

**Logistics Property Company
Environmental Management System (EMS)
Updated: December 2023**

Logistics Property Company, LLC is an industrial real estate company focused on the acquisition, development, and management of modern logistics properties. The group is led by a diverse management team that averages more than 25 years of experience and has developed more than 55.3 million square feet of logistics buildings since 1995. The company is headquartered in Chicago with more than 75 employees strategically located across eight offices. Its portfolio currently comprises 52 buildings across 23 million square feet in key logistics markets across North America with an estimated end value of more than \$3 billion.

As an industrial real estate developer, owner, and operator, the company recognizes the importance of integrating environmental stewardship, social responsibility, and governance in every aspect of our business. When we engage with our stakeholders – employees, customers, partners, investors, and communities – we strive to do our part to improve today’s environmental and societal challenges and maximize our contribution to the communities we serve. ESG is embedded in our values and business strategy and integrated across our national portfolio. The company uses Sustainable Development Goals (SDGs) as a guide for our sustainability and governance policies.

About Environmental Management System (EMS)

The Environmental Management System (EMS) is a set of policies or practices that will enable the company to reduce its overall environmental impacts whilst increasing its operating efficiency. It is a framework that will aid the company to achieve its environmental goals through a consistent approach. The EMS developed is a tailored approach to our specific goals.

The company will follow the guidelines and seek to pursue formal final certification to ISO 14001. The EMS provides a clear and cohesive guide for all employees regarding the EMS plan.

The EMS is voluntary and demonstrates our commitment to continual environmental improvement. It will also be used to:

- Assist employees to understand their responsibility in relation to the environment.
- Ensure that all operations and actions have minimal impacts.
- Monitor environmental performance against a series of targets.
- Assist in identifying opportunities for waste reduction and other measures to reduce operating costs.

The benefits of implementing the EMS will not only limit the portfolio’s reduction in overall environmental impacts. It will also benefit:

- Financial: Reduction in waste which in turn reduces cost and increased profits.
- Productivity: Improved process control, less waste, reduction in raw materials and consumables.
- Sales and marketing: Enhanced products, improved sales through promotion of greener credentials.
- Public relations: Enhanced public image.
- Legal: Management of environmental risk and ensuring legal compliance.

EMS key components include:

- Detailed assessment of current business activities and portfolio.
- Supports all ESG related policies in-place.
- Development of a program for reducing environmental impacts.
- Clear roles and responsibilities for employees.

- Training and awareness programs for employees.
- Written and documented procedures to control activities with environmental impacts.
- A system for controlling documentation.
- Regular auditing to ensure conformance.
- Formal review by management.

Environmental Management System (EMS) Sustainability Strategy

Our top goals are to reduce environmental impacts through four sustainable steps. This EMS is aligned with the ISO 14001 standard and follows a “Plan-Do-Check-Act” process.

Step One: Plan

The first stage of the ISO 14001 Standard is Plan, where we develop strategies and processes to optimize environmental performance. We implement environmental policies across all properties so that each building is run efficiently and sustainably. The ESG plan is communicated and trained on and companywide we have set future goals based on stakeholder engagement, governmental regulations, and sustainability trends in the real estate market.

Step Two: Do

After the planning stage is complete, we move onto the Do process. Our team initiates the implementation of environmental policies and procedures across all properties to ensure that organizational and building-specific goals are met. All teams are responsible for the development and implementation of environmental policies and procedures, and work with Portfolio Managers, Property Managers, suppliers, and vendors to ensure that these policies are followed.

Step Three: Check

Once environmental policies and processes have been implemented, we begin the Check phase which includes measuring progress and implementing corrective action plans. All teams are responsible for checking policy compliance with our internal and external teams. They ensure that building performance improves in alignment with the portfolio’s long-term goals. Corrective action is taken when a policy or procedure is not properly implemented at a property, or if a property is not performing up to the company’s environmental standards.

Step Four: Act

The final stage of the ISO 14001 standard is Act. We have created communication procedures between ESG and company wide across the company. Teams collaborate to ensure all properties are compliant with the EMS. If compliance is not met, then these teams evaluate the situation and make necessary changes. All teams are responsible for evaluating the EMS periodically to ensure its continuing effectiveness and applicability.

Responsibility and Expectations

ESG PERFORMANCE TARGETS

FINANCIAL AND NON-FINANCIAL REQUIREMENTS PERTAINING TO PERFORMANCE AND TARGETS APPLY TO:

- Board of Directors
- C-Suite Level Staff / Senior Management
- Investment Committee
- Fund / portfolio managers
- Asset Management
- ESG Portfolio Manager / Head of ESG
- Investment Analysts

- Dedicated staff on ESG issues including – General Counsel/Legal, Marketing
- External managers or service providers
- Investor relations; and
- Third-Party ESG Providers

The Head of Environmental, Social, and Governance is responsible for the management and implementation of the ESG strategy. The strategy is executed to advance ESG goals and ensure that positive impacts are maximized, and key investor objectives are achieved.

The ESG Committee provides oversight and reports to the Board of Directors. The Committee draws on industry best practices and evaluates appropriate key performance indicators, targets, and initiatives.

The company engages all employees in ESG matters and actively promotes a culture of leadership and responsibility at all levels of the company.

The ESG framework is accomplished through the following practices:

- Ongoing board and committee oversight
- Embracing evolving stakeholder expectations
- Reporting on key performance metrics
- Compliance with laws and regulations
- Tracking relevant ESG opportunities and outcomes
- Communicating and reporting to investors through meetings, diligence reporting and outreach
- Ensuring that ESG principles are addressed at all levels of the organization.
- Ensuring that consistent ESG policies and procedures are in place both at the corporate and the asset level.
- Integrating responsible investment principles
- Promoting a culture of health and safety
- Communicating with all stakeholders
- Deploying best practices into actionable results

Stakeholder	Engagement
Employees	<ul style="list-style-type: none"> • Onboarding • Training and development • Team meetings • Annual events • All employee meetings • Website and social media
Customers	<ul style="list-style-type: none"> • In-person and virtual meetings • Interactions in our buildings • Annual meetings • Customer satisfaction survey
Investors	<ul style="list-style-type: none"> • Annual investor meetings and events • In-person and virtual meetings • Monthly, quarterly and annual reporting
Board and Committees	<ul style="list-style-type: none"> • Quarterly reporting and meetings • Ongoing updates
Supply Chain	<ul style="list-style-type: none"> • Ongoing dialogue and meetings • Procurement policies • Safety audits • In-person and virtual meetings
Associations	<ul style="list-style-type: none"> • Participation in conferences and events • Advisory participation • Sponsorships
Local Communities	<ul style="list-style-type: none"> • Ongoing philanthropy and sponsorships

Asset Related Goals

The following action plan of responsibilities for the company to meet building goals include:

The reduction goals align with targets for carbon reduction and energy efficiency. The company will work with the tenant to implement strategies.

The company can assist tenants to identify the necessary investments, resources, and funding required to implement strategies successfully.

To achieve goals, the company will engage building occupants, employees, and tenants in energy conservation and carbon reduction efforts. Encourage responsible energy use and educate occupants about the goal.

The Landlord will aim to ensure that reduction goals are tailored to the specific circumstances and constraints of the building. There will be regularly reviews and updates to goals to ensure goals consider changes in technology, building usage, and evolving sustainability targets.

<p>Landlord Responsibilities:</p> <ul style="list-style-type: none"> - LEED Certifications - Energy Efficiency Strategy - Planning and Design Strategies - Operational Energy Efficiency Monitoring Measures - Other Decarbonization Strategies 	<p>Tenants Responsibilities:</p> <ul style="list-style-type: none"> - Energy usage rates will be monitored. - Manage electricity, gas and water usage rates. - Minimize pollution
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Asset-Level Decarbonization Plans:

Building Reduction Goals

- The company will conduct a comprehensive baseline assessment of the building's current carbon emissions or EUI. Calculate the building's EUI (expressed in kWh/sq.ft/year or other relevant units) and/or carbon emissions (in metric tons of CO2e per year).
- Once the baseline is determined, the Landlord will seek to reduce EUI by 20% or to cut carbon emissions by 30% within five years.

Performance Goals and Action Plans for Assets:

Baselines Conducted

Venture 1 Portfolio:

- Baseline 2021:
 - o 715,000 kwh for V1 operating assets
 - o 309 MtCO₂e
- Reductions:
 - o Emissions cut down by 5-10% each year

Venture 2 Portfolio:

- Baseline 2023: Operational assets including 2800 Diehl Road and Covington Commerce Center – Building 100 will have Scope 3 operational emissions reported.
- Baseline 2024: Operational assets including 4275 Ferry Rd, 975 Algonquin, Covington Commerce Center – Building 200, First State Logistics Center and Palm Gateway Logistics Center will have Scope 3 operational emissions reported.

Documentation of Action Plan Activities Conducted:

LEED Certifications	<ul style="list-style-type: none"> • Pursue ENERGY STAR • LEED Certification for all assets
Energy Efficiency	<ul style="list-style-type: none"> • Install high performance mechanical systems • High-efficiency infrastructure • Insulate walls and roof • Install high-performance glazing to minimize heat gain or loss • Properly weatherize building • Use ENERGY STAR appliances • Reduce plug load demands • Efficient LED Lighting internally and externally • Identify and prioritize energy efficiency opportunities • Ensure building systems control system, building automation system performance • Commissioning and retro commissioning conducted
Reduce Water Consumption	<ul style="list-style-type: none"> • Low flow restroom fixtures • Select EPA WaterSense and ENERGY STAR products • Install new flush valves or flow restrictors • Choose locally adapted plants that require less water • Use drought-tolerant plantings have extremely low water needs • High efficiency / dry fixtures • Commissioning of water systems • Drip/smart irrigation • Leak detection system
Other Decarbonization Strategies	<ul style="list-style-type: none"> • High performance façades reduce heat gain, increases efficiency to boost thermal comfort • Empower management to maintain and improve the performance of buildings • Develop a robust preventative maintenance program to keep the building in optimal condition • Involve occupants in energy efficiency strategies • Submeter readings • Encourage energy conservation
Monitoring Measures Implemented	<ul style="list-style-type: none"> • Building Energy Management Systems • Energy Use Analytics • Post-Construction Energy Monitoring • Submetering Technology Installed

The company has company-wide environmental, social and governance standards to implement our sustainable commitment.

- Committed to net zero operational carbon emissions by 2050.
- All new development projects include design and construction Leadership in Energy and Environmental Design (LEED) standards.
- Will implement green leases to leverage provisions and ensure that all current and future tenants are aligned with our goals in reducing our environmental footprint. Our green lease provisions seek to have tenants share energy, water and waste utility data.
- Our design and construction standards are aligned to maximize energy efficiency, materials use, and indoor environmental quality. Sustainable efficiencies may include reduced lighting requirements through use of LED lighting, skylights, daylighting and sensors, integration of water sensors and sustainable waste management practices.
- Future renewable energy generation is a top priority, which can include strategies to include on-site, off-site renewable energy or renewable energy credits (RECs).
- Will aim to embed net zero readiness strategies within new development projects including increasing solar roof load capacity and other innovative solutions.
- Will aim to collaborate with the tenant to ensure they align with our commitment to track utility usage and reduction strategies for high performance buildings and ongoing building certification, which includes LEED and ENERGY STAR certification.

Social Impact Goals

	Goals	Verified Action Items
Green building certification achievements	Pursue LEED Certification for all new developments	LEED Certification achieved for: <ul style="list-style-type: none"> - Southern Star (v1) - Banning ONE (v1) - Citypark Logistics Center (v1) - Covington Commerce I (v2) - 2800 Diehl Road (v2) - 4275 Ferry Road (v2) - Duncan Reidville (v1) Another 9.8 MSF current preregistered to achieve certification.
Air Quality Management Plan	Incorporated indoor air quality management plan, tenant programming and engagement, lighting controls and daylighting, thermal comfort and water quality ASHRAE guidelines Taking building design considerations for occupant health	<ul style="list-style-type: none"> - Added lighting controls - Low Volatile Organic Compound (VOC) paints, sealants, adhesives and carpets - For new construction or renovations –follow a construction indoor air quality management plan

		<ul style="list-style-type: none"> - Test for radon and other on-site contaminants - Air filters with MERV 8 or higher - Prevent mold by protecting all materials from moisture exposure. - Ensure adequate ventilation.
Green Cleaning Policy	Work with Tenants to ensure all Janitorial providers use and non-hazardous cleaning materials aligned with LEED requirements.	<p>Guidelines to include:</p> <ul style="list-style-type: none"> - Purchase Green Cleaning Products - Implement Green Cleaning Strategies and Procedures - Educate Staff, Maintenance, and Tenants on Green Cleaning - Provide Green Cleaning Policy to Tenants
Active Building Design	Active building design that encourages walking, bicycling, recreation, social connection, and connection to nature	<p>Incorporated within assets includes:</p> <ul style="list-style-type: none"> - Dedicated green spaces, featuring native planting and terraced landscapes - Bike Racks - Preserve open space - Integrate greenery into aspects of the building
Vendor Prioritization	Vendor prioritization of vendors/contractors with high-road contracting practices that address safe working conditions, fair livable wages, and encourage continuous training.	<ul style="list-style-type: none"> - Ensure vendor prioritization for those which comply with Occupational Safety and Health Administration (OSHA) standards, state and local health and safety codes and regulations, and the U.S. Environmental Protection Agency (EPA). - Ensures vendors provide fair living wages

		- Vendors must provide training and required training for workplace health and safety.
Diversity Training	Ensure diversity training is included in annual workplace training to ensure stakeholders understand that racial profiling is not allowed and provide de-escalation training to avoid creating unsafe conditions.	- DE&I training provided on an annual basis for all employees and other stakeholders invited to participate. Training conducted by third-party Sevan Solutions

Focus areas for buildings which include health, wellness, talent, community engagement, supplier diversity and stakeholder engagement.

- Seeks to partner with tenants on fostering a diverse workforce that is representative of the markets we serve.
 - Completed Work includes:
 - Citypark Logistics Center – Nike and DHL Job Fairs conducted in local area
- Committed to advancing DE&I (diversity, equity & inclusion) in the communities we serve by engaging with our community through partnerships and philanthropy.
 - Joining our tenants for community related volunteer work including:
 - Ronald McDonald House
 - Boys and Girls Club
 - YMCA
 - Completed Work includes:
 - Talent recruitment efforts with DE&I recruitment strategies for open roles
- Focused on supporting the growth and representation of diverse vendors and suppliers that conduct work on our buildings.
 - Completed Work includes:
 - Minority Contractor hiring for 1237 W. Division, Chicago IL – Higgins Construction
- Supports providers and partners in enhancing their awareness and culture competencies.
 - Completed Work includes:
 - DE&I Training
 - Human Resources Training

Net Zero Reductions

Logistics Property Company has committed to achieving net zero carbon emissions across its operational portfolio by 2050.

This net zero carbon operations goal is designed to meaningfully reduce the built environment's impact on climate change beyond existing efforts.

We are proud to join and represent, along with other industry leading real estate owners and investors that have also set ambitious goals within their portfolios. By aligning to this goal, we can address the climate crisis and accelerate the net zero transition.

By supporting the transition to net zero carbon emissions, The company will report Scope 1 Direct and Scope 2 and Scope 3. Indirect operational baselines and reductions on an annual basis for all existing operational assets. The company plans to set annual carbon emission reduction targets and align with recommendations Carbon Risk Real Estate Monitor (CRREM) and the Science Based Targets Initiative (SBTi).

The net zero carbon reduction pathway will include multiple approaches and solutions for improving energy efficiencies within our buildings, adding embodied carbon strategies that reduce environmental impact, electrifying our buildings, and incorporating renewable energy strategies to work towards our carbon reduction targets.

Our 2050 net zero commitment is aligned to the goals of our partners, investors, and other key stakeholders. This ambitious goal cannot be achieved without the full commitment from all team members.

Solar Ready	<ul style="list-style-type: none"> • Banning ONE (VI) • Frederickson One – Bldg. 4 (VI) • Frederickson One – Bldg. 7 (VI) 	<ul style="list-style-type: none"> • Arrowhead (VII) • Olive Logistics (VII) • Any future projects CA, NJ, DE, WA – 15%-40%
Solar Installations Feasibility In-Progress	<ul style="list-style-type: none"> • First State - 3MW Ground Array (VII) • Arrowhead - MW TBD On-Site Installation (VII) • Olive Logistics - 1MW Solar Car Canopy / 100 spaces (VII) 	
EV Readiness	<ul style="list-style-type: none"> • 1237 W. Division – 32 EV Auto (VI) • Frederickson ONE – Bldg. 4 – 30 EV Auto & 16 EV Trailer (VI) • Frederickson ONE – Bldg. 7 – 14 EV Auto & 8 EV Trailer (VI) 	<ul style="list-style-type: none"> • Palm Gateway Logistics – 18 EV Auto (VII) • Arrowhead – 13 EV Auto (VII) • Olive Logistics – 13 EV Auto (VII) • Covington I – 2 EV Auto and Covington II – 4 EV Auto (VII) • Gainesville Bldg 100, Bldg 200 – 8 EV Auto
EV Installations	<ul style="list-style-type: none"> • 94 Logistics – Building 1 – 54 L3 Fleet Chargers (VI) • Banning ONE – 10 EV L2 Auto Chargers (VI) • 975 Algonquin – 5 EV L2 Auto Chargers and 1 EV L3 Semi-Trailer Charger (VII) 	
LED Lighting	<ul style="list-style-type: none"> • Optimize indoor and outdoor energy efficiency, optimal use of daylight reduction 	
Energy-Efficiency HVAC Systems	<ul style="list-style-type: none"> • Upgraded and energy-efficient mechanical systems 	

Occupancy Sensors	<ul style="list-style-type: none"> • Install occupancy sensors to reduce energy usage
Water Conservation	<ul style="list-style-type: none"> • Maximize water savings through drought-tolerant landscaping, drip irrigation, low-flow sprinkler heads, efficient plumbing
TPO Roofs	<ul style="list-style-type: none"> • Reflective roof membrane to reduce heat absorption
Recycled and Low-VOC Materials	<ul style="list-style-type: none"> • Responsible material sourcing – low-emitting materials • Low Volatile Organic Compound (VOC) and non-toxic material • Preference to renewable/recycled and regional/local materials
Climate Change Resilience	<ul style="list-style-type: none"> • Reduced environmental footprint with embodied carbon materials • High performance insulations reducing heat and cold • Indoor air quality management • Business continuity and preparedness • Stormwater management

Sustainable Design and Construction

Addressing high emissions in design and construction is a complex endeavor that requires a holistic approach, involving changes in materials, design, construction methods, and operational practices. Collaboration among stakeholders and a commitment to continuous improvement are essential for achieving meaningful emissions reductions.

1. Lifecycle Assessment and Design:

- Conduct a lifecycle assessment of construction projects to understand emissions across the entire project lifecycle, including materials production, transportation, construction, operation, and end-of-life.
- Optimize building design for energy efficiency, using passive design principles, insulation, and smart technologies to reduce the need for heating, cooling, and lighting.

2. Low-Carbon Materials:

- Prioritize the use of low-carbon and sustainable building materials, such as recycled materials, low-carbon concrete.
- Explore innovative materials and technologies that have a lower carbon footprint, such as carbon capture technologies for concrete production.

3. Efficient Construction Practices:

- Adopt efficient construction practices to minimize waste and energy use during construction, reducing emissions associated with on-site activities.

4. Renewable Energy Integration:

- Integrate renewable energy sources like solar panels into projects to power buildings with clean energy.
- Design buildings with energy-efficient systems and technologies, such as high-efficiency HVAC systems and LED lighting.

5. Smart Building Management:

- Implement smart building management systems to optimize energy use, monitor performance, and identify areas for improvement.
- Use data analytics to identify energy-saving opportunities and adjust building operations accordingly.

6. Carbon Offsetting and Mitigation:

- For emissions that cannot be eliminated, invest in carbon offset projects such as reforestation, renewable energy projects, or carbon capture and storage initiatives.
- Develop a carbon mitigation strategy that outlines actions for reducing emissions at every stage of construction.

7. Collaboration and Stakeholder Engagement:

- Collaborate with suppliers, contractors, architects, and other stakeholders to align on emissions reduction goals and implement sustainable practices.
- Engage with local communities and regulatory bodies to ensure compliance with emissions standards and regulations.

Building Resilience and Climate Risk

Establish impact goals for building resilience and addressing climate risk to be conducted between Landlord and Tenant to provide a clear vision and measurable targets to guide actions and track progress.

TCFD	The company aligns with the Task Force on Climate Financial Disclosures Reporting
Company-Wide Net Zero Goal	The company has set specific reduction targets for greenhouse gas emissions, including achieving net-zero emissions by 2050.
Reduce embodied carbon	Reduced embodied carbon is included within design and construction specs.
Climate Risk Assessments	<p>Conduct climate risk assessments for all new developments.</p> <p>Established design and construction specifications for all assets to ensure that buildings can withstand the impacts of climate change, such as resilient buildings, flood protection systems, and fire and life safety systems.</p> <p>Additional insurance protection is embedded within policies for flood protection.</p>
Scope 3 Emissions Target	Included within the net zero commitment and target for 2050.
Climate Education and Awareness	<p>Throughout the lease period, the company will provide tenants with information on climate education and awareness programs to tenants who are informed about climate change, its impacts, and how to act.</p> <p>Climate Education and Awareness: Throughout the lease period, the company will provide tenants with information on climate education and awareness programs to tenants who are informed about climate change, its impacts, and how to take action.</p> <p>Conduct Annual Climate Education and Awareness Training for tenant representatives through third-party consultant.</p>

Climate Risk Assessments

<p>Resilience to catastrophe/disaster</p>	<p>Logistics Property Company is committed to identifying any resilience to catastrophe / disaster and conducts detailed review of both physical and transition risk assessments.</p> <p>Evaluate risk of asset based on the following risk types.</p> <p>1.Real Estate Potential Risks</p> <ul style="list-style-type: none"> • Physical Risks: Delays and disruptions of construction or operations of building. Any potential event that could make the building uninhabitable or unsafe for building occupants. Heat waves, wildfires, public safety power shutoff (PSPS) events, power outages, heavy downpours, and sea level rise pose growing challenges to many regions across the regions in which our portfolios exist. Infrastructure, agriculture, fisheries, and ecosystems will be increasingly compromised. • Regulatory Risks: The change in building design requirements or caps on energy use/GHG emissions from building operations. • Financial Risks: Loss of value due to climate change impacts, additional costs due to temperature changes and increasing heating/cooling loads, fines associated with noncompliance of regulatory requirements, loss of business productivity, and loss of rent due to non-occupiable buildings. • Social/Governance Risks: Cyber security, transition risks: policy, legal, etc. Cyber risks arise due to infrastructure instability because of climate impacts. Policies could constrain actions which contribute to climate change or promote adaptation to climate change. <p>2. Conducting Risk Assessments</p> <ul style="list-style-type: none"> • Describe hazards. • Review your state or local jurisdiction’s hazard or emergency plan. • Download weather related event history form an online database. • Review existing studies, reports and plans related to hazards in the area. • Interview planning team and stakeholders about current risks and plans to address risks. • Identify community assets. • Identify tangible assets that are at risk of being affected by hazards from Step 1 Assets could include: <ul style="list-style-type: none"> • People • Economy • Building infrastructure • Surrounding natural environment <p>3. Analyze Risks</p> <ul style="list-style-type: none"> • Risk analysis involves evaluating assets that may be vulnerable to natural disasters, extreme weather, and other climate change related impacts. The purpose of conducting a risk analysis helps the portfolio or asset manager to understand the potential risks associated with an asset to help identify or mitigate the potential risk. Methods for analyzing risk includes an exposure analysis,
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	<p>historical analysis, scenario analysis, or qualitative analysis to help evaluate the type of impact that may occur during an event.</p> <ul style="list-style-type: none"> • Exposure Analysis: Identifies the existing and future assets located in identified hazard areas, which typically use maps for visualization. • Historical Analysis: Uses information on impacts and losses from previous hazard events to predict potential impacts and losses during a similar event, which may be helpful for weather and regulatory hazards. • Scenario Analysis: Predicts the impacts of a particular event, which are helpful for low-frequency, high consequence events such as hurricanes, particularly if historical information is not available. <p>4. Identify and Summarize Vulnerability</p> <ul style="list-style-type: none"> • Summarize the most significant risks and their potential impacts and losses. • Educate internal and external stakeholders on these identified vulnerabilities. • Begin to strategize plan to address vulnerabilities. <p>5. Re-analyze Risks Regularly.</p> <ul style="list-style-type: none"> • Depending on the severity of the vulnerabilities, re-evaluate the property or properties on an annual or bi-annual basis.
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Impact goals for LPG to partner with tenants for building resilience and addressing climate risk in collaboration:

- **Reduced Greenhouse Gas Emissions:** Set specific reduction targets for greenhouse gas emissions, including achieving net-zero emissions by 2050.
- **Resilient Infrastructure:** Established design and construction specifications for all assets to ensure that buildings can withstand the impacts of climate change, such as resilient buildings, flood protection systems, and fire and life safety systems.
 - *Climate Related Assessments are conducted for all Assets on an annual basis using Risk Factors*
- **Natural Resource Management:** Aim to promote sustainable natural resource management, such as reducing deforestation, and protecting water resources.
- **Disaster Preparedness:** Set disaster preparedness and response for each asset, including life and fire safety system, and property management oversight on emergency and disaster resilience.
 - *Disaster Preparedness Plans are conducted along with our project team for every assets.*
- **Renewable Energy Transition:** Aim to work with tenant to transitioning to renewable energy sources, such as increasing the share of renewable energy in the energy mix through off-site renewable utility procurement or reaching a certain capacity of renewable energy production on-site.
- **Water Resource Management:** Seek to partner with tenant on setting targets for responsible water resource management, including reducing water waste.
 - Provide tenant with data on quarterly usage rates

- Provides strategies for water resource management reductions.
- **Reduced Waste and Pollution:** Seeks to reduce waste generation and pollution, such as decreasing single-use plastics, promoting recycling, and reducing industrial emissions.
- **Climate Justice:** Goals focused on ensuring equitable access to resources and resilience measures, addressing social and economic disparities related to climate risk.

Other Highlights

LEED Certifications

The company announced that new property developments will aim to achieve LEED® (Leadership in Energy and Environmental Design™) Certification, a globally recognized symbol of sustainability achievement. With LEED® certification, a building is independently verified to ensure the design, construction, operations, and maintenance are resource-efficient, high-performing, healthy, and cost-effective. The company is focused on:

- **Location and Transportation:** Optimize site selection with developments in prime locations, such as proximity to major population centers, access to transportation links, opportunities to preserve open space, and ability to source regional construction materials.
- **Sustainable Sites:** Minimize heat island effects from new construction performance standards and protect biodiversity and natural habitats.
- **Water Efficiency:** Reduce indoor and outdoor water consumption with low-flow plumbing and drought-resistant landscaping.
- **Energy and Atmosphere:** Conduct commissioning and energy modeling.
- **Materials and Resources:** Optimize products and materials to reduce building life cycle impact and using safe materials that are sustainably sourced.
- **Indoor Environmental Quality:** Deploy enhanced indoor air quality strategies, increase daylighting by creating spaces that utilize natural light, and use low-emitting interior building materials.
- **Regional Priority:** Address specific environmental challenges.

Carbon Risk Real Estate Monitor (CRREM)

CRREM tool is used to:

- Monitor the performance of single properties and portfolio.
- Benchmark performance and assess 'stranding risk' due to regulatory changes.
- Assess potential shifts in energy costs and refurbishment measures.
- Analyze specific real estate assets and portfolios of these assets against the decarbonization and energy pathways derived by the CRREM project.

ENERGY STAR Partnership

The company has joined the U.S. Environmental Protection Agency's (EPA's) ENERGY STAR® Program as a partner, marking the fundamental commitment to environmental protection through continuous improvement of the portfolio's energy performance.

The company believes that implementing a portfolio-wide energy management strategy will improve the firm's financial health while also preserving the environment for future generations. In partnership, the company will:

- Benchmark 100% of all operating assets with ENERGY STAR Portfolio Manager (ESPM) as a primary tool to measure, track and report energy, natural gas, water and waste.
- Measure and report GHG (Greenhouse Gas Emissions) for Scope 1 and Scope 2
- Integrate ESPM as a key Environmental Management System (EMS), which will enable the company to reduce its environmental impacts and increase its operating efficiencies.
- Aim to achieve ENERGY STAR certification annually for all operating assets.
- Promote ENERGY STAR partnership as a national symbol for protecting the environment.
- Participant of U.S. EPA ENERGY STAR Industrial Working Group

Green Lease Language / Provisions

Utility Reporting for Energy, Gas Water and Waste. Tenant shall be required to submit on quarterly basis to Landlord energy, natural gas, water and waste/recycling data, including only total usage as they appear on Tenant's electric, gas, water, waste/recycling, or any other utility bills, in a format deemed reasonably acceptable by Landlord. Tenant acknowledges that Landlord participates in a reporting program in order to report, track and benchmark Scope 1 and Scope 2 GHG ("Greenhouse Gas Emissions") with the United States Environmental Protection Agency ("EPA") called ENERGY STAR Portfolio Manager®. This program helps the Landlord improve the efficiency and effectively reduce its environmental footprint of each building within its portfolio. To this end, Tenant shall provide data on a quarterly basis for the Premises from the utility company.

For the full calendar year, all utility data must meet the deadline for the respective calendar year by January 15.

- Electricity Reporting kWh Usage
- Gas Reporting (if provided in building) Therms Usage
- Water Reporting Gallons Used
- Waste Reporting Tons Disposed and Ton Recycled

Upon request, Tenant shall execute any applicable local utility forms to authorize Landlord to connect utility data directly to the respective ENERGY STAR Portfolio Manager account for direct utility feed.

GRESB (Global Real Estate Sustainability Benchmark) 2023

The company aims to report to GRESB, a mission-driven and investor-led organization providing standardized and validated Environmental, Social and Governance (ESG) data to the capital markets and is one of the leading ESG benchmarks for real estate and infrastructure investments across the world.



UNPRI – United National Principles for Responsible Investment

The company is pleased to be a signatory to the United Nations-supported Principles for Responsible Investment (PRI). As a leading owner, developer, and manager of sustainable modern logistics buildings, The company understands the importance of integrating environmental stewardship, social responsibility, and governance into every aspect of our business. The company is purpose-driven, and through engagement with its stakeholders, strives to embrace evolving expectations, implement best practices, and maximize environmental, social, and community contributions.

The company is committed to the following Principles used as a framework within its ESG responsible investment process:

- To incorporate Environmental, Social and Corporate Governance (ESG) issues into investment analysis and decision-making processes.
- To be an active owner and to incorporate ESG issues into our ownership policies and practices.
- To seek appropriate disclosure on ESG issues by the entities in which we invest.
- To promote acceptance and implementation of the Principles within the investment industry.
- To work with the PRI Secretariat and other signatories to enhance their effectiveness in implementing the Principles.
- To report on our activities and progress towards implementing the Principles.

To implement the Responsible Investment Policy, the following tasks are conducted throughout the year:

- Provide training and other tools to its employees, to ensure that they understand the responsible investment, and can identify, assess and where appropriate, mitigate ESG risks.
- Engage external advisers where appropriate to ensure best practices are incorporated.
- Ensure responsible investment protocols meet the needs of our stakeholders.

**Corporate / Overarching
ESG Policies and Guidelines**

Environmental Policies and Guidelines

	Policies and Guidelines
Biodiversity and Habitat	<p>Logistics Property Company is committed to promoting and enhancing biodiversity through natural resource conservation by protecting species and habitats, while maintaining safe, efficient, and effective operations.</p> <ul style="list-style-type: none"> ▪ Minimize the overall environmental impact that may result from construction activities and operations. ▪ Continuously improve new construction to mitigate potential impacts on wildlife habitats during the life cycle of our assets. ▪ Identification of any at risk species that could be impacted by development or operation of the asset and any related stakeholder concerns and/or any conservation, design, operational adjustments, or other modifications resulting from other species considerations.
Climate / Climate Change Adaptation - Direct (physical, e.g. sea level rise) - Indirect (e.g. policy, market, technology changes)	<p>Logistics Property Company is committed to increasing climate change resiliency and adaptation across the portfolio through the adoption of policies and procedures can help reduce costs and enhance environmental outcomes through more efficient and resilient buildings, enhance marketability of a commercial properties, and address investor expectations.</p> <p>Identification of how the asset may be at risk from changes to its local climate (ex. sea level rise, increased storms, increased drought), as well as liability, market and transition risks associated with climate change. Consider over short, medium, and long terms.</p> <p>Steps to address climate change & resilience planning to be conducted include:</p> <ul style="list-style-type: none"> ▪ Conduct Risk Assessments to identify asset exposure to climate change impacts and implement adaptation strategies. ▪ Identify opportunities to reduce the risk at the building level by implementing resilience measures, and additional policies as necessary. ▪ Develop an action plan to integrate climate change and resilience into the overall investment process and strategy.
Energy Consumption	<p>Logistics Property Company is committed to reducing energy consumption and investing in energy efficiency and renewable energy throughout our portfolio, with the goal of continual improvement. This policy aims to decrease energy consumption and reduce costs, while making sound decisions on tracking energy usage and energy efficiency improvement criteria.</p> <p>We endeavor to accomplish this objective by employing the following strategies:</p> <ul style="list-style-type: none"> ▪ Track energy consumption at the whole-building level, wherever possible, throughout our portfolio. ▪ Maintain up-to-date and accurate ENERGY STAR profiles quarterly across the portfolio. ▪ Obtain ENERGY STAR labels for all eligible existing buildings (2 years or older with no near-future plans for redevelopment that achieves a scores of 75 or higher and is eligible to receive a score) ▪ Educate and engage tenants on the benefits of joint participation in energy efficiency opportunities. ▪ Prioritize underperforming assets for further energy engineering studies. ▪ Comply with all national and/or local energy benchmarking rules and

	regulations.
Greenhouse Gas Emission	<p>Logistics Property Company is committed to improving the environmental performance of every asset within its portfolio and supporting sustainable development. This greenhouse gas management plan will help to understand environmental performance across the portfolio and identify opportunities to improve performance, increase efficiency, and reduce operational costs, while providing benefits to tenants, employees, and the surrounding communities where the company owns assets.</p> <ol style="list-style-type: none"> 1. Track greenhouse gas emissions across the portfolio 2. Implement GHG Management Strategies to decarbonize assets. 3. Monitor and Report GHG Emissions 4. Identify the highest sources of GHG production from each asset. 5. Encourage onsite renewable energy use and clean energy procurement where feasible. 6. Leverage the Design & Construction Guidelines to construct, retrofit and operate buildings that minimize their energy consumption as well as their emissions of greenhouse and ozone depleting gases.
Indoor Environmental Quality	<p>Logistics Property Company is committed to promoting an enjoyable and healthy building environment by considering acoustic comfort and aesthetics in common area renovations, and preventing or minimizing the exposure of building occupants, indoor surfaces, and systems to harmful and toxic materials.</p> <p>The company believes in managing assets in a way that promotes clean indoor air quality through reducing sources of indoor air pollution to support the health and well-being of building occupants, that improves economic returns through the most effective, least-risk option.</p>
Material Sourcing	<p>Logistics Property Company is committed to minimizing environmental impacts by ensuring procurement of products that have reduced toxicity, conserve natural resources, energy, and materials, and maximize recyclability and recycled content.</p> <p>Take steps to successful environmentally preferred material sourcing:</p> <ol style="list-style-type: none"> 1. Identify sustainable purchasing options for products purchased. 2. Purchase sustainable materials and products. 3. Engage vendors and suppliers and share sustainable procurement policy. 4. Ongoing Evaluation: continue to track and report sustainable criteria of products and materials. 5. Comply with any national or local procurement requirements.
Emissions/Pollution (emit vapors, fumes) Prevention	<p>Logistics Property Company is committed to minimizing emissions and pollution and is focused on preventing and emitting vapors and fumes.</p> <p>Strategies to ensure this is conducted include:</p> <ol style="list-style-type: none"> 1. Phase out refrigerants with high Global Warming Potential (greater than 2,500 GWP) and Ozone Depletion Potential (i.e. CFC-based refrigerants, which are currently banned by the Montreal Protocol). 2. Encourage public transportation, ride sharing and vanpooling by building occupants at properties, i.e., by designating priority parking spaces for carpools, vanpools, low emitting/ fuel efficient vehicles, and electrical

	<p>vehicles.</p> <p>3. Whenever possible, demonstrate commitment to our community and leadership in the real estate industry by reducing pollution and Carbon Dioxide Equivalent (CO₂e) associated with energy use through conservation and alternative energy use.</p>
Renewable Energy	<p>Logistics Property Company is committed to reducing energy consumption for each asset and undergoing an evaluation for the investment in energy efficiency technologies and renewable energy solutions throughout the portfolio.</p> <p>Evaluate the potential for the property to install renewable energy technologies or consider the purchase of RECs (Renewable Energy Credits) or carbon offsets to offset the building's energy usage.</p>
Sustainable procurement	<p>Conduct a procurement assessment to collect information on existing purchased products. Coordinate with supply vendors.</p> <ol style="list-style-type: none"> 1. Identify the most frequently purchased products by category. 2. Consult with any vendors that conduct purchasing for the building and request the most recent information available (monthly or annual). 3. Review existing contracts with vendors, bids, or specifications to determine if they specify green purchasing practices. 4. Develop tracking log that allows all purchasing vendors to log and indicate compliance of purchases.
Waste Management	<p>Logistics Property Company is committed to protecting our climate by conserving resources, minimizing waste generated, and promoting recycling and composting. The company is committed to establishing waste data tracking and collection processes as a first step, and then baselining waste diversion rates from all assets before establishing quantifiable diversion goals.</p> <p>We endeavor to accomplish these objectives by employing the following strategies:</p> <ul style="list-style-type: none"> • Ensure tenants comply with local waste and recycling regulations. • Coordinating with our tenants through green leases to gather waste data to work towards 100% data coverage. • Provide information to our tenants to maintaining and/or implementing recycling program. • Educating employees and building occupants on best practices to reduce waste.
Water Consumption	<p>Logistics Property Company is committed to reducing our water consumption and implementing efficient practices to reduce water use across the portfolio.</p> <p>In line with our commitment, the company employs the use of technologies and measures to save water with the following strategies.</p> <ul style="list-style-type: none"> • Comply with local and national water conservation regulations and requirements. • Work to maximize water data coverage. • Install meters that measure the total potable water use for the property and associated grounds. • Install sub-meters that measure's water consumption and the tenants' water consumption. • Reduce water consumption through the implementation of high-efficiency and

	<p>low flow fixtures and tenant education on water conservation strategies.</p> <ul style="list-style-type: none"> • Irrigation and landscaping measures (water-efficient irrigation systems, irrigation control systems, low-flow sprinkler heads, water-efficient scheduling practices, and Xeriscape) • Report and track water consumption, technical assessments and audits, and efficiency improvements
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Social Policies and Guidelines

	Policies and Guidelines
Child Labor	<p>Logistic Property Company and its vendors must respect International Labor Organization (ILO) standards against child labor. Vendors must not use any form of forced labor or human trafficking of involuntary labor through threat, force, fraudulent claims or other coercion. All must comply with all applicable labor laws including as to compensation and working hours. All must provide a non-violent and safe work environment, free of threats, intimidation, and physical harm, that also supports accident prevention and minimizes exposure to health risks.</p>
Community Development	<p>Logistics Property Company recognizes the importance of positively contributing to the social, economic and environmental wellbeing of the business communities that we are part of. We believe our mutual commitment to operate in accordance with the business community expectations of businesses conduct create a more sustainable value for all our stakeholders. The company works collaboratively with our Vendors to foster a relationship that aligns with the standards in this Code and the interests of our stakeholders.</p> <p>The company is committed to:</p> <ul style="list-style-type: none"> • Lawful, ethical and sustainable business practices. • Upholding human rights; and the highest workplace standards.
Customer Satisfaction	<p>The company goes beyond our customers' expectations to ensure we are the modern logistics owner of choice and are focused on delivering the following benefits to our customers:</p> <ul style="list-style-type: none"> • We strive to provide excellent service and value to all our customers. • Our strategically positioned assets provide access to labor and consumers, location benefits, design and construction efficiency standards, flexibility with customized design and construction and in-house skilled teams. • Our Property Management teams are ready to provide support with any onsite issues and help customers with reputable third-party contractors. • We consistently have open dialogue with our customers to ensure that all experiences and needs are met. • Conducted third party tenant satisfaction survey to obtain invaluable input to assess operations and service and helps us to make real time improvements
Employee Engagement	<p>To support an innovative and entrepreneurial culture, we aim to attract, develop, and support a diverse team of employees who reflect our customer base and geography. We encourage career growth while providing challenging and rewarding experiences and seek to empower our people to make an impact at every level of the organization, while building meaningful relationships inside and outside of our company.</p> <p>Our health benefits promote and enhance our employees' physical, emotional, and financial well-being.</p> <p>Employee benefits highlights include:</p> <ul style="list-style-type: none"> • Competitive compensation and healthcare benefits

	<ul style="list-style-type: none"> • Third-party employee satisfaction survey through Great Place To Work[®] • Women’s Leadership Council • Workplace-sponsored employee volunteerism <p>Employee training and development highlights include:</p> <ul style="list-style-type: none"> • Annual employee boot-camp training sessions covering investment, construction, asset management, ESG and Human Resources • Workplace, health, and safety • Anti-harassment • Conflict of interest • Anti-corruption and anti-money laundering • OSHA 30-hour certification for development and construction team
Employee Health & Well-Being	Through workplace health, safety and environment (WHSE) efforts, we aim to protect our employees’ health and well-being and ensure that our workplace is safer and more efficient. Any human injury or loss is unbearable, but particularly preventable incidents. The company is committed to a zero-harm, incident-free workplace. By protecting our workers, we not only improve productivity and reduce absences, but we also reduce downtime and business disruption.
Employee Remuneration	Employees are provided with a compensation statement that supplies a detailed description of an employee compensation package. Through this form, the individual will be informed of their bonuses from their merits, paid leaves, retirement plan contributions as well as insurance benefits. These benefits include life, dental, vision, death, and health insurance.
Forced or compulsory labor	The company and vendors must not use any form of forced labor or human trafficking of involuntary labor through threat, force, fraudulent claims or other coercion. The company and vendors must comply with all applicable labor laws including as to compensation and working hours.
Freedom of Association	The company and vendors must respect workers’ rights to freedom of association and collective bargaining in accordance with applicable local laws and regulations. The company expects suppliers to respect the rights of workers to freely associate, collectively bargain and join or not join trade unions and other legitimate associations. We encourage Vendors to cultivate open communications and direct engagement between workers and management to facilitate an effective resolution of workplace issues.
Health and safety – community	The company requires that project teams consider health and safety issues in the context of managing project impacts and risks related to the local community. In addition, projects provide development considerations and timeline when conducting permit requests and providing detailed information that is pertinent to the local community.
Health and safety – contractors	The company is committed to a zero-harm, incident-free workplace. By protecting our contractors, we not only improve productivity and reduce absences, but we also reduce downtime and business disruption.
Health and safety-employees	Through workplace health, safety, and environment (WHSE) efforts, we aim to protect our employees’ health and well-being and ensure that our workplace is safer and more efficient. Any human injury or loss is unbearable, but particularly preventable incidents.
Health and safety: tenants/customers	The company complies with all health and safety legislative requirements including but not limited to: <ul style="list-style-type: none"> • Ensuring premises are safe • Regularly assessing the property to ensure it is safe, conducting quarterly health and safety audits for all assets under development and also all operating assets.

	<ul style="list-style-type: none"> • Taking action to control and mitigate risk • Keeping insurance policies up to date • Promoting risk mitigation and safety onsite
Human rights	<p>The company and vendors must commit to respecting human rights in line with:</p> <ul style="list-style-type: none"> • United Nations (UN) Guiding Principles for Human Rights and as set out by the Labor Standards of the International Labor Organization (ILO) • Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises • UN Global Compact (UNGC)
Diversity, equity and inclusion	<p>The company is dedicated to building a high-performance culture with DE&I integrated throughout the company's ecosystem. We want to ensure our employees feel welcomed and encouraged to speak up and be heard.</p> <p>Our DE&I priorities:</p> <ul style="list-style-type: none"> • Establish an enterprise-wide DE&I plan. • Increase awareness and understanding of DE&I events and topics. • Deepen DE&I accountability, including tracking DE&I metrics and key performance indicators • Launch the Women's Leadership Council • Foster an inclusive culture and increase collaboration through training and employee outreach
Labor standards and working conditions	<p>The company adheres to the highest levels of integrity and governance standards of business conduct in everything we do. We use the UN Global Compact as a guide across our operations.</p> <ul style="list-style-type: none"> • Uphold the freedom of association and recognition of the right to collective bargaining • The company prohibits forced and compulsory labor. • Comply with applicable child labor laws, including but not limited to minimum age limits, working hour limits, prohibitions of certain types of work and regulations on legitimate workplace apprenticeship. • The company believes that every person has the right to equal treatment with respect to employment and the right to be free of discrimination
Social enterprise partnering	<p>Logistics Property Company recognizes the importance of positively contributing to the social, economic, and environmental wellbeing of the business communities that we are part of. We believe our mutual commitment to operate in accordance with the business community expectations of businesses conduct creates a more sustainable value for all our stakeholders. The company works collaboratively with our Vendors to foster a relationship that aligns with the standards in this Code and the interests of our stakeholders.</p> <p>The company is committed to:</p> <ul style="list-style-type: none"> • Lawful, ethical, and sustainable business practices. • Upholding human rights; and the highest workplace standards.
Stakeholder relations	<p>The company is focused on positive stakeholder relationships including:</p> <ul style="list-style-type: none"> • Employee experience and engagement • Workplace health, safety and well-being • Customer experience • Diversity, equity, and inclusion • Community outreach • Supply chain responsible standards

Governance Policies and Guidelines

	Policies and Guidelines
Bribery and Corruption	Vendors must not engage in active or passive bribery or corruption. Specific clauses in the agreement will regulate further details.
Cybersecurity	Vendors must keep their relationship with the company, including the existence of the Agreement, confidential unless disclosure is expressly permitted in writing (see section 1.1. Purpose), ensure appropriate safeguards to protect The company sensitive information against loss, theft, destruction or unauthorized access, use, alteration or disclosure, and ensure appropriate cyber security measures within their information assets and resources to appropriately manage the risk of internal and external cyber threats.
Data Protection and Privacy	<p>See above.</p> <p>During employment, employees may be given access to or become acquainted with confidential information, defined as any information not generally known outside of the Company or information entrusted to the Company by third parties, and includes information known to an employee as confidential or secret or which an employee shall have reason to know or reasonably should know are confidential or secret. This confidential information includes, without limitation, information relating to the Company's business or marketing plans, computer software programs, vendors, purchasing, accounting, marketing, costs, profits, sales, products, personnel, pricing policies and other business affairs and methods and other information not readily available to the public, and plans for future development.</p> <p>Vendors must strictly limit and safeguard the confidential information belonging to the company and any third parties, including any information created, received, or learned by Vendors while engaged for or on behalf of third parties.</p>
Executive Compensation	The Compensation Committee shall make recommendations regarding evaluating and recommending executive compensation. The Committee shall develop, in consultation with the Board, a management succession plan for all key positions. In the event of a vacancy in any key position, the Committee shall make a recommendation to the Board.
Fiduciary Duty	<p>As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and corporate governance (ESG) issues can affect the performance of investment portfolios. We also recognize that applying these principles may better align investors with broader objectives of society.</p> <p>United Nations Principles for Responsible Investment (UNPRI or PRI)</p> <p>The company is a proud signatory of the United Nations-supported Principles for Responsible Investment ("PRI"). The following six principles are used as a framework to the ESG responsible investment process:</p> <ul style="list-style-type: none"> • Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes. • Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices. • Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest. • Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

	<ul style="list-style-type: none"> • Principle 5: We will work together to enhance our effectiveness in implementing the Principles. • Principle 6: We will each report on our activities and progress towards implementing the Principles.
Fraud	Disbursing funds entails many control risks for the Company, including spending authorization, budget compliance and fraud.
Political Contributions	<p>Before engaging a vendor for any service that may involve public affairs matters, interaction with a unit of government, the media and/or participation in a public political, legal or regulatory process, approval from general counsel is required.</p> <p>No commercial messages, messages of a religious or political nature, or unsolicited email are to be distributed using Company Email.</p> <p>No employee may make any political contribution using Logistics Property Company's name, funds, property, equipment, or services for the support of political parties, initiatives, committees or candidates.</p>
Shareholder Rights	<p>Active year-round investor outreach and engagement</p> <p>Proxy access provisions.</p>

Risk Management

Logistics Property Company is committed to identifying any resilience to catastrophe / disaster and conducts detailed review of both physical and transition risk assessments.

1. Real Estate Potential Risks

Physical Risks: Delays and disruptions of construction or operations of building. Any potential event that could make the building uninhabitable or unsafe for building occupants. Heat waves, wildfires, public safety power shutoff (PSPS) events, power outages, heavy downpours, and sea level rise pose growing challenges to many regions across the regions in which our portfolios exist. Infrastructure, agriculture, fisheries, and ecosystems will be increasingly compromised.

Acute Hazards may include:

- Extratropical storms
- Flash flood
- Hail
- River floods
- Storm surges

Chronic Stressor may include:

- Drought stress
- Fire weather stress
- Heat stress
- Precipitation stress
- Rising mean temperatures
- Rising sea levels

Physical Risk Impact Assessment:

Direct

- Increased capital costs
- Increased infrastructure costs

Indirect

- Increased insurance premiums and potential for reduced availability of insurance on assets in “high risk areas”
- Increased operating costs

Transition Risks:

- Policy and Legal:
 - Increasing price of GHG Emissions
 - Enhancing Emissions-Reporting Obligations
- Technology
 - Costs to transition to lower emissions technology
 - Cyber security/Cyber risks which may arise due to infrastructure instability because of climate impacts
- Market
 - Changing customer behavior
 - Uncertainty in market signals
 - Increased cost of materials
- Reputation

- Shifts in consumer preferences
- Increased stakeholder concern or negative stakeholder feedback

Transition Risk Assessment:

Policy and Legal

- Increased operating costs

Technology

- Capital investments in technology development
- Costs to adopt/deploy new practices and processes

Market

- Abrupt and unexpected shifts in energy costs
- Re-pricing of assets

Reputation

- Reduction in capital availability

Regulatory Risks: The change in building design requirements or caps on energy use/GHG emissions from building operations.

Financial Risks: Loss of value due to climate change impacts, additional costs due to temperature changes and increasing heating/cooling loads, fines associated with noncompliance of regulatory requirements, loss of business productivity, and loss of rent due to non-occupiable buildings.

Social/Governance Risks: Cyber security, transition risks: policy, legal, etc. Cyber risks arise due to infrastructure instability because of climate impacts. Policies could constrain actions which contribute to climate change or promote adaptation to climate change.

2. Steps to Conducting a Risk Assessment

- Describe hazards.
- Review your state or local jurisdiction's hazard or emergency plan.
- Download weather related event history from an online database.
- Review existing studies, reports and plans related to hazards in the area.
- Interview planning team and stakeholders about current risks and plans to address risks.
- Identify community assets.
- Identify tangible assets that are at risk of being affected by hazards from Step 1
Assets could include:
 - People
 - Economy
 - Building infrastructure
 - Surrounding natural environment

3. Analyze Risks

- Risk analysis involves evaluating assets that may be vulnerable to natural disasters, extreme weather, and other climate change related impacts. The purpose of conducting a risk analysis helps the portfolio or asset manager to understand the potential risks associated with an asset to help identify or mitigate the potential risk. Methods for analyzing risk includes an exposure analysis, historical analysis, scenario analysis, or qualitative analysis to help evaluate the type of impact that may occur during an event.
- Exposure Analysis: Identifies the existing and future assets located in identified hazard areas, which typically use maps for visualization.

- Historical Analysis: Uses information on impacts and losses from previous hazard events to predict potential impacts and losses during a similar event, which may be helpful for weather and regulatory hazards.
 - Scenario Analysis: Predicts the impacts of a particular event, which are helpful for low-frequency, high consequence events such as hurricanes, particularly if historical information is not available.
4. Identify and Summarize Vulnerability
- Summarize the most significant risks and their potential impacts and losses.
 - Educate internal and external stakeholders on these identified vulnerabilities.
 - Begin to strategize plan to address vulnerabilities.
5. Re-analyze Risks Regularly.
- Depending on the severity of the vulnerabilities, re-evaluate the property or properties on an annual or bi-annual basis.

Investor Quarterly Reporting - Emissions and Health and Safety

Section 1: Portfolio Carbon Emissions Data –

Venture Two assets carbon emissions reported quarterly.

Section 2a: Greenhouse Gas Emissions

Scope 1, 2 and 3 Emissions Calculation Methodology

This summary describes the calculation boundaries, methodologies, assumptions, and key references used in the preparation of reported Scope 1, 2 and 3 greenhouse gas (GHG) emissions that will be reported on a mid-year and annual basis.

Emissions for our business are calculated using methodologies consistent with the Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard.

GHG Protocol Emission Scopes (for operating assets):

- Scope 1 – operational direct emissions from on-site natural gas
- Scope 2 – operational indirect emissions from on-site electricity
- Scope 3 – indirect emissions, resulting from natural gas and electricity emissions resulting from non-operational / tenant emissions.

Scope 1 and Scope 2 Emissions Reported Boundary: Operational Control

- Scope 1 and 2 direct and indirect emissions will be reported using utility invoices.
- Operational control approach: We account for 100 per cent of Scope 1 and 2 emissions from operations carbon emissions.
- Assets are all triple-net lease agreements, therefore operational emissions will likely be reported for a given asset for a short-period of time, in the event the building is vacant, or not fully leased.

Scope 3 Emissions Reported Boundary: Operational Control

- Scope 3 - indirect and indirect emissions will be reported using either tenant utility invoices or submetering utilities (preferred approach)
- Scope 3 emissions are the indirect GHG emissions resulting from activities in our value chain outside of our Scope 1 and 2 operational control approach emissions.

- Once an asset becomes operational and asset is occupied, Scope 3 reported emissions will be reported.
- Data external assurance – currently under review / pricing proposal to prepare for Venture Two Reporting

Section 2b: Workplace Health and Safety Data

WHSE Reporting includes:

Indicator Metrics	Calculation
TRIR – Total Recordable Injury Rate	$\frac{(Total\ number\ of\ Recordable\ Injuries)}{(Total\ Number\ of\ hours\ worked\ in\ a\ quarter)} \times 200,000$
LTIFR – Lost Time Injury Frequency Rate	$\frac{(Number\ of\ Lost\ Time\ Injuries\ in\ defined\ period)}{(Total\ number\ of\ hours\ worked\ in\ a\ quarter)} \times 200,000$
ATLR – Average Time Lost Rate	$\frac{(Number\ of\ Lost\ Days\ in\ defined\ period)}{(Number\ of\ lost\ time\ injuries\ in\ a\ quarter)}$

- The company uses third-party provider Sevan Multi-Site Solutions for quarterly safety audits conducted on projects under construction and exterior of all existing assets.
- The company has an established Workplace Health, Safety and Environment Committee that meets quarterly and reviews all data reported. In addition, WHSE is reported to the Board of Directors, providing details on any incidents.

Reference:

U.S. EPA – Emissions Technical Reference Report

See pg. 2 of attached U.S. EPA Portfolio Manager Technical Reference Report.