Responsible Investment Policy

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LONG | HARBOUR

Contents

Introduction

Long Harbour Group ("LH") is a specialist real estate investment, development, and management firm specialising in originating long-dated, high-quality, asset-backed investment opportunities across various geographies and sectors.

Uniting market-leading expertise across various asset classes, we generate attractive returns for investors while seeking to create efficient buildings of lasting value through thoughtful design and exemplary stewardship. Long Harbour has a proven track record of AUM growth across its investment programmes.

The firm was established in 2009 to help bridge the gap between illiquid asset classes, often with high barriers to entry, and institutional investors seeking to deploy capital into investment-grade, income-generating assets. Our role is to overcome these barriers, facilitating investment through transparent structures with strong corporate governance. Long Harbour arranges, manages, and executes opportunities for its limited partners, typically academic endowments, charities, family offices, pension funds, corporates, and other institutional and private investors.

Long Harbour recognises its fiduciary duty as a real estate investor to incorporate Environmental, Social, and Governance ("ESG") issues and the opportunities they bring into our investment analysis, decision-making, and portfolio construction processes. Hence, this Responsible Investment Policy ("RI Policy") outlines our commitment to responsible investment and our guidelines to ensure we incorporate ESG, climate-related risks, and opportunities in our investment decisions.

James Aumonier,
Chief Operating Officer,
Long Harbour

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OUR ESG VISION

As a leader within the real estate sector, we view our role as a 'property custodian,' driving industry change through our ESG duties and initiatives and providing economic, social, and environmental value for our investors and customers. We aim to be market leading in promoting responsible business, ensuring the assets we acquire and hold can benefit the investment industry and the wider community. Our sustainability approach allows us to have long-lasting and meaningful impacts, while the long-term structure of our vehicles allows us to invest in value-creating ESG initiatives.

As a real estate investment manager, we strive to contribute positively to our communities. For us, it is vital to develop long-term and strong relationships with our suppliers and customers We actively engage and communicate with contractors and other operating partners about our ambitions and commitment to environmental performance and well-being. We particularly emphasise the building's working environment, wellness characteristics, and energy efficiency considerations. We also place the highest priority on maintaining our reputation for integrity and professionalism.

In 2019, we established Long Harbour's ESG Committee to help reach the firm's responsible investment goals. The Committee helps to ensure that sustainability is integrated into investment decision-making by monitoring quarterly performance, keeping informed about future and upcoming regulations, and improving ESG-related knowledge. To benchmark performance against industry best practices, we submit our Income and Multifamily vehicles (part of the Residential Investment Programme) to GRESB ("Global Real Estate Sustainability Benchmark") to identify areas of strength and improvement at a Group, fund, and asset level. We also conducted a Materiality Review which helped to revise the Multifamily ESG Strategy and also supported with the preparation of the PBSA and Single Family Housing vehicles ESG strategy's. To further our ESG integration across asset classes we developed a sustainable design framework for new developments in our Multifamily assets and an acquisition framework for our Single Family vehicle to maximise our ESG performance. We intend to create a similar framework for our Purpose Built Student Accommodation venture later in the fundraising process. asset level we performed physical and transition climate risks assessments to develop adaptation plans and certified our multifamily portfolio under the BREEAM in Use certification. To develop capacity and uniformly integrate ESG throughout our business we also conduct annual ESG training sessions brining the team up to speed with latest trends and refining our ESG expertise.

To ensure ESG integration at all stages, we have developed a sustainable design framework and acquisition due diligence checklists which are tailored to each asset class. In 2023, at the asset level, we performed physical and transition climate risks assessments to develop adaptation plans and certified our multifamily portfolio under the BREEAM in Use certification. To develop capacity and uniformly integrate ESG throughout our business we conduct compulsory annual ESG training for staff, to ensure there is understanding of our activities, targets and importance of ESG across the business.

PURPOSE

Whilst striving to continue our track record of outperformance, we are committed to investing responsibly and have developed a Responsible Investment ("RI") Policy to support our commitment. This document outlines Long Harbour Group's commitment to act as a responsible investor and incorporate ESG issues into investment decisions and active ownership.

At Long Harbour, we regard responsible investment as an investment strategy that integrates ESG considerations into investment decisions. This RI Policy states our approach to responsible investing, emphasising its implementation across our business, all asset classes, and active investment strategies. We developed our RI Policy in alignment with our group and fund level ESG Policies ensuring that these are implemented appropriately.

As part of our commitment to responsible investment, we became a signatory to the United Nations Principles for Responsible Investment (UNPRI) in 2020. We remain a transparent and trusted partner, to our stakeholders and clients, by monitoring and reporting annually on progress and outcomes at the Group and fund levels. We are committed to collaborating and sharing information with internal and external stakeholders, including investors, employees, tenants, suppliers and contractors, and national and local governments. To this end, in 2023 we completed our first Group level ESG report.

SCOPE

This RI Policy applies to Long Harbour's Group investment strategy and the corporate ESG policy, its application to fund and vehicle strategies complements their individual ESG policies, targets and, where relevant, exclusions. This Policy is approved by the Long Harbour Group Executive Team and the ESG Committee. Our RI Policy covers 100% of the ~£3.7 billion of our assets under management (AUM).

Our aim to invest responsibly is part of our organisational culture and our investment process. We are committed to integrating ESG considerations into our investment strategy, policies, and practice through this RI Policy. Whilst ESG is integrated across different asset classes, the specific aspects and forms of ESG integration are tailored to each asset class and geography. We review this Policy and its targets annually and may update them as required to ensure our guidelines remain ambitious and relevant. We will also seek appropriate disclosures on ESG issues by the entities we invest in.

The Senior Management Team and the investment teams are responsible for implementing the RI Policy commitments and ensuring we achieve the targets defined in this document. The ESG Committee oversees the integration of ESG, climate-related risks, and opportunities into our investment and business decisions.

OBJECTIVES

We strive to maximise investment opportunities and positive impacts on the communities within which we are operational whilst minimising any adverse effects of our investments. Our approach to responsible real estate investment seeks to address the following objectives:

- Recognise long-term investment management horizons and ensure these are maintained while meeting short-term goals;
- Commit to improving the environmental value of our investments;
- Ensure responsible ownership and landlord practices to enhance our tenants' quality of life and promote sustainable lifestyles;
- Engage, enrich, and regenerate the communities around our assets;
- Screen all new third parties to meet our minimum requirements, such as having an ESG policy;
- Screen all our new acquisitions and refurbishments to evaluate them against our sustainability due diligence checklist; and
- Support the UN Sustainable Development Goals ("SDGs") and comply with international norms and standards.

Our responsible investment approach

Our responsible investment approach is implemented throughout the entire ownership cycle, from acquisition and development, to asset management and renovation works and sales processes.

We ensure that our responsible investment strategy integrates material ESG factors, particularly climate change. The impact of ESG issues on valuations is considered throughout the investment process. The below process is a more in-depth description of how we implement responsible investment at Long Harbour.

Our investment process:

DEAL SOURCING

All investments, new developments, significant renovations, and potential acquisitions undergo robust pre-investment screening, due diligence, and ESG materiality analysis to identify sustainability issues, such as possible illegal activities or climate-related risks and opportunities. During the due diligence phase, material ESG factors are used to identify risks and opportunities. During this phase, investments are also assessed for alignment with the vehicle's long-term climate targets.

INVESTMENT DECISION

Once material ESG and climate (i.e., physical and transition) risks and opportunities have been analysed as part of our investment process, the assessment is shared with the Investment Committee (IC) to evaluate the impact on valuation. The IC reviews and approves recommendations for all new investment opportunities and acts as an independent Committee to the Board to enhance the decision-making process and any conflict-of-interest issues. The IC memo includes ESG-related issues and is presented to the IC for approval with a prepared transaction report detailing the key performance indicators and business model.

ACTIVE OWNERSHIP

We develop asset value-improvement plans and set targets (e.g., energy, emissions, water, waste) that are informed by commissioning detailed feasibility studies while conducting our sustainability due diligence. After allocating the initial budget and external advisors, if required, we start refurbishment planning via technical due diligence, which will identify critical elements to improve the overall environmental performance of the asset.

SUCCESSFUL SALE

We measure ESG performance against our targets and recognised external benchmarks. We encourage the responsible occupation of our investments; we engage in active dialogue with our Property Managers and tenants on sustainability reporting. We request that our property managers align with our sustainability strategy and criteria to support this. This way, we can ensure that we add value to our assets during the operational period.

Responsible investment guidelines

The Responsible Investment Guidelines set out a robust framework defining the way we embed sustainability across our investment strategies.

These guidelines are an ambitious tool for implementing responsible investment across our investment strategies. Our approach includes strategies integrating ESG throughout the investment process to impact strategies beyond our standard sustainability criteria. It also sets the minimum standards that the investment teams must implement with the support of the ESG Committee; further notes on implementation are presented in the following chapter.

We are a signatory to the UNPRI, and we are committed to respecting the UN Sustainable Development Goals, the UN Global Compact principles on human rights, the 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 on Fundamental Principles and Rights at Work and the International Bill of Human Rights. We consider these frameworks when identifying sustainability outcomes, which can be seen in sections 3.1 and 3.2.

Accordingly, we avoid investments or commercial dealings with entities that are directly involved in activities that are harmful to people and the planet, particularly:

- If our influence through engagement cannot remedy the negative impact; or
- If a worldwide treaty exists to eliminate the activity or product.

Further, we maintain and apply anti-money laundering and countering the financing of terrorism (AML/CTF) risk rating of locations where we will not invest or where investment is subject to enhanced due diligence in line with regulatory requirements.

These Responsible Investment guidelines outline our positive and negative screening that define our exclusionary criteria and a framework for identifying impact opportunities that guide our investment process to achieve best practices.

OUR EXCLUSIONS

We are committed to acting responsibly and complying with all laws and regulations applicable to our business or investment activities within the jurisdictions we operate. We will not invest and knowingly engage with parties directly involved in activities deemed inconsistent or undesirable by our clients or us. In line with this, the 'mandatory exclusions' is the first step of the responsible investment processes. We have defined minimum exclusions outlined below:

- Parties that contribute to, or are in material breach of, UN conventions and declarations on human rights (including murder, torture, deprivation of liberty, forced labour, child labour, or other forms of child exploitation).
- Parties that are found in breach of modern slavery disclosures.
- Parties associated with, or convicted of, material or systematic bribery or corruption.
- Parties partaking in the manufacture or trade of controversial weapons that violate fundamental humanitarian principles (such as cluster bombs, anti-personnel mines, nuclear, chemical, or biological weapons) or operating in countries which do not comply with principal international arms treaties and conventions.
- Parties involved in palm oil production not adhering to best practices (particularly regarding deforestation, land, and labour rights).
- Parties consistently cited for violating environmental protection regulations.
- Parties with revenues > 25% from mining or sale to third parties, and any tenant companies/group with >50% from coal power generation.
- Parties with revenues > 25% from oil sands extraction.

We will also not enter commercial dealings with investment partners and tenants currently under sanction by the United Nations, European Union, or any other applicable sanctions list. Should circumstances change, and these institutions impose sanctions on an entity to which Long Harbour has material investment exposure or a country with a physical presence, we will re-evaluate its positioning through the ESG Committee.

In addition, before making investment decisions, we will consider its effects on the Principal Adverse Impacts (PAIs) on sustainability factors most relevant to its investment strategy as part of fund-specific alignment with SDR and SFDR The relevant funds will limit exposure to the following mandatory real-estate-specific PAIs:

- **PAI 17:** Exposure to fossil fuels through real estate assets (i.e., assets involved in the extraction, storage, transport, or manufacture of fossil fuels).
- **PAI 18:** Exposure to energy-inefficient real estate assets (i.e., share of investments in energy-inefficient real estate assets)

We will also limit exposure to other real estate-specific voluntary PAIs, provided they are material adverse impacts caused by LH investments. These will include a minimum of one of the following:

- **PAI 18:** GHG emissions (i.e., assets with high greenhouse gas emissions per square meter).
- **PAI 19:** Energy consumption intensity (i.e., assets with high energy consumption per square meter).
- **PAI 20:** Waste production in operations (e.g., assets not equipped with facilities for waste sorting and not covered by a waste recovery or recycling contract).
- **PAI 21:** Raw materials consumption for new construction or major renovations (i.e. share of raw building materials - excluding recovered, recycled, and bio-sourced - compared to the total weight of building materials).
- **PAI 22:** Land artificialisation (i.e. share of non-vegetated surface area — surfaces that have not been vegetated in the ground, as well as on roofs, terraces, and walls — compared to the total surface area of the plots of all assets.

Other building characteristics not explicitly referred to in SFDR disclosures, which may contribute to negative sustainability impacts, can be seen as 'voluntary exclusionary criteria' of the Policy. These exclusions may include, but are not limited, to the following criteria:

- Assets with no area suitable for producing onsite renewable energy.
- Assets assessed as 'stranded' based on the Carbon Risk Real Estate Monitor (CRREM) pathways or assets with combustion appliances which exceed emissions limits set by regulations or put the asset at risk of being stranded based on CRREM pathways.
- Assets with poor water consumption efficiency, with little to no economic opportunity for improvement.
- Assets constructed with materials that are considered significantly harmful to the environment, or materials that have well-known, cost-comparable low-carbon alternatives.
- Assets in areas severely exposed to physical climate risks without economically viable options to safeguard against these risks.
- Assets known to be damaging local ecosystems or reducing biodiversity.
- Assets where the local community has expressed public dissent for the project/acquisition.
- Asset partners who refuse to align with Long Harbour's intended ESG strategy/improvement plan for the asset.

SCREENING & ESG INTEGRATION

As part of the investment research and due diligence process prior to acquisitions, deal leads are actively encouraged to pursue opportunities where sustainability outcomes can be improved. We work closely with environmental and technical advisors who give detailed recommendations before acquisitions on the improvements that could be made to the asset.

When an asset has sufficient potential to positively contribute to sustainability outcomes such as improved energy efficiency or installation of renewable energy, it is a more attractive acquisition. We strive to invest in assets that contribute to at least one of the sustainability outcomes, which include, but are not limited to, the environmental, social and systematic sustainability aspects below:

E ENVIRONMENT	**Energy efficiency**	Assets with the potential to reduce energy consumption through several economic measures (e.g., by upgrading heating and cooling systems, building fabric, incorporating IoT devices, and smart grid functionality). We aim to optimise energy performance through refurbishment and management activities and deploy an Environmental System Management aligned to ISO14001.
	Climate change mitigation and adaptation	Assets with the potential or a plan to add onsite renewable energy and adaptation measures such as planted areas that reduce flooding risks.
	Green building certifications	Assets targeting ambitious globally or locally recognised standards or certifications (e.g., BREEAM-in-Use Excellent or above, LEED Gold or above).
	Biodiversity	Assets that can contribute to the health of local flora and fauna ecosystems (e.g., green roofs/walls, bird boxes, etc.).
	Waste management	Assets with the potential or a plan for diversion of waste from landfill.
	Water conservation	Assets that can incorporate water-saving design features and appliances (e.g., rainwater tanks, sustainable urban drainage systems).
	Sustainable transportation	Assets near public transport or with the potential to install EV chargers, bike storage, and other sustainable provisions.
	Sustainable procurement	Assets with the potential or a plan to source materials for construction/ refurbishment in line with circular economy principles.
S SOCIAL	**Tenant health and well-being**	Assets that can provide significant health and well-being provisions for tenants (e.g., fitness and recreation areas).
	Community development	Assets with the potential or a plan to improve community outcomes such as local income generated, housing affordability, and liveability score.
	Employment generation	Assets with the potential or a plan in place to contribute to local employment.
	Human rights	Assets with the potential or a plan to support and respect the protection of internationally recognised human rights (i.e., the UN Global Compact principles on human rights, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights).
G GOVERNANCE	**Diversity, equity and inclusion**	Assets with the potential or a plan to comply with Long Harbour's company-wide culture of diversity, equity and inclusion (DEI) to prevent discrimination, harassment and victimisation.
	Responsible supply chain	Assets with the potential or a plan to comply with Long Harbour's Brand Standards, including labour exploitation prevention, fair and liveable wages, and ethical work practices in line with local regulations and norms.

We strive to reflect the most relevant ESG factors depending on the asset class. Specific aspects and forms of ESG integration are tailored to each asset class depending on asset types, geographies, and investment strategies.

STRIVING FOR IMPACT

Our role as real estate investment manager provides us with the capabilities and the responsibility to make a positive and measurable impact on the environment and the communities we operate in. Elevating the' impact of our vehicles we strive to align with SFDR Article 8 standards, Long Harbour promotes environmental and/or social characteristics. The characteristics a fund chooses to promote will, in most cases, take inspiration from the sustainability outcomes listed above but will be tailored to the specific investment strategy of the fund. We will disclose specific binding elements or each characteristic, and the fund will work towards achieving them, which ensures that we achieve positive sustainability outcomes for our investors and stakeholders on a multi-year time horizon.

Objectives are defined to ensure measurable and verifiable sustainable outcomes. Performance is measured quarterly, and annual reporting is conducted. Further, vehicle-level positive screening methodologies can be expanded based on these guidelines, and our targets are reported on page 10.

CLIMATE-RELATED RISKS

Long Harbour recognises that climate-related risks may evolve over time as the physical and transitional factors relevant to the investment industry evolve.

CLIMATE-RELATED RISKS IDENTIFICATION

Long Harbour identifies transition risks, in line with TCFD guidance, as follows:

- **Policy and legal:** Policy risks refer to the risks associated with and the financial impact of policy changes depending on the nature and timing of the policy change. Litigation or legal risks refer to climate-related litigation claims being brought before the courts by property owners, municipalities, states, insurers, shareholders, and public interest organisations.
- **Technology:** Technology risks refer to the impacts or disruptions that can be brought by technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system.
- **Market:** Market risks refer to shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly taken into account.
- **Reputation:** Reputation risks refer to those that are tied to changing customer or community perceptions of an organisation's contribution to or detraction from the transition to a lower-carbon economy.

Long Harbour identifies the physical risks of climate change, in line with TCFD guidance, as follows:

- **Acute:** Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods.
- **Chronic:** Chronic physical risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves.

CLIMATE-RELATED RISKS ASSESSMENT

The materiality of climate-related risks to an individual asset and to a portfolio depends on asset class, location, and investment approach. The assessment of climate-related risks and opportunities is included in the due diligence process. This applies to all investments, new developments, significant renovations, and potential acquisitions.

TIME FRAMES

In the climate-related risk assessment, a comprehensive time horizon is considered from the present (short-term) to over a longer period (out to 2100). The identification of the risks under different climate risk scenarios across the short-, medium-, and long-term time frames ensures the evaluation of the exposures of all investments.

Our climate commitment

We have a long-term strategic commitment to support the low-carbon transition and decarbonise our investments in line with global efforts to hold the global average temperature to well below 2°C above pre-industrial levels and aim to limit the temperature increase to 1.5°C.

We aim to support the decarbonisation of the built environment and achieve net zero emissions by 2050.

Our climate targets are reported below and highlight our ambition to invest responsibly. Starting in 2024 we will assess our decarbonisation targets against CRREM country- and building-type-specific GHG intensity and energy reduction pathways to ensure these align to limiting global warming to 1.5°C. These targets can be used as additional positive screening items for Fund Manager's responsible investment approach and will be used to report the outcomes of this Policy annually.

TARGETS

In line with our ESG Policy, we have set targets for monitoring our progress and supporting our commitment to responsible investment as shown opposite.

SHORT TERM TARGETS (BY 2025)

Long Harbour will aim to have achieved the following objectives:

- **Disclosure:** Long Harbour will have embedded the practice of disclosing climate-related metrics at both the fund and corporate level. This will include both TCFD- and CRREM-aligned reporting.
- **ESG strategy:** the entity will align its ESG policy to meet Principal Adverse Impacts; equality, diversity and inclusion (EDI), and modern slavery KPIs and report on its alignment annually.
- **Sectoral exposure:** By 2025, Long Harbour will have mapped its exposure to corporate tenants with revenues from coal mining, exchange or generation, and companies that derive any revenues from the extraction of fossil fuels from oil sands; Long Harbour will also have instituted a policy of non-renewal of leases to such companies.
- **ESG literacy:** ensure that all LH employees are well-versed in ESG issues and empowered to take decisions that do no significant harm to environmental or social objectives. This will involve, as a minimum: i) mandating that all Long Harbour employees have individual ESG objectives mapped to their responsibilities to ensure that the company is able to materially deliver on its ESG ambition; and ii) providing training to Long Harbour employees to facilitate this goal.
- **ESG strategy:** each Long Harbour vehicle should have its own ESG strategy by 2025 to complement this corporate-level strategy and to optimise the decarbonisation trajectory across different funds with their own distinctive characteristics.
- **Green building certifications:** Long Harbour will have completed BREEAM In-Use certification of at least 20 per cent of assets across each of its portfolios.
- **Building safety:** Long Harbour will have mapped its exposure to building safety risks across its portfolios and for all assets in Long Harbour's portfolio clarified the identity of the accountable person to residents. Long Harbour will also have begun remedial works, where required, across all assets in its portfolio affected by building safety issues.

MEDIUM TERM TARGETS (BY 2028)

Long Harbour will aim to have achieved the following objectives:

- **Disclosure:** identify and achieve new short and medium-term climate mitigation & adaptation targets revealed through ongoing TCFD and CRREM reporting.
- **Responsible Investment:** Long Harbour should, by 2028, be at or near to nomination for the UNPRI Leaders Group, the global benchmark for leadership in responsible investment.
- **Resource efficiency of real assets:** each Long Harbour vehicle should perform above its GRESB peer group average by 2028. This implies significant improvements in the energy, water, and waste efficiency of real assets within Long Harbour funds, and either a full BREEAM In-Use certification or energy audit for all assets within Long Harbour's portfolio. Furthermore, fund-level strategies will by this date incorporate plans for the iterative undertaking of energy audits and the formulation of asset-level action plans to accelerate Long Harbour's journey towards its net zero goal.
- **Sectoral exposure:** Long Harbour will have entered into power purchase agreements for the supply of low-carbon (i.e. wind, solar, hydro or nuclear) electricity to all assets within its portfolio to remove any exposure to coal generation across its portfolio.

LONG TERM TARGETS (BY 2040)

Long Harbour will aim to have achieved the following objectives:

- **Net Zero:** decarbonisation of Long Harbour's business activities according to GHG Protocol Scope 1 & 2. Remaining Scope 3 emissions will have been fully accounted for: where possible, these will have been reduced to zero by 2048; where Long Harbour is demonstrably unable to achieve zero Scope 3 emissions by this date, a plan for the purchase of verifiable offsets will be adopted by 2040. Long Harbour will also, by this date, have achieved full portfolio alignment with the CRREM 2050 net zero pathway.

Implementation procedure

At Long Harbour, we incorporate ESG factors into our rigorous investment analysis through fundamental, bottom-up analysis to gain a comprehensive understanding of the factors that influence the sustainability of each of our investments.

Our research teams and Portfolio Managers evaluate ESG factors and a range of other potential risks and opportunities that may impact our investment. The insights from our research and stewardship teams inform the portfolio managers' decision-making. These are also aligned with each client, sustainability preferences and risk appetite.

We have created a unified approach to responsible investing through the exclusionary, positive screening, and the ESG integration criteria set in the Responsible Investment Guidelines. Implementation of the exclusionary and positive screening principles is assigned to the individual portfolio managers, with an oversight and reporting role given to the ESG Committee. The stakeholders and their respective responsibilities are outlined below.

GOVERNANCE: ROLES AND RESPONSIBILITIES

To further support the implementation of our RI Policy, we have developed a set of key climate metrics based on the TCFD recommendations and PCAF Standard. These climate metrics include portfolio carbon intensity, energy consumption (i.e., in GWh of owned real estate assets per square meter), and investments in green assets (i.e., amount of capital expenditure, financing, or investment deployed toward climate-related risks and opportunities). We leverage these key metrics to achieve our climate commitment and net-zero targets.

We are embedding sustainability throughout our business strategy, policies, and governance. In line with our ESG policy, we are expanding stakeholdership and ownership of our targets across the roles of our organization. As well as the individual investment teams, the Senior Management team is responsible and accountable for overseeing and implementing this RI Policy. Role and responsibilities in assessing and managing climate-related risks and opportunities are described below:

REMUNERATION COMMITTEE

- Responsible for linking compensation policies to climate-related targets to challenge and support senior management in our decarbonisation commitment.

ESG COMMITTEE

- Responsible for reviewing and updating the provisions of this Policy (in particular, the exclusionary list) on an annual basis.
- Report outcomes of the Responsible Investment Policy as part of its annual sustainability reporting.

PORTFOLIO MANAGERS (“MANAGERS”)

- Make active investment decisions based on the responsible investment guidelines.
- It is the responsibility of the Managers to implement the contents of this Policy.
- Property management of ground lease holdings will comply to this policy on a best effort basis as limited by the lack of operational control of the asset.

HEAD OF COMPLIANCE

- Provide leadership in ratifying and implementing the Policy across the funds and asset classes.
- If any aspect of the Policy is unclear in application, the Head of Compliance, with the consent of the Executive Board, is authorized to decide with due regard to commercial impacts.
- Report to the Executive Board on any escalations or breaches of this Policy.
- Coordinate with Fund Managers and aid the Committee in its review and reporting.

CUSTOMER RELATIONSHIP MANAGERS AND ASSET MANAGER

- Responsible for providing asset level information to fund managers that will inform their responsible investment decision-making.

ESG COMMITTEE

Long Harbour's ESG Committee approves program objectives, including material climate-related risks and opportunities. In collaboration with the Fund Managers, the Committee conducts initial ESG screenings during due diligence, which the Investment Committee then reviews to approve acquisitions. This assessment informs asset-level improvement plans, which include dedicated strategies that ensure the achievement of the fund-level objectives, which are tracked and benchmarked to produce an annual gap analysis report.

Within the context of this Policy, the ESG Committee is responsible for implementing the investment guidelines within each fund and in the methodology of its ESG due diligence. Further, the Committee undertakes the task of reviewing the Policy annually and publishing it on our website. As part of its annual reporting commitment, the Committee will include the following:

- Reporting on its responsible investment.
- Summarizing the targets achieved by its responsible investment approach.
- Flagging any changes to its methodology.

ESG COMMITTEE MEMBERS

- James Aumonier
- Tabitha Perry
- Stephen Hockaday
- Hugh Thomas

CONFLICT OF INTERESTS

We recognise that conflicts of interest may arise within the context of exercising activities that responsible investment approach requires. We apply our responsible investment practices to all portfolios in a manner that ensures every aspects of business, investment and ESG objectives are met.

IDENTIFICATION

Our Portfolio Managers and investment teams are committed to the implementation of ESG integration and periodically review our compliance with this policy. On the identification of material conflicts of interest arising from exercising our Responsible Investment Policy, the Portfolio Managers and investment teams will report to the ESG Committee for further management of the conflicts.

MANAGEMENT

The ESG Committee has responsibilities for overseeing the identification and management of conflicts. To prevent conflicts and to resolve matters successfully, the ESG Committee make decisions based on:

- ESG policy;
- Coordination with the Head of Compliance.

MONITORING

All the escalations will be fed and developed into conflict scenarios and reviewed regularly by the ESG Committee.

Engagement and active ownership procedures

Our focus is to create value in our assets' active ownership and management.

We work with property managers, tenants, and contractors to meet our decarbonization targets. As such, we have developed a range of engagement objectives that aim to integrate material ESG considerations across our investments.

The ESG Committee heads the effort of stakeholder engagement and ESG integration. With the help of fund and asset managers, the Committee is responsible for reviewing the progress of stakeholder engagement and reporting fund-level progress to meet targets.

ENGAGEMENT OBJECTIVES

- Active monitoring of KPIs on material ESG factors identified during due diligence.
- Collaborating with tenants on energy, water, and waste data sharing (e.g., green leases).
- Improving energy and emissions performance of our investment.
- Regularly communicating the progress of our ESG program with investors and stakeholders.
- Engaging with Property Manager and construction contractors on ESG issues (i.e., during selection, appointment, and monitoring).
- Providing ESG and climate-related training and workshops annually to our employees.
- Reporting engagement in accordance with the ICSWG framework.
- Accounting and reporting GHG emissions from our investment portfolio (planned).
- Engaging with tenants and local communities to drive ESG issues and promote satisfaction with regards to local environments and social values.

SELECTION, APPOINTMENT, AND MONITORING OF PROPERTY MANAGERS

As asset owner and indirect operator, Long Harbour has an internal property management company. We have implemented a process for monitoring ESG targets in our property management group and have written a selection and appointment procedure if and when external appointment of property managers becomes material to our business.

We collaborate and engage on material ESG factors with our Property Managers during the selection, appointment, and monitoring process. We assess Property Mangers ESG track record and expertise to ensure alignment with our RI Policy and climate commitments. The selection process entails requesting documentation on their responsible procurement practices, metering data management, and ESG policies.

During the appointment process we set material ESG and climate targets and related incentives, and include energy, water, and waste clauses in our property management contracts. We work with our Property Managers to improve performance over time by monitoring the quantitative ESG targets we have set. Monitoring our progress (or setbacks) each quarter and engaging in active dialogue helps us better understand our assets' ESG performance and manage climate-related risks and opportunities.

CONTRACTORS

We strive to engage with responsible contractors aligned with our ESG Policy. During the new developments and major renovations, we require sustainable building materials, construction, and demolition waste to be managed responsibly, incorporating circularity principles (e.g., reuse, recycling) to reduce our whole-life carbon footprint. Our requirements include protecting air quality, surface water, and biodiversity with ongoing health and safety monitoring at the construction site. From 2025, for all new third parties we are screening against our minimum requirement of having an ESG policy.

Transparency and reporting

Progress made in implementing our RI Policy and commitments is disclosed in our annual report. The reporting is reviewed and assured externally.

We communicate our sustainability performance as a signatory to the UNPRI through periodic reporting and will report following the TCFD recommendations. We may conduct reporting in-house or through external engagements to be defined by the Group and will include key performance indicators to measure the impact of our responsible investment approach.

The reporting will be aligned with the PRI Reporting Framework as a mandatory requirement of our signatory status. Long Harbour reporting may also be aligned with any of the following frameworks.

- Partnership for Carbon Accounting Financials industry-led partnership to facilitate transparency and accountability of the financial industry to the Paris Agreement;
- Task Force on Climate-related Financial Disclosures (TCFD) – a framework for translating non-financial information about climate change into financial metrics;
- GRESB to assess and benchmark the ESG performance of real assets;
- EU Taxonomy to provide investors with a definition of whether an economic activity is sustainable.

Further Long Harbour, in alignment with its exclusionary policies, commits to modern slavery and human trafficking disclosure and will release an annual statement in accordance to the standards provided by the UK government.

Our Responsible Investment Policy will be reviewed annually by the ESG Committee. This review will ensure that it keeps up to date with any developments within and outside the business and continues to be ambitious and relevant. The review will pay specific attention to the contents of the responsible investment guidelines updating them based as required.

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