

Environmental, Social, and Governance (ESG) Policy

Our Approach

Vanbarton Group (“Vanbarton”, the “Firm”) is a privately held, vertically integrated commercial real estate investment advisory firm that invests in a range of strategies across the capital stack in U.S. markets. Vanbarton believes that environmental, social, and governance (ESG) principles play a significant role in investment objectives and corporate culture. Vanbarton understands that the integration of ESG principles throughout the investment and asset management processes is beneficial to corporate culture, the firm’s clients, and the advancement of corporate objectives. To that end, ESG goals are considered throughout corporate and advisory activities, including during the development and implementation of investment strategies, during the acquisitions process, and in various facets of asset and property management. Vanbarton recognizes that the Firm’s investment and management decisions directly impact the environment, employee and tenant well-being, and the surrounding communities. Therefore, the Firm commits to the following corporate objectives:

1. Minimize the environmental impact of our clients’ commercial real estate investments
2. Prioritize and seek to enrich occupant health, well-being, safety, and productivity
3. Regularly engage with stakeholders and industry peers to improve and evolve ESG processes and investment performance
4. Increase representation of diverse talent throughout the Firm

The purpose of this ESG policy is to define Vanbarton’s position on ESG and provide employees, stakeholders, and third parties with an understanding of the Firm’s current platform and future plans to further integrate ESG considerations into its commercial real estate investment process and asset management activities within the Vanbarton corporate organization. This policy applies to all Vanbarton entities, investment vehicles, employees, and affiliates.

Vanbarton applies the following foundational principles when implementing ESG initiatives:

- **Data Management and Monitoring**
 - o Utilize a data management system for data aggregation and analysis
 - o Reporting and transparency
 - o Real-time energy usage tracking and analysis
- **Education and Training**
 - o Training sessions on pertinent ESG topics
 - o Best practices and supplemental resources
 - o Professional certification support available
- **Engagement**
 - o Regular ESG communication with internal and external stakeholders
 - o Partner with organizations that share our ESG values
 - o Regular cross-functional engagement on ESG topics, best practices, and initiatives
- **Accountability**
 - o ESG Committee oversees ESG implementation and initiatives
 - o Compliance audit and oversight of ESG activities
 - o Senior professional assigned to formulate and progress ESG initiatives

Governance and Accountability

Vanbarton's long-term goal is to incorporate ESG into the fabric of the Firm so that all employees engage in the program and its implementation. The path forward to achieve this goal will be through a combination of clearly communicated policies and guidelines, employee education, dedicated resources, and continued open discussion to help Vanbarton team members understand how ESG relates to their respective role. Establishing accountability and responsibility for each initiative is a critical component to the improvement and expansion of the Firm's ESG program.

Policies and Procedures: Vanbarton has instituted policies and procedures related to firm governance that are available to all employees as well as existing clients upon request. These include an Equal Employment Opportunity Policy, Anti-Harassment Policy, and Responsible Contractor Policy. In addition, the Firm has corporate compliance and cybersecurity programs in place where employees attend mandatory training to review Vanbarton's Cybersecurity Policy, Compliance Manual, Code of Ethics, and any relevant developments or substantial changes in applicable legal and regulatory areas.

Senior Leadership and Governance: Vanbarton's ESG Committee meets on a regular basis to discuss critical ESG issues; provide additional oversight and accountability to the ESG program; and develop the Firm's ESG policy as well as an implementation plan, initiatives, and guidelines that are consistent with the ESG policy. The ESG Committee currently includes representation from legal, compliance, investor relations, marketing, and outside senior consultation. A senior-level professional at the firm is responsible for oversight and progress of ESG initiatives at the Firm.

Engagement: Regular meetings with Vanbarton's Managing Partners, as well as with the investment management team have been established to increase internal engagement on ESG initiatives and topics. Third-party tenant satisfaction surveys are conducted on an annual basis at most of the Firm's multi-tenanted office buildings and its multifamily properties.

Continual ESG Program Evaluation: On an annual basis during the budget and business planning process, Vanbarton's asset and property management teams review opportunities to further incorporate environmental and social initiatives for each property. Annual ESG checklists are completed for each office and multifamily equity investment to evaluate alignment with baseline measures, as outlined in the Firm's Sustainability Best Practices. Vanbarton will periodically review its ESG initiatives to ensure compliance with this ESG policy and supporting policies.

Data: Data management and monitoring serve as a cornerstone to ensure accountability to Vanbarton's ESG objectives. To that end, Vanbarton utilizes both ENERGY STAR Portfolio Manager and Measurabl to improve data integrity, reporting and analysis. Additionally, many of Vanbarton's properties have employed real-time energy data tracking platforms that process building operations data and provide real-time recommendations to increase building energy efficiency.

Environmental Considerations

Vanbarton regularly reviews the environmental impact of its investments, and seeks to incorporate sustainable operational practices to reduce energy consumption, water usage, waste, and carbon emissions. The Firm has established best practices to guide the asset and property management teams when implementing sustainability objectives into asset business plans, as well as during construction, improvements, and unit turnovers. These best practices are based on certain Leadership in Energy and Environmental Design (LEED), WELL Building Standard (WELL) and Institute of Real Estate Management (IREM) principles, as well as additional industry-recognized best practices.

As a part of acquisitions due diligence, Vanbarton evaluates several environmental and other ESG-related risks through collaboration with third-party consultants. This includes enhanced third-party review of utility usage, local regulatory impacts, equipment and systems efficiency, and where applicable, climate risks and mitigation measures.

Vanbarton is a national commercial real estate investment platform with significant holdings in major U.S. markets such as New York City, San Francisco, Los Angeles, and Seattle. The Firm notes that most of these jurisdictions have developing or current legislation which covers subject matters relating to ESG and property efficiency. Vanbarton examines, monitors, and makes diligent efforts to comply with these regulations as part of its investment and asset management activities.

Green Building Certification: Vanbarton has managed several LEED certified buildings, which follow a framework for healthy, highly efficient, and cost-saving green buildings. Vanbarton conducts feasibility assessments of green building certifications for new developments, maintains or upgrades current certifications, and periodically evaluates potential new certification for operating properties. Additionally, energy usage is benchmarked on an annual basis in ENERGY STAR Portfolio Manager and ENERGY STAR certification is pursued for any eligible asset.

Operational Efficiency: Vanbarton incorporates operational efficiency standards across a range of asset types and vintages. Energy audits are regularly conducted on most assets. Decarbonization audits are selectively conducted to understand an asset's potential for electrification, onsite renewables, and other decarbonization strategies.

Redevelopments: One of Vanbarton's primary investment strategies is large-scale redevelopments, including adaptive reuse projects such as office-to-residential conversions. Such projects offer the opportunity for Vanbarton to establish carbon reduction goals and plans, invest in clean technology, and incorporate enhanced operational efficiency and health-and-wellness standards.

Relating to Vanbarton's credit positions, the Firm makes similar environmental considerations of the underlying asset during due diligence to evaluate alignment with Vanbarton's ESG principles.

Social Considerations

Vanbarton continues to expand its social considerations in all firm activities and believes the Firm, and the industry at-large, can do more to increase diversity and improve the well-being of employees, tenants, and the surrounding communities.

Employee Training: In accordance with Vanbarton's belief that education and training will further embed ESG throughout firm activities, Vanbarton requires all employees to participate in annual anti-harassment/anti-discrimination training (including a specialized session for managers) and unconscious bias training.

Diversity, Equity and Inclusivity: Vanbarton believes that a diverse, equitable, and inclusive employee base is vital to progress as a company and to attract and retain a talented workforce. The Firm also supports organizations that promote these objectives in the industry and community at large. Periodically, Vanbarton reviews its policies in an effort to make appropriate updates that promote a more equitable and inclusive environment.

Health and Well-Being: Vanbarton is committed to prioritizing and enhancing the health, well-being, and experience of its employees and tenants. Therefore, the Firm has instituted a firm-wide WELL Health-

Safety Rating program and is committed to continue annual recertification. Additionally, Vanbarton continually reviews its employee benefits package to ensure it is supporting the health and well-being of its employees.

Corporate Philanthropy and Volunteerism: Vanbarton gives back to the local communities through a variety of social impact initiatives. The Firm also regularly supports charitable organizations through corporate donations and fundraising event sponsorships.

ESG Policy and Program Review

Vanbarton considers this ESG Policy to be an iterative document that will be reviewed and updated periodically to ensure effectiveness and adaptation to changing market demands, an increasingly rigorous regulatory environment, and technological and scientific advancements.