



GLP Capital Partners Responsible Investment Policy

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1. Introduction

GLP Capital Partners (GCP) is a leading global alternative asset manager specializing in real assets and private equity investing, with \$125 billion of total assets under management (AUM) as of December 31, 2022. Our global thematic investing approach and focus on creating scaled platforms within our investment themes has led to unparalleled leadership in high-growth Asian markets and a track record of success at scale in the U.S. and Europe.

We've built our business around values and are guided by a deep respect for our work and the people we serve. Out of respect for our stakeholders, we invest all capital as if it were our own, empower our people to build relationships locally and operate with autonomy and invest responsibly as well as seek to combat climate change. By staying true to our principles – trust, character, discipline and innovation – we've been able to deliver compelling returns.

GCP's key investment strategies include:

- **Real Assets**
 - o Real Estate Development
 - o Real Estate Income
 - o Real Estate Value-Add
 - o GLP Perpetual Fund
- **Private Equity**
 - o Corporate Private Equity
 - o Growth Equity
 - o Fund Solutions
 - o GLP Perpetual Fund

2. Purpose

Recognizing that environmental, social and governance (ESG) factors are integral to long-term value creation for our investors, GCP actively considers ESG risks and opportunities in our investment activities and operations.

This Responsible Investment policy articulates our ESG commitments (Section 3), approach to embed ESG into our operations (Section 4), governance structure (Section 5), investment activities (Section 6) and reporting processes (Section 7). Reflecting GCP's shared history with our operating partner GLP, this policy takes reference to key sustainability principles included in the GLP ESG Policy Framework which is available [here](#).

This policy applies to the global funds managed by GCP, including our interactions with our perpetual fund and GLP as our operating partner, and is subject to all applicable laws and regulations. Where applicable, individual country-level and investment strategy specific policies are aligned to the principles laid out herein.

3. ESG commitment

At GCP, we are committed to a broad range of ESG initiatives that elevate our business, create value for our shareholders and investors, support our employees and customers, and show respect to the local communities in which we work. We believe continued dedication to ESG is our responsibility as investors as well as an opportunity to promote good business ethics and focus on a more sustainable and resilient future.

We endorse industry ESG standards and frameworks and are observing and evaluating their relevance and applicability to our business. In 2021, we became a signatory to the UN-supported Principles for Responsible

Investment (PRI), and target continual improvement for the number of our funds submitted to GRESB as well as GRESB Green Star Designation.

We recognize the climate imperative under the Paris Agreement to limit global warming to well below 2°C and pursue efforts to limit it to 1.5°C and are implementing recommendations under the Taskforce for Climate-Related Financial Disclosure (TCFD) framework. We are in the process of formulating our Net Zero strategy which includes development of a science-based decarbonization target for our operations and our investments.

We aim to be a global leader in ESG because we believe that sustainability is an essential part of our long-term success as global corporate citizens. We will continuously improve our ESG policy to meet or exceed evolving standards and expectations of our shareholders, investors, employees, partners and communities.

4. ESG considerations

As a product of our shared history with GLP, GCP continues to work closely alongside GLP as an operating partner. Our sustainability principles are therefore drawn from GLP's ESG Policy Framework and have been selected based on consideration of our organization structure, fund offerings and operations to support the intent of GCP's sustainability commitment.

Our five sustainability principles are to:

- Build businesses and invest responsibly
- Govern with high-ethics and transparency
- Develop, manage and monitor sustainable assets
- Improve efficiency and enhance value
- Promote well-being

To support our sustainability principles, we have embedded the following ESG considerations in our five sustainability principles and across our business:

Build businesses and invest responsibly

- **Responsible investment:** GCP invests responsibly by incorporating material ESG factors into the investment decision-making processes where relevant and exercising our influence to monitor and improve the ESG performance of our portfolio during the ownership period. Our approach to ESG integration and stewardship varies based on asset class (real assets and private equity), our level of influence, and specific values or requirements of our clients.

Govern with high-ethics and transparency

- **Ethics and governance:** GCP will maintain its strong corporate governance framework so that we prevent bribery, corruption, political contributions, or fraud, ensure cybersecurity, data protection and privacy, and generally uphold ourselves to the fiduciary duty we owe to our shareholders and investors.

Develop, manage and monitor sustainable assets

- **Climate action:** GCP recognizes that climate change is increasingly testing the conventional for-profit business model, challenging business model resilience, threatening supply chains and infrastructure

and rendering communities vulnerable. GCP will proactively incorporate climate change risk assessments into our business and locations we operate and invest in over time based on TCFD that cover covers physical and transition risk, and GRESB which extends that cover to include social risk.

- **Human rights and labor standards:** GCP is committed to conducting business ethically, embedding human rights and labor standards into our business operations. We assume our responsibility to respect human rights and to avoid complicity in human rights abuses, as stated in the UN Guiding Principles on Business and Human Rights. We also operate in strict compliance with labor laws and prohibit the occurrence of modern slavery, forced labor, child labor and human trafficking.
- **Supply chain management:** GCP recognizes the importance of upholding sustainability principles in the value chain. We incorporate the principles in the procurement processes and policies to ensure we, as well as our suppliers, vendors and partners uphold standards of the same calibre, and conduct continuous monitoring to ensure their compliance with our ESG requirements.

Improve efficiency and enhance value

- **Resource use:**
 - GCP will minimize its resource use and environmental footprint.
 - GCP will minimize its impacts linked to water consumption, emissions and waste generation.

Promote well-being

- **Health and safety:** The health and safety of our employees, contractors, and sub-contractors across our portfolio is critical to the success of GCP. Our portfolio company management and real asset property managers are responsible for ensuring consistent implementation of our health and safety principles across our portfolio and are required to employ effective health and safety measures to minimize health and safety risks. Such measures can include procurement requirements during construction, regular on-site safety trainings and incident management procedures.
- **Culture and talent retention:** People and culture are crucial to our success, we seek to maintain a values-driven culture and attract and cultivate talent to continuously raise the standard for both performance and character, creating a dynamic culture of excellence, diversity, respect and trust through our talent management program.
- **Diversity, equity and inclusion (DEI):** GCP understands the importance of maintaining a diverse and inclusive workforce and embraces differences which create a holistic representation of the global community we serve and will continue to promote such culture through our ongoing initiatives and programs.

5. Governance structure



Board and management oversight

GCP’s management team has overall responsibility and accountability for ESG strategic direction and development of ESG commitments. The management team receives quarterly updates on the firm’s ESG initiatives from the Global ESG Council. GCP’s Board of Directors receives information on ESG matters from the management team bi-annually.

Global ESG Council

The Global ESG Council is led by the Global Head of ESG and consists of members from every region and multiple functional disciplines including c-suite, management and global investment committee members. The Global ESG Council is responsible for managing matters relating to ESG, driving ESG initiatives and integration across the firm and developing innovative new ways to address our long term ESG goals. The Global ESG Council will meet at least quarterly to review ESG-related matters.

Country ESG committees

Country ESG Committees are established at the local level of each country and are comprised of senior members in a variety of functional areas. Country ESG Committees are responsible for driving local ESG initiatives and implementation, collecting ESG data and collaborating with the Global ESG Council in

managing matters related to ESG on a local level. Each Country ESG Committee will meet quarterly to review ESG-related matters.

Global and country investment committees

Investment committees are responsible for investment and fund formation review and approval as well as strategic oversight. Country investment committees oversee the initial review of investments in the specific region, while the Global Investment Committee will approve proposed investments based on a comprehensive investment review including ESG due diligence.

Investment teams

Investment teams are responsible for incorporating relevant ESG factors into the investment process, including conducting pre-acquisition ESG due diligence on proposed investments, capturing costs and relevant mitigants for ESG factors, as well as coordinating with external portfolio operations teams to monitor and report on the ESG performance of assets within the portfolio.

6. ESG integration

GCP's ESG integration framework currently covers 100% of our real assets portfolio and we are adopting private equity specific policies to cover our private equity portfolio.

Real Assets

GCP integrates ESG across the investment lifecycle, including screening and due diligence, ownership, monitoring and exit.



Pre-acquisition ESG screening: GCP will undertake the initial screening to review the investment opportunity's inherent risks and to inform the scope of ESG due diligence. Opportunities that trigger our own or our investment partners' exclusion criteria will not be considered for investment.

ESG due diligence: An ESG due diligence is conducted for investment opportunities, considering relevant ESG issues to identify the potential risks and opportunities associated as well as internal controls in place to mitigate risks. Upon completion of ESG due diligence, an approval with recommendations and guidance will be provided for further transaction execution.

Management: GCP values our relationship with our stakeholders and will ensure that as part of our operations, the interactions with key stakeholders is protocol driven and can identify and address evolving needs and challenges. GCP aims to integrate stakeholder engagement into business operations as an inclusive and continuous process.

ESG issues are incorporated into the selection, appointment, and monitoring process of external property managers, including GLP as an affiliated company. GCP engages with external property managers on ESG matters including: ESG best practices, ESG KPI reporting and disclosures (including GRESB submission), green building certifications, and tenant engagement.

Monitoring: GCP supports better disclosure of ESG data, with an aim to help stakeholders optimize the use of data within the bounds of policies and regulations so they can make informed decisions, through data monitoring and reporting. Assets are required to report on certain ESG metrics and sign up to specific standards/ frameworks where appropriate. A list of metrics collected include:

- Energy consumption
- Renewable energy consumption
- Greenhouse gas emissions
- Water consumption
- Waste generation, treatment, and recycling
- Green building and energy certifications
- Labor and working conditions
- Health and safety performance
- Tenant engagement and satisfaction

Exit: In the instance of an exit, GCP will consider environmental and social considerations when preparing an exit memo for potential investors and/or buyers, highlighting the ESG performance of the asset and/or fund over the years of GCP's management.

Private equity

Aligned with UN PRI best practices, GCP aims to integrate ESG factors into our investment lifecycle and drive continuous improvement throughout our holding period via our engagement activities. We have developed toolkits to screen, monitor and manage our investment opportunities and are in the process of implementation, beginning with our largest corporate private and growth equity platform and gradually expanding to other platforms.

Fund solutions

GCP's fund solutions business conducts ESG due diligence on general partners (GPs) as part of the investment due diligence process, with resultant ESG maturity scoring driving engagement approaches towards the GP.

7. Reporting and disclosure

GCP has invested in a comprehensive ESG data management system "OneESG", comprising corporate and asset-level indicators. OneESG is an integral part of GCP and GLP's strategy to report consistently with global frameworks and standards such as Global Reporting Initiative (GRI), SASB¹ and TCFD.

Relevant sustainability information is reported to our limited partners and other stakeholders through fund reports. We are also working to develop an annual ESG report aligning to international standards such as, GRI, to provide transparency to the public and our stakeholders.

8. Review of policy

This policy will be reviewed every two years or as required to ensure its relevance and effectiveness.

¹ SASB Standards (<https://www.sasb.org/about/>) guide the disclosure of financially material sustainability information by companies to their investors. Available for 77 industries, the Standards identify the subset of environmental, social, and governance issues most relevant to financial performance in each industry. SASB Standards are now under the oversight of the ISSB.