

MiAlgae has developed and scaled a biotechnology process that uses circular economy principles to convert whisky waste to omega-3 oils for the animal nutrition industry.



THE BIG EXCHANGE

Co-founded by The Big Issue, The Big Exchange is on a mission is to build a new financial system in the UK. One that works for everyone and delivers a positive impact on people and planet.



Collaborators



Co-created in 2002 by Yvon Chouinard (founder of Patagonia), One Percent for the Planet is an international organization whose members contribute at least one percent of their annual revenue to environmental causes. The idea is simple: because companies profit from the resources they take from the earth, they have a responsibility to give back and protect those resources.



NiB acts as a business forum and industry group for organisations to share industry good practice on neurodiverse recruitment, retention and empowerment, with an aim to support businesses in building a better workplace for Neurodivergent employees.



ArtBox provides an art studio where artists with learning disabilities and autistic artists come together to explore art, build friendships and learn new skills. Artists are supported to create, develop, exhibit, sell and licence their artwork, increasing wellbeing and inclusion while also sharing their unique talents with other communities.



UpReach is a social mobility charity, driven by a vision of a society in which everybody has an equal opportunity to realise their full career potential regardless of social background. Support is provided to undergraduates from lower socio-economic backgrounds to access and sustain top graduate jobs.

Volunteering



Tuberous Sclerosis Complex (TSC) is a genetic condition that can lead to growths in various organs of the body, but those most commonly affected are the brain, eyes, heart, kidney, skin and lungs. Launched in 1977, the Tuberous Sclerosis Association (TSA) is a UK-registered charity that was created to support individuals affected by TSC along with their families and carers.

Sanjay Sethi, Partner at Tokoro, serves on the Board of Trustees as Vice Chair.



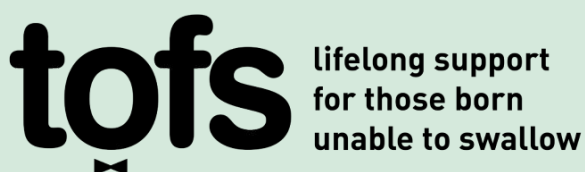
Established in 2007, Solidarity Sports is a UK-registered charity that provides support for children from disadvantaged backgrounds recovering from complex trauma through a safe, inclusive and nurturing environment. The majority of children are initially referred by social services, however today, most of the charity’s volunteers are aged 16-21 and many are by-products of the charity themselves.

Liam Mahoney, Finance & Operations Manager at Tokoro, serves on the Board of Trustees as Treasurer.



Selective Mutism, sometimes called Situational Mutism, is an anxiety-based mental health disorder which usually commences in early childhood. Established in 1992, the Selective Mutism Information & Research Association (SMIRA) is a UK-registered charity set up to support families with selectively mute children.

John Hopkins, CFO at Tokoro, serves on the Board of Trustees as Treasurer.



OA/TOF stands for Oesophageal Atresia (OA) and Tracheo-Oesophageal Fistula (TOF). OA/TOF are rare congenital conditions of the oesophagus (food pipe) and/or trachea (airway) that affects 1 in every 3,500 people. TOFS is the charity dedicated to offering lifelong support to those born with OA/TOF and has members in over 60 countries, striving for anyone born with the condition to live life unlimited.

Nadia Guerrero Márquez, Investment Analyst at Tokoro, serves on the Fundraising Teams at TOFS.

TOKORO CAPITAL

