



HARRISON STREET
ASSET MANAGEMENT

Environmental, Social, & Governance Impact Policy

Originally Published 2014

Last Updated July 2026



POLICY SUMMARY

This policy defines the Environmental, Social, and Governance (ESG) procedures within the Firm's investment management processes and ownership practices. The policy applies across corporate and investment operations and provides a framework for ESG integration. The Firm's approach is defined in two parts, Corporate Operations, and Investment Operations. Within Investment Operations, each investment vehicle implements this framework in accordance with the specific approach that aligns with investment strategy, time horizon, and portfolio construction. This is undertaken to the extent practicable given HSAM authority and control over underlying assets, which may vary considerably across asset classes and investment structures.

This policy applies to HSAM subsidiaries, Harrison Street Real Estate Capital, LLC, Rockwood Capital, and Roundshield Partners.



MATERIAL ESG ISSUES

Stakeholder feedback is collected every three years to update the Firm's priority list of the most material ESG issues. The results of the 2023 materiality assessment are defined below and have been used to create The Firm's Impact Framework. More details on how these topics are embedded into the Firm's strategy follows.

Harrison Street Materiality Assessment, February 2023

MOST MATERIAL TOPICS

1. Fiduciary Duty
2. Energy Efficiency & Transition Risk
3. Tenant: Health, Safety, & Wellness
4. Tenant Satisfaction
5. Data Protection & Privacy
6. Property-Level Employee: Health, Safety, & Wellness
7. Cyber Security
8. Greenhouse Gas Emissions
9. Compliance
10. Property-Level Employee: Satisfaction & Retention

LESS MATERIAL TOPICS

11. Diversity in Leadership
12. Resiliency to Climate Change & Natural Disasters
13. Bribery & Corruption
14. Water Consumption & Efficiency
15. Employee Diversity & Inclusion Programs
16. Whistleblower Protection
17. Building: Indoor Environmental Quality
18. Waste & Recycling
19. Green and/or Health Building Certification
20. Energy Benchmarks & Ratings
21. Property-Level Employee: Training & Development
22. Toxicity in Building Materials
23. Income Inequality, Affordability, & Social Services
24. Land Contamination & Remediation
25. Supplier: Environmental Practices
26. Supplier: Labor Standards & Working Conditions
27. Property-Level Employee: Equal Remuneration
28. Community & Stakeholder: Engagement
29. Executive Compensation
30. Biodiversity & Habitat

ESG STRATEGY

The Firm’s Impact or ESG strategy focuses both at the Firm level and at the investment level. The goal of the program is to implement *pioneering* ESG practices to deliver superior risk management and positive value creation for stakeholders and the world. Key elements of the strategy include a dedicated focus to diversity, equity, and inclusion, maintaining the Firm’s strong culture so it continues to attract and retain team members and working closely with operating partners to aid in business improvement activities and create market differentiation, typically through sharing of best practices and implementation of new technologies. Elements of note within the strategy also include creation of sustainable communities, through job creation and healthy building design and operations, and how investments interact with the climate, ranging from the resiliency of the assets to GHG emissions reduction to investment in renewable energy.

The Firm’s strategy is also aligned with leading industry associations and frameworks including GRESB, TCFD, PRI and the UN SDGs. The strategy aims to align with the Firm’s fiduciary responsibilities, by focusing on maintaining resilient assets, improving the social infrastructure and health, and embedding leading risk and governance procedures into its approach.

Environmental Maintain resilient investment portfolios  • Real estate efficiency • Carbon and clean energy • Climate risk	Social Enhance occupant experience  • Demographic-driven assets • Tenant and building health • Community engagement	Governance Embed leading risk and reporting policies  • Diverse teams and talent • Transparent processes • Stakeholder trust
---	---	--

POLICY SPECIFICS

EXECUTIVE LEADERSHIP & GOVERNANCE

The Firm's fiduciary duty instills sound internal processes for investment decisions which are maintained through superior risk management, due diligence, annual audits, and self-evaluations for compliance, corruption, and disaster readiness.

In addition, the Firm has established several topic focused committees to guide and oversee key aspects of the business. Some of these include:

- The Investment Committee ("IC"), which includes the CEO, along with select Partners and other members of senior leadership, who have final approval authority on investments and disposition through simple majority vote.
- The Executive Committee ("EC"), composed of the CEO, along with select Partners, Managing Directors, and other members of senior leadership, who set the strategic priorities, targets, and direction of the firm.
- The Firm also has several additional committees and initiatives including Global and Regional Operations, Data and Technology, Risk Management, Diversity, Equity & Inclusion, Capital Markets, Compensation, and ESG, of which influence the Firm's strategic direction and overall performance.
- Each new fund has an advisory committee that is created and then meets on an annual basis.
- Finally, appropriate governance structures are incorporated into applicable legal documents to address major decision rights, audit, risk management, conflicts of interest and other policies to align interests.

ETHICS & CORE VALUES

- The Firm is built on five key company values: Teamwork, Innovation, Passion, Excellence, and Integrity. The latter directs Harrison Street to operate with honesty and transparency to hold the trust of its stakeholders.
- Employees must attest quarterly that they follow the Code of Ethics, and they can share any ethical concerns with Human Resources or the Chief Compliance Officer.
- Trainings on topics such as ethics, anti-corruption, foreign corrupt practices, and cybersecurity are provided annually, during quarterly certifications, and when new regulations or situations arise.
- All new employees receive a background check and anti-corruption training at hire date.
- The Firm uses a sophisticated web-based compliance tracking system to report and monitor Code of Ethics items such as political contributions, personal trading, conflicts of interest, and gifts.

RESPONSIBLE CONTRACTORS

Where the Firm's involvement is limited to credit products, securities, or other non-controlling investments, this policy is intended as guidance and encouraged best practices. Where the Firm has control and/or substantive decision-making influence over the selection of contractors, measures undertaken may include:

- The Firm supports and encourages fair wages and fair benefits for workers employed by its partners, contractors, and subcontractors, subject to fiduciary principles concerning duties of loyalty and prudence, both of which further require competitive returns on the Firm's real estate and infrastructure investments.
- The Firm endorses small business development, market competition and control of operating costs. The Firm

believes that a diverse, adequately compensated, and trained workforce delivers a higher quality product and service, thereby providing the Firm with a better opportunity for long-term security of its investments, along with a better opportunity for long-term growth and investment return. Adequate compensation includes fair wages and benefits, including healthcare and retirement plans.

- Where possible, the Firm supports the use of qualified contractors certified as Minority and Women-Owned Business Enterprises by a governmental entity in the local market in which the contractor operates.

Requirements of the Responsible Contractor Policy include:

- **Fiduciary Duties Take Precedence** – Notwithstanding any other considerations, the Firm’s investments shall be diligently and prudently managed in accordance with the Firm’s fiduciary duties to its clients, which shall take precedence over any other duty.
- **Competitive Rate of Return** – The Firm seeks to have its investments managed and operated in a manner that is expected to produce a competitive rate of return for its clients.
- **Legal Compliance** – The Firm requires that all of its contractors comply with all applicable federal, state, and local laws, regulations, and ordinances, including those related to insurance, withholding taxes, minimum wage, health and safety and environmental matters.
- **Selection Process** – Recognizing the significant time and expense required for the solicitation and evaluation of potential contractors, it is acknowledged that operating partners are not obligated to solicit all potential contractors. The operating partner shall undertake reasonable efforts to establish a selection process that ensures, to the extent, commercially justifiable, inclusivity of Responsible Contractors. It should be noted that competitive bidding alone does not guarantee the inclusion of Responsible Contractors. Further, operating partners shall retain commercial discretion in conducting the bidding process, in accordance with the fiduciary obligations to maximize investment value for investors and to seek to minimize or control costs while ensuring the provision of relevant and high-quality services.
- **Non-discrimination** – The Firm shall give equal consideration to minority-controlled firms, firms owned and controlled by women, and ventures involving those same firms, that meet the selection criteria for contractors and service providers.
- **Neutrality** – The Firm recognizes the rights of employees to determine whether to seek representation and supports and encourages a position of neutrality in the event there is a lawful attempt by a labor organization to organize workers employed in the construction, maintenance, operation, and services of a project or property.

COMPLIANCE & ANTI-CORRUPTION

- HS Investment Advisor Policies and Procedures promote compliance with the SEC’s Investment Advisor requirements and assist the Firm in preventing, detecting, and correcting violations.
- Policies against bribery and corruption are maintained, consistent with the US Foreign Corrupt Practices Act and similar laws in other countries.
- Conflicts of interest are disclosed in regulatory filings, such as the Form ADV of registered investment advisors, and the offering documents of sponsored Funds. Conflicts involving the engagement of affiliated entities are reviewed in accordance with HS Conflicts Policy.
- The Firm requires pre-approval of all political contributions and imposes specific restrictions to contributions for U.S. state and local candidates and officeholders.
- AML/OFAC checks are performed on investors both prior to accepting funds from the investor and on an

ongoing basis.

- The Firm maintains policies and procedures regarding proxy voting and is responsible to vote such proxies in the best economic interest of applicable Clients. Shareholder right to proxy voting is upheld, if applicable.

In the event any Supervised Person becomes aware of, or suspects, any activity that is questionable, or a violation or possible violation of law, rules or the firm's policies and procedure, the Firm's Chief Compliance Officer (CCO) is to be notified immediately. Harrison Street will not retaliate or penalize any company employee that in good faith reports a suspected violation of law, rules or HSTA's policies and procedures.

CYBERSECURITY

- The Firm follows data privacy and security procedures detailed in HS Investment Advisor Policies and Procedures for IT infrastructure, software, and maintenance.
- Regular training is provided to employees on cybersecurity protocols.
- The Firm's Operating Partner Cybersecurity Program is maintained and followed to mitigate risk at the asset and operating level by evaluating and advising on security improvements.
- Harrison Street's Business Technology Group evaluates risk classifications, provides recommendations to partners, and connects partners to third-party consultants and vendors as needed.

RISK MANAGEMENT

- Risk assessments are led by the Firm's CCO and are conducted periodically and shared with firm Leadership. Risk topics are identified by the CCO team and other senior leaders of the Firm, with input from industry trends, analysts, stakeholders, and investors. The Firm's Risk Committee identifies top priorities for risk mitigation, which are then addressed by internal teams. Results of this work are presented to Risk Committee and may be further shared with firm Leadership.
- Risk management concepts are incorporated in the investment committee process, which includes at minimum a slide dedicated to risk management and a variety of sensitivity analyses.
- Risk management concepts are incorporated into asset management processes including reviewing strategy, expenses, budget plans, and portfolio management reporting to investors.
- The Firm actively prepares for unforeseen interruption to normal business practices and has established the following policies and procedures: Disaster Recovery, Business Continuity, and "Black Swan" events.

EMPLOYEE DEVELOPMENT & RETENTION

The Firm is committed to the development and retention of its workforce. Some ways the Firm demonstrates this commitment include:

- Follows occupational safety, worker rights, and labor management regulations as defined in the HS Employee Handbook.
- Provides regular and relevant sustainability training to employees, such as investor reporting standards, best practices in asset management, ESG risks and opportunities, diligence procedures, etc.
- Integrates sustainability into the corporate office operations, corporate travel, and purchasing. Obtain both LEED and Fitwel Certifications, and site near public transportation options.

- Provides an active, engaging, and ergonomic workspace with abundant natural light, external views, and healthy indoor air quality.
- Supports employee wellness by providing access to healthy meals and snacks, coordinated wellness challenges, and access to workout facilities. Provides biometric screening, health coaching, personal action plans, and health incentives.
- Supports employees' work/life balance. Provide employees at VP and above unlimited personal time off (PTO). Provides employees with summer and holiday Fridays, where employees have the option to leave at noon.
- Supports successful employee growth and retention by providing annual reviews to 100% of employees, reimbursing professional development, and offering a robust employee benefits package which includes a no-deductible health care plan covering 90% of the premium, transit subsidy, and 3% Safe Harbor Contribution.
- Provides a highly competitive and performance-oriented compensation package, comprised of base salaries and annual bonuses, to attract and retain best-in-class team.
- Performs a third-party compensation study every three years to ensure the Firm is offering a compelling economic package to its employees that is competitive to the industry.
- Provides members of the Firm with the title Vice President opportunity to invest personal capital into the Firm's products that allow for an equity investment.
- Evaluates the effectiveness of employee benefit offerings through an annual employee satisfaction survey, return to work rates, and retention figures.

HUMAN RIGHTS

The Firm's human rights policy includes the following elements:

- Prohibits the use of child labor, forced labor, or human trafficking in any form by any enterprise within our company value chain.
- Promotes the acceptance and implementation of high ethical standards among partners throughout our value chain. Provides annual guidance documentation of ESG procedures and requires all partners to comply with our global minimum standards and commit to our terms of engagement.
- Supports and encourages fair wages and fair benefits for workers employed by the Firm's partners, contractors, and subcontractors, subject to fiduciary principles concerning duties of loyalty and prudence, both of which further require competitive returns on the Firm's real estate and infrastructure investments.
- Expects each operator to consider their own responsibilities as it pertains to human rights, optimization of tenant health, safety, and emergency preparedness, which includes following the HS Emergency Preparedness Guidelines. The Firm communicates its expectations to operators through regular engagement, webinars, and through the HS Property Manager ESG Policy. Strives to understand each operating partner's culture, management team, business processes, and company strategy to support their continuous improvement including the sharing of operators' best practices and ethical codes.

The degree of information access, influence, and control that Harrison Street has differs amongst the investment vehicles, enabling and requiring various levels of monitoring and management. However, working alongside the Firm's operators, policies and procedures are regularly monitored and reviewed to identify areas of risk relating to human rights to increase their effectiveness. Operations are evaluated to increase understanding of the impact on human rights and, if necessary, to address and remedy any areas infringing on human rights or compromising the Firm's commitments towards human rights.

CULTURE, CONNECTION, & COMMUNITY

Since 2018, the Firm has had a dedicated committee which strives to build an inclusive environment which allows everyone to thrive by supporting and celebrating the backgrounds of team members and valuing the unique perspectives they bring to the table. In addition, the committee and People Operations Department work to ensure the following:

- Equal employment opportunity requirements are followed as detailed in applicable employee materials.
- Best hiring practices are implemented, such as auditing job descriptions to eliminate unconscious bias, providing accessibility assistance to disabled applicants, presenting diverse candidate slates, and conducting blind resume screening.
- The company's pipeline of potential talent is expanded by engaging in aligned foundations and minority internship programs.
- Mandatory employee training is provided, led by a third-party expert consultant, on implicit bias to understand how unconscious processes undermine recruiting efforts and employee development.
- Employee and management statistics are reported quarterly, showing trending gender and ethnicity data to evaluate the effectiveness of hiring practices and employee retention.
- Full-time employees are provided paid parental leave, regardless of gender. The parental leave policy is 16 weeks, and employees are not required to exhaust their PTO during their leave.
- A phased return to work plan is provided to support parents after parental leave. Upon returning to work, nursing mothers are provided a dedicated sanitary, equipped, secure, and comfortable room for pumping. To help offset childcare costs for working parents, employees are provided a subsidized Dependent Care Account.

GIVING & SERVICE

The Firm believes in giving back and serving the community. This is illustrated through various ways including:

- Promoting and providing opportunities for team members and the Firm to dedicate their time, talent, and funds to those in need.
- Evaluating local community needs annually and determining how philanthropic donations should be invested.
- Offering volunteer opportunities to employees to engage with the community each quarter and coordinate a company-wide Annual Day of Service.
- Developing the next generation of talent through a structured and proven successful internship program.
- Providing an annual Charitable Gift Match program to employees.

JOINT VENTURE PARTNER & PROPERTY MANAGER ENGAGEMENT

For equity investments, the Firm's network of joint venture partners and property managers are critical contributors to overall success. Various ways we interact and interface with our partners to ensure we select and maintain quality partners may include:

- Promoting the acceptance and implementation of business improvement and differentiated practices among partners.
- Fully understanding each joint venture partner's culture, management team, business processes, and company

strategy to adequately tailor solutions that support their continuous improvement.

- Evaluating opportunities to improve asset operations and solve common issues experienced in the Firm's asset classes.
- Evaluating and comparing the performance of operators within the same asset class reveal best practices that can be applied to underperforming assets.
- Facilitating network engagement among operators in the same asset space and connecting operators to industry experts and research.
- Providing annual guidance documentation of ESG procedures.
- Facilitating identifying, learning, and sharing of operators' best practices.

ESG & INVESTMENT DECISIONS

Investment due diligence incorporates ESG attributes, risks, and opportunities. Internal procedures are maintained for different asset classes, differing in accordance with the investment structure and degree of control. Measures undertaken include:

- The Firm aims to assess and manage material ESG opportunities and risks across the investment lifecycle.
- Applicable investment teams, in collaboration with the Impact Team, define the material ESG objectives, initiatives, data tracking, and reporting strategy for the applicable investment vehicle.
- The company generally seeks to exclude investments in assets and/or appropriate counterparties involved with armaments (manufacture or storage), tobacco and tobacco-related products, gambling, pornography, prostitution, child labor, endangered wildlife, or prohibited substances.
- The degree of information access, influence, and control that Harrison Street has differs amongst the investment vehicles and asset classes, enabling and requiring various levels of monitoring and management.
- During underwriting and diligence known environmental, social, and governance characteristics are captured and included in materials presented to the Investment Committee.
- Diligence is undertaken as defined in internal asset class-specific transactions procedures, which may include assessment of asset conditions such as physical climate risks, transition risks, emissions, efficiency, energy sourcing, and resiliency measures. These findings are incorporated into Impact Business Plans for equity investments and Borrower Improvement Plans for credit counterparties. Robust diligence and background checks are conducted on new partners to ensure alignment on compliance criteria. For new deals with an existing partner, background checks are conducted every three years.

EFFICIENT DESIGN FOR NEW DEVELOPMENT

Where the Firm's involvement is limited to credit products, securities, or other non-controlling investments, this policy is intended as guidance and encouraged best practices. Where the Firm has control and/or substantive decision-making influence over asset development, measures undertaken may include:

- New developments will seek to incorporate enhanced efficiency standards, carbon emissions goals, and wellness standards consistent with the applicable investment strategy and defined in the [HS Development ESG Policy](#).
- Education and access to expert consultants will be provided where needed to developers to evaluate sustainable building strategies and promote long-term economic benefit and tenant wellbeing.
- The Firm will collaborate with development partners to integrate viable sustainability strategies into project

proforma and design plans on a case-by-case basis, considering market, building type, tenant population, and portfolio goals.

EFFICIENT OPERATIONS THROUGH PROPERTY MANAGEMENT

Where the Firm's involvement is limited to credit products, securities, or other non-controlling investments, this policy is intended as guidance and encouraged best practices. Where the Firm has control and/or substantive decision-making influence over asset operations, measures undertaken may include:

- ESG expectations are communicated to operators through regular engagement, webinars, and through the [HS Property Manager ESG Policy](#).
- The Firm expects each operator to optimize tenant health, safety, and emergency preparedness and supports operators in following the [HS Emergency Preparedness Guidelines](#).
- Property managers shall track utilities, carbon, waste, and certifications at the investment level. They shall seek to reduce consumption and cost through audits and retrofits and actively participate in energy benchmarking.
- Capital expenditures and refurbishments shall seek to improve the asset ESG performance. ESG improvement projects shall document the investment opportunity, payback, and valuation prior to execution.
- ESG factors are expected to be included in annual business plans and "Hold Sell" Analysis if material to the sector and market.

BIODIVERSITY

The Firm recognizes that nature-based considerations need to be included in long-term investment strategies, and we believe that we have a responsibility to minimize negative externalities in respect of nature and our wider stakeholders. Where these issues are found to be material and the Firm has control and/or substantive decision-making influence over assets, measures undertaken may include:

- Natural dependencies and impacts are assessed following guidance from Task Force for Nature-related Financial Disclosures (TNFD) to identify high-risk exposures and opportunities across the industry which could impact our portfolio, including physical vulnerabilities, operational dependencies, and marketability.
- Material biodiversity considerations are integrated into due diligence and management processes, contracts, and risk mitigation measures, focusing on/including compliance with current and future local regulation and physical risks resulting from ecological surveys.
- Biodiversity case studies are performed to identify locality-specific biodiversity opportunities and biodiversity programs that align with commercial benefits.
- Internal resources are dedicated to monitor biodiversity as it pertains to the real estate industry and implications for the Firm and its operations.
- Biodiversity materials and information promoting best practice are shared with our partners and operators.

HEALTH & WELLNESS

Where the Firm's involvement is limited to credit products, securities, or other non-controlling investments, this policy is intended as guidance and encouraged best practices. Where the Firm has control and/or substantive decision-making influence over asset operations, measures undertaken may include:

- The health and wellness of residents, tenants, and staff is supported through healthy building design

and operations.

- The Firm seeks to integrate relevant clauses to support ESG objectives in Tenant leases.
- Tenants and residents are engaged in an annual satisfaction survey as required by HS Property Manager ESG Policy. Based on survey results, programs are implemented to ensure tenants are engaged in meaningful dialogue to promote satisfaction with the asset and property management.
- Operators are supported in providing wellness amenities and programming for tenants such as outdoor spaces, fitness programs, community outings, etc.
- Third-party healthy building certifications are pursued on buildings that are applicable and occupied so investments meet a certain standard of health.
- The Firm works alongside operators to review policies and procedures and to help implement new tools to enhance and expand health and safety programs.
- Guidelines are provided to operators for enhanced Emergency Preparedness and Response Plans for cybersecurity, active shooters, infectious disease control, resident evacuation/relocation procedures, etc.

CLIMATE RESILIENCY

The Firm strives to strengthen portfolio resilience with regards to climate-related risks. Where the Firm has control and/or substantive decision-making influence over **assets**, measures undertaken may include:

- Assess material climate risk indicators across investment entities and assets, including but not limited to wildfires, inland flooding and severe storms, hurricanes and storm surge, and sea level rise.
- Evaluate factors such as rising energy prices, energy generation regulation, and water price/scarcity to identify on-site generation or aligned efficiency measures that should be included in asset design.
- Assess asset resiliency to natural disasters and prioritize measures such as energy backup systems, mitigation/adaptation strategies, and insurance coverage.
- Analyze existing assets and new developments to determine the economic viability of renewable energy installations to reduce GHG emissions and hedge increasing energy prices.
- Track climate-related metrics; including but not limited to: Greenhouse Gas Emissions, Energy Usage, Water Usage, Natural Disaster Risk, and Risk Adaption Capex.

CARBON EMISSIONS REDUCTION COMMITMENT AND PATHWAY TO NET ZERO

The Firm is actively evaluating opportunities to minimize global emissions contributions, including:

- Maintaining net zero carbon emissions operations for Scope 1, 2, and 3 at the Firm's corporate offices.
- Implementing the carbon emissions reduction pathway as outlined in the Firm's Climate Action Plan, with measures including energy efficiency programs, on-site solar, procurement of renewable electric, tenant engagement, and decarbonizing of new construction and major renovations.
- Pursuing strategies to reduce Scope 3 tenant emissions through supporting the efficiency improvements in tenant spaces and the strategic installation of EV chargers.

ESG REPORTING & DISCLOSURE

The Firm tracks and reports ESG management procedures, KPIs, and financial indicators for the Firm and select

funds. Other ways ESG performance is disclosed includes:

- Quarterly reports on ESG material activities in an Impact Dashboard by Firm and select Funds.
- Tracking ESG value-add projects and monitoring the monetary impact on asset NOI and valuation.
- Monitoring material ESG issues and climate-related financial risks that may impact the value of the portfolio and report following guidance from the International Financial Reporting Standards (IFRS), pursuant to their incorporation of the Task Force for Climate-Related Financial Disclosures (TCFD) framework.
- Reporting annual ESG management and performance data to the Global Real Estate Sustainability Benchmark (GRESB) and the Principles of Responsible Investing (PRI).
- Reporting annual ESG management and performance data for the Firm and key funds through a Corporate Impact Report aligned with the GRI reporting framework.
- Tracking ESG Goals & KPIs for each fund per the entities' ESG investment strategy.

Contact Information

For more information, contact Harrison Street Asset Management
Impact Team representatives below or visit
www.harrisonst.com/impact

Jill Brosig

Global Chief Innovation Officer

jbrosig@harrisonst.com

Stephanie Barr

Head of Impact, North America

sbarr@harrisonst.com

Harrison Street Asset Management

217 N. Sangamon
Suite 700
Chicago, IL 60607
www.HSAM.com