



Northleaf Capital Partners' Responsible Investment Policy

Founding Principles and Values

Northleaf Capital Partners ("Northleaf") is a professional investment management organization that invests on behalf of its investors in private markets transactions globally.

Northleaf seeks to generate superior, long-term investment returns in accordance with the portfolio objectives and guidelines of the private markets mandates that it manages, while abiding by its fiduciary duty to act in the best interests of its investors. Northleaf is committed to building enduring relationships with its investors, investment partners and colleagues based on trust, openness, respect and the highest standards of integrity and professionalism.

Northleaf believes that responsible corporate behaviour will have a positive influence on long-term financial performance and is committed to incorporating environmental, social and governance (ESG) factors into its investment processes at every level.

For Northleaf, ESG considerations include a wide range of factors that may have a material impact (individually or in combination) on the risk and return profile of investments. ESG considerations may include:

- **Environmental:** Natural resource usage, environmental footprint (e.g. waste, pollution, greenhouse gas emissions) climate change, clean technology products and services, environmental management practices
- **Social:** Human capital, workplace health and safety, labour relations and standards, human rights, demographic changes, supply-chain and community impacts
- **Governance:** Board set up and composition, executive remuneration and incentive plans, corporate accountability structures, compliance, negligence, bribery and corruption, conflicts of interest and related-party transactions, investor rights, accounting integrity and audit quality

Signatory of:

Northleaf's Commitment to the Principles for Responsible Investment



As a signatory to the United Nations Principles for Responsible Investment (PRI), Northleaf is committed to upholding the values of PRI and applying its principles across all of its investment activities firm-wide. Adopting the principles provides an industry-wide standard against which

Northleaf can continue to assess itself and strive for best in class due diligence, investment monitoring and investor reporting.

Northleaf is committed to applying the six principles of the PRI:

1. We will incorporate ESG issues into investment analysis and decision-making processes
2. We will be active owners and incorporate ESG issues into our ownership policies and practices
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest
4. We will promote acceptance and implementation of the Principles within the investment industry
5. We will work together to enhance our effectiveness in implementing the Principles
6. We will each report on our activities and progress towards implementing the Principles

Northleaf's ESG Objectives

Northleaf's fundamental ESG objectives include:

- Assessing ESG risks as part of investment due diligence through every stage of the investment process
- Quantifying the risk/return impact of ESG-related considerations where possible
- Monitoring ongoing ESG considerations as part of the asset management activities across the firm
- Reporting on ESG-related matters to investors
- Promoting responsible investing to partners, service providers and investors

Responsible Investment in Practice

Northleaf integrates ESG considerations into its investment activities with an appropriately tailored approach that acknowledges the varying degrees of influence Northleaf brings to bear across the asset classes in which it participates, the investment strategies it pursues and the mandates it manages.

Northleaf's investment teams are responsible for assessing ESG considerations during each phase of the investment process.

- **Sourcing and initial review** – Each Northleaf investment team seeks to identify transaction specific ESG considerations and issues in the preliminary evaluation of a potential investment opportunity.
- **Due diligence** – Each Northleaf investment team conducts an assessment of ESG considerations and risk factors related to a particular investment opportunity, as well as possible risk mitigation strategies. In certain cases, investment teams may engage external advisors and specialists where technical expertise is required (e.g. environmental consultants).

- **Investment decision and documentation** – A summary of the ESG considerations related to each investment opportunity, together with a summary of proposed risk mitigation strategies, is included in the Investment Committee Recommendation document prepared by each investment team and presented for consideration by the Investment Committee for each relevant mandate. The Investment Committee for each Northleaf mandate has ultimate responsibility for ensuring that Northleaf’s ESG standards are maintained across the firm.
- **Asset management and monitoring** - Each Northleaf investment team is committed to engaging with and influencing investment partners, fund managers, management teams and Boards of investments where improved ESG practices could reduce risks or increase performance. ESG considerations form an important part of the investment reviews undertaken by each Northleaf investment team on a regular (and at least quarterly) basis. Northleaf works with its investment partners to develop and improve ESG-related practices, performance and reporting as appropriate, taking into account the specific nature of the investment relationship.
- **Investor reporting** – Northleaf provides its investors with regular updates on material ESG related matters through its comprehensive investor reporting processes, including, but not limited to its quarterly reports, in-person updates, investor conference presentations and conference calls, and ad-hoc communications should there be a serious or significant ESG matter to report.