



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) POLICY

2023 / 2024

Logistics Property Company shares a common vision to deliver superior modern logistics buildings and provide a sustainable framework which is focused on delivering environmental, social and governance benefits to all stakeholders.

We affirm our unwavering commitment to sustainability, which we recognize as the comprehensive umbrella encompassing the critical pillars of Environmental, Social, and Governance. We are dedicated to advancing our approach to actively managing our environmental footprint, cultivate social well-being, and upholds transparent and ethical governance.

Through this integrated Sustainable Framework, we aim to integrate environmental, social and governance across our portfolio to deliver positive environmental, social, and governance benefits for our employees, customers, partners, investors, communities, and the planet.

ABOUT LOGISTICS PROPERTY COMPANY, LLC

Logistics Property Company, LLC is a logistics real estate operating company and investment manager focused on the acquisition, development, and management of modern logistics properties in key North American markets. The company executes a disciplined investment strategy, ensuring optimal outcomes for our investors, employees, communities, and environment. Headquartered in Chicago, Logistics Property Company has more than 80 employees strategically located across eight markets. Its portfolio is comprised of 57 buildings across 23.9 million square feet with an estimated end value of more than \$4.1 billion. For further information, please visit logisticspropco.com.

Our Approach

At Logistics Property Company, we are focused on integrating the Sustainability Framework through key pillars including Environment, Social and Governance into all aspects of our business and culture.

The company will continuously strive to embrace evolving stakeholder expectations and implement best practices.

Implementation

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

The dedicated Sustainability Committee was established to provide oversight on ESG matters. The Committee draws on industry best practices and evaluates appropriate key performance indicators, targets and initiatives.

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

The framework is accomplished through the following practices:

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

Our Commitment

The mission is to integrate the Sustainability framework ensuring that metrics are identified, measured, and tracked across our portfolio to deliver positive environmental, social and governance benefits for our employees, our customers, partners, investors and the planet.

Environment

The company integrates innovative efficiency solutions to minimize our environmental footprint for a healthier tomorrow.

Our Approach:

- Environmental Management System (EMS) aligned to ISO 14001.
- Net Zero Commitment by 2050 and Decarbonization of Portfolio.
- Green Building Certifications – Achieving LEED Certification for all new developments.
- Sustainable Materials and Practices.
- Climate Risk Resilience.
- Energy Efficiency.
- Stakeholder Engagement.
- Supply Chain Influence.

Environment Objectives and Targets

Logistics Property Company's environmental objectives are centered on reducing its overall environmental impact, conserving resources, and improving environmental performance to contribute to a greener future. These objectives are integrated into the company's overall business strategy through several key initiatives and practices:

1. **Environmental Management System (EMS):** The company has developed an EMS that aligns with ISO 14001 standards. This system provides a structured approach to managing environmental policies and practices, ensuring that all operations minimize their environmental impacts. The EMS is a voluntary commitment that demonstrates the company's dedication to continual environmental improvement.
2. **Net Zero Commitment:** The company has set a strategic goal to reach net zero operational emissions by 2050. This long-term objective is a significant driver of the company's environmental strategy, influencing decisions in design, construction, and asset management.

3. **Green Building Certifications:** The company is committed to pursuing LEED certifications for new developments and ENERGY STAR Certifications for its operating properties. This commitment to sustainable development is integrated into the design and construction specifications, ensuring that new developments are energy-efficient and have a reduced environmental footprint.
4. **Sustainable Materials and Practices:** In its construction and development processes, the company aims to select materials that have a lower environmental impact, such as those with recycled content or certified for their environmental and health impacts. This approach reduces the environmental impact of construction and supports the company's sustainability goals.
5. **Climate Risk Resilience:** The company has design and construction specifications that mitigate potential impacts of climate change. This includes resilient buildings and infrastructure that can withstand environmental stressors, contributing to the company's overall business continuity and preparedness.
6. **Energy Efficiency:** The company focuses on implementing energy-efficient strategies, such as upgraded mechanical systems and building automation systems, to reduce energy consumption and costs.
7. **Stakeholder Engagement:** The company engages with stakeholders, including local communities, employees, suppliers, and investors, to address concerns and promote transparency. This engagement ensures that the company's environmental objectives are aligned with stakeholder expectations and contribute to shared social responsibility.
8. **Supply Chain Influence:** Logistics Property Company encourages its suppliers to adopt sustainable business practices, extending its environmental objectives across the supply chain.

Sustainability Metrics and ENERGY STAR Portfolio Manager

Logistics Property Company will establish clearly defined sustainability goals and targets for energy, water, waste, greenhouse gas (GHG) emissions, carbon and other relevant sustainability metrics in an auditable way, which goals shall consist of medium and long-term targets with clear reduction goals; and shall incorporate the following:

- Maximize data coverage for energy, water, waste, GHG and carbon for sustainability goals.
- Develop key performance indicators (KPIs) that align investors and corporate reporting goals.
- Enable monitoring of portfolio performance and the ability to identify actionable next steps.
- Engage stakeholders across organization about sustainability progress and opportunities through communication and reporting.

Renewable Energy

Logistics Property Company intends to take positive steps to accelerate the transition to a clean energy grid. The company will procure renewable energy (where possible) and use reasonable best efforts to reduce carbon emissions in other ways.

Net Zero Commitment

Logistics Property Company is committed to achieving net zero carbon emissions by 2050. The company will report reduction targets through the Science Based Targets Initiative (SBTi) and utilize the Carbon Risk Real Estate Monitor (CRREM) decarbonization pathway. The baseline net zero is based on scope 1 and 2 greenhouse gas (GHG) emissions on a portfolio basis, with a goal of meeting the Paris Climate Accords' sector-specific pathway limiting global temperature increase to 1.5 degrees Celsius.

Social

The company provides a work environment that values our people, diversity, equity & inclusion, fosters positive stakeholder relationships and contributes to the communities in which it works.

Our Approach:

- Workplace Culture and Values
- Stakeholder Engagement
- Community Outreach
- Employee Engagement
- UN-Sustainable Development Goals (SDGs)
- Increase supply chain engagement and governance.

Social Objectives and Targets

Logistics Property Company's social objectives are embedded in its business strategy, driving the company to operate in a manner that is socially responsible and beneficial to all stakeholders. This integration supports the company's reputation, operational excellence, and long-term profitability.

1. **Workplace Culture and Values:** The company is dedicated to building a workplace that prioritizes the well-being of its employees. This is achieved through initiatives that promote DE&I, ensuring that all employees feel valued and respected. This commitment to a supportive work environment is not only ethically sound but also enhances employee engagement and productivity, which are critical to the company's success.
2. **Stakeholder Engagement:** Engaging with stakeholders is a core aspect of the company's strategy. This includes regular communication with local communities, employees, suppliers, and other stakeholders to address concerns and foster a shared sense of social responsibility. By maintaining transparency and open dialogue, the company builds trust and strengthens its relationships, which is essential for long-term business sustainability.
3. **Community Outreach:** The company's social strategy involves supporting local organizations and initiatives that have a positive impact on the community. This is exemplified by the Annual Make-A-Wish Benefit and Community Impact initiative and other philanthropic activities. By giving back to the community, the company not only fulfills its social responsibilities but also reinforces its reputation as a socially conscious organization, which can attract customers, investors, and talent.
4. **Employee Engagement:** The company conducts employee surveys and holds quarterly meetings for employee co-investors, ensuring that the workforce is heard and involved in the company's direction. This level of engagement is crucial for aligning the company's social objectives with its business goals, as it promotes a sense of ownership and alignment among employees.
5. **UN Sustainable Development Goals (SDGs):** The company aligns its social objectives with the SDGs, using them as a roadmap to address global challenges such as inequality and justice. This alignment ensures that the company's social initiatives contribute to broader global efforts and resonate with stakeholders who are aware of and committed to these goals.

Governance

The company embeds sound corporate governance and sustainable business practices that result in long-term value creation for all stakeholders.

Our Approach:

- Corporate Governance and Sustainable Business Practices
- Compliance with Principles and Standards
- Sustainability Integration including Environment, Social and Governance
- Stakeholder Engagement
- Reporting and Accountability
- Responsible Investment Principles
- Business Continuity and Resilience

Governance Objectives and Targets

Logistics Property Company's governance objectives are an integral part of its business strategy, ensuring that the company operates with a foundation of strong governance, transparency, and integrity.

- 1. Corporate Governance and Sustainable Business Practices:** The company implements sound corporate governance practices to ensure ethical and sustainable business operations. This is reflected in its commitment to transparency and accountability, which is fundamental to building trust with stakeholders and securing long-term success.
- 2. Compliance with Principles and Standards:** The company adheres to various principles and standards, such as the U.N. Global Compact Principles, which cover human rights, labor, and anti-corruption. By aligning with these principles, the company ensures that its business practices are globally recognized as responsible and ethical.
- 3. Dedicated Governance Training:** All employees receive governance training, which ensures that the entire workforce is aware of and operates in accordance with the company's governance standards. This widespread understanding of governance practices supports a culture of integrity and ethical decision-making.
- 4. Environmental, Social, and Governance (ESG) Integration:** The company integrates ESG factors into its investment decisions, recognizing that responsible investment is key to mitigating risks and identifying core opportunities. This approach is reported to the board's Investment and Asset Management committees, ensuring that governance considerations are embedded in strategic decision-making.

5. **Stakeholder Engagement:** The company engages with stakeholders through various platforms, including summits, meetings, and direct engagements. This engagement is crucial for understanding stakeholder needs and concerns, which informs the company's governance practices and strategic direction.
6. **Reporting and Accountability:** Regular reporting to the Board of Directors and executive committees ensures that governance objectives are monitored, and that progress is communicated transparently. This includes the use of scorecards, such as the GRESB and PRI Summary Scorecard, to measure and report on governance performance.
7. **Responsible Investment Principles:** As a signatory to the Principles for Responsible Investment and the Net Zero Asset Managers Initiative, the company commits to responsible investment practices that consider the long-term impact on the environment and society.
8. **Supporting Local Communities:** The company's governance strategy recognizes that the success of the business is linked to the success of the communities in which it operates. By supporting local initiatives and organizations, the company upholds its social responsibility and strengthens community relations.

Diversity, Equity & Inclusion Objectives & Targets

The DE&I (Diversity, Equity, and Inclusion) objectives at Logistics Property Company are aimed at fostering a workplace environment that values and promotes diversity. These objectives are strategically integrated into the company's overall business approach in the following ways:

1. **Workplace Culture:** The company is committed to building a culture that embraces DE&I and ensuring that the workplace is supportive and inclusive.
2. **Employee Engagement:** Through initiatives such as employee surveys and quarterly meetings for employee co-investors, the company actively seeks feedback and involvement from its workforce.
3. **Training and Development:** The company has enhanced training for employees. This training includes components that raise awareness and understanding of DE&I principles.
4. **Social Initiatives:** The company's social initiatives include a focus on DE&I, which is part of its broader stakeholder engagement strategy. By addressing DE&I in its social initiatives, the company demonstrates its commitment to these values both internally and in its interactions with external stakeholders.
5. **Sustainable Development Goals (SDGs):** The company aligns its DE&I objectives with the United Nations Sustainable Development Goals, which serve as a roadmap.

Workplace Health, Safety and Well-Being Objectives and Targets

The Health and Well-Being objectives targets at Logistics Property Company are designed to ensure the physical and emotional wellness of its employees, as well as to foster a safe and productive work environment. These objectives are strategically integrated into the company's overall business strategy as follows:

- 1. Zero-Harm, Incident-Free Workplace:** The company is committed to creating a workplace with no harm or incidents, which is essential for maintaining a healthy and productive workforce. This commitment is operationalized through a comprehensive Workplace Health, Safety, and Environment (WHSE) framework that considers environmental, human, behavioral, and leadership factors in all operations.
- 2. WHSE Compliance and Risk Mitigation:** Ensuring compliance with WHSE standards is a fundamental component of every activity at the company. This includes mandatory WHSE training for all employees, which is a testament to the company's dedication to health and safety as a non-negotiable aspect of its business operations.
- 3. Employee Wellness Programs:** The company actively engages employees in their well-being through initiatives such as quarterly wellness challenges. For example, in 2023, a step challenge encouraged collective participation, resulting in a combined 7.1 million steps walked by participants. These programs keep employees engaged and contribute to their overall health and well-being.
- 4. Sustainable Development Goals (SDGs):** The company's alignment with the United Nations SDGs, particularly those related to Good Health and Well-Being, demonstrates its commitment to contributing to global efforts to improve health outcomes. This alignment ensures that the company's health and well-being objectives are part of a larger, globally recognized framework.
- 5. Responsible Consumption and Production:** The company's focus on responsible consumption and production includes the implementation of energy-efficient strategies and the selection of materials certified for their environmental and health impacts. This not only contributes to the sustainability of the company's operations but also to the health and well-being of its employees and future occupants of the buildings.
- 6. Employee Engagement and Feedback:** Through employee surveys and regular meetings, the company ensures that employee feedback is integrated into its health and well-being strategies. This engagement is crucial for tailoring programs to meet the specific needs of the workforce and for fostering a culture of health and safety.

INDUSTRY LEADERSHIP

The company voluntarily subscribes to the following externally developed economic, environmental and social charters, principles or other initiatives:

- CEO Action for Diversity & Inclusion – Signatory since 2022
- Carbon Risk Real Estate Monitor (CRREM) - Aligned
- Global Real Estate Sustainability Benchmark (GRESB) – Member since 2023
- Global Reporting Initiative (GRI) – Aligned Sustainability Report
- ISO 14001 Environmental Management System - Aligned
- Occupational Safety and Health Administration (OSHA)
- Science Based Targets Initiative (SBTi)
- United States Green Building Council (USGBC) - Member
- U.S. Environmental Protection Agency (EPA) ENERGY STAR – Partner since 2022
- Principles for Responsible Investment (UNPRI or PRI) – Signatory since 2022
- United Nations Global Compact Principles - Aligned
- United Nations Sustainable Development Goals (SDGs) - Aligned

STAKEHOLDER ENGAGEMENT

Stakeholder	Engagement
Employees	Onboarding Training and development Team meetings Annual events Internal Committees: Asset Management, Investment Committee, Community Outreach, Women's Leadership Forum, ESG, Post-Pandemic Task Force, Strategic Planning & Discussion Externally through website, social media and special targeted publications Monthly all company virtual meetings Board meeting – all employee calls
Supply Chain	Ongoing dialogue and meetings Procurement policies Safety Audits Health, Safety & Environmental standards and policies In-person and virtual meetings, calls, conferences and workshops
Customers	Face-to-face meetings Social media accounts Company website In-person and virtual events Annual meetings Customer satisfaction survey Conferences and workshops
Investors	Presentations Investor Relations updates Biannual and annual ESG reporting Investor Committee (IC) meetings Monthly, quarterly and annual reporting Investor summit
Board and Committee	Internal committees Quarterly meetings Ongoing executive management meetings Ongoing updates
Local Communities	Ongoing meetings with community partners Participation on committees and councils Participation in key events / employee volunteering Ongoing philanthropic and sponsorships
Associations	Participation in conferences and events Participation on boards and committees Sponsorships