



INDUSTRIAL TRUST

At LXP, we seek to create a sustainable environmental, social, governance, and resilience ("ESG+R") platform striving to enhance both our company and shareholder value. We stand committed to supporting our shareholders, employees, tenants, suppliers, creditors and communities as we execute on our ESG+R objectives and initiatives. The objectives below are integrated throughout our investment process and aim to contribute to our ongoing long-term success on behalf of our shareholders.

ENVIRONMENTAL

Developing strategies that reduce our environmental impact and operational costs is a critical component of our ESG+R program. When feasible, we will implement base building upgrades and provide tenants with improvement allowance funds to complete sustainability efforts.

OBJECTIVES

- Benchmark and monitor landlord-paid utilities, track tenant utility data wherever accessible and obtain aggregate data from utility companies in applicable markets.
- Strategically implement green building certifications to highlight sustainability initiatives and pursue ENERGY STAR certification for eligible properties annually.
- Annually evaluate sustainability opportunities to improve efficiency, reduce operating costs, and reduce our properties' environmental footprint.
- Evaluate the opportunity to increase renewable energy across the portfolio.

TARGETS

- 25% reduction in operational, landlord-controlled Scope 1 & Scope 2 GHG emissions of our real estate investments over 10 years (2.5% annually)
- 25% reduction in operational, landlord-controlled energy consumption of our real estate investments over 10 years (2.5% annually)
- 15% reduction in landlord-controlled water consumption over 10 years (1.5% annually)
- 40% diversion rate at landlord-controlled spaces within 10 years

SOCIAL

We believe that actively engaging with stakeholders is critical to our business and ESG+R efforts, providing valuable insight to inform strategy, attract and retain top talent and strengthen tenant relationships.

OBJECTIVES

- Routinely engage with our tenants to understand leasing and operational needs at our assets and provide tools and resources to promote sustainable tenant operations.
- Coordinate with tenants and property managers on implementing health- and well-being-focused initiatives.
- Assess our tenant satisfaction and feedback through annual tenant surveys.
- Provide our employees with annual trainings, industry updates and access to tools and resources related to ESG+R.
- Provide health and well-being resources focused on physical, emotional and financial health for our employees.
- Track and highlight our diversity and inclusion metrics of our employees, board and executive management team.
- Support and engage with local communities through philanthropic events, focusing on food insecurity and diversity, equity and inclusion ("DEI") initiatives.
- Incorporate sustainability clauses into tenant leases, allowing collaboration on our ESG+R initiatives.

GOVERNANCE

Transparency to our stakeholders is essential. We pride ourselves on providing our stakeholders with regular reports and detailed disclosures on our operational and financial health and ESG+R efforts.

OBJECTIVES

- Strive to implement best governance practices, mindful of the concerns of our shareholders.
 - This includes Code of Business Conduct and Ethics, enterprise risk assessments, whistle blower policy and management succession planning.
- Increase our ESG+R transparency and disclosure by providing regular updates to shareholders and other stakeholders and aligning with appropriate reporting frameworks and industry groups, including GRESB, SASB, GRI and the TCFD.
- Monitor compliance with applicable benchmarking and disclosure legislation, including utility data reporting, audit and retro-commissioning requirements and GHG emission laws.
- Ensure employees operate in accordance with the highest ethical standards and maintain the policies outlined in our Code of Business Conduct and Ethics.

RESILIENCE

We believe that our resilience to climate change-related physical and transition risks is critical to our long-term success.

OBJECTIVES

- Align our resilience program with the Task Force on Climate-Related Financial Disclosures ("TCFD") Framework.
- Evaluate physical and transition climate-related risks as part of our acquisition due diligence process.
- Utilize climate analytics metrics to (1) identify physical risk exposure across the portfolio, (2) identify high risk assets and (3) implement mitigation measures and emergency preparedness plans.
- Assess transition risks and opportunities arising from the shift to a low-carbon economy, including market, reputation, policy, legal and technology.

