

2023 ESG Report

Environmental, Social and Governance



Cannon Hill
Capital Partners

A Welcome Letter



As we reflect on 2023, we are proud to share the significant strides our Company has made in advancing our Environmental, Social, and Governance (ESG) initiatives. Our dedication to sustainability and social impact continues to drive us forward, and this year's accomplishments are a testament to our commitment.

As a Company founded in 2022, we took a major step by publishing our first ESG report that year and with this second annual report covering 2023, we continue to provide transparency and valuable insights for our stakeholders. We are proud to report that Cannon Hill is now a signatory to the United Nations Principles of Responsible Investing ("UN PRI"). This year, we refined our ESG program by establishing a new framework, by forming new committees and by integrating ESG considerations into our investment process to enhance decision-making and long-term value creation.

We were thrilled to have achieved a 4-star GRESB rating (and improved our score by five points from the prior year). We also surpassed our 2023 stated objectives for the reduction of energy use, water consumption, and carbon emissions across our portfolio — an outcome that underscores our commitment to minimizing our environmental footprint. We continue to increase the number of property certifications for Energy Star, LEED, Fitwel and WELL Health Safety. Further, in 2023 our corporate headquarters office in New York City earned an ENERGY STAR Tenant Space Designation by the US EPA.

On the social front, we are especially proud of our team-building efforts. During 2023 we hired eight new team members, all of whom are women, further strengthening our commitment to gender equality. In this report we highlight three ESG case studies across our portfolio in the categories of: a repurposed asset, a new development and for tenant engagement.

Our team also demonstrated a spirit of giving back, actively supporting nine local and national organizations through participation and charitable donations. These efforts not only enrich our community but also align with our mission to create lasting, positive change.

As we move forward, we remain committed to delivering on our ESG objectives and driving meaningful impact across all areas of our business. Thank you for your continued support.

A handwritten signature in white ink that reads "Melissa".

Melissa Cosgrove Donohoe
Co-Founder & Chief Operating Officer



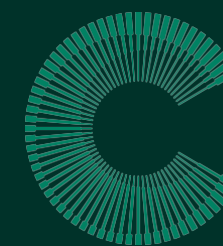
Cannon Hill
Capital Partners

1370 Avenue of The Americas
NY, NY



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2023 ESG Report

About Cannon Hill

Founded in June 2022 through a management buy-out of real estate funds of Columbia Property Trust, Cannon Hill Capital Partners (“Cannon Hill”) is a privately-held, vertically-integrated real estate operator, developer and investment manager headquartered in New York City. We pursue growth through a value-added investment strategy primarily focused on repositioning and developing best-in-class office, multi-family, industrial and life sciences properties in the metropolitan regions of New York, Boston, and Washington, D.C. As of year-end 2023, our portfolio under management includes 38 properties or development sites aggregating approximately 10 million square feet in our core markets.

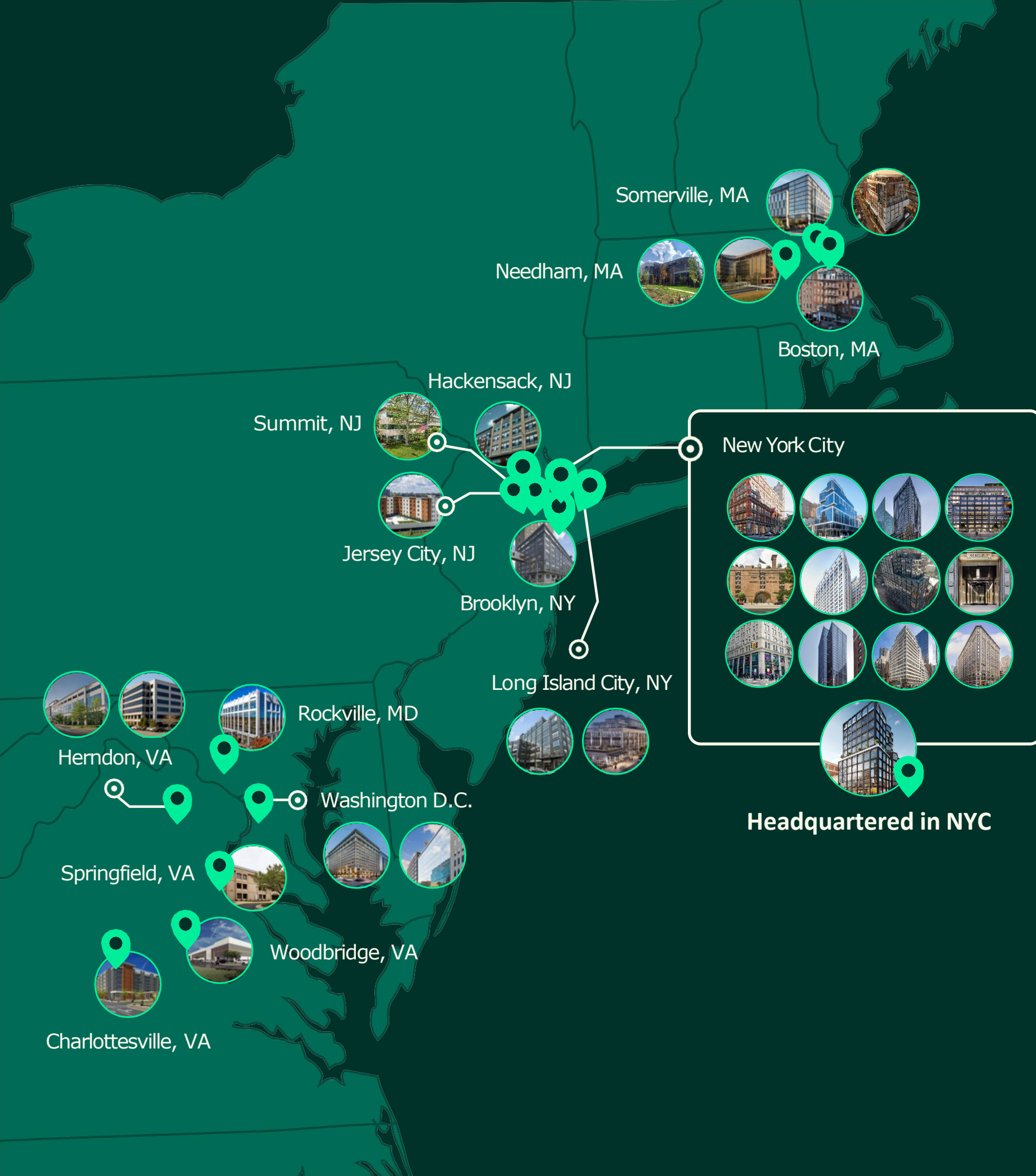
As a firm and a team, we are committed to achieving our goals to deliver high-quality assets, improve upon the communities in which we invest and contribute towards ESG initiatives within the real estate industry.

Terminal Warehouse
New York, NY

Cannon Hill Capital Partners

Portfolio Overview

During the 2023 calendar year, Cannon Hill's portfolio was comprised of 38 diversified assets across New York City, New Jersey, Boston, MA, Washington, DC and the in-fill suburbs. This report covers all properties owned within the Normandy funds, via separate accounts, and property managed on behalf of third-party owners.



2022

Cannon Hill Capital Partners Founded

38

Properties

500

Commercial Tenants

10M

Total Square Feet Under Management

3M+

Square Feet Third Party Management

40

Institutional Investors

5

Regional Offices

320 W. 31st St (Rendering)
NY, NY

01

Culture and Principles

Creating a positive corporate culture and prioritizing its importance creates a welcomed environment and promotes collaboration and a sense of self-worth. Cannon Hill practices this idea, with the understanding we are only as successful as the team that surrounds us. An environment that welcomes varying opinions is one that opens the room and minds to both innovative and impactful ideas that are meaningful to our employees, our investors and our tenants.



At the Center of Cannon Hill

We lead by example and determine success based on our actions and results

Equality

At Cannon Hill we believe in, promote and demonstrate the value of diversity. Showing respect and understanding is paramount in our culture and a pillar in all our policies. We encourage communication, value individual differences and are committed to maintaining an environment of inclusion across all facets of our business.

Risk Management

We have implemented an extensive cybersecurity program, a Business Continuity Plan, cloud computing, ongoing employee training, insurance policies, data privacy and are subject to ongoing security assessments from our Compliance Consultant.

Team

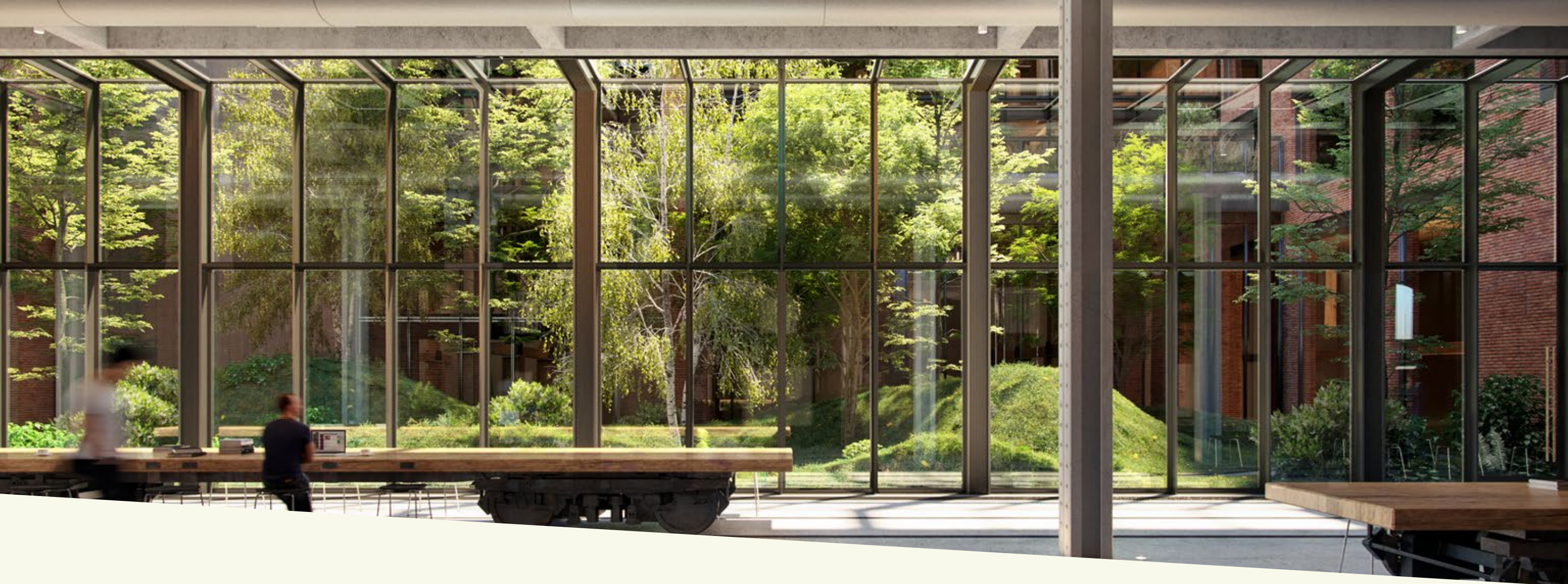
The ESG Committee at Cannon Hill was formed to help further develop, champion and lead in our ESG initiatives.

Energy Performance

Benchmarking and analyzing buildings' performance enables us to execute a plan to reduce Green House Gas (GHG) emissions through operations, general improvements and the use of clean energy across our corporate offices and our portfolio.

Training

Investing in our team members through education and training is a top priority. We support employees' continuing education in the industry, their achievements and designations and their participation in industry events. We require continual training in compliance, conflicts of interest, our ESG Policy and our DEI Policy.



Cannon Hill Approach to Sustainability

Innovation

Dedicating time and research to recognize and invest in state-of-the-art emerging technologies and approaches to solve sustainability challenges is a priority. Through the use of PropTech we have already built a roadmap to measure our baseline and then reduce GHG emissions, water use and waste.

Integrity and Transparency




Institutional reporting expertise. We operate with integrity and as a fiduciary to our stakeholders across our vertically integrated platform. We have an extensive Code of Ethics to which every employee is expected to adhere. Every vendor undergoes due diligence and signs a Vendor Code of Compliance. We ensure accountability and transparency through publishing our annual ESG Report, submission of our Global Real Estate Sustainability Benchmark (GRESB) assessment and being a Signatory to the UN PRI.

Results

For our ESG initiatives and goals, we have established a baseline and we then set annual and multi-year goals to ensure continued progress and improvements. Our ESG Committee has implemented an integrated team strategy to incorporate ESG initiatives throughout the various business units within our company, including with new acquisitions. We work closely with our third-party ESG consultants and risk management team to ensure that environmental, social and governance objectives are integrated into our business.







Environmental

-  Energy Usage
-  GHG Emissions
-  Water Consumption
-  Waste and Recycling
-  Sustainability and Certifications
-  Environmental Purchasing and Practices



Social

-  Diversity, Equity and Inclusion
-  Health and Wellness
-  Community Relations
-  Tenant Engagement



Governance

-  Corporate Social Responsibility
-  Leadership and Team Accountability
-  Benchmark and Reporting
-  Compliance with Laws and Regulations
-  Stakeholder Engagement

The Fundamental Components of
Our Policy

101 Franklin St (Rendering)
NY, NY

02

Environmental

At Cannon Hill we understand the importance of environmental responsibility and believe our role is pivotal within our industry. As a leader in developing, managing and investing in commercial real estate, Cannon Hill is directly responsible, at our portfolio, for increasing energy efficiency, mitigating green house gas emissions, reducing waste and increasing recycling, reducing water intensity and contributing to the Net Zero building goals of each major market that we invest. Quite simply, we are committed to creating and owning the best-in-class healthy buildings.

Our Environmental Foundations

Environmental sustainability is at the core of our business operations, paving the way to minimize environmental impact.

Waste and Recycling

Sustainable waste management practices have been put into practice across the portfolio. Educating and partnering with our tenants and our vendors increases the effectiveness of the program. This enables us to set targeted goals and exceed benchmarks by reducing waste with more efficient practices.

Water Consumption

Tracking water usage through Energy Star Portfolio Manager and other technology platforms enables us to quicker see anomalies quickly so we may than take a deeper dive into individual buildings. Analyzing similar building types and size also helps us determine if an asset is not operating optimally so we can find water issues and/or better practices. Not working in a silo helps us manage each asset more efficiently by learning from the greater portfolio.



As professionals in our field Cannon Hill believes it is our responsibility to lead by example in the reduction of carbon emissions. Collaborating with our consultants and working alongside our peers is the path to a cleaner and more sustainable environment.



Chris Masotto

*Principal and Head of Property Management
Cannon Hill Capital Partners*

Energy & GHG Emissions

Cannon Hill has adopted a multifaceted approach to reduce energy consumption across our portfolio. Examples include: exploring more efficient ways to cool, heat and light its projects; employing technology and AI to actively track, measure and reduce energy use in real time; and designing and constructing buildings using newer and more energy efficient equipment while sourcing locally. By identifying where energy is being consumed, we can target appropriate adjustments and upgrades. These best practices are not only good for the environment but have a favorable impact on an asset's bottom line. We further achieve this by implementing our "Cannon Hill Greenprint", which is a developed and tested roadmap comprised of analytics and procedures to help work towards carbon neutrality.

Sustainability and Certifications

Cannon Hill is committed to sustainability and implementing green building certifications and practices such as LEED, WELL and Energy Star for new and existing properties in our portfolio. Pursuing Energy Star certification at all eligible buildings and setting a goal for new development projects to achieve either LEED and or WELL Certifications are at the forefront of our business model. As a part of Cannon Hill's corporate culture, we invest in our employees by providing opportunities to further their sustainability education, training and obtaining professional industry credentials such as LEED GA & Recognition LEED AP. With this knowledge our team is empowered to utilize these resources in the field and to meet our sustainability goals and objectives.

Environmental Purchasing and Practices

Cannon Hill prudently adheres to a set of guidelines focused around ethical and environmental performance. Responsible purchasing practices are at the center of this with a diversified energy portfolio that includes clean safe renewable energy and procurement of ecofriendly nontoxic products. We have developed a comprehensive program that identifies and limits exposure to potential hazardous materials and includes proper training in the use and handling of these materials with third-party certification. In addition, indoor air quality (IAQ) surveys are performed to measure the performance of ventilation, pollutants and air filtration systems to create and maintain a healthy building environment.



Sustainability

Committing to a direction, navigating a path, and meeting targets to become more sustainable

At Cannon Hill we have dedicated ourselves to sustainable practices for the betterment of our environment, communities, assets and their occupants. We have set goals to conform with local and national requirements while developing our own practices to further our achievements.

Local guidance and requirements

Local Law 97 – NY – As part of the Climate Mobilization Act, LL97 establishes GHG emissions limits and timeline tiers of compliance to reach zero carbon emissions by 2050.

BEPS – DC – The Building Energy Performance Standard (BEPS) program, a byproduct of the Clean Energy DC Omnibus Act of 2018, was created to assist in meeting energy and climate goals to reduce GHG emissions and energy consumption by 50% by 2032.

BERDO - Boston – The Building Emissions Reduction and Disclosure Ordinance (BERDO) sets requirements for existing buildings to reduce their GHG emissions over a period of time.

Certifications

Energy Star is a measurement and verification tool administered by the US EPA that promotes energy efficiency by the US EPA that promotes energy efficiency across buildings nationwide. Energy Star scores reflect how efficiently buildings are operated.

LEED certification was developed by the US Green Building Council in 1993, this designation demonstrates a building owner's commitment to sustainable design, operations, and resource efficiency.

Fitwel Standard provides guidelines for optimizing health and wellness in the built environment. Fitwell addresses seven health impact categories of participating buildings: Impacts surrounding community health, Reduces morbidity and absenteeism, Supports social equality for vulnerable populations, Instills feelings of well-being, Enhances access to healthy foods, Promotes occupant safety, and Increases physical activity.

WELL Health-Safety Rating - The International WELL Building Standard is an evidence-based performance standard developed by IWBI that measures, certifies and monitors the performance of building features that impact occupant health. WELL evaluates ten concept categories: Air, Water, Nourishment, Light, Movement, Thermal comfort, Sound, Materials, Mind, and Community.

The Cannon Hill Portfolio has achieved the following certifications during the 2023 reporting period :

Energy Star:	9 assets
LEED certifications:	3 assets
Fitwell Certification:	4 assets
WELL Health-Safety Rating:	1 asset

Cannon Hill strives to achieve or match **Wired Scores** of Gold and above at all urban assets.

CHCP Headquarters office space earned Energy Star Designation

In 2023, Cannon Hill earned ENERGY STAR Tenant Space designation by the U.S. Environmental Protection Agency (EPA). To achieve this designation, CHCP met EPA's energy design criteria and demonstrated that we've taken steps to effectively manage and reduce our energy consumption.

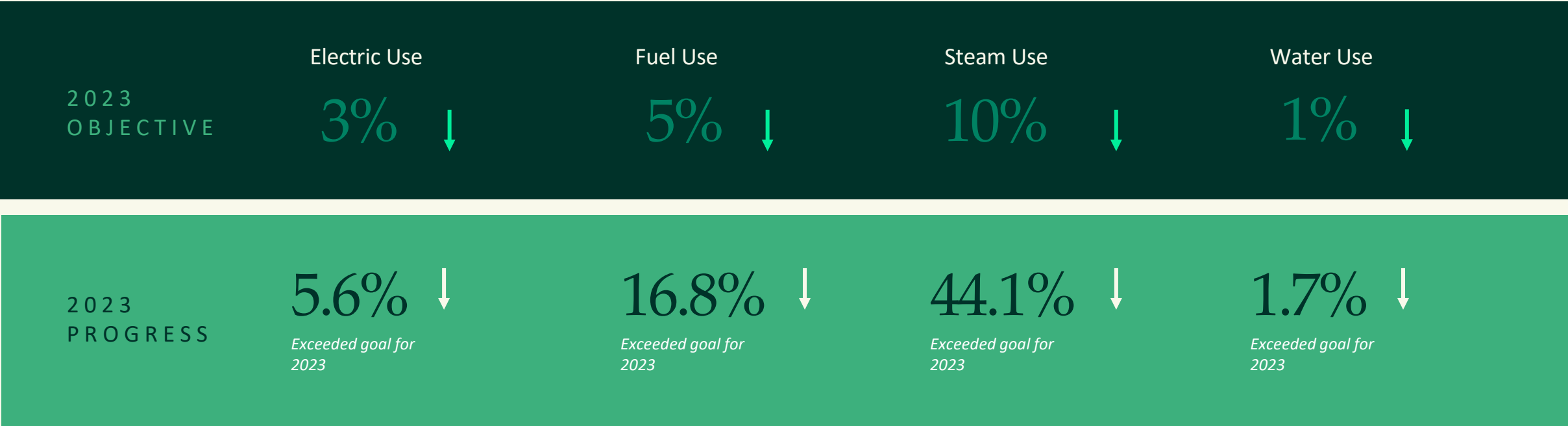


Cannon Hill Capital Partners, LLC Headquarters, NYC



Progress Against Our 2023 Environmental Objectives

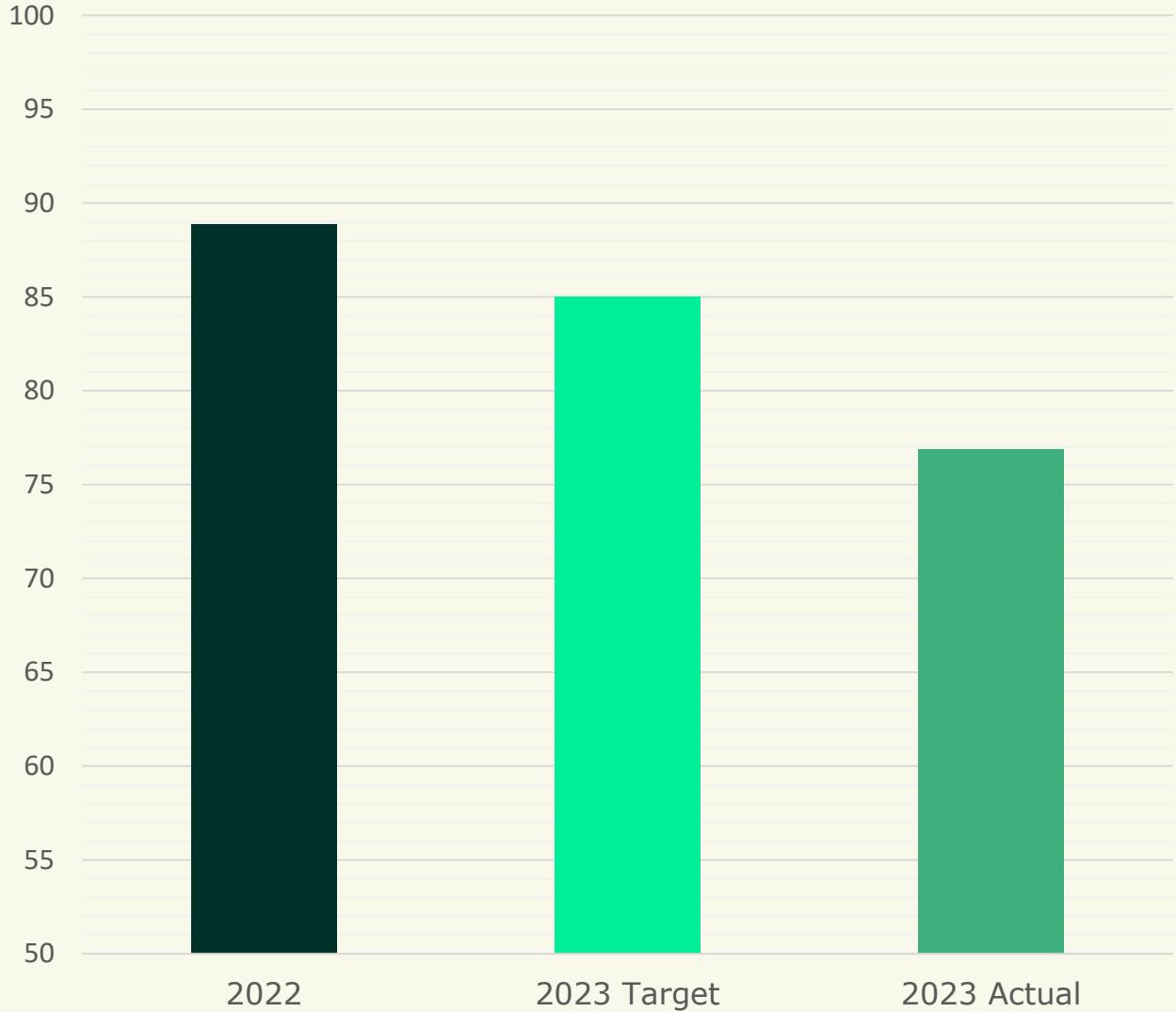
Utilizing technologies to track our data enabled us to create benchmarks to measure our progress. Over the 2021 to 2022 period, energy use, water consumption and carbon emissions increased which was expected due to a post-COVID physical occupancy increase. In 2023, physical occupancy continued to rise, but despite that, energy levels across all areas (electric, fuel, steam and water) were reduced year-over-year, and all results exceeded our stated objective in 2023.



Energy Usage

Total energy usage reduced 13.5% from 2022 to 2023

Based on a 20-building portfolio that had the ability to accurately track electrical, fuel, and steam use and cost, we realized a reduction in both total use and cost. Energy usage decreased 13.5% from 88.9MM kBtu in 2022 to 76.9MM kBtu in 2023. Energy costs for this same portfolio decreased 6.9% from \$7.6MM in 2022 to \$7.1MM in 2023. Through implementing both operational changes and investing in building improvements, usage reduced in 2023 despite the fact that physical occupancy increased year-over-year. Targets were set and achieved due to the diligence of the management staff and oversight by the operations managers.



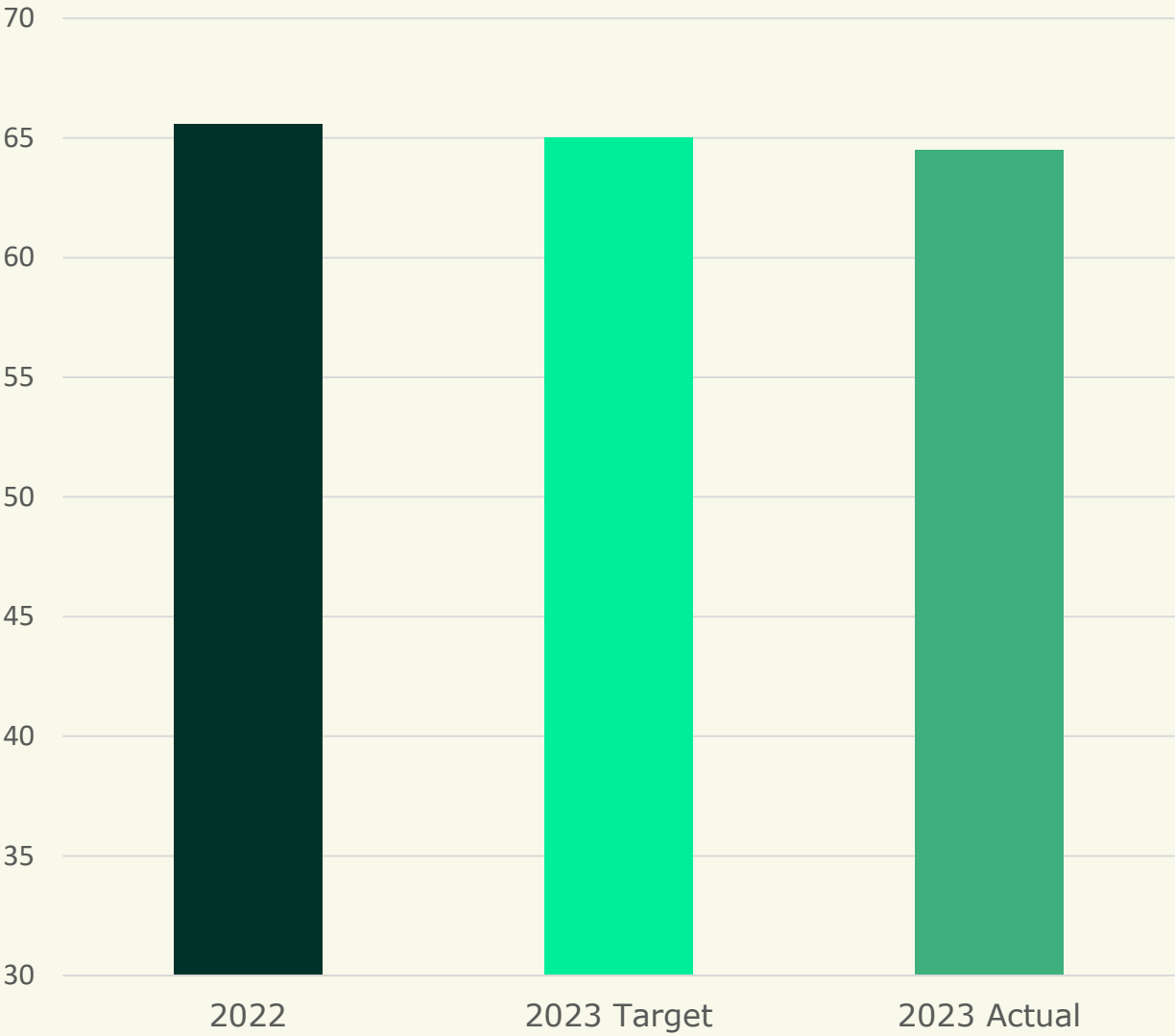


Water Usage

Total water usage decreased 1.7% from 2022 to 2023

Water usage decrease by 1.7% from 2022 to 2023. The decrease in overall usage can be linked to installation of smart fixtures as well as better management of building systems.

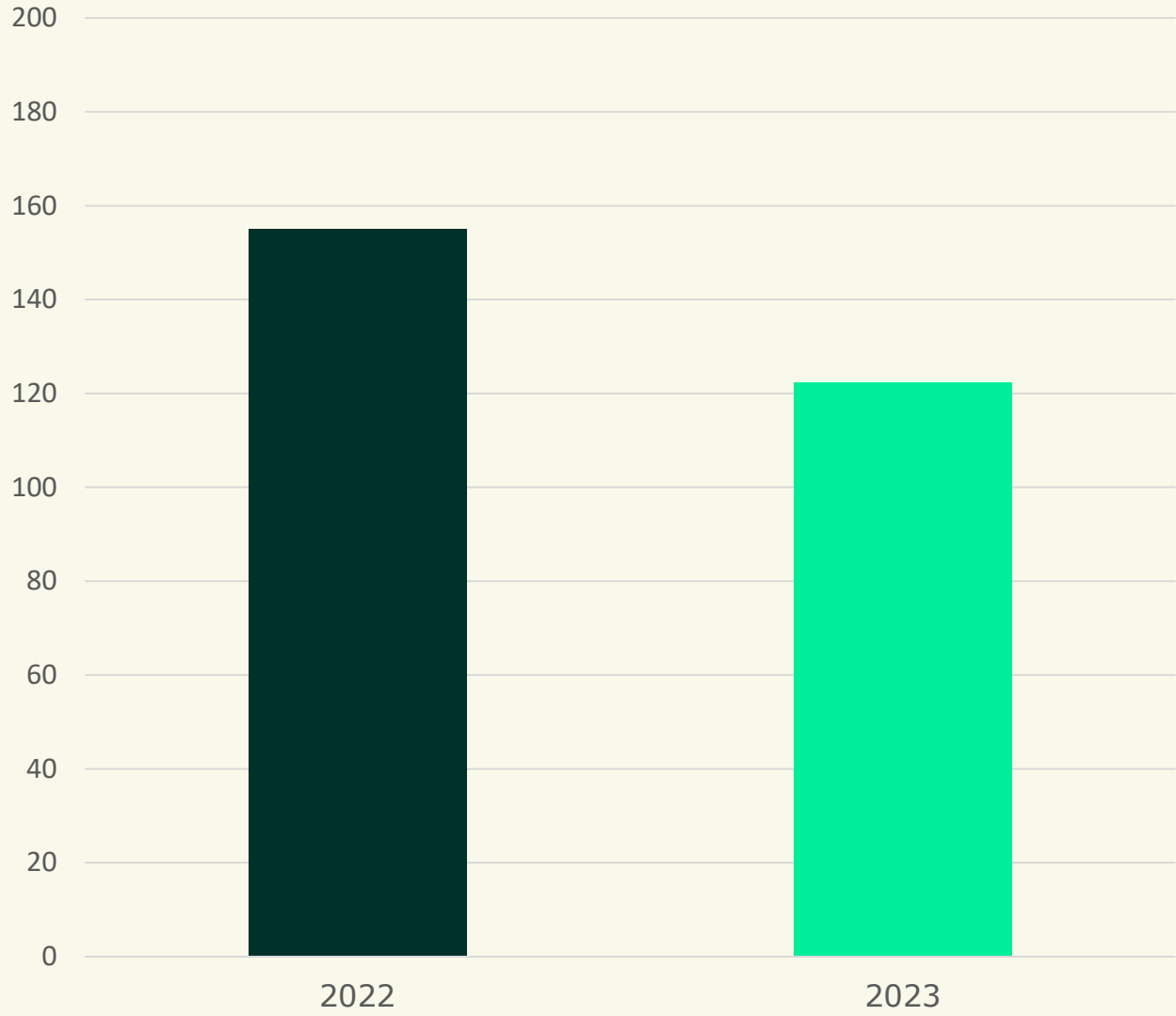
This decrease occurred while physical occupancy continued to grow from the prior year, though it should be noted that for commercial buildings, physical occupancy has a minimal correlation to water usage due to the fact that building systems that utilize water are run at similar levels during times of both low and high occupancy.



Emissions

Carbon emissions and Carbon intensity both decreased from 2022 to 2023

Utilizing Scope 1 standards and measurements, Carbon emissions and intensity each decreased by approximately 10% from 2022 to 2023, for a total reduction of 21.2% (from 155.1 MTCO₂e to 122.3 MTCO₂e). Scope 1 measures direct emissions from fuel combustion.





Accessibility and Amenities

Creating welcoming environments and communities to promote tenant retention and employee well-being

At Cannon Hill we prioritize the creation of welcoming environments within our portfolio. We acquire well-located properties with excellent transit accessibility. We create bike rooms, fitness centers, and add electric vehicle (EV) charging stations, where appropriate, at buildings within our portfolio. We create shared amenity spaces to cater to smaller tenants and to operate more efficiently.

We host memorable tenant events and provide effective and frequent communications with our tenants which furthers our recognition as a brand in the industry.



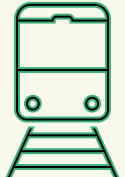
97%

Walk Score



86%

Bike Score



100%

Transit Score

Figures above are representative of a subset of the Cannon Hill Portfolio, comprising 4.5MM square feet in urban locations.

The suburban assets/office parks in our portfolio are amenitized with fitness centers, cafes, communal areas and parks, creating a live/work/play environment that is also appealing to tenants and employees located in non-urban areas.

Case Study - Repurposed Asset

Terminal Warehouse

Located in NYC



PLATINUM



PLATINUM



PLATINUM



Reuse of original timber structure, with columns and beams yielding a chronology of 352 years long.

Low Carbon Materials were reused and repurposed to reduce the embodied carbon emissions.

Use of low-emitting materials to enhance filtration measures, as well as outdoor air delivery and controls.

High performance curtain and windows to optimize heating and cooling for better occupant comfort and increased efficiencies.

Over 100,000 SF of outdoor space, including 29 private terraces.

A central garden located in the building core which also aids in bringing light into the center of the building and into tenant spaces.

Tenant Amenities include a professional fitness center, food and beverage establishments, retail shopping and bike room with storage for 466 bikes to promote clean travel.

Boynton Gateway,
Somerville, MA

340k 9 15k 2024

Square Feet

Floors

Amenity Spaces (sq. ft)

Year Built



Case Study – New Development

Boynton Gateway

Located in Somerville, MA

Boynton Gateway is an integrated life science property strategically located in the heart of Union Square, with close proximity to Cambridge and Kendall Square (*“the most innovative square mile on the planet”*). Consisting of lab and office space, the building is supported by wellness-dedicated amenities and construction.

Energy and Water Efficiency:

- High-performance building envelope, consisting of insulated metal panel and double pane insulated glass windows with highly efficient glazing, all of which exceed current energy code requirements
- The lower roof will have a living ‘Green Roof’, and both will be ‘Blue Roofs’, which will capture rain-water to be used for site irrigation and other MEP purposes
- Enhanced lighting controls, which will result in energy savings from a reduction in connected lighting power and a reduction in heat through the lighting fixtures
- All mechanical systems are state of the art high performance systems and equipment

Community Benefit:

- Promotes a greener commute – walking distance to MBTA Green Line (GLX), plus access to MBTA bus, shuttle, and Blue Bike stations
- The ground floor will be purposed for local arts, retail, and creative users
- Committed to funding local career training and workforce development programs including hosting job fairs

Occupant Comfort and Wellness:

- Onsite fitness facility, locker room and showers, a bike room with 89 secured spaces and 17 additional short-term spaces for visitors.
- 10% of parking spaces will have Electric Vehicle “EV” charging stations, and 25% will be EV-ready.
- All site plantings are 90% native
- Site permeability increased from 1% to 11%

Certifications:



WiredScore
GOLD



*Designed to
meet WELL
certification

Boynton Gateway, Somerville - Topping Off

03

Social

Cannon Hill cares deeply for our employees, the tenants who are in our buildings, the communities where our properties are located and the overall health of our planet. We value relationships with our employees, peers, stakeholders and the community as the foundation of our organization. Integrity, acceptance and equality are part of the DNA of our company's celebrated culture.



Our Social Foundations

Believing and investing today in our assets, communities and people will create a better tomorrow.

Diversity, Equality and Inclusion

At Cannon Hill we believe in, promote and demonstrate the value of diversity. Showing respect and understanding is paramount in our culture and a pillar in all our policies. As outlined in our Employee Handbook, our Compliance Manual and our Code of Ethics, everyone has the right to work in an environment that promotes equal opportunity and prohibits discriminatory practices, and our work practices, workplace and organizational structure ensures alignment with these principles. We encourage communication, value individual differences and are committed to maintaining an inclusive environment across all facets of our business.

Health and Wellness

We prioritize the health, safety and well-being of our employees and building occupants. Cannon Hill strives to create a great workplace experience to attract and retain employees and to foster growth and education. Building staff are required to provide a safe workplace and are trained and educated in OSHA, emergency response and crisis management. Creating healthy building environments that tenants can trust and feel safe in is demonstrated daily and illustrated in comprehensive procedures for COVID response and community education within our app The Hub @ Cannon Hill. We offer comprehensive employee benefits such as medical, dental, commuter benefits, health savings accounts and virtual classes for mind and body, all of which promotes the health and safety of our team.



The Ashton
Jersey City, NJ

Tenant Engagement

Creating exceptional tenant experiences

At Cannon Hill we believe that tenant engagement not only fortifies relationships between tenants and the building staff, but it creates a stronger community within an entire building. Giving tenants the opportunity to socialize with one another creates a sense of comfort and happiness increasing individuals desire to be in the workplace. Developing these relationships enables people to see and share their corporate cultures, creating a community that embraces inclusion and acceptance.

While many events revolve around community, other tenant events focus on the education of effective waste management, recycling, energy use and water conservation. Through workshop events we provide our tenants with essential information which enables them to make more informed ESG decisions. Through the use of our app, The Hub @ Cannon Hill, we are able to share information about the building, the local community and help individuals better identify with their workspace and building.



National Press Building, DC

The Management Team invited tenants to a day of games, music, and bonding co-hosted with SPIN DC, who also invited two professional ping pong players for entertainment

Ping pong and games

Coppermine Commons, Herndon, VA

The building held inter-company ping pong tournaments in the Spring of 2023. The tournament created great team building and awards were handed out at the end of the event.

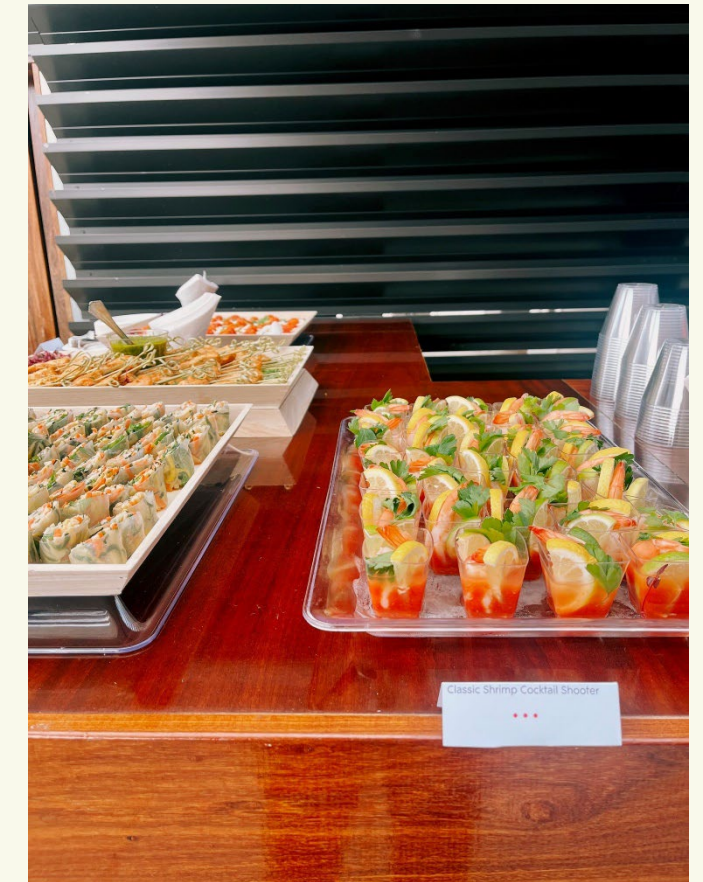


Tenant Engagement

Creating exceptional tenant experiences

National Press Building, DC

The Management Team hosted a holiday party for the tenants, with food, music, and holiday cheer. The food and beverages were sourced by a local woman-owned catering company based in VA.



1370 Broadway, NYC

The Management Team invited all tenants to the newly constructed roof deck to enjoy food from local restaurants, and even better views of midtown Manhattan. The permanent serving bar was constructed by Cannon Hill's Matt Romeo, Operations Manager NYC.

Community Relations

Giving back makes us part of the community

Cannon Hill is dedicated to giving back to the local communities in which we operate. From coat drives and park clean ups to dedicating time and donations to several charitable organizations, Cannon Hill organizes several events throughout the year to which the entire team has an opportunity to contribute. We encourage our employees to volunteer their time with local charities they connect with, promoting local businesses and as a company supporting the organizations our employees believe in. We also offer our expertise and guidance to organizations that can benefit from our experience and resources enabling them to focus their strengths on their own causes.



Charitable Giving

Community Development

Cannon Hill aims to be a responsible community member by actively supporting both local organizations in the neighborhoods that we invest, as well as national organizations that support causes that are personally meaningful to our employees.

Below is a list of the organizations that Cannon Hill has contributed to during 2023:



Cycle for Survival – As the official rare cancer fundraising program of Memorial Sloan Kettering Cancer Center (MSK), Cycle for Survival fuels hope and progress with every dollar raised.



Encourage Kids Foundation – Being sick can be traumatic and frightening to both kids and their families. While the medical professionals work hard to save lives, enCourage Kids provides a different kind of healing to children dealing with cancer and other critical illnesses by providing programs designed to create a more comfortable and “normal” environment during their hospital stays..



Dress for Success –The mission of Dress for Success is to help unemployed and underemployed women achieve economic independence by providing no-fee programs, development tools and professional attire to thrive in work and in life.



Hudson River Community Sailing – HRCS is a non-profit youth development and community sailing organization with locations in Chelsea and Inwood. Core to our work is the belief that everyone can learn to sail, and that sailing provides a unique opportunity for growth and discovery.



Skyscraper Museum – Founded in 1996, The Skyscraper Museum is a private, not-for-profit, educational corporation devoted to the study of high-rise building, past, present, and future.



Anti-Defamation League (ADL) – the world’s leading expert on antisemitism and is on the front lines, shining a light on all forms of antisemitism and empowering individuals and communities with tools to address this age-old hate.



New Heights Youth – To educate and empower promising underserved youth to be leaders, champions and student-athletes by developing the skills necessary for success in high school, college and life.



Diabetes Research Institute Foundation –created for one reason – to cure diabetes – which is and will continue to be its singular focus until that goal is reached. For the millions of individuals and families affected by diabetes, the Diabetes Research Institute Foundation is the best hope for a cure.



Kids for Kids – a community of friends, families, and colleagues raising money for organizations that support children and families struggling with medical challenges. Their Junior Committee, comprised of children 5 to 18 years old, teaches children the importance of giving back to other children in need.

Diversity and Team Composition

We recognize that our company benefits from team members with diverse backgrounds and perspectives. To reach these goals, we track key DEI metrics across the company and strive to continue diversification metrics with each hire.

Our senior management provides a path for employees to develop their careers and grow as professionals within the organization, which is embedded in our corporate culture, and we believe has contributed to higher-than-average tenure.

All Employees:

55 Total Employees

As a small company it can be a challenge to meet typical “DEI” metrics, however as part of our Culture and Principles, Cannon Hill is committed to betterment and transparency.

↑ 13%

Female to Male ratio increased by 13% from 2022 to 2023

↑ 4%

Non-White to White ratio increased by 4% from 2022 to 2023

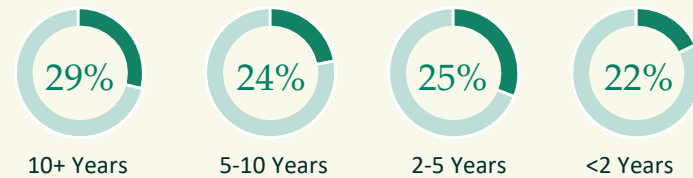
Senior Management:

43% Female and/or non-white

Within the senior management team, three of seven members are female and/or non-white. The team is comprised of long-standing commercial estate executives, with an **average of 21 years industry experience**, who have worked together for 12 years to provide cohesive and continuous oversight of our portfolio for our investors.

Tenure and Hiring:

7.4 Average Tenure Years



8 New Hires **100%** Women New Hires

Team Building and Community



Colleagues gather regularly on the rooftop of the NY Headquarters for good conversation, company, and views. Little encouragement is needed, and the deck is well utilized.



Several of the women of Cannon Hill went out for a night of team building and axe throwing; 3 of the 8 new female hires in 2023 attended. Our ratio of female to male increased by 13% from 2022 to 2023.



Since 1985, enCourage Kids Foundation has helped humanize healthcare for children and their families by resourcing impact-driven pediatric programs and supporting the child life community. Six team members participated and supported a golf event to promote this organization and for team building.

Annual Team Meeting and Outing

Our 2023 team training seminar took place at one of our owned properties, 175 Pearl Street, located in D.U.M.B.O Brooklyn, NY. The training, which focused on customer service and sustainability, was followed by our full company outing that started out on the rooftop with incredible views of the Brooklyn Bridge and Downtown Manhattan, listening to a live rock violinist.

We embarked on a walking tour of the iconic D.U.M.B.O neighborhood, showcasing the waterside parks with views of Manhattan and locations for popular photo ops including one of the Empire State Building seen through an arch of the Manhattan Bridge.

We followed it up at a local establishment for food and beverage provided by several local restaurants known for their different specialties and cuisines. Activities were plentiful including pool, darts, arcade games, dome hockey, foosball, and feather ball, a game originating from Belgian, similar to bocce ball, utilizing a wheel shaped “ball” to resemble a wheel of cheese. Over 91% of our team was in attendance representing all regions of our portfolio.



Tenant Engagement

National Press Building

The National Press Building launched The Hub @ Cannon Hill app to its' tenants as a way to better communicate with them as well as to create a stronger connection between the tenant, the building and the community. The app also provides a one-stop-shop to access important building information, order food, and RSVP to building events. The NPB team has partnered with several restaurants and businesses in the neighborhood to provide discounts to all building occupants while supporting local businesses.

What's Happening at National Press

Tenants were recently notified of a tenant event hosted by the management team and local business owners. The event was a great success with a strong attendance.



Walk Score

91

Transit Score

100

Bike Score

82



491k

Square Feet

99

Tenants

20K

Square feet of Amenity space

2

Blocks from the White House

04

Governance

We recognize that as an investment manager and developer of commercial real estate, we need to invest time, education and resources into our decision making and policies to ensure controls, transparency and fair practices. It is our responsibility to govern these policies and responsibilities which are essential to achieving and maintaining the highest level of professional business practices.

Cannon Hill Investment Management, LLC is an SEC-Registered Investment Advisor.

Our Governance Foundations

We foster an unwavering corporate culture of integrity, ethics and acting as a fiduciary to our investors, to ensure operational excellence across our portfolio and company.

Corporate Social Responsibility

Cannon Hill is guided by a set of principles that place corporate social governance as a pivotal role in the success of a company. Key components include community engagement, accountability, inclusion and transparency. By training and empowering our employees we have created a corporate culture that strengthens the company at its foundation, therefore putting us in a better position of success during economically challenging times. Cannon Hill team members comprise various internal teams such as our ESG Team, PropTech Committee, Cyber Security Team and our internal Mentorship Program.

Leadership and Team Accountability

Our senior leadership “teaches by example” the importance of our ESG Policy and its implementation across our portfolio and Company. The ESG Team, consisting of six employees across different functional areas of Cannon Hill, meet monthly on this initiative and then reports to senior management on the advancement of these goals. Our DEI Team, consisting of three members who meet quarterly, similarly report to senior leadership on these initiatives and achievements therein. Each team member is held accountable to do their part as well and participate in ongoing training and compliance.

Stakeholder Engagement

We advance our ESG goals by ensuring that all our stakeholders are aware of our Policy and that we as a Company are held accountable to alignment therewith. We engage in various ways with each of our employees, investors, tenants, industry partners and our communities in which we work and invest to ensure all members play a part in the success of our ESG Policy.

Benchmark and Reporting

Cannon Hill stands firm in our commitment to full transparency through ESG reporting. Cannon Hill uses tools such as Energy Star for tracking energy and water usage as well as “GRESB”, Global Real Estate Sustainability Benchmark, an investor driven benchmarking tool that measures a company’s ESG performance and identifies areas for improvement against their peers. Annual reporting is available and our ESG report is shared publicly for further transparency and as to help create benchmarks for our company, our investors and our peers alike. Technology plays a vital role in gathering and tracking data needed to meet these reporting standards. Utilizing services such as Measurabl, Sharepoint and other automated platforms enables us to improve data collection while streamlining the process and removing human error.

Compliance With Laws and Regulations

Cannon Hill recognizes that compliance with laws and regulations has a direct impact on the environment and communities around the world. We have assembled a team to stay informed of all the new and evolving laws both locally and nationally to formulate plans to remain up-to-date and compliant. As the focus of ESG continues to strengthen, technology will play a key role in creating significant and long-lasting changes with the way portfolios practice and report ESG to investors. We pride ourselves on partnering with vendors, tenants and investors that uphold the same high-level of ESG standards. At Cannon Hill we have created a task force to put into action the “Cannon Hill Greenprint” which is a guide to analyze each existing asset and pipeline investments and set a roadmap be successful in our ESG compliance with a concentration on sustainability. We practice full transparency with all investors and partners in the industry in parallel with adhering to local and national laws and regulations.



Internal Controls

Cannon Hill maintains a strong internal controls environment documenting each member’s authority and responsibility in conducting the business of the company.

Cannon Hill’s disbursement and vendor management controls are rigid and force redundancies to mitigate the possibility of external fraud. In addition, Cannon Hill leverages technology and third-party processing expertise to maintain best in class controls around its financial operations. All teams meet regularly with members of Senior Management to review performance metrics and financial data.



Cyber Security and Data Protection

Cannon Hill prioritizes cyber security and data protection, and accordingly, it has implemented several processes to mitigate risks in this area.

All Cannon Hill data resides within a cloud-based data storage provider that maintains advanced security features and disaster recovery back up for all data. The Cannon Hill network is administered and monitored 24/7 by a leading information technology provider. All employees receive initial and ongoing training, as well as testing to ensure preparedness for evolving forms of attempted cyber-attacks. Cannon Hill performs an annual penetration test and reviews its employees' security access regularly to ensure network access is secure and optimal.

The Cannon Hill team works together to identify new threats and to implement superior solutions that allow it to adapt quickly and stay ahead of evolving cyber security risks. Cannon Hill maintains a cyber security policy which is updated annually and includes training for all employees. In the event of a cyber-attack or other business interruption event, the company maintains a Business Continuity and Incident Response Plan. This Plan, led and implemented by the Chief Compliance Officer, is updated annually to address various scenarios under which the company would address potential external interruptions to Cannon Hill's business operations.

ESG Committee

The ESG Committee was created at our company's inception as a pivotal team comprised of internal members from across our departments, ensuring varied perspectives and expertise. The team meets regularly and is responsible for establishing and implementing our ESG policy, monitoring compliance and performance and acting as the visionaries for the future of ESG at Cannon Hill. The team is also responsible for effective communication to our stakeholders and ongoing employee education and training.



Melissa Donohoe
Focus Area: Governance



Chris Masotto
Focus Area: Social Responsibility



Vera Ujkaj
Focus Area: Environmental



James Snyder
Focus Area: Operations, Oversight and Monitoring



Rebecca Langendoen
Focus Area: Reports and Policy



Hugh Leung
Focus Area: Construction



888 Broadway
New York, NY

05

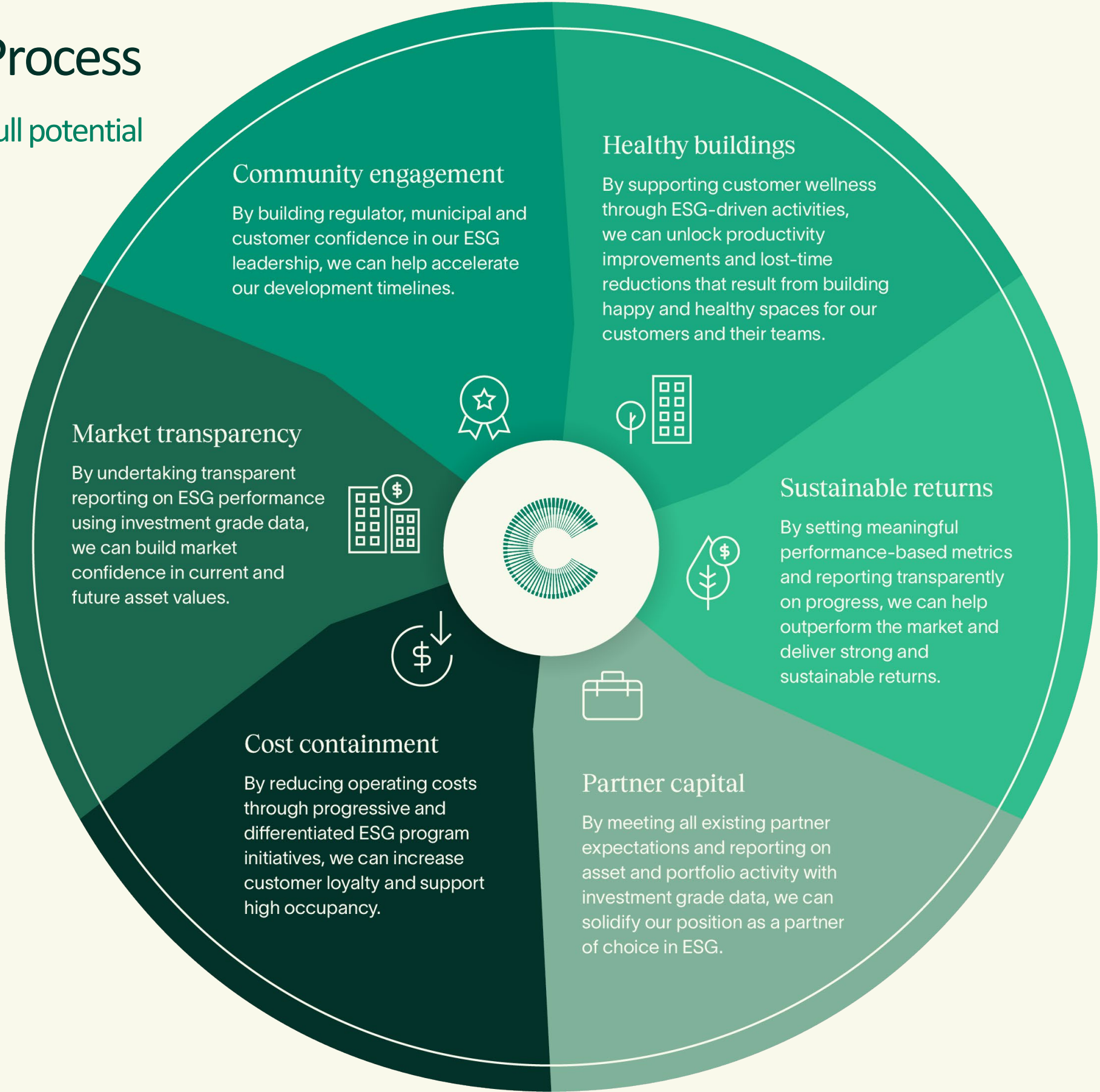
Incorporating ESG into the Investment Process

We institute full compliance with internationally recognized ESG criteria in all evaluated assets. By utilizing our own expertise as well as tapping into our resources of diverse professionals we can identify risk and create value in our existing portfolio and apply these principles as we underwrite potential investment opportunities. As of May 2023, Cannon Hill is a Signatory to the United Nations Principles for Responsible Investment (“UNPRI”).

Terminal Warehouse
New York, NY

Our Investment Process

To preserve and unlock the full potential and value of our assets



How ESG is Embedded in Our Investment and Asset Management Approach

Pre-Investment

We consider all ESG factors when evaluating new real estate investment opportunities, whether the strategy is a value-add improvement of an existing building or a ground-up development. Incorporating these factors into the investment process, we are able to evaluate the baseline and develop strategies to address risk, improve the bottom-line through operating expense reductions and drive asset value over the hold period.

In addition to our in-house professionals, we partner with respected, third-party industry consultants and legal counsel to assist in due diligence and execution.

When evaluating assets, we consider sustainability as it is existing today and how we may improve it in the future by identifying the below items:

- Energy performance
- GHG emission analysis
- Green building certifications
- Water usage
- Waste efficiency
- Health and wellness
- Tenant sustainability involvement
- Materials sourcing
- End user experience
- Quality/longevity of building

Post-Investment

After we close on the acquisition of a real estate investment, we utilize various platforms such as Energy Star Portfolio Manager, Abisco and Sharepoint to collect the baseline of real time data, analyze results and then identify capital improvement projects and other paths forward to improve the asset's overall sustainability. These projects may include: replacing antiquated equipment, energy sourcing, building electrification, evaluating engineering personnel, adjusting system controls, installing air purifications systems, HVAC equipment, windows/curtain wall and heating/cooling efficiencies, sub-metering, adding tenant amenities such as outdoor space, touchless features, fitness facilities, bike rooms, locker/shower rooms.

When incorporating our ESG strategies post-investment we take the following approach:

- Recognize asset challenges
- Determine what challenges are achievable to overcome
- Create an analysis of options to achieve various certifications
- Compile a menu of options for various projects
- Confer with our strategic partners for the best path forward
- Memorialize the business plan and how it relates to our ESG plan
- Identify further improvements that may be beneficial
- Assess any subsequent improved technology



2023 ESG Accomplishments

- ✓ Established an internal DEI Committee with cross-divisional team members
- ✓ Developed the Cannon Hill ESG Program
- ✓ Created an ESG framework to include in every new Investment Committee memo acquisition presentation
- ✓ Created a Young Professionals group and Mentorship program for team members new to the company to promote growth and internal advancement
- ✓ Achieved a 4-star GRESB rating and increased our GRESB score by 5 points from the prior year to a score of 82
- ✓ Increased our waste data coverage across the portfolio with goal to reach 100% coverage by end of 2024
- ✓ Piloted AI controls to our Building Management Systems at select assets to increase efficiencies and reduce energy use
- ✓ Increased our female to male employee ratio by 13%.
- ✓ Published our first annual ESG report for stakeholders (2022 ESG Report)



Future ESG Timeline

2024

- Continue path to reduce energy use alongside of reducing water and waste.
- Continue to increase GRESB scores measured against our peer groups.
- Continue building a positive culture and team environment throughout the company.

2030

- Increase portfolio percentage that is: - - Energy Star rated - USGBC LEED Certified - Fitwel Certified Buildings
- Increase portfolio percentage that is: - Wired Score Platinum - WELL Health-Safety Rated Buildings
- 10% reduction in water intensity

2050

- Portfolio carbon neutrality and in time, net zero, where feasible, within partnership guidelines and market requirements and restrictions (i.e. Boston, NYC and Washington D.C. have different timeframes)
- 50% reduction in carbon emissions portfolio-wide (of assets where we control energy usage)
- Achieve recognition in our industry for achieving all ESG goals

888 Broadway
New York, NY



Cannon Hill is a member of the Global Real Estate Sustainability Benchmark (GRESB). GRESB is an industry-driven organization committed to assessing the sustainability performance of real estate investment portfolios. Cannon Hill reports our annual sustainability performance on various fund and property investments through the GRESB survey.



The Building Owners and Managers Association (BOMA) has been a leading association for real estate professionals to support growth and collaboration for over 100 years. Cannon Hill is an integral member and supporter of BOMA, BOMA International and BOMA 360 across the portfolio, and serves on the Board of Directors of BOMA NY.



Cannon Hill supports and represents the USGBC who are committed to transforming how buildings are designed, constructed and operated through LEED, the world's most widely used green building system. Cannon Hill currently owns and operates multiple LEED certified properties.



WiredScore

Cannon Hill understands that technology is constantly evolving and by dedicating ourselves to have best-in-class connectivity, optionality and redundancy in a building's infrastructure we are giving our tenants the tools they need for continued success. Using WiredScore as a benchmark we can provide bonified scoring showing our success against our peers while illustrating our dedication to the service provided to our clients.



Cannon Hill's innovative designs and forward thinking create better physical and social environments for the benefit of the people and to enhance productivity in our buildings. The WELL Building Standard enables organizations to meet and exceed industry performance through creating higher quality air, water and light within a building for all occupants.



As a landlord Cannon Hill recognizes the importance of a healthy building and environment for all its tenants and visitors and strives to achieve Fitwel certifications in both our new developments and older assets. Backed by more than 100 years of public health research Fitwel is the world's leading certification system committed to building health for all.



As a signatory to the PRI, Cannon Hill practices the 6 principles for responsible investments. PRI is the world's leading proponent of responsible investment. By understanding the implications to the environment and supporting the investor signatories must consider incorporating these factors.



Cannon Hill benchmarks all of our properties using the United States Environmental Protection Agency's ENERGY STAR Portfolio Manager. The majority of the company's portfolio have earned the ENERGY STAR certification.



The Real Estate Board of New York (REBNY) has been a voice for brokers, building owners, managers and developers in the industry for more than 125 years. Cannon Hill is a strong supporter of this respected organization and is an active member serving on the REBNY PropTech committee.



CEAS is a tool that allows law enforcement agencies often charged with the difficult task of deciding who can travel, access and operate their business in a specific locale. By creating standardized credentials that allow businesses to identify the individuals most essential to operations, law enforcement agencies can easily recognize the status of those individuals, resulting in more resilient communities.

About This Report

This report presents the material environmental, social, and governance (“ESG”) issues and impacts of our business for the period January 1 through December 31, 2023. Unless clearly stated otherwise, performance data includes operational, stabilized office properties located in the metropolitan regions of New York, NY, Washington D.C. and Boston, MA, and does not include any properties that are currently under development. Throughout this report, “Cannon Hill” or CHCP” refers to Cannon Hill Capital Partners. All financial data in this report is in U.S. dollars.



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Cannon Hill
Capital Partners

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Statement of Use: Cannon Hill Capital Partners has reported the information cited in this GRI content index for the period January 1, 2023 through December 31, 2023 with reference to the GRI Standards.				
GRI 1 Used: GRI 1: Foundation 2021				
GRI Standard		Disclosure		2023 Report Location
GRI 2	General Disclosures 2021	2-1	Organizational Details	About Cannon Hill
		2-2	Entities Included in the Organization’s Sustainability Reporting	About this Report
		2-3	Reporting Period, Frequency and Contact Point	
		2-7	Employees	Diversity & Team Composition
		2-22	Statement on sustainable development strategy	A Welcome Letter
		2-28	Membership Associations	Strategic Partners & Certifications
		2-29	Approach to Stakeholder Engagement	Our Governance Foundations, ESG Committee
GRI 302	Energy 2016	302-1	Energy Consumption within The Organization	Energy Usage
		302-4	Reduction Of Energy Consumption	Progress Against Our 2023 Environmental Objectives, Energy Usage
GRI 303	Water & Effluents 2018	303-5	Water Consumption	Sustainability and Water Usage
GRI 305	Emissions 2016	305-1	Direct (Scope 1) GHG Emissions	Emissions
		305-5	Reduction Of GHG Emissions	
GRI 306	Waste 2020	306-3	Waste Generated	Cannon Hill Approach to Sustainability, Our Environmental Foundations, 2023 ESG Accomplishments
GRI 401	Employment 2016	401-1	New employee hires and employee turnover	Diversity & Team Composition
		401-2	Benefits Provided to Full-time Employees	Our Social Foundations
				At CHCP, we offer our team members benefits related to a variety of topics: <ul style="list-style-type: none"> • Health & Wellness • Mental Health • Parental Benefits • Financial Resources • Paid Time Off • Employee Assistance • Program Additional Benefits
				Please reach out for more information about CHCP employee benefits
GRI 403	Occupational Health & Safety 2018	403-6	Promotion of Worker Health	Sustainability: Certifications, Our Social Foundations
GRI 405	Diversity & Equal Opportunity 2016	405-1	Diversity of Governance Bodies And Employees	Diversity & Team Composition

GRESB

The Global Real Estate Sustainability Benchmark provide independent ESG performance data and peer benchmarks for investors and commercial real estate managers, in 2023, Normandy Real Estate Fund IV, L.P continued to submit to GRESB, achieving Green Star designation in 2022.

GRI

This report provides a reference of alignment with Global Report Initiative Standards (2021), which focus on advancing sustainable reporting and how an organization can positively impact economic, environmental and social ideals toward sustainable development.