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**2021-2022
REPORT**

A Letter from Our CEO

ARA's ESG+R program grows stronger every year, and 2021 was no exception.



At ARA, we have sought to embed environmental, social, governance, and resiliency principles into the foundation of our decision making, from acquisitions to management to dispositions and all points in between. This active approach aligns with our corporate philosophy, fiduciary responsibilities, and the duty to our stakeholders.

ARA's ESG+R program grows stronger every year, and 2021 was no exception. We saw tremendous – and exciting – progress, meeting three of the sustainability targets five years ahead of schedule, ramping up DEI and health programs, and expanding resiliency efforts. We are also pleased to report that in the 2021 GRESB® Real Estate Assessment¹ (based on 2020 data) we earned a 5-star GRESB rating and an 11-point improvement on our core fund's GRESB score from the prior year.

In 2021, we brought Dominique Hargreaves on board as Director of Sustainability and Corporate Social Responsibility. Dominique has over 16 years of experience in sustainability and social responsibility and, together with the ESG+R Committee and our consultant, Verdani Partners, we believe she will take the already-strong program to new heights.

With five years until we are due to meet the core fund's environmental performance targets, we have already exceeded the energy use, emissions, and water use reduction targets and are more than halfway to achieving the waste diversion target. Also in 2021, 46 properties had green building and/or healthy building certifications, totaling over 11.2 million square feet.

2021 was also a significant year for the efforts dedicated to expanding social engagement in real estate. We held the second annual Tomorrow's Real Estate Leaders program designed to accelerate career opportunities in the commercial real estate industry for diverse and underrepresented college students. This innovative three-day program was recognized with Verdical Group's Trailblazer award.

As COVID-19 and the resulting economic impacts continue to affect how and where we live and work, we have reassured tenants and residents of the safety measures we have undertaken regarding our buildings and services by obtaining Fitwel® Viral Response Module certification. We believe the certification demonstrates that ARA follows best practices in maintaining and operating HVAC systems and in cleaning and sanitizing buildings.

We continued our strong partnership with third-party risk assessor Coastal Risk Consulting, examining how the portfolios will stand up to the ever-increasing risks presented by climate change. We are confident that the efforts to grow the resiliency of the portfolios will result in sustainable value for our clients.

As always, I am appreciative of the amazing work done by ARA's dedicated and talented ESG+R Committee, staff, and partners. Together, we are making a difference for our stakeholders and charting a path to a sustainable future.



Stanley L. Iezman
Chairman and CEO

¹ Please refer to the disclosures regarding GRESB on page 10, Fitwel on page 27, and Verdical Group's Trailblazer award on page 11.



BRANDYWINE REIT USES RISKFOOTPRINT™ TO SCORE PHYSICAL RISKS TO ITS PORTFOLIO AND NEW ACQUISITIONS – 2022 ESG REPORT

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“Evaluated the physical climate risks to our existing properties with RiskFootprint™ scores, accomplishing our target to do so by 2025 three years early.

- 90% of our portfolio scored low to medium aggregate risk for physical climate risks.
- 80% of our properties are located within municipalities considered low risk.
- 98% of portfolio at low risk for storm surge flooding.
- 70% of properties at low to medium risk for flooding from heavy rainfall
- 90% of our portfolio at low risk”

