

GOVERNANCE POLICY

Invested ▲▲ for positive impact

Feldberg
Capital

1.0

Introduction

At Feldberg Capital, we are committed to integrating sustainability into all facets of our operations, delivering sustainable financial returns to our stakeholders while fostering a culture of responsibility, innovation and long-term strategic growth. Given our size, scale, and resources, we have both the opportunity and the responsibility to contribute meaningfully toward addressing these global challenges, setting new benchmarks for governance and corporate responsibility.

1.1 Purpose

The Purpose of this Policy is to outline the operational guidelines that will ensure Feldberg Capital's leadership, policies, reporting and risk management processes align with the organisation's core values.

1.2 Scope

This Policy applies to all employees and business partners of Feldberg Capital and governs activities related to the acquisition, development, management and operation of assets.

We require full compliance with this policy across all entities, subsidiaries, affiliates and joint ventures under the direct or indirect ownership or control of Feldberg Capital. This ensures that our sustainability principles are consistently upheld throughout our operations, fostering accountability, transparency and a positive impact on the environment and society.

1.3 Review

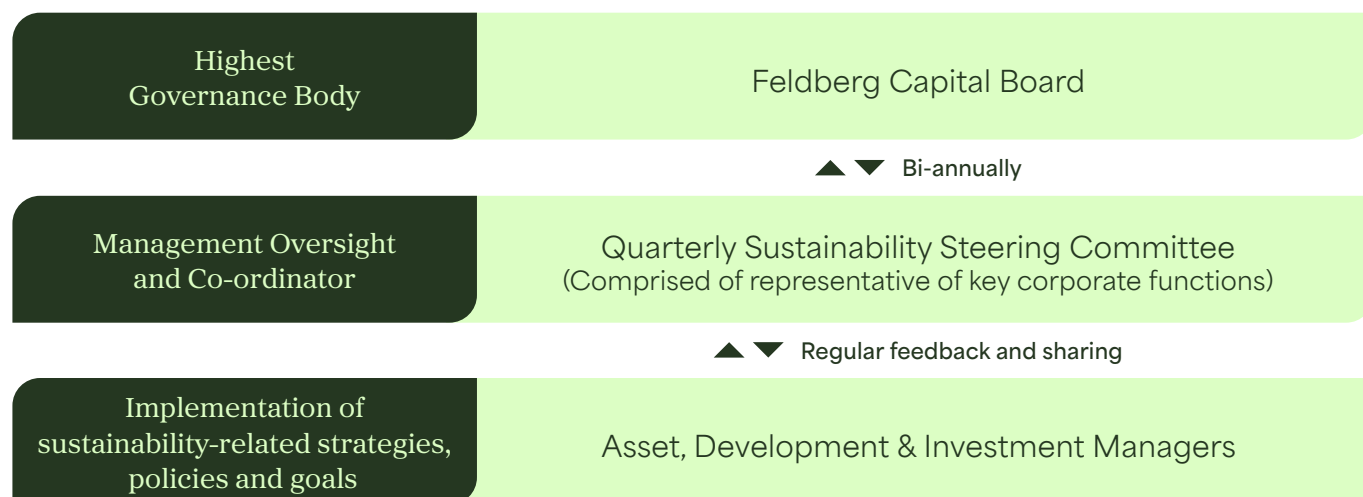
This Policy shall be reviewed every three years by the Sustainability Steering Committee, which will provide recommendations to the Board for any necessary updates or amendments.

2.0 Leadership

At Feldberg Capital, management leadership is the cornerstone of our commitment to sustainability and responsible governance. Our management fosters a culture of accountability, continuous improvement, and innovation. We set clear objectives, empower teams to deliver measurable sustainability outcomes and prioritise transparency to align our efforts with stakeholder expectations and global best practices.

2.1 Sustainability Governance and Responsibilities

This framework integrates accountability, transparency, and effective implementation while embedding a robust risk management process to proactively identify, assess and mitigate sustainability-related risks. This integrated approach safeguards assets and stakeholders against emerging challenges while positioning the organisation to seize opportunities for innovation and growth. For more details on our sustainability risk management approach, please refer to the 'Sustainability Risk Management' section.



Highest Governance Body

The Feldberg Capital Board serves as the ultimate decision-making authority on sustainability matters. It provides strategic direction, oversight and accountability to ensure sustainability remains a core component of our organisational mission and values. The Board also reviews and addresses sustainability risks, ensuring they are managed effectively and integrated into strategic decisions.

Management Oversight and Coordination

The Sustainability Steering Committee, comprising representatives from key corporate functions, is tasked with overseeing the development and execution of sustainability strategies, policies and goals. This committee ensures alignment with the organisation's broader objectives and facilitates cross-functional collaboration evaluating sustainability-related risks and opportunities.

Operational Implementation

At the operational level, our asset, development and investment managers are responsible for implementing sustainability strategies, policies and goals within their areas of oversight. They integrate risk management practices into their processes to identify and mitigate environmental and social risks and opportunities. By embedding these practices into daily operations, asset managers drive meaningful progress, minimise potential disruptions and deliver measurable sustainability outcomes.

To ensure effective monitoring of sustainability initiatives, Feldberg Capital has established a clear and structured reporting framework. This framework ensures that sustainability progress is consistently tracked, aligned with organisational goals.

- The Board receives bi-annual reports to review and approve sustainability strategies, policies and overall progress. This ensures that sustainability remains a key focus at the highest level of governance and allows the Board to provide strategic direction based on the latest performance data.
- The Sustainability Steering Committee meets quarterly to assess the implementation progress and review performance updates submitted by the business' managers. This committee ensures that sustainability goals are being met across the organisation and identifies corrective actions to be implemented to keep initiatives aligned with broader organisational objectives.
- Asset, development and investment managers are responsible for providing updates to the Sustainability Steering Committee, detailing progress on sustainability implementation and performance metrics.



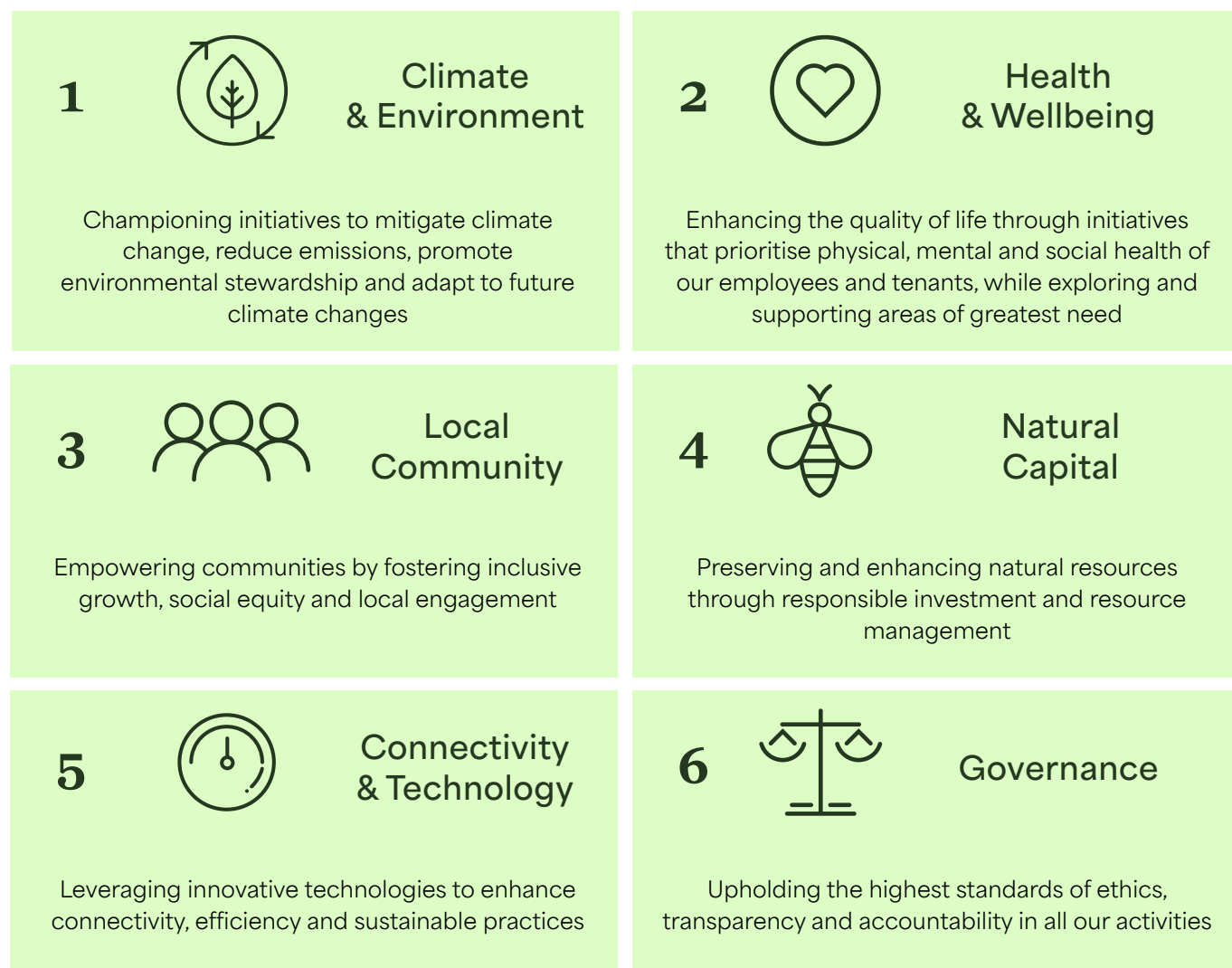
Art exhibition at Eversholt

2.2 Sustainability Objectives and Targets

Our leadership actively integrates environmental and social considerations into all aspects of our operations, ensuring sustainability remains a strategic priority and a core element of our business ethos. Aligned with our dedication to sustainability, the funds we manage have committed to:

- The Science Based Targets initiative (SBTi): The Science Based Targets initiative (SBTi): Setting and achieving science-based emissions net-zero reduction target.
- The UN Sustainable Development Goals (SDGs): Driving meaningful contributions to key global goals through responsible investments and sustainable practices.
- The World Green Building Council's Net Zero Carbon Buildings Commitment: Supporting a transition to net-zero carbon operations by 2030.

Our Sustainability Strategy establishes a comprehensive framework designed to drive sustainable growth and create enduring value for our stakeholders. This forward-thinking strategy is anchored in six core pillars that reflect our commitment to integrating sustainability across all aspects of our operations:



Building upon these six pillars, each fund under Feldberg Capital will develop a tailored sustainability strategy. These fund-specific strategies will include detailed action plans, measurable performance indicators (KPIs) and ambitious yet achievable targets.

2.3 Sustainability Performance Evaluation

As part of our governance framework, Feldberg Capital acknowledges the essential role of our personnel in advancing sustainability throughout the organisation. To ensure alignment, we have set clear sustainability performance targets for employees at all levels. These targets are designed to incorporate environmental and social factors into individual performance assessments, promoting a culture of sustainability, accountability and continuous improvement.

Personnel ESG performance targets are embedded in annual performance evaluations, ensuring that individual contributions to sustainability goals are measured and aligned with career development. Employees receive clear guidelines and resources to help them achieve these targets, with training and support provided to ensure their success. Achieving these ESG targets will play a key role in performance reviews, promotions, and incentive decisions.



Feldberg capital's volunteering day at Thames Reach

3.0 Policy and Commitments

At Feldberg Capital, we are dedicated to driving meaningful change through sustainability-focused policies and initiatives. Using our six impact pillars we have developed a framework that aligns to leading market guidance and complies with current sustainability legislation in the United Kingdom and Europe.

In line with the EU Taxonomy criteria for activities in the construction and real estate sector, our policies and requirements are aligned to the technical screening criteria for the six environmental objectives in compliance with the minimum safeguards. We will align our commitments and reporting to be consistent with the definitions used for reporting frameworks.



3.1 Our Commitments on Climate and Environment

Achieving Net-Zero Emissions

- Achieve net-zero embodied and operational emissions (scope 1 and 2), aligning with the WGBC's Whole Life Carbon Vision and SBTi's Building Sector Guidance (2024) by 2050.
- Establish a long-term roadmap for achieving net zero emissions across scope 3 in partnership with stakeholders by 2050.
- Ensure all entities within the organisation establish bespoke decarbonisation strategies aligned with our overall environmental commitments and industry best practices.
- Participate in high-quality, verified carbon offset programs to address residual emissions that cannot be mitigated.

Advancing Energy Efficiency

- Retrofit existing buildings, following a comprehensive assessment of the building fabric, incorporating energy-efficient systems such as advanced Heating, Ventilation and Air Conditioning (HVAC) systems and high-performance insulation.
- Incorporate energy efficiency as a core consideration in the design and development of new assets, ensuring compliance with best-in-class energy performance standards.
- Empower asset managers with tools and training to directly manage and optimise energy efficiency and carbon reduction measures.
- Install smart meters and advanced Building Management Systems (BMS) across all assets to monitor, analyse and optimise energy usage in real time.

Supporting a Circular Economy

- Actively promote circular economy principles, including prioritising recycled, renewable and sustainable materials in all operational assets, developments, and refurbishments.
- Develop and implement end-of-life strategies for all new developments and major refurbishments to support sustainable deconstruction and material reuse.
- Incorporate water-efficiency systems and practices, including rainwater harvesting and wastewater recycling, where feasible.
- Achieve zero non-hazardous waste to landfill across all managed assets and developments through waste reduction, recycling and reuse programs.
- Partner with suppliers and contractors to embed waste reduction and circularity into procurement processes.

Climate Risk Analysis

- Conduct regular climate risk assessment for all assets, identifying vulnerabilities related to extreme weather, rising temperatures, flooding and other climate-related risks.
- Integrate climate resilience into the design and construction of new developments.
- Upgrade existing assets with adaptive measures such as improved insulation, stormwater management systems, flood barriers and cooling technologies.
- Model potential physical and transition impacts to inform decision-making using climate scenario analyses aligned with international frameworks.

Renewable Energy Investment

- Invest in on-site renewable energy generation, including solar panels, wind turbines and energy storage solutions, where feasible.
- Explore partnership to procure green energy directly from renewable sources.

Whole-Life Carbon and Energy Performance Standards

- Implement whole-life carbon assessment and reporting for all major refurbishments and new developments.
- Establish stringent energy intensity benchmarks for managed assets and enable continuous improvement in performance.

Tenant Engagement

- Provide tenants with comprehensive guidance to minimise the environmental impact of their fit-outs through a dedicated fit-out guide.
- Collaborate with tenants to co-create sustainability strategies, leveraging shared goals to reduce emissions and environmental impact.
- Introduce green lease agreements where feasible to align landlord and tenant sustainability objectives.

Transparent Reporting and Verification

- Commit to annual reporting of Scope 1, 2 and 3 emissions with third-party verification for accuracy and transparency.
- Include carbon intensity reporting at asset and portfolio levels to track progress against defined targets.

Sustainability Innovation and Continuous Improvement

- Regularly review and update decarbonisation and sustainability practices to align with evolving industry standards, innovations and stakeholder expectations.
- Foster a culture of innovation by exploring cutting-edge technologies, sustainable building materials and construction methods.
- Partner with academic, governmental and industry organisations to advance sustainability research and best practices.



3.2 Our Commitments on Health and Wellbeing

Employee Health and Wellbeing

- Design and maintain work environments that promote ergonomic safety, access to natural light and clear air quality.
- Promote on-site fitness facilities to encourage active lifestyles.
- Facilitate employees' access to annual health check-ups, vaccinations and wellness screenings.
- Provide employees with access to mental health awareness training and initiatives such as mindfulness workshops, meditation session and stress-relief activities.
- Equip employees and leaders with training on unconscious bias and inclusive behaviours to reduce workplace stress caused by exclusionary practices.
- Prioritise mental health by creating a culture where employees feel comfortable talking about mental health and seeking help.

Healthy Building Design

- Design and operate our buildings to enhance physical and mental wellbeing, incorporating features such as improved air quality, natural lighting and biophilic design elements.
- Maintain high indoor air quality by using advanced ventilation systems and low-emission materials across all assets.
- Monitor and optimise temperature, humidity and acoustic comfort to create spaces that prioritise occupant comfort.

Mental Health and Community Wellbeing

- Incorporate facilities that encourage physical activity, such as fitness centres, walking paths, bike storage and end-of-trip facilities.
- Design pedestrian-friendly spaces within developments to encourage walking and reduce reliance on motorised transport.
- Create spaces that foster social interaction and a sense of community, such as communal lounges, wellness rooms, and outdoor gathering areas.
- Support mental health through thoughtful design, including quiet zones, restorative spaces and stress-reducing features like access to green spaces.

Accessibility and Inclusion

- Create inclusive environment that accommodate individuals with disabilities or mobility challenges by integrating accessibility considerations at every stage, while complying with heritage requirements.
- Establish a culture of ongoing learning by regularly reviewing accessibility features and staying updated with advancements in assistive technologies and evolving legal requirements to ensure the environment remains inclusive and accessible over time.

Tenant Wellbeing

- Collaborate with tenants to promote workplace health initiatives, such as ergonomic furniture, flexible working spaces and wellness programs.
- Provide resources and guidelines to help tenants enhance health and wellbeing within their spaces.

Support for Local Communities

- Integrate amenities and programs that benefit the health and wellbeing of surrounding communities.
- Engage with local stakeholders to ensure assets address community health priorities.

Health and Wellbeing Monitoring

- Establish mechanisms to regularly assess and monitor health and wellbeing outcomes for building occupants, using metrics such as occupant satisfaction surveys and health impact assessments.
- Incorporate feedback to continuously improve health and wellbeing features in all developments and operations.

Emergency Preparedness and Resilience

- Equip all assets with robust emergency preparedness measures, including access to first-aid facilities and training programs.
- Implement robust emergency preparedness and response plans for climate-related and other events, to minimise the risk to the safety of tenants, employees, and communities.

Best Practices and Continuous Improvement

- Strive to achieve third-party certifications for health and wellbeing for all eligible assets, ensuring adherence to industry-leading benchmarks.
- Regularly review and update health and wellbeing strategies to align with the latest research and industry innovations.



3.3 Our Commitments on Local Community

Strengthen Community Engagement

- Actively engage with local communities to understand their needs, priorities and aspirations, ensuring our developments and investments provide tangible benefits.
- Ensure developments are integrated into their surroundings, enhancing accessibility and connectivity for local residents.

Foster Cultural Preservation and Identity

- Incorporate and celebrate local cultural heritage, art and history within our developments to strengthen community identity and pride.
- Partner with local artists and cultural organisations to enhance public spaces with meaningful and inspiring features.

Create Shared Economic Value

- Prioritise local hiring and procurement to support regional economics and create job opportunities within the communities where we operate.
- Partner with local business, small, medium and voluntary enterprises (SMVEs) and entrepreneurs to integrate them into our supply chains and development projects.

Support Sustainable and Affordable Housing

- Incorporate affordable and inclusive housing options into new developments where feasible, ensuring access to high-quality living environments for diverse populations.
- Collaborate with government bodies, non-profits and other stakeholders to address local housing challenges, leveraging their expertise and resources to promote sustainable housing solutions.

Enhance Social Equity and Inclusion

- Design spaces that are inclusive and accessible, promoting equal opportunities for all community members, regardless of age, ability or background.
- Partner with organisations that support underrepresented or disadvantaged groups to promote social equity.

Promote Education and Skills Development

- Invest in programs that enhance education and vocational training opportunities for local residents, particularly in fields aligned with sustainable construction and real estate management.
- Partner with educational institutions to create training, mentorship and internship opportunities for students in the communities we serve.

Measure Community Impact and Continuous Improvement

- Regularly assess the social and economic impact of our projects on local communities using defined metrics and reporting mechanisms.
- Incorporate findings into decision-making processes to continuously improve our approach to community engagement.



3.4 Our Commitments on Connectivity and Technology

Smart Building Technology

- Install smart meters and advanced building management systems (BMS) tailored to each asset to track, analyse and reduce energy consumption and overall building performance in real-time.
- Leverage prop-tech solutions to optimise every stage of asset management, including leasing, operational efficiency and tenant services.
- Utilise Internet of Things (IoT) and AI-driven technologies to identify inefficiencies, automate systems and support predictive maintenance to optimise energy performance.

Enhanced Tenant Experiences

- Equip all assets with robust digital infrastructure, including high-speed internet, 5G readiness and secure wireless networks to support modern work and lifestyle demands.
- Introduce tenant-focused digital platforms and mobile applications to streamline communication, facilitate services and improve overall engagement.

Cybersecurity and Data Protection

- Implement robust cybersecurity measures to safeguard sensitive tenant data and ensure the security of digital building systems.

Continuous Improvement

- Regularly evaluate and adopt emerging technologies to keep assets technologically advanced, adaptable and resilient to changing market trends.
- Partner with technology providers and research institutions to explore and integrate innovative solutions that enhance asset performance and tenant experiences.



3.5 Our Commitments on Natural Capital

Ecosystem Preservation and Enhancement

- Prioritise development on previously developed (brownfield) land over developing on greenfield sites.
- Assess the unique ecological characteristics of each asset and develop tailored plans to preserve and enhance local biodiversity.
- Incorporate green spaces, native vegetation and biodiversity-friendly features such as pollinator habitats, rain gardens and wildlife corridors into our developments.
- Implement Biodiversity Action Plans (BAPs) at key assets to monitor and improve local flora and fauna populations in line with global biodiversity goals.
- Adopt land management practices that prioritise soil health, reduce pesticide use and mitigate the impact of urbanisation on local ecosystems.
- Integrate nature-based solutions, such as green roofs, permeable surfaces, and urban forests, to enhance climate resilience and support carbon sequestration.
- Commit to achieving a measurable net gain in biodiversity across all new developments and significant refurbishments by enhancing natural habitats sensitive to local biodiversity systems.

Collaborations for Conservation

- Partner with environmental organisations, local communities and government bodies to implement effective conservation strategies and share best practices.
- Involve tenants and local communities in biodiversity initiatives through workshops, awareness campaigns and hands-on activities like tree planting and habitat restoration.



3.6 Our Commitments on Governance

Strong Governance Frameworks

- Maintain governance practices aligned with industry-leading standards to ensure transparency, accountability and sustainability in all operations.
- Ensure strong oversight from a diverse and independent board of directors tasked with maintaining the highest governance standards and fostering organisational accountability.
- Conduct a periodic double materiality assessment to identify and prioritise financial, environmental and social risks and opportunities.
- Incorporate double materiality into risk management frameworks and integrate environmental and social considerations into governance practices, embedding sustainability into every decision-making processes.
- Promote ethical behaviour at all levels of the organisation through regular training, clear codes of conduct and ongoing compliance monitoring.
- Implement processes to monitor and communicate any controversies, misconduct, penalties, incidents, accidents or breaches of company ESG policies to clients, the public, contractors, employees, investors, regulators and other relevant stakeholders.
- Ensure that leaders at every level are held accountable for maintaining and promoting ethical practices, creating a top-down culture of integrity.

Diversity, Equity and Inclusion (DEI)

- Commit to a workplace free of discrimination based on race, gender, age, religion, disability, sexual orientation, or other protected characteristics.
- Embed DEI principles into governance frameworks to promote inclusive leadership and equitable decision-making across all levels of the organisation.
- Build and sustain a workforce that reflects diverse backgrounds, identities and perspectives, achieving balanced representation in terms of race, gender, sexual orientation, age, ability and cultural backgrounds.
- Ensure fair access to opportunities and resources for all employees by implementing equitable hiring practices, transparent promotion pathways, equal pay for equal work and tailored support to address unique barriers.
- Uphold a zero-tolerance policy for discrimination, harassment, or exclusion, while fostering inclusion through targeted training, employee resource groups and robust feedback mechanisms.
- Encourage diversity in recruitment pools and maintain annual increases in the hiring and promotion of individuals from underrepresented groups.
- Conduct annual pay equity review and eliminate any identified gaps within a specified timeframe.
- Require employees to complete DEI training annually, with a measurable improvement in post-training knowledge assessments.
- Promote a diverse and inclusive work environment by actively supporting initiatives that foster equal opportunities and prevent discriminatory practices.

Human Rights and Labour Standards

- Implement a zero-tolerance policy for human rights abuses, including forced labour, child labour, and human trafficking, across all operations and supply chains.
- Conduct regular human rights risk assessments to identify, prevent and mitigate adverse human rights impacts within the organisation and its business relationships.
- Uphold internationally recognised human rights standards: OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation (ILO) on Fundamental Principles and Rights at Work and the International Bill of Human Rights.
- Ensure all employees receive fair and competitive wages that meet or exceed the minimum wage requirements, with transparent and equitable compensation structures.
- Guarantee employees' right to freely join and form trade unions or employee associations without fear of retaliation or discrimination.
- Ensure that all employees are hired voluntarily, with no coercion, and have the right to leave their employment at any time, in accordance with labour laws.
- Prohibit child labour across all operations and supply chains, adhering to international standards for the employment of minors.

Anti-Bribery and Corruption

- Enforce a zero-tolerance policy towards bribery, corruption and any form of unethical behaviour through robust compliance frameworks and detailed risk management procedures.
- Provide regular training for employees to identify, prevent and report corrupt practices.
- Conduct due diligence on employee and business partners to ensure alignment with anti-corruption principles.

Whistleblower Protection

- Maintain secure, confidential and anonymous whistleblower channels to empower employees and stakeholders to report unethical behaviour or suspected violations.
- Guarantee protection from retaliation for individuals who raise concerns in good faith, fostering an environment of trust and openness.
- Regularly review and improve whistleblower mechanisms to ensure accessibility and effectiveness.

Public Policy Engagement

- Collaborate with industry associations to shape policy frameworks that promote environmental stewardship, energy efficiency and climate resilience.
- Support initiatives that align with our values, such as those promoting green building standards, carbon reduction targets and sustainable urban development.
- Disclose our public policy engagements and outcomes in annual sustainability reports, ensuring transparency and accountability to stakeholders.
- Disclose any political contributions to ensure transparency and accountability to stakeholders.

Stakeholder Engagement

- Foster open communication with investors, tenants and business partners to align our governance practices with their expectations and priorities.
- Establish open channels of communication with stakeholders to ensure reporting addresses their priorities and expectations.
- Conduct regular updates and meetings with investors, tenants, and partners to discuss progress, challenges and opportunities for improvement.

Data Privacy and Security

- Implement rigorous measures to protect organisational data, ensuring compliance with all relevant privacy regulations and safeguarding against cyber risks.

Supplier Diversity

- Actively engage with and support diverse suppliers, including businesses owned by underrepresented groups and small, medium and voluntary enterprises, to promote economic inclusion and equity in our supply chain.
- Incorporate sustainability criteria into supplier selection and engagement processes, requiring suppliers adhere to environmental best practices, resource efficiency and low-carbon operations and developments.
- Collaborate with suppliers to adopt circular economy principles, including waste reduction, responsible sourcing and end-of-life product management.
- Conduct regular assessment and audits of supply chain partners to ensure compliance with our sustainability goals.
- Encourage transparency and accountability within the supply chain, requiring suppliers to reporting on their sustainability efforts.

Regulatory Compliance and Continuous Improvement

- Conduct periodic reviews of governance policies and practices to implement changes from internal lessons learnt and adapt to evolving industry standards and emerging best practices.
- Uphold compliance with all applicable laws, regulations and ethical standards in every jurisdiction where we operate.

4.0 Reporting

Feldberg Capital's sustainability reporting process is designed to deliver accurate, transparent and comprehensive insights into the organisation's ESG performance. This structured approach integrates data collection, validation, analysis and communication to ensure stakeholders gain a clear understanding of our sustainability efforts. Each fund under Feldberg Capital shall follow the framework outlined below to ensure consistent and impactful sustainability reporting.

4.1 Reporting Process

Defining Reporting Objectives

- Clearly establish the purpose and scope of sustainability reporting, ensuring alignment with Feldberg Capital's sustainability goals and stakeholder expectations.
- Regularly review and align reporting objectives with globally recognised sustainability and reporting standards such as GRESB, SFDR, SASB, TCFD and GRI as the fund grows, providing stakeholders with consistent and reliable insights.
- Conduct regular materiality assessment to identify key environmental, social and governance issues that are most relevant to the reporting organisation's operations and stakeholders.

Data Collection

- Assign data collection responsibilities to relevant departments or parties, leveraging their expertise in their respective areas.
- Define landlord-controlled and tenant-controlled responsibilities within sustainability reporting to ensure clarity and accountability.
- Provide tenants with tools, guidance and data-sharing platforms to facilitate seamless reporting and integration of sustainability data management.
- Use digital tools and software to streamline data collection, reduce errors and maintain consistency across reporting cycles.

Data Validation and Analysis

- Perform internal reviews to verify the accuracy and reliability of all collected data.
- Engage third-party audits or validations, where applicable, to ensure the credibility of the reported information.
- Analyse collected data to evaluate performance against predefined sustainability metrics and benchmarks.
- Develop customised performance indicators to track progress on specific sustainability initiatives and goals.
- Compare results with industry standards and peers to identify areas of strength and improvement.

Stakeholder Engagement

- Engage stakeholders actively to ensure the report addresses their concerns and aligns with their expectations.
- Refine the reporting approach and content by incorporating feedback from internal and external stakeholders.

Report Preparation

- Structure reports to provide a clear and comprehensive overview of the reporting organisation's performance in environmental impact, social impact and governance performance.
- Include narratives, case studies and visuals to make the report engaging and accessible.

Governance Procedures

- Assign responsibility to the Sustainability Steering Committee or a dedicated team to oversee sustainability reporting, ensuring alignment with the organisation's goals and regulatory requirements.
- Present sustainability reports and related performance metrics to the board of directors for review and approval, ensuring high-level oversight.

4.2 Publication Arrangement

Feldberg Capital is committed to ensuring the accessibility and widespread distribution of its sustainability reports to engage stakeholders effectively. The publication process is designed to maximise transparency and provide comprehensive insights tailored to diverse audiences.

Publication Channels and Accessibility

- Publish the final sustainability report prominently on Feldberg Capital's website, with a dedicated section housing current and past reports for ease of reference.
- Distribute report highlights and updates via newsletters and targeted email campaigns to stakeholders, including investors, employees and business partners.
- Complement the traditional report with interactive formats, such as infographics, videos or microsites, to enhance engagement and accessibility.

Timing and Scheduling

- Publish the sustainability report on an annual basis, adhering to a consistent schedule that aligns with our financial reporting cycle.
- Issue press releases summarising key findings and achievements to increase visibility among media outlets, industry peers and the public.
- Notify stakeholders in advance of the report's release date through newsletters, investor updates and social media channels.

Stakeholder Engagement Post-Publication

- Arrange webinars, Q&A sessions or roundtable discussions to present the key findings of the report and engage directly with stakeholders.
- Provide contact information or a feedback form within the report and online for stakeholders to share their thoughts, ask questions or provide suggestions for future improvements.

Archiving and Transparency

- Maintain an archive of all past sustainability reports on the company website to enable stakeholders to track progress over time.
- Ensure that previous reports are easily searchable and available for reference by investors, analysts and other interested parties.

5.0

Sustainability Risk Management

At Feldberg Capital, our approach to sustainability risk management is rooted in three guiding principles: proactivity, integration and accountability. These principles ensure that our organisation not only addresses current challenges but also anticipates future risks and opportunities. By embedding sustainability considerations into every aspect of our operations, governance and strategy, we are positioned to create enduring value for our stakeholders and contribute to a more sustainable future.

5.1 Sustainability Risk Oversight

Our sustainability governance framework ensures the seamless integration of sustainability considerations across all organisational levels, promoting accountability, transparency and effective execution of sustainability strategies.

- At the highest level, the Board provides critical oversight, ensuring that sustainability risk management policies align with the organisation's long-term objectives and strategic direction.
- The Sustainability Steering Committee, reporting directly to the Board, is tasked with overseeing the day-to-day management of sustainability risks. This Committee evaluates and refines risk management frameworks, monitors the implementation of mitigation strategies and ensures that sufficient resources are allocated to address sustainability-related risks.
- On the operational front, our asset, development and investment managers play a central role in identifying, assessing and mitigating sustainability risks.

For more details on our sustainability governance structure, please refer to the 'Leadership' section.

5.2 Sustainability Risk Management Framework

Our sustainability risk management framework is structured and dynamic, enabling us to effectively navigate an evolving risk landscape. The framework encompasses the following key areas:

Risk Identification

- Conduct regular assessments to identify sustainability risks across our operations, investments, and value chain. This includes identifying key risks such as climate change, regulatory shifts, market dynamics, resource scarcity and evolving stakeholder expectations, and leveraging data analytics, stakeholder feedback and scenario analysis to uncover emerging risks and vulnerabilities.

Risk Assessment

- Analyse the likelihood and potential impact of each risk on our financial performance, reputation and operational continuity.
- Prioritise risks based on their alignment with organisational goals, stakeholder interests and overall materiality.

Mitigation and Response

- Outline and implement measures such as investment diversification, operational efficiency enhancements and adherence to regulatory requirements.
- Review the effectiveness of mitigation measures and amend these as needed, and to incorporate knowledge and technological advancement.
- Establish contingency plans to address unforeseen environmental, social and governance risks effectively.

Opportunity Analysis

- Leverage opportunities arising from sustainability initiatives, such as adopting innovative technologies, accessing green financing and enhancing brand reputation.
- Explore new markets and business models that align with our sustainability objectives, fostering long-term growth and value creation.

Monitoring and Reporting

- Track key risk indicators and performance metrics to enable timely interventions and informed decision-making.

5.3 Sustainability Incident Management

We recognise the importance of promptly identifying, reporting and addressing incidents that could potentially impact our environmental sustainability, social responsibility or governance practices. To ensure proactive management and continuous improvement in these areas, the following measures shall be implemented:

- Develop and maintain a robust system for promptly reporting incidents that may affect environmental sustainability, social responsibility or corporate governance practices. Examples of reportable incident include environmental spills, non-compliance with environmental regulations, workplace accidents, labour rights violations, community grievances, health and safety concerns, breaches of ethical conducts, fraud, conflict of interests and non-compliance with corporate policies.
- Establish a comprehensive sustainability incident monitoring framework to systematically track and document all reported incidents based on their severity, impact and response.
- Ensure timely communication with affected stakeholders, including employees, communities and regulatory bodies.
- Conduct thorough investigations to determine the root cause of each incident.
- Develop and implement preventive measures to mitigate the risk of recurrence.
- Periodically review and assess incident reporting and effectiveness of monitoring system.
- Integrate lessons learnt from incidents into revisions to policies, training programs and operational procedures.

5.4 Sustainability Due Diligence for New Acquisitions

At Feldberg Capital, we are dedicated to incorporating sustainability considerations into our acquisition process whether of organisations or single assets. Conducting thorough due diligence is critical to identifying and addressing sustainability-related risks associated with potential acquisitions. Our approach ensures proposed acquisitions are aligned with our sustainability commitments and minimises exposure to risks that could impact our operations, reputation or stakeholders.

We will perform a comprehensive review of all proposed acquisitions to identify environmental, social and governance risks, including environmental hazards, labour disputes, governance lapses, and reputational concerns. Key components of this process include:

- Evaluating climate change risks, including physical risks from extreme weather events and transition risks arising from regulatory changes in carbon emissions and environmental policies.
- Assessing risk management capabilities, focusing on the target's policies, crisis response plans and remediation actions for past incidents.
- Ensuring alignment with sustainability goals, ensuring the target organisation or asset meets the defined benchmarks in our Sustainability Asset Management Brief.

The following sections provide more detailed guidelines to ensure the thorough identification, assessment and mitigation of environmental, social and governance risks before proceeding with any acquisition.

Environmental Due Diligence

Environmental due diligence evaluates the target company or asset's compliance with all applicable environmental laws, regulations and best practices, as well as Feldberg Capital's Sustainability Strategy and targets. This includes:

- Reviewing resource usage, waste management, emissions and other environmental impact metrics.
- Evaluating energy efficiency, climate risk mitigation strategies and sustainability practices.
- Investigating historical and pending environmental violations or investigations.
- Assessing compliance with local, national and international regulations, including ISO standards and emissions reduction goals.
- Identifying existing or potential environmental liabilities that may pose financial or reputational risks.
- Identifying significant environmental risks, including those with potential regulatory, financial or reputational consequences post-acquisition.

Social Due Diligence

Social due diligence focuses on the target company or asset's impact on employees, local communities and other stakeholders. This includes:

- Reviewing labour practices, employee relations and adherence to international labour standards, such as fair wages, work hours, child labour and forced labour.
- Evaluating workplace health and safety standards, including accident rates and policies supporting employee well-being.
- Assessing DEI initiatives and policies, including gender, racial and other forms of diversity.
- Reviewing the target company's tracked record in promoting inclusive workplace practices.
- Evaluating community engagement initiatives, including philanthropy, stakeholder relationships and social investments.
- Identifying any history of human rights violations, such as discrimination, harassment or other social equity issues.

Governance Due Diligence

Governance due diligence evaluates the target company's corporate governance structure, ethical standards and compliance. This includes:

- Assessing board composition, independence, diversity and sustainability expertise among board members.
- Reviewing executive compensation practices, ensuring alignment with long-term shareholder value, sustainability and ethical standards.
- Evaluating internal controls, risk management frameworks and policies addressing conflicts of interest, bribery and corruption.
- Reviewing transparency in financial reporting and compliance with relevant regulatory requirements.
- Assessing the target company's codes of conduct, ethical standards and whistleblowing mechanisms.
- Determining if governance practices pose any risks to Feldberg Capital's operations or reputation.

Third-Party and Supplier Due Diligence

As part of sustainability due diligence, we evaluate the practices of the target company's key third-party relationships and supply chain. This includes:

- Identifying environmental, labour and governance risks associated with the target company's suppliers.
- Reviewing supplier audits, certifications and any history of sustainability-related violations or non-compliance.
- Ensuring suppliers adhere to the sustainability goals and targets outlined in our Sustainability Asset Management Brief (SAMB).
- Mitigating risks that may arise from the target company's supply chain.



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