

PCCP ESG POLICY AND PRINCIPLES

September 2023

ESG Mission and Values

At PCCP, LLC (“PCCP”, the “Company”, “our”, “we” or “us”), our mission is to be the most trusted and credible advisor in the real estate investment management business. With a vision to invest in and create healthy, inclusive, and resilient built environments, PCCP’s environmental, social and governance (“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 sustainability practices. We believe that operating with a commitment to a diverse and inclusive workforce, and focusing on the sustainability of our investments, will lead to better outcomes for all of our stakeholders, including our shareholders, employees, investors, operating partners, borrowers and tenants.

Scope

Our policy is broken into three sections: Sustainability & Resilience, Social/DEI (“Diversity, Equity and Inclusion”), and Governance, each with specific Corporate and Investment principles. “Corporate” as used herein refers to PCCP. “Investment” as used herein refers to investments made by PCCP on behalf of funds, joint ventures and separately managed accounts to which PCCP provides investment advisory services. The application of ESG-related practices pursuant to this policy may vary according to each fund, joint venture or separately managed account’s governing documents, including the applicable investment strategy thereto. To the extent PCCP claims adherence to industry standards or frameworks, PCCP will engage consultants and/or legal counsel as needed to help ensure it meets its obligations under such standards or frameworks.

Sustainability & Resilience

Economically feasible sustainability practices reduce our use of carbon and other resources while building resilient portfolios that drive economic performance. PCCP defines environmental sustainability as the reduction, where possible and economically feasible, of the environmental impact and consumption of resources by real estate, and the promotion of strategies that progress towards these goals. The objective of our Sustainability & Resilience Approach is to improve our commitment to a sustainable and resilient presence in the investment community, through our own actions and policies, including our investment policies. We believe that a healthy environment is good for our stakeholders, and our goal is to be a positive influencer in sustainability and resiliency for our employees, our shareholders, our borrowers, our operating partners and our investors.

Corporate Sustainability & Resilience

The following principles inform our approach to Corporate Sustainability:

- **Stakeholder Engagement.** We expect to increase engagement of our corporate stakeholders at PCCP (our shareholders, operating partners, employees and vendors) in our effort to reduce our carbon footprint and to responsibly use resources in our Company operations. We will consider the impact of our corporate decision making with respect to our use of resources, and will educate our employees on the importance of this effort.

- **Measurement.** We expect to measure our use of resources (including but not limited to energy, water and waste), and to take steps to reduce our per capita resource consumption. We will endeavor to measure our corporate buildings and facilities for sustainable practices.
- **Participation.** We will participate in building and facilities programs available to reduce our footprint and to improve engagement for our PCCP team members. We will promote a healthy work environment and well as encourage and enable the use of public transportation.
- **Training.** We believe in continuous training for our PCCP team and will incorporate sustainability and resilience training into our ongoing training programs.
- **Goals.** We plan to benchmark our corporate usage of energy, water and waste services, and after we have a baseline, we will set goals to reduce these items materially on a per capita basis by 2030.
- **Transparency and Reporting.** We will report annually both internally and externally on the impact of our initiatives.

Investment Sustainability & Resilience

The following principles inform our approach to Investment Sustainability across both our debt and equity portfolios:

- **Stakeholder Engagement.** We want our investment stakeholders at PCCP (our investors, borrowers, operating partners and tenants) to engage with us in our effort to reduce our carbon footprint, to responsibly use resources, and to assist us in our climate-oriented thinking. We will seek to share best practices and lessons learned with each other so we can all benefit together. We emphasize early engagement with our borrowers and operating partners on sustainability topics via an initial ESG questionnaire tool. Findings are incorporated into transaction summaries as part of our investment approval process.
- **Measurement.** We expect to measure and track energy, water, waste and greenhouse gas emissions at portfolio assets so that we may take steps to improve our investment sustainability and we will encourage our sponsors/borrowers to do the same. We also track through our due diligence process and ongoing asset management of our investments various environmental risk factors including but not limited to physical climate risks, natural hazards including earthquakes and floods, building hazards/life safety/ADA issues, onsite sustainability practices and energy ratings, so that we can make appropriate adjustments to our business plans, when possible, to address any concerns and ultimately improve assets and their resilience. We also consider proximity to public transportation and evaluate walk and bike scores. We have developed proprietary tools, including a detailed ESG questionnaire, to assess sustainability attributes of our investments both at acquisition and on an annual basis to monitor performance over the life of the investment. PCCP team members are trained on evaluating and documenting underlying ESG attributes, merits and risks.
- **Participation.** We will create, or encourage borrowers and operating partners to participate in, building and facilities programs to reduce our footprint and promote sustainable business practices.
- **Goals.** We will evaluate and, when possible, set goals to reduce our energy, water, waste and greenhouse gas emissions in our portfolio. When economically feasible, we will pursue

- efficiency upgrades and make other sustainable improvements to the asset to benefit long term performance.
- **Transparency and Reporting.** We will report annually both internally and externally on the impact of our initiatives.

Social and DEI

An empowered, inclusive and diverse workforce enhances workplace health and wellbeing and advances sustainable environments. We believe that active social engagement can improve the experience of our stakeholders, including PCCP team members and the occupants of our properties. We believe that by focusing on the engagement of our workforce and tenants, we can improve investment results and increase the resilience, health and performance of our employees. Our goal is to provide a positive experience for all of our stakeholders.

Corporate Social Considerations

Our corporate social effort is focused on the experience of our workforce. The goal of our corporate social policy is to promote a healthy, empowered, inclusive and diverse workforce. We believe that such a workforce can produce better results for our investors while making the Company more effective and resilient. The following principles inform our corporate social policy approach which has two components: Culture and Engagement, and Diversity, Equity and Inclusion (“DEI”).

Culture and Engagement

The following principles form the basis for our approach to culture and engagement:

- We believe culture is critical to our success. We intend to remain focused on culture to remain aligned with our core values of Relationship, Collaboration and Empowerment.
- By being open to new ideas to increase engagement and transparency, we are empowering our workforce to be creative and think outside the box.
- We are a team-oriented company. We acknowledge that we need all of our colleagues to help us succeed in our mission. We emphasize helping others, diversity in thought and empathy. We believe in mentorship and allyship. We recognize that our entire team contributes to a work environment which nurtures strong relationships and employee satisfaction, and we encourage collaboration across business units and offices.
- We believe in transparency. We support a robust review process of employee engagement as a Company, as well as with respect to individual employee performance.
- We believe in responsibility. This means we will be a responsible corporate citizen, and support philanthropy in our home markets. This also means that we expect our employees to bear responsibility for their actions and contributions to the environment.
- We promote policies and programs to improve employee mental/physical health and wellbeing including subsidies for ergonomic workstations as well as offering flexible work schedules for certain positions.
- We welcome and encourage employee feedback and will continue to periodically participate in third party surveys to help identify DEI and culture/engagement strengths and areas for improvement.

Diversity, Equity and Inclusion

Our DEI efforts focus on hiring, developing and retaining a diverse workforce that includes a broad spectrum of backgrounds, identities and experiences. The following principles form the basis for our approach to DEI:

- We stand against discrimination based on race, religion, color, national origin, gender, sexual orientation, and all protected characteristics under applicable law.
- We stand for equal opportunity in hiring, promotion, work experience and fair wages and compensation.
- We believe that a diverse workforce that reflects the communities in which we operate broadens our Company's perspective and strengthens our capacity to deliver results to our investors.
- We believe that recruiting talent from diverse sources can increase the balance in our employee representation.
- We believe that retaining and empowering talent is critical to the continuity of our culture. We strive to make professional development a fair and integrated aspect of employees' experience. We believe that by identifying high performing and high potential employees early, and providing them resources to succeed, we will accelerate our effort to have our workforce reflect the demographics of our communities.

Investment Social Considerations

Our social efforts in our investment portfolio are focused on the ultimate users of our properties and we endeavor to provide an environment that is healthy, safe, and engaging for our tenants. We believe that creation of a "sense of place" improves tenant experiences and makes assets more financially resilient. Therefore, we endeavor to promote programs offered by our borrowers and our operating partners to improve amenities and social experiences at our properties. The following principles inform our approach to social aspects of investments:

- **Tenant Engagement.** We believe that engaged tenants are more likely to be retained and committed to the success of the underlying real estate which can ultimately improve long term value and create a more resilient investment. We work with operating partners to promote various tenant programming events and evaluate adding onsite amenities, when economically feasible, to meet tenants' needs. We leverage our national debt and equity portfolio to provide best practices and programming guidance and resources to our borrowers and operating partners.
- **Health and Safety.** Working with our property teams, borrowers and operating partners, we endeavor to ensure that the real estate in our portfolio is up to code to ensure the health and safety of all our occupants. We will endeavor to provide health and well-being related amenities desired by the users of the properties in our real estate portfolio.

Governance

Transparency, ethics and integrity are foundational elements of our mission. We believe that good governance benefits all stakeholders by promoting predictability, transparency, and responsibility. We

support a robust governance process, believing it leads to better decision making, a long-term thought process, and resilience in times of crisis.

Corporate Governance

The following principles inform our approach to Corporate Governance:

- We promote a culture that emphasizes the importance of compliance with applicable laws and regulations in all jurisdictions in which we operate.
- We believe that a robust organizational structure, with appropriate checks and balances, will further our goal of involving appropriate stakeholders in material decision making. Our organizational structure must reflect redundancy and succession where possible.
- Our governance process must support the promotion of our employees as they develop skills and responsibility. This will provide our Company with resilience and longevity as an enterprise.

Investment Governance

The following principles inform our approach to Investment Governance:

- We emphasize transparent reporting and responsiveness to investors to promote understanding of their portfolios' positioning and performance.
- We believe that robust asset management and portfolio management processes are critical to produce accurate and relevant information regarding our portfolio on an ongoing basis.
- We evaluate and highlight ESG considerations for new investments as part of our due diligence and summarize those findings as part of our formal credit write-up and investment approval process. PCCP's Head of Sustainability or a delegate reviews all ESG questionnaires and the ESG summary as part of the final deal approval process.
- For all new investments, we re-evaluate each investment's ESG attributes on an annual basis. Deviations to business plans are escalated through internal channels as part of our asset management process and where deemed material, may rise to the level of Investment Committee for review and discussion.
- Communication is critical to maintaining transparency and we communicate with our investors formally on a quarterly basis through both written communication and scheduled calls to provide performance updates at both the fund and asset levels.
- Our investment documents (i.e. loan agreements, joint venture agreements, etc) will address our counterparties' compliance with all relevant laws in all material respects.
- We value reputation, integrity and responsibility in our counterparties, and we conduct background checks on borrowers and equity operating partners to identify any misconduct or bankruptcies and KYC/AML checks on our borrowers and guarantors.
- Through proactive risk management, we endeavor to ensure that stakeholders are abiding by local and federal laws and ordinances.

Implementation, Oversight and Review

PCCP is committed to maintaining ESG oversight throughout its investment process to ensure full integration of this policy. Each transaction is evaluated at initial underwriting, data is collected and then

periodically monitored by Asset Management, Portfolio Management and the Head of Sustainability to identify trends and/or deviations from plan. Our ESG Committee will include at least one member of PCCP's Executive Committee as well as not less than two additional members of senior management to ensure accountability at a senior level. PCCP's ESG Committee shall be responsible for implementing this policy. The ESG Committee will review this policy from time to time, but not less than once per full calendar year. Any material changes and updates must be reviewed and approved by PCCP's Executive Committee.