

## ESG (Environmental-Social-Governance) Policy for Eden Investment Managers

### *Philosophy & Beliefs*

- As an investor, we have a deep conviction that investing under strong ESG/Sustainability criteria makes economic sense. We believe that ESG is anchored in fundamentally economic rationale. ESG considerations can deliver real value in terms of cost savings, enhanced returns and reduced regulatory and obsolescence risk in real estate assets.
- The Partnership will seek to put in place good ESG practices in the way that we deploy and manage capital.
- The investments that the Partnership will make could have a significant role to play in local communities. The fund would make a positive impact in the location of the assets for customers and the wider community.

### *Implementation*

- The Partnership's Investment Committee will consider ESG issues in investment decision-making and due diligence processes for new investments. As a result, investment proposals put forward by the Investment Advisor will need to incorporate ESG considerations.
- In practice this means that at acquisition:
  - A checklist approach will be adopted throughout the due diligence process to identify ESG risks and opportunities currently or potentially materializing over the investment horizon.
  - Consideration of risks and opportunities in asset pricing, effective management and acquisition will be taken into account.
  - There will be a requirement for inclusion of external advisors where specialist skills or technical knowledge is needed.
  - Where appropriate and relevant, business partners (e.g. existing operators, suppliers) will be validated using ESG factors. Where there are issues arising, we may still proceed with an investment, provided that there is an action plan put in place to redress issues.
- We will also ensure to monitor and actively manage existing investments against ESG criteria, such as for instance:
  - Property specific risk assessment
  - Environmental strategy (using environment certification schemes, e.g. BREEAM)
  - Best standard monitoring
  - Tenant satisfaction survey
- We will do so by engaging with environmental consultants, property managers and suppliers to discuss emerging sustainability themes and to share best practice.

## **ESG Criteria**

- Specifically, our criteria for investment and monitoring will be:

### *Environmental*

- Energy, water and waste efficiency
- CO<sub>2</sub> emission/carbon footprint, where measurable
- Indoor environmental quality (e.g. air quality)
- Materials and resources – where possible, we seek to understand the source and sustainability of materials and resources. We will seek to put these in place at Pooch Construction.

### *Social*

- Construction working conditions
- Health, safety and security of building occupants and staff
- Accessibility for disabled persons
- Impact on local community

### *Governance*

- Bribery and corruption
- Sub-contractor selection and monitoring
- Real estate fund governance
- Director/senior management training
- Management structure
- Anti-money laundering
- Management of Conflicts of interest