



NORTHERN HORIZON

NORTHERN HORIZON GROUP

RESPONSIBLE INVESTMENT POLICY

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1. Introduction

At Northern Horizon Capital A/S and its subsidiaries jointly (“Northern Horizon”) we acknowledge that our real asset activities affect the society and environment around us, and that we have an opportunity and an implicit duty to ensure this impact is positive. We also believe that efficient and sustainable operations is a necessity for long-term value creation.

Consequently, we are committed to taking responsibility when conducting our business by integrating environmental, social and governance (“ESG”) factors into our investment decisions and operational processes. This effort is part of our Code of Conduct.

2. Guiding principles

To govern our sustainability efforts, Northern Horizon has defined 9 guiding principles (“Guiding Principles”) applicable to the whole group and to the funds/vehicles we manage as designated by the Board:

1. We actively contribute to the alignment of our business activities with the broader objectives of society by ensuring that those activities respect and, where possible, benefit society and the environment.
2. We have an appointed ESG Task Force with clear responsibilities for ensuring monitoring, action and review on ESG aspects, just as ESG is part of the responsibility of every fund manager.
3. We recognise our responsibility to national and international ESG legislation by monitoring present compliance and actively managing risks of future proposed ESG regulation.
4. We integrate ESG factors into our investment process in all steps of the investment life cycle assigning positive value to measures that improve ESG.
5. We set long-term targets for ESG aspects identified as material to an investment.
6. We measure, monitor and report on ESG aspects, where relevant against targets, as a minimum once a year.
7. We share data and best practices internally and with our stakeholders as part of our engagement to increase ESG awareness, learn and motivate others to take responsibility.
8. We support and participate in leading industry standards to enhance transparency, knowledge and impact of ESG within the real estate sector.
9. We survey our own internal performance on ESG, in particular the qualifications, integrity and well-being of our staff in respect of our role as entrusted financial managers.

Implementing of the principles is explained further below.

3. Implementing the Guiding Principles

To ensure the effective implementation of the Guiding Principles, the following operational instructions are offered to the management and employees of Northern Horizon:

Principle 1: Alignment

- The CEO will report to the Board of Directors of Northern Horizon (“Board”) at least once a year on the status of ESG in light of overall business activities.
- The review shall include internal assessments year-on-year and, if possible, assessments against peers as well.

Principle 2: Management

- Overall responsibility for this policy lies with the CEO.
- To ensure its implementation, an ESG Task Force shall be appointed by the CEO comprising:
 - An ESG team leader;
 - one representative fund manager; for sparring on issues of policy, best practices and response; and
 - any other member(s), the CEO deems appropriate, such as analytical assistant for data collection, processing and reporting.
- The ESG Task Force is responsible for implementing this policy as well as reporting to other relevant functions, including the CEO, on ESG for the purpose of overall compliance reporting, strategic review and business response.
- Each fund manager is responsible for ensuring fund/vehicle and asset compliance with this policy in collaboration with the Task Force.

Principle 3: Compliance

- Together with the ESG Task Force, Risk Management and Compliance will monitor key ESG legislation developments, alerting the fund managers to upcoming changes that may affect investments (planned and present).

Principle 4: Investments

- ESG factors are to be considered as part of any due diligence process on a targeted investment and a summary conclusion provided as part of the investment proposal.
- For the purpose of assessing issues of ESG in relation to investments, special-purpose questionnaires will be used to address and document ESG as part of the due diligence process:
 - Investment questionnaire
 - Single / key tenant questionnaire
 - Developer questionnaire
- Clauses supporting ESG matters shall be included in all leases as prescribed by the ESG Task Force from time to time.
- To the extent applicable, ESG impacts (costs and income) are to be incorporated into applied financial investment models.



Principle 5: Targeting

- As part of product formation, vehicle shall be subject to written objectives on ESG as well as a reference to the overall this policy will also taking client views into account.
- Unless otherwise decided by the Board, all funds/vehicles are subject to ESG targeting.
- The ESG Task Force shall offer guidance on appropriate targets.
- Unless excused by the Board, each fund manager is responsible for defining long-term ESG targets for their funds/vehicles, focusing on those aspects with material impact on the value of the portfolio and its stakeholders.
- Fund managers are responsible for tracking ESG performance, in collaboration with the ESG Task Force, and deciding actions together with the appointed property managers at least once a year.

Principle 6: Reporting

- Data relevant to ESG will be collected at least once a year, and where possible benchmarked to assess both absolute and relative performance.
- Unless otherwise decided by the CEO, all investments are subject to ESG monitoring and reporting.
- As a guiding principle, investments should only be excluded from monitoring in those cases where the lack of data is not deemed to have a material impact on the investment mandate and/or group-wide ESG performance.
- Data should be processed and stored in an appropriate environmental monitoring system (EMS) in accordance with preferred industry metrics and standards. Such processing can be external.

Principle 7: Disclosure

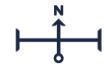
- Fund manager shall ensure access to all relevant ESG data and stakeholder commitment through surveying, goodwill dialogue, and/or contract negotiations.
- The ESG Task Force and fund managers collaboratively shall seek to engage with key tenants and/or property managers at least once a year on matters of ESG.
- To the extent possible and without conflict, fund managers may share data with its stakeholders on best practices and peer performance to encourage and facilitate self-action.
- Northern Horizon shall disclose a statement on the 9 principles of this policy along with a reference to the industry frameworks to which the group subscribes on its corporate website.

Principle 8: Industry

- Northern Horizon subscribes as member and signatory to the following leading ESG frameworks:
 - INREV Compliance Framework
 - UN Principles of Responsible Investment (PRI)
 - Global Real Estate Sustainability Benchmark (GRESB).

Principle 9: Internal

- Northern Horizon is committed to monitoring the health, satisfaction and well-being of its staff through:
 - Annual employee satisfaction and well-being surveys, registration of sick leave, vacation and general staff turnover.



- Individual career development, training and performance is addressed through regular performance reviews.

4. Updating and amending

This Policy shall be reviewed at least once a year, and updated whenever needed, by the Board of Directors of Northern Horizon or the Compliance Board.