



At LXP, we seek to create a sustainable environmental, social, governance, and resilience (“ESG+R”) platform that enhances 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 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

- Track and monitor all landlord-paid utilities and track tenant utility data wherever possible
- Strategically implement green building certifications to highlight sustainability initiatives
- Annually review and evaluate sustainability opportunities to increase efficiency and reduce costs
- Evaluate the opportunity to increase renewable energy (e.g. solar) across the portfolio

TARGETS

- 25% reduction in GHG emissions over 10 years (2.5% annually)
- 25% reduction in energy consumption over 10 years (2.5% annually)
- 15% reduction in water consumption over 10 years (1.5% annually)
- 40% diversion rate 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 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 all employees, our board, and executive management team annually to celebrate our diversity throughout the company
- Support the communities in which we live and work through philanthropic events, and support local charities through volunteer events

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, enterprise risk assessments, whistle blower policy, and management succession planning
- Increase our ESG+R transparency and disclosure through reporting to frameworks, such as GRESB, and providing regular ESG+R updates to shareholders and other stakeholders
- Monitor compliance with applicable benchmarking and disclosure legislation, including utility data reporting, audit and retro-commissioning requirements and GHG emission laws
- Evaluate various industry groups that promote our alignment with recognized industry ESG frameworks

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

