



## Environmental, Social Responsibility and Corporate Governance (ESG) Policy Statement

### Introduction

Since its inception, ProximityParks has been committed to Environmental, Social Responsibility and Corporate Governance Principles.

ProximityParks has made it its mission to follow the best business practices and embed top-tier international standards into its investments, operations, and decision-making processes, stemming from a strong conviction that the use of innovative and responsible business practices can drive value creation for all our stakeholders.

Ultimately, we only pursue investments that qualify as NNN+ (Triple-Net-Positive): net-positive for our customers, net-positive for the cities and the environment in which our properties are located, and net-positive for our investors.

### Policy Scope

The ProximityParks Environmental, Social Responsibility and Corporate Governance (ESG) Policy Statement (the "Policy") applies to all ProximityParks-controlled investments, vehicles, and operations.

### Objective

The Policy was created to communicate and formalize ProximityParks' commitment to operate under responsible business practices and follow international standards for Environmental, Social Responsibility and Corporate Governance.

Additionally, this policy confirms ProximityParks' long standing commitment to follow responsible investment practices by including ESG considerations in its investment and asset management processes.



## **Environmental Responsibility**

We take climate change-related risks into account in our investment decisions, with property resilience being paramount.

Our Actions:

- Since 2019 we have accelerated our efforts to significantly mitigate our impact on the environment, creating a plan for our current and future portfolio properties which includes efficiencies in different processes and the use of renewable energy.
- We use materials, products, construction methods, waste reduction and operational practices that consider environmental and human health impacts.
- Since 2020 we have achieved sustainable building certifications for all new developments, incorporating cutting-edge and efficient technologies to benefit our stakeholders.
- We maintain monitoring systems to know our consumption and seek to align ourselves with platforms that allow us to track our operational performance.
- Our environmental commitment is important, and we will continue to engage with our team members, customers, suppliers, investors and property neighbors to discuss opportunities for improvement in our performance. We welcome being challenged to seek new ideas and apply best practices in our portfolio.

## **Social Responsibility**

ProximityParks intends to create and maintain blue collar jobs inside the cities. Thus, allowing people to work close to where they live, saving valuable commute time, which they can spend with their loved ones.

Our Actions:

- Our properties are designed to promote occupant wellbeing, look beautiful and enhance their neighborhoods.



- We are careful not to introduce previously nonexistent commercial and/or heavy-vehicle traffic into residential communities.
- Internally, we promote an inclusive, meritocratic, transparent, and positive work environment. Currently, over 30% of our team is composed of talented women.
- We value our team by compensating them well and are willing to support and invest in relevant professional development.
- We care about the urban design look, feel, and livability of our properties.

### **Ethics & Governance**

We intentionally adopt governance standards that are similar to those of leading investment firms of the world and are outperforming funds of comparable size to ours.

Our actions:

- We have implemented a Compliance Manual, which includes an Ethics Code and a comprehensive description of the guidelines and values that ProximityParks and all its employees strive for.
- We perform periodic surveys and engage in conversations with our employees, investors and clients, cultivating strong stakeholder relationships through transparency and collaborative work.
- We look for stakeholders that share our company's values and ESG practices, our vendors and contractors must comply with all applicable labor conditions (fair wages, protection of health and safety of their workers, appropriate environmental procedures, among others), all of which are clearly described in every contract ProximityParks engages on contract.
- For all of our investment vehicles we strive to implement Governance best practices across our Committees, Policies and Procedures. That includes following ILPA (Institutional Limited Partners Association) reporting standards and having independent members in our Investment Committees, as well as in investor/Limited Partner Advisory Committees.