

CLARION SIGNS ON AS TCFD SUPPORTER

In recognition of the importance of publicly available, transparent, and accountable reporting on ESG initiatives, Clarion officially signed on as a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in January 2022. The TCFD was created in 2015 by the Financial Stability Board (FSB) to develop consistent climate-related financial risk disclosures for use by companies, banks, and investors in providing information to stakeholders. The TCFD released a series of recommendations in 2017 which provide market participants with guidance to address the financial impact of climate change on their business. Since the release of the TCFD recommendations in 2017, Clarion has utilized the TCFD framework to inform our programming and reporting. We continue to reference the latest guidance from the TCFD, including the recently released *2021 TCFD Guidance on Metrics, Targets, and Transition Plans*, to ensure we are aligned with global best practices.



BUDGET SEASON & ESG BUDGETING

Clarion's ESG team uses utility data and property information provided by asset managers to identify and prioritize asset-level ESG opportunities that align with our Firm priorities, which include improving data coverage, pursuing Energy Star certifications, pursuing green building certifications such as LEED, Fitwel, and IREM, and improving asset energy performance. Clarion's ESG team has been working with asset managers to provide information on recommended vendors and pricing, and to incorporate these ESG opportunities into budgets where possible to enable progress on Clarion's ESG and Net Zero goals.

NEW ENERGY STAR CERTIFICATIONS IN 2022

- 475 Brannan Street
- One Liberty Square
- One Marina Park Drive
- One Oak Park



100-104 FIFTH AVE ACHIEVES 2 STAR FITWEL RATING

In January, 100-104 Fifth Ave achieved a Fitwel 2 Star Rating, with a score of 108.42 points*. Fitwel is a green building certification system that focuses on improving, enhancing, and safeguarding the health and wellbeing of tenants and residents in office buildings, multifamily residential buildings, and retail space. Located in the center of Manhattan, 100-104 Fifth Ave is a 250,671-square foot 21-story Class A office building managed by Kaufman Organization and owned by Clarion Partners. During the Fitwel recertification process, Kaufman and Clarion invested in health and wellness strategies that enhance workspaces, shared spaces, building-level policies, and outdoor spaces. Results include:

- Over 50% of the workspace has access to views
- All workspaces have access to thermal control devices
- Owner-controlled occupants received more ergonomic workstations free of charge
- Indoor air quality testing was completed for CO, CO₂, TVOC, RH, HCHO, and PM_{2.5}, and the results were shared with building staff
- Building entrances were improved to include "tobacco and smoke-free property" signage
- Building staff now receive a public transit subsidy

*Certification was achieved on 1/06/2022 and is valid for 3 years.

EARTH DAY

To acknowledge Earth Day, which took place on Friday, April 22nd, a number of Clarion properties hosted events to help tenants reconnect with nature and learn more about sustainable behaviors. Activities included honey tastings, plant giveaways, and trivia quizzes.



A representative from Alvéole urban beekeeping service shares information with tenants about the role of European honey bees in agriculture and offers samples of various types of honey.

INDUSTRIAL SECTOR ESG INITIATIVES

Clarion's industrial team has a number of key ESG initiatives underway, including:

- **Lighting retrofit project kickoff:** As part of Clarion's efforts to improve the energy efficiency of our existing assets, we are evaluating opportunities to complete LED lighting retrofits across all industrial properties. We are targeting completion of retrofits across approximately 20 million square feet per year starting with larger facilities in high impact regions first. Sixty sites have been selected for the pilot phase of the project, expected to begin in Q2 of 2022. The project is expected to take 3-4 years to complete and includes both indoor and outdoor lighting retrofits inclusive of lighting control systems. This project will reduce the electric baseload for over 60 million SF of facilities and will contribute to Clarion's greenhouse gas reduction and Net Zero goals.
- **Shadow metering project:** To improve data coverage across our portfolio of existing assets, we are exploring the installation of shadow meters at more than 220 industrial properties in order to obtain whole-building data where it was previously unavailable. Forty sites have been selected for the pilot phase, expected to begin in Q2 of 2022. The full project is expected to take 2-3 years to complete and will provide utility data insight covering over 60 million SF of facilities.
- **LEED Volume Program:** Clarion Partners has developed a prototype for the certification of new development projects under the U.S. Green Building Council's (USGBC) LEED v4 Core and Shell Volume Program. The LEED Volume program allows Clarion to certify modern, logistics facilities in a more efficient and cost-effective manner while meeting both our Firm ESG goals and those of our tenants. In February 2022, Clarion celebrated the completion of its first industrial development to achieve LEED certification with South Bay Logistics achieving LEED C+S Silver. This milestone marks the first of many certifications currently underway, with 16 million square feet of new industrial development currently pursuing certification under the LEED Volume program.



POLLINATOR WEEK JUNE 20-26

Pollinator Week is an annual event celebrated internationally to support the health of pollinators, including bees, insects, butterflies, birds, bats, and more. It's a time to celebrate pollinators, and to spread the word about ways we can help protect them. Get involved and show your support by planting for pollinators, hosting or attending garden tours, or participating in online bee and butterfly workshops. However you choose to celebrate, please register your event on the map linked below, and share your story by using the hashtag #PollinatorWeek on social media. Learn more at <https://www.pollinator.org/pollinator-week>



NATIONAL BIKE TO WORK WEEK MAY 16-22

May is National Bike Month and May 20th is Bike to Work Day! Join thousands of Americans who are committed to riding their bikes to work (or errands, school, to connect with public transportation, or anywhere!) during Bike to Work Week from May 16-22. Whether you're riding for fun, fitness, or taking essential trips to work or shops, you are part of a movement for safer streets, more connected communities, and a healthier planet with happier people. No bike? No problem! See if your city and/or a local company offers bike share services. Learn more at <https://bikeleague.org/bikemonth>.

