

ESG IMPACT REPORT 2021



HARRISON STREET
Making an Impact.



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AN INTERVIEW WITH OUR CEO



CHRISTOPHER MERRILL
CO-FOUNDER, CHAIRMAN & CEO

"Making an Impact" is Harrison Street's tagline; how do you make an impact with your investment portfolio?

We thoughtfully designed the business to focus on investments that provide a positive impact on societies. With our senior and student housing assets, we provide high-quality modern communities where residents can thrive and be well taken care of in healthy and mentally stimulating environments. Through our investments in medical office and life sciences, we provide state-of-the-art facilities that perform a variety of medical services, including cancer treatments, orthopedic surgeries, and behavioral science therapies, and offer research space for tenants to develop lifesaving treatments, devices, and therapies for chronic illnesses. In addition, we make a positive impact with our investments in infrastructure, which include renewable assets such as wind, hydro, and solar, which are an essential part of the energy transition away from fossil fuels, and significant investments in public-private partnerships (P3) with universities, health systems, and municipalities.

We are also making an impact within our organization by minimizing our environmental footprint and reducing operational costs associated with natural resource consumption. Our corporate offices in both Chicago and London are operating as net zero buildings for Scope 1, 2, and 3 emissions and have Fitwel healthy building certifications.

Harrison Street's portfolio focuses on alternative investments. How do these property types serve investors?

Our investments are focused on servicing needs-based demand from users, so they are more resilient and tend to be less volatile to fluctuations in the economy. We provide our investors with investment opportunities that are not only financially attractive, but also generate a social economic value. We want to create a

measurable, positive impact with our investments. Since inception, in collaboration with our operating partners, our assets have housed over 500,000 students and cared for over 56,000 senior living residents. In addition, through our (re)development activities we are also able to create jobs and support the economy even further.

Harrison Street has invested over \$1.2 B in public-private partnerships—why has Harrison Street chosen these forms of investments and how can they support the clean energy transition?

Since inception, we have spent significant time developing and nurturing relationships with top universities and health systems. We understand the challenges facing these institutions and the critical need for well-run campus facilities. Deferred maintenance, decarbonization, and resiliency trends have led to an increased need by these institutions for knowledgeable, long-term capital solutions in the space, which has come in the form of public-private partnerships. Through our P3 investments, we can provide critical service providers, such as healthcare and education institutions, with clean energy and sustainable buildings. Our involvement enables communities to embrace the latest technologies that improve operational efficiencies, engage in emissions reduction activities, and address maintenance issues that were previously deferred. Harrison Street is a trusted long-term partner with the network to coordinate efforts among campuses, local powerplants, and renewable energy generation. In addition, many of our P3s have their own carbon reduction targets, which aligns with our reduction goal of 70% by 2025. This form of engagement is mutually beneficial and enables us all to invest in cleaner energy and improved accommodation for users.

How has ESG changed the industry over the last few years?

The interest in ESG by the industry and our key stakeholders has grown exponentially over the past few years. Fortunately, ESG has been our focus since even before launching a formal program in 2013. Today, this includes an Impact Department fully dedicated to the management of ESG along with several committees throughout the organization. Initially focused on improving building efficiency, these efforts have evolved to more holistically encompass the Firm's climate action response, including both GHG reduction and climate resiliency plans. In addition, interest continues to grow around social impact programs, ranging from operating buildings that support the health and safety of occupants, to utilizing new technologies that provide enhanced care for residents. Addressing climate risks, demonstrating cost savings, promoting wellness for building occupants, and providing bespoke ESG stories for each of our assets have been big factors in driving the success of our ESG initiative.

Looking ahead to 2022, what will be the main focus areas for Harrison Street?

We have set clear goals to significantly reduce our carbon emissions across our portfolio by 2025, to pursue healthy building certification on all applicable properties, and to increase the diversity of senior team members. We will continue to provide transparency to our investors regarding our ESG program and performance and maintain our engagement with operators across the globe as we further incorporate ESG within their operations. Lastly, as a first-mover in alternative investments, we continue to challenge ourselves to innovate across our strategies and think differently in how we define, execute, and measure ESG initiatives in a meaningful way. We aim to position ourselves as a leader in demonstrating how ESG activities bring both value and differentiation.

HARRISON STREET

Our mission is to combine innovation and process rigor to execute differentiated strategies that improve the lives of our stakeholders.

Harrison Street is a leading alternative investment management firm with 210+ employees headquartered in Chicago. Since inception in 2005, Harrison Street has created a series of differentiated investment solutions focused on demographic-driven, needs-based assets. As of the end of 2021, we have invested approximately \$53.3 billion in gross cost across senior housing, student housing, healthcare delivery, life sciences, digital, and storage real estate as well as social and utility infrastructure. The Firm has investments on or near 187 universities, and has deep relationships with 30 top healthcare systems and 70+ top-tier operating partners.

FUNDS

US CORE FUND	Vintage 2011
NORTH AMERICAN SOCIAL INFRASTRUCTURE FUND	Vintage 2018
US OPPORTUNISTIC SERIES	8 Funds: Latest vintage 2020
EUROPEAN OPPORTUNISTIC SERIES	3 Funds: Latest vintage 2020
CANADA ALTERNATIVE REAL ESTATE FUND	Vintage 2021

GOVERNANCE STRUCTURE

The company's governance is managed by a three-pronged approach. The Investment Committee, which includes the Firm's CEO, partners, and select senior managers, oversees Harrison Street's investment transactions and management. The Executive Committee, composed of the CEO, partners, and senior managing directors, sets the strategic priorities, targets, and direction of the Firm. The Management Committee, appointed by the Executive Committee and composed of managing directors and select directors, executes the strategy and oversees the day-to-day operations.

We also have additional committees including Valuation, Allocation, Investment, Focus, Diversity, Equity & Inclusion, Capital Markets, Compensation, and ESG, all of which influence our strategic direction and overall performance.

NOTES

As used in this report, unless the context otherwise requires, "Harrison Street" or the "Firm" refers collectively to Harrison Street Real Estate Capital, LLC ("HS") and its subsidiaries including Harrison Street Advisors, LLC. Unless otherwise stated, all information is as of 12/31/21. Past performance does not necessarily predict future success.

1. Reflects AUM for the Firm's investment advisory and asset management clients, and is inclusive of the Firm's regulatory AUM reported in its Form ADV.

FIRM SCALE & SECTORS

\$44.3 B

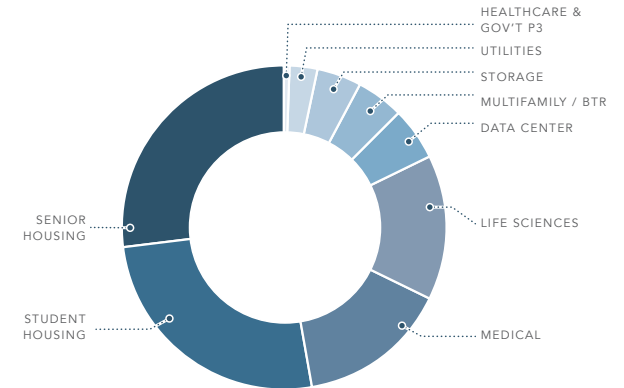
Total Assets Under Management ¹

\$24.7 B

Capital Raised Since Inception

528

Investors



2021 ACTIVITY

\$13.5 B

Assets Acquired

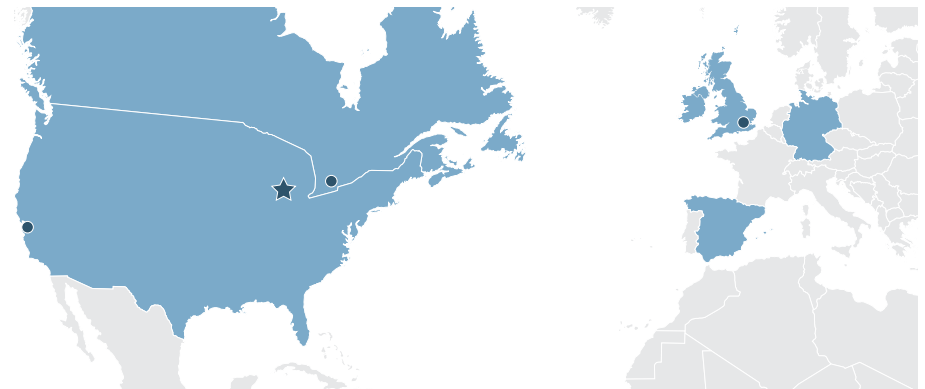
\$2.2 B

Assets Sold

\$5.8 B

Capital Raised

GLOBAL PRESENCE & OFFICES



OUR CHIEF IMPACT OFFICER DISCUSSES 2021 ESG HIGHLIGHTS



JILL BROSIG
CHIEF IMPACT OFFICER

Our fiduciary duty compels us to minimize risk, recognize opportunities to increase efficiency, and generate long-term value in both returns and contributions to positive, meaningful social impact.

What were three main achievements in 2021 from Harrison Street's ESG initiative?

First, we were very pleased with our GRESB scores. We have been submitting to GRESB since 2013, and we are dedicated to continually improving our overall performance. This year we had a number of both 4 and 5 stars in fund scores. Secondly, we are committed to ensuring the health and well-being of our building occupants. In February of 2021, we committed to pursue Fitwel certification on all applicable properties. By year-end we had reached a total of 224 Fitwel projects! This is important for us to demonstrate our buildings achieve a certain standard of health, as well as give our properties a unique differentiator. Lastly, we published our first Climate Action Plan, which captures our response to issues our key stakeholders find material, including carbon emissions reduction, ensuring our assets are resilient to climate risk, and addressing the health and well-being of building occupants.

Why did you develop the 2021 Climate Action Plan?

Climate risk and resiliency were deemed the most material issues by our key stakeholders during our latest materiality survey. We were compelled to offer not just a response regarding the climate, but an action plan. The plan itself is composed of

three parts, first ensuring as much as possible our assets are not contributing to climate change. This is demonstrated by our commitment to reduce carbon emissions across our portfolio by 70% over the next five years. The second part is to ensure that our assets are resilient to climate change, and we do this by conducting a wider climate risk assessment, to fully understand both the physical and transition risks. Any areas identified as high risk then undergo additional due diligence and if needed mitigation plans are developed and executed. Lastly, our plan extends beyond the physical building to the physical beings within the building. We want Harrison Street to be prepared for the possible impact climate change has on the users of our properties. So in addition to our healthy building certification work, we are also doing research with the Delos and Mayo Clinic Well Living Lab to better understand how the indoor environment impacts occupant health. These types of activities have arisen from our assessment of climate-induced social risks and are examples of our larger strategic plan to support the resilience and well-being of building occupants.

What inclusion achievement are you personally most proud of that has truly "Made an Impact" this past year?

For companies that are not very diverse, inclusion is rarely an issue as everyone is similar, they think the same, look the same, etc. As companies deepen their diversity, however, having an inclusive environment rises exponentially in difficulty as people can easily feel excluded if they think and look different. As head of the Inclusion subcommittee, it's critical everyone has a platform to share ideas. We want to make sure to utilize the diverse knowledge and expertise we have in-house. As an example, we recently held our inaugural "Innovation Challenge," which welcomes and encourages ideas from all corners of the company, ranging from ways to grow the business, opportunities to work more efficiently and

effectively, and ways to be more inclusive. Not only does this program deepen our level of inclusion, but it also bolsters one of our core principles, that of "innovation." For this first year of competition, we received input from over 10% of our workforce, spread across all levels and nearly all departments. In early 2022 top ideas will be presented to the Executive Committee and initiatives will be rolled out during the remainder of the year. The Innovation Challenge does not only make our organization more resilient, innovative, and ready to tackle challenges, but it helps us to stay open-minded and diverse in the broadest sense.

MEET OUR IMPACT TEAM



STEPHANIE BARR
VP, ESG



MOIRA KELLEY
AVP, SOCIAL IMPACT



ELLIE TROXELL
ASSOCIATE, CLIMATE
& EMISSIONS

ESG ASSOCIATIONS &
FRAMEWORKS

ESG IMPACT FRAMEWORK

Our mission is to implement **pioneering** ESG practices across the Firm and investments to deliver a positive impact for our stakeholders and the world.

CORPORATE OPERATIONS

**MANAGEMENT & POLICY**

Execute disciplined strategy, reflect on performance and behaviors, and continuously improve.

**DIVERSITY, EQUITY, & INCLUSION**

Build an inclusive culture that fosters equal opportunities for all and continuous development at all career stages.

**GIVING & SERVICE**

Promote and provide opportunities for team members and the Firm to dedicate their time, talent, and funds to those in need.

**PARTNER SERVICES**

Promote the acceptance and implementation of business improvement and differentiated practices among partners.

INVESTMENT OPERATIONS

**COMMUNITY IMPACT**

Strengthen the economic vitality and health of communities through new and sustained jobs and opportunities.

**CLIMATE RESILIENCE & EMISSIONS**

Strengthen the resiliency of our portfolio to climate-induced risks; capture opportunities and minimize our contribution to global emissions.




**EFFICIENT OPERATIONS**






Improve and maintain efficient assets through active management and investment in clean technology.

**HEALTH & WELL-BEING**

Support the health and well-being of residents, tenants, and staff through healthy building design and operations.

ESG IMPACT GOALS

ANNUAL GOALS	2021 ACTIVITY	2021 PERFORMANCE	ANNUAL GOAL	ACHIEVED
 INVEST 15% EQUITY IN RENEWABLES IN SOCIAL INFRASTRUCTURE FUND	<ul style="list-style-type: none"> Invested \$230 Million in equity since inception into hydro, solar, and wind assets Produced 423 GWh (at 100% share) of renewable energy in 2021, equivalent to powering 39,800 US homes 	11%	15%	<input type="checkbox"/>
 INCREASE DIVERSITY OF SENIOR LEADERSHIP BY 2% ANNUALLY	<ul style="list-style-type: none"> Coordinated the inaugural Harrison Street Network of Women (HS NOW) Leadership Summit Summit provided women in leadership the opportunity to network, hear from educational and inspiration speakers, and spend time with the Firm's principals and discuss their vision for the future growth of the company. 	+2%	2%	<input checked="" type="checkbox"/>
 MAINTAIN EMPLOYEE INCLUSIVITY RATING OF 4/5 ANNUALLY	<ul style="list-style-type: none"> Created an inclusivity survey based on 50 years of research that focused on emotionally healthy organizations Inclusivity analysis conducted in 2020 scored a 4.08/5.00 and in 2021 score was nearly identical at 4.07/5.00 	4.1	4.0	<input checked="" type="checkbox"/>

2025 GLOBAL REAL ESTATE ¹ GOALS	2021 ACTIVITY	2021 PROGRESS	2025 GOAL	ON TRACK
 REDUCE GHG EMISSIONS BY 70%²	<ul style="list-style-type: none"> Engaged consultant to determine carbon emissions reduction targets Published Climate Action Plan with detailed emissions reduction pathway Created policy and set up process to procure green electric globally 	-5%	-70%	<input checked="" type="checkbox"/>
 REDUCE ENERGY INTENSITY BY 15%	<ul style="list-style-type: none"> Implemented energy efficiency retrofits in student and senior housing, including LED lighting, smart thermostats, and HVAC optimization Assessed new developments for minimum energy efficiency standards and where applicable, design specification were improved 	-5%	-15%	<input checked="" type="checkbox"/>
 REDUCE WATER INTENSITY BY 20%	<ul style="list-style-type: none"> Implemented water efficiency retrofits in student and senior housing, including low-flow fixtures and irrigation optimization Assessed new developments for minimum water efficiency standards and where applicable, design specification were improved 	-2%	-20%	<input checked="" type="checkbox"/>
 CERTIFY 200 FITWEL BUILDINGS	<ul style="list-style-type: none"> Certified 15 projects and registered 209 projects in 2021 Senior living and student housing projects (total of 151) impact 39,000 residents Developed and implemented Fitwel scorecard for senior living communities Received the 2021 Best in Building Health Award for highest score in multifamily 	15	200	<input checked="" type="checkbox"/>
 INCREASE ON-SITE RENEWABLE ENERGY TO 25 MW	<ul style="list-style-type: none"> Completed rooftop solar assessments on 100% of US assets with a pipeline of identified opportunities beginning construction in 2022 Signed a Corporate Power Purchase Agreement (CPPA) to become the first science parks in the UK to source green electricity from a dedicated supplier 	5.4	25	<input checked="" type="checkbox"/>

1. Except as noted below, the boundary of the impact metrics reported herein encompass all funds reporting to GRESB, which are listed in the external assurance letter on page 28. The Fitwel certification goal described on page 7 and other references to the number of properties certified through Fitwel also include Harrison Street's corporate office and the assets owned by Harrison Street Real Estate Partners V, LP, Harrison Street Real Estate Partners VI, LP.

2. Goal covers landlord-controlled carbon emissions. Please reference our Climate Action Plan for detailed boundary and calculation methodology.

Harrison Street has had a formal sustainability initiative since 2013 and thus is fortunate to have a wealth of ESG experience.

ESG REPORTING AND GOALS

In 2014, we published our first Corporate Responsibility Report. Goals were identified for the following year, which included implementing targeted efficiency retrofits, publishing best practice guidelines for operators, defining a method to monitor progress toward an energy reduction goal, providing team training on sustainability, and expanding what is covered in the Firm's ESG policy. Since this first report, Harrison Street has published an Impact Report every year, to provide our stakeholders with an update on the status of our ESG goals and targets, and to provide transparency on our management procedures. You can find past and present reports on our corporate [website](#).

STAKEHOLDER ENGAGEMENT & MATERIALITY

The Firm regularly engages with employees, investors, third-party operators, joint venture partners, tenants, residents, lenders, and consultants to understand ESG priorities and concerns. A formal ESG materiality survey of stakeholders is conducted every three years, with the last conducted in early 2020.

The results of our 2020 materiality assessment were used to update the Firm's Impact Framework, which prioritizes the most material issues and guides strategic planning. Climate risk and resiliency, carbon emissions, diversity, equity and inclusion, and health and wellness were ranked as the key material concerns in 2020.

MANAGING ESG

The Firm's Chief Impact Officer is responsible for the measurement, management, reporting, and enhancement of the Firm's ESG initiatives and leads the Impact Team. The team is comprised of three full-time dedicated resources, focusing on asset ESG initiatives, internal and external reporting, management of ESG programs, and engaging with operating partners. The Chief Impact Officer oversees global ESG efforts, including engaging with investors, partners, and industry groups, and reports to both the CEO and the Global Head of Portfolio Management & Strategy. The Chief Impact Officer chairs the Firm's Executive Committee's ESG sub-team. The Chief Impact Officer also leads the Global Sustainability Leadership team, an internal, cross-functional working group responsible for strategy implementation.

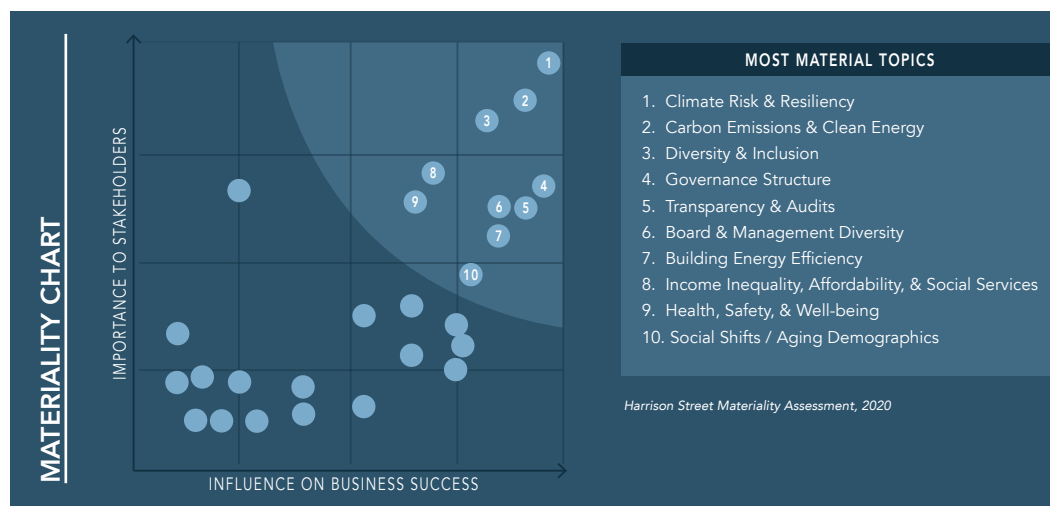
ESG POLICIES

The Firm-wide ESG policy is renewed annually by the Impact Team and reviewed by the ESG Executive Committee. Our most recent policy is available on our website. Sub-policies that define procedures for new construction, asset operations, and ESG data management are also renewed annually and shared with key partners and investors upon request. These

processes enable Harrison Street to better monitor and improve the environmental impact of our real estate and infrastructure investments.

INNOVATION CHALLENGE

Innovation is one of Harrison Street's core values. At Harrison Street, we strive to create opportunities to develop the "new" and approach all business activities with an exploratory mindset. To continue to both support and enhance our innovative culture, we initiated in 2021 the Innovation Challenge. Employees were asked to identify innovative solutions to how we can better manage our portfolio and operate as an organization. Over 10% of the company submitted their ideas, from almost every department. The ideas included streamlining or automating processes, creating new external partners and relationships, improving data access and analysis, identifying potential deals for future growth, and making DEI enhancements. We will continue to invest in developing our culture of innovation and inclusion, and implement innovative solutions in the years to come.



THE POSITIVE ENVIRONMENTAL AND SOCIAL IMPACT OF ALTERNATIVE REAL ASSETS

Harrison Street's alternative sectors are driven by consumer needs and demographics, rather than market cyclicity. Most sectors require specialized construction and intensive management, which provide strong barriers to entry relative to traditional sectors. This needs-based demand aims to produce long-term, income secure assets with stable performance across the economic cycle alongside unique environmental and social benefits.



STUDENT HOUSING



Purpose-built student housing, near 4-year universities, with alternative transportation access, and premier amenities.

Demand for advanced degrees continues to rise globally, with advanced education supporting employment and community economic development.

SENIOR LIVING



Senior housing providing a full continuum of care, near major health systems, and providing amenities that enhance resident quality of life.

The senior population is one of the fastest growing demographics and those in the higher age cohort most often need supportive or acute care.

HEALTHCARE DELIVERY



Community healthcare facilities providing outpatient services, specialty physicians, and behavioral health services.

Providing accessible healthcare within local communities strengthens a community's resiliency and public health.

LIFE SCIENCES



Life sciences assets in cluster markets near major research universities and health systems, specializing in pharmaceutical and biotech research.

Scientific advances in the life sciences support global health and care affordability.

SOCIAL INFRASTRUCTURE



Social infrastructure connected to universities, health systems, and government users, that supports resiliency and decarbonization.

Mobilizing effective public-private partnerships supports the capacity of public institutions to grow and reduce their emissions.

ESG IMPACT

- Developing housing close to universities with accessible alternative transportation options for students
- Providing physical health and well-being amenities
- Creating a strong sense of community through events and resident programs
- Providing services that support the mental health of residents
- Providing safe and supportive homes for the aging population
- Providing healthcare services and active enrichment programming to improve quality of life and reduce loneliness
- Creating healthcare jobs within local communities
- Improving access to quality healthcare in local communities
- Providing diverse and accessible healthcare options
- Increasing the capacity of communities to employ and support local healthcare workforce
- Supporting innovation hubs of high-quality research jobs
- Building collaboration and connectivity between private industry and academic institutions
- Developing spaces that support the scientific advancement of treatments and medicines
- Supporting communities with their energy transition
- Building green, low-carbon energy production and energy resiliency
- Generating local jobs
- Investing in public infrastructure to improve quality, growth, and efficiency goals

Harrison Street is a performance-driven, innovative, collaborative, and passionate firm. We are committed to supporting our employees professionally and personally and believe this makes us the best fiduciary possible for our investors.

We empower employees in and out of the office by providing a leading benefits package, comprehensive learning and development opportunities, health and wellness activities, community service initiatives, and equal opportunities.

INVESTING IN TALENT

Employee development is facilitated through the Harrison Street University (HSU) training platform, which is an employee learning series focusing on mental and physical wellness, financial fitness, business acumen, and community engagement. Annual sustainability training is also provided to all employees, and targeted sustainability trainings are provided to specific departments. Full-time employees can be reimbursed for professional development courses with managerial approval. All employees receive annual reviews with their manager, including a formal annual review and mid-year appraisals to reflect on progress and set goals. In 2021, our employees received over 1,000 training hours through our development programs, covering 100% of our employees.

CREATING AN ATTRACTIVE ORGANIZATION

Harrison Street employees participate in regular, anonymous engagement surveys conducted by an independent third party. The results of the survey, as well as improvement plans, are then shared with the company. The latest employee engagement survey was conducted in 2021 and had a high

response rate of 88%, and an overall satisfaction score of 3.9 out of 5. Employees were specifically proud to work for Harrison Street (88%), know how they can contribute to the success of the organization (94%), and perceive their direct management as competent professionals (95%). An action plan has been developed and will be rolled out in 2022 across the organization to address areas of improvement.

Team building is supported through programs such as Café Connections, where individuals who may not normally work together meet for lunch to connect both personally and professionally. Through our new-hire Buddy Program, new employees are paired with existing team members at a similar level in different departments, who serve as peer mentors.

BENEFITS & COMPENSATION

Our growth and retention are supported by our leading benefits. Our holistic approach to benefits includes providing a positive and comfortable working environment with excellent culture, a dedication to employee development and growth, and an industry-leading benefits package. Our compensation package is highly competitive, substantiated by a third-party compensation study conducted every three years, and is performance-oriented to attract and retain a highly talented team. Although 2021 the Firm experienced higher than typical turnover, historically these efforts have results in employee retention of over 90%.

SUPPORTING PARENTS

A key component of a strong and inclusive team is ensuring that employees are supported during life events. All full-time employees are entitled to parental leave, regardless of gender. The parental leave policy provides 16 weeks of paid leave, and includes a phased return to work plan, allowing employees to gradually return-to-work. Nursing mothers are provided a dedicated and comfortable room for pumping, and to help offset childcare costs for working parents, employees are provided a subsidized Dependent Care Account. For more information about our Diversity, Equity, and Inclusion (DEI) program, see page 13-14.

OFFICE WELLNESS

Fostering healthy and productive team members is a priority at Harrison Street. Our comprehensive wellness program includes voluntary health evaluations, personal action plans, lifestyle coaching, wellness challenges, and healthy meals and snacks in the office. The physical office space has enhanced wellness features such as ergonomic workstations, Fitwel certification, a game room, robust cleaning protocols, upgraded air ventilation systems, and convenient public transportation access. The Chicago headquarters provides access to a fitness studio and is also connected to a public park and several walking and biking trails.

CORE VALUES

EXCELLENCE We strive to be best-in-class through disciplined execution of our strategy, reflection on our performance, and continuous improvement.

INTEGRITY We collaborate and execute honestly and ethically in all aspects of our business.

PASSION We pursue our work with a positive attitude, high energy, and purpose.

INNOVATION We create opportunity through developing the “new” and approaching all things with an exploratory mindset.

TEAMWORK We work inclusively with loyalty and respect, to achieve our collective and individual goals.

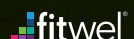
UK LIFE SCIENCES PORTFOLIO

Harrison Street's UK Life Sciences portfolio provides sustainable and healthy science parks tailored to the UK innovation sector. Campuses are located across United Kingdom with assets in Kent, Bedfordshire, Nottinghamshire, Manchester, Yorkshire, Cardiff, Edinburgh, and Glasgow. Operated in partnership with We Are Pioneer Group, the campuses provide over 2.1 million square feet of lab and office space.

ESG LEADERSHIP

- Sites moved onto 100% renewable tariffs for electricity
- Successful corporate power-purchase agreement (CPPA) for renewable electricity formed in 2021 which will mitigate 4,200 tCO2e per year, starting April 2022
- Ongoing implementation of site-specific energy dashboards; regular monitoring of data and liaising with site teams to work toward a target of -5% reduction of energy per annum
- Overall recycling rate of 51% achieved across all parks, with target for 2022 to achieve a 70% recycling rate
- Ongoing biodiversity initiatives including beehives, insect hotels, and parkland settings with 700 trees and wildflower meadow

PHOTO: Kent Science Park, England. Photo Courtesy of We Are Pioneer Group





We execute a disciplined strategy, reflect on internal performance, and continuously improve our internal procedures to maintain our history of success.

ANTI-CORRUPTION & ETHICS

Partners, investors, and employees are engaged and educated about our ethics policies. Employees must attest quarterly to the Code of Ethics and are encouraged to share any ethical concerns with HR or the Chief Compliance Officer (CCO). Training on ethics, anti-corruption, and specialized topics like cybersecurity and foreign corrupt practices is provided annually and when new regulations or situations arise.

Investment policies and procedures promote compliance with the SEC's Investment Advisor requirements and assist us in preventing, detecting, and correcting violations. Policies against bribery and corruption are maintained, and are consistent with the US Foreign Corrupt Practices Act and similar laws in other countries. We use a sophisticated web-based compliance tracking system to report and monitor employee Code of Ethics items such as political contributions, personal trading, conflicts of interest, and gifts.

ESG INVESTMENT STRATEGY

The Impact department captures, analyzes, and defines the material ESG objectives, initiatives, data tracking, and reporting strategy for each applicable investment vehicle. Funds invest in the areas of Education, Healthcare, Life Sciences, and Storage in accordance with the investment restrictions as outlined in each fund's respective Limited Partnership Agreements. Each investment vehicle, and its respective portfolio manager, follows the impact framework to define ESG objectives that align with the investment strategy, operational control, asset class, and time horizon.

FUND MANAGEMENT

Portfolio Management and the Impact Team define the material ESG objectives, initiatives, data tracking, and reporting strategy for each investment vehicle. Funds invest in accordance with the investment restrictions as outlined in each fund's respective Limited Partnership Agreements. Ongoing engagement with Investors ensures that any special ESG requests, initiatives, or compliance procedures are followed. ESG is incorporated into annual year-end fund reporting, GRESB submissions, and ad hoc DDOs.

INVESTMENT DUE DILIGENCE

ESG assessment is integrated into due diligence processes. ESG evaluation criteria include alignment with our governance and ethics standards, presence of certifications and ratings, and an evaluation of the opportunity for efficiency investment. Internal due diligence policies, procedures, and checklists are defined for specific asset classes and investment vehicles. ESG risks and opportunities are captured, discussed, and acted upon in the initial investment underwriting process, the Investment Committee presentation, and during the due diligence period.

ESG ACROSS INVESTMENT LIFECYCLE

FUNDRAISING

- Include ESG in investment guidelines, offering documents
- Prepare LP ESG DDO response
- Include ESG in partnership agreements

INVESTMENT

- Assess ESG business impacts during due diligence
- Integrate ESG into deal structure
- Develop ESG value creation plans
- Measure ESG baseline

RISK ASSESSMENT & MANAGEMENT

Formal, Firm-wide risk assessments are led by our CCO every three years. Key risks are managed through enhancements to existing procedures across the organization. We actively prepare for unforeseen interruption to normal business practices and have established the following policies and procedures: Disaster Recovery, Business Continuity, and "Black Swan" events.

ESG risk assessment is performed on each new acquisition through established diligence procedures and on standing assets during annual business planning by the asset management team.

ESG REGULATORY COMPLIANCE

Increasing regulations around ESG data and carbon emissions disclosures are monitored closely to confirm our reporting and marketing materials are in compliance. Specifically, our investment funds comply with the EU Sustainable Finance Disclosure Regulation (SFDR), which came into effect March 10, 2021. Similar evolving regulations in the US, Canada, and the Streamlined Energy and Carbon Reporting (SECR) guidance in the UK are closely monitored. In cases where the Firm is not required to comply, we often seek to voluntarily report.

VALUE CREATION

- ESG integration into operations
- Monitor ESG performance
- Engage stakeholders
- Manage incident response and communications

DISPOSITION / EXIT

- Include ESG in buyer disclosures
- Provide evidence or case studies of ESG enhancements
- Price in ESG value and provide business case

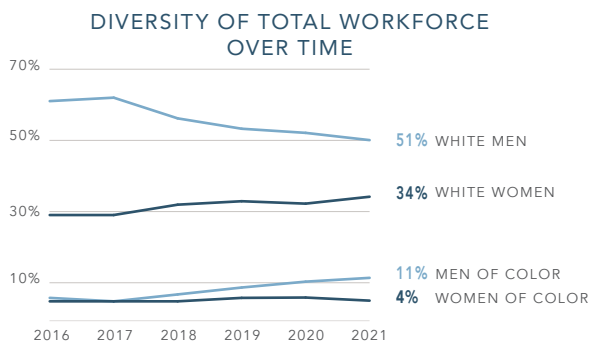


DIVERSITY, EQUITY, & INCLUSION



Harrison Street is committed to building a diverse, equitable, and inclusive environment, that celebrates everyone's unique contribution. We actively pursue diversity as we build our workforce, develop our leadership, and create opportunity across our business.

Diversity, Equity, & Inclusion continues to be a top priority area for the Firm in 2022, and throughout the year we will continue to work to achieve our annual DEI goals. We remain committed to building a diverse workforce at all levels, with a focus on the increasing representation in the following areas: Women in Senior Leadership (Director and above), Women Investment Professionals, and Minorities / People of Color across the Firm. We will continue to build our recruiting partner pipeline by adding at least two new recruitment sources in 2022. We will ensure Harrison Street supports and sustains an inclusive and thoughtful culture. We will measure our progress in this area through our Inclusivity Survey, where we strive to increase our annual score from 4.08 to 4.25/5.

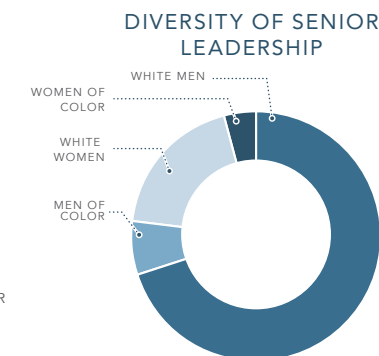


LEADERSHIP & STRATEGY

Our DEI Committee is tasked with annual reporting, defining strategic objectives, and implementing new initiatives. The DEI Committee is sponsored by the CEO and co-chaired by three members of our Executive Committee. The committee's strategic areas of focus are "Workplace", "Team" and "Education". The objective of "Workplace" is to support and sustain an inclusive culture, measured by employee engagement, fair and equitable people processes, and inclusive leadership. The objective of "Team" is to retain and develop a diverse workforce at all levels, measured by employee demographics and retention. The objective of "Education" is to celebrate and foster awareness of cultural differences. The DEI committee reviews progress quarterly, coordinates initiatives, and ensures DEI alignment to business strategies. Managers are held accountable for DEI training, performance, and behavior in annual performance assessments.

ANNUAL REPORTING

Employee and management statistics are reported quarterly, showing trending gender and ethnicity data to evaluate the effectiveness of hiring practices and employee retention. Annual statistics and trends are presented annually to the Executive Committee. In addition to gender, age distribution, race, and background, the 2021 DEI report also included a gender pay equity assessment, which compared male and female annualized salary and bonus across each department and by career stage. The report was presented to the compensation committee for review and discussion. No incidents of discrimination were reported in 2021.



TALENT DEVELOPMENT & PIPELINE

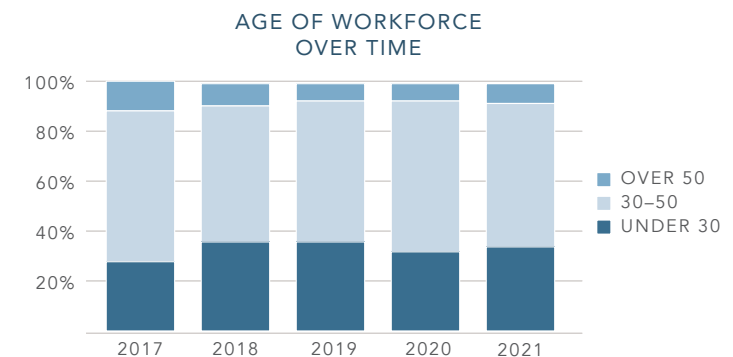
Best hiring practices are implemented, such as auditing job descriptions to eliminate unconscious bias, providing accessibility assistance to applicants with disabilities, presenting diverse candidate slates, screening resumes blindly, and providing interview feedback forms. We have conducted mandatory employee DEI training, led by third-party expert consultants, to further improve recruiting, interviewing, and employee development. Harrison Street is determined to address DEI during the recruitment phase and in 2021, 42% of all new hires were women.

We actively work to expand our pipeline of potential talent by engaging organizations that focus on economic mobility and career advancement of under-resourced and underrepresented populations. Some of these organizations include the following:

- Girls Who Invest
- My Block My Hood My City
- PREA Foundation
- America Needs You
- Jopwell
- Chicago Scholars
- Greenhouse Scholars

49% of workforce is women or minority

30% of leadership is women or minority





DIVERSITY, EQUITY, & INCLUSION

INCLUSION

Inclusion by its very nature is qualitative, making it difficult to evaluate and quantify. To measure how inclusive our workplace is, we relied on research based on over 50 years of study on how to establish emotionally healthy organizations. From this work we created a questionnaire to baseline the level of company inclusivity. We track our performance annually, continuing to implement programs and initiatives in areas identified as needing improvement, with the goal of maintaining, and ideally exceeding, this year's 4 out of 5 rating. We are proud to have achieved a score of 4.1 in 2021, outperforming our target. The DEI Workplace subteam will design and execute an action plan that aims to ensure the 4/5 score is maintained and ideally enhanced and, where applicable, to address areas identified as needing improvement as well as set key performance indicators for inclusivity performance.

KEY HIGHLIGHTS INCLUSION SURVEY 2021

- 92% say they are treated with respect by the people they work alongside
- 84% say they have an open dialogue and honest two-way communication with their manager
- 84% say they can disagree with their manager without fear of negative consequences

In 2021 we also held our Annual Companywide DEI Training on "Making Differences Work." In the interactive session, participants learned to identify organizational and individual biases in the workplace, recognize how biases can become barriers to an inclusive culture, curate productive relationships and productivity, and gain insights to navigate differences effectively.

HARRISON STREET NETWORK OF WOMEN (NOW)

In 2021, we introduced the Harrison Street Network of Women (NOW). HS NOW is committed to investing in and empowering the women of Harrison Street. We support a culture of equity, inclusion, and innovation by providing women with networking and development opportunities to build valuable connections, raise their visibility, and grow professionally.

As part of this initiative, we created a mentorship and development program to provide learning and development opportunities that support the professional and career growth of the women at Harrison Street. We also held an off-site Summit, where senior managers were able to discuss inclusion and opportunities for women.

HS NOW has also invested in networking and relationship building for women, to provide opportunities to strengthen relationships, raise visibility with key internal stakeholders, and enhance the sense of community and belonging. Facilitated engagements include Lean-in Lunches, where small cohorts of HS women discuss relevant topics, forums with senior leaders, speaker series, and informal networking opportunities.





GIVING & SERVICE

Harrison Street believes in helping to strengthen its surrounding communities by volunteering and giving back.

PHILANTHROPIC GIVING

Harrison Street's Charitable Gift Match Program supports the generosity of employees and spreads their impact to all corners of the communities in which they live and work. Employees can engage with organizations and causes that they are personally committed to through a Charitable Gift Match Program where the Firm matches up to \$500 per employee each year.

VOLUNTEERING

We serve the cities where we have offices by connecting our employees to meaningful volunteer opportunities. Since 2013, we have partnered with local non-profits for an annual Firm-wide Day of Service. We have held dozens of volunteer events and partnered with several organizations and programs including Chicago Cares, Gardeneers, Ronald McDonald House, CPS's Economics for Success program, Gildas Club, My Block My Hood My City, Habitat for Humanity, and Oakley Square Apartments.

In 2021, we also partnered with Together We Rise to build bicycles for foster kids in Chicago who do not have access to another form of transportation or who've never had a bike of their own. After completion, the bicycles were donated to SOS Children's Villages, Illinois and Children's Home & Aid, non-profits that allow children to gain back a part of their childhood.

SUPPORTING CHARITIES

Many people living in the markets we operate and serve have been impacted by COVID-19 in these last two years. It is in the spirit of community and caring that we have made contributions to charitable organizations that we hold in high esteem and are aligned with both our investment strategy and our core values. In 2021, the Firm donated to the following charities:

- Senior Citizens—My Block My Hood My City
- Healthcare Workers—JVS HealthWorks
- Life Science/Research—Alzheimer's Association

Harrison Street also sponsored families through a gift basket program with ReVive Center for Housing and Healing. Families were supported through gift cards for groceries and donated holiday gifts.



GARDENING AND EDUCATION

During four separate Day of Service events, we partnered with Gardeneers at Homan Rails Farm where we helped prepare their farm by pulling weeds, hauling dirt, raking mulch, harvesting vegetables, and painting. The farm infrastructure was able to yield thousands of pounds of produce for Chicago's North Lawndale community. Gardeneers is a non-profit who customizes school garden programs with ongoing support to local students in food desert communities to ensure equal access to healthy food and food education.



PARTNER SERVICES

We work closely with our operators and development partners to create market differentiation, enhance business operations, and accomplish our shared ESG impact goals.

PARTNER SELECTION & ESG VALUE ALIGNMENT

We strive to partner with those who share similar ESG and DEI values and consider these topics during investment diligence. New partners are assessed for a variety of elements, including company culture, management, talent pipeline, process rigor, marketing plans, financial acumen, and innovation. These findings are then analyzed and given a rating. Throughout the lifecycle of our relationship, partners are thoroughly reviewed for ethics, compliance, and conflicts of interest. Background checks are conducted on each new partner and repeated every three years for existing partners. Partner ESG policies, procedures, and previous project experience are reviewed.

OPERATIONAL IMPROVEMENTS

Our Operating Partner Services function is a differentiator for Harrison Street by providing operating partners with groundbreaking, business enhancement services and opportunities. The mission is to serve as an advocate for each of the Firm's JV operators and third-party providers, ensuring they have access to best practices, research, and key industry benchmarking data. Relevant technologies and ancillary products and services are also evaluated to identify opportunities that can enhance asset operations and solve common issues experienced in our asset classes.

Evaluating and comparing the performance of operators within the same asset class reveals best practices that can be applied to underperforming assets. Data on operators are used to pinpoint strengths and weaknesses, and highlight opportunities for improvement.

NETWORK ENGAGEMENT & RESEARCH

We hold regular asset-specific conferences, webinars, and one-on-one conversations with operating partners to share best practices among operators and discuss current issues and future trends. External industry experts who are conducting research that is applicable to the asset class are often featured as keynotes in group events.

Along with select partners, we collaborate with world-renowned research centers focused on key areas of interest including healthy aging, healthy building design, and ESG standard bodies. These relationships further define strategies for improving asset design and operation. In addition, these partnerships also provide educational workshops for operators on cutting-edge research and best practices.

2021 ESG WEBINARS FOR OPERATING PARTNERS

In 2021 we organized several webinars with operators to advance their ESG practices and provide a forum for sharing resources.

An ESG Webinar on 2021-2022 Policy & Priorities was held for US operators, attended by over 100 individuals representing our largest operators in all sectors. We informed our partners about our ESG strategy, the importance of monitoring ESG performance, and the key priorities and initiatives for the coming year. We requested additional ESG data in the fall of 2021 and had one-on-one engagement meetings with key operators.

Senior Living-focused webinars were also facilitated, centering on the topics of vaccine roll out, post-COVID-19 leasing marketing, staff recruitment and retention, and operational innovations. Attendees participated in an interactive forum, sharing their best practices and recommended tools to their peer operators.



SOLTAGE SOLAR PARTNERSHIP

Harrison Street has made numerous clean energy investments since launching our Social Infrastructure Fund in 2018. In 2021 we set up a partnership to fund solar and other clean energy infrastructure assets developed by Soltage, which is a proven developer and leader in distributed energy development, financing, and asset management.

ESG LEADERSHIP

- Harrison Street and Soltage created an investment vehicle in March 2021 to fund Soltage's sizeable development pipeline of distributed solar and energy storage projects. Now in its second year, the partnership has funded solar projects located in five different states and the pipeline consists of projects in nearly ten additional states
- These projects feature offtakes that consist of a diverse set of strong-credit counterparties including municipal, university, school, and hospital (MUSH) entities, as well as utilities, corporates, and community solar users aiming to achieve both cost savings and clean energy goals
- Projects are fully contracted upon funding with contract durations that average 13–15 years
- These solar projects will contribute to the overall reduction of their regional grid's carbon emissions

PHOTO: Solar Installation, Courtesy of Soltage.





COMMUNITY IMPACT

We are committed to improving the communities where we develop and operate through positively impacting long-term economic vitality, enhancing infrastructure, and creating sustainable employment opportunities.

PUBLIC-PRIVATE PARTNERSHIP (P3) INVESTMENT

Public institutions like universities and health systems often have difficulty improving or operating failing infrastructure due to limited access to capital and resources. These institutions have a long-term view and most often have deeply held sustainability philosophies aligned with their non-profit missions. Partnering with public entities is a key strategy, particularly of our Social Infrastructure Fund. These multi-stakeholder partnerships mobilize and share knowledge, expertise, technology, and financial resources, to support the achievement of our collective sustainability goals.



\$1,288 M

invested equity in public-private partnerships



506,000+

students housed since inception



58,000+

seniors cared for since inception

JOB CREATION

We promote a safe and secure working environment for all employed at our assets. Jobs are created and maintained through our investment activity in the form of direct career opportunities for operators, caregivers, and building engineers, as well as indirect construction jobs through new development. Workplace recruitment and retention are key performance indicators, directly impacting tenant and resident satisfaction and occupancy, therefore we support operators in identifying and implementing programs for on-site employees to develop and advance in a workplace that prioritizes their well-being.

HOUSING & CARE

Resident care and programming are key focus areas for the Firm's student housing and senior living assets to provide safe and enjoyable living environments that prioritize high health and well-being standards. Our student housing assets are built within close proximity to education centers and public transportation options and offer safe, affordable, and flexible housing options to students across the U.S. and parts of Europe.

Our senior living communities provide high quality care while offering programs to improve quality of life, including gardening, yoga and fitness classes, and outdoor community events all with the goal of connecting residents to each other and their surrounding neighborhood.

BEST PUBLIC-PRIVATE PARTNERSHIP AWARD

Woodlawn Residential and Dining Commons at the University of Chicago (UChicago) was awarded the Best Public-Private Partnership (P3) Development at Student Housing Business's 11th Annual Innovator Awards event in 2021. This unique asset has also been recognized as a Sector Leader by the Global Real Estate Sustainability Benchmark in 2021, demonstrating its positive ESG performance. Woodlawn Commons was developed by Capstone in a public-private partnership with UChicago and was financed with 100% equity through Capstone's P3+ financing program with Harrison Street.

Woodlawn Residential and Dining Commons provides 1,300 UChicago students and staff with an on-campus home in an engaging, enriching community, offering 19,500 sq. ft. of state-of-the-art academic and social amenities and a 25,000 sq. ft., 670-seat dining commons. The innovative residence hall is a new center for campus life located at the campus's southern edge and adjacent to Chicago's historic Woodlawn neighborhood.

This is Capstone's and Harrison Street's third project to be recognized as the Best Public-Private Partnership Development, having previously received the award in 2020 for Vi Hilbert Hall at Seattle University and in 2016 for Cornish Commons at Cornish College of the Arts.





We are responding to climate change with enhanced procedures to mitigate our risk exposure and minimize our contribution to global emissions.

CLIMATE ACTION PLAN

Climate goals are critical but incomplete without a clear and aggressive implementation pathway. Thus in 2021, we published our Climate Action Plan, which serves as a detailed and strategic framework for measuring, planning, addressing, and reporting on our climate commitments. The Climate Action Plan includes a strategy for addressing carbon emissions reduction, climate risk, and social impact to build resiliency and capture the opportunities presented by climate change.

CARBON EMISSIONS REDUCTION

Since 2013, Harrison Street has tracked the carbon emissions of our real estate assets and made strides to reduce emissions through improved efficiency. To further demonstrate our commitment to emissions reduction, we have taken the necessary steps to reduce and offset the

carbon emissions of our corporate office operations and employee-related activities, to achieve the state of net zero emissions. In 2021 we achieved net zero carbon emissions from our Chicago and London corporate offices, corporate travel, and employee work-from-home emissions.

Our goal is to reduce carbon emissions of landlord-controlled real estate assets by 70% by 2025 from the 2020 baseline.

Our pathway to aggressively reduce carbon emissions includes implementing projects to maximize energy efficiency, improve operator behavior, install on-site solar, decarbonize new developments and major renovations, and procure renewable electricity from the grid.

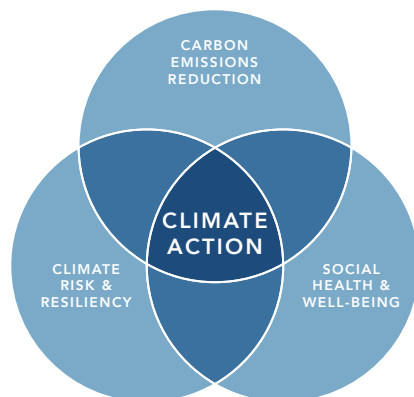
CLIMATE RISKS & RESILIENCE

Changing climate conditions will impact the operation, performance, and value of real assets. Increasingly common natural disasters pose high financial risk in key geographic areas, and other societal and regulatory risks influence the operational performance of assets.

We seek to take progressive steps to assess physical and transitional climate risk in each of our investment funds and define actionable steps for internal decision-makers and insights for the Firm's clients on how to effectively manage and mitigate these risks.

FINANCIAL IMPACTS OF CLIMATE RISK

Climate risk adds a layer of uncertainty to an asset's investment position, potentially impacting the rental market growth, insurability, and operational expenses within the hold period. These factors can affect the sale price and marketability of the asset. The risk of an asset not being insurable, occurring either when insurance coverage is unavailable or unaffordable, may become a critical concern in markets where acute hazards are projected to drastically increase in the future, and thus could impact the investment appetite in those markets. There is, however, an opportunity in markets with climate change-induced losses for resilient and efficient buildings to command a rent premium or higher sale price, have steadier cash flow, be easier to sell, or be easier and cheaper to insure.



	ASSESS	MINIMIZE	MITIGATE	ADAPT
OBJECTIVE	Conduct risk assessments during investment diligence and across standing portfolios.	Minimize carbon emissions through improved efficiency and renewable energy.	Mitigate climate risk by improving physical resiliency attributes of assets.	Build a resilient portfolio with reduced risk exposure and positioned to leverage opportunities.
OPPORTUNITY	Understand current and future projected risks, insurance expense, operational disruptions, and long-term value opportunities.	Identify strategies for expense reduction, increased building lifespan, operational efficiency, and legislative compliance.	Evaluate impact of risks on long-term operations and investment strategy, positioning assets to be more resilient and valuable.	Acquire, develop, and operate Paris Agreement-proof portfolios.



CLIMATE RISK STRATEGY

To assess climate risk, we engaged external consultants and software tools to take a holistic view, coupling catastrophe modeling and climate scenario modeling to identify asset exposure to physical and transition climate risk. Then, we assessed the most material vulnerability topics that determine an asset's sensitivity to the risk. Through this assessment, we developed an internal dashboard of Firm- and Fund-level values at risk for a variety of physical and transition climate risks. Based on the material risks, we have defined a strategic plan to mitigate and adapt risk at vulnerable assets to be resilient to climate change and the low-carbon economy. These strategies include integrating climate risk into new deal diligence, assessing mitigation investments for vulnerable high-risk assets, assessing emergency backup power availability at vulnerable assets, and integrating climate risk data into ongoing investment analysis and decision-making.

CLIMATE GOVERNANCE

The Chief Impact Officer is responsible for overseeing the strategy and internal procedures for climate risk assessment and mitigation. Climate risks and opportunities are reported to the CEO, Executive Committee, and Management Committee annually, and related material information is shared regularly throughout the year.



SOCIAL HEALTH & CLIMATE ACTION








Climate change impacts more than simply the physical building, it also has a significant impact on building occupants. In the Climate Action Plan, we also address the human impact of climate change at our assets, alongside emissions and climate risk at our assets. For those factors within the built environment that we can control and that impact humans, we want to continually improve upon. For those that are outside our direct control, we want to be prepared as best as possible to adapt to the impacts of climate change.

These material social risks include maintaining healthy environments while pursuing efficiency goals, supporting the mental well-being of vulnerable populations, and providing safe buildings that are resilient in the event of climate disasters. Thus, we are committed to ensuring our buildings are safe and healthy for all occupants.



>>View Harrison
Street's Climate
Action Plan.

RISKS

PHYSICAL RISKS

-  Wildfire
-  Hurricane
-  Flood
-  Severe Storm
-  Sea Level Rise
-  Water Stress
-  Heat Stress

TRANSITION RISKS

-  Carbon Emissions Regulation
-  Building Efficiency Regulations

CARBON METRICS

Scope 1 & 2 GHG Emissions (MTCO₂e)
Energy use intensity (kWh / sq. ft.)
Emission intensity (MTCO₂e / sq. ft.)
On-Site Renewable (kW capacity / kWh production)
Efficiency investment (\$)

CLIMATE METRICS

Asset Physical Risk Ratings
Asset Efficiency Rating
Jurisdiction Efficiency/Carbon Regulation
Water Intensity (gal / sq.ft.)
MEP System Efficiency Specification
Insurance Expense (\$)
Enhanced Emergency Backup Power Tracking
Enhanced Tracking of Mitigation Investment (\$)

THE MERCIAN

The Mercian is a landmark build-to-rent (BTR) development in the city of Birmingham, England, funded by Harrison Street and Apache Capital Partners and operated by Moda Living. It is the first building in the city of Birmingham to be awarded the 3-Star Fitwel® Certification. The building is highly efficient, produces on-site energy, and provides a playground for children and many amenities to improve the residents' health and well-being.

The Mercian comprises 481 units over 42 stories, with over 6,500 square feet of amenity spaces and 30,000 square feet of commercial space for local companies and co-working. Construction on the first phase of The Mercian was completed April 2022.

EFFICIENT BUILDING DESIGN

- High performing thermal envelope with air-tight design
- High performance glazing to minimize solar gain while optimizing daylight
- Mechanical heat recovery to improve ventilation efficiency by 85%
- Variable speed controls on pumped water and ventilation
- Extensive use of energy efficient lighting and control systems linked to occupancy
- Low flow water fittings specified and fitted throughout

HEALTHY BUILDING DESIGN

The Mercian prioritized health and well-being in its design, evidenced by achievement of a 3-Star Fitwel® Certification. Features include:

- A 200m rooftop running track, 24/7 gym and fitness studios
- Enhanced occupant environment controls from smart-tech controls
- Access to mental health and wellness services
- The Mercian scored particularly high in the Fitwel categories: Promote Occupant Safety (92%) and Increase Physical Activity (87%)

PHOTO: The Mercian, Birmingham, England. 3-Star Fitwel® certified. Photo courtesy of Apache Capital Partners.



EFFICIENT
OPERATIONS

We are committed to reducing our global emissions by increasing our investment in efficient operations and adoption of clean energy technology.

Our Environmental Management System (EMS) builds on the Firm's ESG policy and defines the procedures and decision-making processes across corporate and investment operations. It has been developed in accordance to ISO 14001 and establishes a set of processes and practices that enable the Firm to meet its ESG Impact objectives. This systematic approach supports Harrison Street throughout the entire value creation process, to identify efficiencies in our operations while minimizing our environmental impact.

NEW DEVELOPMENT

Development partners are engaged in enhancing their sustainable practices in design and construction. Prior to investment, we order a third-party engineering report to evaluate building strategies that promote efficiency and tenant health. If needed, improvements are recommended to further optimize utility use and expense.

ENHANCED ESG TRANSACTIONS PROCEDURES

To better assess the ESG attributes of assets when considering them for acquisition, the transactions team has worked to enhance procedures for how assets are evaluated during underwriting and diligence. The goal is to

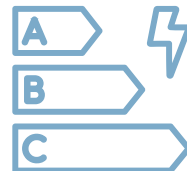
better identify upfront ESG value creation opportunities at standing acquisitions through efficiency retrofits, on-site solar development, resiliency, or tenant health enhancements, and at new developments through design enhancements that improve efficiency and wellness, while decreasing operating costs.

MONITORING CONSUMPTIONS

We import and monitor energy, water, carbon, certifications, and efficiency improvement projects into an ESG data platform for directly managed operational assets in funds submitting to GRESB. Through this platform, assets are benchmarked, and the financial return of efficiency investments is monitored. Consumption monitoring helps the internal team target operational efficiencies, address spikes, and prioritize retrofits. Energy and water use intensities are evaluated and normalized for weather and square footage. The data platform also assists properties in reporting energy use to municipal benchmarking programs.

EFFICIENCY INVESTMENTS

Following a Pareto analysis, properties with the highest consumption and cost are the first targeted for retrofits. Opportunities are identified by external vendors who produce audit reports that detail the investment opportunity and potential savings. Each fund establishes retrofit return thresholds that align with the investment strategy. Retrofitted properties are then monitored to validate that projected savings have been met.

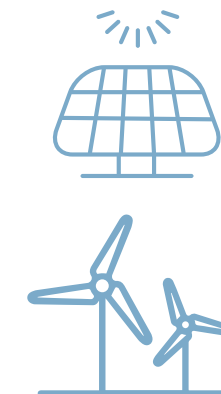


77%

building area with efficiency measures

-5%

reduction in energy intensity



430 GWh

renewable electricity generated

\$230 M

invested in renewable energy assets



For all investment impact metrics, please see boundary footnotes on page 26.

An aerial photograph of the Sterling 5th Street building, a modern four-story structure with a flat roof covered in solar panels. The building is surrounded by a landscaped courtyard with green lawns, concrete walkways, and various outdoor seating areas. The image is part of a report, with a dark blue sidebar on the right containing text and graphics.

STERLING 5TH STREET

Sterling 5th Street is a 540-bed, 4-story mixed-use midrise community developed by The Dinerstein Companies in Davis, California, for students at the University of California, Davis. The Dinerstein Companies worked with Brown Construction and the interior design team at Ariel Fox Design to create a modern, thoughtfully programmed, and amenity-rich student community built with sustainability in mind. The Dinerstein Companies, which is recognized by the US Green Building Council as an Outstanding Multifamily Builder and LEED Homes Power Builder, served as the construction project manager, overseeing construction and delivery of the asset.

ESG LEADERSHIP

- LEED Gold Certified, Fitwel Built Certification Pending
- 52 solar panels (203 kW) reduce house meter costs and emissions
- Motion-sensored LED lighting in all common areas and a fully underground water filtration system
- All residential appliances—including dishwashers and washing machines—are Energy Star-designated, which contributes to lower utility costs for residents of Sterling 5th Street.
- Valet Trash, a daily front-door pickup service, allows students to dispose, compost, and recycle.
- Bike storage and parking, two newly-built bus stops right in front of the property, 19 electric vehicle stations free of charge to the residents, and a rideshare program commenced in 2021.

PHOTO: Sterling 5th Street, Davis, California. LEED Gold Certified. Photo courtesy of The Dinerstein Companies.





HEALTH & WELL-BEING

We support the health and well-being of residents, tenants, and operators by using innovative tools, programs, and technology to improve the living and working environment.

WORKER HEALTH & SAFETY

Ensuring the health and safety of workers in and on our properties is a key priority. Collaborating with real estate and infrastructure operators, we work to understand working conditions, employee satisfaction and retention rates, and health and safety metrics in order to promote safe and secure working environments for all workers. Collaborating with operators to evaluate health and safety programs, following OSHA best practices for monitoring leading and lagging indicators to prevent injury and illness, we report these indicators in regular operating reports. In particular, infrastructure operators are required to report material health and safety indicators annually in GRESB.

EMERGENCY PREPAREDNESS

The safety of residents, tenants, building staff, and occupants during emergencies is of critical importance to the Firm and our operators. We conduct diligence on our operating partners to ensure robust emergency management protocols, ongoing training, and energy backup systems are in place.

We regularly audit the emergency preparedness plans of our various operators in order to optimize tenant safety. In providing guidelines to partners and third-party managers

for enhanced emergency preparedness and response plans, we work with these key stakeholders to develop strong cybersecurity, active shooter policies, infectious disease control measures, resident evacuation/relocation procedures, and more. Senior housing operators in particular are deeply evaluated to ensure industry-leading infectious disease policies and procedures are followed.

HEALTHY BUILDINGS & CERTIFICATION

Wellness programming is very important for senior living and student housing assets in order to provide safe, enjoyable, and marketable living environments. Assets hold resident events that promote health and wellness, such as gardening, fitness programs, community outings, and healthy food offerings. Senior facilities also host events to connect residents and their surrounding neighborhood, such as open houses, community lunches, walking clubs, guest speakers, and fundraising events.

Harrison Street formed an industry-changing partnership with the Center for Active Design (CfAD) to Accelerate the Healthy Building Movement. Through this first-of-its-kind partnership, Harrison Street—already a Fitwel Champion—will implement Fitwel certification across an identified pipeline within its existing portfolio of more than 500 student housing, senior housing, medical office, and life sciences properties. As a result of this expanded partnership, Harrison Street and CfAD will have access to enhanced data sets from which to identify strategies for health and business optimization.

Harrison Street worked closely with the Fitwel team to develop a first-of-its-kind scorecard for senior living. Input was captured from both the Firm and its operating partners, combined with research, to create this new rating tool. Harrison Street is committed to having nearly all of its occupiable assets certified to provide these properties with

a market differentiator, and also to ensure all Harrison Street properties meet a certain health and wellness standard.

Health and well-being are prioritized in asset development by incorporating key strategies such as ensuring adequate exposure to daylight, high-quality indoor lighting, enhanced fresh air ventilation and filtration, as well as accessible occupant temperature and lighting controls. Most assets are sited in walkable districts, within easy walking or biking distance of high-quality food, basic services, and public transportation. Community gathering spaces and fitness facilities, often including pools and gardens, are also included in the building designs. The quality of health and well-being attributes are assessed using Fitwel certification on both standing assets and new developments. At the end of 2021, 15 of our properties were certified with Fitwel, covering 3.3M square feet. An additional 209 properties started the process of certification during 2021 and we are well in line of achieving our 2025 target of 200 Fitwel certified buildings.

SUPPORT RESEARCH ON HEALTHY AGING

The Well Living Lab, founded as a collaboration of Delos and Mayo Clinic, whose mission is to study the correlation between the indoor environment and occupant health, along with Harrison Street and several of our senior living operators, initiated a Healthy Aging study series in 2021. This series of studies will be conducted in the field and investigate the impact of indoor environments on the health of older adults. This research will build upon the independent and collective work of all groups. There are several indoor factors to be studied and the first area of focus will be on lighting, which has the potential to impact physical activity, social engagement, cognitive function, and fall risk for older adults. Harrison Street has been a Well Living Lab Alliance member since 2019.

For all investment impact metrics, please see boundary footnotes on page 26.



224 / 30
assets / million square feet

CERTIFIED OR REGISTERED FOR FITWEL



APPENDIX

THE HUB AT CHAMPAIGN

The Hub at Champaign is a student housing asset offering 569-beds. The property offers students everything they need to achieve a balanced lifestyle. Students can enjoy upscale amenities and spacious apartments near the University of Illinois Urbana-Champaign, all within minutes of Champaign's best shopping and dining. By investing in the health and well-being of its users, the property received a Fitwel Built 1-Star Certification. There is an on-site fitness facility with free health programs every 2 weeks including fitness and mental wellness.

ESG LEADERSHIP

- Property is connected to public transit and off-site amenities and supports active and carbon-free transportation, offering short- and long-term bike parking and access to nearby bike infrastructure
- Occupant satisfaction surveys to support occupant physical, mental, and social well-being
- Tenants have control over the comfort of their living environment through operable windows and room darkening shades in their units, as well as thermal control in common spaces
- Acoustic control measures are in place to minimize both exterior and interior-sourced noises, which can improve sleep and decrease stress

PHOTO: The Hub Champaign, Champaign, Illinois. Fitwel Built Certified. Photo courtesy of Core Spaces.



APPENDIX

2021 ESG DATA

Investment ESG Impact Metrics ¹	GRI Code	Unit of Measure	FIRM ⁶	Student Housing	Senior Living	Self Storage	Healthcare	Life Sciences	Utilities
Absolute Energy & Water ³									
Energy consumption									
Operational energy data coverage ²		% SF	82%	85%	98%	100%	60%	51%	100%
Fuel consumption	302-1	GWh	306	37	77	5	63	119	128
Electricity consumption	302-1	GWh	507	146	106	11	136	106	74
Electricity procured from renewable sources	302-1	GWh	40	5	0	0	11	24	0
Electricity generated on-site from renewable sources	302-1	GWh	7	5	0	1	0	2	0
District heating and cooling consumption	302-1	GWh	76	0	0	0	13	62	107
Total measured energy consumption	302-1	GWh	889	183	183	16	212	287	309
Like-for-like energy intensity ⁵	302-3	kWh/SF	18	15	18	2	28	-	-
Change in energy intensity over 2020 baseline ⁸		%	-5%	-6%	-4%	-14%	-5%	-	-
Energy exported									
Energy generated—non-renewables ³	302-1	GWh	130	-	-	-	-	-	130
Energy generated—renewables ³	302-1	GWh	423	-	-	-	-	-	423
Water consumption									
Operational water data coverage ²		% SF	90%	97%	98%	94%	71%	93%	100%
Total measured water consumption	303-1	m ³	5,284,725	2,521,451	1,396,390	89,001	665,009	565,375	236
Like-for-like water intensity ⁵		L/SF	126	162	142	13	112	-	-
Change in water intensity over 2020 baseline ⁸		%	-2%	-3%	-2%	-26%	0%	-	-
GHG emissions									
Operational GHG emissions data coverage ²		% SF	82%	85%	98%	100%	60%	51%	100%
Direct (Scope 1) GHG emissions ⁴	305-1	MTCO e	50,036	7,803	14,025	876	7,842	18,588	23,216
Energy indirect (Scope 2) GHG emissions ⁴	305-2	MTCO e	173,178	56,733	40,416	4,267	41,093	29,775	62,628
Other indirect (Scope 3) GHG emissions (tenant areas) ⁴	305-3	MTCO e	29,118	3,227	0	0	18,342	7,549	0
Total measured GHG emissions ³		MTCO2e	252,332	67,763	54,442	5,143	67,277	55,912	85,844
GHG Emissions: Avoided ⁴		MTCO e	307,600	-	-	-	-	-	307,600
Like-for-like GHG emissions intensity ⁵	305-4	kgCO ₂ e/SF	5.7	5.1	5.3	0.8	8.6	-	-
Change in GHG emissions intensity over 2020 baseline ⁸	305-5	%	-5%	-1%	-3%	-19%	-7%	-	-
ESG investments and assessments									
Green building certified or registered	CRE8	% SF	22%	32%	1%	0%	26%	38%	-
Average energy rating ⁶	CRE8	# / 100	81	87 / B	84	-	65	-	-
Energy efficiency assessment performed (last 3 years)		% SF	65%	72%	55%	55%	71%	57%	-
Coverage of energy efficiency measures (last 3 years)		% SF	77%	72%	84%	84%	76%	84%	-
Climate change assessment performed (last 3 years)		% SF	100%	100%	100%	100%	100%	100%	0%
Renewable Equity Investments (since inception)		\$ Million	\$ 230	-	-	-	-	-	\$ 230
Social Metrics									
Residents housed / cared for (since inception)		#	564,000	58,000	506,000	-	-	-	-
Fitwel certified or registered	CRE8	% SF	54%	57%	85%	0%	35%	74%	-
Average walkability score	CRE8	# / 100	52	65	46	49	44	47	-
Public-private partnership investments (net asset value)		\$ Million	\$ 1,288	\$ 859	-	-	\$ 161	-	\$ 134

1. Except as noted below, the boundary of the impact metrics reported herein encompass all funds reporting to GRESB, which are listed in the external assurance letter on page 28. The Fitwel certification goal described on page 7 and other references to the number of properties certified through Fitwel also include Harrison Street's corporate office and the assets owned by Harrison Street Real Estate Partners V, LP, Harrison Street Real Estate Partners VI, LP.

2. Coverage: Percent of gross square footage for which the Fund receives utility reporting data divided by the gross square footage of assets in operation. For the purposes of the ESG Performance Metrics table, "assets in operation" means assets that are occupied and in use and that have been fully onboarded into the Firm's ESG reporting structure.

3. At 100% ownership share

4. Calculated using location-based EPA e-GRID emissions factors. At 100% ownership share.

5. Energy, water, and GHG like-for-like (LFL) intensities are measured based on those assets that have reported on applicable performance data for the entire asset (including both tenant-occupied premises and common areas) for at least twenty-four months as of December 31, 2021.

6. Energy Ratings are obtained on assets that have at least 12 months of stabilized operational data and that can be rated under either EPA Energy Star or EPC. Self Storage and Laboratories currently cannot be rated under Energy Star.

7. Assets reported here are in funds reporting to GRESB. Funds outside this boundary include US Opportunistic Fund VI and below as these funds are in disposition.

8. Change in intensity is measured by comparing the normalized, sector-weighted consumption for the baseline year compared to the current year for assets in operation and fully onboarded into the Firm's ESG reporting structure.

APPENDIX

2021 ESG DATA

Corporate Operations ESG Impact Metrics	GRI Code	Unit of Measure	2021	2020
Employment metrics				
Total employees	102-8	#	213	195
New hires	401-1	#	48	45
Employees covered by collective bargaining	102-41	%	0%	0%
Employee satisfaction survey score		# / 5	3.9	4.3
Employee inclusivity survey score		# / 5	4.1	4.1
Total employees trained		%	100%	100%
Percentage of employees receiving regular performance reviews	404-3	%	100%	100%
Training hours per employee	404-1	#	5	10
Turnover rate	401-1	%	18%	6%
Employees dedicated to ESG performance		#	4	4
Gender diversity				
Female new hires	401-1	%	42%	33%
Total female employees	102-8	%	38%	37%
Total workforce female or minority	405-1	%	49%	47%
Management positions held by women	405-1	%	22%	22%
Management positions held by women or minority	405-1	%	30%	28%
Percentage of female promotions		%	46%	46%
Ethnic diversity				
Total employees identifying as white	405-1	%	85%	85%
Total employees identifying as minority / previously excluded	405-1	%	15%	15%
Age diversity				
Women under 30	405-1	%	13%	11%
Women 30–50	405-1	%	23%	24%
Women over 50	405-1	%	3%	3%
Men under 30	405-1	%	21%	21%
Men 30–50	405-1	%	36%	37%
Men over 50	405-1	%	5%	5%
Community impact				
Community organizations supported		#	51	95
Community service hours		#	1,704	1,950
Service hours per employee		#	8	10



09 June 2022

Harrison Street Real Estate, LLC
444 W. Lake Street
Suite 2100
Chicago, IL 60606
USA

To whom it may concern

Verification of Harrison Street Real Estate, LLC's 2021 Environmental Performance Indicators:

In 2022, Lucideon CICS engaged with Harrison Street Real Estate, LLC to perform an independent, third party limited assurance of environmental performance indicators for year 2021. The scope of the verification included natural gas and other fuels, electricity, water, and greenhouse gas ("GHG") emissions for assets in the reporter's funds:

- Harrison Street Core Property Fund, LP
- Harrison Street Real Estate Partners VII, LP
- Harrison Street US SA II, LP
- European Property Partners, LP
- European Property Partners II, LP
- European Property Partners III, LP
- BVK-US-Niche-Immobilienfonds
- Social Infrastructure Fund, LP

Lucideon performed several tasks to provide limited assurance of the GHG assertion and utility consumptions for the 2021 calendar year pursuant to ISO 14064-3:2019 standard - Greenhouse gases — Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

These tasks included review of scope of verification, 'boundaries' completeness checks, development of a verification plan pursuant to ISO 14064-3 and testing of reported data and calculations against underlying raw data sources pursuant to the verification and sampling plan.

Lucideon developed the verification and sampling plan based on a risk assessment approach designed to minimize the risk of failing to detect material errors. A five percent (5%) materiality threshold was established and met.

A positive verification opinion was provided to Harrison Street Real Estate, LLC.

Sincerely,

.....
Andrew Shepherd
Lead Auditor

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Materials Development and Commercialization

APPENDIX

DISCLOSURE INDEX

REPORTING FRAMEWORKS

This report summarizes the company's environmental, social, and governance (ESG) performance for the 2021 calendar year and is reported annually. The last published report covered the 2021 calendar year and was published May 2022.

This report seeks to cover the impact of material sustainability topics. The contents of this report and identification of material topics were determined by the Firm's Impact team, stakeholder materiality assessment, and guidance from external consultants.

This report is indexed using the Global Reporting Initiative (GRI) Standards, including sector-specific guidance for real estate, and is reported at the Core level. The Index also includes the Task Force for Climate-Related Financial Disclosures (TCFD). Harrison Street has published a disclosure statement aligned with the European Commission's Sustainable Finance Disclosure Recommendation. The full statement can be found here: <https://www.harrisonst.com/sfdr/>

No restatements of previously reported information have been made, and no significant changes in reporting boundaries or reported topics were made in relation to previous reports. This report has been checked for accuracy and completeness by the internal Impact team, Marketing, People Operations, Compliance, and external consultants.

KEY CONTACTS

Jill Brosig, *Chief Impact Officer*

Stephanie Barr, *Vice President of ESG*

sustainability@harrisonst.com



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Making an Impact.

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