



THE
GREEN
CITIES
COMPANY



Responsible Contractor Policy

GREEN CITIES INVESTMENT MANAGEMENT

UPDATED JANUARY 2025

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1. PURPOSE

This Responsible Contractor Policy is designed to outline general principles relating to the selection of general contractors and their subcontractors (collectively, “Contractors”) who (i) provide construction, renovation, tenant improvement, repair, maintenance and infrastructure operating services (each individually, a “Service”) to the Partnership, operating companies or other business entities in which the Partnership may make investments (collectively, “Operating Companies”) or (ii) enter into contractual relationships with the Partnership or Operating Companies for such Service. These principles are subject to the fiduciary duties of the General Partner which are owed to the Partnership’s investors and the General Partner’s requirement to be prudent in managing the Partnership’s investments. This Responsible Contractor Policy outlines that the selection process for Contractors should include, among other things, an investigation of a Contractor’s ability to provide cost-effective, reliable and high quality Services (as evidenced, for example, by such Contractor’s compliance with applicable statutes and regulations, payment of “fair wages” and “fair benefits” to employees, relevant experience, reputation, dependability and efficiency).

This Responsible Contractor Policy also advances the firm’s broader Sustainability strategy. Green Cities expects Contractors to operate consistently with the environmental, social, and governance commitments set out in the Responsible Investment Policy and the Environmental Management System, including the firm’s commitments under the Principles for Responsible Investment, GRESB, ULI Greenprint, and the Task Force on Climate-related Financial Disclosures.

2. INTRODUCTION

The Partnership supports a safe, healthy and profitable business environment, and the General Partner believes that selective negotiation, market competition, small business development and control of operating costs can contribute to the development of such an environment. The Partnership and its investment strategy also support and encourage “fair wages” and “fair benefits” for workers employed by Contractors.

This Responsible Contractor Policy is intended to support and promote the engagement of Contractors who the General Partner believes will provide both competitive and high quality Services to the Partnership’s investments, utilizing appropriately trained employees who receive “fair wages and benefits” and who are reliable and efficient. The General Partner believes that the utilization of such Contractors will add value to the Partnership’s investments by ensuring that Services are provided by adequately trained, experienced and motivated workers who deliver high-quality products and Services.

Environmental stewardship is an equally central premise of this Policy. The construction, renovation, and operation of real estate generates significant environmental impacts — from refrigerant emissions and embodied carbon to indoor

air quality and waste — and Contractors are positioned to either advance or undermine the firm’s sustainability commitments at each stage. The General Partner therefore considers a Contractor’s demonstrated environmental performance and capacity to deliver sustainability outcomes alongside cost, quality, and labor considerations in the selection and renewal process.

3. OBJECTIVES OF THE RESPONSIBLE CONTRACTOR POLICY

This Responsible Contractor Policy provides the following objectives, subject to the General Partner’s fiduciary duties owed to the Partnership’s investors:

- A. BEST PRACTICES:** Contractors shall be selected through a process that includes consideration of maximization of risk-adjusted returns, demonstrated skill, experience, reputation, dependability, fees, safety record and adherence to this Responsible Contractor Policy and applicable laws; adherence to the Green Cities Responsible Investment Policy and the firm’s Environmental Management System; demonstrated experience delivering LEED, Fitwel, or comparable sustainability-certified projects; capacity to comply with the Green Cities Healthy Materials Template, including avoidance of PVC and vinyl, PFAS treatments, antimicrobial treatments, flame-retardant foams, urea-formaldehyde resins, and high-VOC products; and capability to measure and report embodied carbon for new construction and major renovation work.
- B. LOCAL, STATE AND NATIONAL LAWS:** Observance by Contractors of all local, state and national laws and regulations (including, but not limited to, those pertaining to insurance, withholding taxes, minimum wage, immigration, labor relations, health and occupational safety; the U.S. Environmental Protection Agency American Innovation and Manufacturing (AIM) Act and its implementing rules at 40 CFR Part 84 governing refrigerant management and phasedown; the Clean Air Act (including construction-phase dust and emissions controls); the Clean Water Act and applicable NPDES stormwater requirements; local energy benchmarking ordinances and Building Performance Standards (e.g., NYC Local Law 97, Washington CETA / HB 1257, Colorado Regulation 28, DC BEPS); mandatory waste diversion and construction-and-demolition (C&D) recycling requirements; the Americans with Disabilities Act and the Fair Housing Act accessibility provisions; and applicable U.S. Securities and Exchange Commission rules governing accurate, non-misleading sustainability disclosures).
- C. SUSTAINABILITY AND ESG COMPLIANCE:** Contractors shall operate in a manner consistent with the Green Cities Responsible Investment Policy and the firm’s Environmental Management System. This includes, where applicable to the Service being provided: implementation of operational controls established under the Operating Standards Playbook; refrigerant management consistent with the AIM Act phasedown; sourcing of materials consistent with the Green Cities Healthy Materials Template; participation in measurement of energy, water,

waste, embodied carbon, and indoor air quality data needed for the Green Cities Index; and cooperation with third-party verification (including, as applicable, verification by Glumac under the Toitū carbonreduce program). Contractors are expected to bring forward sustainability value-creation opportunities and to disclose material environmental risks identified during the course of the Service.

D. HUMAN RIGHTS, MODERN SLAVERY, AND ANTI-DISCRIMINATION:

Green Cities maintains a zero-tolerance position on modern slavery, forced and compulsory labor, child labor, and human trafficking in any form, and expects the same standard from Contractors and their subcontractors. Contractors shall comply with all applicable human rights, anti-discrimination, and fair-employment laws, and shall maintain pre-qualification documentation evidencing this compliance. Contractors shall not retaliate against any worker who raises concerns about labor, safety, environmental, or human rights issues. The General Partner encourages Operating Companies to consider local, women-owned, and minority-owned business enterprises as part of an inclusive selection process consistent with applicable law.

4. SELECTION OF A RESPONSIBLE CONTRACTOR

This Responsible Contractor Policy requires the hiring of a Responsible Contractor (as defined below). The foregoing requirement may be waived with the approval of 70% of the members of the Advisory Committee with respect to any transaction, in consultation with the General Partner.

5. DEFINITION OF A RESPONSIBLE CONTRACTOR

A “Responsible Contractor” is a Contractor who provides high-quality Services to Operating Companies or the Partnership on a comparable and relevant basis in the applicable local market consistent with the desired contracting criteria as set forth in this Responsible Contractor Policy including Section III above, and pays workers “fair wages and benefits” (taken as a whole), as evidenced by payroll and employee records; complies with all applicable environmental laws (including the AIM Act, the Clean Air Act, the Clean Water Act, and applicable local Building Performance Standards) and operates consistently with the Green Cities Environmental Management System; does not use, and does not knowingly permit any subcontractor to use, forced, compulsory, or child labor or any other form of modern slavery or human trafficking; adheres to the Green Cities Healthy Materials Template in the selection and installation of construction and renovation materials; and maintains a documented health and safety program consistent with the Occupational Safety and Health Act.

“Fair benefits” include employer-sponsored family health care coverage, defined benefit pension benefits, and training and/or apprenticeship programs. What constitutes a “fair wage” will depend on the wages paid on comparable construction projects, local market factors that include the nature of the project (e.g., municipal or commercial; public or private), comparable job or trade classifications and the scope

and complexity of Services provided. In determining “fair wages” concerning a specific contract in a specific market, items that shall be considered are the applicable state, federal or local prevailing wages, whichever is higher.

6. ADMINISTRATIVE PROCEDURES

- A. NOTIFICATION:** The General Partner, on behalf of the Partnership, shall encourage each Operating Company and Contractor to provide a copy of this Responsible Contractor Policy to the senior executives of such Operating Company and Contractor, and to flow down the requirements of this Responsible Contractor Policy to all subcontractors engaged in connection with the Service through contract terms or comparable written notification.
- B. CONTRACTS AND RENEWALS:** Business arrangements entered into by the Partnership and Operating Companies that are entered into after the effective date of this Responsible Contractor Policy shall make reference to or incorporate the general terms of this Responsible Contractor Policy, the Green Cities Responsible Investment Policy, the Environmental Management System (GC-EMS-2025-01), and, for construction and renovation Services, the Green Cities Healthy Materials Template, and all Contractors shall agree to be bound to this Responsible Contractor Policy. Responsible Contractor compliance shall be considered as part of the contract renewal negotiation process.
- C. MONITORING:** The Partnership will maintain a list of all investments in or alongside Operating Companies. The list will include the Operating Company name and address, the name of the Operating Company manager and a phone number of the Operating Company manager.
- D. SELECTION PROCESS:** Given the time and expense required to solicit and evaluate potential Contractors, it is not essential that Operating Companies solicit all potential Contractors. The General Partner should consult with Operating Companies and advise them, to the extent commercially reasonable and practical, to adopt a selection process that is reasonably designed to be inclusive of potentially eligible Responsible Contractors. The General Partner shall seek to have approval rights with respect to the Operating Companies' selection of Contractors.
- E. NEUTRALITY:** The Partnership supports a position of neutrality in the event there is a legitimate attempt by a labor organization to organize workers performing Services of a Contractor. Accordingly, the Partnership expects Contractors to honor the legal rights of their workers to self-organization

and union representation. Resolution of any inter-jurisdictional trade disputes shall be the responsibility of the trades. This Responsible Contractor Policy does not require any involvement by the Partnership, an Operating Company, or any Contractor in inter-jurisdictional trade disputes.

- F. REPORTING AND AUDIT RIGHTS:** Contractors shall furnish to the Operating Company and, on request, to the General Partner, the data required by the project ownership team for that specific project. This may include, depending on the Service and the project scope: workforce diversity and W/MBE subcontracting spend; safety incidents and OSHA recordable data; refrigerant handling and disposal records; embodied-carbon documentation for major materials; construction waste diversion records; indoor air quality testing results; and any other data needed to support the project's sustainability business plan or the Green Cities Index. The General Partner and Operating Companies reserve reasonable rights to audit Contractor compliance with this Responsible Contractor Policy, on prior written notice and during normal business hours.
- G. MATERIAL SUBSTITUTION AUTHORITY:** Any proposed substitution of construction or renovation materials shall be routed through ownership via the project architect for prior approval. Substitutions that have not been approved by ownership may be rejected, removed, or replaced at the Contractor's cost. This requirement is intended to ensure that material substitutions remain consistent with the Green Cities Healthy Materials Template, the Environmental Management System, and any project-specific sustainability commitments.