



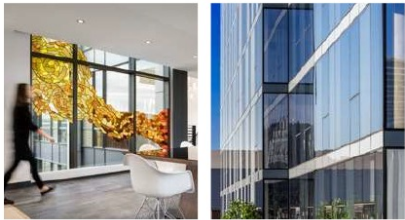
THE
GREEN
CITIES
COMPANY

Measuring the Impact of ESG Thought Leadership



Timeline of Impact Report

2013



GERDING EDLEN LIVABLE PLACE INDEX™

This report provides measurable outcomes to the environment and to local communities both on a portfolio-wide and property by property basis through Gerding Edlen's Livable Place Index. Our Livable Place Index is a proprietary methodology for quantifying environmental and community impacts based on a triple bottom line approach – People, Planet, Prosperity.



PEOPLE

Sustainable, inviting spaces are ones where 20-minute living can become a reality. The concept of 20-minute living refers to properties with a rich variety of services and amenities for people to enjoy within a 20-minute walk, bike ride or transit ride. We track the livability and 20-minute living opportunities our buildings provide our residents through Walk Score, Bike Score, and Transit Score.



PLANET

We measure the environmental impacts of our properties through key performance indicators - energy, carbon, water and waste. We track energy, carbon and water by comparing actual operational data or modeled data to performance for a standard building. Waste data is tracked from monthly reports provided by the waste hauler for each property, where available.



PROSPERITY

Our projects become opportunities to bring profound and lasting economic benefits to local and regional communities. The key economic performance indicators we track include total jobs created, union construction jobs and overall fiscal impacts. During building operations, we track local, minority and women-owned vendors and affordable housing.

More detail on the methodology for the Livable Place Index is included on page 25.



GERDING EDLEN GREEN CITIES I, LP PORTFOLIO-WIDE 2013 PERFORMANCE

LIVEABLE PLACE INDEX™

PEOPLE

WALK SCORE® AVERAGE

85/100

BIKE SCORE™ AVERAGE

82/100

TRANSIT SCORE® AVERAGE

83/100

PLANET

ANNUAL ENERGY SAVINGS:
2.9 MILLION KWH SAVED

274

HOMES POWERED

ANNUAL WATER SAVINGS:
8 MILLION GAL SAVED

474,300

SHOWERS SAVED

ANNUAL CARBON
EMISSIONS REDUCTION:
626 METRIC TONS CO2 SAVED

200

CARS OFF THE ROAD

PROSPERITY

CONSTRUCTION JOBS

1,159

FISCAL IMPACT

\$469,581,300

ENVIRONMENTAL IMPACT

ANNUAL ENERGY, WATER AND CARBON
EMISSIONS SAVINGS



27%
ENERGY
SAVINGS
(KWH)



40%
WATER
SAVINGS
(GAL)



27%
CARBON
EMISSIONS
SAVINGS
(METRIC TONS)

■ TYPICAL BUILDING ■ AVERAGE ACROSS GERDING EDLEN
GREEN CITIES I, LP BUILDINGS

CERTIFICATIONS

- 3 LEED PLATINUM
- 3 LEED GOLD
- 1 LEED GOLD PENDING
- 1 GREENPOINT RATED –
ELEMENTS*

*GreenPoint Rated is a certification standard of Build It Green, a membership supported non-profit organization whose mission is to promote healthy, energy and resource-efficient homes in California.

Timeline of Impact Report

2016

GERDING EDLEN GREEN CITIES II, LP PORTFOLIO-WIDE 2016 PERFORMANCE

COMMUNITY IMPACT

COMMUNITY PARTNERSHIPS

ARTS AND CULTURE

Gerding Edlen believes that creating vibrant places for people to live includes developing everyday connections to art and culture. Art adds an element of inspiration to life and contributes to local art organizations, building community.

LOCAL BUSINESS

Gerding Edlen seeks to create opportunities for residents to connect with each other and with their community. Forming collaborations with local businesses to service our properties is an important way to foster experiences that build relationships.

Additionally, our firm's support of minority and women-owned businesses through vendor partnerships with our buildings is another way we ensure that the neighborhoods we invest in are strengthened through diversity.

PHILANTHROPIC

Gerding Edlen is committed to building communities. Contributing to nonprofit organizations in neighborhoods surrounding each property helps build prosperity for all.

AFFORDABLE HOUSING

2 OUT OF 4 MULTIFAMILY PROPERTIES

With Affordable Housing Component



COMMUNITY-BASED JOBS



6



Gerding Edlen's Principles of Place guide us to create vibrant, inspiring and sustainable spaces where people can live, work and learn.

GERDING EDLEN PRINCIPLES OF PLACE



BUILD COMMUNITY

Understanding and respecting the elements that create a sense of place supports an environment where people can thrive.

CREATE INVITING SPACES

Engineering the transition between public and private spaces to create interaction which contributes to the social and economic vitality of communities.

MINIMIZE CARBON FOOTPRINT AND ENERGY DEPENDENCE

Reducing the environmental impact of a building and the people who live in it significantly improves the quality of life for everyone.

CONNECT PEOPLE AND BUILDINGS TO NATURE

Bringing nature into urban environments improves the quality of life for people in the community.

ENCOURAGE TRANSPORTATION ALTERNATIVES

Working to promote convenient transportation alternatives and smart growth strategies for cities creates healthy, happier, more engaged communities.

CRAFT THE FIRST 30 FEET

Designing an appealing pedestrian environment at the front door animates and engages neighborhoods.

INSPIRE COMMUNITIES WITH ART

Creating vibrant and inspiring places for people to live and work within creates everyday connections to art and culture.

MAKE 20-MINUTE LIVING REAL

Accessing all you need to live, work and play within twenty minutes improves well-being, enriches social interaction and promotes encounters with nature and other people.

INTEGRATE SCHOOLS AND NEIGHBORHOODS

Facilitating a connection between schools and the greater community encourages learning and knowledge beyond the classroom.

PRESERVE SYMBOLS THAT MATTER

Preserving distinctive buildings and historic symbols makes places that provide people with a sense of identity, history and context.



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Timeline of Impact Report

2021



The Green Cities Index



Bower, Boston.

The Green Cities Index

Essential to our ESG approach is our own Green Cities Index, a proprietary metric which measures the ESG performance of our asset, funds, portfolio and firm. Designed in 2020, this rigorous reporting framework evaluates an important spectrum of environmental and social considerations, and is built on five key pillars.



ENVIRONMENTAL IMPACT

Focus on optimizing the energy, emissions, water, waste, and materials and furnishings used by our properties.



CLIMATE CHANGE MITIGATION

Action-oriented look to the future, taking bold steps to reduce fossil fuel usage and reduce emissions of greenhouse gases.



RESILIENCE

Enhancing the preparedness of our properties and tenants to withstand and recover from challenges like climate risks, social unrest, and large-scale health threats.



HEALTH & WELLBEING

Commitment to safety, comfort, and physical and emotional wellness to improve the quality of life for our tenants.



EQUITABLE COMMUNITIES

Engagement to create a positive, inclusive impact within our properties and on the neighborhoods where they reside, driving opportunity, justice, and anti-discrimination.

Timeline of Impact Report

2022

2021 Portfolio Impact

ENVIRONMENTAL IMPACT



64% of all properties are currently LEED certified.

100% of certified properties achieved a minimum LEED Gold certification.

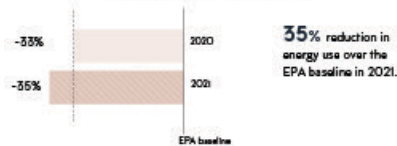


83% of all new construction waste was diverted from the landfill.



19% of waste generated during operations in 2020 was diverted from the landfill (where data available).

ENERGY USE REDUCTION



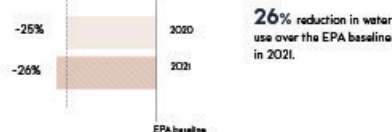
35% reduction in energy use over the EPA baseline in 2021.

ENERGY FOOTPRINT

36,595,170 kWh

With an average Energy Usage Intensity of 49.

WATER USE REDUCTION



26% reduction in water use over the EPA baseline in 2021.

WATER FOOTPRINT

52,539,314 GALLONS

CLIMATE CHANGE MITIGATION

Over 50% of all stabilized properties have had retrocommissioning performed within the past three years.



86% of all properties had energy, water, and/or waste audits performed within the past three years.



54% of energy is electric.

RESILIENCE



93% of properties feature operable windows to allow for fresh air if sheltering in place.



64% of properties feature biodiversity - herb gardens, rooftop gardens, or apiaries, which improves local ecological health.

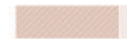
HEALTH & WELLBEING



100% of properties featured near HEPA-level MERV-13 filtration on central ventilation systems which results in improved indoor air quality.



100% of properties were smoke and tobacco-free in 2021.



86% of properties feature on-site gyms or free fitness classes to promote physical fitness.



64% of properties feature a dog wash station and a relief area on site.



79% of properties feature indoor and outdoor planters.



64% go beyond that to include natural fire and water elements in amenity spaces.

117 community events were held across the portfolio in 2021 despite Covid-19 limitations.

EQUITABLE COMMUNITIES

100% of construction and capital improvements are done by union labor resulting in a cumulative 3,953 union jobs created across all current funds.

Cumulative union construction labor hours total 8,222,240 across all current funds.



56% of all contracted vendors and service providers are locally-owned businesses.



40% of all artists hired are women.



38% of all artists hired are BIPOC.

A total of 47 local vendor partnerships in four different markets were established in 2021.

Key Data - DEI&A Snapshot

Leading the Way on Diversity, Equity, Inclusion & Access

As a Minority- and Women-Owned Business, Green Cities has a visionary commitment to Diversity, Equity, Inclusion & Access (DEI&A) – a unique positioning amongst its peers. By adding the concept of “access” to traditional considerations of diversity, equity, and inclusion, we believe it can elevate the built environment to a channel that advocates for social change.

For Green Cities, the threads of “access” stretch to considerations of physical accessibility, expansion of opportunities for our residents and employees, facilitating connections to resources and information, and strengthening civic partnerships. We believe that the built environment – when conceived and operated with respect and inclusivity – can combat systemic marginalization by fostering dignity, providing equitable access, empowering individual voices, and inspiring collective purpose.

DEI&A MISSION STATEMENT

Green Cities believes that we have a great responsibility to people: the tenants and property managers who live and work at our properties, the people who form the communities around our assets, and the team members who work diligently to make our business possible.

- COMMUNICATION
Transparency, training, and education
- LEADERSHIP
Outreach, engagement, and partnerships
- PERFORMANCE EQUITY
Flexibility, clarity, and mitigation of bias
- WORKFORCE INCLUSION
Actionable goals and expanded policies and programs
- INVESTMENT INTEGRATION
Union job creation, vendor stewardship, and elevation of the tenant experience

DEI&A COMMITTEE

- Composed of professionals volunteering throughout multiple departments in the organization as well as all four Managing Partners.
- Co-Chaired by our Senior Director of ESG and our DEI&A Officer.
- Meets monthly and reports with transparency to the full organization quarterly.
- Details initiatives and sets actionable goals for every six-month period.
- Acts in a consultative and advisory capacity to the Firm, leading innovation and idea generation for our progress.
- Recommends and implements external partnership and ideas for corporate participation in inclusive acts.
- Sets a model for the Firm of equitable, inclusive collaboration.

ORGANIZATIONAL SNAPSHOT

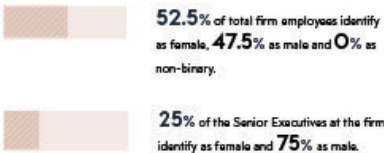
Within our organization, we are equally as committed to promoting the principles of DEI&A. Recently, we updated the Firm’s Performance Management practice, working with an outside consultant, to establish a philosophy grounded in equity. Our plan provides clear metrics and behavioral competencies that seek to mitigate bias and advance inclusion.

This process also included a gender pay equity analysis which revealed no gender pay gap amongst our investment professionals. Looking forward, we intend to continue to increase the diversity of our organization, leveraging a wide array of perspectives and expertise to the benefit of our investors.

RACE AND ETHNICITY



GENDER



Troy Boston / Boston

Key Data – Impact in Action

Impact in Action: Fitwel Viral Response

Through the GCI pillar of Resilience, Green Cities is focused on the ability of our properties to withstand and recover from challenges caused by extreme weather events, social crises, and other type of emergencies. By addressing these concerns, we seek to proactively implement measures that safeguard the health and wellbeing of our tenants in the face of these impacts.

To address many of these considerations, in 2021 Green Cities became certified at the corporate level in the Fitwel Viral Response Module (VRM). The VRM was created to set the global standard for safeguarding occupant health and wellness following the COVID-19 pandemic - offering what Fitwel terms "the premier evidence-based, third-party certification to mitigate viral transmission in buildings."

MINIMUM CORPORATE LEVEL REQUIREMENTS OF FITWEL VIRAL RESPONSE CERTIFICATION

- Enhanced Indoor Air Quality Policy
- Enhanced Cleaning, Disinfecting, and Maintenance Protocol
- Personal Protective Equipment (PPE) Guidelines
- Contagious Disease Outbreak Preparedness Plan
- Emergency Communication Plan
- Paid Sick Leave Policy



In addition to our entity-level Fitwel Viral Response certification, as of the publication of this report, Green Cities has obtained VRM certification for all of our East Coast and Midwest properties. By the end of 2022, we expect to have certification across our entire active portfolio.

INDOOR AIR QUALITY TESTING AT EVERY PROPERTY

Green Cities conducts regular Indoor Air Quality (IAQ) testing at every property to further promote safety and resilience for our tenants. Testing and monitoring helps us identify and be positioned to remediate any potential issues with the following:

- Airborne Particles
- Volatile Organic Compounds
- Formaldehyde
- Carbon Dioxide
- Carbon Monoxide
- Relative Humidity

Impact in Action: Celebrating Diversity

Through our properties and through our organization, Green Cities recognizes that diversity lends strength and lens-widening perspectives to any community. Led by our DEI&A Committee internally and through our hands-on management in our portfolio, we consistently seek to drive unique opportunities for education, participation, and action around these important topics.

Wherever possible, Green Cities seeks to mirror the work we do internally at the property level and vice versa. In this manner, we hope to create an inclusive and ongoing dialogue to enhance our DEI&A initiatives and the value we can bring to our tenants, communities, industry, and investors.

PROPERTY & CORPORATE PROGRAMMING

By combining our firm values and GCI metrics, we thoughtfully support more inclusive environments.

- Heritage Month celebrations to develop awareness of and appreciation for underrepresented populations.
- Promotion of and partnership with local business that are minority- and women-owned.
- Engagement with our communities to add elements like art, music, outdoor parks, and regular outdoor markets within some of our properties.
- Landscaping and hardscaping that maintains and promotes community access to natural features and transportation.



BLACK HISTORY MONTH 2022

Through both our properties and our Firm, Green Cities' recent Black History Month events and financial contributions led to support of 36 local Black-owned businesses and roughly 500 resident experiences across the portfolio.

ALL ARE WELCOME

Bower is an inclusive community. We reject discrimination and foster dignity. We come together in celebration of our diverse experiences, backgrounds, and identities. We prioritize an environment that provides equitable access, and we empower individual voices to inspire collective purpose.



Example of the inclusivity signage we are adopting at every Green Cities property. The language for this signage was driven collaboratively by members of our DEI&A Committee and the Managing Partners.

Key Data – Portfolio Performance Reporting

Environmental Impact



Index Metric	KPIs	Portfolio Total
Building Certifications		
LEED Certified	Y/N - % LEED certified properties	64%
LEED Level	LEED Gold or Platinum	n/a
ENERGY STAR Score	Energy Star score, reporting yr	85
ENERGY STAR Certification	Y/N - % stabilized properties certified in reporting yr	55%
Energy ⁽¹⁾		
Electricity Use: Reporting Yr	kWh used, reporting yr	19,925,133
Gas Use: Reporting Yr	Therms used, reporting yr	568,781
Aggregate Energy Use: Reporting Yr	Total energy in reporting yr, expressed in kWh	36,595,170
Energy Use Intensity	EUI (kBtu/sf), reporting yr	49
Energy Savings		
Energy Use: +/- change: EPA Benchmark	% reduction relative to EPA baseline, reporting yr	35%
Energy Use: +/- change: Prior Yr (2019)	% absolute reduction in energy use over prior yr	2%
GHG Emissions ⁽²⁾		
GHG Emissions		
GHG Emissions: Reporting Yr - Scope 1	Metric tons CO ₂ e from natural gas used at the property, reporting yr	3,414
GHG Emissions: Reporting Yr - Scope 2	Metric tons CO ₂ e from electricity purchased and used at the property, reporting yr	8,544
GHG Emissions: Reporting Yr - Total Scope 1 + 2	Total metric tons CO ₂ e, reporting yr	11,957
GHG Emissions Reductions		
GHG Emissions: % change: EPA Benchmark	% Reduction relative to EPA baseline	39%
GHG Emissions: +/- change: Prior Yr (2019)	% Absolute reduction over prior yr	3%

Index Metric	KPIs	Portfolio Total
Water		
Water Use		
Water Use: Reporting Yr	Gallons used, reporting yr	52,539,314
Water Savings		
Water Use: % change: EPA Benchmark	% reduction relative to EPA baseline, reporting yr	26%
Water Use: +/- change: Prior Yr	% absolute reduction over prior yr	1%
Waste		
Operations ⁽³⁾		
Waste: Baseline: Operations	Tons waste in operations, reporting yr	1,423
Waste Diversion: Operations	% waste diverted in operations, reporting yr	22%



Bower / Boston

⁽¹⁾ Data includes Scope 1, 2 and 3 emissions for all properties. Data for properties acquired or sold in the reporting year or the prior year, or stabilized during the reporting year, are not included for like-for-like comparison purposes. All energy, carbon and water savings calculations are performed and/or verified by an independent specialist in energy engineering.

⁽²⁾ Carbon emission calculations are based on the emission values associated with electricity generation in the property's utility market as published by the Environmental Protection Agency (EPA).

⁽³⁾ For properties that receive diversion reports, waste data is provided by the waste hauler. Properties that do not receive diversion reports are noted as "0" and non-stabilized properties in lease-up are noted as "n/a".

Note: The Green Cities Company is in the process of creating a uniform methodology for reporting the environmental attributes of materials used in construction and renovation for inclusion in future reporting.

Key Data – Corporate Performance Reporting

Health & Wellbeing



Index Metric	KPIs	Corporate Total
Indoor Air Quality		
Smoke and Tobacco-free Buildings	Y/N - smoke-free building	Y
Ventilation	Y/N - ability to adjust fresh air ventilation volume in corporate office	Y
Indoor Air Monitoring	Y/N - testing performed or monitoring in place for TVOC and CO ₂ reporting yr	N
Filtration	Y/N - MERV 13 or better filtration in corporate office	Y
Permanent Entryway System	Y/N - grates or permanent walk-off mats at all main building entrances, including parking garage vestibules	Y
Green Cleaning Program	Y/N - green cleaning program in effect, reporting yr	Y
Mobility & Physical Fitness		
Fitness Opportunities	Y/N - on site gym or free fitness classes	Y
Walkable Neighborhoods	score, reporting year	98
Transit Options	score, reporting year	90
Bike-Friendly	score, reporting year	96
Benefits		
Benefits: Full-Time Employees	Y/N - medical, dental and vision coverage provided and supplemented by the company	Y (1)
Benefits: Part-Time Employees	Y/N - medical, dental and vision coverage provided and supplemented by the company	Y
Paid Time-Off	Y/N - all employees are eligible for PTO	Y (2)
Mental Health	Y/N - all employees have mental health benefits	Y
Behavioral Health Services	Y/N - all employees can access smoking cessation and weight management programs	Y
Fertility/Adoption Services	Y/N - all employees have access to fertility/ adoption services	N
Disability/Life Insurance	Y/N - all employees have access to disability/ life insurance	Y
Retirement Program (401k)	Y/N - employer matches a portion of employee 401(k) contributions	Y
Financial Planning Services	Y/N - all employees have access to financial planning services	Y

Note: The Green Cities Company is in the process of reviewing measurements and impact-oriented approaches to the use of non-toxic materials in construction and Furniture, Fixtures & Equipment (FF&E) purchases. Our goal is to add reporting on these to the Green Cities Index in a future report.

Index Metric	KPIs	Corporate Total
Nourishment		
Fresh Produce	Y/N - farmer's market or grocer within 1/4 mile of the property	Y
CSA Program	Y/N - available to employees, reporting yr	N
Healthy Snacks	Y/N - free, healthy snacks are provided for employees	Y
Connection to the Natural World		
Greenery	Y/N - interior and exterior plantings	Y
Natural Elements	Y/N - property features fire and/or water elements	N
Biophilic Design	Y/N - biophilic design principles applied in construction/ renovation	Y
Emotional Wellbeing		
Pet-Friendly Workplace	Y/N - pets are allowed in the office on a short-term basis	Y
Cultivating Community	# corporate social events held, reporting year	5



Bower / Boston

(1) As a fully integrated real estate investment manager, The Green Cities Company employs both corporate and property management professionals. All information contained herein relates solely to the corporate team.

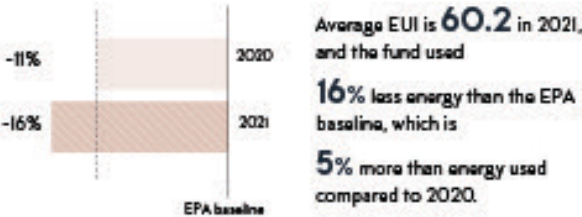
(2) In 2022, The Green Cities Company began offering unlimited PTO to all corporate employees.

Key Data - Green Cities Fund II at a Glance



Average Walk Score including realized investments over the life of the fund is **92/100.**

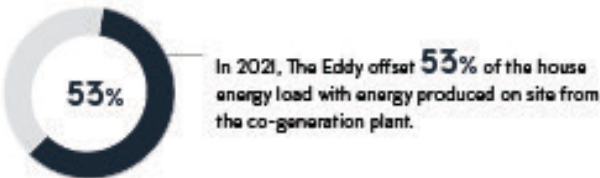
ENVIRONMENTAL IMPACT



CLIMATE CHANGE MITIGATION

In 2021, both properties - The Eddy and Xavier - had building condition assessments and retrocommissioning performed within the past three years.

RESILIENCE

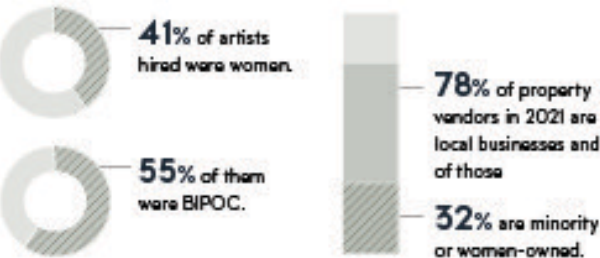


HEALTH & WELLBEING

- 100%** of all properties in 2021, provided healthy food options nearby and health vending machines on site.
- 100%** of multifamily properties are pet friendly, featuring a relief area and washing stations.
- 100%** of all new construction multifamily properties in Fund II feature programmable, smart thermostats.

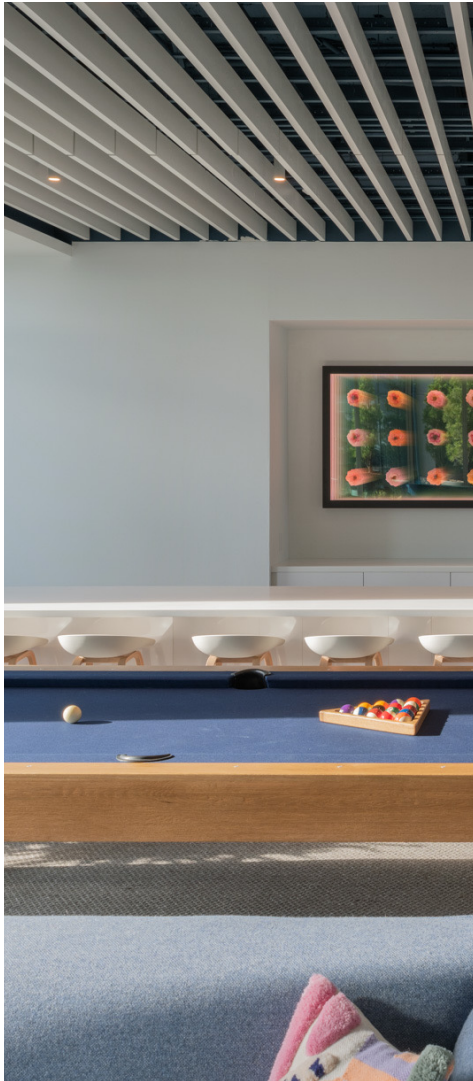
EQUITABLE COMMUNITIES

For the four new construction multifamily properties in this fund



100% of construction and capital improvements were done by union labor, resulting in **2,649,920** cumulative labor hours associated with the seven assets over the life of the fund.

Key Data - Green Cities Fund III at a Glance



ENVIRONMENTAL IMPACT



88% of all properties are LEED certified and
100% achieved Gold certification.



60% of stabilized properties in the fund are Energy Star certified with an average score of 86.

CLIMATE CHANGE MITIGATION



RESILIENCE



of properties earned Fitwel Viral Response certification in 2021.



of properties feature biodiversity such as herb garden, rooftop garden or apiaries, which improves local ecological health.

HEALTH & WELLBEING



EQUITABLE COMMUNITIES



13% are minority-owned businesses.



of artists hired were women.



of artists hired were BIPOC.

100% of construction and capital improvements are done by union labor, resulting in **5,616,000** cumulative labor hours associated with Fund III assets over the life of the fund.

Key Data - Green Cities Fund IV at a Glance



ENVIRONMENTAL IMPACT

Water savings in 2021 were **26%** over the EPA benchmark for this fund.



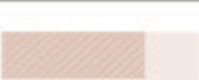
100% of stabilized properties in the fund are Energy Star certified with an average score of 91.

CLIMATE CHANGE MITIGATION



100% of properties in Fund IV have had energy or water technical assessments within the past three years.

RESILIENCE



75% of properties feature biodiversity-herb gardens, rooftop gardens or arpraries.

HEALTH & WELLBEING

75% of properties have walking/bike trails within **1/4 MILE**.



100% of multifamily and commercial properties in Fund IV use near HEPA rated MERV-13 filtration for improved air quality.



100% of multifamily properties have bathroom fans tied to occupancy sensors or light switches for improved ventilation.

EQUITABLE COMMUNITIES



52% of all contracted vendors and service providers are locally-owned businesses and of those,

20% are minority- or women-owned businesses.

100% of construction and capital improvements are done by union labor, resulting in **12,480** cumulative labor hours associated with Fund IV assets over the life of the fund.

Impact Report Process

PRODUCTION

- Green Cities uses an energy engineering firm to perform the annual benchmarking
 - Cost approx. \$12,000
 - This helps us document in other reporting frameworks as well: PRI, B Corp, and GRESB
- Internal team:
 - Lauren, Winkler / Senior Director, ESG
 - Renee Loveland / Director, ESG
 - Megan Irwin / Corporate Marketing Manager
 - Molly Bordonaro / Managing Partner
 - Brenna Cleveland / Director, Portfolio Manager
 - Neil Riordan / Chief Compliance Officer & Director, Investor Relations
 - Jennie Kalberer / Director, Design & Brand

DISTRIBUTION

- Current Investors/LPs
- IREI Newsline
- Press Release
- E-Marketing Distribution to Investors and Business Contacts
- Social Media Posts
- Published on Corporate Website

Measuring Impact

RETURN / HALO EFFECT

- Accountability to our investors (one of our Firm's seven values) and to ourselves on progress with our ESG goals
- Market Demand
 - Investors
 - Consumers
 - Tenants
- Demonstrate leadership within the industry and set trends
- Regulation is tightening for publicly traded companies (we compete with the same institutional investor pool) so we want to show that we are addressing ESG pressures as well (and doing better than most)

WHAT'S NEXT

- Figuring out how to source sustainable FF&E
- Finalizing our interim science-based target
 - Part of our net zero goal commitment with ULI Greenprint
- Embodied carbon and supply chain/scope 3 emissions, and analyzing the intersectionality of the pillars to understand and quantify the multiple layers of impact that one strategy creates