

## **Additional Environmental Social and Governance (“ESG”) Disclosures**

**July 20, 2023**

This document consolidates the ESG-related disclosures included in our Sustainability Letter, on our website, and in other filings published in the Investors & Media section of our website. This document includes several additional disclosures not covered elsewhere.

### **Environmental**

- We acknowledge our responsibility to combat climate change and are committed to contribute to the reduction of greenhouse gas (“GHG”) emissions. We have partnered with Measurabl to track greenhouse gas emissions and utility usage across our portfolio and are progressing towards the development of GHG emission reduction targets. During 2022 we improved the GHG emission and energy tracking coverage from 35% to 63% of our total portfolio square footage, and improved the water tracking coverage from 19% to 42%.
- To support this initiative we have obtained third-party assurance over the 2021 and 2022 energy usage, GHG emissions and water usage across our portfolio under Assurance Standard AA1000AS (moderate assurance).
- Prior to acquiring each property, a physical and Phase I environmental assessment is undertaken by independent consultants, detailing the historical and current environmental impact of the site. We additionally evaluate asset conditions in the RCP 4.5 climate change scenario, and perform a portfolio-wide climate change risk exposure assessment using the RCP 2.2, 4.5 and 8.5 scenarios to inform our approach to climate change.
- Measures taken to promote environmental awareness among tenants include the use of green lease clauses in our standard form of lease to promote utility data sharing and metering in tenant spaces, and the distribution of a tenant ESG pamphlet. We encourage the use of sustainably sourced materials when available.
- We engage with tenants to implement green upgrades, including but not limited to, EV charging stations and high efficiency equipment.
- We have commenced a rooftop solar initiative with an initial goal of producing rooftop solar energy on at least 5% of our total rooftop area by year-end 2024, up from 1% today. Our portfolio currently hosts approximately 1.5MW of solar, the equivalent of powering over 200 homes.
- We seek LEED certification on new building developments. We have received LEED Certification for 825,000 square feet (approximately 4% of total portfolio by square footage) of newly-developed buildings built on former landfill and industrial land sites. We have commenced LEED certification on an additional 642,000 square feet of newly developed or under development buildings built on former landfill and urban infill industrial land sites. In total we have obtained or commenced LEED certification on approximately 9% of our total portfolio square footage.
- We invest in existing infill properties rather than newly developed greenfield properties thereby reducing the destruction of previously undeveloped greenfield locations and the associated watershed damage, heat island creation, and CO2 generated from new concrete.

- Biodiversity and responsible land use: our strategy is to invest in infill locations; we do not undertake greenfield development resulting in minimized destruction of native habitats.
- Our portfolio is located in close proximity to major ports and population centers, reducing vehicle miles travelled and allowing easier tenant access to public transport. We monitor the transit and walkability scores of all properties in our portfolio.
- We reduce energy consumption and carbon emissions through upgrading existing facilities with energy efficient lighting and HVAC systems, and water efficiency solutions:
  - Energy efficient lighting program: more than 74% of our portfolio contained energy efficient lighting as of December 31, 2022 and we are committed to upgrading the lighting across the portfolio as we gain access to units during vacancy periods;
  - Heating, ventilation and cooling: we have increased the number of white or reflective surface roofs to approximately 80% of our portfolio as of December 31, 2022. In addition, we have partnered with Ravti to track and manage the HVAC equipment across our portfolio; and
  - Water efficiency: we track water usage at our properties, our property managers work to encourage and educate tenants to reduce their water usage, and we aim to install high efficiency fixtures and fittings and utilize drought tolerant landscaping where feasible.
- We attempt to minimize waste generated in renovations and redevelopments by using recycled material while also upgrading building systems to efficient standards. We utilize proper solid waste and wastewater management practices. In addition, redevelopment projects incorporate environmental and, when applicable, community impact, with local communities in many markets empowered to provide design feedback through public comment periods.

## **Social**

- Company-wide flexible work schedules: one day per week designated for working away from the office, and five weeks per year designated for working away from the office at employee's choice of location.
- Additional employee mental and physical health measures include the provision of an employee wellness reimbursement benefit to 100% of full-time employees, a highly competitive vacation policy including paid holidays and personal time off, and regular engagement in volunteer work through paid time off to participate in charitable activities.
- The company pays for comprehensive medical, dental, vision, life and short-term disability insurance for all employees.
- Employer safe harbor 401(k) contributions are made on behalf of all employees, regardless of employee contribution level.
- 100% of full-time employees received restricted stock in each of the past three years.
- We perform an annual employee satisfaction survey to engage with staff and better understand critical issues within the business.

- Enhanced employee training to include topics in response to employee survey results. Additional training sessions have been developed to align to the training needs of individual job roles within the company, including leadership training and development projects for individuals in senior management roles.
- We provide a minimum of 10 training hours per annum for all employees.
- All employees participated in annual performance reviews and received feedback from managers.
- Recently became a Founding Patron of the Pension Real Estate Association (“PREA”) Foundation. The PREA Foundation works to advance diversity and inclusion in the institutional real estate industry. We will sponsor internships associated with the PREA Foundation in 2024 and 2025.
- Continued our partnership with Worklink to provide work and meaningful community inclusion for people with disabilities.
- Committed \$150,000 over three years to support All Within My Hands' Work Force Education program through the Metallica Scholars Initiative. Metallica Scholars is a major workforce education initiative that provides direct support to community colleges to enhance their career and technical education programs.
- Hosted three employee volunteer days and donated \$48,000 in 2022 to food banks in the markets where we own property.
- No layoffs or mergers since our IPO in 2010.
- No employee work-related injuries, accidents, or fatalities since our IPO in 2010. No lost time due to employee injuries since 2010.
- 100% of employees are permanent at-will employees.
- Of our current six independent directors, three self-identify as members of an underrepresented community and two self-identify as women.
- 30% of our total workforce self-identify as members of an underrepresented community.
- Women represent 20% of executive management and 18% of our total workforce.
- Of employees hired in 2021 and 2022, 43% self-identify as members of an underrepresented community and 26% as women.
- All contractors are hired locally and all employees and contractors must comply with local laws and regulations including OSHA standards.
- No reported fatalities by contractors since our IPO in 2010.
- Our properties are often located in traditionally under-served urban infill locations, and we transform these locations into highly functional industrial properties that facilitate job creation in the surrounding communities. Approximately 18% of our portfolio is located within economic opportunity zones.
- We support tenants with a high social or environmental value. Our roster of ESG focused tenants include:

- EV charging stations (Zeem Solutions) and EV vehicle showrooms and maintenance facilities (Tesla);
  - Green energy equipment distribution;
  - Recycling and sortation operations;
  - Transit oriented tenants whose operations offset individual vehicle miles such as bus, bike, and e-scooter (Lyft/Lime/Ford);
  - Life and wellness including distribution of outdoor recreation equipment (REI);
  - Vocational training for adults with disabilities;
  - A non-profit organization which provides trained service dogs to people with disabilities; and
  - A municipal corporation which will use the site to support unhoused individuals.
- Consideration of socio-demographic development and future demand in building design: our solution is to focus our investments on existing buildings and previously developed land close to customers. Our portfolio proximity to consumers results in the highest five-mile population density versus our public industrial REIT peers. When we renovate or redevelop properties, we consider accessibility, adaptability (such as options to remove or add demising walls between tenant spaces) and, when applicable, community impact through public comment periods, in our building design.
  - Construction impacts on neighborhoods: our strategy to focus our investments on existing buildings limits the impact from noise and pollution on neighboring communities. Where renovation and redevelopment take place, contractors must comply with local laws and regulations including OSHA standards.
  - The health and safety of our tenants and communities where our properties are located are of primary concern. Prior to acquiring each property, a physical and Phase I environmental assessment is undertaken by independent consultants to identify any physical, chemical, biological, or other safety concerns. We remove hazardous materials and clean up or contain existing environmental contaminants. This improves the health conditions for on-site workers and provides a positive impact on the surrounding community.

## **Governance**

- A portion of the variable compensation for all employees is tied to ESG objectives. ESG goals are incorporated within our annual and long-term business plans, and the achievement of ESG initiatives impacts annual bonuses.
- Our Executive Vice Presidents receive an annual cash incentive bonus primarily based upon the achievement of individual performance objectives, which for 2022 included ESG and sustainability initiatives.
- We have a dedicated ESG Committee to provide oversight to our ESG strategy with a focus on environmental stewardship and employee engagement. Our ESG Committee is led by our Executive Vice Presidents and comprises employees at all levels of the company.
- The Board of Directors reviews the company's ESG strategy, initiatives and progress regularly.

- Employees are required to provide annual written confirmation that they have read and understood the Employee Handbook, including the company's Code of Business Conduct and Ethics.
- We engage with third parties to host required training for all employees on ethics and cyber security.
- Our Whistleblower Policy is detailed on the company website. The confidential whistleblower email, phone and website portal are managed by a third-party to maintain the anonymity of the submitter if so requested. The company expressly forbids any retaliation against any officer, employee or consultant who, acting in good faith on the basis of a reasonable belief, reports suspected misconduct, and will ensure protection of whistleblowers' employment status.
- Our Bribery and Anti-Corruption policy is detailed in the Code of Business Conduct and Ethics on the company website. No director, officer, employee or consultant may offer or give (directly or indirectly) any gift, favor, kickback or other improper payment or consideration of any value to any customer, supplier, government official, including, without limitation, any foreign government official, or any other person for assistance or influence concerning any transaction affecting the Company, such as to secure an improper advantage (e.g., a regulatory approval), obtain or retain business, or direct business to any other person or entity. No director, officer, employee or consultant may ask for or accept (directly or indirectly) any gift, favor, kickback or other improper payment or consideration of any value from a customer, supplier, government official or any other person in consideration for assistance or influence concerning any transaction affecting the Company. These prohibitions apply to all payments or offers to pay or give anything of value, whether or not they involve the use of corporate resources (e.g., personal expenditure or entertainment).