



CREATING POSITIVE CHANGE

Shaping a sustainable future

2024
ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

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A Letter from Our CEO

Since its inception in 2000, Westcore has actively pursued Environmental, Social, and Governance (ESG) initiatives, recognizing the ongoing opportunity for progress.

We are committed to incorporating ESG factors into our decision-making processes and have become a signatory to the UN's Principles for Responsible Investment, while also supporting the Task Force on Climate-Related Financial Disclosures. Additionally, we participated in the 2023 GRESB Assessment to benchmark our performance against peers and identify areas for improvement, and we plan to participate in the 2024 assessment as well.

We believe in the value of diversity in our team and the importance of shared values in our interactions with stakeholders and customers.

Throughout our years of buying and repositioning, we are dedicated to rehabilitating our facilities and integrating responsible development practices.

Strong governance is paramount to us, and our robust processes and track record instill trust and confidence in our clients.



We are excited to be on this journey of growth.

Donald Ankeny
President & CEO

25.2M

Total Rentable SF

370+

Tenants

188

Buildings

59

Team Members

We are a real estate investment company that has been operating for 20+ years with a team of dedicated professionals. Our senior leadership has over 100 years of valuable commercial real estate experience.



Our Mission

Utilize our expertise and experience to deploy capital and talent to act on opportunities, deliver superior outcomes to stakeholders, and strive for excellence in everything we do.

Our Vision

To become the premier industrial-focused real estate company in the United States.

Current Capital Partners



— **Founded in 2000**

— **Headquartered in San Diego, CA**

— **Fully-integrated operating platform**

— **Institutional scale and capabilities**

— **Proven track record of realizing value**

— **Access to off-market deal flow**

— **Strong broker relationships**





Our Core Values

Integrity

We behave ethically, honestly, and respectfully.

Commitment

We foster a culture of service, responsiveness, accountability, and professionalism.

Balance

We have high expectations and work hard to achieve results. We also value every employee and encourage them to maintain a healthy balance between work and life.

Teamwork

We are a group of people with diverse talents working together to produce positive, synergistic results as a team.

Excellence

We are a high-performing organization, and we strive for excellence in everything we do.



Westcore Culture



We treat others with...

- RESPECT
- EMPATHY
- INCLUSION
- SUPPORT

Our team is...

- EMPOWERED
- ACCOUNTABLE
- COMMITTED
- ADAPTABLE
- NIMBLE
- ORGANIZED
- MOTIVATED



We maintain...

- HUMILITY
- INTEGRITY
- BALANCE
- TRUST

We believe in...

- TEAMWORK
- CONNECTION
- CONSENSUS
- PERSEVERANCE
- LEARNING
- MENTORING
- RELATIONSHIPS



We are...

- HIGH PERFORMERS
- GOAL ORIENTED
- PASSIONATE
- FAST-PACED
- AMBITIOUS

Guided by outcomes.
Driven by values.



INVESTMENT STRATEGY

Our Focus on Rehabilitation

Our investment strategy places strong consideration on EFFICIENTLY LOCATED LOGISTICAL real estate that directly benefits customer needs.

We actively seek to REDUCE ENVIRONMENTAL IMPACTS and enhance the sustainability of our properties.

Our ongoing priorities include REUSING & REHABILITATING existing buildings, providing meaningful community investments, setting long-term reduction goals for our greenhouse gas emissions and carbon footprint, and assessing how best to face environmental risks in our industry.



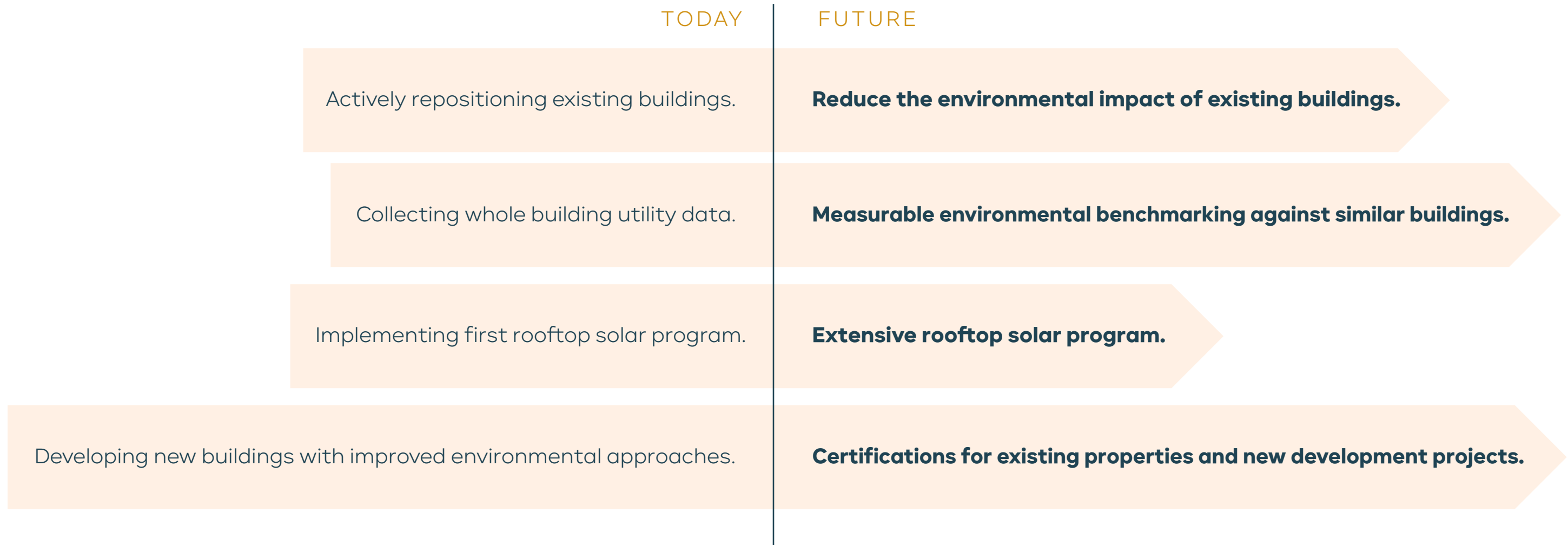
ESG Roadmap

+ Environmental
Repositioning and Renewal

+ Social
Innovation through Diversity

+ Governance
Collective Accountability





We diligently assess and mitigate environmental risks for our properties.

Furthermore, we are continuing to embrace a hybrid work structure that reduces the carbon footprint of our team.



Progress: Environmental Initiatives

Focus	Baseline Year Goals (2021)	Progress To Date	Status	2024 Targets
Active Reuse and Rehab	Reusing and repurposing aging facilities to reduce obsolescence and deferred maintenance, reduce waste and extend lifespan.	Implemented sustainability upgrades to existing properties to improve building standards and sustainability. Installed LED lighting in 48% of the portfolio reducing energy usage by 11%. Installed low flow fixtures/drought-tolerant landscaping.	On-Going	Assess further sustainability improvements through data collection, property audits, and energy/water/waste/greenhouse gas/carbon emission reduction goals.
Property Data Collection	Commencing the collection of property utility data for benchmarking.	Gathered data on tenants energy, water, and waste usage. Inputted data into data repository Measurabl. Self-reported to GRESB to benchmark against industry. Increased data collection 16% from the baseline.	On-Going	Establish baseline building data in order to set goals for energy reduction.
Solar	Implementing first rooftop solar project.	Assessing solar providers and options for implementing solar project. Executed solar option agreements with solar group for two assets.	On-Going	Implement at least one rooftop solar project.
Sustainable Development Practices	Performing improvements to existing buildings and developing new buildings with improved environmental approaches.	Ensuring environmental impacts are mitigated, and sensitive habitats are properly monitored and assessed prior to development.	On-Going	Certifications for existing buildings and new development projects.
Climate-Related Risks	Mitigating risks from climate change, natural disasters, and man-made impacts.	Routinely assessed fire, earthquake, flood, air quality, and other environmental risk factors as part of our acquisition and operational strategies and implement improvements. Contributed to carbon offset tree planting non-profit.	Early Stage	Conduct property audits on building resiliency and climate risks during acquisition due diligence.



Property-Focused Environmental Initiatives

OUR GOALS & FUTURE INITIATIVES

Conduct regular assessments, benchmarking, and reporting of environmental impacts, energy use, water use, waste production, and greenhouse gas emission reduction to achieve measurable impact reductions and long-term energy reduction goals.

Engage third-party partners for an energy audit to understand the current carbon footprint and find solutions for reducing carbon footprint across the portfolio.

Undertake renovations with building materials aimed at reducing energy use, water use, waste, and greenhouse gas emissions.

Develop rooftop solar programs with the first project in process.

Incorporate green building practices into development projects and obtain green building certifications.

Create sustainable operating goals, policies, and investment criteria to guide investment decisions consistent with core values and ESG aspirations.

Implement a solar roadmap for feasible future and current projects.

Assess asset resiliency and make appropriate improvements.

Install smart energy and water metering to monitor new and existing project systems. Self-report ESG information, benchmark against industry data (e.g., GRESB), and produce an annual impact report.

Obtain energy audits to analyze and identify measures for efficient energy usage and greenhouse gas emission reduction.

We are fully committed to embracing green building principles and incorporating energy efficiency and resource management into our operations.





We foster a culture of service, responsiveness, accountability, and professionalism.



Client-Focused Environmental Initiatives

We deliver high-quality results to our customers through a variety of environmental approaches, including:

The repurposing of older buildings into functional assets with a focus on sustainable and modern industrial needs.

The installation of building improvements that reduce energy use, water consumption, and waste production.

A focus on safety through minimized deferred maintenance, active property management, and regular assessments of building systems.



Client-Focused Environmental Initiatives



Creating Functional & Sustainable Buildings

A core strategy of Westcore is to own and operate well-located, functional real estate that services the needs of industrial clients, and by extension, the whole community.

We acknowledge that our properties – whether new or improved-upon – impact and benefit the climate, the community and the customers. We evaluate energy and water efficiencies, indoor air quality, energy-efficient lighting fixtures, and the use of sustainable materials.



Safety Initiatives

Ensuring the safety of our customers and assets is a central priority at Westcore. Property business plans consider factors such as existing deferred maintenance, obsolescence, and/or required repairs and maintenance.

Proactive strategies are developed to mitigate or resolve issues, and our internal property management staff provides active, hands-on oversight and conducts regular assessments of building systems to confirm proper functionality.



Customer Service

At Westcore, we value exceptional service and strive to understand our clients' businesses, needs, goals, and beliefs. We prioritize building trust and integrating our tailored ESG strategies into our communication with all those who walk through our doors. As part of our commitment to continually improving the tenant experience, we regularly hold outreach meetings and conduct surveys to gather feedback.

We have implemented technological systems to improve communication, responsiveness, and access to documentation and payment processes. It's a priority to respond to customer feedback within 24 hours and promptly address property issues and maintenance concerns to allow clients to focus on their business operations.



Client-Focused Environmental Initiatives

Current Initiatives

We pride ourselves at Westcore on being a valuable partner to our customers so that they can focus their efforts on serving the community. Our goal is to provide sustainable, efficient, and functional assets in locations that benefit the community and meet customer needs.

Additionally, we seek to improve customer service through advanced technological offerings, increased outreach and involvement, and reduced operating expenses through sustainable efforts and the usage of efficient building materials.

Future Targets

To ensure we make progress toward these goals, our targets for the next three years include:

- + Reviewing and enhancing technological infrastructure to provide additional online services towards improving customer communication, responsiveness, and the identification of property-related concerns.
- + Undergoing regular assessments of energy use, water use, waste production, and greenhouse gas emission reductions, and developing targets for reduction and implementation procedures.
- + Formalized disaster recovery plan for risks such as flooding, brush fire, and active shooter events to confirm the safety of customers and assets.
- + Providing water/energy/recycling best practices guides to tenants to promote energy efficiency.



We conduct regular tenant surveys to ensure we respond to the needs of our customers.



Progress: Social Initiatives

Focus	Baseline Goals (2021)	Progress To Date	Status	2024 Targets
Diversity, Equity, Inclusion	Benchmarking our diversity against other companies, industries and the nation.	Successful strides in the diversity of multiple mid-management positions. Consciously paving the way forward for advancement opportunities as Westcore continues to grow.	On-Going	Meaningfully improve the diversity of the senior team.
Education	Cultivate a learning mindset by providing a supportive space for team members to ask questions and be curious about everything industry and career related.	Continued growing Westcore University and mentorship program to enhance CRE career education. Assisted in career advancement by promoting a group of individuals from within.	On-Going	Further develop and expand mentorship program to educate underrepresented high school students on CRE.
Culture	Continue to improve our culture by listening to our team members and embracing change.	Conducted employee surveys to assess what improvements to make to enhance their feeling of belonging.	On-Going	As we grow, we will focus on the importance of culture, and continue to ensure all employees are cultivated upon hire and provided the tools to be successful.
Health and Wellbeing	Enhance employee health and well-being through health and wellness program.	Offered lunch and learns on various health and wellness topics, awarded employees for completion of all health and wellness program requirements. Implemented new fitness program that includes team challenges to motivate employees to work together toward health goals including exercising, drinking more water, etc.	On-Going	Increase employee participation in health and wellness program by using new third-party platform for challenges, points, workout syncing, etc. Implement health/wellness aspects into company events and outings. Facilitate conversations around different topics in wellness.



Innovation through Diversity

WHERE WE ARE TODAY

WORKFORCE

46%

Female

28%

Diverse Ethnicity

SENIOR TEAM

31%

Female

8%

Diverse Ethnicity



Innovation through Diversity

WHERE WE ARE TODAY

Key Features

Many of our female senior team members have working spouses and have had children while at Westcore, all while continuing to grow in their roles and responsibilities.

Property investments in economically challenged areas, with a focus on improving the look and performance of these properties for the betterment of tenants and the surrounding community.

We promote a culture of open discussions on challenging issues like diversity, justice and inclusion where opinions can be shared without fear of retribution.

In-house Director of Human Resources and General Counsel.

All employee files are stored in a locked safe within the office of the Director of Human Resources.

Current Initiatives

Benchmark our diversity against other companies, counties, and the nation.

Best-in-class employee protections coupled with a culture of trust and collaboration.

Developing world class managers to support and guide new generations to come.

Future Targets

- + Meaningfully improve the diversity of the senior team.
- + Further development of employee protection protocols.
- + Fostering a culture for open discussions on justice, equity, diversity, and inclusion.

Detailed Employee Handbook inclusive of:

- Anti-harassment policy and complaint procedure
- Equal employment opportunity
- Disability accommodations
- Business code of conduct
- Information Security Policy






Innovation through Education

STRONG LEARNING & TEACHING CULTURE

Westcore University

Created in 2008, Westcore University is an internal program that educates team members on how Westcore functions and operates. The goal of these collaborative sessions is to continuously cultivate a learning mindset by providing a supportive space for team members to ask questions and be curious about everything from leadership skills, learning from mistakes, conflict resolution, creating value, and much more.

Westcore Mentorship Program

We are invested in creating unique opportunities in nearby communities, allowing students to learn about commercial real estate, gain valuable hands-on experience, and make connections in the professional field. Mentees and interns meet regularly with Westcore team members to better understand the activities and efforts involved in running a successful company. We partner with USD's Burnham Moore's Center of Real Estate Mentor Program and Cristo Rey Network of high schools for mentorship programs that benefit economically disadvantaged students.

Active Mentoring & Coaching

We believe that for Westcore to grow, everyone needs to feel supported and involved. Senior leadership understands the value of individual growth, and they seek to share their industry knowledge and best practices.

Education Assistance Plan

Westcore believes that employees who possess a desire to continue their education in addition to performing their full-time job show a commitment to improving themselves and their position within the Company. To encourage and reward these individuals, we offer an Education Assistance Program which provides monetary assistance towards tuition fees.

Track Record of Promoting from Within

We genuinely enjoy and seek to assist in the career aspirations of each and every Westcore team member. We have had great success promoting from within, as some of our best personnel started in very junior positions at the organization. We continue to embrace this approach as internal career progression will ultimately lead to long-term brand ambassadors and guide us all to the desired outcomes for both company and employee.



We Put Our Team Members First

Current Initiatives

Maintain a connected culture while growing our team.

Continue to improve our culture by listening to our team members and embracing change.

Ongoing flexibility to address team members' changing life circumstances, allowing them to continue to contribute to the team and feel a stronger sense of belonging to Westcore.

Future Targets

- + Continue to evolve a hybrid work structure, promoting balance and reducing commute time.
- + Continue to find competitive ways to maximize an affordable benefit offering to ensure best-in-class care and well-being.
- + As we grow, we will focus on the importance of culture, and continue to ensure all employees are cultivated upon hire and provided the tools to be successful.



Our Charitable Focus: Education and Environment

COMMUNITY SERVICE & SOCIAL IMPACT

We understand the value of education and the importance of helping others develop future skills, particularly in underserved communities. We are proud to support organizations that share our passion for empowering future leaders to thrive.

We are honored to support many local charities and organizations



We seek long-term solutions to make our community a better place to live, work and learn. We are committed to the care and stewardship of the communities in which we do business.



Progress: Governance

Focus	Baseline Year Goals (2021)	Progress To Date	Status	2024 Targets
Data Management	Enhance ESG data management.	Collaborated with Measurabl to set up and evolve approach.	Early Stage	Collect whole building data (energy, water, waste) for all buildings.
Reporting	Commence ESG reporting efforts.	Became PRI Signatory, committed to funds submitting to GRESB, became a supporter of the Task Force on Climate-Related Financial Disclosures recommendations. Improved our GRESB score to two stars and received a green star rating.	On-Going	Further streamline our reporting processes and continue to improve scores and ratings.
ESG Leadership	Incorporating ESG principals into company decision making.	Created ESG Oversight Committee to ensure ESG is a focal point in business decisions. Created best practices for sustainable operations.	On-Going	Continue to assess ESG principles into our decisions making processes.
Cyber Security	Cloud based configuration management patch management (incl. 3rd party SW). Continual Security Awareness Training. Transition of infrastructure to cloud-based SaaS solutions.	Enhanced multi-tier Email threat protection. Switched to password-less, multifactor authentication & anomaly detecting identity management. Revised IT security policies/controls to meet industry standards. Continual Security Awareness Training. Implemented secure messaging platform for enhanced email security. Onboarded organization to an XDR platform for comprehensive security. Evaluated SASE/SSE solutions.	On-Going	Re-evaluate Endpoint Protection/NGAV/EDR solutions. Re-evaluate SASE/SSE solutions with hope to implement one or build a cloud-based equivalent on our own. Address IT Scoped BCP/DR. Research SOAR solutions and AI-driven DLP & Data Retention/Destruction Solutions.
Risk Mitigation	Identify Areas for Improvement.	Assessing building resilience related to climate change.	On-Going	Conduct property audits on building resiliency and climate risks during acquisition due diligence.





Governance: Collective Accountability

Governance is critical to how we operate and reduce risk.

We believe that strong governance combined with empowerment will lead to greater success.

This is reflected in our culture of integrity and respect, our operating protocols, our approach to diversification, and our risk management program.





Collective Accountability

OPERATING PRINCIPLES

We have a 10+ year track record of managing institutional capital. Our operating protocols include:

- ✓ Our board of directors is made up of both executives and external advisors. Two-stage investment committee approval: initial investment and non-refundable milestone. Investment committee includes an external advisor.
- ✓ Extensive due diligence process for new acquisitions. In-house general counsel overseeing all contracts.
- ✓ Annual audits at corporate and fund levels.
- ✓ Checking approval workflow software system with multiple layers of approval.
- ✓ Multiple-step approval for all outgoing wires including dual approval for higher wire amounts.
- ✓ Clear and documented contract signing protocol with limited authorized signatories. Contracts include non-discrimination policy, OFAC compliance, and Covid-19/Pandemic protocols.
- ✓ Established policies, procedures, and controls throughout the organization and all departments.
- ✓ 3rd party cloud-based software for (a) communication and document storage (MS Outlook, MS Teams, MS SharePoint) and (b) accounting and payables (Yardi).
- ✓ Segregation of customers' personal information.
- ✓ Cybersecurity lead by in-house IT manager. Software includes VPN, anti-spam, anti-virus and firewall. Westcore implements cybersecurity controls to meet and exceed regulatory requirements as well as industry best practices. Layered defenses, selecting best-in-class solution providers that attest to the highest standards, effective awareness training, and continuous evaluation and revision of our policies and operational practices allow us to stay ahead of the curve in meeting cybersecurity challenges.
- ✓ Employee handbook addressing employment policies, benefits, standards of conduct, confidentiality, security & safety, and open-door communication policy.
- ✓ Ongoing employee harassment training.



Collective Accountability

Risk Management

Proactive management including ongoing property inspections, tenant communication, and disaster management planning.

Robust corporate insurance including general/auto/umbrella liability, employment practices liability, professional (errors & omissions) liability, fiduciary and criminal liability, employed lawyers' liability, cyber security, workers compensation, directors and officers. Property insurance includes all risk, earthquake, wind, pollution, terrorism, and liability/umbrella.

Current Initiatives

Complete department-level "playbooks" for all departments.

Created ESG Oversight Committee that includes Westcore's COO, General Counsel, and heads of asset management and human resources.

Incorporation of ESG principles into company decision-making.

Increased diversity at the senior leadership level.

Future Targets

- + Improved department-level "playbooks" for all departments.
- + Further cyber security training.
- + Participating in industry discussions and thought leadership on environmental impact reduction.

**Guided by outcomes.
Driven by values.**



We aim for a diversified property portfolio relative to location, age building/suite configurations, and target customer.



Relevant Case Studies

+ **Blight Remediation & Redevelopment**
Compton, CA

+ **Property Rehabilitation & Reuse**
Stockton, CA

+ **Green Building Certifications**
LEED Building Certifications



Blight Remediation & Redevelopment

CASE STUDY: COMPTON, CA

- + Transformation of a blighted, obsolete site located in an underserved community into a modern, functional state-of-the-art, Class A distribution facility.
- + Site located proximate to the port, major freeways, and designated truck routes, reducing drayage and truck trip distances to end users.
- + The site required environmental remediation and before prior to development.
- + Building and site designed and developed to be energy efficient and meet the needs of industrial users and the community.
- + Community outreach was conducted to inform site design, access, and aesthetics.
- + Sustainable, indoor farming business leased the site on a long-term basis due to the locational, functional, and sustainable benefits of the site. Farming business serves the local community.



Property Rehabilitation & Reuse

CASE STUDY: STOCKTON, CA

- + 15 various buildings on 40 acres of land constructed in the 1970s for agricultural purposes.
- + Identification of deferred maintenance, obsolescence, and required maintenance, repairs, and capital expenditures.
- + Implementation of proprietary rehabilitation and reuse program to re-position site for customer fulfillment.



- Incorporation of energy-efficient materials when possible
- Concrete and asphalt repairs and replacements
- Improving raw land for automobile and truck parking
- Exterior refresh
- Interior improvements including restroom refreshes and additions, warehouse painting, and lighting, and office area improvements

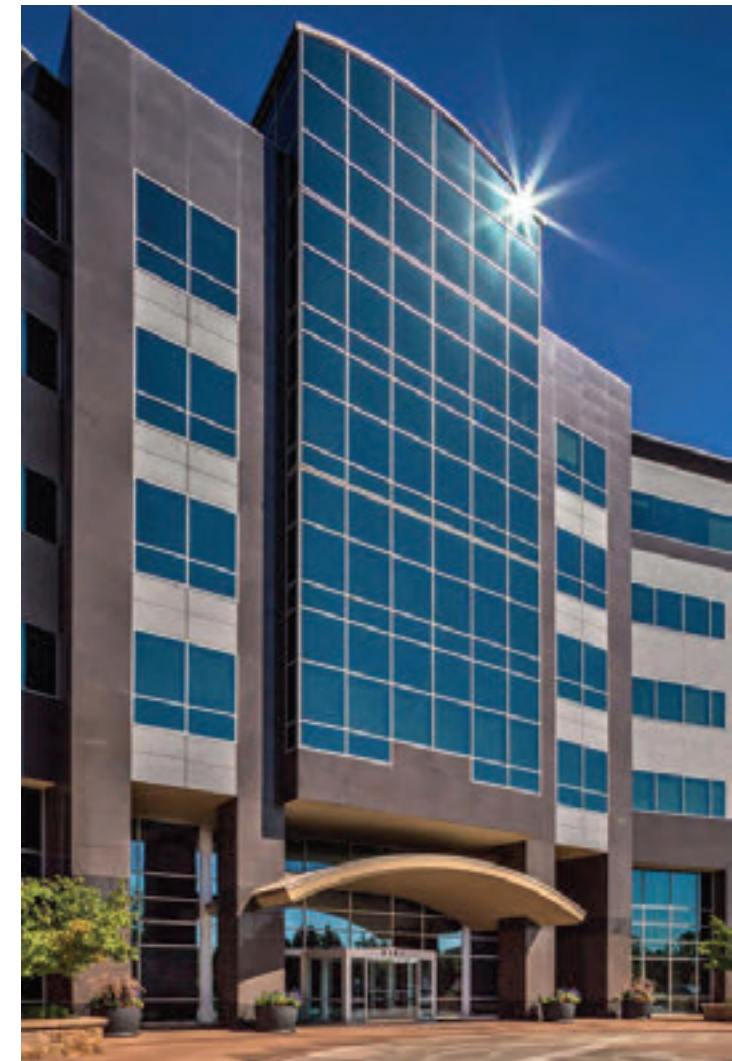
- Accessibility improvements
- Installation of new roofs and seismic retrofits to proactively improve safety and mitigate risk
- HVAC replacements
- Fire sprinkler and safety upgrades
- No planned demolition of existing structures; creative reuse and rehabilitation



LEED Building Certifications

Focusing on sustainable strategies and outcomes, Westcore sought to improve energy and operational inefficiencies in existing buildings. These efforts resulted in LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED) certifications for the following properties:

- + LEED Platinum certification for a Class A, 520,000 square-foot building in downtown Oakland, CA. At the time, the U.S. Green Building Council cited the property as a pioneering example of sustainable design that demonstrated leadership in transforming the building industry.
- + LEED Gold certification for Class A, 185,000 square foot building in Denver, CO strategically located near the intersection of two major freeways.
- + LEED Silver certification for a 44,000-square-foot building in Sacramento, CA.





**Guided by outcomes.
Driven by values.**