



# PEAKSIDE CAPITAL

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY

**OWNER:** COMPLIANCE FUNCTION  
**DATE OF UPDATE:** APRIL 2021

This Environmental, Social and Governance (“ESG”) Policy was drawn up by its Owner, namely the Compliance Function. The Owner is responsible for its periodic review as stated above. Any amendments or waivers must be made by the Owner and duly approved by the Partners.

As an investment advisor, Peaksid acts as a fiduciary, and our primary responsibility is to add economic value to our clients’ portfolios over the long-term, within the constraints of applicable investment management agreements and ongoing market conditions. At Peaksid, we believe that taking into consideration ESG factors can positively impact this long-term economic performance.

It is therefore Peaksid’s ambition to create a long-term positive impact on the relationships with its counterparties. This starts with the awareness of the importance of ESG factors and involves a clear commitment by Peaksid. We responsibly take into consideration environmental, social, and corporate governance factors that can positively impact the broader economic performance. ESG factors are essential for the preservation of a sustainable environment and we deem them equally important for successful business operations.

### 1 Purpose

This ESG Policy has been adopted by the Peaksid Group and applies to the funds and separate accounts managed by Peaksid. This ESG policy is subject to all applicable local laws and regulations and the Compliance Function may provide detailed guidance on the principles outlined. In addition, the ESG Policy is formally overseen by Peaksid’s board, chief-level staff and investment committee which are all in charge of the common approach, updates and application of ESG matters.

The Peaksid Group strives to implement and adhere to ESG best practices throughout its real estate investment business and operating processes. We believe that through responsible and sustainable real estate investing, we can achieve enhanced risk-adjusted returns for investors, become a landlord of choice and maintain our position as a forward-thinking real estate investment manager.

The Peaksid Group as a responsible investment advisor applies responsible resource reduction strategies by which we believe we enhance our environmental performance as well as our investment performance. We inform and educate our Employees accordingly, and also see it as our responsibility to encourage our counterparties and business partners, investors, and other stakeholders to embrace the importance of ESG practices with the goal to reduce resource use and waste as well as improve environmental quality.

### 2 Scope

This ESG Policy has been approved by the Partners and applies to all employees throughout the Peaksid Group without restriction.

### 3 Policy Statement

In our daily business and investment operations we are guided by the following **principles concerning the environment**:

- Considering the public human health;
- Striving for reducing the resources used and waste generated;
- Promoting sustainable and green resources of renewable energy;
- Protecting the environment;
- Striving to reduce CO2 emissions.

The real estate sector must live up to its responsibility and reflect it accordingly by constructing and managing buildings which enrich the environment and not damage it. It is necessary to pay attention to reducing pollution levels, protecting and enhancing biodiversity and focusing on long-term sustainable solutions rather than short-term goals.

As part of demonstrating our commitment and doing our part in making this world a more sustainable one, we submit a number of our buildings and developments to voluntary green certifications such as LEED, or KfW (*Kreditanstalt für Wiederaufbau*) standards. In addition, we are constantly aiming and striving to increase the number of buildings with such certifications, where appropriate. When analysing new investments, Peakside considers environmental aspects as an important element of its decision-making and underwriting processes.

Peakside values transparency and is committed to an open communication and reporting has therefore become a signatory of the UN Principles for Responsible Investment (“**UN PRI**”) in 2020 where we are obliged to report on ESG matters on an annual basis. In addition, we are currently evaluating a future participation in the Global Real Estate Sustainability Benchmark (“**GRESB**”) initiative.

Our Employees undergo an ESG training on an annual basis in order to maintain the level of knowledge and stay up-to-date with the latest developments on the topic.

Regarding **social and governance factors** of ESG, Peakside embraces corporate responsibility, accountability, fairness, and transparency in all relations – internal and external. In our daily business and investment operations we are guided by the social and governance principle of protecting and promoting human rights within and outside the organisation. Peakside has established and put in place within its organisation anti-harassment and equal opportunities principles, a whistle-blower policy, a personal data protection and privacy policy and promotes anti-discrimination, equality and diversity in the workplace.

When it comes to establishing or maintaining business relationships and fund management, Peakside takes into consideration legally required exclusions (i.e. local and international laws and regulations, bans, treaties, embargoes, etc.). We carry out a thorough check on the counter-party as per its customer due diligence procedure. In addition to the standard ultimate beneficial owner (“**UBO**”) and related checks, the counter-party is also vetted for reputational factors and we consider exclusions based on Peakside’s value system (fair trade, businesses promoting equality, reputational damages on social and governance factors regarding weapons, alcohol, tobacco and/or avoiding other particular sectors, products, services or regions etc.) that are also playing a role with respect to Peakside’s principles of business and promotion of ESG factors.

We are convinced that through engaging in ESG we contribute to a sustainable market, we make our portfolios greener and we increase the value for our investors.

### 4 Application and consideration of international agreements, standards and guidelines

The Peakside Group supports and applies to the best of its potential and efforts:

- the **Paris Agreement**<sup>1</sup> as a legally binding international treaty on climate change. In its own efforts Peakside stays informed on current changes with respect to the recommendations for

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<sup>1</sup> <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>

achieving economic and social transformation for the countries from the Paris Agreement with a closer focus on the ones that Peakside directly invests in as to be able to adjust its course of action in compliance with the international treaty.

- the **Sustainable Finance Disclosure Regulation**<sup>2</sup> (“**SFDR**”) in its daily operations in ensuring that finance growth in a sustainable manner and is transparent about sustainability risks and approaches to responsible investment.
- the **Task Force on Climate-Related Financial Disclosures**<sup>3</sup> (“**TCFD**”) and follows its guidelines as much as possible in the framework of the developed voluntary climate-related financial risk disclosures.
- the **UN Guiding Principles on Business and Human Rights**<sup>4</sup> and considers in its daily work the corporate responsibility to respect human rights accordingly.
- the **Responsible business conduct in the financial sector**<sup>5</sup> as part of the OECD Guidelines for Multinational Enterprises.

## 5 Monitoring and raising awareness

The Compliance Function is responsible for the administration, enforcement, and oversight of this Policy. In terms of awareness raising, each employee will receive a copy of this ESG Policy once starting to work for the Peakside Group and it will also be available at all times on the internal database and/or may be requested from the Compliance Function of the Group. Employees are encouraged to refer to this Policy or direct their questions to the Compliance Function, if any compliance-related issues or uncertainties arise in daily operations.

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<sup>2</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32019R2088>

<sup>3</sup> <https://www.fsb-tcfd.org/>

<sup>4</sup> [https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr\\_en.pdf](https://www.ohchr.org/documents/publications/guidingprinciplesbusinessshr_en.pdf)

<sup>5</sup> <https://mneguidelines.oecd.org/rbc-financial-sector.htm>