



Clarion Partners Net Zero Roadmap

Clarion's Net Zero Roadmap

In October 2021, Clarion signed on to the Urban Land Institute (ULI) Greenprint Center for Building Performance's Net Zero Goal to reduce Scope 1 & 2 (landlord-controlled) greenhouse gas emissions (GHG) to net zero by the year 2050.

Along with our current goal, we are exploring interim targets and Scope 3 emissions, as we understand the evolving nature of addressing climate change.

The enclosed Net Zero Roadmap sets out our initial plan for addressing Scope 1 and 2 emissions, but we intend to evolve this plan over time based on industry best practices, the evolving regulatory environment, and emerging information and technologies.



Clarion-managed accounts may incorporate aspects of the roadmap but may not necessarily implement each element of the Net Zero Roadmap and do not necessarily have net zero or decarbonization objectives.

Overview of Clarion's Net Zero Roadmap

At Clarion Partners, corporate responsibility is a critical component of our business. We are proud of our Net Zero commitment and the roadmap to 2050 that we have developed, but we also recognize we are only a part of a more complex network of global and local, industry, and governmental solutions, as well as community-level and building-level solutions.

We are reliant on the efforts of a myriad of partners, including:

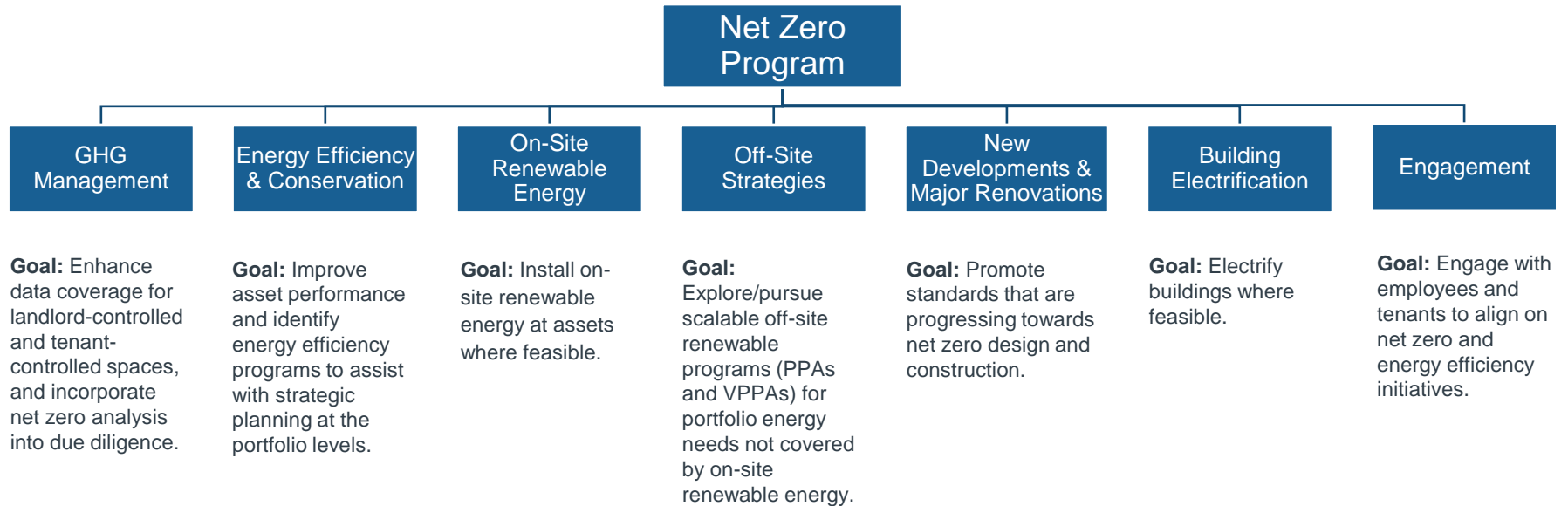
- Tenants to develop and implement their own net zero programs;
 - Cities and states to pass carbon legislation;
 - Utilities to green local grids;
 - Technologies to enable successful energy transitions;
- and more.

We will do our part to support these efforts wherever possible and look forward to developing partnerships and collaborations that can help us track toward a future that allows all life to thrive.

Clarion-managed accounts may incorporate aspects of the roadmap but may not necessarily implement each element of the Net Zero Roadmap and do not necessarily have net zero or decarbonization objectives.

Overview of Clarion's Net Zero Roadmap (cont.)

Clarion's net zero program is organized around seven topical areas of focus.



As of October 2022. The objectives described above are subject to change and there can be no guarantee that all objectives will be achieved.

Transparency & Accountability

As part of our net zero commitment, we aim to transparently communicate our net zero goals, our path to net zero, and our progress towards goals. Outlined below are the key manners in which Clarion plans to disclose progress on our net zero program.

ESG Annual Report

Clarion publishes an annual ESG report to share highlights from our ESG activities and progress to date on our environmental commitments. As part of this report, we break down our GHG emissions by scope and provide the like for like (LFL) change for energy, greenhouse gas emissions, and water.

GRESB Annual Reporting*

Clarion has reported to GRESB since 2012. As part of our GRESB reporting, we report information on utility data coverage, energy consumption, greenhouse gas emissions, and water consumption. To further increase the rigor of our data and reporting, we are aiming to increase the use of independent third parties to complete external reviews of our energy, water, and greenhouse gas emissions data. In addition, we are increasing the number of GRESB submissions annually; in 2022, Clarion submitted two new assessments (for a total of nine) to GRESB.

TCFD Disclosures

Clarion utilizes the Task Force for Financial Disclosures (TCFD) framework to ensure our net zero program is comprehensive and aligned with a global standard. In January 2022, Clarion officially signed on as a supporter of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD framework, and subsequent documents, including the *2021 TCFD Guidance on Metrics, Targets, and Transition Plans*, continues to inform our net zero program and reporting.

*GRESB is governed by GRESB BV. The GRESB rating is conducted during the calendar year and is based on previous calendar year data. Funds and separate accounts pay a submission fee to participate in the GRESB survey.



Disclaimers

Disclaimers

This presentation is for informational purposes only. This presentation is not intended to be relied on to make any investment decisions and is neither an offer to sell nor a solicitation of an offer to buy any securities or financial instruments or any investment advisory services from Clarion Partners. Some of the information in this presentation has been obtained or derived from third-party sources believed by Clarion Partners to be reliable, but Clarion Partners does not represent that such information is accurate or complete and has not independently verified the accuracy or completeness of such information or assumptions on which such information is based. Any opinions or estimates contained in this presentation represent the judgment of Clarion Partners at the time this presentation was prepared and are subject to change without notice. Photos used in this presentation were selected based on visual appearance and are used for illustrative purposes only.

FORWARD-LOOKING STATEMENTS

This presentation may contain forward-looking statements within the meaning of federal securities laws. Forward-looking statements are statements that do not represent historical facts and are based on the beliefs, assumptions made by us, and information currently available to us. Forward-looking statements in this presentation are based on the current expectations as of the date of this presentation, which could change or not materialize as expected. Actual results may differ materially due to a variety of uncertainties and risk factors. Except as required by law, we assume no obligation to update any such forward-looking statements.

RISKS RELATED TO ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (“ESG”) MATTERS

Clarion Partners can choose, in its discretion, whether to take into account ESG considerations in its investment decision-making, as and to the extent consistent with its fiduciary obligations, applicable law, and the relevant governing documents and investment management agreements of its clients (as applicable). In certain circumstances, due to ESG considerations, Clarion Partners may not make or not recommend the making of investments when it would otherwise have done so, which could adversely affect the performance of a client’s portfolio. On the other hand, Clarion Partners may determine not to take such considerations into account. The extent to which Clarion Partners takes ESG considerations into account varies from client portfolio to client portfolio, based on, among other things, the portfolio’s investment objective, investment strategies, and investment restrictions, as outlined in the relevant governing documents and investment management agreements of its clients (as applicable) as well as applicable law.

Clarion Partners is dependent upon ESG information and data obtained through voluntary or third-party reporting that may be incomplete, inaccurate, or unavailable, which could cause Clarion Partners to incorrectly assess a potential investment’s ESG attributes and/or related risks and opportunities. While ESG is only one of the many factors Clarion Partners might consider in making an investment, there is no guarantee that Clarion Partners will consider such factors at all or that Clarion Partners will successfully implement and make investments that create positive ESG impact while enhancing value and achieving financial returns. ESG initiatives may not achieve the desired financial and social results, or the market or society may not view any such changes as desirable. Any successful engagement efforts on the part of Clarion Partners will depend, in part, on Clarion Partners’ skill in properly identifying and analyzing material ESG data and factors, and their potential impact on value. There can be no assurance that any ESG techniques employed will be successful.

Additional information about other risks associated with Clarion Partners’ investment process and investment strategies is available on its current Form ADV Part 2A Brochure, which is available upon request.

PHOTOS

Photos used in this presentation were selected based on visual appearance, are used for illustrative purposes only, and are not necessarily reflective of all the investments of the Firm or the investments the Firm will make in the future.