

2022 | 2023

Annual ESG Report



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ABOUT THIS REPORT

This report, which has been prepared by the PCCP ESG Committee with support from Verdani Partners™, is for informational purposes only. Please see the Reporting and Disclosure section of this report starting on page 48 for important information with respect to the content in this report. The reporting standard used by this report is the Global Reporting Initiative's (GRI®) 2021 Sustainability Reporting Standards. The content of this report aims to share environmental, social, and governance (ESG) and sustainability-related information that is material to PCCP's stakeholder groups, including investors, tenants, employees, partners, and communities. The data for the report represents the 2022 calendar year, and unless otherwise noted, is as of December 31, 2022. As appropriate, significant developments occurring in early 2023 may be referenced and may be expanded on in subsequent reports. Case studies throughout this report were selected to highlight materially significant events, processes, and features. Property characteristics described in case studies are not universal across our portfolio, and we do not assure that PCCP will invest in similar properties having similar characteristics in the future.



LETTER FROM THE FIRM

As we reflect on a dynamic year, PCCP remains committed to delivering exceptional value and long-term growth to our stakeholders. Our firm has continued to expand its reach worldwide, and we are proud to share our progress and achievements in this annual ESG report.

Our dedication to ESG principles is made evident through the strategic programs and partnerships we solidified in 2022. We expanded our collaboration with Verdani Partners, an ESG consultant, to implement a more comprehensive sustainability program throughout our portfolio. This partnership has enabled us to pursue sustainable investments for our investors while promoting ESG efforts throughout our portfolio.

In early 2023, to further bolster our ESG efforts—and satisfy European investor requirements, particularly in our debt portfolio—we engaged an additional consultant. EVORA® Global is a European-headquartered firm that is assisting PCCP with Sustainable Finance Disclosure Regulation (SFDR) compliance. SFDR is intended to help improve transparency in sustainable investment products and impose comprehensive disclosure requirements on a broad range of ESG metrics.

A prime example of the portfolio-wide ESG progress and impact we have made is our West Memorial Place office investment in Houston, TX.* The property's Leadership in Energy and Environmental Design (LEED®) Platinum status and our ESG initiatives at the site have allowed us to attract major tenants, increasing the property's leased percentage to 85%.† We believe this success story underlines the tangible benefits of our focus on ESG.

To better track our performance, we have expanded our data collection efforts within Measurabl® and ENERGY STAR®. We are actively working to set up ENERGY STAR profiles for our equity portfolio. As of year-end 2022, we have achieved 58 green building certifications, including 30 LEED certifications, 21 ENERGY STAR certifications, and

* The investment examples included herein were chosen to show demonstrative transactions with ESG characteristics in PCCP's portfolio. Prior transactions are not necessarily indicative of future investments.

† As of September 30, 2023



seven Fitwel® and BOMA 360 Performance Program® certifications.* We will continue to pursue asset level certifications, where practical and feasible, across our portfolio. As we continue to evolve our sustainable operations and programs, we remain committed to updating our ESG policies and to incorporating additional initiatives throughout our due diligence process, including questionnaires and scorecards. These efforts allow our firm to better assess and continually track our performance across the capital stack and make necessary improvements.

Our dedication to our people remains strong. Our people-centric culture was made evident when PCCP was awarded one of the “Best Places to Work in Money Management”† for the second consecutive year. We continue to support the growth of our team members by investing in their education and training and by hosting collaborative workshops and team meetings. This year’s Analyst Bootcamp was an example of our core value of nurturing a connected and empowered workforce.

Finally, we are proud that philanthropy remains an integral component among our team members and partners across the nation. All our offices participate

* Please see additional information relating to obtaining such certifications on pages 16 and 49 through 50 of this report.

† PCCP paid a fee to participate in the Pensions Investments’ Best Places to Work in Money Management survey in 2021 and 2022.

in philanthropic events, further strengthening our ties to, and support of, the communities in which we work and live. Our senior leadership’s ongoing involvement in industry organizations, such as Women in Real Estate, Urban Land Institute (ULI®), and National Association of Industrial and Office Properties (NAIOP®), reflects our dedication to the real estate investment industry and to the pursuit of progress in every aspect of what we do. Furthermore, our summer internship program has helped us to diversify our talent pool by including under-represented groups.

At PCCP, we remain steadfast in our mission to be the most credible investor and trusted advisor in today’s real estate investment management industry. We believe our application of ESG initiatives across our company, high employee satisfaction rates, and intentional integration of diversity, equity, and inclusion (DEI) practices and policies will support our continued advancement and success. We deeply appreciate your trust in our firm and its people and look forward to continuing to share our progress.



WILLIAM R. LINDSAY
Co-Founder and Senior
Managing Partner

INTRODUCTION



COMPANY PROFILE



PCCP, LLC is a leading investment manager, specializing in delivering commercial real estate debt and equity capital solutions. On behalf of investors from around the world, PCCP manages \$21.8 billion in assets under management (AUM)* in a diversified portfolio across major markets in the United States. We maintain offices in New York, San Francisco, Atlanta, and Los Angeles.

We believe PCCP's credit-centric approach to investments sets us apart as we execute both debt and equity investments through a single, collaborative team. By strategically investing in equity (joint venture and preferred) and debt (senior and mezzanine), we seek to deliver the most optimal returns for our clients. As of December 31, 2022, we had raised, invested, and managed over \$37.3 billion of institutional capital since 1998.

PCCP is committed to fostering a team-oriented corporate culture that emphasizes client relationships, camaraderie, collaboration, and leadership development, as well as progressive efforts toward making a more diverse, equitable, and inclusive workplace for all our employees. Furthermore, we are committed to employing processes that generate advantageous environmental, social, and economic outcomes for our employees, tenants, vendors, local communities, stakeholders, and everyone with whom we interact as a firm.

As of December 2022, our team of over 140 experienced, dedicated professionals collectively maintained 466 borrower and operator relationships with over 200 investors in our platforms.

1998
Founded

466
Borrower/Operator
Relationships

140+
Employees

\$37.3B
Institutional Capital Raised,
Invested, or Managed

* As of December 31, 2022

OUR ESG VISION AND MISSION

PCCP's ESG mission is to deliver industry-leading returns by investing in, financing, and managing resilient real estate and to drive economic performance with thoughtful and economically feasible sustainable practices. Our vision is to invest in and create healthy, inclusive, and resilient built environments.

OUR GUIDING PRINCIPLES



ENVIRONMENTAL

Economically feasible sustainability practices reduce our use of carbon and other resources while building resilient portfolios that drive economic performance.



SOCIAL

An empowered, inclusive, and diverse workforce enhances workplace health and well-being and advances sustainable environments.



GOVERNANCE

Transparency, ethics, and integrity are foundational elements of our mission.

2022 ESG YEAR IN REVIEW

Became a PRI Signatory	JAN	JUN	Submitted to GRESB® for the first time
Investments team gathered in Orlando, FL, for off-site activities	FEB		Hosted our annual summer internship program through August 2022
Presented the Design Better Habits webinar to all staff members	MAR	JUL	Finance and Operations teams met in Los Angeles, CA, for off-site activities
Participated in the 2022 ESG Annual Strategy Planning Meeting with ESG consultant Verdani Partners		AUG	Participated in National Wellness Month Held an Analyst Bootcamp in San Francisco for junior investment team members PCCP Week: Each functional group presented their accomplishments and future initiatives during company-wide virtual meetings
Promoted Earth Hour throughout a majority of our Equity portfolio			
Legal, Risk and Compliance team gathered in San Francisco, CA, for off-site activities			
Completed a company visioning survey, materiality assessment, and governance and social risk evaluation	APR	SEP	Observed National Hispanic Heritage Month Investor Relations team gathered in Austin, TX, for off-site activities
Promoted Earth Day throughout a majority of our Equity portfolio		OCT	Celebrated Indigenous Peoples Day
Equity Asset Management team convened in El Segundo, CA, for off-site activities		NOV	Produced our inaugural ESG Annual Report The Los Angeles office held a Philanthropy Day event with L.A. Works The New York office held a Philanthropy Day event with the Food Bank of New York
Conducted a Manager Training with Elevate Management	MAY		
Debt Asset Management, Closing, Loan Servicing, Capital Markets, and Portfolio Management teams assembled in Atlanta, GA, for off-site activities		DEC	The Atlanta office held a Philanthropy Day with Feeding GA Families Collected funds for Toys for Tots SM

JAN 2023 The San Francisco office held a Philanthropy Day with Make It Home

* See GRESB disclosure, page 50.

ENVIRONMENT

At PCCP, we are committed to our mission to achieve positive results for all stakeholders. In today's world where climate change is a reality, that commitment carries with it a responsibility to manage our properties and select our investments with efficiency and resilience in mind. We seek to promote the reduction of our carbon footprint and the wise use of resources. In doing so, we strive to provide lasting value for all parties involved.



ENVIRONMENTAL RISK MANAGEMENT

Central to PCCP's plan for managing our investment portfolio is prioritizing the evaluation of environmental risks as part of our due diligence. Our strategy for both debt and equity investments involves generating a Phase 1 Environmental Report for prospective investments as well as completing an ESG questionnaire.*

Our comprehensive evaluation method closely examines a property's susceptibility to and effect on a variety of environmental risk factors. These include contamination, resource dependence, and flooding, among others. We believe our commitment to evaluating environmental concerns, such as climate change within risk management, helps to establish a portfolio that is positioned to safeguard capital.

Likewise, at PCCP, we place great importance on designing office spaces and systems that promote the ability of our employees to work effectively. Through our Business Continuity Plan (BCP), we help secure the ongoing functioning of our business systems, thereby preparing for the possibility of unforeseen situations such as pandemics, natural disasters, or terrorist attacks.

* Prior to 3Q2023, the questionnaire was an ESG Risk Factor Checklist. Starting in 3Q2023, PCCP implemented a detailed ESG questionnaire and proprietary scorecard for all new investments.

CASE STUDY

FINANCING THE BELLWETHER DISTRICT*



BEFORE



AFTER

The Bellwether District, a transformative real estate complex being developed by Hilco™ Redevelopment Partners (HRP), is set to have a significant impact on Philadelphia, and PCCP is playing a part in the transformation. The area was previously the site of an oil refinery that operated from the 1860s until a catastrophic explosion closed the facility in 2019.

The refinery had been the single-largest source of particulate emissions in the city, accounting for nearly 16% of Philadelphia's carbon footprint. Between 2016 and 2018, the refinery emitted over three million metric tons of CO₂ per year. The Bellwether District

exemplifies a unique opportunity to convert an environmental hazard into a sustainable green development and economic engine for the City of Philadelphia. PCCP has provided \$400 million in financing, of which nearly \$70 million is being used to fund the demolition and sitework necessary to responsibly remediate environmental hazards and challenges. To date, HRP has completed the demolition of numerous on-site structures and removed significant amounts of hazardous materials.

PCCP is willing to provide financing for brownfield projects—projects that involve the remediation of property that was

* The investment examples included herein were chosen to show demonstrative transactions with ESG characteristics in PCCP's portfolio. Prior transactions are not necessarily indicative of future investments.

CASE STUDY

FINANCING THE BELLWETHER DISTRICT

contaminated for a number of reasons. These projects typically have lower loan-to-value ratios, and they also often provide additional social and environmental benefits. However, we approach such projects with an extra element of caution.

Because of the increased level of risk involved in such projects, we examined this transaction for three elements: knowledgeable and experienced partners, a good understanding of the environmental risks, and a solid and clear plan on how to navigate those risks. In the case of the Bellwether District, we believe all three criteria were met. First, we have prior experience with HRP on brownfield projects and know them to be knowledgeable and experienced. Second, HRP was able to provide detailed information on the environmental risks. Finally, HRP developed a sound remediation plan that involved oversight by both the U.S. Environmental Protection Agency (EPA) and the Pennsylvania Department of Environmental Protection.

The Bellwether District also demonstrates numerous ESG characteristics that merit PCCP's involvement. The environmentally conscious commercial ecosystem of the Bellwether District aims to create accessible

job opportunities for area residents and serve as a catalyst for future regional investments. Once completed, we believe the project will be one of the most impactful commercial hubs in the U.S., with 13-18 million square feet of industrial/e-commerce and life-science spaces providing an estimated 19,000 new jobs and \$3 billion in annual regional revenue.

The Bellwether District's dedication to community improvement through education and career advancement is evident, with key initiatives that include a multi-year Career Connected Learning program in partnership with the School District of Philadelphia, which offers internships and professional training, and over \$1 million in workforce development commitments to programs aimed at providing job training and opportunities for diverse Philadelphians.

In addition, the Bellwether District is expected to feature cutting-edge sustainable electric infrastructure. PCCP's involvement with the Bellwether District not only serves as an example of our emphasis on environmental sustainability but also highlights the importance we place on assessing environmental risk factors and mitigating them effectively for the greater good of the community and planet.

ENVIRONMENTAL INITIATIVES

PCCP strives to enhance asset performance through responsible resource management. To that end, we conduct a variety of efficiency upgrades throughout our equity portfolio to decrease energy and water consumption, carbon emissions, and landfilled waste.

ENERGY AND EMISSIONS INITIATIVES

Not only is fossil fuel use becoming increasingly expensive, but burning fossil fuels also causes emissions of greenhouse gases (GHGs) that are a leading driver of climate change. For these and other reasons, PCCP undertakes a variety of strategies to reduce energy use across our equity portfolio.

LIGHTING AND APPLIANCE REPLACEMENTS AND UPGRADES

Moving from traditional fluorescent lighting to high-efficiency LED lighting and installing high-efficiency appliances, including ENERGY STAR-certified appliances, create substantial energy savings. As an added benefit, LED lighting lasts longer than traditional fluorescent bulbs, resulting in less waste in the landfill. We undertook several lighting and appliance replacement projects in 2022 at buildings including the following:

- St. Laurent Apartments—Dallas, TX
- Bainbridge Avenues Walk—Jacksonville, FL
- California Plaza—Walnut Creek, CA
- Loft 9—Denver, CO

BUILDING AUTOMATION/SMART BUILDING TECHNOLOGIES

The ability to manage a building's energy-using systems with precision and ease is key

to reducing the energy consumption of those systems. To enhance our control over building systems, we have invested in projects to automate energy meter reading, upgrade building automation systems or energy management systems, and employ smart grid/smart building technologies at these and other buildings:

- Hudson Lights—Fort Lee, NJ
- Bellevue Pacific Center—Bellevue, WA
- 24Hundred on Mission—Santa Clara, CA
- Broadstone on Trinity—Fort Worth, TX

WATER INITIATIVES

Water use reduction is becoming increasingly necessary in areas that are prone to or experiencing drought. Even in regions where water is plentiful, we look to adopt strategies to improve water efficiency and reduce operational expenses.



EFFICIENT IRRIGATION

Traditional forms of irrigation use water inefficiently. Sprinkler-style irrigation systems allow much of the water to evaporate before reaching the plants' roots, while irrigation

ENVIRONMENTAL INITIATIVES

systems that run on timers may continue to operate regardless of the weather and soil conditions. PCCP is addressing these issues at several properties by installing efficient drip irrigation systems that provide water where it is needed—at the ground level. We are also making use of smart irrigation systems that account for weather and/or soil moisture when irrigating. These and other buildings have installed either drip or smart irrigation systems:

- Bainbridge Avenues Walk—Jacksonville, FL
- 2350 Mission College—Santa Clara, CA
- 24Hundred on Mission—Santa Clara, CA
- Gardens at West—San Antonio, TX

WATER METERING

As with energy use reduction, water conservation best practices begin with accurately measuring the current water usage. The information we gain by metering water use regularly and precisely helps us to develop effective water management strategies. At buildings including the following, we have implemented automated metering or subsystem metering of water usage:

- Bainbridge Avenues Walk—Jacksonville, FL
- Loft 9—Denver, CO

WASTE INITIATIVES

To help conserve natural resources and stem the flow of pollutants into our environment, PCCP works to reduce the amount of waste headed to the landfill by promoting recycling and composting efforts throughout our equity portfolio.

WASTE AUDITING

The City of San Francisco’s Refuse Separation Compliance Ordinance mandates that unacceptable materials be kept out of the recycling, compost, and landfill-bound trash.

To meet the requirements of the ordinance, which is enforced through spot audits, it is key to gather information on building tenants’ current waste disposal and diversion practices. At our property at 350 Rhode Island in San Francisco, spot audits found that materials were being discarded into the wrong waste streams. Since then, building management has been working with a Zero Waste Facilitator provided by the City.

Audits by the Zero Waste Facilitator helped building management identify issues with the building’s existing processes as well as provide feedback to tenants on how to improve their waste diversion and disposal practices. The knowledge gained by working with the Zero Waste Facilitator will help us comply with the San Francisco ordinance and divert as much waste as possible from the landfill and can also potentially be leveraged in a future LEED green building certification application.



SPOTLIGHT

NEW JERSEY SOLAR PANELS ASSIST WITH EQUITABLE ENERGY TRANSITION*



PCCP is incorporating community solar projects into several of our New Jersey industrial assets as part of our initiatives to reduce GHG emissions, improve air quality, and meet portfolio-wide ESG goals. These projects involve solar arrays that provide low-income subscribers with a discount on their electricity bills. By serving as a site host and partnering with solar developers, we endeavor to maximize the use of our properties while promoting clean energy production and an equitable energy transition. Our participation in community solar projects aligns with New Jersey's Community Solar Energy Pilot Program and supports our commitment to sustainable initiatives.

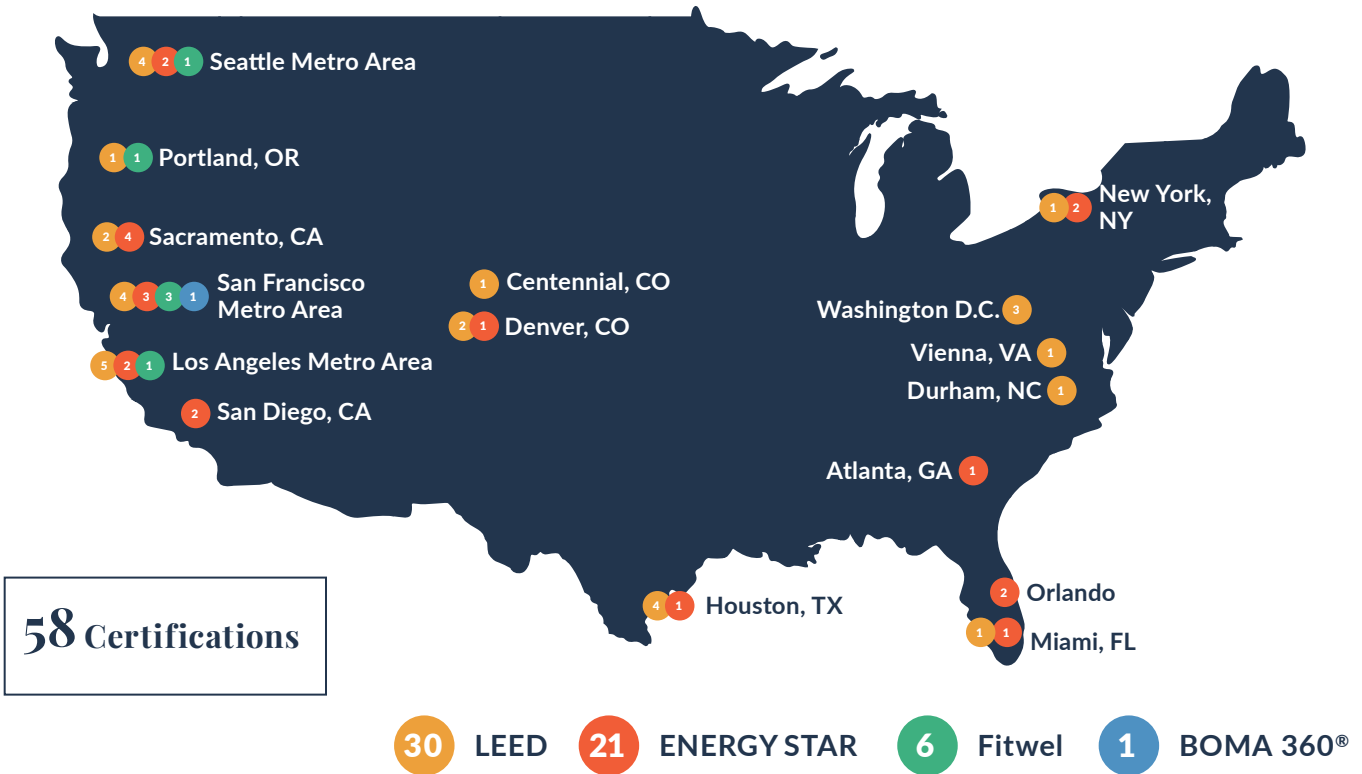
DATA MANAGEMENT

Through our strategic partnerships with ENERGY STAR and Measurabl, we have made significant progress in monitoring and managing our assets' environmental performance. ENERGY STAR, a widely recognized energy efficiency program, offers the Portfolio Manager[®] tool, which allows users to track and assess energy and water consumption across their assets. Our second data-management tool is Measurabl, a leading ESG data management platform that simplifies sustainability reporting for real estate portfolios.

With 64% of our equity assets represented in ENERGY STAR Portfolio Manager and 74% having active Measurabl profiles as of December 31, 2022, we are diligently tracking energy and water usage across a growing percentage of our portfolio. As we aim to expand our data collection efforts and undertake additional environmental initiatives, we are confident in our ability to drive positive change throughout our portfolio.

* The investment examples included herein were chosen to show demonstrative transactions with ESG characteristics in PCCP's portfolio. Prior transactions are not necessarily indicative of future investments.

GREEN BUILDING CERTIFICATIONS



Signifies exceptional environmental performance in areas from carbon footprint to indoor environmental quality



Shows commitment to enhancing buildings and communities to strengthen health and well-being



Recognizes excellence in building operations and management



Recognizes buildings with energy performance better than at least 75% of similar buildings nationwide

In alignment with our focus on sustainable practices, PCCP seeks to obtain green and healthy building certifications for our equity assets where feasible and practical, while also emphasizing debt investments that already hold such accreditations. Well-known certifications such as LEED, ENERGY STAR, Fitwel, and Building Owners and Managers Association (BOMA) 360 illustrate our efforts to maintain high levels of environmental performance and tenant welfare.* The following table displays the diverse certifications acquired by our equity and debt investments at the conclusion of 2022.

* These certifications are provided by third parties, which are paid membership fees or project registration and certification fees. For equity properties, PCCP also pays third-party property managers in connection with obtaining such certifications. Please see additional information relating to obtaining such certifications on pages 49 through 50 of this report.

2022 GREEN BUILDING CERTIFIED ASSETS

EQUITY CERTIFICATIONS | TOTAL CERTIFICATIONS: 14

Asset	Certification	Level	Year
Bellevue Pacific Center	Fitwel (Design and Construction)	1 Star	2020
California Plaza	LEED ID+C	Certified	2009
	BOMA 360		2021
	Fitwel (Design and Construction)	1 Star	2020
Park Square	Fitwel (Built)	2 Stars	2021
San Francisco Office	LEED Interior Design and Construction (ID+C)	Gold	2021
Santa Clara Office	Fitwel (Built)	1 Star	2022
Southglenn	LEED Core and Shell v2.0	Gold	2011
SunTrust International Center	LEED v4.1 Recertification	Gold	2022
Village at Totem Lake	LEED ID+C	Silver	2018
Walnut Creek Center 1	Fitwel (Design and Construction)	1 Star	2020
Walnut Creek Center 2	Fitwel (Design and Construction)	1 Star	2020
West Memorial Place 1	LEED Core and Shell v2009	Platinum	2017
West Memorial Place 2	LEED ID+C	Platinum	2019

2022 GREEN BUILDING CERTIFIED ASSETS

DEBT CERTIFICATIONS | TOTAL CERTIFICATIONS: 23

Asset	Certification	Level	Year
Block 162	LEED v4 BD+C: Core and Shell	Gold	2021
Durham Office*	LEED Core and Shell v2009	Silver	2022
Hotel Indigo - Denver Downtown	LEED for New Construction v2009	Certified	2017
Millennium High Street II	LEED for Homes MR v2010	Gold	2014
New York Mixed Use	LEED Core and Shell v2009	Silver	2015
Pasadena Office*	LEED for Existing Buildings v2009	Platinum	2018
Pasadena Office*	LEED for Existing Buildings v2009	Gold	2021
Pasadena Office*	LEED for Existing Buildings v2009	Gold	2021
San Francisco Residential	LEED v4 Building Design and Construction (BD+C): Multifamily Midrise	Gold	2020
San Jose Office	LEED Core and Shell v2009	Gold	2017
San Jose Office	LEED v4 ID+C: Commercial Interiors	Gold	2021
Seattle Mixed Use	LEED Core and Shell v2009	Silver	2018
	LEED for New Construction v2009	Silver	2018
Regions Financial Center Refinance	LEED Core and Shell v2009	Silver	2017

* Asset is managed by third-party investment adviser as part of co-advised portfolio.

2022 GREEN BUILDING CERTIFIED ASSETS

DEBT CERTIFICATIONS (CONTINUED)

Asset	Certification	Level	Year
The Gantry	LEED for Homes MR v2010	Gold	2015
The Liberty Building*	LEED for Commercial Interiors v2009	Gold	2012
	LEED Core and Shell v2.0	Gold	2010
	LEED for Commercial Interiors v1.0	Gold	2005
The Ziggurat 1	LEED for New Construction v2009	Platinum	2021
The Ziggurat 2	LEED v4 Operations and Maintenance (O+M): Existing Buildings	Gold	2022
Twenty Twenty	LEED for Homes MR v2010	Platinum	2020
Tyson's Central	LEED Core and Shell v2009	Gold	2022
West Lake Union	LEED v4 Recertification	Gold	2021

* Asset is managed by third-party investment adviser as part of co-advised portfolio.

2022 GREEN BUILDING CERTIFIED ASSETS

EQUITY ENERGY STAR CERTIFICATIONS | TOTAL CERTIFICATIONS: 10

Asset	ENERGY STAR Score
California Plaza	92
Cascade Yard Building 2	77
Cascade Yard Building 3	82
Los Angeles Office	84
Resource Square One	81
Resource Square Three	79
SunTrust International Center	82
Walnut Creek Center 1	89
Walnut Creek Center 2	83
West Memorial Place 1	85

DEBT ENERGY STAR CERTIFICATIONS | TOTAL CERTIFICATIONS: 11

Asset	ENERGY STAR Score
Atlantic Yards	75
Gateway Oaks 1	82
Gateway Oaks 2	83
Gateway Oaks 3	84
Gateway Oaks 4	90
New York City Office	87
New York City Office	88
Platte 15	89
StoneCrest 1	85
StoneCrest 2	89
UTA Plaza and Ice House	83

CASE STUDY

WEST MEMORIAL PLACE*

As demonstrated by our West Memorial Place campus in Houston's Energy Corridor, PCCP is dedicated to seeking opportunities to create healthy, sustainable work environments. The LEED Platinum-certified† West Memorial Place campus has been designed to minimize energy costs, reduce environmental impact, and foster energy conservation and tenant productivity.

The campus, consisting of two buildings offering over 715,000 square feet of office space, is situated on a 12-acre property adjacent to Terry Hershey Park, which boasts over 50 miles of walking and biking trails. This unique location allows for a natural connection between work and life, where modern office facilities that offer market-leading amenities are surrounded by lush outdoor spaces.

We believe West Memorial Place is a testament to best practices in environmental engineering. The integrated building management system helps to ensure effective

management while energy-efficient solutions such as an energy recovery wheel, daylight harvesting systems, motion sensors, and an exterior glass curtain wall that reduces heat and provides an abundance of natural light, all help contribute to lower energy consumption. The campus is also WELL™ Health Safety-rated—an indicator of the property's effective integration of healthy building technologies, including a demand-controlled ventilation system that uses CO₂ sensors to regulate fresh air usage based on occupancy levels.

These and other innovations are examples of PCCP's efforts to meet increasing tenant demands to focus on environmental health and well-being. In fact, West Memorial Place is now pursuing certification under LEED for Existing Buildings at the specific request of a prospective tenant, who has since executed a lease at the property.



* The investment examples included herein were chosen to show demonstrative transactions with ESG characteristics in PCCP's portfolio. Prior transactions are not necessarily indicative of future investments.

† Please see additional information relating to obtaining such certifications on pages 16 and 49 through 50 of this report.

SOCIAL

At PCCP, we prioritize people. We promote a workplace culture of inclusivity and respect and help our employees reach their highest potential while also intentionally acknowledging and giving back to the communities where we live and work.



EMPLOYEE ENGAGEMENT

We believe PCCP's employees are at the core of our success as a company. To motivate and help them do their best work, we prioritize time, training, and care for our employees and nurture an inclusive and respectful company culture. Our efforts help foster an atmosphere that facilitates both personal well-being and professional advancement.

DIVERSITY, EQUITY AND INCLUSION

With an understanding that a diverse and inclusive workplace can improve our overall performance, PCCP strives to embed the principles of DEI throughout our culture. From the candidates we interview to the talent that we promote to higher positions within the company, we value the differing experiences and viewpoints that make us stronger as a company.

PCCP has worked to make valuable additions and adjustments to our program and operations in response to our company's prioritization of employee well-being and education surrounding DEI. In 2021, PCCP prioritized forming a social subcommittee to supplement our ESG Committee to focus more on employee wellness and satisfaction. PCCP also expanded efforts to recruit more diverse candidates for our open positions, using a specialized recruiting firm for the first time, posting an open position through the Project REAP network—a diversity-backed commercial real estate network—and engaging with Sponsors for Educational Opportunity's (SEO's) network of students from underserved communities. These efforts have provided us with unique talent

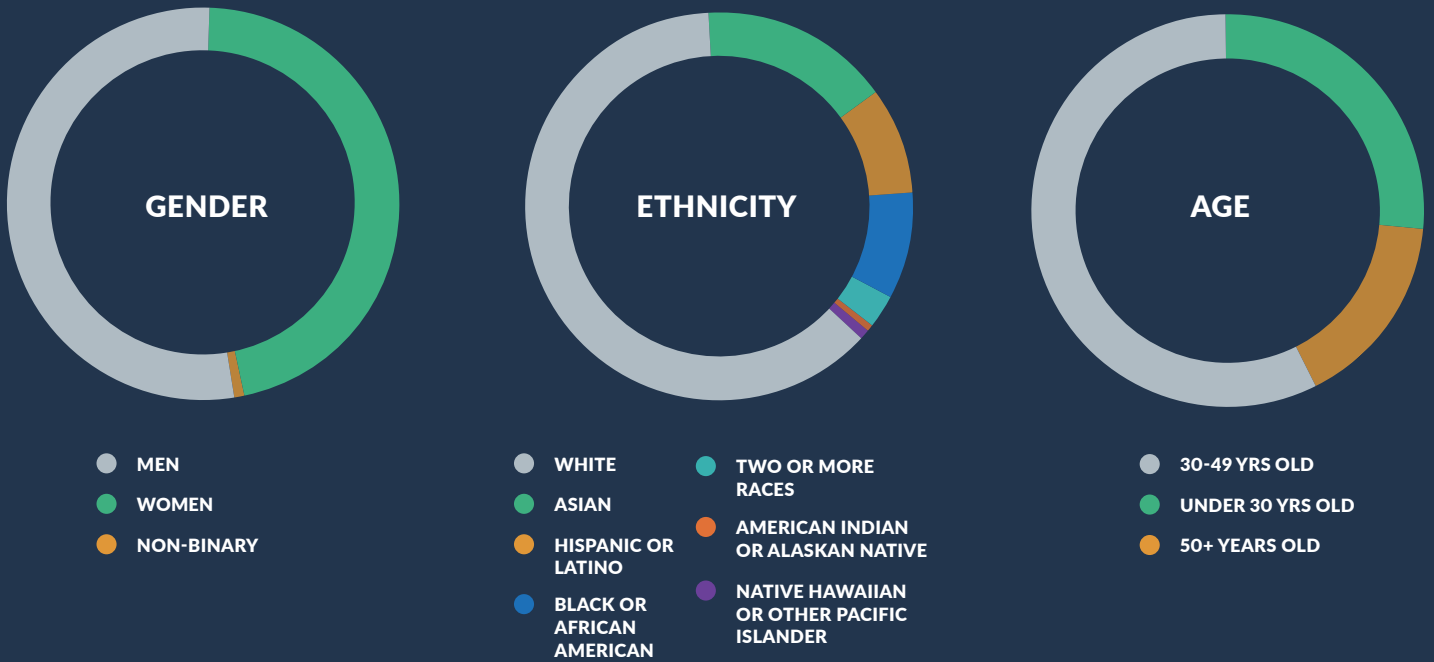
for new permanent employees and summer interns. Employees at PCCP also participated in trainings, networks, and initiatives in 2022 to further develop our knowledge of DEI best practices and establish a more equitable and empathetic atmosphere. These on-site and off-site events, such as the RSM Middle Market Collaborative and National Association of Real Estate Investment Managers (NAREIM) DEI Summit, facilitated professional development, camaraderie, and discussion, giving participating employees the opportunity to share ideas for DEI-related programs that could be implemented at our firm. In addition, our team worked to grow DEI in our office by adopting Juneteenth (June 19) as a paid company holiday and conducting firm-wide events such as our National Hispanic Heritage Month celebrations in September and informational emails on Indigenous People's Day (October 11).

Finally, PCCP management continues to create informal discussion groups and to administer anonymous surveys regarding DEI, empowering employees to share their insights with management. Such employee feedback has prompted changes to refine our parental leave policy, introduce flexible work schedules, optimize our employee performance review process, and provide increased transparency regarding career advancement opportunities within the firm.



EMPLOYEE ENGAGEMENT

WORKFORCE DIVERSITY



EMPLOYEE BENEFITS

PCCP recognizes the importance of holistic well-being for employees at every level of the firm. To that end, we provide comprehensive benefits designed to support the physical, mental, and financial health of all our employees.

Our offerings include extensive insurance packages that cover dental, vision, and medical care for all members of our staff and their eligible dependents. In addition, from their date of hire, employees begin accumulating paid sick and leave for both preventive care and unforeseen medical needs.

Because we believe that work-life balance is essential to building a healthy organization and society, PCCP also ensures that employees receive vacation time, allowing them to take the time and space to prioritize their personal lives and overall health and well-being, and that parents receive paid time off (16 weeks for primary caregivers, four weeks for secondary caregivers) to bond with their newest family members.

EMPLOYEE ENGAGEMENT

HEALTH AND WELL-BEING

By actively considering employee feedback and reviewing benefits and working conditions, PCCP prioritizes the creation of a flourishing and effective workplace and culture of togetherness. Our support for employee well-being is demonstrated through a range of initiatives intended to bolster the mental, emotional, and physical health of our employees. These initiatives include conducting wellness seminars, accommodating flexible work arrangements for specific roles, granting subsidies for ergonomic adjustments, supplying standing desks, and facilitating online classes.

In our pursuit of continuous employee development, PCCP provided a wellness webinar in March 2022, titled "Design Better Habits: The Science of Sustained Behavior Change," that was conducted by cognitive neuroscientists from UC Berkeley. This informative session empowered employees

with insights into habit formation and long-lasting behavioral improvements. During National Wellness Month in August, PCCP further promoted health consciousness by sharing weekly wellness tips via email, covering topics such as walking meetings, healthy desk snacks, mindful breathing, quality sleep, and maintaining a positive attitude.

PCCP also demonstrates a firm commitment to ensuring the financial well-being of our employees by offering competitive wages determined through market-based surveys, workers' compensation, and the opportunity for all employees to contribute to our 401k plan plus receive an employee match. Another important benefit provided to our employees is the WellCents[®] financial wellness program, available to all PCCP team members. This comprehensive offering equips employees with valuable tools and resources to support their financial stability and long-term planning, helping to generate peace of mind.



EMPLOYEE ENGAGEMENT

PROFESSIONAL DEVELOPMENT AND TRAINING

At PCCP, we view continued professional development as essential to our employees' advancement, and we base employee performance assessments on our firm's core values, which encompass relationship, collaboration and empowerment. Beyond formal annual performance evaluations, we encourage managers to conduct periodic review check-ins intended to equip employees with essential feedback and tools for success.

In support of further employee development, our team places priority on providing access to mentorship, training, and industry association initiatives. These foster the enhancement of professional skills and fortify interpersonal workplace connections. As a component of our targeted team-building endeavors, staff engage in cross-office and cross-discipline mentorship schemes. This allows all participants to expand their holistic comprehension of the company and our sector while reinforcing communication and social ties across the organization. Moreover, employees may partake in management and leadership training and coaching initiatives, refining their supervisory competencies. Given PCCP's preference for internal promotions, these developmental programs enable career growth prospects for our team members.

Lastly, PCCP supports various industry association memberships and subsidizes seminar expenses, motivating employees to pursue continuous learning and stay informed on commercial real estate industry updates as well as optimal strategies within their area of specialty.

ANALYST BOOTCAMP

In August 2022, PCCP hosted our annual Analyst Bootcamp in San Francisco. This one-and-a-half-day training and team bonding event brought together junior investment analysts to help forge a collaborative learning environment and rapport among attendees. The bootcamp featured presentations by an array of partners and senior-level employees across departments who shared insights into PCCP's culture, history, lines of business, and revenue generation. Additionally, the sessions covered essential skills such as debt and equity term sheets, real estate 101, and loan leverage 101, equipping our junior team members with the knowledge required for their roles.

Complementing the informational sessions, the bootcamp also incorporated breakout discussions on various asset types, enhancing the analysts' understanding of the specific intricacies of each segment. Property tours provided hands-on learning experiences while group lunches and team dinners facilitated relationship-building and networking among our junior investment team members. This annual event underscores PCCP's passion for employee development and dedication to constructing a strong, unified team.

EMPLOYEE ENGAGEMENT

ESG AND SUSTAINABILITY COURSES

PCCP is committed to promoting employee participation in sustainability education to reinforce our dedication in seeking to implement sustainable practices. In collaboration with our ESG consultants, we provide our employees with access to a wide array of on-demand courses centered on sustainability best management practices and LEED Green Associate exam preparation. These educational resources encompass crucial subjects such as energy and water efficiency, sustainable site development, indoor environmental quality, and sustainability budgeting.

As part of our partnership with Verdani Partners, PCCP employees can also take advantage of Verdani's ESG Essentials webinars. With a comprehensive list of topics, these webinars tackle emerging trends and key focus areas, including net zero, building health, resilience, sustainability engagement, and GRESB assessment* best practices. This collaboration not only provides opportunities to broaden our employees' knowledge of ESG topics



but also bolsters our ongoing efforts to improve sustainable practices across the organization.

In addition to the above initiatives, Verdani Partners supplies PCCP with informative memos that are distributed to our ESG Committee. In 2022, these memos addressed important topics such as biodiversity, newly proposed regulations, International Financial Reporting Standards (IFRS), sustainability disclosure standards, and climate resilience in real estate. These resources help to ensure that our ESG Committee remains well informed on the latest advancements and best practices in sustainability.

PCCP WEEK

In 2022, PCCP continued a company-wide initiative known as PCCP Week, which was held in August. By way of virtual meetings held throughout the organization, each team was assigned the task of presenting their accomplishments and outlined future initiatives, offering employees the chance to gain a better understanding of the company's overall progress and strategy. We believe this event not only boosted morale but also encouraged cross-functional collaboration, further enhancing the company's sense of shared purpose and ability to achieve its strategic objectives.

* See GRESB disclosure, page 50.

EMPLOYEE ENGAGEMENT



ELEVATE LEADERSHIP MANAGERIAL TRAINING

In 2022, PCCP furthered the professional development of our managerial staff by organizing a comprehensive training program conducted by Elevate Leadership® during May and June. This initiative centered on essential management skills and focused on the unique challenges of the modern workplace, such as managing distributed and remote teams.

The training sessions covered a wide range of topics, including management essentials, techniques for conducting effective career conversations, and best practices for offering praise and recognition. By equipping our managers with the necessary skills and tools, PCCP aims to foster a supportive and growth-oriented work culture, which we view as beneficial to the entire organization.

Investing in managerial training seeks to not only strengthen the leadership capabilities of our team members but also enhance the company-wide employee experience. We believe this appreciation for professional development contributes to a more motivated workforce, improving collaboration and driving better results for the company and our stakeholders.

SUMMER INTERNSHIP PROGRAM

PCCP's 2022 summer internship program was an opportunity for our undergraduate and graduate student interns to gain experience and insights into the commercial real estate industry. We hosted nine interns, including three from underrepresented communities, across our offices and functional groups, providing exposure to a diverse range of perspectives and skill sets.

The program was designed to offer a comprehensive understanding of PCCP's operations, culture, and values. Interns participated in a weekly speaker series in which an employee from a different department discussed their position and their team's role each week. This provided a deeper understanding of the interconnectedness of roles and departments within the organization. Moreover, on-the-job training allowed interns to gain practical experience and contribute to ongoing projects.

We see the benefits of this program as twofold. First, interns are able to develop their skills and knowledge in a supportive and collaborative environment. Second, the program provides PCCP with access to fresh perspectives that we believe can contribute to the organization's ongoing functionality and success. By investing in the development of future leaders, we are positioning ourselves to continue to deliver results for our stakeholders.

EMPLOYEE ENGAGEMENT

TEAM BUILDING EVENTS

PCCP actively pursues team building in an effort to cultivate a sense of community and belonging among employees.

We believe that this approach leads to various benefits for the organization and its stakeholders, such as increased job satisfaction, employee retention, skills acquisition, and increased productivity.

By encouraging employees to connect, collaborate, and present to one another, PCCP aims to enhance communication and synergy within the company, thereby delivering on our mission to serve our stakeholders.

PCCP HOSTED THE FOLLOWING EVENTS IN 2022:

FEB	MAR
Investments team in Orlando, FL	Legal, Risk and Compliance team in San Francisco, CA
APR	MAY
Equity Asset Management team in El Segundo, CA	Debt Asset Management, Closing, Loan Servicing, Capital Markets, and Portfolio Management teams in Atlanta, GA
JUL	SEP
Finance and Operations team in Los Angeles, CA	Investor Relations team in Austin, TX



EMPLOYEE ENGAGEMENT

EMPLOYEE SATISFACTION

Ensuring our employees have the capabilities necessary to personally contribute to and influence their day-to-day working conditions is critical. We encourage employees to share their ideas for company-sponsored social gatherings, philanthropic initiatives, office layouts, and team-building events. This inclusive approach enables employees to play a role in forming a work environment that emphasizes strong relationships and makes employee satisfaction a key characteristic of our identity.

We believe our concentration on engaging employees in various aspects of the workplace has yielded positive results. PCCP boasts a retention rate of 89%, which we think is a noteworthy achievement as we strive to develop a supportive and fulfilling work environment that encourages employee loyalty and commitment. This retention rate is not only a testament to the effectiveness of our employee engagement strategies but also a key factor in maintaining the firm's efficiency and efficacy in the long term. In addition, based on surveys conducted in 2022, approximately 94% of employees across our office locations contend that they are satisfied with the firm's culture, values, and leadership, their supervisor relationship, their work environment, and overall engagement.



TENANT ENGAGEMENT*

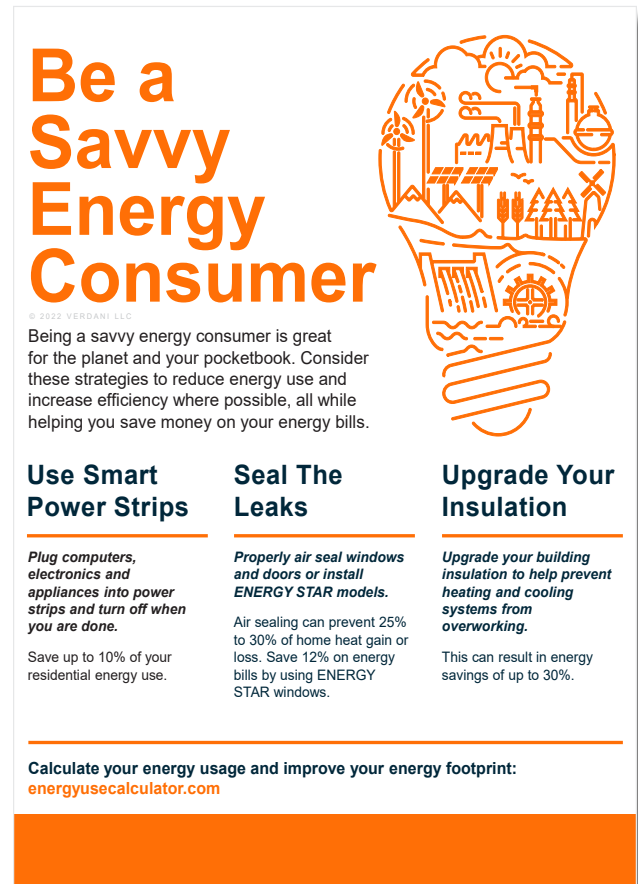
PCCP has proactively endeavored to integrate sustainability-focused activities within our portfolio. In 2022, numerous initiatives were undertaken at our properties to promote environmentally conscious practices and encourage responsible resource usage. Among these efforts were Earth Hour and Earth Day events as well as environmental awareness campaigns in collaboration with Verdani Partners.

During Earth Hour, several buildings within our equity portfolio, including California Plaza, participated by turning off non-essential building lights to raise awareness about energy conservation. For Earth Day, several of our properties took part in various activities to emphasize the importance of environmental stewardship.

In 2022, our Asset Management teams made notable and specific contributions to promote sustainability at the tenant level. At 2350 Mission, for example, the third-party property team distributed informational flyers and organized a raffle to engage tenants in Earth Day activities.

At BioSquare, succulents were handed out as a symbol of environmental care, highlighting our commitment to sustainability. Suntrust International Center partnered with a landscaping company to distribute plants to tenants, while a recycling vendor was on-site providing giveaways to encourage recycling efforts. West Memorial Place notified tenants about Earth Day and also distributed succulents in the lobby.

In addition, PCCP also organized a series of environmental awareness campaigns, providing



materials from Verdani Partners to address key topics such as energy, water, and waste reduction (October), in addition to Earth Hour and Earth Day. These campaigns offered valuable insights and actionable steps to help tenants adopt sustainable practices in their daily lives.

Through this property-level activism, PCCP is striving to foster an environmentally responsible culture among tenants across our properties, helping to create communities that share our vision for a more resilient future.

* The investment examples included herein were chosen to show demonstrative transactions with ESG characteristics in PCCP's portfolio. Prior transactions are not necessarily indicative of future investments.

CASE STUDY

TENANT ENGAGEMENT AT CALIFORNIA PLAZA*



We think California Plaza, a 10-story Class A Office Building in Walnut Creek, stands out among our assets for its strong tenant engagement efforts that promote environmental consciousness and personal well-being. The third-party property team includes a dedicated Tenant Experience Liaison, who organizes events and programs that promote sustainability, community, and individual wellness. We believe the engagement program adds to the property's desirability and reputation for tenant focus. Throughout the year, the Liaison organizes events around several themes: environmental, health and wellness, informational, holiday, and "just for fun." Popular offerings include networking

fairs, blood drives, bocce ball tournaments, e-waste drives, Oktoberfest, barbecues, and chair massages.

Tenant contests and challenges, such as the Invest in Our Planet contest and the Alternative Transportation Challenge, promote sustainability awareness, while the Fit and Flexible program emphasizes personal well-being. The property also features a tenant-maintained vegetable garden and beehives, the proceeds from both of which are distributed to tenants. Our third-party property team provides notification of upcoming events via tenant email newsletters as well as on Facebook. To help ensure that the offerings continue to improve the tenant experience, the Liaison asks tenants for feedback to identify improvements. The positive responses indicate the popularity of the tenant engagement program:†

- *"The team and I really enjoy the sense of community we get here through all the events."*
- *"Beautiful and great amenities at Cal Plaza! We love all the fun monthly activities that are offered to the tenants."*
- *"Continue with the monthly fun activities. These are the times some of our [remote] employees who live near Walnut Creek come in to join the fun."*

* The investment examples included herein were chosen to show demonstrative transactions with ESG characteristics in PCCP's portfolio. Prior transactions are not necessarily indicative of future investments.

† These statements were provided by tenants of properties in PCCP's portfolio. Such tenants are neither current clients nor investors of PCCP. No compensation was provided to these tenants in relation to such statements.

COMMUNITY INVOLVEMENT

At PCCP, we care for and support the communities in which we live and operate. Our annual philanthropic events serve as a unique way for us to give back, engage our team, and provide much needed support to our local communities.



SPOTLIGHT

PHILANTHROPY DAY

When our employees expressed a desire for the company to provide group volunteering opportunities, we responded by offering each office the chance to hold an annual Philanthropy Day. Since 2019, these community service events have given employees an important opportunity to bond while giving back to their communities through impactful volunteer work.

Each PCCP office hosts an informal philanthropy committee dedicated to spearheading community-focused charitable endeavors. Selecting from project and organization options proposed by committee members, the committees have organized a diverse array of initiatives, addressing pressing concerns such as food insecurity, environmental restoration, and underprivileged communities.

In 2022, PCCP employees across our offices participated in Philanthropy Day events that underscored PCCP's focus on positively impacting the communities in which we live and operate.

LOS ANGELES

In November, staff from the L.A. office spent time with L.A. Works, an organization that mobilizes volunteers to address critical social issues. Benefitting the Native American



Veteran's Association and My Friend's Place, the team made blankets for people experiencing homelessness and decorated and filled gift bags with essential items for formerly homeless people who now have housing. The team also donated \$9,375 to L.A. Works.

Making the occasion especially memorable was the friendly competition the PCCP employees engaged in to see who could make the most blankets. Employees' artistic skills were also put to use in decorating the reusable gift bags. Team members appreciated the opportunity to do something helpful for their community and enjoyed their lunch together after completing their tasks.

NEW YORK

Also in November, the New York office staff spent time volunteering

SPOTLIGHT

PHILANTHROPY DAY (CONTINUED)

for the Food Bank of New York, an organization that has been working since 1983 to end food poverty in the five boroughs of New York. The team helped to package 378 boxes of food, equivalent to 3,402 meals, and made a \$2,000 donation. While volunteering with the organization, the team met some of the Food Bank employees and heard their inspiring stories about why they chose to work for this supportive organization. The event boasted a strong turnout, and participants ended on a social note by meeting up for lunch.

ATLANTA

The Atlanta office spent time in December working with Feeding GA Families, an organization that provides fresh produce, non-perishable foods, and assistance with basic resources to individuals and families in need.

The team helped organize and clean the facility and pick up trash in the surrounding neighborhood and decorated gift boxes for children. In 2022, Feeding GA Families provided 900 children with holiday gifts, thanks in part to PCCP's involvement. The Atlanta team was pleased to provide lasting assistance to Feeding GA Families; because of the large size of the team, they were able to tackle a cleaning and organizing project

that will help the organization better serve its clients going forward. PCCP employees found the hands-on work to be especially rewarding and enjoyable.

SAN FRANCISCO

In January 2023, employees from the San Francisco office worked with Make It Home to paint and restore chairs and other furniture. Make It Home—a furniture bank that provides gently used furniture and household goods to those in need—has a special tie to PCCP, as it was founded by the spouse of a PCCP employee in 2020, during the pandemic. PCCP employees report that they enjoyed fixing furniture that went directly to families in need and that seeing their co-workers in aprons will be a lasting memory. After the event, the volunteers participated in a happy hour to complete their day.



SPOTLIGHT

ADAPTIVE REUSE IN KOREATOWN: GEMMA I AND II*



We believe Gemma Koreatown is a testament to PCCP's appreciation for innovation, sustainability, and adaptability in multifamily housing. The project, for which PCCP has provided three rounds of financing, comprises 329 multifamily units across two interconnected buildings, providing much-needed housing options for middle-income families.

The property's adaptive reuse of a former office building, built in 1959, is reflective of PCCP's ongoing sustainable development efforts, seeking to minimize the environmental impact and resource consumption associated with new construction and preserving historical value. The project fit within the Los Angeles Adaptive Reuse Ordinance and thus received expedited review by the City. The Adaptive Reuse Ordinance has become a critical tool in L.A.'s historical preservation and helps facilitate the conversion of dozens of historical and under-utilized structures into new housing units.

Gemma Koreatown's location and accessibility to nearby amenities, with a Walk Score of 97, Transit Score of 80, and Bike Score of 57, provide convenience and cost-effectiveness for residents. Furthermore, the extensive range of amenities, such as a pool, fitness center, gathering room, and conference room, offers a residential experience that prioritizes the values of community and well-being. We believe Gemma Koreatown not only contributes to the preexisting vibrancy of the neighborhood but also takes into great consideration both social and environmental responsibility.

* The investment examples included herein were chosen to show demonstrative transactions with ESG characteristics in PCCP's portfolio. Prior transactions are not necessarily indicative of future investments.

INDUSTRY LEADERSHIP



We encourage our team members to consistently exhibit dynamic leadership in the commercial real estate sector. This engagement is evident in our ongoing involvement in notable organizations such as Women in Real Estate; ULI Women's Leadership Initiative; NAIOP Inclusion, Diversity, and Equitable Access (IDEA) Committee; the Fisher Center for Real Estate and Urban Economics at UC Berkeley;

and the NAREIM DEI Summit. We are also pleased to share our knowledge with industry organizations and peers. By dedicating time and effort to these industry-leading groups, we seek to reinforce our commitment to promoting meaningful advancements in our industry.

Organization	Activity/Role
Auburn University MRED Program	Advisory Board Member
Fisher Center for Real Estate and Urban Economics at UC Berkeley	Member
Georgetown Steers Center for Global Real Estate	Board Member
NAIOP National	Investment Management II National Forum Chair
	Bay Area Industrial Committee
	National Industrial Perspective Forum Member
NAIOP San Francisco Bay Area	Board of Directors Member
	Former President (2019)
	IDEA Committee Chair
NAREIM	DEI Summit Participant
	Board of Directors Member
Penn Women in Real Estate	Co-Chair
Pension Real Estate Association (PREA)	Member of Development Affinity Group
Real Estate Group Atlanta (REGA)	Participant Member
Real Estate Lenders Association (RELA), San Francisco Chapter	Board Member
Stanford Professionals in Real Estate	Alumni Member
ULI	Council Member
	Council Member for CRC Green Mentor - ULI Young Leaders Group
	Local Product Council - Orange County and Inland Empire
	Industrial and Office Park Development Council (IOPC) Silver Product Council Leadership
	Urban Plan National Curriculum Advisor
	San Francisco Innovation Council Member
ULI San Francisco	Women's Leadership Initiative Committee Chair
	NEXT Steering Committee Chair
	Local Multifamily Product Council Member
	National Urban Development Mixed Use (Gold) Council Member
Wharton School of the University of Pennsylvania Zell/Lurie Real Estate Center	Member
Women in Real Estate, Philadelphia	Founding Board Member, Philadelphia Chapter
Women in Real Estate, San Francisco	Participant
WX: Women Executives in Real Estate	Founding member of DEI Committee
	Programing Committee

GOVERNANCE

At PCCP, we take pride in our governance values of transparency and integrity, which inform our actions. We embed these values throughout our ESG program and our company by ensuring that ESG is addressed at the highest levels of corporate governance and by administering policies to facilitate the implementation of ESG and risk management across the company.



CORPORATE STRUCTURE*

Since 2017, PCCP has incorporated into our governance structure ESG objectives that are regularly reviewed by our ESG Committee. Members of the committee are responsible for designing our ESG program and for implementing initiatives to help achieve our ESG goals and targets. The ESG Committee, which reports to our Executive Committee, will generally be comprised of team members from the Portfolio Management, Investor Relations, Investments, Asset Management, Compliance and Human Resources departments as well as the Executive Committee at PCCP.



* As of September 30, 2023

SPOTLIGHT

GROWING THE “G” IN ESG

Transparency, ethics, and integrity are at the core of PCCP’s corporate identity. As our company grows, we continue to strengthen our commitment to these values by growing the “G” in ESG.

Between January 1, 2021, and March 31, 2023, we added several new members to our Legal, Risk, and Compliance team, growing the department from three to seven staff people.

The 133% growth of this group, which compares to approximately 38% growth for the firm overall during the same period, gives us enhanced ability to stay current with the regulations we are required to follow, meet our legal obligations, and manage risk. For example, as PCCP broadens its activities outside of the U.S., the Legal, Risk, and Compliance team is addressing compliance with European regulations, such as the Alternative Investment Fund Managers Directive (AIFMD) and the SFDR.

As part of the expansion of our Legal, Risk, and Compliance team, we brought on an attorney to act as our in-house General Counsel. In addition to overseeing the work of outside counsel and reviewing the governing agreements for fund formation, our General Counsel conducts the research necessary to interpret the complex regulatory frameworks in the U.S., the European Union (EU), and

elsewhere and advises PCCP on policies and procedures to meet our legal and regulatory obligations.

An important element of PCCP’s culture of compliance is our policy structure, including our Compliance Manual. The Compliance Manual, which includes our Code of Ethics, is designed to comply with the Investment Advisers Act of 1940 and other applicable laws and regulations.

As such, we review the Compliance Manual often and revise it as necessary to keep it current. We also test and review other policies and procedures to assess their adequacy and identify potential compliance issues. Accompanying the task of maintaining our policies are the related duties of administering ongoing compliance training to new and current staff and issuing reminders, updates, and guidance as policies are revised.

We believe the expansion of our Legal, Risk, and Compliance team, along with continued engagement of external compliance consultants and outside counsel, strengthens support for these ongoing functions. To further strengthen our commitment to ESG in our governance practices, in January of 2023 we appointed our first Head of Sustainability, who leads the ESG Committee and reports directly to our Executive Committee.

SPOTLIGHT

GROWING THE “G” IN ESG (CONTINUED)

The ESG Committee also expanded to include a member of the Investment Group as well as a member of the Legal, Risk, and Compliance team; these committee members in turn work to align their teams’ practices with the increased investor emphasis on ESG. Demonstrating our ongoing commitment to transparency, we have also expanded our ESG reporting efforts. In 2023, we broadened our GRESB Real Estate Assessment*

participation to five submissions, up from one in 2022. Two additional frameworks we are utilizing for the first time in 2022-2023 are the Principles for Responsible Investment (PRI), to which we became a signatory in 2022, and the United Nations (UN) Sustainable Development Goals (SDGs), our alignment with which is included in this Annual ESG Report.†



* See GRESB disclosure page 50.

† PCCP pays an annual fee to be a PRI signatory. PCCP also pays a consultant annually to assist in PRI reporting. Additional information related to PCCP's PRI submission will be available upon request.

GOVERNANCE AND ESG POLICIES

PCCP has established a comprehensive set of corporate governance policies and procedures that underpin our ESG program and responsibilities as an investment advisor.

In 2022, we amended our Compliance Manual to incorporate the inclusion of ESG impact in transaction summaries that are presented to PCCP's Investment Committee. Employees receive training on PCCP's policies and procedures, which encompass a wide range of topics, including but not limited to the following related to corporate governance:

- Cybersecurity
- Data Protection and Privacy
- Fiduciary Duty
- Fraud
- Bribery and Corruption
- Political Contributions



RISK MANAGEMENT

We recognize that effective risk management is fundamental to carrying out our investment, operations, and management strategies. With risk management in mind, our Chief Risk Officer and our Head of Portfolio Management carefully assess each equity investment taken on by the firm. This process includes a thorough evaluation of key due diligence items, including physical risks, insurance requirements, and optimal deal structuring.

During the due diligence phase, our Investments team takes charge of assessing potential investments by working through our ESG questionnaire.* Subsequently, once assets become part of our portfolio, our Asset Management team partners with the Chief Risk Officer and our specialized insurance team to establish and implement strategies that aim to enhance operations and leasing activities, with the goal of minimizing our exposure to both ecological and fiscal risks.

CODE OF ETHICS VIOLATIONS

PCCP places priority on adherence to our company's Code of Ethics and encourages all employees to promptly report any known or suspected violations of our policies to our Chief Compliance Officer. Reported violations will be handled as set forth in our Compliance Manual, and a record of any violation of this Code, along with any action taken as a result, will be retained by our Compliance Group.



WHISTLEBLOWER PROTECTIONS

We are committed to providing whistleblower protections to our employees, and we encourage them to file a charge or report possible violations of federal or state laws or regulations internally with PCCP or to any governmental agency or entity. We want our employees to feel safe and supported when making disclosures that are protected under the anti-retaliation or whistleblower provisions of any federal or state law, rule, or regulation. Our employees are not required to obtain prior authorization from PCCP to make any such reports or disclosures, nor are they required to notify PCCP that they have done so.

Pursuant to the Defend Trade Secrets Act of 2016, no employee shall be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or attorney solely for the purpose of reporting or investigating a suspected violation of law or is made in a complaint or other document filed in a lawsuit or other proceeding if such filing is made under seal.

* Prior to 3Q2023, the questionnaire was an ESG Risk Factor Checklist. Starting in 3Q2023, PCCP implemented a detailed ESG questionnaire and proprietary scorecard for all new investments.

MATERIALITY ASSESSMENT

We firmly believe that effective sustainability management is an integral part of executing our investment, operations, and management strategies.






In line with our ongoing responsible business practices, our firm conducted its first materiality assessment in 2022. We surveyed both internal and external stakeholders to identify the ESG topics that are most material to our business. Participants were requested to evaluate each aspect based on its significance and influence on PCCP's investment and management operations. The following list highlights our principal ESG priorities:





Top 10 Overall		Environmental Top 3	
	Data security		Energy efficiency
	Ethics and anti-corruption		Acquisition/disposition due diligence
	Economic performance		Water efficiency
	Employee health and safety	Social Top 3	
	Transparency		
	Employee satisfaction		
	Corporate compliance		Employee health and safety
	Customer service		Employee satisfaction
	DEI (equal opportunity)		DEI (equal opportunity)
	Energy efficiency	Governance Top 3	
	Data security		Ethics and anti-corruption
	Ethics and anti-corruption		Economic performance

The insights gained through the assessment will help inform our decision making and help shape our goals, targets, and strategies as we continue to strengthen our ESG program. We will continue to communicate with our stakeholders to help ensure that our sustainability efforts are aligned with their expectations and the evolving global landscape.

SDG ALIGNMENT

Released in 2015, the UN SDGs are a set of 17 aspirational goals that serve as a roadmap to achieving a better future for all while leaving no one behind. The goals address poverty, inequality, climate change, and environmental degradation while promoting peace and justice for all. To evaluate how well PCCP’s programs and processes support and advance these important goals and to inform new initiatives to benefit all our stakeholders, we are aligning our ESG program with the SDGs.

SDG and Description	PCCP Actions and Initiatives
 <p>NO POVERTY End poverty in all its forms everywhere.</p>	<ul style="list-style-type: none"> Organizes philanthropic activities that include targeting underserved communities, hunger, and environmental sustainability so our company and employees can give back to the communities in which we operate.
 <p>ZERO HUNGER End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.</p>	
 <p>GOOD HEALTH AND WELL-BEING Ensure healthy lives and promote well-being for all at all ages.</p>	<ul style="list-style-type: none"> Offers a robust benefits package that enables employees to care for physical and mental health for themselves and their families.
 <p>QUALITY EDUCATION Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>	<ul style="list-style-type: none"> Extends professional development opportunities that allow employees to access the education they need to advance in their careers and in the company. Provides access to training and webinars on sustainability and ESG topics from multiple ESG consultants.
 <p>GENDER EQUALITY Achieve gender equality and empower all women and girls.</p>	<ul style="list-style-type: none"> PCCP is an equal opportunity employer and fosters an environment of equity and inclusion by providing DEI training, organizing social events, and sourcing a diverse range of candidates for open positions. All employees have equal access to career advancement opportunities. Supports organizations that advance gender equality and empowerment in the commercial real estate industry, such as NAIOP, Women in Real Estate (WIRE), and others.

SDG and Description	PCCP Actions and Initiatives
 <p>DECENT WORK AND ECONOMIC GROWTH</p> <p>Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.</p>	<ul style="list-style-type: none"> • PCCP provides competitive salaries for all employees. • Offers a summer internship program that provides exposure to the commercial real estate investment industry. Several of the interns have been from communities that are under-represented in the industry. • Extends professional development opportunities that allow employees to advance in their careers and in the company. PCCP also provides “growth guides” for each of the major departments, which provide employees with transparency into expectations for job growth. • Provides clean and secure working environments with modern technology and services to promote productivity and collaboration.
 <p>REDUCED INEQUALITIES</p> <p>Reduce inequalities within and among countries.</p>	<ul style="list-style-type: none"> • PCCP is an equal opportunity employer and fosters an environment of equity and inclusion by providing DEI training, organizing social events, sponsoring employee affinity groups, and sourcing a diverse range of candidates for open positions.
 <p>SUSTAINABLE CITIES AND COMMUNITIES</p> <p>Make cities and human settlements inclusive, safe, resilient, and sustainable.</p>	<ul style="list-style-type: none"> • PCCP undertakes sustainability initiatives to reduce energy and water use and GHG emissions at our properties when practical. • PCCP’s due diligence process investigates environmental risk to examine an asset’s exposure to and impact on various environmental risk factors.
 <p>PEACE, JUSTICE, AND STRONG INSTITUTIONS</p> <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels.</p>	<ul style="list-style-type: none"> • Maintains and enforces a robust policy against discrimination, harassment, and retaliation that is applicable to all employees and aims to create a respectful workplace where unwelcome conduct is not tolerated. • Enforces a Code of Ethics that covers anti-bribery, anti-money laundering, anti-fraud, and insider trading that outlines enforcement procedures and that includes protections for whistleblowers.

INDUSTRY PARTNERSHIPS



PRI

PCCP takes seriously the need for responsible investment practices and strives to actively participate in industry partnerships and assessments that help to improve our ESG performance and manage risks. We reported our progress to PRI for the first time in 2023.*



G R E S B

GRESB

We participate in the GRESB[†] assessment to evaluate the ESG performance of certain assets against those of real estate assets in the same cohort. In 2023, reporting on the 2022 year, we reported on \$5.7B of AUM across multiple vehicles.



U.S. GREEN BUILDING COUNCIL (USGBC®)

Our portfolio includes 30 LEED-certified buildings,** reflecting our commitment to sustainable building practices. We continue to pursue additional certifications when feasible and make progress toward our ESG goals by implementing various ESG programs at our collection of properties.



U.S. EPA

We work closely with the EPA and its ENERGY STAR program to benchmark the energy performance of our properties. We strive to improve our scores and to certify many of our equity investments in order to demonstrate the reduced energy consumption and increased profitability of our assets.



VERDANI PARTNERS

To develop and implement our sustainability program, we have partnered with Verdani Partners, a full-service sustainability and ESG consulting firm. Verdani Partners manages and reviews all data supplied to GRESB and other reporting platforms. Their expertise spans corporate ESG management, energy engineering, communications, stakeholder engagement, and green building certifications.



EVORA GLOBAL

EVORA Global is a European-headquartered firm that is assisting PCCP with reviewing the SFDR. SFDR is intended to help improve transparency in sustainable investment products and impose comprehensive disclosure requirements on a broad range of ESG metrics.

* PCCP pays an annual fee to be a PRI signatory. PCCP also pays a consultant annually to assist in PRI reporting. Additional information related to PCCP's PRI submission will be available upon request.

[†] See GRESB disclosure, page 50.

** Please see additional information relating to obtaining such certifications on pages 16 and 49 through 50 of this report.

REPORTING AND DISCLOSURE

For information about this report or about PCCP's ESG program, please contact ESG@pccpllc.com.



DISCLOSURES FOR ASSET-LEVEL CERTIFICATIONS AND GRESB REAL ESTATE ASSESSMENT

Program Name	No. of Awards*	Certifying Body	Certification Period†	Further Details
Energy Certifications				
ENERGY STAR	21	U.S. Department of Energy	Certifications are issued on a rolling basis and are valid for one year. Properties must re-certify to maintain certification standing.	There is no cost to apply for or earn ENERGY STAR certification. However, buildings' applications must be verified by a professional engineer or registered architect.
Green Building Certifications				
BOMA 360	1	BOMA International	Certifications are issued on a rolling basis and are valid for three years. Properties must re-certify to maintain certification standing.	Properties must pay certification fees to pursue a BOMA 360 certification.
Fitwel (Built Certification)	2	The Center for Active Design (CfAD)	Certifications are issued on a rolling basis and are valid for three years. Properties must re-certify to maintain certification standing. Rankings range from One to Three Star for individual properties.	Properties must pay certification fees to pursue Fitwel certifications.
Fitwel (Design and Construction)	4	CfAD	Certifications are issued on a rolling basis and are valid for three years. Properties must re-certify to maintain certification standing. Rankings range from One to Three Star for individual properties.	Properties must pay certification fees to pursue Fitwel certifications.
LEED for Commercial Interiors v1.0	1	USGBC	Certifications are issued at the time of building development or major renovation and last in perpetuity. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED for Commercial Interiors v2009	1	USGBC	Certifications are issued at the time of building development or major renovation and last in perpetuity. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED Core and Shell v2.0	2	USGBC	Certifications are issued at the time of building development or major renovation and last in perpetuity. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED Core and Shell v2009	6	USGBC	Certifications are issued at the time of building development or major renovation and last in perpetuity. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED for Existing Buildings v2009	3	USGBC	Certifications are issued at the time of building development or major renovation and are valid for five years. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.

DISCLOSURES FOR ASSET-LEVEL RATINGS, CERTIFICATIONS AND GRESB REAL ESTATE ASSESSMENT

Program Name	No. of Awards*	Certifying Body	Certification Period†	Further Details
LEED for Homes MR v2010	3	USGBC	Certifications are issued at the time of building development or major renovation and are valid in perpetuity. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED for New Construction v2009	3	USGBC	Certifications are issued at the time of building development or major renovation and last in perpetuity. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED v4 ID+C	5	USGBC	Certifications are issued at the time of building development or major renovation and last in perpetuity. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED v4 Multifamily Midrise	1	USGBC	Certifications are issued at the time of building development or major renovation and last in perpetuity. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED v4 O+M	1	USGBC	Certifications are issued at the time of building development or major renovation and are valid for five years. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED v4 O+M Recertification	2	USGBC	Certifications are issued at the time of building development or major renovation and are valid for five years. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
LEED v4 BD+C: Core and Shell	1	USGBC	Certifications are issued at the time of building development or major renovation and last in perpetuity. Rankings range from Certified to Platinum level for individual properties.	Properties must pay certification fees to pursue LEED certifications.
ESG Reporting and Benchmarking				
GRESB	n/a	GRESB	Data is self-reported each year by GRESB Real Estate Assessment participants between April 1 and July 1 and is subjected to a validation process, after which data is scored and benchmarked. Results are provided as numeric scores, star rating systems, and peer group rankings.	Entities must pay an annual fee to participate in the GRESB assessment.

* As of December 31, 2022

† All properties included in this list held valid certifications as of December 31, 2022.

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FORWARD-LOOKING STATEMENTS

Certain information contained herein constitutes “forward-looking statements,” which can be identified by use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “attempt,” “anticipate,” “project,” “estimate,” “intend,” “seek,” “target,” “continue,” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results in the actual performance of investments may differ materially from those reflected or contemplated in such forward-looking statements.



DISCLOSURE

While ESG factors are a few of the many factors that PCCP, LLC ("PCCP") intends to consider in making an investment, there is no guarantee that PCCP will successfully implement and make investments in assets that create positive ESG impact while enhancing long-term value and achieving financial returns. To the extent that PCCP engages with assets on ESG-related practices and potential enhancements thereto, such engagements may not achieve the desired ESG or financial results, or the market or society may not view any such changes as desirable.

Successful engagement efforts on the part of PCCP will depend in part on PCCP's skill in properly identifying and analyzing material ESG and other factors and their impact-related value and the ability of joint venture partners, borrowers, and third-party service providers to carry out business plans, and there can be no assurance that the strategy or techniques employed will be successful. In evaluating an asset, PCCP is dependent upon certain information and data obtained through voluntary or third-party reporting that may be incomplete, inaccurate, or unavailable, which could cause PCCP to incorrectly assess a company's ESG practices and/or related risks and opportunities. ESG-related practices differ by region, property type, and issue and are evolving accordingly, and an asset's ESG-related practices or PCCP's assessment of such practices may change over time. Further, ESG is comprised of three separate components, and there is no uniform or standard approach to how each component is valued. Therefore, PCCP and its clients, investors, joint

venture partners, and borrowers may value each component differently and may not have a consistent ESG analysis or view on ESG generally. Finally, the application of ESG-related practices may vary according to each client's governing documents, including the applicable investment strategy thereto.

IMPORTANT NOTE REGARDING AUM

AUM included herein represents the aggregation of equity and debt investments across multiple PCCP-managed investment vehicles and PCCP-advised separate accounts. AUM for equity investments represents the sum of the fair market value or cost basis of real estate at 100% ownership (inclusive of any joint venture partner's pro-rata share), cash and cash equivalents and other assets. PCCP's preliminary regulatory assets under management for purposes of its Form ADV are calculated pursuant to and in accordance with the instructions for Form ADV. In accordance with the instructions for Form ADV, PCCP's regulatory assets under management for purposes of the Form ADV do not include all of the investment vehicles or separate accounts managed or advised by PCCP and as such, PCCP's regulatory assets under management for purposes of its Form ADV is less than the AUM set forth herein.

PROPERTY PHOTOS

The properties appearing throughout this presentation are representative transactions owned by a prior PCCP investment vehicle. These transactions are provided for informational purposes only. There can be no assurance that the investment platform will invest in similar transactions.

DISCLOSURE

IMPORTANT INFORMATION

This presentation contains selected information about PCCP and its affiliates and about the assets that PCCP manages. This presentation has been prepared and is being furnished solely for informational purposes. In particular, this presentation is not, and is not intended to be, an offer to sell, or a solicitation of an offer to purchase, any securities or any other interest in any fund, account, or other investment product or assets managed by PCCP or to offer any services. Any such offering and sale would be made only on the basis of certain transaction documents and, as the case may be, a final private placement memorandum and related governing and subscription documents (together, Transaction Documents) pertaining to such offering and sale and is qualified in all respects and in its entirety by any such final Transaction Documents.

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