

**Environmental, Social and Governance Policy – FPA
Multifamily, LLC and its affiliated companies**

Overview

FPA Multifamily, LLC (“FPA”) is a privately held real estate investment management company in its fourth decade of operating performance. FPA invests in multifamily real estate across the continental United States and is an experienced investor and real estate operator. FPA has adopted an environmental, social and governance (ESG) policy to address issues of sustainability and social responsibility.

Mission

As a multifamily real estate company, it is our responsibility to reduce our carbon footprint with an economically efficient conservation program. FPA is committed to implementing ambitious environmental and social initiatives that enhance investment performance, operational efficiency, quality of life for employees, and resident satisfaction. New initiatives are evaluated based upon their return on investment, materiality, alignment with core company values of trust, teamwork, and leadership, and their ability to move the needle forward for the UN Sustainable Development Goals most closely tied to FPA’s global citizenship priorities; Quality Education (#4), Decent Work and Economic Growth (#8), Industry, Innovation, and Infrastructure (#9), and Responsible Consumption and Production (#12).

Sustainability

Sustainability is integrated into every aspect of FPA’s operations. Rigorous supply chain management, thoughtful material selection, and stakeholder engagement are paramount to the overall success and efficacy of FPA’s environmental programs.

In building operations, FPA seeks to reduce energy and water consumption and greenhouse gas emissions through efficiency retrofits, energy management and automation systems upgrades, smart building technology, onsite solar projects where viable, and electric vehicle charging stations. The goal is to manage environmental impacts to further a safe and healthy environment. FPA believes efficient and sustainable operations can lead to reduced consumption and as a result reduced costs, which results in an overall benefit to investors.

In addition to implementing recycling at the property level, Redwood Construction and the Facilities Management team diligently reduce the use of materials to what is really needed, reusing and upcycling material whenever possible, and recycling any leftover waste to minimize value lost.

As members of 1% for the Planet, FPA has committed to donating 1% of annual property management revenue to environmental nonprofits doing exemplary work. Recently, FPA has partnered with the Bonneville Environmental Foundation to assess the carbon and water footprints of the company’s offices, multifamily properties, and operations, and soon they will hand-select local carbon offset, water restoration, and renewable energy projects to help offset FPA’s carbon and water footprints and support efforts to mitigate climate change and preserve and rehabilitate waterways.

As members of ULI Greenprint Center, FPA has committed to measuring, benchmarking, knowledge sharing, and implementing best practices to shape industry standards and reduce energy consumption, carbon emissions, water use, and waste generation.

Lastly, since we have attained increased data coverage across our portfolio in recent years, we aspire that the next natural step of our ESG journey be to achieve carbon neutrality. We have already established our intent with the SBTi to set science based targets and have also begun the process of engaging our ESG consultants to actively discuss measures to strategize how to set and realize our targets.

Social Responsibility

FPA strives to be a responsible member of the community. FPA is committed to anti-corruptions, human rights, labor rights, the health and safety of its employees and the residents at its portfolio properties. By organizing employee volunteer events and implementing a paid VTO (volunteer time off) policy, the company encourages all staff members to volunteer time and resources to responsible charitable organizations and engage in meaningful outreach to improve the community. FPA also supports and encourages its personnel to assume leadership roles in charitable and community organizations.

As a company, FPA contributes to a number of charities and organizations engaged in work essential to the vitality of the community. FPA has committed 5% of incentive fees received to go directly to the G. A. Fowler Family Foundation, a charitable foundation. Thus far, the Foundation has invested over \$1.0M in its Scholarship Program, which provides educational opportunities to team members and their dependents seeking higher education. The Foundation also supports FPA’s Real Estate Internship & Future Leadership Programs, which provide hands-on real estate experience for first-generation college students.

Governance

FPA has adopted a Code of Conduct and an employee handbook that requires employees to uphold a high level of professionalism and integrity when conducting business.

In addition, FPA has in place organizational documents that govern each investment fund and adheres strictly to the

provisions of all such documents. FPA's business operates within all applicable laws and regulations. FPA operates each of its assets with a high level of commitment to value creation and excellence. FPA constantly monitors the performance of its third-party vendor-partners, brokers and other service providers to determine the quality of performance of those firms and to ensure compliance with operating standards and contractual obligations.

Fiduciary Responsibility

FPA is committed to operating its business in a responsible, ethical and transparent manner. FPA seeks to accomplish and even surpass the goals detailed in our investment guidelines and documentation. FPA has a goal of providing transparency to investors as it works to maximize property and portfolio performance.

Integration and Engagement

FPA's investment decision making process includes consideration of operating and energy saving initiatives for an asset during due diligence. During the due diligence process and throughout the ownership period, FPA utilizing its own personnel as well as reputable and knowledgeable third-party providers, evaluates the asset, including a study of the potential for energy and cost saving opportunities. To manage sustainability-related value creation opportunities and risks during the asset ownership period, the asset and property management teams will, to the extent feasible and indicated, carry out the cost and energy saving programs as implemented in the budget, as a part of the business plan for the investment.

An integral aspect of the performance and realization of value creation opportunities is the monitoring and improvement of ESG matters as technology and research provide new means and methods to support ESG innovations. All FPA professionals and third-party property managers are tasked with providing annual performance measurement of each individual property, including information about operating costs and the implementation of any sustainability or other cost saving programs. FPA's general contractor division is a member of the US Green Building Council. The company will seek Green Financing initiatives offered by lenders, when available, which result in reduced lending rates.

Community Engagement

Seeking to make an impact in ESG even beyond our operations, FPA has launched two community engagement programs, one that is for residents and the other that is for employees.

The resident program is dedicated to expanding our focus on the overall health and wellness of our residents and bettering our planet. Each month, residents receive via email useful information about personal health, wellness, and sustainability as well as invitations to virtual classes offered throughout the year. The program was designed to identify community needs through social determinants of health to bridge access to those vulnerable or living in marginalized communities. The social

determinants of health considered include economic stability (SDG #8), education (SDG #4), personal health practices and coping skills, environment (SDG #9), and social norms and attitudes. In addition, we encourage philanthropy amongst our residents through local donation drives and fundraising at the property level. Each year, FPA partners with a nonprofit organization doing exemplary work in our communities. Residents can make donations to the nonprofit when paying their rent, and then FPA matches the donations, dollar for dollar. Through FPA's partnership with Move for Hunger, residents can donate non-perishable food items before moving out or going on vacation, and the items will be taken to a local food bank to reduce food waste and fight hunger.

The employee program called Committed to Community, is a community engagement program that extends FPA's efforts beyond just the residents and to the broader communities in which they live. Food insecurity and clean water (SDG #12) are an important focus. With the help of the G. A. Fowler Family Foundation, substantial donations are made nationwide to various food banks and organizations improving water quality. Through the Committed to Community program, employees receive information on social impact opportunities on ESG, sustainability, cultural sensitivity, diversity, and inclusion.

Administration and implementation of this Policy

The Chief Compliance Officer of the Registered Investment Advisor is the administrator for this policy in consultation with FPA's General Counsel. Each has the authority to implement change and enforcement of the policy.

FPA has developed an ESG Committee, spearheaded by the company's ESG Director and consists of C-suite level staff, portfolio managers, investment analysts, and representatives from investor relations, construction, facilities management, regional management, marketing and training, and technology divisions. The Committee meets quarterly and communicates proactively to monitor progress and evaluate and implement new ESG initiatives.

Reporting and Disclosure

FPA is committed to the ongoing reporting and of its ESG initiatives. We continually monitor progress towards targets and we regularly report on issues of ESG relevance through our website, annual sustainability report, GRESB, the UNPRI reporting framework, and the UN Global Compact communication on progress statement.