



## Environmental, Social and Governance (ESG) Policy

### Introduction

Simpson Housing LLLP (“Simpson”) is committed to adopting ESG policies and initiatives that promote sustainability, enhance quality of life for employees, increase resident satisfaction and reduce its carbon footprint organization-wide, encompassing all assets whether owned or managed.

### Environmental

**Sustainable Operational Strategy:** We seek to reduce energy and water consumption and greenhouse gas emissions through implementation of energy-efficient lighting and appliance packages, water-efficient fixtures, recycling programs, irrigation controls, smart-unit technology, EV charging installations and real-time energy management software.

**Responsible Development Guidelines:** We have established Responsible Development Guidelines for our joint venture development projects. Our trusted, valued partners in these ventures share our commitment to multifamily building sustainable design and execution, and, beginning in 2022 we are requiring NGBS green certification for all new development.

**Climate Risk:** We are in the process of developing a climate risk assessment and management framework that identifies and quantifies physical, regulatory and financial risks associated with climate change. Climate risk will be integrated into our enterprise risk management.

**GHG (Greenhouse Gas) Accounting and Carbon Reduction:** In 2022 we partnered with Measurabl with the goal of establishing an in-depth GHG accounting for each property. Our intention for this initiative is to understand our corporate carbon footprint and use that data to evaluate emerging technology opportunities and their ESG and strategic value to us in reducing our carbon output.

### Social

**Compensation and Benefits:** We create safe and inspiring workplaces where our employees feel valued. We promote and recruit the best-qualified people, recognize contributions, and encourage the value of diversity in the workplace. We offer mentorship opportunities, competitive total compensation and benefits packages and create an exceptional employee experience.

**Company Culture:** We create fun and spirited work environments that reward innovation and collaboration. We foster both personal and professional growth for employees at all levels of the organization and demonstrate an “open door policy”. We continuously work to improve the employment experience by evaluating our policies and practices for areas of improvement and we encourage regular feedback from our employees on policies and benefits that are meaningful to them.

**Diversity & Inclusion:** We are committed to fostering a diverse, equitable, and inclusive workplace where everyone feels valued, respected, and empowered to contribute their unique perspectives, talents, and experiences. We believe that diversity is not only a source of strength, but also a catalyst for innovation and growth. We embrace diversity in all its forms, including but not limited to age, race, ethnicity, gender, sexual orientation, religion, disability, and socioeconomic background. We strive to create an environment that celebrates the richness of these differences, promotes fairness and equal opportunities, and eliminates any form of discrimination or bias. Our pledge to equity drives us to ensure fair access to opportunities, resources, and growth for all members of our organization. Through ongoing education, open dialogue, and continuous introspection, we are dedicated to identifying a truly inclusive environment.

**Community Outreach:** We have a long history of community engagement and each year we partner with nonprofit organizations through the companywide “Simpson Make a Difference” campaign. We also encourage each community to host local charitable and well-being events specific to that area. In addition, we facilitate philanthropy amongst our residents and employees with donation drives and are continuously exploring other opportunities to benefit our communities.

**Tenant Engagement:** Each individual community actively engages with and informs our residents of resident social, wellness and safety events, energy conservation tips, community-managed recycling programs and emergency communication. Simpson’s marketing team assists with these efforts by education and promotion via our blog on SimpsonHousing.com, social media, templated emails and resident portal communication. Every year, we survey our entire resident population with an annual survey of over 50 questions and send out touchpoint surveys to our residents throughout their lease term. Action plans are created based on annual survey results and touchpoint survey reporting is reviewed regularly to identify areas of improvement.

## **Governance**

**Ethical Business Policies:** We are committed to the highest standards of ethics, integrity and compliance with applicable laws in all aspects of conducting our business. We believe an organization is far more than a legal entity – it is a community. Our reputation and our right to be seen as an excellent, successful organization depends entirely on the ethical and legal behavior of our people, including officers, employees, representatives and outsourced subcontractors. All officers, employees, representatives and agents are subject to the Simpson’s Business Ethics Policy. In addition, consultants and contractors conducting business for, or on behalf of Simpson, are expected to comply with this policy wherever applicable. The ethical behavior of Simpson and our people take precedence over profits, sales, or other such standards of success. We believe, in fact, that ethical conduct is not only right, but also will result in success for the Company under any standard. Our Ethics policy provides specific direction in the following areas:

- Financial Recordkeeping
- Political Contributions
- Conflicts of Interest
- Payments
- Gift and Gratuities
- Confidential and Proprietary Business Information
- Patents, Trademarks, Copyrights, Inventions, and Corporate Identity
- Violations

### **Simpson Core Values:**

#### Nine Core Values Guide Our Actions

- Integrity – We conduct our business honestly.
- Collaboration – Our team members work together, sharing their individual knowledge, skills and experience to help Simpson Housing succeed.
- Accountability – We take personal ownership and promptly follow through on every encounter with our fellow employees, residents, and partners.
- Respect – We show genuine warmth, kindness, and respect to everyone we encounter.
- Entrepreneurial Spirit – We promote and support our team members’ vision, creativity, and ideas to propel our organization forward.
- Service – Every interaction is a service opportunity with intention to improve the lives of those around us.
- Inclusivity – We value diversity, and everyone receives equal treatment.
- Sustainability – Simpson Housing is focused on building community, protecting our environment, and promoting healthy living and workplaces for our residents and team members.
- Financial Responsibility – Every team member is a trusted steward of their community.