



Real Estate Equity Sustainability Investment Policy

About MetLife Investment Management

MetLife Investment Management (MIM), MetLife, Inc.'s (MetLife's) institutional investment management business, serves institutional investors globally by combining a client-centric approach with long-established asset class expertise. MIM's investment capabilities include deal origination, asset acquisition, trading, portfolio construction and monitoring, risk analytics and risk management. In 2022, we added a dedicated sustainability research and analytical capability to our platform through the acquisition of Affirmative Investment Management (AIM), a leader in sustainability and impact focused fixed income solutions.

MIM's investment teams aim to deliver strong, risk-adjusted returns by building tailored portfolio solutions for our clients across our core asset teams including public fixed income, private capital, and real estate. As a result, our investment analysts, asset originators, and portfolio managers are tasked with building and managing resilient investment portfolios. These responsibilities can include incorporating financially material sustainability assessments into our risk management focused investment processes, as well as offering strategies for, and knowledge sharing with, those clients who have defined sustainability objectives.

MIM's client base is diverse, and we recognize that clients' investment objectives vary. This is why it is important to offer a range of investment solutions to meet our clients where they are on their sustainable investing journey.

Sustainability at MIM Real Estate Equity

As a responsible real estate investor, we understand sustainability factors can impact investment performance and are important considerations to effectively manage risk and achieve our clients' investment objectives. We recognize uncertainties such as climate change, resource scarcity and regulatory compliance impact financial outcomes and work to mitigate these risks through our management activities.

We believe our focus on financially material sustainability factors is an important part of our mission. We incorporate sustainability best practices and innovations to deliver on our responsibilities to our clients. We also believe our sustainability program enhances value for the community, our tenants, our clients, and the real estate investments we manage on their behalf.

The United Nations Sustainable Development Goals provide a shared blueprint for achieving peace and prosperity for people and the planet, now and into the future, and inform our approach to sustainability incorporation.

Sustainability Programming at MIM Real Estate Equity

Our broad-based approach to sustainability incorporation is centered on verifiable programs and best practices that focus on tracking progress, innovating solutions, and achieving both short- and long-term goals regarding to decarbonization of our real estate assets. We utilize third-party benchmarks to track and share progress such as the EPA's ENERGY STAR® program, Principles for Responsible Investment (PRI) and the Global Real Estate Sustainability Benchmark (GRESB) as well as certification programs such as the United States Green Building Council's Leadership in Energy and Environmental Design (LEED); BRE Global's Building Research Establishment Assessment Methodology (BREEAM) and the Active Design Advisors, Inc.'s Fitwel certification.

Environmental

As we manage our investments, we recognize our ability to both positively and negatively affect our environment. We actively work with our properties to track their impact and strive to improve our footprint over time benefiting both people and the planet.

Data Management

Data for real estate equity assets under MIM Controls is tracked in an Equity Management System (EMS), and energy, water, and waste data is uploaded into ENERGY STAR Portfolio Manager®. Collecting whole building data, specifically tenant consumption, has historically been a challenge in the commercial real estate industry. At MIM, we are continuously improving tenant data collection to increase our whole building utility data coverage and the ability to track our efficiencies over time.

Energy, Water, Waste & GHG Management

We appreciate the importance of reducing greenhouse gas emissions as well as energy, water, and waste usage and costs across our portfolio through monitoring consumption, retrofitting equipment with more efficient



technologies and incorporating energy, water, and waste management best practices. We monitor property performance and opportunities using energy conservation measure surveys, onsite audits, and proactive asset management.

We undertake property assessments focused on understanding the energy, water, and waste consumption and emissions generation. We evaluate the feasibility of onsite renewables at our properties, and we work to procure green power for sites in deregulated markets. We also complete physical and transition risk assessments during the acquisition process and on an annual basis, to understand potential risks due to climate change, grid reliability, emergency preparedness, policy, legal, technology, market, and reputational risks.

Accelerating Change

We recognize that making progress on sustainability issues requires the engagement of both internal and external stakeholders. Internal stakeholders include portfolio and asset managers and acquisition officers. External stakeholders include investors, joint venture partners as well as third-party property managers, brokers, and consultants. We seek to leverage the best practices from all stakeholders in order to monitor, manage and celebrate progress.

Social Impact

People are the foundation of our business. We strive to create a healthy and productive work environment in which our employees are comfortable bringing their whole selves to work. At our properties, we seek to create great places to live, work, shop, and play.

Employee Engagement

Training and professional development opportunities are provided to MIM staff to continue their education and career pathways. Tips and resources are shared internally and externally to encourage energy savings both at work and at home which aligns with the tenets of our sustainability practices and fosters a shared commitment between all stakeholders to enhance energy efficiency across our global footprint.



Occupant Engagement

We engage occupants including office, industrial and retail tenants as well as multifamily residents on sustainability issues. We have enacted our Tenant Partner Program, green leases, and satisfaction surveys to ensure occupants are considered in decisions. Our teams regularly engage with occupants via social media and events, and we collaborate with occupants to understand how their sustainability goals may align with our goals. We strive to create healthy environments for those in our buildings through a focus on wellness and indoor environmental quality, aligning with the pillars of programs such as Fitwel and LEED.

Diversity, Equity, & Inclusion

MIM is committed to cultivating a diverse, global community that brings fresh perspectives, strategic thinking, innovation, and agile problem-solving to the table. Additionally, MIM has a Diversity, Equity, and Inclusion (DEI) committee that includes members of senior leadership. This DEI committee includes multiple subcommittees with a deliberate focus on supporting a diverse workforce.

Environmental Governance

MIM has layers of sustainability governance embedded throughout the organization to create redundancy and ensure action. We monitor our progress by benchmarking our portfolio and buildings with trusted industry organizations. Decisions are based on data, sound research, robust management, and governance controls.

Oversight

A Real Estate Sustainability Advisory Committee, including senior leadership from many disciplines, drives sustainability strategy for real estate equity. This committee meets quarterly and reviews major advancements and challenges in MIM's approach to Real Estate sustainability matters. MIM's Real Estate sustainability program is led by the Head of Sustainability for Real Estate and a dedicated team that is responsible for incorporating sustainability best practices in the investment and management of our assets.

Transparency

MIM is committed to reporting on and monitoring progress through public reporting and commitments. MIM reports on sustainability progress through GRESB, PRI transparency reports, and MetLife's Annual Sustainability Report. We are a signatory of the Department of Energy's Better Buildings Challenge and Better Climate Challenge as well as the Urban Land Institute Greenprint Center's Net Zero Framework. In addition, we celebrate our success through recognitions such as ENERGY STAR's Partner of the Year-Sustained Excellence award.

Our Net Zero Commitment

MetLife, the enterprise, has been carbon neutral since 2016 and announced a goal to achieve net zero greenhouse gas emissions, across the company's global operations and general account investment portfolio by 2050 or sooner. We recognize the importance to set and work towards short-term goals or, Key Performance Indicators (KPI's). In real estate equity investments, we utilize the MetZero™ program to set, track and achieve these goals.

MetZero™

MIM's MetZero™ program uses a Carbon Cascade™ approach to reduce emissions through investments in energy efficiency, renewable energy, off-site green power procurement, renewable energy certificates (RECs), and carbon offsets. MIM set a short-term target for a 50% reduction in financed emissions by 2030 for equity assets. Select MIM-managed investment vehicles have set more ambitious carbon targets to achieve carbon neutrality sooner than 2050 and to incorporate scope 3 emissions. MIM is also an inaugural partner in the Department of Energy's Better Climate Challenge, which requires a 50% reduction in scopes 1 and 2 emissions within 10 years of signing and a signatory to the Urban Land Institute's Greenprint Net Zero Framework, which requires a 50% reduction in scopes 1 and 2 emissions by 2030 and net zero by 2050.

MIM believes that responsible real estate investing can improve communities, increase financial performance, and reduce risk, while generating positive environmental impacts. By implementing the principles and best practices above, we believe MIM can better meet the investment objectives and other outcomes that our clients and investors have come to expect while also building strong, sustainable, and resilient communities.





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