



# Corporate Responsibility Report

2023 - 2024

## REPORT DESCRIPTION

Released:  
**September 2024**

This report offers an overview of Penrose's social impact efforts, environmental sustainability standards, and conscious governance strategies.

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A Roadmap to Pennrose Corporate Responsibility Efforts and Commitments

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# ABOUT THE REPORT

## A Brief Preface on Data and Reporting Methodology

Pennrose is committed to providing transparent and reliable reporting on our corporate responsibility efforts across environmental sustainability, social impact, and conscious governance. Unless otherwise stated, the quantitative data utilized in this report is as of December 2023. The “About Pennrose” data was most recently updated in August of 2024. Pennrose obtains third-party assistance on data collection and configuration, and remains confident in the numbers at hand. Given the scale of reporting, thoroughly-researched approximations have been made when necessary to support key benchmarking efforts. No data set is perfect, but we continue to do our due diligence to maximize accuracy to the best of our ability.

This report does not address the performance of our contractors, suppliers, operators, or tenants unless explicitly stated. Past, current, and forward-looking statements regarding the corporate responsibility efforts of Pennrose are based on standards for reporting that are an ever-evolving work in progress, and may continuously change over time. Links and sources included in this report are employed for convenience, context, and transparency only.

Pennrose has not received any compensation for including certain partners or stakeholders in this report as opposed to others. If we were to include all of the incredible individuals and organizations we value, this report would be never-ending. Hence, we do our best to select points of pride from throughout the year holistically, and remain consistent with data tracking mechanisms. We will continue to improve these methods to the best of our ability, and look forward to keeping stakeholders informed along the way.

# A MESSAGE FROM OUR PRESIDENT

## BUILDING SUSTAINABLE COMMUNITIES WITH HEART AND SOUL

“

To Our Stakeholders,

We are pleased to share with you our 2023-2024 Corporate Responsibility Report. This collection of metrics, initiatives and controls affirms our belief in the triple bottom line: people, planet, and profit. We have developed this report as a token of our commitment to creating durable physical assets – our Bricks and Mortar – while remaining custodians of the environment that our employees, their families, and all of our residents enjoy – our Heart and Soul.

Our national reputation for real estate development and multifamily property management is rooted in the relationships we maintain with our many stakeholders. Our commitment to the principals of a formal Corporate Responsibility regimen is our way of holding ourselves accountable. We know that Corporate Responsibility yields lasting positive returns and generates broad long-term value. It is important that our stakeholders, all those to whom we are responsible, have clear visibility of our efforts to move ever forward to improved performance.

Transparency and sustainability will remain of utmost importance to us at Pennrose, and we are proud to use this report as a benchmarking tool and celebratory vessel for displays of progress.

We are thrilled to highlight some of the achievements of the prior year, reaffirming our commitment to make home an attainable reality for all, and doing so with heart and soul.

Sincerely,



Tim Henkel



**Timothy I. Henkel**

President, Pennrose



# ABOUT PENNROSE

## WHO WE ARE

A premier real estate development & property management company specializing in multifamily affordable housing.



**17,665**  
Units



**225**  
Properties



**518**  
Employees



**Over \$2.9B**  
Assets managed

**Since 1971**, Pennrose has been working to improve the lives of working families by creating safe, secure housing communities where residents can build fulfilling lives. We recognize that our legacy will be not only the buildings we develop, but also the neighborhoods they improve, the residents who call them home, and the employees who demonstrate the Pennrose core values to support our mission each and every day.

## MISSION



Our committed team of exceptional professionals transforms communities by creating high quality real estate developments and delivering outstanding value to our clients and partners.

## PENNROSE CORE VALUES



### Integrity

We act with honor, honesty, and fairness and hold ourselves to the highest ethical standards.



### Collaboration

We support each other internally and externally to achieve our collective goals.



### Results Oriented

We take great pride in achieving exceptional outcomes.

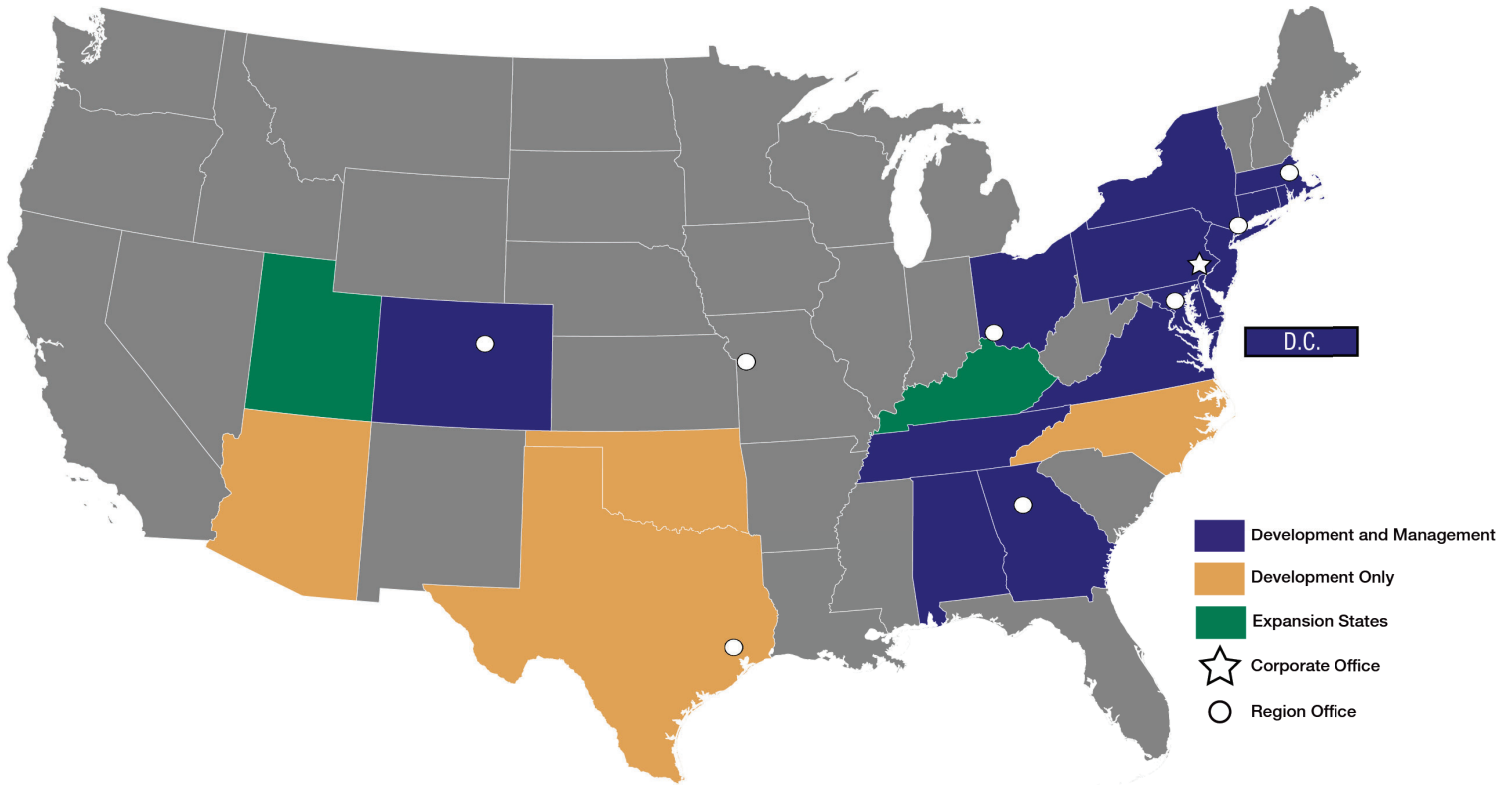


### Accountability

We are responsive and take responsible action. We say what we mean, and do what we say.

# NATIONWIDE EXCELLENCE

23 states and U.S. territories. 8 regional offices.



## Pennrose proudly serves:

- Families
- Formerly Homeless Individuals
- Individuals
- LGBTQ-Affirming Communities
- Seniors
- Transition-Aged Youth
- Veterans
- Individuals with Disabilities



## Entering New Mission-Driven Markets

**Nest56 at Denargo Market** provides 56 units of supportive housing to transition-aged youth (TAY) ages 18-24 who are at risk of homelessness, aging out of foster care, or experiencing homelessness. This community marks the first completion for our new Mountain Region team and is located in the RiNo Arts District of Denver, an integral part of the 13-acre Denargo Market redevelopment area experiencing explosive growth.



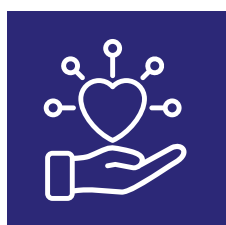
# CORPORATE RESPONSIBILITY FRAMEWORK

Focused on maximizing the good we can do for our stakeholders and investors alike, we are building properties, relationships, and strategies that are designed to last.



## Sustainability & Resiliency

As the climate shifts, so must we. Our approach to environmental sustainability is comprehensive and value-driven. We are consistently consulting environmental policy experts to see where we can improve.



## Social Impact

We are an inherently mission-driven company, always seeking to expand positive social impact across a wide array of indicators. Giving back and fostering diversity are integral to the work we do in communities across the nation.



## Governance

Pennrose prides itself on a commitment to remain transparent and ethical in the business we do. Supporting our incredible teams and communities is of the utmost importance to us, and we strive to remain accountable in all aspects of our operations.

## Corporate Responsibility Committee

The Corporate Responsibility Committee (CRC) was assembled to support Pennrose’s ongoing commitment to maximizing sustainability, expand social impact, and promote conscious governance. This cohort is a dedicated cross-section of the company, hailing from numerous departments to holistically develop strategies for Pennrose to better serve stakeholders. On a monthly basis, the CRC reviews matters that may affect the business, operations, reputation, and performance of Pennrose related to building corporate responsibility efforts.







# SUSTAINABILITY & RESILIENCY

- Our Commitment to Sustainability
- Key Sustainability Goals and Performance Metrics
- Water Efficiency: ION
- Island Resiliency
- Solar Investment and Generation



# OUR COMMITMENT TO SUSTAINABILITY

In a rapidly changing climate, resiliency is top of mind for us at Pennrose. We maintain and consistently update a Design Standard for all new development to ensure that our structures are built to last. We do so not only to ensure longterm business success, but because it's simply the right thing to do.

## QUICK STATS



**Over 95%**  
of units under construction utilize ION water efficiency software



**\$5M+**  
invested in solar generation technology



**37 Properties**  
currently involve a solar electricity generation component



**1/3**  
of properties benchmarked using Energy Star Portfolio Manager

## CERTIFICATIONS

Pennrose buildings have been accredited by the following:



# KEY SUSTAINABILITY GOALS & PERFORMANCE METRICS

We track environmental performance using data available from utilities, vendors, and industry estimates. This year, we decided to set Sustainability Goals, using our 2023 data as a baseline. From this established baseline, we will be able to track our progress, and strive to improve year after year.

Goal	Metric	2023 Data
<b>Track and Reduce Per-Unit Water Consumption</b>	Daily Consumption Per Bedroom Averaged Over the Year (standard metric)	121.8 Gallons Per Bedroom Per Day
<b>Strategically Reduce Portfolio Gas Consumption</b>	Annual Gas Consumption in Hundreds of Cubic Feet (CCF)	326,081 CCF Total
<b>Increase Annual Renewable Energy Production</b>	Approximate Annual Generation in Kilowatt-hours (kWh)	10,300,000 kWh
<b>Monitor and Reduce Common Space Electricity Intensity</b>	Average Annual Common Space Electricity Consumption Per Unit	1604 kWh Per Unit
<b>Measure and Reduce Scope 1 Per-Unit Carbon Footprint</b>	Metric Tons of Carbon Dioxide Equivalent (mtCO <sub>2</sub> e) Per Unit	0.26 mtCO <sub>2</sub> e Per Unit
<b>Measure and Reduce Scope 2 Per-Unit Carbon Footprint</b>	Metric Tons of Carbon Dioxide Equivalent (mtCO <sub>2</sub> e) Per Unit	1.01 mtCO <sub>2</sub> e Per Unit

According to the EPA, “Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Although scope 2 emissions physically occur at the facility where they are generated, they are accounted for in an organization’s GHG inventory because they are a result of the organization’s energy use” (EPA Scope 1 and Scope 2 Inventory Guidance).

Our consumption data is generally limited to resources directly measured and consumed by Pennrose. In an effort to uphold our commitment to transparent reporting, Pennrose bases emissions data on only what we can track. Due to a lack of data, emissions from electricity consumed by individual tenants is not necessarily represented in the above data.

# WATER EFFICIENCY: ION

ION's 24/7 water optimization platform provides unit-level, real-time, actionable water performance data via smart sensors. The system identifies and analyzes unit-level water events, pinpoints malfunctions and generates automated work orders so maintenance personnel can stop water loss early. These systems have resulted in large decreases in gallons per bedroom per day (gpb) and **all new Pennrose developments are designed to accommodate this system.**



**Hope's Crossing**  
Toms River, NJ

Located minutes from the Jersey Shore, Hope's Crossing was one of our first pilot properties for ION, and saw some of the largest savings.

**DECREASES IN MONTHLY WATER CONSUMPTION**  
SINCE INSTALLATION



**Meriden Commons**  
Meriden, CT

Home to two 75- and 76-unit apartment buildings, Meriden Commons has seen robust improvement in usage.



**Heritage at Alexander Hamilton**  
Paterson, NJ

Not far from the excitement of New York City, these apartments and townhomes have seen significant decreases in water usage.



# ISLAND RESILIENCY

Pennrose continues to work on behalf of and alongside territories impacted by natural disasters. We are proud to support communities in the Virgin Islands and Puerto Rico, building affordable homes strategically designed to withstand intense weather conditions.

*Since 2020*, Pennrose has been actively involved in communities in the Virgin Islands and Puerto Rico, working to restore housing following the devastation caused by Hurricanes Irma and Maria in 2017. Our commitment to providing resilient, sustainable housing in these territories aligns with both our mission and expertise.

We are pleased to continue our progress through design, financing and construction. The complications of island disaster recovery work have been dramatically exaggerated by COVID's effects on construction pricing and supply. That said, it is our honor and pleasure to forge ahead in these locations with our local funding partners on behalf of our fellow Americans.



As one of multiple projects in the Caribbean, Pennrose is proud to work in partnership with the Virgin Islands Housing Authority to develop 60 units of affordable senior housing on St. Thomas, United States Virgin Islands.



# SOLAR INVESTMENT AND GENERATION

Penrose views solar as a powerful tool to both decarbonize and lower operational costs. Utilizing state and federal incentives, while monitoring the latest technology, Penrose remains committed to integrating renewable energy generation into new and existing properties whenever possible.



50 Penn Brooklyn, NY



In 2023, solar panels at Penrose properties generated over **10,300,000 kWh of electricity**



This amount of electricity could power about **950 average U.S. homes for a year** and cut emissions by about **7,280 metric tons\***

\*The average U.S. home uses around 10,715 kWh annually ([U.S. EIA estimate](#))

*"Investing in sustainable initiatives isn't just an environmental decision; it's a strategic move for our portfolio of affordable housing assets. By integrating renewable energy solutions and data-driven conservation technologies, we reduce operational costs, enhance the resilience of our properties, and provide our residents with a high-quality housing experience. This commitment not only aligns with our ESG goals but also builds stronger communities for the future."*

- Jason Newman  
Director of Asset Management & Analytics





Weinberg Commons, Cherry Hill, NJ



# SOCIAL IMPACT

- Pennrose Impact
- Grassroots Development: Property Gardens Spotlight
- Pride at Pennrose
- Diversity, Equity and Inclusion
- Nonprofit and Governmental Partnerships
- Corporate Giving and Volunteering

# PENNROSE IMPACT

Our success at Pennrose is a result of how well we serve our residents, teams, and the communities in which we operate. Through Pennrose Impact (formerly Supportive Services), we are committed to providing beneficial services and support to residents, in hopes to equip them for a lifetime of success. When tenants are safe, secure, and happy, we are too.



## SERVING RESIDENTS

The Pennrose Impact mission is to ensure a successful living experience for residents by providing access to and assistance in securing essential supportive services that enhance the quality of their lives right onsite at Pennrose properties. By meeting our residents where they are, we can deliver the greatest impact and provide stable living environments.



24 Community  
Impact Coordinators  
as of 2024



## CORES CERTIFICATION ACHIEVED

In 2023, Pennrose achieved the status of Certified Organization for Resident Engagement & Services (CORES), which recognizes organizations across the country that have developed a robust commitment, capacity, and competency in providing resident services coordination in affordable housing communities. The rigorous certification process reflects our deep commitment to the highest standards for resident services, resident health and well-being, and data-informed operations and decision making.



## RESIDENT SAFETY & WELLBEING

Pennrose recently rolled out a comprehensive Resident Safety Presentation at each of our properties under management. It touches on topics such as fire safety, flood mitigation, eviction prevention, winter preparation, and financial wellness, among other topics. We thank our Property Managers and Community Impact Coordinators for making this a reality.



# GRASSROOTS DEVELOPMENT PROPERTY GARDENS SPOTLIGHT



## DON COPPEDGE VILLAGE

In partnership with nonprofit Trellis for Tomorrow, Don Coppedge’s Community Garden hosts a summer program that offers youth participants ages 12-18 to become members of their “earn while you learn” SEED Skills Crew Program. This provides meaningful opportunities to build work-related skills while learning to manage organic gardens, engage in relationships and activities that enhance their social and emotional capacity, develop new understandings, and participate in the creation of youth-led enterprises that increase access to local, nutritious, and affordable food. Since the start of Trellis working in the garden in 2020, the garden has grown 6,062 pounds of food that goes directly back into the community. In 2023, the garden grew 1,842 pounds of produce, which was distributed to residents of DCV and the surrounding neighborhood.

**1,842 lbs**  
of produce grown  
in 2023

**6,062 lbs**  
grown and donated  
since 2020



## IMANI VILLAGE GARDENING GROUP

The gardens at Imani Village in Wilmington, Delaware are supported by a collaborative effort between the Delaware Nature Society, Community Impact Coordinator Lakeisha Nix, and a devoted Resident Gardening Group. The Phase I garden beds were such a hit among residents that Phase II has recently begun restoration and preparation for planting. Residents of all ages and backgrounds can be found helping out at the raised beds, tending to crops like tomatoes, cucumbers, collard greens, peppers, kale, squash, and much more.



***“This is made possible by the hard work and dedication of our resident gardeners. It’s so beautiful how the gardens bring this remarkable community together.”***

-Lakeisha Nix, Community Impact Coordinator at Imani Village



# PRIDE AT PENNROSE NOW & HISTORICALLY



## THE PRYDE

In partnership with LGBTQ Senior Housing Inc., Pennrose recently celebrated the Grand Opening of The Pryde, 74 new LGBTQ+ affirming apartments for seniors 62 and older in the Hyde Park neighborhood of Boston. In a beautiful historic conversion, Pennrose was selected by the City of Boston to develop this 120-year-old former school into a revolutionary space for proud seniors in this community to call home.



## CELEBRATING 10 YEARS OF JOHN C. ANDERSON APARTMENTS

Pennrose recently celebrated the 10th Anniversary of John C. Anderson Apartments, the first and only LGBTQ-affirming senior housing in the city of Philadelphia. These 56 units are specifically designated for residents 62+ to age comfortably in a safe and welcoming space. Partnering with the William Way LGBT Community Center, John C. Anderson Apartments has become an integral part of Philadelphia's vibrant LGBTQIA+ community.



# DIVERSITY, EQUITY, & INCLUSION STATS

We believe that diverse teams drive the strongest results and allow us to serve our mission most efficiently and effectively.

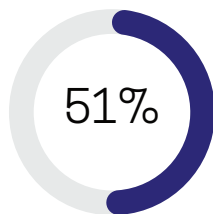
## STATEMENT ON DIVERSITY, EQUITY, & INCLUSION



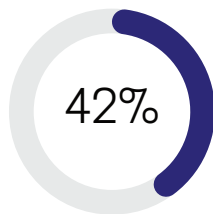
*Penrose is committed to furthering our broad view of diversity, equity, and inclusion in the workplace and the communities we serve. We are dedicated to hiring diverse talent and ensuring that team members, residents, and partners are treated with respect and supported in the roles they serve.*

*We recognize that by attracting, recruiting, and developing staff with different life experiences and perspectives, we can generate greater creativity in anticipating and meeting the needs of all our employees and our business associates.*

## GENDER BREAKDOWN

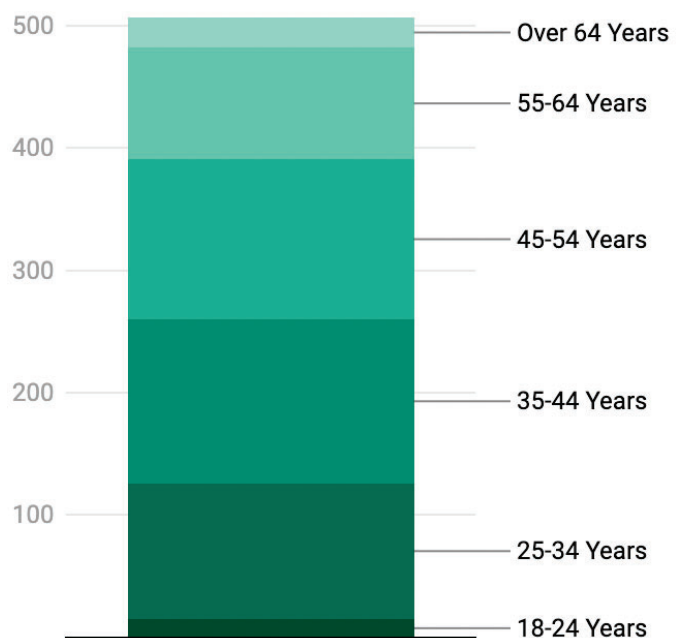


of Employees  
are **Female**



of Employees in  
**Managerial Positions**  
are female

## COMPANY AGE DEMOGRAPHICS

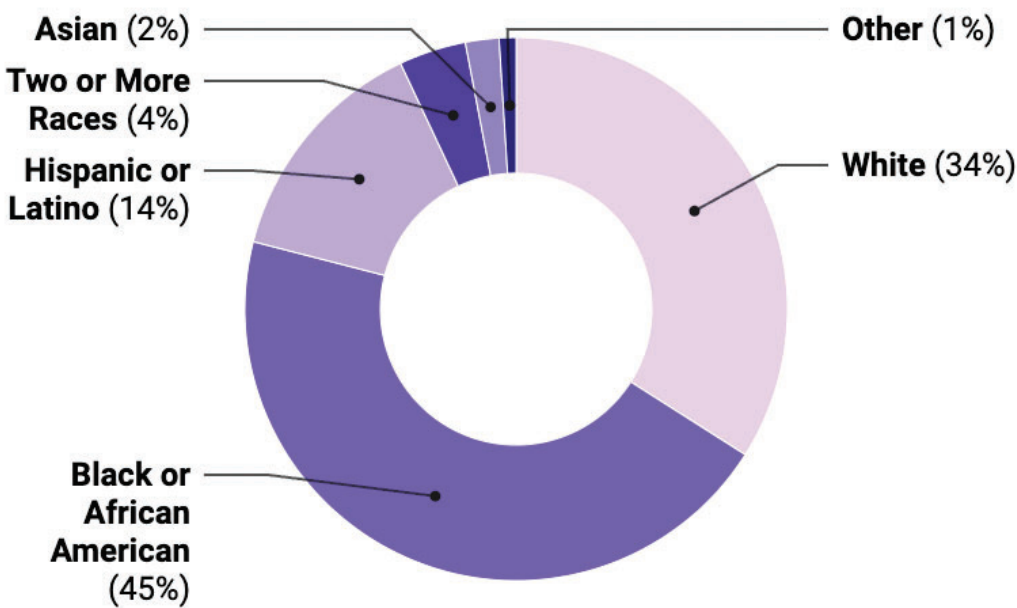


Employee Age Breakdown

# DIVERSITY, EQUITY, & INCLUSION STATS

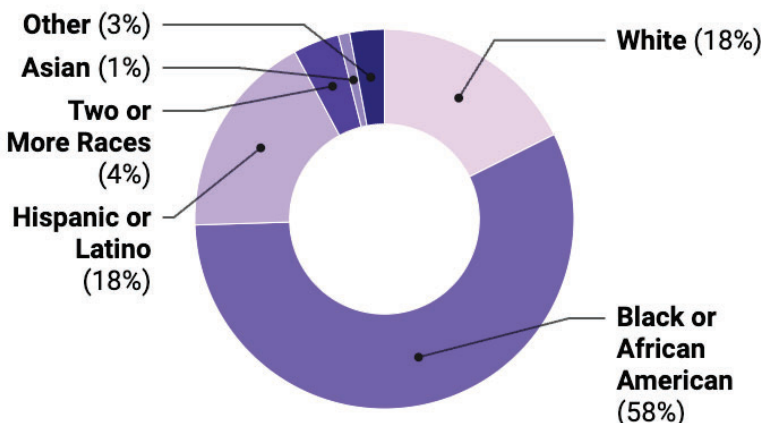
The following visualizations utilize the aggregate data of 518 current Penrose employees, as of August 2024.

## OVERALL EMPLOYEE ETHNICITIES

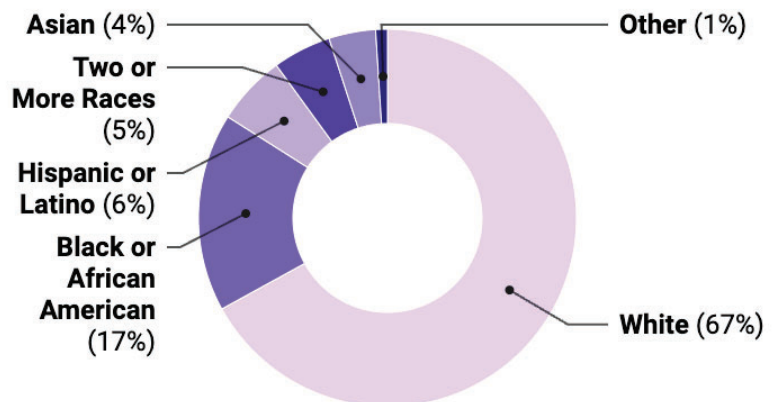


**Over 58%**  
of Penrose employees  
in **Managerial Positions**  
identify as minorities

## SITE EMPLOYEES



## NON-SITE EMPLOYEES





# NONPROFIT & GOVERNMENTAL PARTNERSHIPS

The work we do would not be possible without our remarkable nonprofit and government partners. These relationships mean the world to us, and we are fortunate to work amongst some of the most impact-driven and dedicated players in the industry. From our decades-long partnerships, to those just begun.

## Housing Authorities & Local Governments

For decades, Penrose has proudly worked alongside various Housing Authorities to provide and maintain the maximum amount of high quality affordable units where they are needed most. Utilizing the support and knowledge from organizations such as the Philadelphia Housing Authority (PHA), Penrose can multiply impact.



## 2023-2024 Partnership Spotlights



### Philadelphia Chinatown Development Corporation

Penrose remains thrilled to partner with the Philadelphia Chinatown Development (PCDC) on the development of Man An House 萬安樓, formerly 800 Vine. The mission of PCDC is to preserve, protect, and promote Chinatown as a viable ethnic, residential, and business community. Alongside their group of changemakers, with extensive community support, Penrose was able to construct 51 senior affordable units in the heart of Philadelphia's Chinatown to help residents peacefully age in place.



### Ulster County Housing Development Corporation

Penrose was selected by the Ulster County Housing Development Corporation (UCHDC) to realize a new neighborhood of mixed-income, intergenerational, and workforce housing on the site of the former county jail atop Golden Hill in Kingston, NY. Penrose and UCHDC actively worked with the County and locally-based organizations, small businesses, elected officials, and residents to craft a unified vision to support the community's diverse needs.





# CORPORATE GIVING

The Penrose Foundation was established to enhance Penrose's mission of transforming communities. We do so by supporting charitable organizations and events benefitting youth educational opportunities, seniors and their families, health and nutrition, community arts, and economic impact.



## The charities that received funding from the Penrose Foundation in 2023 include:



**Caring for Friends:** One of the largest food banks and most comprehensive senior meals delivery program in the Greater Philadelphia region.



**Focused Community Strategies (FCS):** Partners with under-resourced neighborhoods and promotes flourishing communities by providing mixed income housing and economic development opportunities in the Atlanta area.



**Reach Out and Read PHL:** Part of a national nonprofit organization that trains pediatricians and nurse practitioners to discuss the importance of early literacy with patients and their families.



**TGTHR:** A Colorado non-profit serving homeless youth across the Colorado front range, including safe housing, healthy meals, case management, employment and education support, life-skills development, and more



In 2023, the Foundation also awarded

# 12 scholarships

to students who live throughout our property portfolio.

# CORPORATE VOLUNTEERING

## EMPLOYEE BACKPACK DRIVE



# 4,300 students

Provided with the necessary materials to set them up for success by Pennrose Reaching Out (PRO) and the Penrose Foundation.

Affordable housing is deeply tied to improved educational outcomes. Penrose wants to be sure that every child living at a Penrose property is prepared to succeed on the first day. Each year, the Penrose Foundation teams up with Pennrose Reaching Out (PRO) to purchase and distribute backpacks with supplies to school-aged children throughout the Penrose portfolio.





**New Brunswick  
Performing Arts Center**  
New Brunswick, NJ



# GOVERNANCE

- Best Practices
- Industry Involvement
- Employee Wellness
- Technological Risk Mitigation
- Data Protection
- Corporate Ethical Policies





# BEST PRACTICES

We are defined by our best practices. Respect is at the core.

## Over 50%

of our Development and Corporate Team have been at Pennrose for over 3 years.

### Fair Housing & Work Safety Training Compliance

In order to minimize risk and maximize impact, preparation is key. All Pennrose employees are required to complete risk reduction trainings related to their area of work as a part of the onboarding process. These include courses on Fair Housing Laws, as well as anti-harassment, diversity, equity, and inclusion.



### Community Engagement

Part of building successful neighborhoods is being a good neighbor from the start. Pennrose works to engage the communities in which we operate at every stage of development. Our development team can be found attending community support fundraisers and events, participating in regularly scheduled community meetings, convening stakeholder meetings, and maintaining ongoing informal check ins about construction and project updates.



# INDUSTRY INVOLVEMENT

The affordable housing industry has grown and evolved over the past five decades, led by pioneering individuals, associations, and companies that collectively power the creation and preservation of the nation’s affordable housing supply. As an industry member, we play an active role in supporting and partnering with new entrants, advocating for additional resources, and promoting our peers’ success. On behalf of our partners and stakeholders, it is our duty to use our peer relationships to innovate in our execution and to maximize our contributions. We are pleased to be a participant in the Council of Large Affordable Housing Owners (CLAHO) and to hold leadership positions in national and state affordable housing organizations.



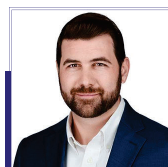
**Margot Elton-Ratliff**  
VP of Operations  
VP, Pennsylvania Women’s Affordable Housing Network



**Geoff Milz**  
Director of Development- OH  
Member, Urban Land Institute- East Central Regional Product Council



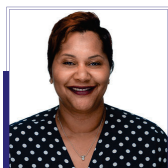
**Juana Granados**  
Associate Developer  
Communications Chair,  
Texas Women’s Affordable Housing Network



**William Basil**  
Developer  
Member, Urban Land Institute- East Central Regional Product Council



**Will D'Avella**  
Senior Developer  
Board Member, NY Housing Conference Rising Leaders Network



**Marsha Blunt**  
President, Pennrose Mgmt. Co.  
Member, Maryland Affordable Housing Coalition (MAHC)



**Michael Golden**  
Associate Developer  
Co-Chair, ULI Cincinnati Young Leaders Group



**Dylan Salmons**  
Regional VP- NY  
Board Member, NY State Association for Affordable Housing



**Jacob Fisher**  
Regional VP- NJ & PA  
Board Chair, Pennsylvania Developers' Council



**Arianna Wendt**  
Associate Developer  
Member, Commercial Real Estate Women (CREW) Network

# EMPLOYEE BENEFITS

Our people are our main priority. At Pennrose, we proudly invest in the wellbeing of our incredible team through extensive benefits.



## Medical Plans

Competitive industry-leading medical plans at low employee cost



## Paid Parental Leave

6 weeks of 100% salary maintenance for primary caregivers following birth, adoption, or foster placement



## Dental & Vision Plans

Exceptional plans at low employee cost



## Tuition Reimbursement

Financial support to encourage employees to pursue continued education



## Paid Time Off (PTO)

Generous and flexible paid time off plans, plus 11 paid holidays



## Disability

Short- and long-term disability plans at no cost to employees



## Flexible Spending Account (FSA)

Savings accounts for medical and dependent expenses



## Employee Referral Bonus

Compensation for successful referrals of new employees upon hiring



## 401(k)

Tax-deferred and Roth 401(k) plan options with company matching



## AD&D and Life Insurance

Accidental death and dismemberment insurance and life insurance for employee families



## Health Savings Account (HSA)

HSA for healthcare expenses with Pennrose contributions



## Wellness Reward Program

Employees rewarded with HRA incentives for healthy behavior using Virgin Pulse app to track positive habits



## Optional Hybrid Schedule

Flexible work schedule based on employee needs



## Employee Discount Program

Reduced price access for a wide range of items and services



## Milestone and Merit Awards

Time and compensation rewards for veteran and outstanding employees



## Training and Talent Development

Extensive programming to build leadership and professional skillsets



# TECHNOLOGICAL RISK MITIGATION

In a rapidly changing technological, environmental, social, and political climate, Penrose remains strategically prepared to prevent and mitigate risks by maintaining clear policies and proactive strategies.

## CYBERSECURITY AND DATA PRIVACY

At Penrose, we acknowledge the paramount importance of safeguarding sensitive data, preserving user privacy, and comprehensively mitigating data security risks.



Our approach aligns with the recommendations from the National Institute of Standards and Technology (NIST) to ensure robust protection of our information systems. We collaborate closely with internal and external business partners, evaluating and managing information security risks that could potentially affect Penrose. This approach applies to all employees, contractors, third-party vendors, and affiliates handling sensitive data or accessing our systems.

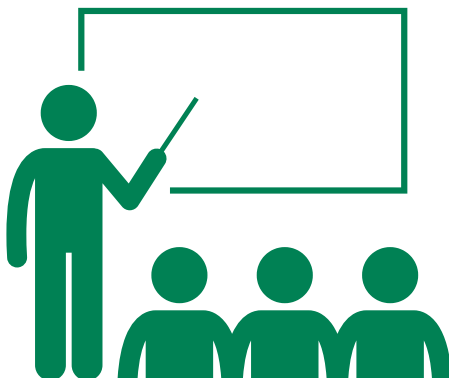
Our information security strategy is built on the key principles of data minimization, lawfulness, fairness, and transparency in processing sensitive data. We advocate for the collection and retention of only the minimal requisite volume of sensitive data essential for legitimate business objectives. Additionally, we ensure that the processing of sensitive data is conducted in a lawful, equitable, and transparent manner, keeping individuals informed about how their data is collected, utilized, and shared. This approach helps us maintain data accuracy, reliability, and pertinence.

Transparency

Data Minimization

Fairness

Lawfulness



To fortify our defenses against information security breaches, Penrose provides our employees with comprehensive training, tools, and resources including:

- **Annual anti-phishing campaigns**
- **Semi-annual cyber lunch-and-learn programs**
- **Mandatory annual training with assessments**

These ongoing programs ensure that employees remain vigilant and knowledgeable about current threats and best practices.

# DATA PROTECTION POLICIES AND PROCEDURES

## TOOLS AND POLICIES

We deploy a range of technical safeguards to secure sensitive data against unauthorized access, disclosure, tampering, or destruction.

These include:

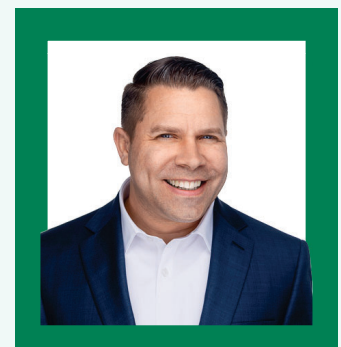
- Encryption
- Access controls
- Firewalls
- Intrusion detection systems



.....➔  
Penrose has **designated personnel** responsible for overseeing data protection, privacy, and security. We also ensure that our practices comply with relevant legal statutes, regulations, and industry standards concerning data protection and privacy.

“To maintain compliance and continuously improve our security posture, we conduct periodic audits, assessments, and evaluations. These activities help us identify areas for enhancement and address any shortcomings promptly. By fostering a culture of continuous learning and awareness, we aim to protect our data and operations, ensuring the trust of our stakeholders.”

- John DeSantis, Chief Information Officer



**The Penrose Employee Handbook** outlines clear policies on managing and using company electronic systems. Employees regularly complete online information security training and acknowledge their understanding and commitment to our information security standards.

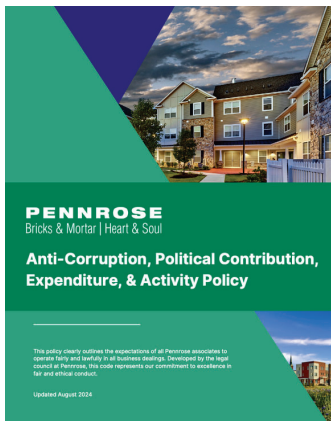
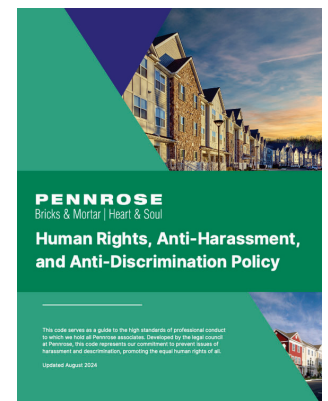
# CORPORATE ETHICAL POLICIES & CODES OF CONDUCT

At Pennrose, our Codes of Conduct serve as the foundation of our commitment to consistently conducting business honestly and ethically. In every corner of our company, we strive to hold our people to the highest standards in the industry. While our codes cannot address every possible ethical issue, our legal professionals remain committed to staying ahead of problems by setting clear standards for conduct. The Codes apply to all of us at Pennrose, from our tenured employees, to our third-party vendors. Respect for the law and one another is our top priority. In building our legacy, Pennrose conducts business ethically and within the spirit and letters of all laws of the US and the communities where we operate. Our values guide our actions, distinguish us from our competitors, and help us deliver superior performance every day.



## ANTI-HARASSMENT AND HUMAN RIGHTS POLICY

Pennrose conducts business with complete respect for diversity and social responsibility and is committed to providing equal employment opportunities. Pennrose prohibits any form of unlawful employee discrimination or harassment by its associates, who shall not discriminate in any decision with regard to race, age, disability, gender identity, marriage and civil partnership, pregnancy and maternity, ethnic origin, color, nationality, national origin, religion or belief, sexual orientation, or other characteristics protected by law.



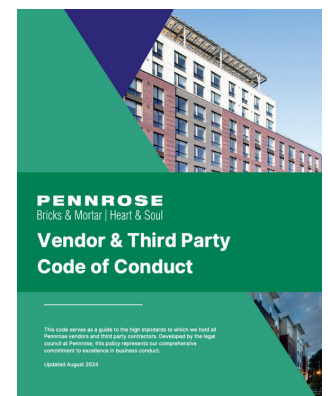
## ANTI-CORRUPTION, POLITICAL CONTRIBUTION, EXPENDITURE, AND ACTIVITY POLICY

In accordance with our Political Contribution Expenditure and Activity Policy, Pennrose employees may not use corporate funds or resources for direct contributions to federal political candidates, parties, or campaigns. Pennrose associates are expected not to engage in any form of bribery or corruption, including the giving or receiving of any payment or anything of value, in order to influence the behavior of a public official with the intention of obtaining an improper benefit or advantage in a business transaction. Associates must follow all applicable laws and regulations concerning the providing of gifts and entertainment, particularly when public officials are involved.



## VENDOR AND THIRD PARTY CODE OF CONDUCT

We take pride in working alongside the best professionals in the industry to achieve quality results. Respect for all is the expectation every step of the way. Our Vendor Code of Conduct was designed to ensure clear communication of our standards to those we contract out. Pennrose vets all vendors thoroughly, and ensures complete understanding of this Code prior to engagement with third parties.





# CORPORATE ETHICAL POLICIES & CODES OF CONDUCT

## TRAINING

All Pennrose employees receive training in:

- Workplace Harassment
- Safety
- Fair Housing
- Diversity and Inclusion
- Cybersecurity
- Mental Health



## RISK REPORTING STRATEGIES

Pennrose encourages employees and other stakeholders to bring any issues or concerns regarding perceived or potential misconduct to management’s attention. We provide multiple channels for anyone (including employees, contractors, tenants, suppliers, and vendors) to report business conduct concerns and complaints. The use of these channels is bolstered by our strict non-retaliation policy. We escalate significant incidents to our Vice President Compliance & Legal who records, reviews, and appropriately processes these concerns and complaints to resolution. Significant concerns are reported to our Audit Committee on a quarterly basis.

Pennrose also has a private and confidential employee assistance “hotline” phone service that may be used by associates to make good faith reports of suspected improper conduct and workplace concerns without fear of retaliation (1-800-386-7055). Associates may choose to remain anonymous when calling the hotline, and Pennrose will do all we can to protect identities consistent with conducting a thorough investigation. This service is dedicated to recognizing and addressing the sensitivities associated with lodging a concern.

## REPORTING CHANNELS



# ACKNOWLEDGEMENTS

We are honored that you have all joined us in another year of striving to meet our Corporate Responsibility goals. Now and always, we seek to be increasingly accountable to you, our stakeholders. We'd also like to extend our appreciation to our partners at Hunt Companies. Matt Hunt, Senior Vice President and Sustainability Officer at Hunt Companies, paved the way in placing an emphasis on the importance of Corporate Responsibility. Supported by those at WAP Sustainability in partnership with Hunt, Penrose is able to maintain the highest standards of reporting. We look forward to a future of continuous growth and impactful innovation.

## Questions or feedback regarding this report?

Reach out to us via phone at 267.386.8600 or at [www.penrose.com/contact-us/](http://www.penrose.com/contact-us/)





# Connect with us.

Philadelphia | Boston | New York | Baltimore  
Cincinnati | Atlanta | Denver | Houston



Phone: 267-386-8600

