

An aerial photograph of a lush green forest. A dark, winding stream or river flows through the center of the forest, surrounded by dense trees. The lighting is soft, creating a serene and natural atmosphere.

Corporate Sustainability Report 2023

TRADE MARK

TM



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A LETTER FROM OUR CEO

At Trademark, ESG is ingrained in our purpose: To be extraordinary stewards, enhance communities, and enrich lives. Our stakeholder model and subscription to the principles of Conscious Capitalism® are at the core of our decision-making process, and inform how we engage with our partners, tenants, community, and the planet. We seek to elevate people and places in how we rethink the future of retail, multifamily, and mixed-use places. Our forward-thinking approach and long-term orientation are linked to our capacity to operate sustainably.

We believe that responsible environmental policy not only benefits our planet but also the bottom line. It is our responsibility to minimize our impact on the environment and to actively work towards a more sustainable future. Over the past several years, we have placed more emphasis on ESG strategy that will enable us to remain competitive and drive positive business outcomes for both Trademark and our partners.

Trademark continues to lean into the successes of our ESG program through

initiatives like energy-efficient technologies, portfolio-wide environmental benchmarking, feasibility analysis and development of on-site renewables, analysis of carbon embodiment and LCA throughout the value chain, and ‘future-proofing’ projects to meet the needs of future market demand. Additionally, our multifamily platform, which was launched in 2022, develops projects oriented towards achieving sustainable building certifications aligned with LEED® and NGBS®.

In addition to our environmental initiatives, we also are dedicated to social responsibility. We believe that our success is not only measured in financial terms, but also by the positive impact we have on our employees, customers, and communities. We have implemented several policies to promote diversity and inclusion in our workforce, including Living Future’s JUST label program, ICSC’s Launch Academy, and The CREW Network, and have made significant investments in employee training and development programs. Trademark also remains dedicated to philanthropic work through our Make A Difference Foundation, a

501(c)(3) with historical charitable donations in excess of \$1,000,000. Lastly, our work with Habitat for Humanity and two annual PTO days per employee for volunteer work highlight Trademark’s culture of volunteerism.

Finally, Trademark is committed to strong governance principles and upholding the highest ethical standards in our business practices. In 2022, Trademark formed its first advisory board featuring five prominent commercial real estate leaders, who examine Trademark’s overall direction and provide external perspectives. Also, Trademark’s executive and emerging leaders teams feature a diverse group of employees who help with decision-making and strategic planning.

I am proud of the work Trademark has done on ESG, and hope this report illustrates the steps we’ve taken in recent years to demonstrate this commitment. Thank you for your ongoing support of Trademark.

We look forward to building a better future together.



TERRY MONTESI
CEO, FOUNDER

QUICK RECAP

About Us

Founded in 1992, Trademark is a full-service real estate firm that is focused on re-imagining the future of retail, multifamily, office, and mixed-use spaces.

Headquartered in Fort Worth, TX, our purpose is to be extraordinary stewards, enhance communities and enrich lives. Trademark has developed, operated, or redeveloped 21M square feet of commercial mixed-use projects valued at over \$4.5B.

Our successful track record is driven by in-house expertise, long-term planning, and risk-conscious investment philosophy. A disciplined focus on realizing value for stakeholders is demonstrated by deep client relationships spanning multiple decades.

Our Purpose: To be extraordinary stewards, enhance communities and enrich lives.

- PORTFOLIO SIZE
8,246,021 ft²
- PORTFOLIO VALUATION:
\$1.6B
- REAL ESTATE PROFESSIONALS
62
- OFFICES
2
- ACTIVE (RE)DEVELOPMENT PIPELINE:
6 PROJECTS



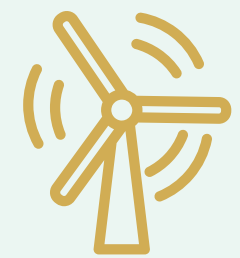


ABOUT THIS REPORT

Seeking continuous improvement and implementing best practices within our portfolio are key to building sustainable operations and taking real estate assets from good to great. Our goal is to provide exceptional service, engage with the communities in which we operate, and minimize our impact on the environment.

Implementing a successful Environmental, Social, & Governance (ESG) program is an ongoing journey, one that is grounded in our understanding of ESG issues that matter most to our business and stakeholders.

Our intention is to continue integrating ESG principles into all areas of our business as part of our long-term strategy, and to provide transparency about our efforts to develop sustainable spaces with equitable and inclusive practices.



ENVIRONMENTAL



SOCIAL



GOVERNANCE



ESG

Environmental Impact

We strive to make the planet a better place by taking action on climate change and reducing our environmental footprint. We recognize that the real estate sector plays a critical role in climate change, contributing nearly 40% of global greenhouse gas emissions (GHGs)¹. We also recognize that a changing climate poses climate-related risks, both physical and transitional, to the built environment.

We endeavor to place resilience at the forefront of our strategy by investigating and implementing portfolio management metrics to reduce climate risk, identifying opportunities where renewable energy can be implemented, and tracking KPIs regarding building performance and natural resource use.

Reducing energy, emissions, and water use across our portfolio are key components of our environmental strategy.

OUR RESULTS			
	ANNUAL TARGET	2025 TARGET	PROGRESS (2023) from 2019 base year
GHG Reduction	2-5%	35%	32.3%
Portfolio-Wide Energy Efficiency Improvement	2-5%	35%	30.8%
Portfolio-Wide Water Efficiency Improvement	1-2%	10%	2.4%

¹ Global Alliance for Buildings and Construction, International Energy Agency and the United Nations Environment Programme (2019): 2019 global status report for buildings and construction: Towards a zero-emission, efficient and resilient buildings and construction sector.



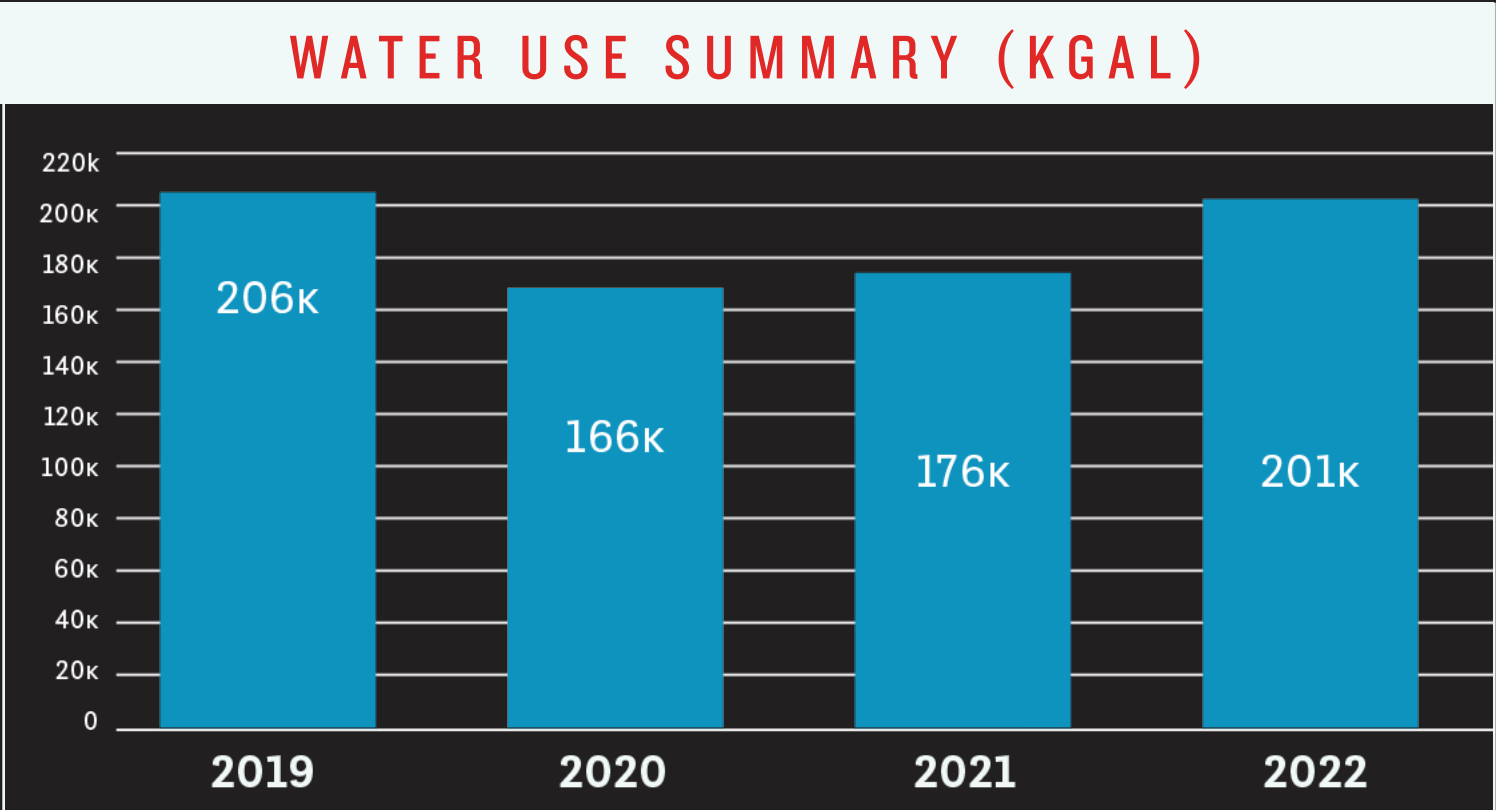
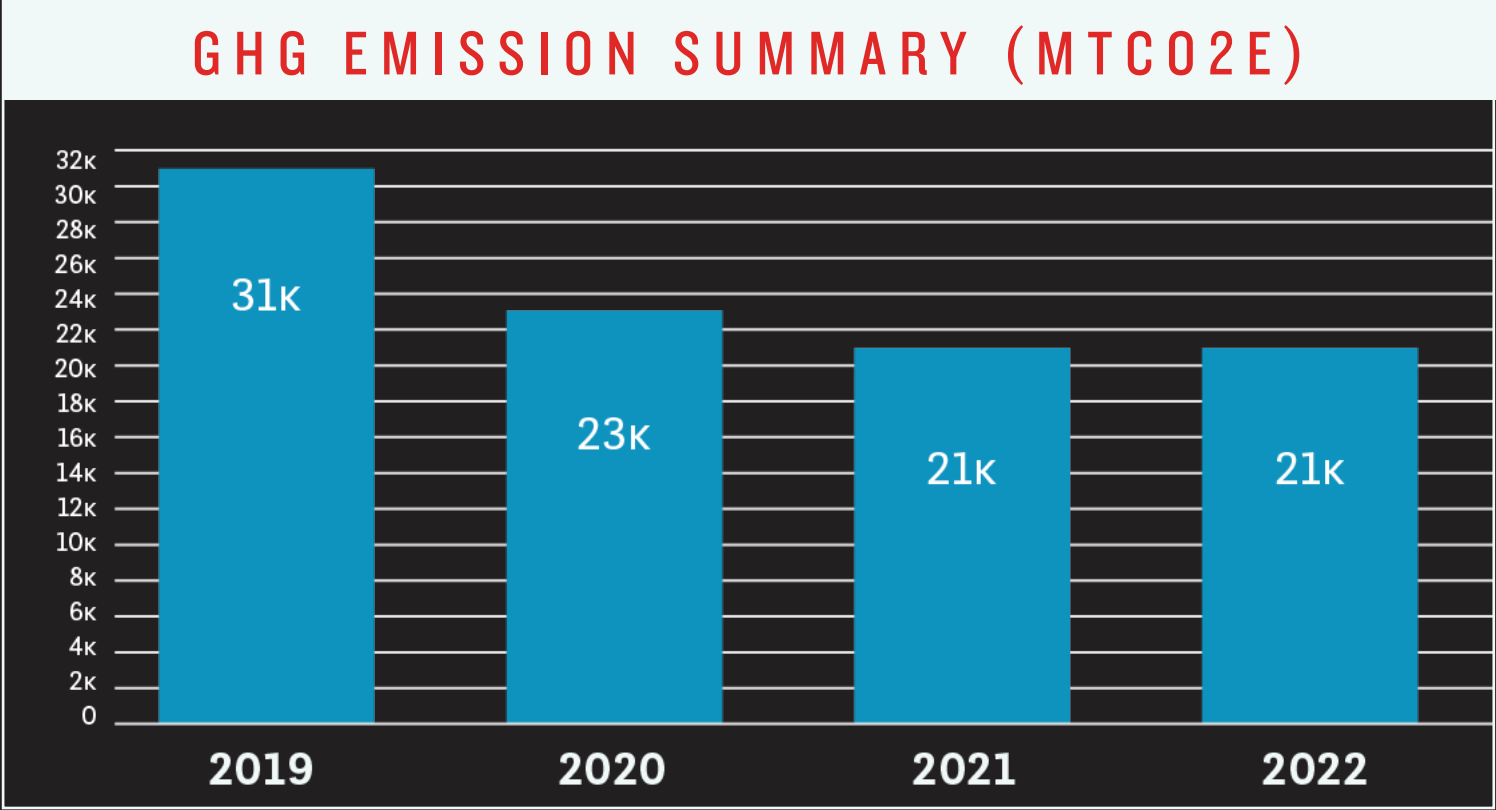
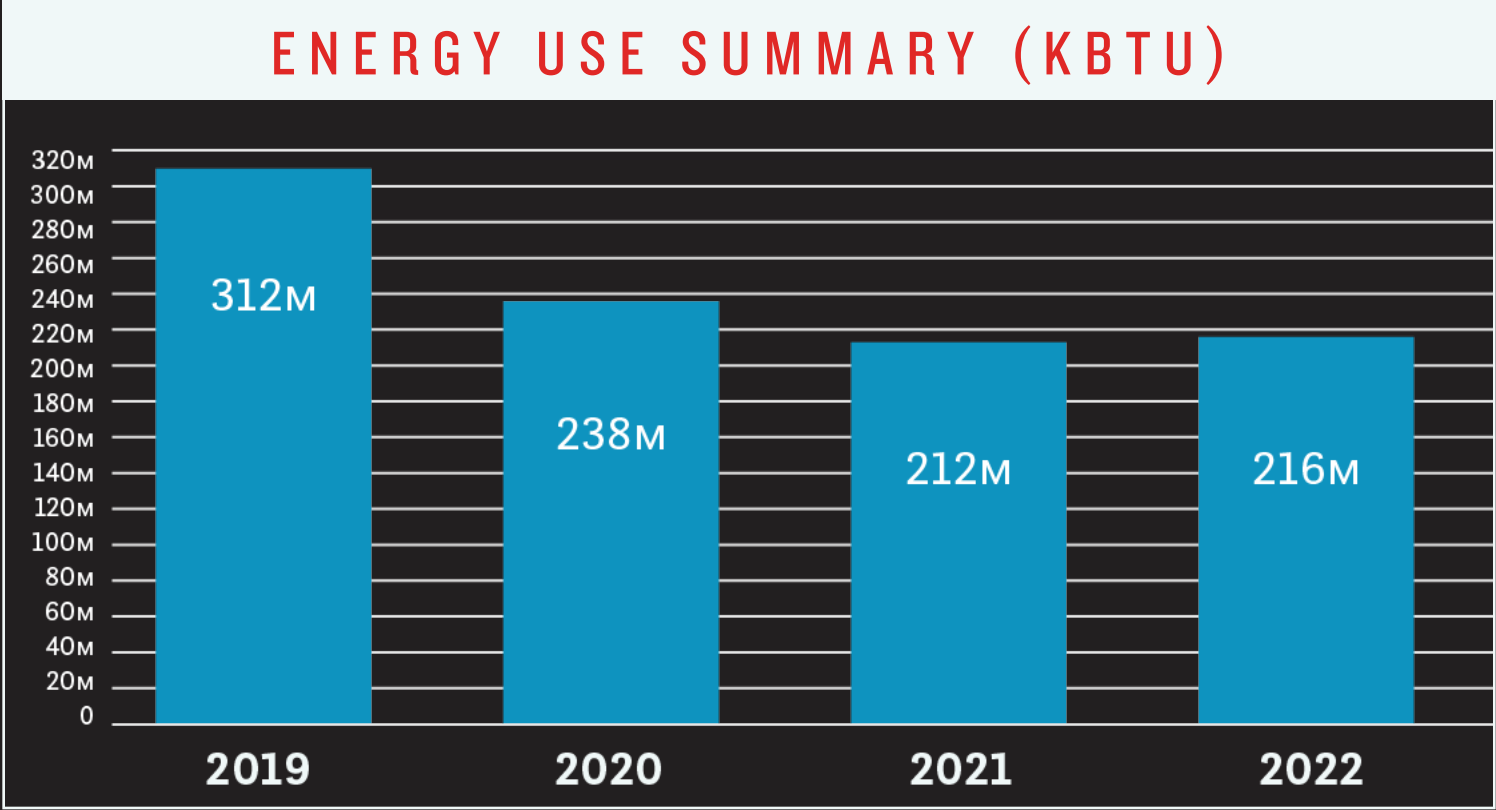
PERFORMANCE

Energy & Emissions

Efficient energy usage across our portfolio is a material strategy from a cost savings standpoint, as well as a way to reduce our contribution of climate-affecting greenhouse gas emissions.


Energy-efficient buildings also attract tenants that want to minimize exposure to energy price volatility and meet the requirements of an increasing number of jurisdictions implementing energy benchmarking regulations.

Since implementing efficiency upgrades and leveraging technology to reduce utility usage wherever possible, Trademark observed a portfolio-wide reduction in energy use and greenhouse gas emissions since 2019 (see graphs).




METRICS


To put our environmental efforts into terms that resonate with everyday experience, our efficiency upgrades and energy conservation efforts have led to reductions equivalent to:



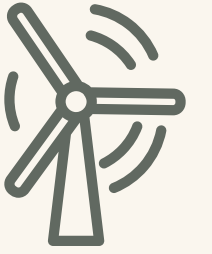
4,292 gasoline-powered passenger vehicles driven for one year.



Energy consumed by 2,509 homes in one year.



Carbon sequestered by 23,575 acres of U.S. forests in one year.

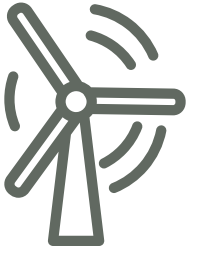


Sustainability Measures

IMPLEMENTED PER TRADEMARK PROPERTY

We assess the viability of efficiency improvements and innovation projects at our properties by performing asset-level and local market assessments to gauge NOI impact and ROI, and use this data to determine pilot candidates for emerging sustainability solutions.

PROPERTY													
	LED LIGHTING	BUILDING MANAGEMENT SYSTEMS	SOLAR ENERGY	EV CHARGING	SUSTAINABLE WATER FEATURES	SMART IRRIGATION	CARDBOARD RECYCLING	WIRELESS LIGHTING	SINGLE STREAM CONTROLS	DROUGHT RESISTANT RECYCLING	GREEN LEASE LANDSCAPING	COMPOSTING	IREM™ CSP
Alliance Town Center, TX													
Annapolis Town Center, MD													
Galleria Dallas, TX													
Great Hills Market & Station, TX													
S. Hulen, TX													
La Palmera, TX													
Lincoln Square, TX (Coming Soon)													
Market St Woodlands, TX													
North Point, GA													
Perkins Rowe, LA													
Saddle Creek, TN													
Waterside, TX													
WestBend, TX													
Zona Rosa, MO													



SUSTAINABLE MEASURES

Green Building Certifications



Building certifications by an independent third party, such as LEED® and IREM®, establish confidence and trust in environmentally responsible construction and operation practices. To date, our Portfolio contains 5 IREM®-certified sustainable properties and 2 properties with LEED® Silver operations and maintenance. Additional IREM® certifications are being pursued in 2023.

It is our goal to seek out opportunities where additional certifications can be pursued and would improve resource conservation, indoor air quality, occupant health, satisfaction, and add financial value.

In addition, every new Trademark multifamily development adheres to the National Green Buildings Standard (NGBS®), which positions assets to meet the needs of the current and future housing market demand. Our projects place an emphasis on sustainable building practices, which will drive rent and occupancy premiums, and are positioned to attract residents who prefer a home that reduces their environmental footprint. Our construction

process incorporates the following elements of sustainable properties:

To lower future capital expenditures, Trademark is

ENERGY EFFICIENCY

- Energy efficient lighting
- Energy efficient appliances
- Tight air ducts and sealing
- Enhanced insulation
- Smart metering

WATER EFFICIENCY

- Low flow fixtures
- Water-conserving appliances
- Drought resistant & indigenous landscaping
- Smart metering

SITE SELECTION

- Walkable communities
- Low-maintenance landscaping
- On-site storm water management

INDOOR ENVIRONMENTAL QUALITY

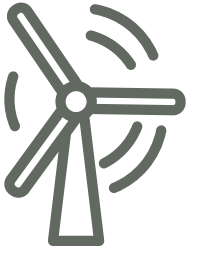
- Low VOC materials
- Proper equipment placement/venting
- Heat island reduction
- Ample natural light

RESOURCE EFFICIENCY

- Natural resource conservation
- Reduce waste, lower construction costs, and optimize structural performance
- Use of local building materials when prudent
- On-site recycling

laying the foundation for “future-proof” amenities and infrastructure to meet long-term sustainability needs. An example of this endeavor is laying the additional electrical infrastructure required for multifamily and townhome garages to install additional electric vehicle charging stations to meet future demand.





SUSTAINABLE MEASURES

Operating Guidelines

Trademark Property Company is committed to working with our operating partners and property management teams to enhance the energy efficiency, water efficiency, and overall sustainability at each of our properties while controlling operating costs. To achieve this effort, we prepared Sustainable Standard Operating Guidelines (SSOGs) that are used as a resource by property management teams to improve the environmental performance of each property. These guidelines

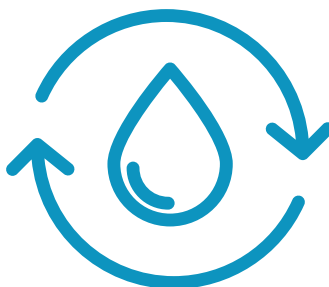
are used to identify opportunities in which additional measures can be implemented where cost-effective, within a 3–5-year timeframe. The SSOGs are reviewed on a continual basis, and any available rebates, incentives, and tax benefits are diligently evaluated before implementing upgrades.

THE SSOGS PROVIDE GUIDANCE ON THE FOLLOWING TOPICS:



VACANT SPACES

- Minimizing energy use while maintaining standards for space conditioning and emergency lighting
- Regular review of lighting and HVAC schedules in vacant spaces
- Engaging with contractors to review energy consumption policies during the construction phase
- Planning to reduce, reuse, and recycle waste prior to construction



WATER EFFICIENCY

- Benchmarking water consumption
- Water management training
- Regular leak checks
- Irrigation schedule optimization
- Rain sensors
- Native and drought-tolerant landscaping
- Tankless water heater replacement
- Insulation improvement
- Heat trap installation on water supply lines
- Utilizing low-flow fixtures



WASTE MANAGEMENT

- Providing recycling education to tenants and signage
- E-waste recycling policy
- Diversion rate goals



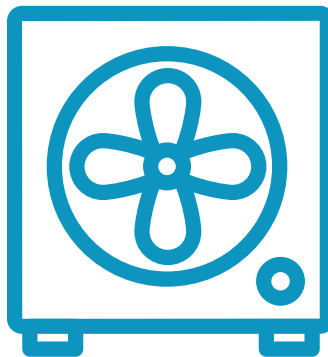
PURCHASING

- Working with vendors to decrease packaging materials
- Sustainability clauses in vendor contracts
- Green-certified products in common areas and green cleaning materials
- Compostable products



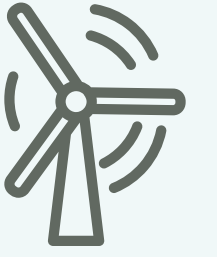
LIGHTING AUDITS

- Hours of operation
- Sleep mode optimization
- Engaging with security and janitorial staff to minimize after hours use
- Performing regular preventative maintenance and calibration
- Lighting recycling
- Working with tenants to improve efficiency
- Minimum lighting standards for tenant improvement
- High-efficiency replacements
- Occupancy sensors
- Daylight sensors



HVAC AND TEMPERATURE CONTROL

- EMS systems to optimize temperature control
- Regular calibration
- Managing off-hours temperature
- Educating and engaging with tenants on energy management
- Determining optimal seasonal set points
- Installing programmable thermostats where applicable
- Utilizing outside air cooling
- Air circulation



CASE STUDY

Market Street the Woodlands

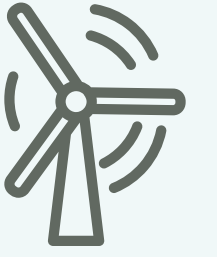
Market Street is an award-winning, open-air mixed-use destination in The Woodlands, TX. It is a 28,500-acre, master-planned community that was designed with a focus on community connection and environmentally responsible design. It has a community space that has converted to drought-resistant landscaping, implemented water efficiency measures, retrofitted to energy-efficient LED lighting, and holds an IREM® Certified Sustainable Property designation.

Located just north of Houston, Market Street has become the Woodlands' principle gathering place for community and commerce, and has demonstrated a net positive impact for all stakeholders. The project has 375,000 SF of retail, combined with 117,000 square feet of premier office space and a 70-room, 70K square foot hotel, with the mix of uses encouraging walking and minimizing vehicular trips.



THE WOODLANDS, TX

Patrons enjoying their evening in the community space at Market Street



CASE STUDY

Conscious Place Waterside

Inspired by the tenets of Conscious Capitalism®, the development principles of Waterside were community connection, local economic stimulation, and environmental sustainability. The Grove at Waterside is a place where people can experience the shopping center uniquely; one that is based on human design and the purposeful incorporation of local businesses.

Conscious place is the next generation of experiential commercial development that is inspirational, educational, sustainable, and a place of wellness and vitality. It connects customers and stakeholders with their community by providing an opportunity to socialize and enjoy time in green spaces. Over 100,000 square feet of green space were conserved for community use. Trademark built a community promotion shed open to community members and the community pavilion; an outdoor gathering space where people can relax and connect. With locally crafted furniture and planters, public art installations & amenities, walking trails, and free WiFi, Conscious Place at Waterside is an evolution of the shopping center suited for the needs of modern life.



FORT WORTH, TX

The Grove at Waterside





ESG

Social Impact

Trademark aspires to create a culture that intentionally rewards and retains talented employees who achieve exceptional performance and financial results. We attract our employees with our engaging, innovative, and energetic team environment. By actively encouraging diversity, we promote equal opportunity for all and help create an ethical and inclusive culture

EMPLOYEE METRICS



EMPLOYEES	AS OF APRIL 1, 2023
Total Male	52%
Total Female	48%
Under 30 years	19%
30-50 years	46%
Over 50 years	35%

Trademark is committed to valuing employee differences and creating an environment in which each individual’s unique strengths and abilities are developed. All employees share the responsibility for creating this environment and are expected to demonstrate mutual respect and acceptance in the workplace. Policies to ensure this happens are described in detail in our Employee Handbook and rooted in our Guiding Principles. We believe that by valuing each of our employee’s unique capabilities, we enhance our communication, problem-solving, and decision-making skills. Further developing these key components of

workplace success improves our company’s productivity and performance.

We also believe that if our employees mirror the diverse make-up of our communities and our customers, we will be able to better understand, and more effectively respond to market changes. We strive for excellence in our ability to create an inclusive, respectful, and equitable environment for our employees through leadership, diversity, equity, and inclusion policies and practices.



SOCIAL IMPACT

Safety and Wellness

Trademark values the health and well-being of all our employees and tenants as the utmost priority. We strive to engage with 100% of our employees through surveys and health checks.

Our health and well-being program actively promotes physical and mental health through the following:

HEALTH AND WELLNESS PROGRAM

TENANTS

- Design to foster social interaction and connection
- Design to promote healthy indoor environmental quality
- Acoustic and thermal comfort

EMPLOYEES

- Flexible working hours
- Paid maternity leave more than the legally required minimum
- Working from-home arrangements
- Employee healthcare and retirement benefits
- 16 annual hours of paid volunteering

Trademark observes the outcomes of this program by monitoring employee and tenant experiences and opinions. A monthly newsletter is distributed to employees concerning industry trends as well as health and well-being email reminders and suggestions. HR also provides lunch and learns about health and well-being to employees.

Trademark considers the health and safety of all tenants in leased spaces and has reporting policies regarding emergency management and accidents. In addition, Trademark performs regular employee workplace checks and tracks lost days and injury rates. As of 2022, there are:



SOCIAL IMPACT

Stakeholder Engagement

It is of utmost importance to our organization to provide an environment where our employees' voices are heard, and to incorporate ideas that emerge from feedback into our operations.

Trademark engages with its tenants through regular employee satisfaction surveys. Topics that are covered are accountability, resource availability, and management communication, amongst others.

The results of this survey feed into a program to improve tenant satisfaction. The data is used to develop an action plan and used as a basis for program review, focus groups, feedback sessions with C-suite level staff, and feedback sessions with individual departments and teams.

Trademark also engages with its tenants through an annual tenant satisfaction survey through a third party that covers management accessibility, marketing, commitment to sustainability, center features, and renewals.

In 2022, 66% of employees received ESG-specific training covering topics ranging from efficiency measures and energy use performance to unconscious bias, diversity, equity, and inclusion. In addition, educational seminars were provided on renewable energy financing. There is a future goal to increase exposure to these topics in terms of the percentage of employees involved and the breadth and depth of training.





SOCIAL IMPACT

Make a Difference Foundation

The Trademark Make a Difference Foundation (TMAD) encourages community service at all levels of the company. To support this, Trademark's employee volunteer program provides paid time to volunteer in the local the community. Trademark is also a sponsor of Habitat for Humanity, having helped build over 25 homes. Of note, Trademark's foundation has donated over \$1 million to more than 30 charities since its inception in 2014.

Employees and properties are committed to making a difference in the communities we serve through volunteerism, Conscious Place initiatives, and partnering with community organizations to raise awareness and charitable donations.





ESG

Governance

Trademark implements best practices and corporate policies as part of our commitment to strong governance and fair business practices. Strong governance principles are the bedrock to producing strong investment performance while mitigating risk.



ADVISORY BOARD

Trademark is always looking ahead and planning for the future, which includes working with some of the industry's best and brightest. Five prominent commercial real estate leaders make up Trademark's Advisory Board, which examines the company and provides valuable external perspective.

STANDARDS OF BUSINESS CONDUCT & ETHICS

Trademark maintains standards of conduct that promote ethics, integrity, and legal compliance. Compliance with all applicable laws and regulations and company policies and procedures is of utmost importance. Working in a cooperative manner with management, co-workers, customers, and vendors and treating customers, visitors, and all others in a professional, courteous, and respectful manner are all key parts of the conduct standards.

CONFLICTS OF INTEREST

A conflict of interest occurs when an employee, knowingly or unknowingly, engages in any activity that may compromise the employee, another employee, or the company in its relationship with a customer, vendor, or competitor. Trademark policy prohibits engaging in any practice which conflicts with or appears to conflict with the interests of our company, its customers, or vendors.

LAWS/REGULATIONS

Vendors are expected to adhere to all laws and regulations in the industries in which they operate. All required licenses and permits to conduct business in applicable jurisdictions must be maintained. Any violations of the Standards of Conduct and ethics, any other alleged ethical violations, or violations of the law will be met with the appropriate consequence.

CYBERSECURITY

Trademark keeps its employees vigilant of cybersecurity threats, and conscious of technological changes through continuous awareness, education, and coaching efforts. All employees receive monthly IT and cybersecurity training sessions.

CONFIDENTIALITY OF COMPANY INFORMATION

Safeguarding the confidential nature of information concerning the company's financial data, future business plans, and transactions, is essential to the company's present and future ability to succeed in a highly competitive business environment.



GOVERNANCE

ESG Committee

Responsible oversight and proactive engagement with our stakeholders play vital roles in creating an effective ESG program. At the outset of our ESG journey, we established an ESG Committee to help guide the program's initial direction and create a dialogue with our key stakeholders. The committee meets monthly to further develop Trademark's ESG roadmap, and we have a dedicated Director of ESG & Sustainability to manage strategy and implement program best practices. Our cross-departmental approach ensures we have representation of every component of our business to achieve impactful results and effective communication of our ESG targets.

COMMITTEE MEMBERS:



MARANDA AUZENNE
PROPERTY MGMT.



SOUMI BISWAS
ASSET MGMT.



HUNTER BOEKEN
LEASING



DEBRA BROWN
LEASING



LAURA HALE
MARKETING



KAYLIE HORNER
ASSET MGMT.



CASSIE KING
DEVELOPMENT



CLAYTON MCDONALD
ESG/SUSTAINABILITY



PHILIP WELCH
DEVELOPMENT

An aerial photograph of a dense, lush green forest. A winding river or stream flows through the lower half of the image, its dark water contrasting with the vibrant green of the trees. The forest appears to be a mix of deciduous and coniferous trees, with varying shades of green. The lighting is soft, suggesting a late afternoon or early morning setting.

MORE INFO

[TRADEMARKPROPERTY.COM/ESG](https://trademarkproperty.com/esg)

TRADEMARK