



## **Environmental Sustainability Policy**

**Effective: February 2016**

**Revised: December 2021**

### **I. Policy Overview**

High Street Logistics Properties, LLC is a recognized private equity real estate investment management company with a proven track record of performance investing exclusively in institutional quality industrial and logistics properties located in major markets across the eastern two-thirds of the United States. We understand our buildings impact the communities in which they are located and the people who work inside them. High Street Logistics Properties, LLC is committed to integrating environmental, social, and governance (ESG) policies and practices into our operational, investment, and development strategies built on the three pillars of material ESG issues of Climate, Citizenship, and Risk. We believe that embedding ESG practices into our business will benefit our key stakeholders and the wider community.

We have begun participating in the annual Global Real Estate Sustainability Benchmark (GRESB) and completed an ESG Materiality Assessment to identify the key sustainability and ESG issues which are most important and material to both our internal and external stakeholders.

High Street is committed to responsible business practices and upholds the principles the United Nation's Sustainable Development Goals (SDGs). We have formulated key performance indicators that track our activity and reflect the ambitions of the SDG's agenda, targets and 2030 implementation date.

### **II. Scope**

High Street is committed to an inclusive Environmental, Social, and Governance (ESG) platform with sustainable benefits across all of High Street's investment vehicles. This program outlines both near-term and long-term objectives regarding investment and asset management practices. This policy applies to all business lines of High Street - corporate, fund, joint venture and development.

### **III. Responsibility**

Oversight of this policy, the incorporation of environmental practices, and reporting on performance to this policy is the duty of the Board-level ESG Committee. High Street's growth strategy includes a commitment to ESG practices, an understanding of their impact on stakeholders, the stewardship of investments managed and a dedication to upholding high standards of responsible corporate citizenship. We consider ESG practices as a proxy for

management quality and we focus on issues that are relevant and material to a company within the context of real estate and its relationship with stakeholders.

#### **IV. Performance Pillars**

High Street has worked in collaboration with our key stakeholders to develop our ESG Strategy. The ESG strategy is embedded in all phases of our investment cycle. The strategy which formulates this policy is built on the following three pillars as determined through a materiality assessment: Climate, Citizenship and Risk. With a formal Board-Level ESG Committee, we engage a diverse cross section of High Street's regions and representatives to guide our stewardship-first approach. In addition, a dedicated team of ESG-focused professionals support the firm's activities in these initiatives across the evolving spectrum of ESG issues. Within these three pillars of our sustainability strategy, we strive to demonstrate industry leadership and achieve exceptional performance in all of the following issue areas:

##### *1. Climate:*

High Street's primary material issues relating to climate are:

- A. Climate/Climate Change adaptation
- B. Energy Consumption
- C. Greenhouse gas emissions
- D. Material Sourcing
- E. Renewable energy
- F. Resilience to catastrophe/disaster
- G. Waste management
- H. Water consumption

High Street has begun measuring its operational carbon footprint and set a Net Zero target of 2050 for both landlord and tenant operations. To help understand this target, we are already collecting our Scope 1, 2 & 3 emissions, with the aim of gathering 75% of data by floor area by 2024. We currently have a target to achieve a 2% year on year reduction of energy and will develop Scope 1 & 2 reduction targets once we have a greater understanding of the challenges involved in reaching Net Zero by 2050. We are currently focusing on low carbon technology, renewable energy & optimization of current processes to reduce our energy use and associated emissions. Our transparent reporting via established protocols, such as GRESB will allow us to track our progress. We have therefore set a target to improve our GRESB score by a minimum of 10% per year until 2024, when we will reassess progress and update our target.

High Street has also committed to setting minimum environmental criteria for existing assets and new acquisitions as well as creating a green refurbishment and tenant fit-out guide and green design standards for new development assets. Our Asset Management team uses this guide as a tool during the planning of capital improvements and other operational items providing best practices for new and existing assets. This incorporates factors such as responsibly sourcing building materials, in the context of both building exterior and interior characteristics.

Additionally, we pursue building certifications, such as BREEAM, in properties where appropriate to do so.

High Street has also committed to aligning itself with the internationally recognized UN SDGs as part of its ESG strategy. Focusing on ‘Goal 7: Affordable and Clean Energy’ through engaging with key tenants on renewable energy opportunities, such as solar PV installation. In addition to ‘Goal 15: Life on Land’, focusing on biodiversity and habitat protection opportunities at asset level, through exploring possible initiatives with tenants such as installing bird feeders, bird/bat/insect boxes and planting native species with a focus on limited water usage.

Furthermore, moving forward, High Street will begin to include physical climate risk factors into its decision-making process regarding acquiring and disposing of assets, in order to ensure resilience to climate-related catastrophe/disasters in the future. This will include factors such as potential flood risks and exposure to heat stress.

We are committed to partnering with our third-party property management teams to optimize all operational aspects within our control and will continuously seek opportunities to partner with tenants to support projects and initiatives that drive operational efficiency.

## 2. Citizenship:

High Street’s primary material issues relating to citizenship are:

- A. Employee Health & Wellbeing
- B. Health & Safety: Employees
- C. Human rights
- D. Inclusion & diversity
- E. Occupant engagement & stewardship.

We understand that our employees are our most valuable asset and their mental, emotional, and physical health are paramount. We offer a comprehensive and unparalleled benefits package. High Street has committed to track and publicly disclose all corporate initiatives that support the health and wellbeing of High Street employees.

High Street’s responsibility extends to ensuring the safety of the properties owned, and engagement with the community at large. As part of our management responsibility, we promote a corporate governance structure that is responsive to stakeholders. This includes committing to conducting an annual occupier satisfaction survey to measure occupiers’ engagement with ESG issues and corporate citizenship initiatives with further plans to engage with occupiers to share knowledge on ESG matters and encourage their participation in High Street’s future corporate citizenship initiatives and introduce “Health & Wellbeing” into occupier engagement strategy. High Street has also committed to expand initiatives to support corporate charity and community volunteerism.

3. Risk:

High Street's primary material issues relating to risk are:

- A. Bribery and corruption
- B. Cybersecurity
- C. Data protection and privacy
- D. Fiduciary duty
- E. Fraud
- F. Political contributions
- G. Board structure.

High Street has established a board-level ESG committee to oversee the evaluation of material issues on a bi-annual basis and re-evaluate goals and targets on an annual basis.

High Street complies with all prevailing environmental laws and regulations throughout our offices and operations. It is expected that all employees comply with all laws and company policies including our 'Code of Ethics and Compliance Manual'. High Street has committed to formulating a clear statement on diversity and equality. This will be aligned to the UN SDGs, focusing on 'Goal 8: Decent Work & Economic Growth', in order to promote sustained, inclusive and productive employment for all employees at High Street.

**V. Review**

This policy will be reviewed annually to ensure that it continues to spearhead High Street's ESG objectives and material issues as they are re-evaluated on a biannual basis.