



ENVIRONMENTAL, SOCIAL & GOVERNANCE POLICY

TABLE OF CONTENTS

ENVIRONMENTAL, SOCIAL & GOVERNANCE MISSION	3
ENVIRONMENTAL, SOCIAL & GOVERNANCE PRINCIPLES	3
Integration:	3
Impact:	3
Integrity:	3
ENVIRONMENTAL, SOCIAL & GOVERNANCE PRACTICES	4
ENVIRONMENTAL	4
Energy	4-5
GHG Management	5
Water	5
Waste	5-6
Construction, Development and Building Materials	6
Biodiversity & Habitat	6
Climate Risk & Resilience	7
SOCIAL	7
Diversity, Equity & Inclusion	7-9
Employee Safety	9
Employee Performance and Career Development	9-10
Employee Health & Well-Being	10-11
Tenant and Community Health & Well-Being	11
Stakeholder Engagement	12
GOVERNANCE	12

ENVIRONMENTAL, SOCIAL & GOVERNANCE MISSION

LBA Realty LLC (“LBA” or “Company”) is committed to integrating environmental, social and governance performance (“ESG”) considerations into its business practices consistent with its overall objective of maximizing investor returns. As part of this commitment, LBA considers ESG elements that could have a material impact on financial performance and use appropriate efforts to leverage opportunities and mitigate associated risks. LBA focuses its ESG framework around making a positive impact for our investors, customers, employees, service providers and communities (“Stakeholders”) in alignment with the United Nation Sustainable Development Goals (UN SDGs). The foundational basis of our framework is minimizing our environmental impact while taking a business case approach tailored to meeting the needs of our assets, funds and portfolio strategies. To demonstrate our industry leadership, we monitor and benchmark ESG performance in alignment with the UN Principles for Responsible Investment. Lastly, a focus on process improvement informs our program’s evolution.

ENVIRONMENTAL, SOCIAL & GOVERNANCE PRINCIPLES

LBA meets the UN Global Compact definition of sustainability that states, **“Corporate sustainability is a company’s delivery of long-term value in financial, environmental, social and ethical terms.”**

The pathway to achieving our ESG Mission is rooted in our ESG Principles (“Principles”):

INTEGRATION

- Embed and integrate ESG practices and processes as part of the core business strategy.

IMPACT

- Create positive impact across the Company and the industry while mitigating risk, reducing our environmental impact and creating long-term value for investors.

INTEGRITY

- Conduct business with integrity, trust, and respect, while exceeding stakeholder expectations.

As we move forward in our ESG journey, our actions will be guided by these Principles to ensure accountability, continuous improvement and long-term success.

ENVIRONMENTAL, SOCIAL & GOVERNANCE PRACTICES

The following **LBA ESG Practices (“Practices”)** have been developed in accordance with the ESG Mission and Principles. They serve as our guide to embedding practical strategies that support and add value to our business strategy and operations. Representatives across LBA’s disciplines, inclusive of executive management, regularly monitor and annually review these Practices. Our Practices will be shared with all LBA team members and disclosed to our investors and other key stakeholders through our annual ESG Report which can be accessed on LBA’s website.

ENVIRONMENTAL

LBA’s environmental practices aim to mitigate risk, reduce our use of natural resources, and improve operational performance throughout the portfolio. These practices are applicable for corporate operations, ground-up development, major renovations, existing assets, asset acquisitions, and will be taken into consideration when hiring suppliers and procuring materials. LBA’s ESG team consists of executive leadership, including our COO, Director of ESG & Sustainability, and members from functional team leads, including operations, engineering and internal stakeholders, all of whom have responsibilities for ongoing oversight of these environmental practices.

ENERGY

LBA will work to reduce energy consumption and associated expenses for all managed buildings through the monitoring of consumption; leveraging technology platforms and software; utilizing energy efficient equipment; considering installment of renewable energy systems, energy storage solutions and clean tech; and incorporating energy management best practices into daily operations, where feasible.

Best practices and initiatives may include, but are not limited to:

- Upfront analysis of energy and climate risk assessments to ensure efficiency measures and resiliency plans are integrated into the underwriting of the asset strategy at time of acquisition
- Ongoing benchmarking of energy data for common area and whole building electric and natural gas consumption will be tracked in ENERGY STAR Portfolio Manager (“ESPM”) for all LBA managed properties, where LBA has access to the data
- Real-time energy monitoring implemented, where feasible
- Evaluate opportunities to purchase green power and Green-e certified renewable energy credits (REC’s)
- Regular preventative maintenance of all HVAC equipment and building systems
- Nighttime temperature setbacks in common areas
- Efficiency analysis is incorporated into decisions for building upgrades, capital expenditures, and major renovations
- Conducting regular technical assessments to identify opportunities to improve energy efficiency

- Reviewing opportunities for both on-site and off-site renewable energy and incorporating where appropriate
- Tracking and complying with energy efficiency and benchmarking legislation implemented across jurisdictions where LBA operates

GREEN HOUSE GAS (“GHG”) MANAGEMENT ¹

LBA has established a baseline and developed a process to track and calculate our annual greenhouse gas emissions, where LBA has operational control, as well as buildings not in our operational control but where tenants have agreed to share their data. A significant portion of LBA’s greenhouse gas emissions is from the electricity usage in our buildings, therefore emissions will be tracked and managed in ESPM so we can track reductions based on the energy efficiency measures implemented at the property level.

WATER

LBA will work to reduce water consumption and associated expenses for all managed buildings by monitoring consumption, installing efficient fixtures, utilizing water efficient equipment where feasible, and incorporating water management best practices into daily operations.

Best practices and initiatives may include, but are not limited to:

- Ongoing benchmarking water usage in ESPM where water data is accessible
- Using smart irrigation, low-water, drought tolerant and native landscaping, and leak detection systems, where appropriate
- Using low flow faucets, fixtures, and toilets, where appropriate
- Regular preventative maintenance of all applicable water-use systems, such as irrigation systems, toilet flappers, chilled-water HVAC systems and cooling towers

WASTE

LBA will work to reduce landfill waste through tracking waste production and recycling rates, implementing waste management best practices, and purchasing recycled content or zero waste materials where applicable and feasible.

Best practices and initiatives may include, but are not limited to:

- Harvesting and reusing building materials, plumbing fixtures, hardware, accessories, etc.
- Repurposing and preserving demolished materials on-site, avoiding cost and diverting waste from landfills
- Ongoing benchmarking of waste production and recycling rates in ESPM where waste data is accessible and under LBA management
- Recycling common area light bulbs and e-waste
- Ensuring appropriate recycling containers are accessible and signage is clear and easily understood by tenants and building visitors

- Purchasing consumable materials with recycled content such as recycled or biodegradable paper products, copy paper, paper towels, and bathroom tissue
- Purchasing materials with recycled content for development, major renovations and building upgrades, such as recycled content carpet and ceiling tiles
- Align with the appropriate USGBC Leadership in Energy & Environmental Design (LEED) criteria relative to waste management for construction projects

¹ GHG Emissions are to be calculated based on industry standard methodology and will generally cover Scope 1 & Scope 2 emissions as defined by the Greenhouse Gas Protocol.

CONSTRUCTION, DEVELOPMENT AND BUILDING MATERIALS

As LBA strives to provide high quality properties and enhance the health and wellness of occupants, we will work to avoid use of materials that are known to be adverse to human health and the environment.

Best practices and initiatives may include, but are not limited to:

- Seeking to avoid any use of materials with known toxic ingredients, such as: asbestos, formaldehyde, volatile organic compounds (VOCs), ash, cadmium, mercury, lead, arsenic, phthalates, etc.
- Using sustainability-certified materials during new construction and redevelopment initiatives, whenever practical, based on the following standards: Forest Stewardship Council (FSC), Rainforest Alliance; Cradle to Cradle, Floorscore, Green Seal and Greenguard
- Purchasing local materials and importing local fill where practical
- Pursuing LEED certification, where feasible, on ground-up developments managed by LBA
- Using recycled concrete, where practical

BIODIVERSITY & HABITAT

In conjunction with all developments, major renovations, or re-development projects, LBA will assess and analyze environmental risks associated with the natural habitat of the applicable land, including any risk mitigation needs and costs related to:

- Identifying soil and water characteristics, including their contamination levels, restoration possibilities and mitigation needs, as well as related costs to reduce or avoid any community risks
- Analyzing land topography to avoid removal of native material where practical, which could cause an environmental disturbance
- Understanding the biodiversity and natural habitat of the site to minimize disruption and maximize preservation opportunities during construction or renovation, inclusive of endangered species evaluations
- Identifying appropriate opportunities in the portfolio to create outdoor amenities that not only support natural habitats for local species, but also support human health and well-being by providing access to nature and encouraging our customers and employees to spend time in outdoor environments

CLIMATE RISK & RESILIENCE

LBA Realty understands the changing climate has both risks and opportunities for our business and we are committed to understanding and mitigating the associated physical and transitional risks for our portfolio and leveraging associated opportunities to drive long-term value.

Physical Risks include the short-term and long-term effects on our buildings caused by extreme weather events. To understand and mitigate this risk, LBA conducts climate risk assessment as a best practice for all new property acquisitions.

Transitional Risks include potential costs of transitioning to a low-carbon economy, such as fines for not meeting increasing building performance legislation requirements. LBA actively monitors all energy related legislation and proactively tracks and optimizes building performance to reduce the risk of fines for non-compliance.

Once climate risks are identified, LBA Realty is committed to integrating climate resilience into the performance of our portfolio, to include environmental considerations across energy, water, and waste management practices as well as use of materials and treatment of biodiversity and land. This commitment enables LBA Realty to mitigate climate-related risks, leverage opportunities, ensure adaptability, and realize the environmental and social co-benefits of operational and organizational resilience.

Best practices and initiatives include, but are not limited to:

- Developing a resilience program to mitigate weather and climate disruptions, including conducting high-level risk assessments
- Incorporating climate risk assessments into the investment decision making process to identify risk and best practices to mitigate risk, and have a Resilience Plan prepared by the operations team after closing to minimize impact to the asset
- Providing Climate Resilience Guides as a resource for the operations team to prepare Resilience Plan
- Seeking opportunities to perform energy and/or water retrofits to improve durability, efficiency, and resilience
- Proactively addressing climate-related ordinances by upholding practices outlined in the “Energy” and “Water” sections above (e.g. ongoing benchmarking of energy and water performance data)

SOCIAL

DIVERSITY, EQUITY & INCLUSION

Diversity, equity, and inclusion (“DEI”) are strategic priorities for LBA. Furthering those priorities is paramount to our success and the impact we have on our investors, employees, customers, service provider partners, and the communities where we do business. To attain LBA’s DEI goals, we are committed to building on our strengths and seeking opportunities for growth. We expect that by integrating DEI into all aspects of our organization, we are laying the foundation for a future that benefits all of our stakeholders.

Diversity and Respect in the Workplace

Embracing our differences makes us a good team. Acknowledging that there is always more to learn and room for understanding leads to a more diverse, equitable and inclusive workplace.

Equal opportunity is crucial to our recruitment and selection practices. Attracting candidates with different backgrounds, characteristics, abilities, and worldviews is the foundation of our recruitment process. LBA actively partners with organizations focused on outreach to minorities, women, and other diverse groups to create a diverse and inclusive candidate pool for open positions at every level of seniority.

Our approach to diversity is broad and includes:

Race	Economic status	Color
Sex	Sexual orientation	Creed
Gender identity and/or expression	Religion	Personal style
Religious affiliation	Marital status	National origin
Disability	Citizenship	Genetic information
Age	Veteran and armed service status	Experience
Ethnicity		

Policies and Education

DEI is embedded in our policies and education. All employees are expected to comply with the requirements outlined in our Employee Handbook, including but not limited to, LBA's Employee Code of Conduct and Policy Against Harassment.

Our approach to workplace education is holistic and is driven largely by feedback we receive from our employees. In-person and online education to address topics like harassment prevention and unconscious bias raise awareness and encourage behavior that supports an inclusive work environment free from discrimination and harassment.

Benefits

Mentorship: Our success is a reflection of our people and retaining talent is a key aspect of DEI. LBA's formal mentorship program partners senior team members with employees on a one-to-one basis to provide guidance and support to each mentee's professional development. Building strong interdepartmental relationships spanning various levels of seniority has the dual benefit of creating opportunities for career advancement and greater understanding among our team members.

Compensation: LBA is committed to ensuring fair and equitable pay of its employees. Our Compensation Committee achieves this through twice-annual compensation reviews of all team members across the Company and at all levels of seniority.

Employee Leave: LBA's leave policies support team members with time off to care for themselves and others as their life circumstance change. These policies are built to bolster the lives our employees have outside of the office.

Service Provider Partners

With a national footprint, LBA relies on service provider partners across the country. Actively seeking partnerships with Minority and Women Owned Businesses allows us to extend the impact of our DEI initiatives beyond our workforce and into the communities where we do business. While demanding high quality service at reasonable prices, we also seek to include a diverse makeup of business owners in our service provider partners during the competitive bidding process.

Community Outreach and Charitable Work

Volunteering, community outreach, and charitable giving in the places where we live and work are integral to our core values and operating philosophy. Among other things, the LBA Foundation engages and energizes our employees through the Employee Matching Program with dollar-for-dollar charitable contribution matching, and volunteer days with local charities. Some of our corporate charitable initiatives have focused on organizations that benefit children, funding for Historically Black Colleges and Universities, COVID-19 relief and support, and housing for those in need. Investing in national and local charities strengthens our community bonds at a local level and our teams work together to identify charitable organizations doing critical work in their communities.

Accountability

LBA's DEI Committee (the "Committee") consists of a diverse group of employees across departments and operational regions of the Company including leadership from Human Resources and our Executive Team. Tasked with translating LBA's commitment to DEI into action, the Committee meets regularly to create, tailor, and implement these programs.

The DEI Mission Statement and Commitment are both reviewed at least annually by the Committee and Senior Team to identify areas of achievement and opportunity.

EMPLOYEE SAFETY

LBA is committed to providing a safe workplace for all its team members. We recognize that all employees have the right to work in a safe and healthy environment, consistent with the Occupational Health and Safety Act and other applicable legislation. Part of our commitment is that we will provide ergonomic reviews and adjustment as needed to make sure each employee's work environment (desk, chair, and overall ergonomics) are appropriate and reduce the risk of injury.

EMPLOYEE PERFORMANCE AND CAREER DEVELOPMENT

The long-term success of LBA is contingent upon the talent and commitment of our greatest asset, our employees. LBA is committed to supporting the performance and career development of our employees, striving to provide a culture of learning, growth, and performance excellence.

LBA will foster this culture through establishing clear performance objectives and may support employee performance and career development through the following ways:

- Encouraging employees to engage in relevant training opportunities, including formal training sessions, employee coaching and mentoring and participation in conferences.
- Funding the cost of training materials and professional certifications for personnel, where applicable.
- Encouraging community service and charitable efforts through group events and/or charitable contribution matching program for employees.

EMPLOYEE HEALTH & WELL-BEING

LBA strives to create a workspace that promotes positive health and wellness for our employees. We recognize the importance of having a strong indoor environmental quality program with high standards for indoor air and water quality, cleaning, and promoting good health through nutrition and regular physical activity for the prevention of chronic disease. For this reason, we are committed to creating a workplace culture that supports and encourages regular physical activity and facilitates active participation of team members in a range of initiatives that promote increased physical activity, reduced sitting time, and healthy eating options.

Strategies and initiatives for employee health and wellness may include but are not limited to:

- Ensuring stairwells are easily accessible and inviting to use (well-lit, adequately ventilated, etc.)
- Supporting reduced sitting time through available standing height tables/desks or workstations (as needed)
- Encouraging participation in sports teams, group fitness activities and/or fitness challenges
- Encouraging walking meetings, or meetings outdoors, when feasible
- Providing relevant information materials, such as newsletters or brochures
- Providing access to healthy food and drink options, where feasible
- Ensuring catering and onsite food outlets have healthy food and drink choices
- Installing water purification, if necessary and where feasible
- Installing water bottle filling stations, where feasible

Best practices for the operations and management of the corporate offices to ensure employee health and wellness related to indoor air and water quality may include but are not limited to:

- Using only low/no volatile organic compound (VOC) paints and finishes
- Instituting a green cleaning practice
- Using high efficiency filter vacuums
- Conducting appropriate IAQ testing
- Utilizing an integrated pest management plan, if and where appropriate
- Meeting fire safety and carbon monoxide monitoring standards
- Instituting a safety and security practice, including emergency procedures, regular drills and communicate regularly with employees

- Testing water quality, as needed
- Addressing occupant noise complaints, as feasible
- Meeting or exceeding ASHRAE outdoor air ventilation rate guidelines to control indoor sources of odors, chemicals, and carbon dioxide
- Instituting a smoke-free office environment
- Incorporating tobacco free signage, as appropriate

TENANT AND COMMUNITY HEALTH & WELL-BEING

The impact of the built environment on human health has become an important aspect of sustainable high-performance buildings. LBA understands this impact and is committed to operating buildings that accommodate health and wellness standards.

Best practices and initiatives may include, but are not limited to:

- Using only low/no volatile organic compound (VOC) paints and finishes
- Incorporating a green cleaning policy
- Using high efficiency filter vacuums
- Conducting regular indoor air quality (IAQ) testing
- Ensuring separate ventilation for chemical storage areas
- Utilizing an integrated pest management plan
- Meeting fire safety and carbon monoxide monitoring standards
- Instituting a safety and security policy, including emergency procedures, Fire & Life safety training, regular drills and communicate regularly with occupants
- Testing water quality regularly
- Preventing water stagnation in pipes
- Installing water purification, if necessary
- Installing water bottle filling stations, where feasible
- Addressing occupant noise complaints, as feasible
- Meeting or exceeding ASHRAE outdoor air ventilation rate guidelines to control indoor sources of odors, chemicals, and carbon dioxide
- Providing healthy vending machine/food options, where feasible
- Instituting a smoke-free building policy
- Incorporating tobacco free signage, as appropriate

STAKEHOLDER ENGAGEMENT

LBA understands the impact that Stakeholders have on our business and operations. Therefore, we are committed to Stakeholder engagement to promote interaction and transparency within our ESG programs and progress.

Stakeholder engagement best practices and initiatives may include but are not limited to:

- Engaging Stakeholder groups to develop and maintain positive and productive relationships
- Involving Stakeholders in identifying issues that are material to our business
- Providing transparency to our Stakeholders through annual corporate and ESG reporting

GOVERNANCE

A cornerstone of LBA's business philosophy is corporate governance, ethics, and professional responsibility. Underlying all business activities is a focus on our core values of integrity, respect, collaboration, performance and maintaining a customer-centric approach to our business. We take pride in our efforts towards transparency with our Stakeholders, compliance with laws, rules, regulations, and industry standards, and a commitment to LBA's Code of Ethics.

To ensure compliance and adherence to the LBA Compliance Manual, government regulations, and industry standards, LBA employees are required to participate in annual trainings that include:

- Standards of conduct and ethics
- Cybersecurity, data protection and privacy
- Management of real and perceived conflicts of interest
- Insider trading
- Gifts and entertainment
- Political contributions
- Outside business activities
- Review of third-party service providers
- Anti-money laundering
- Privacy protection and prevention of identity theft
- Electronic communications, information security, and incident management
- External communications (media, marketing, and advertising)

LBA also seeks to implement a corporate governance framework that provides appropriate levels of oversight in the areas of audit, risk management, and potential conflicts of interest. The company maintains policies that prohibit bribery and other improper payments to public officials consistent with the U.S. Foreign Corrupt Practices Act and similar laws. LBA values our reputation as an organization that conducts business with honesty and integrity. LBA requires employees to adhere to the LBA Compliance Manual at all times and provide an annual certification of compliance.