FCP®

2025 Corporate Responsibility Report



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This is FCP's ninth Corporate Responsibility Report and summarizes FCP's resilience, responsibility, and leadership initiatives for the 2025 calendar year. FCP produces this report on an annual basis. Publication date is October 2026. There were no significant changes from previous reporting periods in this year's report. Any restatements of information from prior reports can be attributed to the nature of FCP's business and standard policies and practices.

Letter from the Partners

Building Resilient Value through Forward-Thinking Strategies

In 2025, the sustainability landscape in the United States continued to evolve amid growing political rhetoric and regulatory shifts. Regardless of political winds, sustainability and social impact performance has remained important to the critical stakeholder groups that drive the real estate industry forward – investors, state and local regulators, and residents and tenants[1].

In response to sustained stakeholder expectations, FCP continued to execute on the core pillars of our Future-Ready Blueprint strategy, or FCP's comprehensive approach to integrating environmental and social best practices into our investment strategy and operations. Our focus in 2025 was on consistency – implementing this strategy effectively and efficiently. In 2025, this included implementing utility cost saving capex projects and resident service collaborations, maintaining FCP's robust risk review process during due diligence, monitoring asset-level utility performance, and more. This approach prioritized value-adding initiatives that enhance risk reduction and resilience, support resident retention, and improve operational efficiency.

Key highlights from FCP's 2025 accomplishments include:

- **Resilience**
  - We completed 24 energy and 5 water reduction capex projects, resulting in an estimated annual savings of 1.7M kWh and 65.1M gallons of water.
  - From 2024 to 2025, FCP's portfolio achieved a 6.8% reduction in Energy Use Intensity (EUI) and a 8.1% reduction in Water Use Intensity (WUI)[2], representing utility savings to both FCP and our residents.
- **Responsibility**
  - Through FCP's collaboration with leading fintech platform and rent reporting service provider, Esusu, $127k in total rent relief was deployed to FCP residents, helping 67 households.


Mosaic Pooler, Pooler, GA


Gramercy Park, Houston, TX

- A new on-site resident services center at a multifamily property in Duluth, GA was launched, bringing the total number of FCP properties with either an on-site resident services center or a dedicated on-site services provider by year end 2025 to nine, serving an estimated 9,378 residents[3].

Leadership

- FCP was honored to be recognized as a 2025 Freddie Mac Multifamily Impact Sponsor. This was FCP's second year receiving this recognition.
- FCP Funds II-IV and V received Green Star recognition as part of 2025 GRESB reporting and maintained strong performance in the Policy, Governance and Strategy section of the PRI assessment.

As we advance through 2026, FCP remains committed to driving value for our assets and portfolio through our Future-Ready Blueprint platform. As part of Federated Hermes, Inc., we are committed to our shared belief that we improve risk management and enhance returns through responsible investment. We welcome your questions and feedback, and thank you for your commitment to FCP.

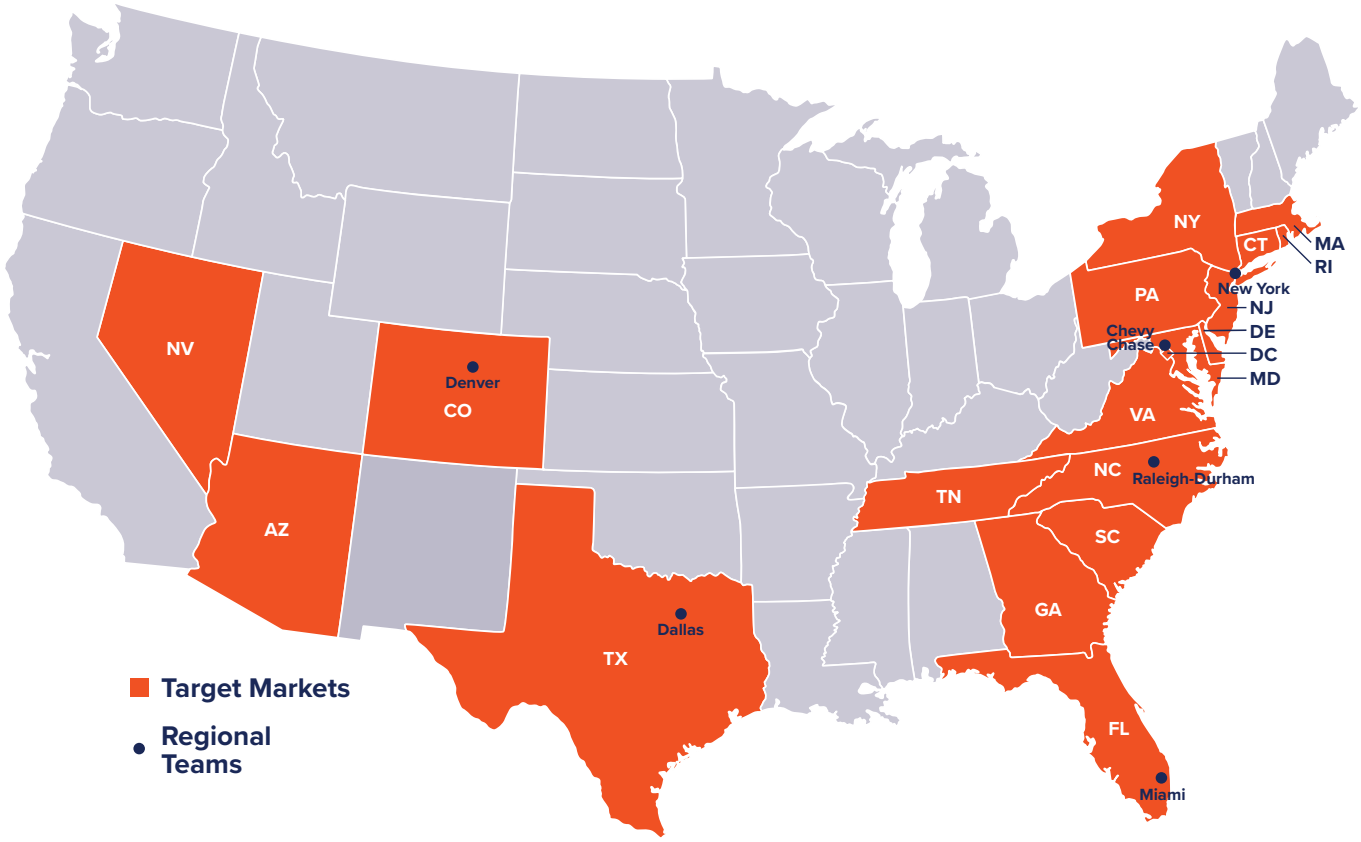
Esko I. Korhonen ***Alex Marshall*** ***Lacy I. Rice*** ***Garland Faist*** ***Jason Bonderenko*** ***Christopher LoSapio*** ***Jason Ward***



Aurora Meadows, Aurora, CO

FCP at a Glance

FCP, a subsidiary of Federated Hermes, Inc., is a real estate investment company that has invested in or financed more than $14.8 billion in assets since its founding in 1999. FCP acquires, operates and develops residential assets nationally. In addition, we deploy capital in residential product sectors through joint venture equity, mezzanine debt, and preferred equity investments. Our breadth and flexibility are demonstrated by the significant array of transactions FCP has closed. Our market focus gives us extensive local knowledge and valuable community relationships. FCP currently serves over 60 communities across our regions. As of YE 2025, FCP is managing $3.5 billion in net assets under management across nearly 31,495 multifamily units and 1.2 million commercial sf. There are currently 73 FCP professionals supporting the firm's hands-on approach to investments and asset management. FCP is based in Chevy Chase, Maryland and has regional teams in Raleigh, North Carolina; Miami, Florida; Denver, Colorado; New York, New York and Dallas, Texas.



FCP by the Numbers (As of 12.31.25)

73
Employee Count

276
Assets Under Management LTD

62,167
# of Units LTD

5.7M
Square Feet of Office LTD

5
Regional Teams

Mission Statement

FCP's mission is to deliver industry-leading risk-adjusted total returns to our investors through investments in residential and commercial properties. We apply a combination of strong local relationships, disciplined analysis, and detailed operational focus to achieve superior results in inefficient real estate markets.

We are creative, entrepreneurial and can execute quickly. We are committed to being a responsible owner and operator of real estate for our residents, tenants and the communities in which we invest. We conduct ourselves with integrity and do what is honest and ethical. We work together as a team; everyone at FCP is a part of making each transaction a success. We are committed to fostering an inclusive work environment that values diversity of thought and background. Our investors are our partners, and we are proud that our success contributes to their success.

2025 Corporate Responsibility Year in Review

JANUARY

- Hosted women's retreat offsite in Charlottesville, VA

FEBRUARY

- Modera Academical Village (Davie, FL) earned Silver level NGBS Green Certification[4]

MARCH

- Packed snack bags for donation to local non-profit Nourishing Bethesda

MAY

- Recognized by Freddie Mac as 2025 Multifamily Impact Sponsor

JUNE

- Participated in 36th annual JDRF Games
- Hosted firm-wide annual Fair Housing training
- Completed strategic update of FCP's sustainability and social impact policies
- Completed refresh of the children's activity center at Huntington Meadows (Austin, TX)

JULY

- Hosted Artemis Summer Enrichment Program Externs
- Summer Intern capstone presentations
- Hosted firm-wide lunch and learn with FCP resident services collaborator Esusu

SEPTEMBER

- The 704 at the Quarter (Charlotte, NC) earned Silver level NGBS Green Certification[5]
- FCP Serves Habitat for Humanity Build Day

OCTOBER

- Federated Hermes, Inc. agrees to acquire a majority interest in FCP Fund Manager, L.P.
- Opening of Star-C resident services center at Grande Club (Duluth, GA)

NOVEMBER

- Hosted company-wide retreat offsite
- Hosted firm-wide annual Compliance training

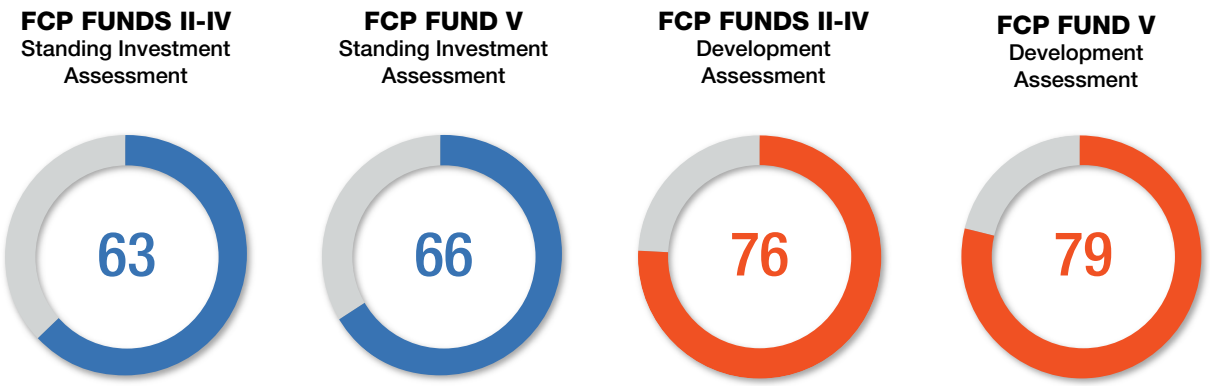
DECEMBER

- Hosted holiday gift drive for the Salvation Army Angel Tree
- FCP recognized as a 2025 Best Places to Work in Money Management by Pensions & Investments

Reporting

GRESB REAL ESTATE Member

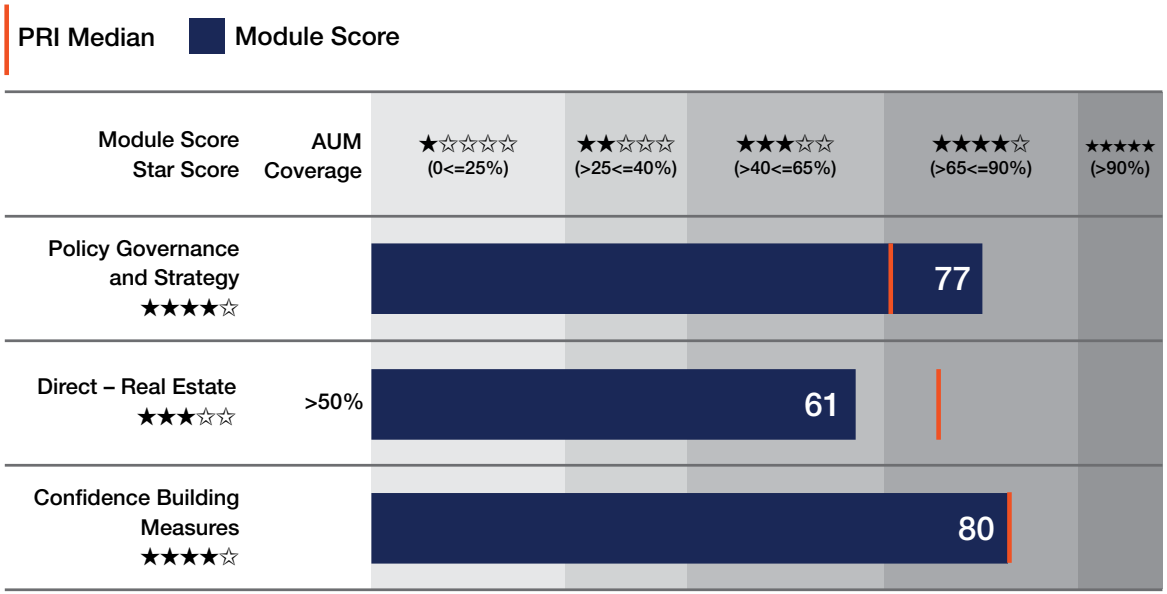
The Global Real Estate Sustainability Benchmark (GRESB) is a third-party framework for reporting ESG performance and best practices. 2025 marked FCP's 13th year reporting to GRESB. All four assessments received Green Star designation[6].



Signatory of:

PRI PRINCIPLES FOR RESPONSIBLE INVESTMENT

The U.N.-supported Principles for Responsible Investment is the largest global reporting project on responsible investment. 2025 marked FCP's fifth year[7] reporting to the PRI.



Platform Overview

The Future-Ready Blueprint is FCP's comprehensive approach to integrating environmental and social best practices into our investment strategy and operations.

Purpose

Drive long-term value through resilient, sustainable and equitable investments

Pillars

RESILIENCE	RESPONSIBILITY	LEADERSHIP
Creating resilient, sustainable, and efficient assets that hold value over time	Implementing responsible business practices for our residents, employees, and the communities where we invest and operate	Operating with integrity and accountability

Strategic Initiatives

RESILIENCE	RESPONSIBILITY	LEADERSHIP
■ Resilience and Risk Management	■ Enhancing the Resident Experience	■ Governing with Integrity and Transparency
■ Leading with Sustainable Strategies	■ Investing in our Communities	■ Committing to Best Practice, Comprehensive Reporting
■ Striving for Operational Efficiency	■ Supporting Stakeholder Health and Well-Being	■ Stewardship
	■ Promoting an Inclusive, Equitable Working Environment	



Resilience

FCP is focused on creating resilient, sustainable, and efficient assets that hold their value over time. Environmental risk is financial risk, and FCP's resilience efforts contribute to driving progress on the financial performance of our assets.

Environmental KPIs

FCP has set the following key performance indicators to monitor portfolio-level progress on our efficiency-related targets. The following metrics are for CY 2025.[8]

GREENHOUSE GAS (GHG) EMISSIONS	■ Continuously improve GHG data coverage and tracking efforts ■ Meet internal portfolio-level reduction target	■ Total Usage: 33,743.7 MTCO2e ■ GHG Intensity: 0.007 MTCO2e/sf ■ % Change in Intensity (2024 to 2025): -0.2% ■ % Portfolio Covered: 59.9%
WATER	■ Continuously improve water usage data coverage and tracking efforts ■ Meet internal portfolio-level reduction target	■ Total Water Consumption: 4.5 M cubic meters ■ Water Use Intensity: 0.2 cubic meter/sf ■ % Change in Intensity (2024 to 2025) : -8.1% ■ % Portfolio Covered: 97.6%
ENERGY	■ Continuously improve energy usage data coverage and tracking efforts ■ Meet internal portfolio-level reduction target	■ Total Usage: 122.1 M kWh ■ Energy Use Intensity: 10.9 kWh/sf ■ % Change in Intensity (2024 to 2025): -6.8% ■ % Portfolio Covered: 59.9%
WASTE DATA	■ Continuously improve waste data coverage and tracking efforts	■ Data Coverage: 79% of floor area covered ■ 25 Properties with Recycling
ENERGY RATINGS	■ Achieve ENERGY STAR certification for all operational, equity assets where feasible ■ Maintain FCP portfolio in ENERGY STAR Portfolio Manager	■ 91.4% of Portfolio in ENERGY STAR Portfolio Manager[9] ■ Four properties earned ENERGY STAR certification in 2025[10]

A negative % change in intensity represents a decrease in the amount of the utility used or emissions released per sf from 2024 to 2025.

Energy

In recent years, energy costs have fluctuated due to the rise in demand, an aging U.S. grid, and volatility in fossil fuel costs. Between 2019-2024, residential customers saw a 3% inflation adjusted increase in their electricity costs, amounting to almost $540 per year in additional utility expenses. As of December 2025, prices were “about 5% higher than 2024 levels and are expected to continue their upwards march in 2026”. Natural gas, an already volatile commodity, saw prices up by 45% in October 2025 compared to 2024 and are expected to climb another 16% by year end 2026[11].

Energy efficiency has always been a critical component of FCP’s asset-level strategy. With the fluctuations in energy costs, the importance of asset-level efficiency has never been more acutely felt. For FCP’s assets, our energy efficiency measures contribute to lowering our utility-related expenses, therefore positively impacting NOI. For FCP’s residents, implementing energy efficient appliances and fixtures and management tools like smart thermostats give residents the equipment they need to keep their energy usage at a financially sustainable level.

FCP implements asset-level energy efficiency through:

- LED Lighting
- Upgraded Windows
- Smart Thermostats
- Commissioning
- HVAC Replacements
- Roof Replacements
- Partnership Projects



The Greens at Braelinn, Peachtree City, GA

Energy Efficiency Project Savings[12]:

- 2025: **24** energy efficiency projects, generating an estimated **1.7M kWh** and **$0.2M** in annual savings
- Past 5 years: **204** energy efficiency projects completed, generating an estimated cumulative savings of **198.4M kWh** and **$23.0M**

CASE STUDY

ENERGY STAR® Certified Properties



Energy efficiency is a core part of our strategy. We actively use ENERGY STAR certification as a tool to demonstrate strong building performance across our portfolio. ENERGY STAR certification is administered by the U.S. Environmental Protection Agency (EPA). Properties that achieve a score of 75 or higher, meaning they operate more efficiently than at least 75% of comparable buildings nationwide based on actual energy use, are eligible to apply for ENERGY STAR certification.

In 2025, we had multiple properties earn ENERGY STAR certification[13], including:

- **Flats at Riverview (Duluth, GA) – ENERGY STAR Score of 91**
- **Edgewater (Philadelphia, PA) – ENERGY STAR Score of 88**
- **Haven Largo (Largo, MD) – ENERGY STAR Score of 95**
- **Mableton Ridge (Mableton, GA) – ENERGY STAR Score of 85**

These certifications reflect measurable progress in reducing energy use and emissions while supporting long-term asset performance.

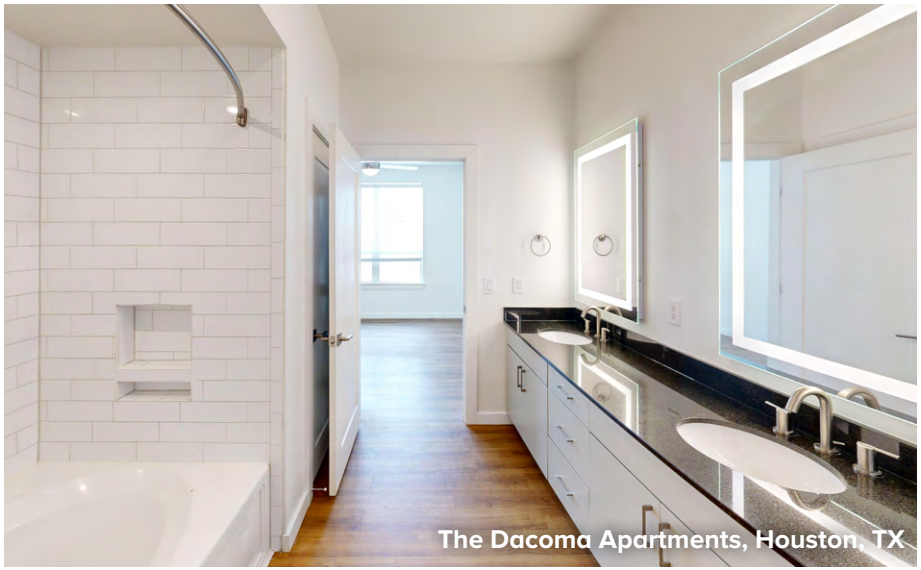
Water

Effective water management is another key component to FCP's operational efficiency strategy. Water and sewer bills have increased for the typical U.S. household by 24% from 2019-2024[14]. For FCP's assets and residents, this translates into higher utility costs that could otherwise be directed to other priorities. On a macro level, the United States is seeing the impacts of declining water security, or a household's ability to obtain sufficient, safe, and affordable water, due to "degrading infrastructure, institutional inertia, and climate change"[15]. For FCP, declining water security means an increase in market-wide demand for water and, in turn, increasing operating costs.

By implementing an effective water management strategy, FCP contributes to asset resilience in the face of these challenges, improving operational efficiency while lowering costs for our stakeholders.

FCP implements asset-level water efficiency through:

- **Leak Detection**
- **Low Flow Fixtures and Equipment**
- **Toilet Rebuilds and Replacements**
- **Native Landscaping**
- **Drip/Smart Irrigation**



The Dacoma Apartments, Houston, TX

Water Efficiency Project Savings[16]:

- 2025: **5** water efficiency projects, generating an estimated **65.1M** gallons and **$1.1M** in annual savings
- Past 5 years: **30** water efficiency projects completed, generating an estimated cumulative savings of **619.7M** gallons and **$8.5M**

CASE STUDY

Artisan West, Houston, TX

Artisan West is a 1984 vintage, 495-unit property that was acquired by FCP in 2019.

After monitoring the property and identifying high water usage, FCP's asset and construction management team members overseeing the property decided to undertake a water management capex project, implementing 557 high-efficiency showerheads, 714 bathroom aerators, and 495 kitchen aerators[17].

- **Estimated Annual Gallons Saved:** 25.3M
- **Estimated Annual Cost Savings:** $437K
- **Estimated Annual Savings Per Unit:** $883
- **Estimated Payback Duration:** 7 months
- **Estimated Annual % Savings:** 59%

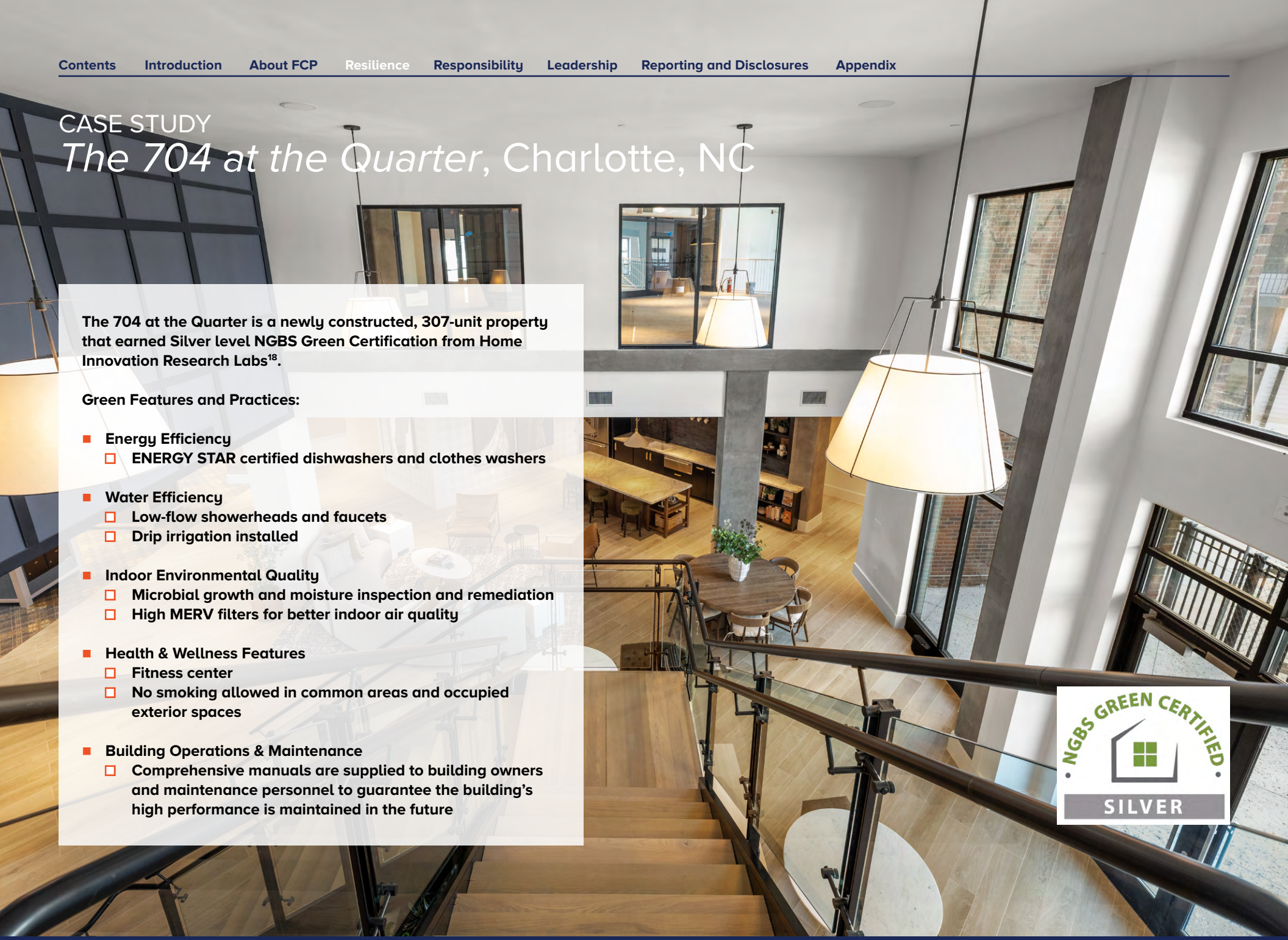
CASE STUDY

The 704 at the Quarter, Charlotte, NC

The 704 at the Quarter is a newly constructed, 307-unit property that earned Silver level NGBS Green Certification from Home Innovation Research Labs[18].

Green Features and Practices:

- **Energy Efficiency**
  - **ENERGY STAR certified dishwashers and clothes washers**
- **Water Efficiency**
  - **Low-flow showerheads and faucets**
  - **Drip irrigation installed**
- **Indoor Environmental Quality**
  - **Microbial growth and moisture inspection and remediation**
  - **High MERV filters for better indoor air quality**
- **Health & Wellness Features**
  - **Fitness center**
  - **No smoking allowed in common areas and occupied exterior spaces**
- **Building Operations & Maintenance**
  - **Comprehensive manuals are supplied to building owners and maintenance personnel to guarantee the building's high performance is maintained in the future**



Risk Management

Climate Strategy

- FCP's mission is to deliver industry leading, risk-adjusted total returns for our investors, and the firm's approach to climate-related risks as an integrated part of our processes contributes to that commitment. Climate-related risks are asset risks – these events can impact an asset directly through potential damages to the property and indirectly through potential unit downtime, community infrastructure delays such as the time it takes for utilities to come back online, and, most prominently, insurance costs. Average monthly insurance costs for commercial buildings in the United States are projected to increase at an 8.7% compound annual growth rate (CAGR) between 2023 to 2030. For states with the greatest extreme weather risk, that rate rises to a projected 10.2% CAGR by 2030[19].

- Because climate-related risks are material risks, they are evaluated during FCP's due diligence process along with all other potential environmental risks. Risks deemed the most material are addressed immediately through insurance coverage and capex projects upon closing. FCP's construction team works with third-party experts to review and remediate any outstanding concerns that would make a property susceptible to an increased risk prior to acquisition. All FCP assets are equipped with FCP's standard Emergency Preparedness Protocol, and assets that are located in hurricane-susceptible zones have an additional Hurricane Preparedness protocol.

- **Assessment Tools:**
  - FEMA National Risk Index as accessible through the FEMA Resilience Analytics and Planning Tool
  - S&P Global's Climanomics platform
  - Privately commissioned reports like Property Condition Assessments, Environmental Site Assessments, and stormwater management surveys
  - Additional on-site risk assessment is conducted through experts as needed

- **Oversight:** Climate-related inquiries, research, and technology partnerships are managed by FCP's ESG team. The FCP ESG team tracks and evaluates the sustainability and resiliency of assets across numerous metrics including but not limited to utility usage and intensity, asset characteristics and their location-based risks and opportunities, building certifications, and technical assessments and audits. FCP's Innovation Committee and individual teams evaluate new technology on a rolling basis. FCP's acquisitions, asset management, and ESG teams monitor market changes. Further information on oversight can be found in "Future-Ready Blueprint Oversight" (page 35).

- **Strategy Resiliency:** Factors that contribute to FCP's business strategy resiliency include but are not limited to:
  - Locations and markets diversified within the United States
  - Strategic focus on multifamily, which is historically a more stable asset class
  - Hands-on approach to asset management and monitoring
  - Holistic review of all risks and opportunities as part of the due diligence process
  - In-house ESG team to monitor policy developments, reporting requirements, etc.



Park on Sweetwater, Lawrenceville, GA

Climate Risks and Opportunities

The following summarizes relevant climate-related risks and opportunities for the FCP portfolio in the short term (5 years), medium term (5-7 years), and long term (7+ years). These time horizons are based on FCP's average asset hold period.

Physical Risks:

	PLUVIAL FLOODING	TEMPERATURE EXTREMES	TROPICAL CYCLONES/ HURRICANES	WATER STRESS	DROUGHT	FLUVIAL FLOODING
South	☑	☑	☑	☑		
West	☑	☑			☑	
Northeast	☑	☑				☑

** Potential level of impact is location / asset dependent. This list is not comprehensive of all climate-related risks that can potentially impact an asset. The listed risks are the ones that were identified as most material to FCP's portfolio.*

Transition Risks:

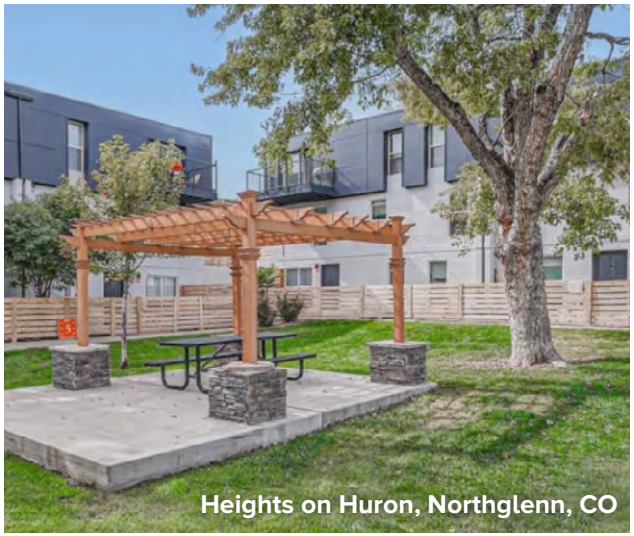
	RISK	IMPACT
Technology	Shifts in energy and raw material costs	Portfolio Wide
Policy/ Regulation	Rise in energy performance requirements and regulations such as Building Performance Standards	Portfolio Wide
Market	Increase time and costs to adopt/ deploy new practices and processes	Portfolio Wide


Solena West Miami, West Ludlam, FL


Edgewater II, Philadelphia, PA

Opportunities – for innovation and resiliency building when addressing climate-related risks:

OPPORTUNITY	IMPACT
Improved energy efficiency through capex and the projected grid transition	Asset & Community Level
Working with local agencies and utilities to leverage incentives/ rebates to offset costs of high-spend projects	Asset Level
Implementation of risk reduction strategies, including physical design interventions and operations strategies, to build asset resiliency	Asset Level
Collaboration to improve local building codes to encourage asset-resilient measures	Asset & Community Level


Heights on Huron, Northglenn, CO


Midtown on Seneca, Tucson, AZ



Responsibility

At FCP, implementing responsible business practices for our residents, employees, and the communities where we invest and operate in is part of our standard operations. With these efforts, we aim to generate long-term value for our stakeholders through financial sustainability and social impact.

Resident Services Overview

FCP implements resident services across our workforce housing portfolio targeting financial counseling, health and wellness, and education through established non-profit and mission-aligned, for-profit collaborations. By implementing services, we aim to improve residents' quality of life and ultimate experience at FCP properties, which can lead to improved retention and higher occupancy.

PROVIDER	DESCRIPTION	IMPACT AREAS	METRIC HIGHLIGHTS		
VERITAS IMPACT PARTNERS	Non-profit organization that supports cost-burdened residents in workforce housing communities by providing resources and services to help residents maintain home, health, and economic wellness	Youth Education, Health & Wellness, Economic Wellness	**66 residents enrolled in tutoring** in 2025[20]	**144 tutoring sessions** in 2025[20]	**$6,128 in estimated tutoring fees** saved for residents[20]
STAR-C	Non-profit organization providing affordable apartment community residents with wrap-around educational, wellness and food security programs	Youth Education, Food Security, Wellness	**127 students registered** across all 4 Star-C sites by Fall Semester 2025[21]	**67% average daily attendance** from all registered students[21]	**$41,629 estimated value of snacks and meals** provided by Star-C to after school and summer camp students at FCP sites[21]
Esusu	Leading fintech platform that automatically reports residents' on-time rental payments to the three major Credit Bureaus to support residents' positive credit scores and provides zero interest microloans to qualifying residents	Financial Mobility & Literacy	**11,075 units** rent reporting by YE 2025[22]	**59% scores improved** since enrollment[22]	**$127k in total rent relief** deployed, helping 67 households[22]

PROVIDER	DESCRIPTION	IMPACT AREAS	METRIC HIGHLIGHTS		
Portfolio* Resident Services TODAY'S RESIDENT SERVICES ESG – Social Impact Reporting	Non-profit provider of CORES-certified supportive services, including programs supporting a healthy lifestyle and education	Youth Education	**1,567 instances of resident participation** in 2025[23]	Programming included youth development, rental assistance services, and family budgeting events[23]	**7 external community collaborations established**[23]
Project Access* Resource Centers Education. Engagement. Empowerment.	Non-profit organization providing on-site health, education and employment services to families, children, and seniors living in affordable and workforce housing communities	Youth and Adult Education, Food Security, Community Building, Health and Wellbeing	**319 unique residents served**, with residents on average engaging 18 times each throughout the year[24]	**51 youth engaged** in social and emotional learning through after-school programming[24]	**+95 net promoter score**[24]

**CORES-certified: The CORES certification recognizes organizations that have developed a robust commitment, capacity, and competency in providing resident services coordination in affordable rental housing.*


Oak Park, Euless, TX


Canterbury Square, Henrico, VA

CASE STUDY

VERITAS IMPACT PARTNERS

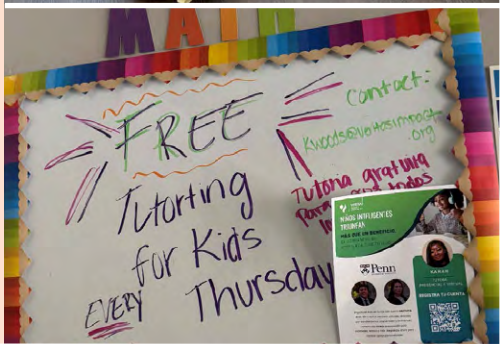
We have collaborated with Veritas Impact Partners since 2024 to deliver resident focused programming across three multifamily properties located in Lawrenceville and Duluth, GA. Veritas Impact Partners provides virtual and on-site tutoring, fitness and wellness events, and English as a Second Language (ESL) courses at no cost to residents, with programming averaging approximately one resident event per property per month. In addition to core services, Veritas hosted community building and resource driven events in 2025, including turkey drives, fitness days, and financial coaching workshops, helping address resident needs across health, education, and economic stability.

With the average cost of private tutoring in the Atlanta market estimated at approximately $35-60 per hour[25], Veritas' virtual tutoring programs represent meaningful cost savings for residents while supporting educational outcomes for children and families.

I'm a mom, and I brought my two kids in for an ESL lesson. They were both given Lesson One English class packets, and they worked through them with their tutor. They reviewed the alphabet and practiced answering questions about themselves, like "How old are you?" and "Where are you from?"
— Resident, Flats at Riverview

I recently started ESL tutoring because I want to improve my English for work and to better communicate with my family. So far, I've been practicing pronunciation, learning the days of the week, and working on numbers. I've never taken an English class before, so having a tutor has been really helpful.
— Resident, Park on Sweetwater









Resident Engagement

Fostering a sense of belonging within our communities is central to our resident engagement strategy. We prioritize programming and events that encourage connection among residents and strengthen relationships between residents and onsite teams. By investing in resident services and community engagement, we aim to improve quality of life for residents while contributing to lower turnover, stronger communities, and more resilient assets.

As part of FCP's flagship Empower for School campaign, FCP's asset managers collaborated with our property management partners to organize backpack giveaways. In 2025, **4,884 backpacks** filled with school supplies were distributed to residents and their children.











Talent, Development and Belonging

Company Culture

As the firm has grown from 38 to 73 team members[26] over the past eight years, we've remained committed to maintaining a flat organizational structure and a fast-paced, entrepreneurial culture where all ideas are welcome. We strive to foster a collaborative working environment and encourage engagement across all levels of the organization. We believe that a strong company culture can create a positive working environment where all employees feel empowered to bring their best selves to work. We do this through:

- Open investment committee, where all employees are welcome to attend and share their thoughts
- Open office layout, where all employees regardless of seniority level are accessible
- FCP employee-led Culture Committee, which is focused exclusively on employee engagement
- Annual employee satisfaction survey
- Seasonal outings and events

FCP was named as a

2025 Best Places to Work in Money Management

for companies with 50-90 employees as presented by *Pensions & Investments*. This is the third time the firm has been recognized, with the same honor earned in 2022 and 2023.

"FCP encourages a collaborative working environment, and the flat organizational structure means team members at any level are accessible for questions and project collaboration.[27]"



Talent, Development and Belonging

Inclusion and Belonging

At FCP, we believe in fostering an inclusive work environment that values diversity of backgrounds and thought, and a company culture focused on non-discrimination and respect. FCP remains committed to efforts that create a workplace that is inclusive and supportive for all current and future employees. FCP's inclusion and belonging policies and practices include:

- ***Equal Pay –*** FCP is committed to equal pay and reviews compensation at each level for each person annually.
- ***Standardized Hiring and Promotion Criteria –*** FCP utilizes standardized recruiting and talent management best practices, as well as refined and structured criteria for promotions and open positions. FCP always prioritizes selecting the best candidate for any role.
- ***HR Software –*** FCP utilizes an HR software system to track employee goals, performance, and self-reported demographics information.
- ***Focused Employee-led Committee –*** FCP's Inclusion and Belonging committee is focused on cultivating a company culture where all team members thrive and belong. Committee participation is open to all FCP team members.
- ***Unconscious Bias Training –*** All team members participate in unconscious bias training annually utilizing a third-party expert consultant.



Talent, Development and Belonging

Employee Well-Being and Engagement

At FCP, our employees are at the center of what we do and are instrumental to the firm's success. FCP strives to deliver initiatives and benefits that support employee wellbeing while encouraging continuous professional development.

- ***Benefits and Wellbeing –*** Benefits include 401(K) with employee match, pre-tax commuter benefits, paid sick leave, flexible vacation, paid holidays, paid paternal and maternity leave, medical, dental and vision coverage, company paid life insurance, and 40 hours paid volunteer time annually.
- ***Health and Safety –*** At FCP, we are deeply committed to ensuring a healthy and safe working environment for all employees. Our policies regarding workplace health and safety are outlined for all team members via FCP's Employee Handbook and Codes of Ethics, which includes policies on conduct, drug-free workplace, workplace violence and more. All team members are required to review the Code of Ethics annually.
- ***Fair Housing Training –*** In 2022, FCP's Recruiting, Training and Development Committee began organizing an annual Fair Housing training for all team members. This training provides the team with an overview of essential Fair Housing topics, a deep dive discussion on topics suggested by team members, and any updates within the industry.
- ***Mentorship –*** FCP's mentorship program connects incoming employees with senior team members, with the goals of providing junior team members with a more senior resource for career guidance and serving as a source of open and honest feedback regarding FCP's culture.

EMPLOYEE-LED COMMITTEES
FCP Serves
Inclusion and Belonging
Culture
Innovation
Recruiting, Training and Development
Sustainability
Internship

FCP's seven employee-led committees are open to all employees and serve as an opportunity for collaboration on a variety of initiatives.

FCP Serves

As FCP's employee-led charitable program, FCP Serves' mission is to give back to the communities within FCP's footprint and provide opportunities for FCP team members to volunteer and make a difference. In 2025, FCP Serves continued its annual participation in several initiatives, including but not limited to packing donations for **Nourishing Bethesda** and donating holiday gifts for the **Salvation Army Angel Tree**. FCP Serves additionally supported a refresh of the children's activity center at **Huntington Meadows Apartments** in Austin, TX.













① **Build Day with Habitat for Humanity of Washington D.C. & Northern Virginia**

② **36th Annual Breakthrough T1D Real Estate Games**

③ **Packed 300 Snack Bags for Nourishing Bethesda**

④ **Children's Activity Center Refresh**







Leadership

FCP is committed to being a responsible owner and operator that is governed by integrity, transparency, and accountability.

Materiality Assessment

- In Fall 2023, FCP launched the firm's first materiality assessment to help us identify the most relevant resilience, responsibility and leadership-related material topics to our stakeholders and business. The assessment included input from key internal stakeholders, survey of FCP team members, and an evaluation of research and demonstrated focal areas from leading sustainability and/ or impact-focused third-party industry groups and member organizations.
- Topics were identified based on importance to the business, including FCP stakeholders, impact on the economy, environment, and people, and ability to act. The results of this assessment have been used to inform the FCP ESG team's annual business plan and initiatives and determine the contents of this report. Since the assessment was conducted, FCP's material topics have remained consistent, and they are reviewed annually based on changing market and industry conditions.

MATERIAL TOPICS[28]



Climate Change & Resiliency



Community Engagement



Data Management



Inclusion & Belonging



Strategy & Oversight



Ethics & Compliance



Health & Safety



Housing Affordability



Leadership



Public Policy & Regulation



Risk Management



Transparency & Disclosure



Utility Efficiency & CapEx

CASE STUDY

Grande Club, Duluth, GA



In 2025, FCP acquired Grande Club Apartments, a 264-unit naturally occurring affordable housing (NOAH) community located in Duluth, GA.

Key 2025 Impact Metrics include:

- ***Affordability:*** **100% of units are affordable to 61%-80% AMI**
- ***On-site Resident Services:*** **Launched collaboration with Star-C to provide on-site resident service programming in Q4 2025**
  - **Programming will include on-site after school programming, bi-annual community festivals, and access to health and wellness resources and virtual sessions on financial literacy**
  - **17 students registered for after school programming in Fall 2025, with a 59.4% average attendance rate**
- ***Credit Reporting:*** **366 residents, or 91%, reporting on-time rental payments to the Credit Bureaus through Esusu**
- ***Efficiency:***
  - **Energy – Completed a HVAC replacement project with an estimated annual savings of 68,556 kWh and $6,540[29]**
  - **Water – Completed implementation of leak detection system Water Signal with an estimated annual savings of 2,637 gallons or $40,108[30]**

Stakeholder Engagement

FCP's stakeholders are important to our success, and we value their viewpoints and feedback as our business decisions generate impact and as we work collaboratively to achieve successful outcomes. Engagement is primarily delegated to the team that directly oversees the applicable stakeholder, such as the FCP Investor Relations team taking lead on day-to-day engagement with investors. Additional information on the common resilience, responsibility, and leadership themes to FCP's stakeholders and business can be found in the Materiality Assessment (Pg. 30).

FCP's Core Stakeholders and Engagement Methods include:



INVESTORS

- Dedicated IR team that regularly communicates with investors through reporting, advisory committees, annual meetings, and more



RESIDENTS AND TENANTS

- Surveying from property management and dedicated FCP-implemented tools
- Virtual and/or on-site resident service collaborations
- Community engagement events
- Flyering/email communications
- Tenant interviews and ongoing relationship maintenance (office and retail)



TEAM MEMBERS

- Open investment committee meetings
- Employee-led committees
- Annual surveying
- Internal engagement events
- Trainings and development



VENDORS/SUPPLIERS/ COLLABORATORS

- Bidding and contracting
- Due diligence screening and market reviews
- Ongoing meetings to discuss progress
- Data security and compliance



LOCAL COMMUNITIES

- Volunteering
- Local government-led incentive or rebate programs
- Providing opportunities for public comment on projects (development)
- Public-Private Partnerships

FEDERATED HERMES, INC.

On April 9th, 2026, Federated Hermes, Inc. (NYSE: FHI), a global leader in active investing, announced the completion of its previously announced acquisition of an 80% majority interest in FCP Fund Manager, L.P. (FCP). Esko Korhonen, Founding Managing Partner, FCP, said "Federated Hermes shares our values and long-term investment philosophy, and we are confident this alliance will benefit our clients, stakeholders, and the communities where we invest."

Stewardship

FCP demonstrates its deep industry commitment through active participation in leading sustainability and real estate organizations and thought leadership contributions through conferences and panels.

Industry group participation includes but is not limited to:

MULTIFAMILY IMPACT COUNCIL

ULI Greenprint

Member NMHC NATIONAL MULTIFAMILY HOUSING COUNCIL

PREA Pension Real Estate Association

Employee Recognition and External Leadership



Alecia Hill was appointed chair of NMHC's Workforce Housing Committee



Elizabeth Cotter participated on a panel on the financial environment with CREW NOVA



Bruce Gago participated in the Green Pearl 2025 Florida Multifamily Summit



Tina Tagliaferri contributed to the GRESB and Conservice-hosted webinar, Beyond Compliance: Leveraging Sustainability for Real Impact in Residential Real Estate



Summer Haltli serves as Vice Chair of the Multifamily Impact Council



Brian Edmonds participated on a panel on "Development and Operations: Running Smarter Buildings" at Bisnow's 2025 Multifamily Annual Conference Rockies

Impact Sponsor

IMPACT SPONSOR 2025

Freddie Mac MULTIFAMILY

We are proud to be a 2025 Freddie Mac Multifamily Impact Sponsor. These best-in-class operators are committed to building stable, thriving communities by investing in their properties, residents and innovative programs. Together, we're working to encourage long-term investment in communities to strengthen tenant retention, sharpen operational excellence, and reduce risk for all stakeholders.

Corporate Governance

- FCP is a registered investment advisor with the United States Securities and Exchange Commission (SEC)[31]. FCP's Management Team consists of our business leaders including the seven partners – Esko Korhonen, Lacy Rice, Alex Marshall, Garland Faist, Jason Bonderenko, Chris LoSapio, and Jason Ward – plus Mark Annick, Chief Accounting Officer; Brian Cohn, Chief Technology Officer; Elizabeth Cotter, SVP - Capital Markets; Kevin Curry, Chief Compliance Officer and Head of Tax; Summer Haltli, Co-Founder and Partner, Housing Preservation Strategy; Bart Hurlbut, SVP - Investor Relations; Moriah Thomas Parker, SVP - Portfolio Management and Investor Relations; and Jeff Robertson, Director of Asset Management. At FCP, we view sustainability and resilience as a firm-wide commitment, and all team members participate in the implementation of initiatives as applicable to their team and role.

- The FCP partners set the firm's strategy, policies and goals. Senior executives from each team prepare goals for the annual business plan, which is presented to the entire firm for review by the seven partners.

- The FCP Investment Committee, which includes the seven partners, meets at least weekly, and all FCP team members are invited to join. All deals must receive approvals from the Investment Committee at various touchpoints during the acquisitions process and before closing. During IC meetings, the teams present new deals, updates on the diligence process, and other details material to the deal to the Investment Committee for review and discussion.

- Responsibility for managing FCP's impacts on the economy, environment and people is delegated across multiple teams.

- The effectiveness of FCP's processes as outlined above are reviewed on a rolling basis and updated as legally required and/or upon identification of an inefficiency.



FCP's Bruce Gago participates on a panel


FCP and Cushman & Wakefield's Annual Holiday Party

Future-Ready Blueprint Oversight

The corporate ESG team oversees the firm's implementation of the Future-Ready Blueprint platform. Several of FCP's employee-led committees' missions tie directly to the platform goals and serve as an opportunity for employees across the firm to voice their recommendations on and implement related initiatives.

ESG Governance Structure

- FCP's ESG corporate team sets the firm's annual sustainability and social goals, coordinates initiatives across teams, monitors progress on ongoing projects, participates in industry groups, and completes applicable reporting for the firm.
- Our corporate-level Future-Ready Blueprint overview and policy, which includes the firm's approach and practices to mitigate risk and ensure the utilization of resilience and sustainability best practices, inclusion and belonging, etc., Employee Handbook, and Code of Ethics are evaluated annually and updated as needed to reflect best practices and changing firm goals.
- FCP's ESG team works with all teams at FCP to integrate related best practices throughout the firm. The Investment Committee reviews all ESG-related risks to a potential acquisition during weekly IC meetings, approves social partnerships, and contributes to Future-Ready Blueprint platform goals.
- FCP's ESG team presents best practices, research, trends, and ongoing and proposed initiatives to the firm during Investment Committee or staff meetings to educate and inform all team members on sustainability and social developments within the real estate industry and within the FCP platform. The Sustainability Committee conducts research and presents information to the firm on business-relevant topics, including EV charging and green construction.
- For all material topics, FCP utilizes stakeholder feedback, external reporting results, grievance mechanisms, and internal feedback to evaluate the effectiveness of our Future-Ready Blueprint platform. We evaluate all feedback on a rolling basis and formally adjust our management approach during annual business planning.



FCP was a 2025 Bronze Hammer Sponsor for Habitat for Humanity of Washington, D.C. and Northern Virginia.

Corporate Leadership

Additional Policies and Compliance

- **Compliance**
  - Each newly hired FCP team member receives training on the firm's Code of Compliance. We provide annual training on the firm's Code of Ethics for all team members throughout the course of the year. All team members participate in mandatory SEC and Antitrust Compliance training.
- **Team Member Feedback**
  - FCP values team member feedback as it helps senior leadership identify areas for improvement. We perform an annual employee satisfaction survey administered by a third party to ensure anonymity. Senior leadership creates an action plan for addressing the feedback during the year, and FCP's Inclusion and Belonging committee reviews the survey and works with the COO to implement any actions needed in response to the survey comments.
  - Team members are encouraged to provide feedback beyond surveys, such as during check-ins with their supervisor. FCP works with IQEQ to manage all SEC compliance, including employee disclosures. Team members are able to raise any business conduct concerns through IQEQ and/or through the mechanisms detailed in FCP's Compliance Manual.
- **Activities and Value Chain**
  - FCP utilizes a suite of partners to provide the services, raw materials, and products needed throughout the hold period of an asset, including brokers, contractors, developers, and third-party property managers. Services provided by suppliers may include but are not limited to asset marketing and disposition services, capex construction, consulting services during the due diligence process, and property management and leasing. The duration and structure of these business relationships can vary depending on the needs of the asset or broader portfolio.
  - We have established sustainability policies and new construction guidelines to ensure our properties incorporate sustainable design elements and services where feasible. All third-party management companies are vetted during diligence, including for ESG-related initiatives and policies. The entities downstream in FCP's value chain are the residents and tenants who live and work in our assets.



FCP and Cushman & Wakefield's Annual Holiday Party

Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a globally recognized blueprint for building a more equitable and sustainable world now and for the future. FCP's role as an owner, operator, and developer of real estate positions us to directly impact our residents and their communities. The SDGs most closely linked to FCP's mission and Future-Ready Blueprint goals are:



Ensure healthy lives and promote well-being for all at all ages

Action:

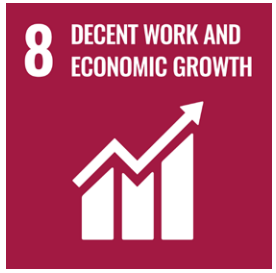
- FCP is committed to ensuring all assets are healthy places to live and work
- Health and life safety is reviewed during the diligence process, and all issues are swiftly remediated upon acquisition
- On-site resident service programs coordinate food-related services, such as free snacks through their respective after-school program or a food pantry, where feasible



Implement sustainable water management practices

Action:

- Implement water efficiency capex where possible to reduce usage across the portfolio
- Projects, estimated savings, and usage are reported out annually through the firm's Corporate Responsibility Report report and annual GRESB submissions



Promote a healthy and safe working environment and community investment

Action:

- FCP team members volunteer through FCP Serves
- FCP's Responsible Contractor Policy, Development Sustainability Practices Policy, and Future-Ready Blueprint Overview Policy guide our approach to sustainability and health and wellness in our buildings



Foster inclusion and belonging within our organization and within the real estate industry

Action:

- Continued implementation of inclusion and belonging best practices
- Employee-led committee organizes events, trainings, and external collaborations for the firm
- Continued sponsorships to work with and mentor the next generation of real estate leaders



Make our properties inclusive, safe, resilient and sustainable

Action:

- Building certifications for sustainability and/or health and wellness are pursued according to FCP's policy where feasible
- FCP looks for adaptive reuse and modular development opportunities to build more sustainable buildings



Evaluate risks for responsible decision making

Action:

- Physical and transition climate-related risks are reviewed during diligence

Visit the **United Nations Sustainable Development Goals** web site. The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.

GRI 1: Foundation 2021

Statement of Use	FCP has reported information cited in this GRI content index for the period January 1, 2025 to December 31, 2025 with reference to the GRI Standards
GRI 1 Used	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

DISCLOSURE		LOCATION
2-1	Organizational Details	FCP at a Glance / P5
2-2	Entities included in the organization's sustainability reporting	Entities included in sustainability reporting: FCP managed vehicles
2-3	Reporting period, frequency and contact point	Table of Contents / P2 Closing Page / P48
2-4	Restatements of information	Table of Contents / P2
2-6	Activities, value chain and other business relationships	FCP at a Glance / P5 Leadership - Stakeholder Engagement / P32 Leadership - Corporate Governance / P34 Leadership - Corporate Leadership /P36 No significant changes in information compared to the previous reporting year.
2-12	Role of the highest governance body in overseeing the management of impacts	Leadership – Stakeholder Engagement / P32 Leadership – Corporate Governance / P34
2-13	Delegation of responsibility for managing impacts	Leadership – Corporate Governance / P34
2-14	Role of the highest governance body in sustainability reporting	FCP's annual Corporate Responsibility Report is reviewed by FCP's Investor Relations team including two of the FCP partners and the Chief Compliance Officer. The report is shared prior to publishing for accuracy, messaging, and compliance review.
2-17	Collective knowledge of the highest governance body	Leadership – Corporate Governance / P34
2-22	Statement on sustainable development strategy	Letter from the Partners / PP3-4
2-26	Mechanisms for seeking advice and raising concerns	Corporate Leadership / P36
2-28	Membership associations	Stewardship / P33
2-29	Approach to stakeholder engagement	Stakeholder Engagement / P32

GRI 3: Material Topics 2021

DISCLOSURE		LOCATION
3-1	Process to determine material topics	Leadership – Materiality Assessment / P30
3-2	List of material topics	Leadership – Materiality Assessment / P30
3-3	Management of material topics	Entire report

GRI 201: Economic Performance 2016

DISCLOSURE		LOCATION
201-2	Financial implications and other risks and opportunities due to climate change	Resilience – Risk Management / PP17-19

GRI 203: Indirect Economic Impact 2016

DISCLOSURE		LOCATION
203-2	Significant indirect economic impacts	Responsibility – FCP Serves / P28

GRI 302: Energy 2016

DISCLOSURE		LOCATION
302-1	Energy consumption within the organization	Resilience – Environmental KPIs / P11
302-3	Energy intensity	Resilience – Environmental KPIs / P11
302-4	Reduction of energy consumption	Resilience – Energy / P12

GRI 303: Water and Effluents 2018

DISCLOSURE		LOCATION
303-5	Water consumption	Resilience – Environmental KPIs / P11

GRI 305: Emissions 2016

DISCLOSURE		LOCATION
305-4	GHG emissions intensity	Resilience – Environmental KPIs / P11

GRI 401: Employment 2016

DISCLOSURE		LOCATION
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Responsibility – Talent, Development and Belonging / P27

GRI 403: Occupational Health and Safety 2018

DISCLOSURE		LOCATION
403-2	Promotion of Worker Health	Responsibility – Talent, Development and Belonging / P27

GRI 404: Training and Education 2016

DISCLOSURE		LOCATION
404-2	Programs for upgrading employee skills and transition assistance programs	Responsibility – Talent, Development and Belonging / P27
404-3	Percentage of employees receiving regular performance and career development reviews	100% of FCP full-time employees receive annual performance and career development reviews

GRI 413: Local Communities 2016

DISCLOSURE		LOCATION
413-1	Operations with local community engagement, impact assessments, and development programs	Responsibility – Resident Engagement / P24 Responsibility – FCP Serves / P28 Leadership – Stakeholder Engagement / P32

IRIS+ Index

IRIS+ METRIC		SDG ALIGNMENT	REFERENCE / PAGE #
CROSS CATEGORY			
OI3160	Full Time Employees: Total	SDG 8, 10, 11, 13	FCP at a Glance / P5
OI5479	Full Time Employees: Hired	SDG 8, 10, 11, 13	10 team members were hired in 2025
OD2735	Mission Statement		Mission Statement / P6
OD3520	Year Founded		FCP at a Glance / P5
OD7796	Organization Web Address		Closing Page / P48
OD6855	Location of Organization's Headquarters		FCP at a Glance / P5
OI2209	Founders: Total	SDG 8, 10	FCP was founded in 1999 by Esko Korhonen and Lacy Rice.
PD8808	Sector to Influence		FCP at a Glance / P5
OI7829	Investment Committee Members: Total	SDG 8, 10	Leadership – Corporate Governance / P34
PI2476	Communities Served	SDG 3, 6, 8, 10, 11, 13	FCP at a Glance / P5
OD6247	Social Impact Objectives	SDG 3, 6, 8, 10, 11, 13	FCP's social impact objectives are aligned with the four core IRIS+ real estate impact objectives: improving housing quality, increasing residential stability, increasing housing affordability, and increasing access to supportive services through housing.
IMPACT THEME: AFFORDABLE QUALITY HOUSING STRATEGIC GOAL: INCREASE ACCESS TO SUPPORTIVE SERVICES THROUGH HOUSING			
OD7212	Target Stakeholders		Leadership – Stakeholder Engagement / P32
PI2640	Individuals Housed	SDG 11, 13	Approximately 7,322 individuals projected to be housed from 2025 multifamily investments * Based on HUD Person-Bedroom estimates; FCP managed vehicles only
PD2532	Housing Type	SDG 3, 8, 10	FCP at a Glance / P5
PI5965	Number of Housing Units Financed	SDG 11	2,904 mutlifamily units financed from 2025 investments * FCP managed vehicles only
PD9681	Non-financial Support Offered	SDG 8, 10, 11	Responsibility – Resident Services Overview / PP21-22 Responsibility – Resident Engagement / P24
OI5049	Client Feedback System	SDG 3, 6, 8, 10, 11	Leadership – Stakeholder Engagement / P32
OI7914	Stakeholder Engagement	SDG 3, 6, 8, 10, 11, 13	Leadership – Stakeholder Engagement / P32
OI7783	Social Responsibility Client Policies	SDG 8, 10, 11	Yes, FCP implements policies to protect employees, including FCP's Employee Handbook and Compliance Manual.

IRIS+ Index (cont.)

IRIS+ METRIC		SDG ALIGNMENT	REFERENCE / PAGE #
IMPACT THEME: GREEN BUILDINGS STRATEGIC GOAL: CREATE HEALTHY AND SUSTAINABLE PLACES TO LIVE AND WORK			
OI4015	Water Conserved	SDG 6, 8, 11	Resilience – Water / P14
OI6697	Energy Conserved	SDG 8, 11	Resilience – Energy / P12
OI6765	Green Building Practices	SDG 3, 6, 8, 11, 13	Resilience / PP 10-19
OI9106	Social and Environmental Performance Risk Assessment	SDG 8, 11, 13	Yes; Resilience – Risk Management / P17-19
OI2092	Climate Resilience Strategy	SDG 11, 13	Resilience – Risk Management / P17-19
PI9170	Area of Buildings Reused	SDG 10, 11	FCP's adaptive reuse strategy utilizes existing warehouse or office buildings and revitalizes them into creative office, retail, and multifamily spaces. While FCP did not acquire assets intended for adaptive reuse in 2025, ongoing projects include Westside Paper in Atlanta, GA.
OI6370	Employees Dedicated to Social and Environmental Performance		Closing Page / P48
OI7421	Charitable Practices		Responsibility – FCP Serves / P28
OI2330	Governance Policies		Leadership – Future-Ready Blueprint Oversight / P35
IMPACT THEME: EQUITY STRATEGIC GOAL: IMPROVING RIGHTS, RESPECT AND COOPERATION IN THE WORKPLACE			
OI1638	Employee Voluntary Turnover Rate	SDG 8, 10	17% voluntary turnover in 2025
OI8869	Permanent Employees: Total	SDG 8, 10, 11, 13	FCP at a Glance / P5
OI9485	Diverse Representation Policy	SDG 8, 10	Responsibility – Talent, Development and Belonging / P26
OI3601	Employee Feedback and Grievance System	SDG 8, 10	Leadership – Corporate Leadership / P36
OI1150	Fair Hiring / Recruiting Policy	SDG 8, 10	FCP's written policy is included in our Future-Ready Blueprint Overview Policy. (For system to monitor compliance, see Corporate Governance) / P34
OI7914	Stakeholder Engagement	SDG 3, 8, 10, 11, 13	Leadership – Stakeholder Engagement / P32

Citations

Partner Letter

1. ESG Mid-Year Update: Who Still Cares, and Why You Should
2. Metrics capture energy and water usage and greenhouse gas emissions from January 1, 2025 - December 31, 2025 for assets in FCP Funds II-IV, V and VI, in line with FCP's GRESB reporting efforts. Emissions data covers Scope 1, 2 and 3 emissions. The total floor area of the reporting properties is 36.7 M square feet. Metrics exclude properties reported as shell to GRESB. Usage data includes whole building data where feasible, but at a minimum captures common area which is within FCP's ability to capture. Data may be unaccessible for a variety of reasons common within the CRE industry, including residents/tenants paying their utilities direct to their provider rendering that data unaccessible and aggregate utility data being unobtainable from 3rd party providers. FCP makes every effort to collect as much utility data as possible annually with the support of our consultants. 2024 data, used for % change metrics, was updated based on (1) the latest data collected for the 2026 GRESB reporting season and (2) excludes properties sold in 2024 in line with GRESB guidelines. Metrics were calculated to reflect percent ownership at the property level, to more accurately account for square footage that is within FCP's control to collect utility data from. FCP updated our internal energy, GHG and water reduction goals to reflect a 2023 baseline, and we look forward to sharing more on our reduction efforts in future reports. As a result, environmental performance metrics may be understated in this report.
3. Based on HUD's Person-Bedroom Estimates, Assumes 100% occupancy.

2025 Corporate Responsibility Year in Review

4. NGBS Green Certification "provides independent, third-party verification that a home, building, or land development is designed and built to achieve high performance in six key areas: Lot Design & Development, Resource Efficiency, Water Efficiency, Energy Efficiency, Indoor Environmental Quality, and Operation & Maintenance". Home Innovation is the sole national certification agency for the National Green Building Standard (NGBS). In order to apply for the certification review for Modera Academical Village, FCP/ the property paid $12,610. https://www.ngbs.com/
5. NGBS Green Certification "provides independent, third-party verification that a home, building, or land development is designed and built to achieve high performance in six key areas: Lot Design & Development, Resource Efficiency, Water Efficiency, Energy Efficiency, Indoor Environmental Quality, and Operation & Maintenance". Home Innovation is the sole national certification agency for the National Green Building Standard (NGBS). In order to apply for the certification review for the 704 at the Quarter, FCP/ the property paid $11,580. https://www.ngbs.com/

Reporting

6. Provided scores are the overall GRESB score received for each assessment. Assessments were submitted in 2025. All intellectual property rights to this data belong exclusively to GRESB B.V. All rights reserved. GRESB B.V. has no liability to any person (including a natural person, corporate or unincorporated body) for any losses, damages, costs, expenses or other liabilities suffered as a result of any use of or reliance on any of the information which may be attributed to it.
7. In 2022, PRI took a one-year reporting hiatus, so FCP did not report that year.

Environmental KPIs

8. Metrics capture energy and water usage and greenhouse gas emissions from January 1, 2025 - December 31, 2025 for assets in FCP Funds II-IV, V and VI, in line with FCP's GRESB reporting efforts. Emissions data covers Scope 1, 2 and 3 emissions. The total floor area of the reporting properties is 36.7 M square feet. Metrics exclude properties reported as shell to GRESB. Usage data includes whole building data where feasible, but at a minimum captures common area which is within FCP's ability to capture. Data may be unaccessible for a variety of reasons common within the CRE industry, including residents/tenants paying their utilities direct to their provider rendering that data unaccessible and aggregate utility data being unobtainable from 3rd party providers. FCP makes every effort to collect as much utility data as possible annually with the support of our consultants. 2024 data, used for % change metrics, was updated based on (1) the latest data collected for the 2026 GRESB reporting season and (2) excludes properties sold in 2024 in line with GRESB guidelines. Metrics were calculated to reflect percent ownership at the property level, to more accurately account for square footage that is within FCP's control to collect utility data from. FCP updated our internal energy, GHG and water reduction goals to reflect a 2023 baseline, and we look forward to sharing more on our reduction efforts in future reports. As a result, environmental performance metrics may be understated in this report.
9. Percentage accounts for standing, equity assets in FCP managed vehicles as of 12.31.25. Percentage accounts only for assets where FCP has operational control and is able to collect utility usage data for input into ESPM.
10. To be eligible for ENERGY STAR certification, "a building must earn an ENERGY STAR score of 75 or higher on EPA's 1 - 100 scale, indicating that it performs better than at least 75 percent of similar buildings nationwide". There is no cost to apply for ENERGY STAR certification, but consultant fees to prepare an application may be incurred. Additional information can be found at https://www.energystar.gov/buildings/building-recognition/building-certification.

Energy and Water

11. What's Driving Rising Electricity Prices — and What Can Bring Relief | World Resources Institute
12. Projects are considered efficiency based on a set of internal FCP criteria developed from Asset Management and ESG team feedback and commonly completed capex, and with reference to projects recognized as efficient by GRESB. Annual dollar and kWh savings are estimated based on (1) a consultant-developed savings estimation tool, (2) vendor-provided estimations, or (3) consultant-recommended standard savings factors and targeted ROI per project type. Five year estimated savings do not take into account the natural obscene or breakdown of equipment.
13. To be eligible for ENERGY STAR certification, "a building must earn an ENERGY STAR score of 75 or higher on EPA's 1 - 100 scale, indicating that it performs better than at least 75 percent of similar buildings nationwide" There is no cost to apply for ENERGY STAR certification, but consultant fees to prepare an application may be incurred. Additional information can be found at https://www.energystar.gov/buildings/building-recognition/building-certification.
14. Millions of Americans lack affordable water access. Here's how local utilities can help. | Brookings
15. Beyond peak water security: Household-scale experiential metrics can offer new perspectives on contemporary water challenges in the United States | PLOS Water
16. Projects are considered efficiency based on a set of internal FCP criteria developed from Asset Management and ESG team feedback and commonly completed capex, and with reference to projects recognized as efficient by GRESB. Annual dollar and gallons savings are estimated based on (1) a consultant-developed savings estimation tool, (2) vendor-provided estimations, or (3) consultant-recommended standard savings factors and targeted ROI per project type. Five year estimated savings do not take into account the natural obscene or breakdown of equipment.
17. Estimated savings metrics provided by third-party consultant.
18. NGBS Green Certification "provides independent, third-party verification that a home, building, or land development is designed and built to achieve high performance in six key areas: Lot Design & Development, Resource Efficiency, Water Efficiency, Energy Efficiency, Indoor Environmental Quality, and Operation & Maintenance". Home Innovation is the sole national certification agency for the National Green Building Standard (NGBS). In order to apply for the certification review for the 704 at the Quarter, FCP/ the property paid $11,580. https://www.ngbs.com/

Risk Management – Climate Strategy

19. Climate change impact on commercial real estate | Deloitte Insights

Resident Services

20. Data provided by Veritas Impact Partners (third party) and has not been verified by FCP. Programming started at four properties and dropped to three properties by YE 2025 with a disposition. Estimated tutoring fees saved based on Veritas-provided value of 129 hours of tutoring in 2025.
21. Data is provided by Star-C (third-party) and has not been verified by FCP. Data is representative of Star-C operations across four FCP multifamily sites in the Atlanta MSA.
22. Data is provided by Esusu (third party) and has not been verified by FCP. Rent relief metrics are as of December 31st, 2025 and are representative of all distributions in calendar year 2025.
23. Data is provided by Portfolio Resident Services (third party) and has not been verified by FCP. Data is representative of Project Access operations at one FCP multifamily property in Texas.
24. Data is provided by Project Access (third party) and has not been verified by FCP. Data is representative of Project Access operations at one FCP multifamily property in Florida.
25. Metric provided by Veritas Impact Partners

Talent, Development and Belonging

26. Start of 2018 - End of 2025
27. Anonymous employee quote from 2025 Pensions and Investments Best Places to Work in Money Management employee survey

Materiality Assessment

28. In no particular order

Leadership

29. Annual dollar and kWh savings are estimated based on a consultant-developed savings estimation tool.
30. Savings are representative of sewer and water and were estimated using a consultant-developed savings estimation tool.

Corporate Governance

31. Registration with the SEC as an investment advisor does not imply a certain level of expertise, skill or training.

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For any questions pertaining to this report, please contact the FCP ESG team.



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