



Policy correct as of August 2016

Context

Tristan Capital Partners (“Tristan”) is a specialist Value-Added, Mid-Market, Private Equity Real Estate Boutique with a 15-year European investment history that spans eight funds and encompasses both value-added / opportunistic and core-plus strategies.

Tristan is proud of its reputation as an exceptional risk manager, and believes that its intense focus on the risk / return trade-off is responsible for the firm’s superior track record of performance across several market cycles to date.

Tristan’s Responsible Property Investment (RPI) Policy sets out our vision and commitments for a RPI Strategy that supports our core firm objective to maximise returns for our investors whilst addressing our material sustainability and ESG (Environmental, Social and Governance) risks.

Responsible Property (RPI) - Investment that recognises and addresses the environmental, social and economic risks and opportunities associated with the ownership and management of Property Assets.

Sustainability - We use the term “sustainability” to encompass our broadest environmental, social and economic responsibilities and contributions. Our definition of “sustainability” includes all of the business’ core responsibilities to its stakeholders, but goes well beyond these to address longer-term systemic or strategic change management issues related to political, environmental, demographic or societal shifts. In our view, therefore, it is a term which defines long-term business resilience and continuity in the context of an ever-changing world.

ESG - “Environmental, Social and Governance” refers to the three main areas of concern when measuring a company’s management of sustainability issues. Some investors will refer to ESG, some to sustainability, some to Responsible Property Investment (RPI).

Strategic Framework

In 2015 Tristan carried out a robust review of the market context, legislative drivers, investor expectations and management team’s perspectives in order to identify the sustainability issues which are most material to the firm. The outcomes of this review have enabled Tristan to develop a Responsible Property Investment Strategy, to effectively manage its material risks and opportunities within a framework and a set of commitments.

Our vision is to embed the robust management of our material sustainability issues into our core business activities and decision-making. This will enable us to meet our financial objectives while cost-effectively maximising the socio-economic and environmental performance of our assets.





RPI Commitments

I. Working in partnership

- Our core values of performance, teamwork, partnership, trust and integrity support our philosophy of embedding high standards of governance, ethics and responsible property investment practices throughout our operations.
- We commit to engaging with our stakeholders – in particular investors, tenants and employees – on sustainability issues, using their insights to help us improve performance and meet their evolving needs.
- We commit to communicating our sustainability performance transparently to our investors and tenants and to engage actively with industry initiatives.

II. Future-proofing our investments

- We aim to manage the downside, ensuring that we make investment decisions based on future-focused due diligence. This is backed up by high quality research on the full range of issues we deem as material to our operations.
- We seek to manage our risk exposure and maximise opportunities to add value to our investment portfolios, while enhancing the environmental and socio-economic performance of our assets and portfolios.
- The sustainability issues of most significance to our investment activity are:
 - Energy and carbon;
 - Sustainable building standards / certifications;
 - Transport connectivity and accessibility and
 - Tenant attraction, retention and engagement.

III. Transforming our assets

- In both the value-added / opportunistic and core plus funds, Tristan's investment strategy is focused on acquiring assets where capital values can be enhanced under our ownership. In this context, we will seek to optimise returns by improving the overall sustainability performance of our assets.
- We focus on guaranteeing compliance, managing costs, reducing obsolescence risk and enhancing asset appeal to occupiers.
- We seek to transform the performance across our funds over time on issues that are material to value creation and therefore aligned with our investors' objectives.
- The sustainability issues of most significance to our asset management activity are:
 - Tenant attraction, retention and engagement;
 - Energy and carbon;
 - Sustainable building standards/ certifications;
 - Waste;
 - Water;
 - Sustainable procurement; and



- Transport connectivity and accessibility.

RPI Governance

Sustainability matters are coordinated by Tristan's RPI Manager, who reports directly to the Senior Partners. The RPI Manager coordinates the work of the task force, which involves employees at all levels and from all business areas. The task force meets quarterly and takes responsibility for monitoring performance, setting annual targets and overseeing their effective implementation. Beyond this group, Tristan engages employees, property managers and tenants as appropriate to cooperate in the successful delivery of its Responsible Property Investment Strategy.