

# Corporate Responsibility & Sustainability







Riverpark Shopping Center | Houston Metro, Sugarland, TX

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# About This Report

Throughout this report, we refer to Phillips Edison & Company as the “Company”, “PECO”, “we”, “us” or “our.” We use the term “associates” to refer to our employees and “Neighbors” to refer to our tenants as more particularly described in this report. We also use the term “metro,” in describing our property locations, to mean the core-based statistical area (CBSA) where such properties are located. The term “ABR” means annualized base rent, which we calculate as the monthly contractual base rent as of December 31, 2024, multiplied by 12 months.



Loganville Crossing | Atlanta Metro, Loganville, GA

This report, covering our 2024 calendar year, includes Company-wide information around our corporate responsibility and sustainability (CRS) program initiatives, highlights, and progress. This report integrates insights from PECO’s policies, our Proxy Statement, and our Form 10-K, reflecting our commitment to transparency and comprehensive CRS disclosures. The data in this report, unless otherwise noted, covers our 2024 calendar year. Data relating to properties owned for part of 2024 is pro-rated to reflect the operational control period.



PECO strives to adhere to industry-leading reporting frameworks and guidelines to ensure we share the most accurate information about our CRS initiatives. This report was prepared following the guidelines of the Global Reporting Initiative (GRI), International Sustainability Standards Board (ISSB), and U.N. Sustainable Development Goals (SDGs). This year, PECO is aligning with partial ISSB disclosure and using the transition relief as described in the ISSB Standard IFRS S1, paragraph E5.

## People & Culture

- Good Health and Well-Being
- Quality Education
- Decent Work and Economic Growth

## Environmental Management

- Clean Water and Sanitation
- Affordable and Clean Energy
- Sustainable Cities and Communities
- Responsible Consumption and Production
- Climate Action



## Centers & Economic Impact

- Decent Work and Economic Growth
- Industry, Innovation, and Infrastructure
- Sustainable Cities and Communities

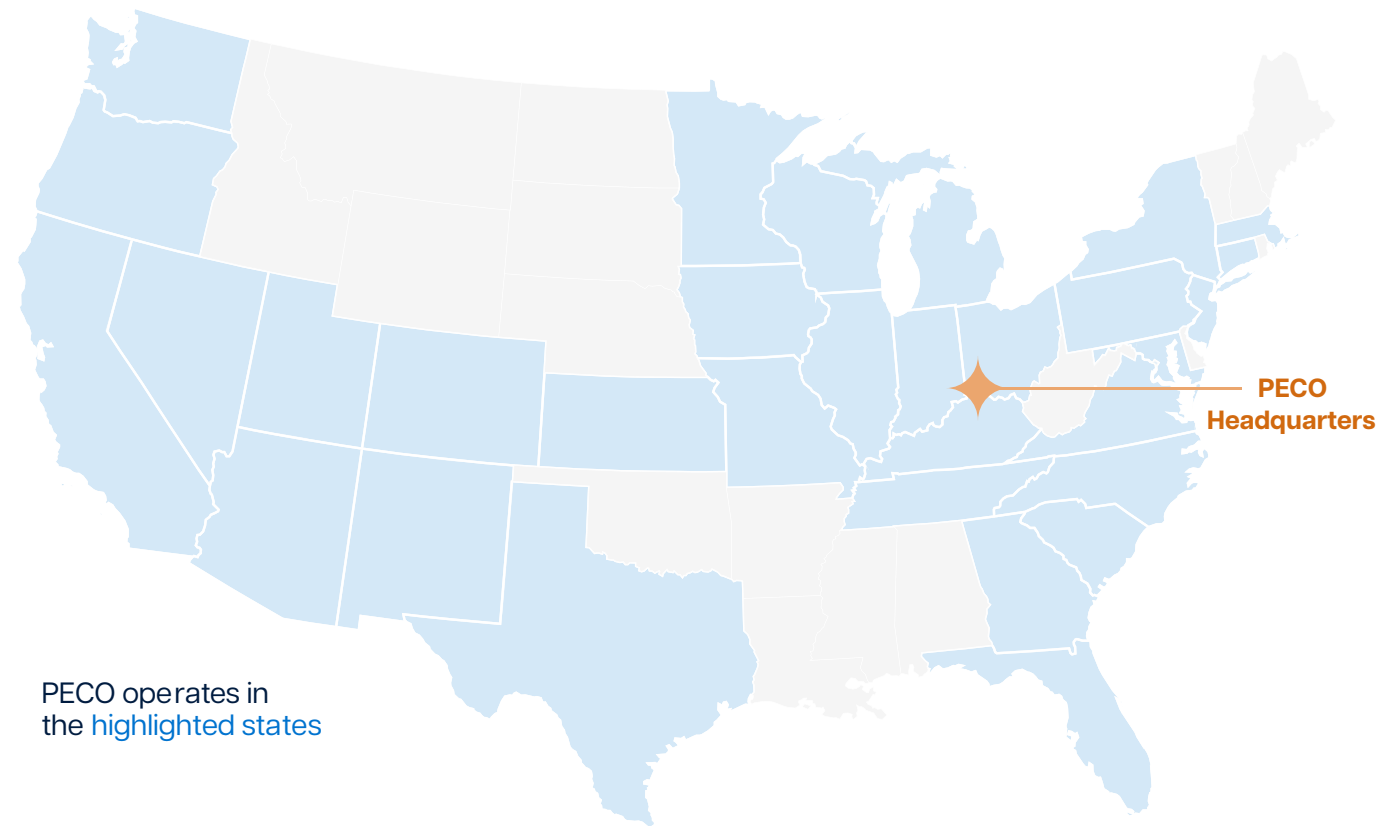
## Oversight & Ethics

- Responsible Consumption and Production
- Peace, Justice, and Strong Institutions



# About PECO

As of December 31, 2024, Phillips Edison & Company, Inc. (PECO) managed 316 shopping centers, including 294 wholly owned centers comprising 33.3 million square feet across 31 states and 22 shopping centers owned in three institutional joint ventures.



### Top Ten Cities

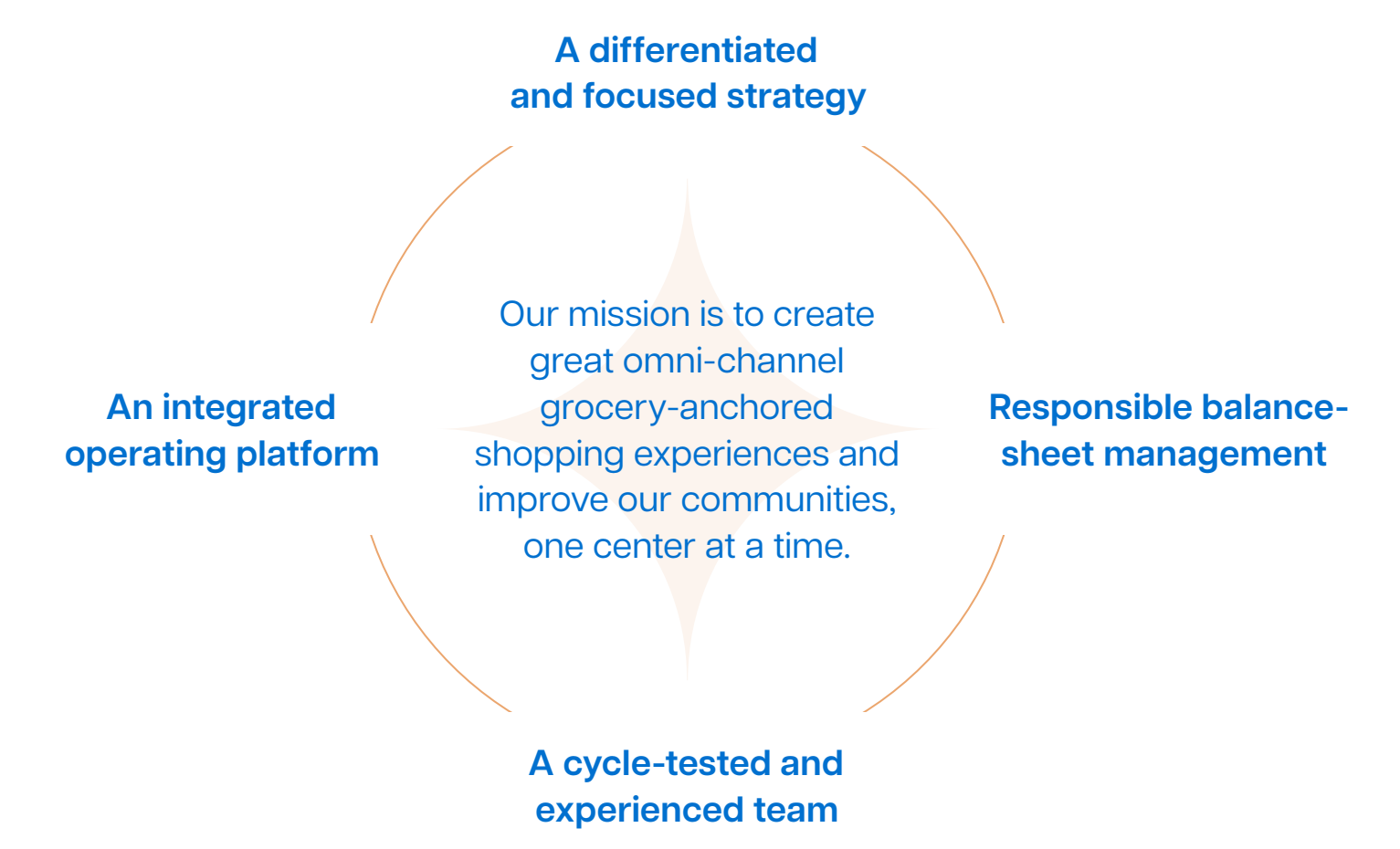
by ABR as of December 31, 2024

- Atlanta
- Chicago
- Dallas
- Sacramento
- Minneapolis

- Houston
- Denver
- Washington, D.C.
- Las Vegas
- Tampa

Our portfolio consists of high-quality neighborhood shopping centers anchored by the #1 or #2 grocer retailers by sales within their respective formats by trade area. PECO’s top grocery anchors include Kroger®, Publix®, Albertsons® and Ahold Delhaize®. Our tenants, whom we refer to as “Neighbors,” are a mix of national, regional, and local retailers that primarily provide necessity-based goods and services. We believe our locations are in fundamentally strong demographic markets throughout the U.S. Our brick-and-mortar assets positively contribute to our Neighbors’ omni-channel strategies and serve as last-mile delivery solutions.

Our business objective is to own, operate and manage well-occupied grocery-anchored shopping centers in order to deliver long-term growth and value creation to all stakeholders while acting as a responsible corporate citizen. We seek to achieve this objective by generating cash flows, income growth, and capital appreciation for our stockholders, utilizing the following:



294

Wholly Owned Properties

33.3M ft<sup>2</sup>

Gross Leasable Area

31

States

1991

Company Founded

300

Associates



# Reflections on a Year of Impact: A Message from Our CEO

At PECO, growth has always been driven by disciplined execution, operational excellence, and an unwavering focus on performance. More than 30 years ago, we launched the Company with a single grocery-anchored shopping center and a clear strategy: invest intelligently, operate efficiently, and deliver long-term value. Today, with over 300 centers nationwide, that strategy continues to guide everything we do.

Our success has never been accidental, and our growth has never been about chasing trends. It's the result of staying true to what we do best, and fostering a culture that attracts exceptional people and empowers them to deliver excellence. It's People. Purpose. Performance. Profit. We've built a business that generates high-quality cash flows and long-term value by driving innovation and operational excellence.

Corporate responsibility and sustainability (CRS) has been part of our DNA since day one. It's not a separate initiative – it's how we do business. Our CRS strategy is built on four strategic pillars: People & Culture; Environmental Management; Centers & Economic Impact; and Oversight & Ethics.

## 2024 Highlights

- Reduced GHG emissions by 38% from our 2020 baseline – four years ahead of the standard SBTi reduction curve
- Achieved a 99% participation rate in our annual associate engagement survey, with 94% of associates saying they're proud to work at PECO.
- Achieved a 95% overall satisfaction in our annual Neighbor Survey.
- Named a Top Place to Work by the "Cincinnati Enquirer" for the 8th consecutive year
- Recognized by "Newsweek" as one of the most trustworthy companies in the U.S.
- Improved our GRESB score by 12 points year-over-year, earning the #2 ranking among our shopping center peers.

In 2024, we made meaningful progress across all four pillars. We deepened our understanding of climate-related risks across our portfolio, aligned our disclosures with globally recognized frameworks like ISSB, and obtained limited assurance for our environmental data. We also expanded our associate-led initiatives, strengthened our community partnerships, and continued to invest in our Neighbors.

These results help us grow income, manage costs, mitigate risks, and enhance asset resilience. We're proud of our results – but even more excited about what's ahead. We will continue to engage with our stakeholders with transparency and purpose, and we'll keep making smart, strategic decisions that position PECO for long-term success and positive impact.

Thank you for being part of our growth journey. We look forward to building the future together – one center, one community, and one relationship at a time.



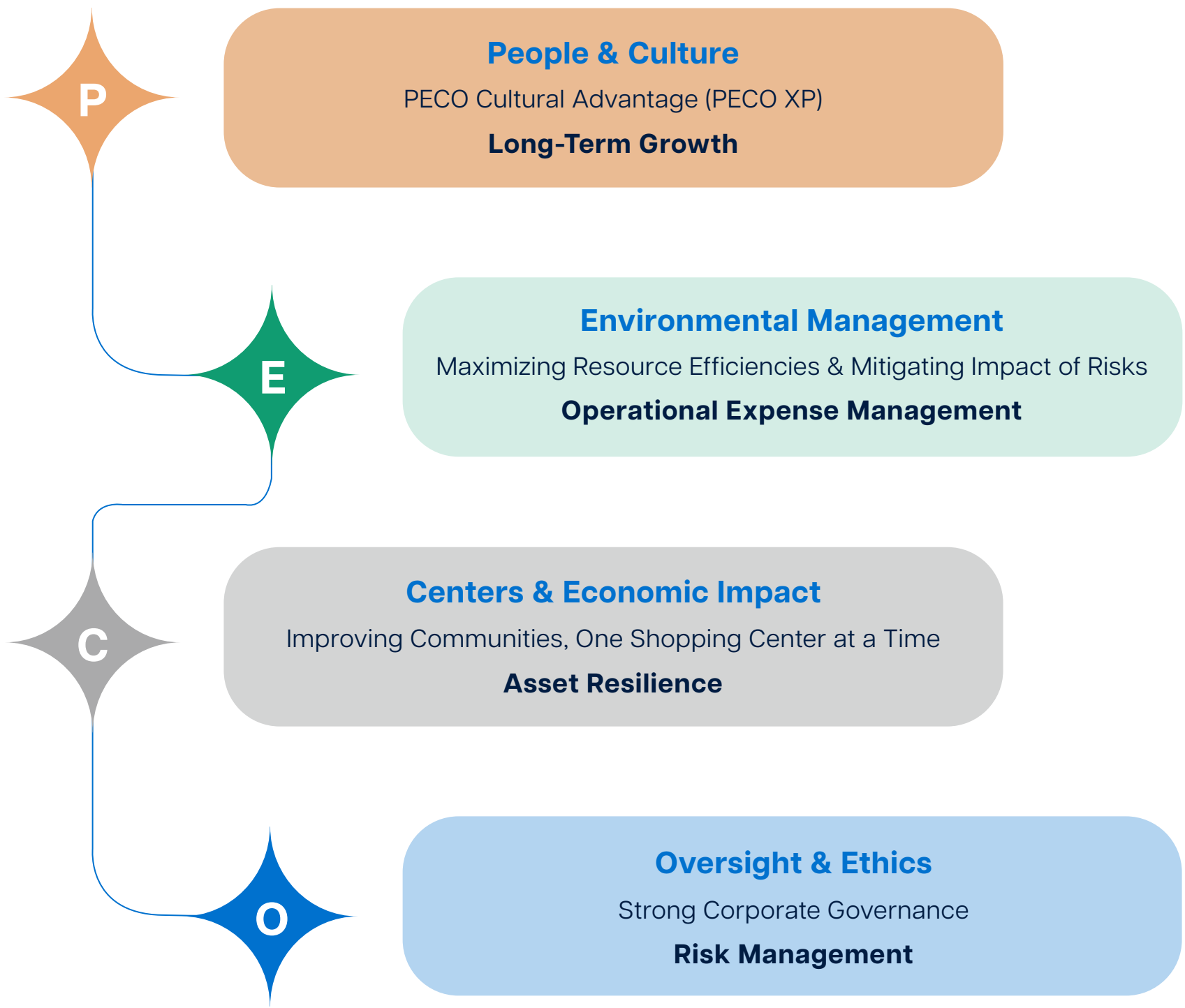
Shoppes of Paradise Lakes | Miami Metro, Miami, FL

**Jeffrey S. Edison**  
Chairman & CEO





# Our CRS Strategy





# Targets & Performance

Our Corporate Responsibility and Sustainability goals reflect our commitment to drive long-term value of our shopping centers, create healthy and productive workplaces, and engage with our stakeholders in a meaningful and transparent manner.

These goals enable us to measure our progress in a meaningful and actionable manner that reflects our commitment to the responsible growth of our business operations.

## People & Culture



**Target:** Associate Engagement Index score of 85% or greater

**Performance:**

98%

**Status:** On Going



**Target:** 15+ average annual training hours per associate

**Performance:**

17 hours

per associate

**Status:** On Going



**Target:** At least 60% associate participation in one or more wellness programs annually

**Performance:**

68%

of associates

**Status:** On Going

## Environmental Management\*

\*All environmental management targets are based on a 2020 baseline and have a 2030 achievement goal.



**Target:** 46% reduction in Scope 1 and 2 GHG Emissions

**Performance:**

38%

**Status:** Ahead of schedule



**Target:** Achieve and maintain 30% landfill diversion

**Performance:**

22%

**Status:** On Target

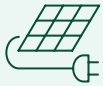


**Target:** Achieve and maintain landlord controlled water use Intensity of 10.5 gal/sqft

**Performance:**

11.1 gal/sqft

**Status:** On Target



**Target:** 25 MW of hosted on-site renewable energy

**Performance:**

3.5 MW of hosted solar

**Status:** In Focus

## Centers & Economic Impact



**Target:** 35% of properties with EV charging stations

**Performance:**

19%

**Status:** On Track



**Target:** 50% of leases with high-performance language

**Performance:**

30%

**Status:** On Track



**Target:** 85% satisfaction rate on annual Neighbor survey

**Performance:**

95%

**Status:** On Going

## Oversight & Ethics



**Target:** 100% of associates complete annual ethics and cybersecurity training

**Performance:**

100%

**Status:** On Going



**Target:** Zero ethics violations

**Performance:**

Zero ethics violations

**Status:** On Going



**Target:** 75% attendance at board of directors and committee meetings

**Performance:**

100%

**Status:** On Going

# Stakeholder Engagement

Effective stakeholder engagement, communication, and transparency are essential to our commitment to responsible business practices. We actively engage with our stakeholders to understand their perspectives, address their concerns, and maintain open lines of communication using the following strategies:



## NEIGHBORS

- **Annual tenant satisfaction survey** to gauge our Neighbors' satisfaction and receive the feedback of our Neighbors
- **Tenant sustainability guide** available to all our Neighbors, providing information on sustainability strategies they can implement
- **Proprietary communication platform** (DASHCOMM®) to facilitate communications with our Neighbors
- **Open channels** for one-on-one discussions with Neighbors

## ASSOCIATES

- **Associate engagement survey** sent to all our associates, to garner associate input
- **Learning and career development** for skill development and career growth
- **Town halls** to foster regular communication and transparency
- **Company-wide annual meeting** to share updates and strategies and hear from our associates
- **Associate assistance programs**
- **Internal awards and recognition**

## COMMUNITIES

- **Award-winning** associate community engagement business resource group
- **Contributions to community well-being** through charitable donations and volunteer support
- **Ongoing dialogue** with communities to understand their needs and priorities
- **Community events** to foster engagement and collaboration

## STAKEHOLDERS & INVESTMENT PARTNERS

- **SEC filings** with comprehensive financial and operational information
- **Quarterly business updates** on our performance and strategic direction
- **One-on-one meetings and calls**
- **Press releases** about important corporate announcements and updates
- **Sell-side conferences and events**

## VENDORS

- **Biennial vendor engagement survey** sent to all our vendors, to maintain dialogue
- **Long-term relationships** with many of our vendors
- **Competitive bidding process** for all vendor engagements and frequent performance evaluations



# Industry Awards and Partnerships

## Communication and Reporting Excellence

Nareit 2024 Investor CARE Awards



## Highest Ranked #1

ISS Governance Quality Score



## PRIME Rating

ISS Corporate ESG Performance Rating



## #2 in Peer Group

GRESB



## Gold Landlord

Green Lease Leader



## 1<sup>st</sup> Place

Healthiest Employers in Ohio



## Ranked 10<sup>th</sup>

on Most Trustworthy Companies in America 2024 in Real Estate & Housing division

Newsweek



## Top Places to Work

Cincinnati Enquirer

8th consecutive year

Our highly engaged team of associates is the driving force behind our long-term success.



## Retail Real Estate Bridge Program

In conjunction with ICSC Project Destined



## Green Globe Certification Recognition

for Sustainable Design and Construction – Roxborough, Denver, Colorado

Green Globes



## 3 Jackson Controls Sustainability Awards

IREM



## REALCOMM Digi Award

Best Use of AI: Commercial Real Estate





# People & Culture



*At PECO, we believe that our associates and the culture we cultivate are the foundation of our sustained success.*



# People & Culture

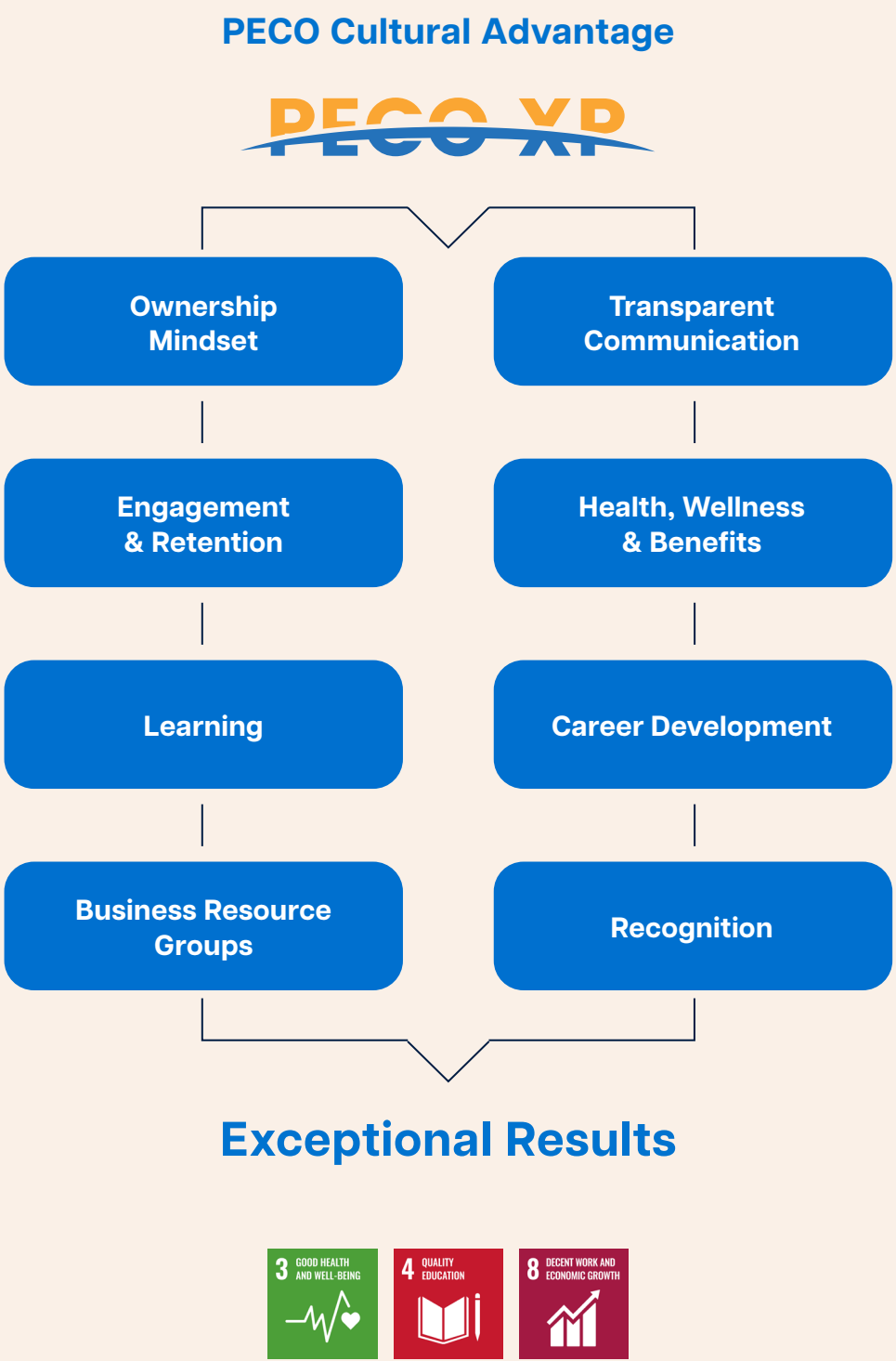
By fostering a strong and supportive culture, we empower our associates and deliver long-term value to our stakeholders. We focus on:

- ✦ Cultivating an ownership mindset where teamwork and innovative thinking are highly valued
- ✦ Promoting transparency and open communication throughout our Company
- ✦ Caring about the health and well-being of our associates
- ✦ Investing in the growth and development of our associates
- ✦ Encouraging and supporting associate-led resource groups
- ✦ Recognizing the hard work of our associates

This approach is our **PECO Cultural Advantage** (internally known as our **PECO XP** (experience)).



We believe that our PECO Cultural Advantage drives empowerment and produces highly engaged teams, which in turn drives our growth and exceptional results.



# Ownership Mindset

◆ **Our differentiator:** Every associate, regardless of level or tenure, has the opportunity to receive stock grants on an annual basis. We encourage our PECO associates to think and operate like owners – because they are. This approach:

- ◆ Incentivizes every associate to take a personal interest in our success
- ◆ Drives us as a team with a common interest
- ◆ Differentiates our Company in the marketplace
- ◆ Aligns our team’s interests with those of our stockholders as owners

## Our Associate Stock Grant Program

In 2024,

100%

of our eligible associates received grants of time-based restricted stock units

### CASE STUDY

## Immersion Day

At PECO, we believe that empowering our associates to think and act like owners is foundational to our success. That’s why every new associate – regardless of role or level – begins their journey at PECO with Immersion Day, a comprehensive, day-long training designed to provide a deep understanding of our business and the value we create.

Led by senior leaders from across the organization – including Finance, Accounting, Property Management, HR, Portfolio Management, and Development – Immersion Day offers new associates a 360-degree view of our Company and the commercial real estate sector. This cross-functional exposure ensures that every team member understands how their work connects to our broader mission and contributes to long-term value creation.

◆ By investing in this early, holistic education, we accelerate each associate’s ability to contribute meaningfully – not just as a specialist in their field, but as a well-rounded real estate professional who approaches challenges and opportunities with an owner’s mindset.

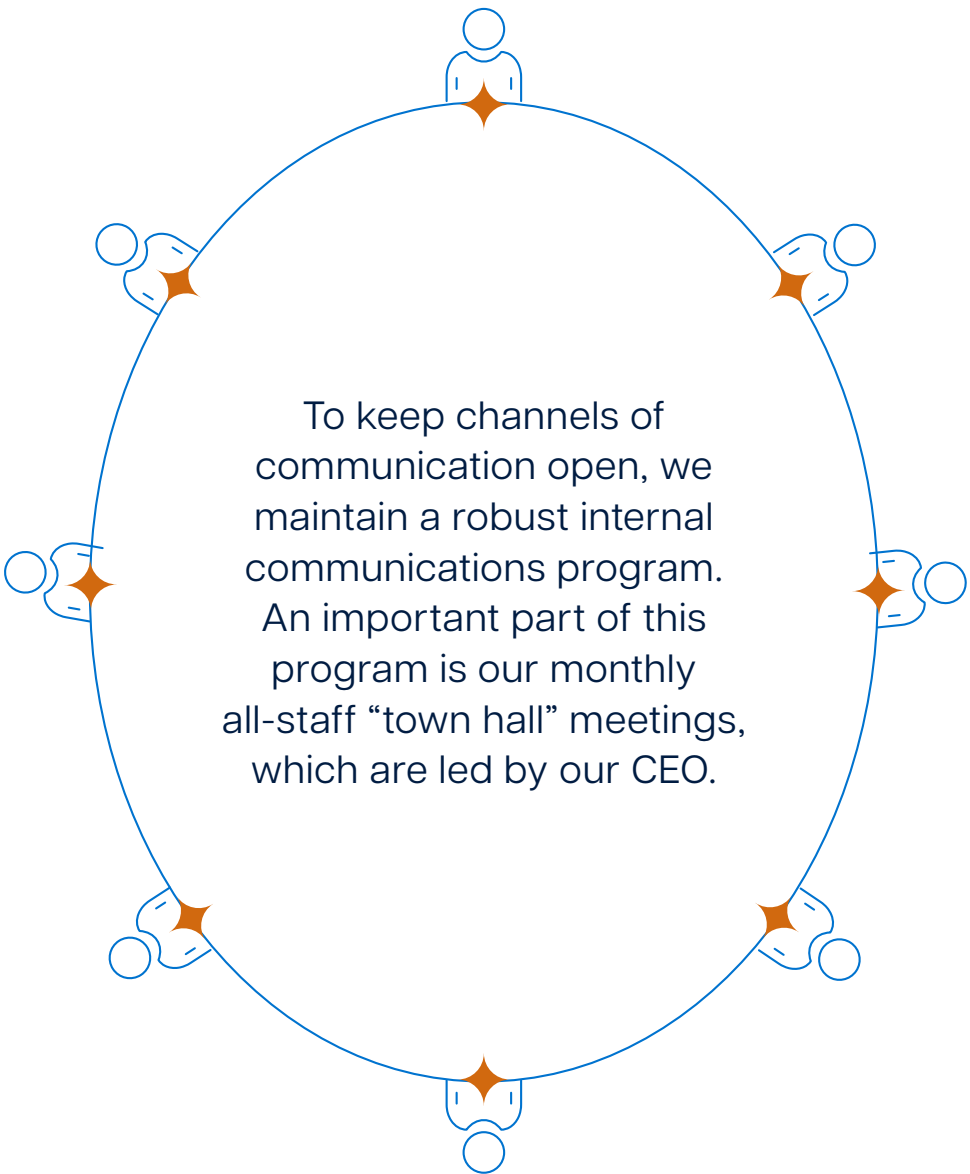




# Transparent Communication

At PECO, we believe that frequent, transparent communication with our associates keeps them connected to our vision, engaged in our process, and tied to our results, promoting a greater understanding of our strategic goals and business objectives. By maintaining this open dialogue, we foster a collaborative environment where every voice is heard and valued.

## Monthly Town Hall Meetings



SPOTLIGHT

## Annual Meetings



**Our differentiator:**  
We convene every associate in our Company for an in-person, multi-day annual meeting.

This assembly provides a crucial opportunity to network and bond with colleagues, celebrate the successes of the prior year, establish our objectives for the current year, and to unify as one team.





# Engagement & Retention

PECO understands that engaged associates make happier teams – teams that bring a greater energy and commitment to their work. The result is a positive cultural experience, a low turnover rate, and strong financial results. To understand and measure this performance, we conduct an annual associate engagement survey, which provides critical insights from associates on how we are succeeding and where we can improve.

7 Years  
Average Tenure

10%

Turnover Rate

7%

Voluntary

3%

Non-Voluntary



## SPOTLIGHT

99%

of associates participated in the Associate Engagement Survey



94%

of associates feel proud to tell people where they work

93%

of associates feel they are encouraged to come up with new ways of doing things



94%

of associates feel that PECO has an outstanding future

## Pay Equity

One of the ways that PECO lives its Core Value of "Do the Right Thing" is by fulfilling our commitment to rewarding our associates justly and equitably. To that end, we perform an annual pay equity analysis as a part of our compensation process. The most recent analysis confirmed that there are no statistically significant differences in associate pay, regardless of ethnicity, gender, or age. We also conduct an annual market analysis of our compensation rates to verify that we are competitive with our peers.



# Health, Wellness & Benefits

◆ The program elements listed here demonstrate our continued dedication to promoting care and helping our associates maintain optimal health.



Winner for Five  
Consecutive Years!



PECO's commitment to health, well-being, and safety of our associates is evidenced by our award-winning "Beyond PECO Wellness" program.



### Health Benefits

Comprehensive medical, dental, and vision insurance, near-site clinics at low to no cost, and opt-out program providing financial assistance to those with alternative coverage available



### Mental Health Coverage

Unlimited behavioral health visits at no cost with a national network, available in person and virtually



### Health Savings Account

Health savings account for medical expenses with employer contribution



### Flexible Spending Account

Flexible spending accounts for vision/dental and dependent care expenses



### Wellness Incentive Program

All associates can earn wellness incentives and utilize PECO's onsite gym, fitness classes, and pickleball courts



### Fitness Reimbursement

Monthly reimbursement for fitness memberships or subscriptions



### Paid Parental Leave

Up to 12 weeks of paid parental leave to eligible associates



### Family Building Reimbursement

24/7 access for associates and their spouses to the world's largest virtual clinic for women and families, including reimbursement for fertility and adoption expenses



### Caregiving Support

White-glove concierge services to support associates and their household family members through all stages of care-giving such as newborns, aging parents, veterans, special needs, teens, and more, at no cost to associates



### Life and Disability Insurance

Group life and short-and long-term disability insurance at no cost to associates



### Physical Therapy

Virtual physical therapy with a licensed physical therapist at no cost to associates



### Paid Time Off

Flexible paid time off including ability to carry over up to 5 days and an annual floating holiday



### 401(k)

Tax-deferred and Roth 401(k) plan options with Company match



### Stock Grant

Associates at all levels receive annual restricted stock units as part of the Long Term Incentive Program



### Donation Match Program

Dollar-for-dollar employer match up to \$100 annually on eligible donations to 501c3 organizations



### Employee Discount Program

Access to discounts on wide variety of items and services



### Tuition Reimbursement

Financial support for pursuing continuing education of up to \$5,250 per associate per calendar year



### Financial Wellness

Unlimited 1:1 coaching with a personalized, confidential coach tailored to each associate's financial needs and access to over 30+ tools to help budget, reduce debt, plan for emergencies, and more



### Supplemental Benefits

Ability to access additional benefits such as pet insurance, ID theft protection, accidental injury, and critical illness coverage at a reduced cost



# Learning & Career Development

PECO associates’ career paths are anything but linear. Many of our leaders started their journey working in a different area of PECO’s organization than the one they currently lead. We believe the opportunity offered to associates to plot their own course sets us apart from our peers. Our leaders’ unconventional career development paths are a testament to PECO’s commitment to our Core Value of “Always Keep Learning.”



SPOTLIGHT

## Internship Program

53

Interns were hired in 2024  
(over 45% either worked for PECO for multiple semesters or were converted to full-time hires)

100%

of offers to the 2024 intern class were accepted

100%

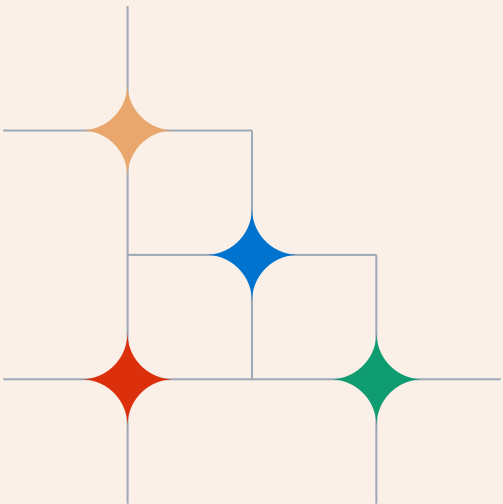
of 2024 interns expressed that they would recommend the program

In 2024, interns rated their experience with PECO's Internship Program an average of

4.71 out of 5

SPOTLIGHT

## Unconventional Career Path Leads to Exceptional Results



Joe Schlosser’s 20-year career at PECO is a testament to the power of curiosity, adaptability, and saying “yes” to new challenges. His path is anything but linear – and that’s exactly what makes it remarkable.

Joe joined PECO in 2004 as a Financial Analyst and Underwriter, diving into the numbers behind our properties. Just a year later, he pivoted into a completely different role as a Leasing Agent, quickly proving his versatility and earning a promotion to Director of Leasing in 2007.

In 2010, Joe launched and led PECO’s Third-Party Management department. This new venture brought together a cross-functional team to deliver real estate services to external property owners, expanding PECO’s reach and capabilities. Then, in 2012, Joe transitioned again – this time into Portfolio Management. As a Portfolio Manager and member of the Investment Committee, he helped shape the strategic direction of our growing portfolio.

Over the next decade, Joe scaled the Portfolio Management department in lockstep with PECO’s evolving portfolio, aligning operations with quality and growth. Today, as Chief Operating Officer, Joe leads our cross-functional operating team and continues to serve as a voting member of the Investment Committee. His journey reflects the spirit of PECO – where career paths are shaped by opportunity, not convention.



**Joe Schlosser**  
EVP, Chief Operating Officer



# The Edison Foundation

Jeff and Leslie Edison have always valued philanthropy. Their personal commitment to help others access higher education led to the formation of The Edison Foundation in 2018. The Foundation supports the educational dreams of the children, grandchildren, dependents, and spouses of PECO associates. The Foundation’s mission is to assist these families in pursuing and enjoying their educational dreams. Jeff and Leslie are of the firm belief that by helping to alleviate the financial strain that higher education can place on the families, the students can fully immerse themselves in their learning and benefit from the educational experience.



Since its founding  
in 2018, The Edison  
Foundation has provided

37

scholarships to PECO  
associates’ family members.

## 2024 Edison Foundation Fellows



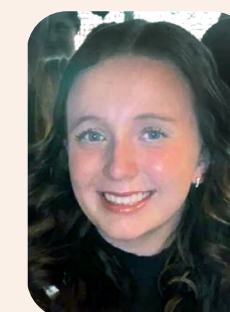
**Lucas  
Gausepohl**



**Olivia  
Wasserstrom**



**Madalena  
Madigan**



**Trinity Strunk**



**Ashton Yee**



**Andrew Bailey**



**Grace Lees**



# Business Resource Groups

## Our Associate-Led Business Resource Groups



PECO IMPACT, an associate-formed, award winning program, is dedicated to positively impacting the neighborhoods we are in and around, encouraging Company-wide community involvement, and helping PECO associates be involved in the causes that are most important to them.



**(Networking Opportunities for Women)**

PECO NOW's mission is to foster a community where every woman at PECO understands her value, is inspired to share her perspectives, and has the courage to make decisions. The group focuses on increasing leadership opportunities for female associates and sponsoring collaborative networking events.



**(Multicultural Opportunities, Resources and Education)**

PECO MORE is dedicated to furthering diversity and inclusion within PECO, the communities we serve, and the commercial real estate industry. The group has developed a multi-pronged approach to accomplish its mission including: education and awareness, community and industry partnerships, internal engagement, recruiting, and metric-led accountability. Programming revolves around education, raising awareness, and hosting events.



PECO Connect is an associate engagement initiative that aims to strengthen the bonds between associates by tapping into shared interests. Creating an environment that encourages both personal and professional growth outside of the workplace, PECO Connect aims to attract a diverse audience and ensure our associates feel connected and fulfilled in their workplace. PECO Connect events bring associates together by fostering a sense of community within the Company.

**SPOTLIGHT**



We believe a sense of belonging to PECO and its mission, to each other, and to the communities we serve is at the heart of promoting and maintaining a highly engaged workforce. Space For All™ is PECO's way of defining our commitment to creating a space where all associates feel a sense of inclusion and belonging. We value the unique perspectives, experiences, expertise, and cultures of our associates, and we are committed to representing the diverse communities where we live and work.





# Internal Recognition & Awards

PECO’s in-house awards and recognition programs foster a positive, collaborative, and result-oriented environment among our team members.

These internal awards programs extend beyond simple recognition. They reflect the Company culture, stimulate innovation, and foster a sense of common purpose. Further, they contribute to a dynamic and engaged workforce – reinforcing our dedication to excellence, community, and PECO’s lasting success.



**The Super Hero Award** recognizes one or two associates each year who go above and beyond their individual role’s usual responsibilities to accomplish great things. Special attention is paid to cross-functional collaboration, insight, and acumen.



**The John Edison Culture Award** directly reinforces and acknowledges team members who exemplify PECO’s fundamental values. By engaging all team members in the nomination process and allowing previous winners to choose the subsequent recipients, PECO ensures that these values are not only recognized but also actively incorporated into behavior. This method has a domino effect, shaping the overall culture and behavior within the Company.



**The TAE Innovation Award** has successfully nurtured a culture of creativity and innovative risk-taking within the Company. By eliminating minimum requirements and recognizing that failures are an inherent part of innovation, PECO has enabled its team members to think creatively. This has resulted in a noticeable impact on the Company’s capacity to explore new concepts, enhance processes, and boost efficiency.



**WorkTango** has made a deep impression by acknowledging and celebrating team accomplishments. This recognition platform offers a concrete method for team members to spotlight each other’s contributions by awarding points to each other that can be cashed in for gift cards and other prizes. Recognition is focused on PECO’s core values and team members are encouraged to call out which core value their coworker exemplified when they are awarding points.

## Think Big. Act Small.

We have big dreams and goals that we’ll achieve by working together as a family and preserving our small company mentality.

## Do the Right Thing.

We do the right thing, even if it isn’t always the easy thing.

## Our Core Values

### Have Fun & Get It Done.

We know when it’s time to work hard and work smart, but most importantly we know when it’s time to have fun.

### Always Keep Learning.

Things constantly change, and the best way to be successful is through constantly learning.



# Environmental Management

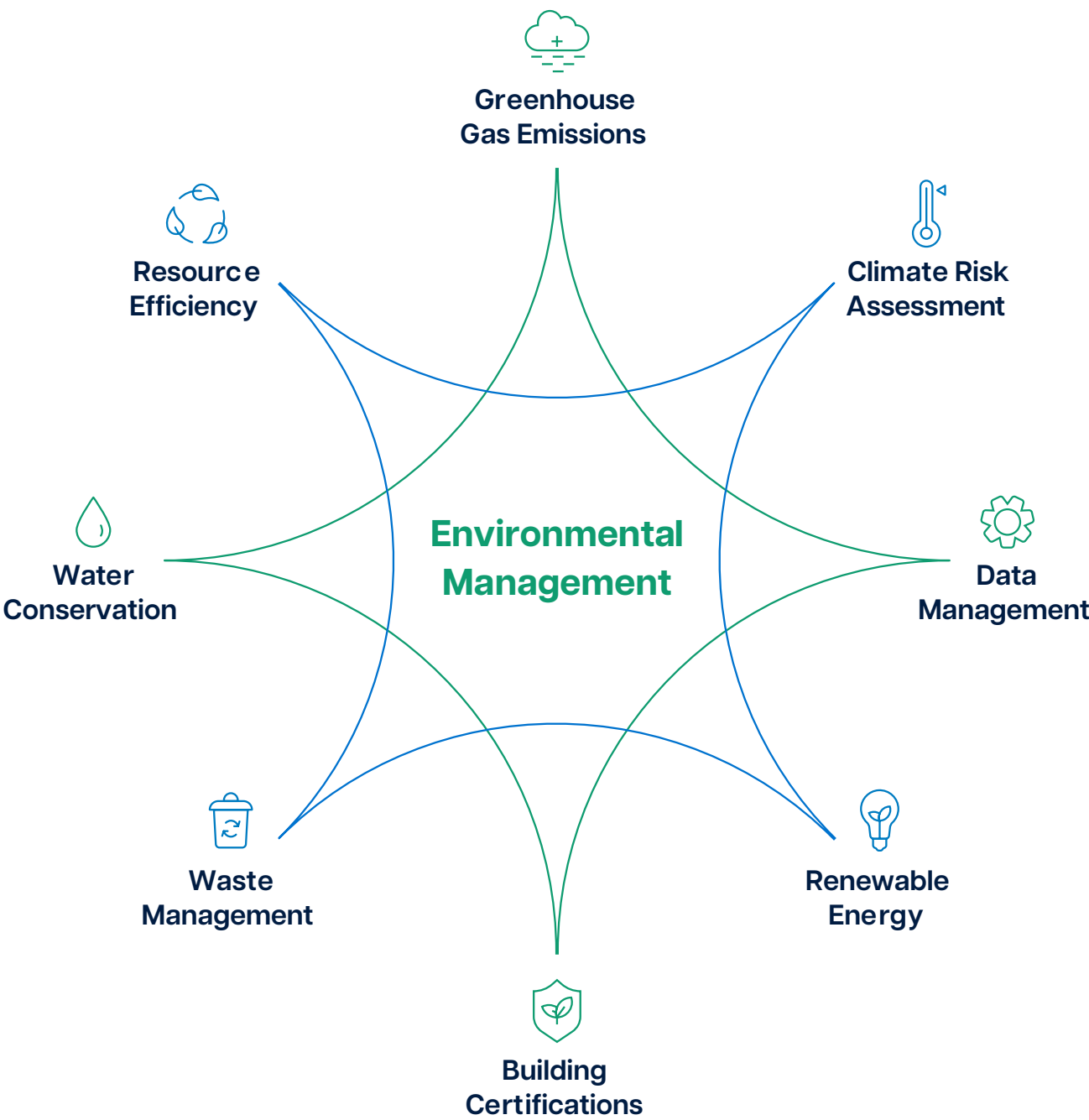


*We are committed to environmental responsibility and strive to integrate sustainable practices throughout our portfolio.*



# Environmental Management

Our environmental management strategy is designed to enhance the long-term growth and value of our neighborhood shopping centers. This is achieved through income growth, operational expense management, resource efficiency, and asset resilience across our entire portfolio. We have aligned our environmental initiatives with key focus areas, such as:



Westwoods Shopping Center | Denver Metro, Arvada, CO



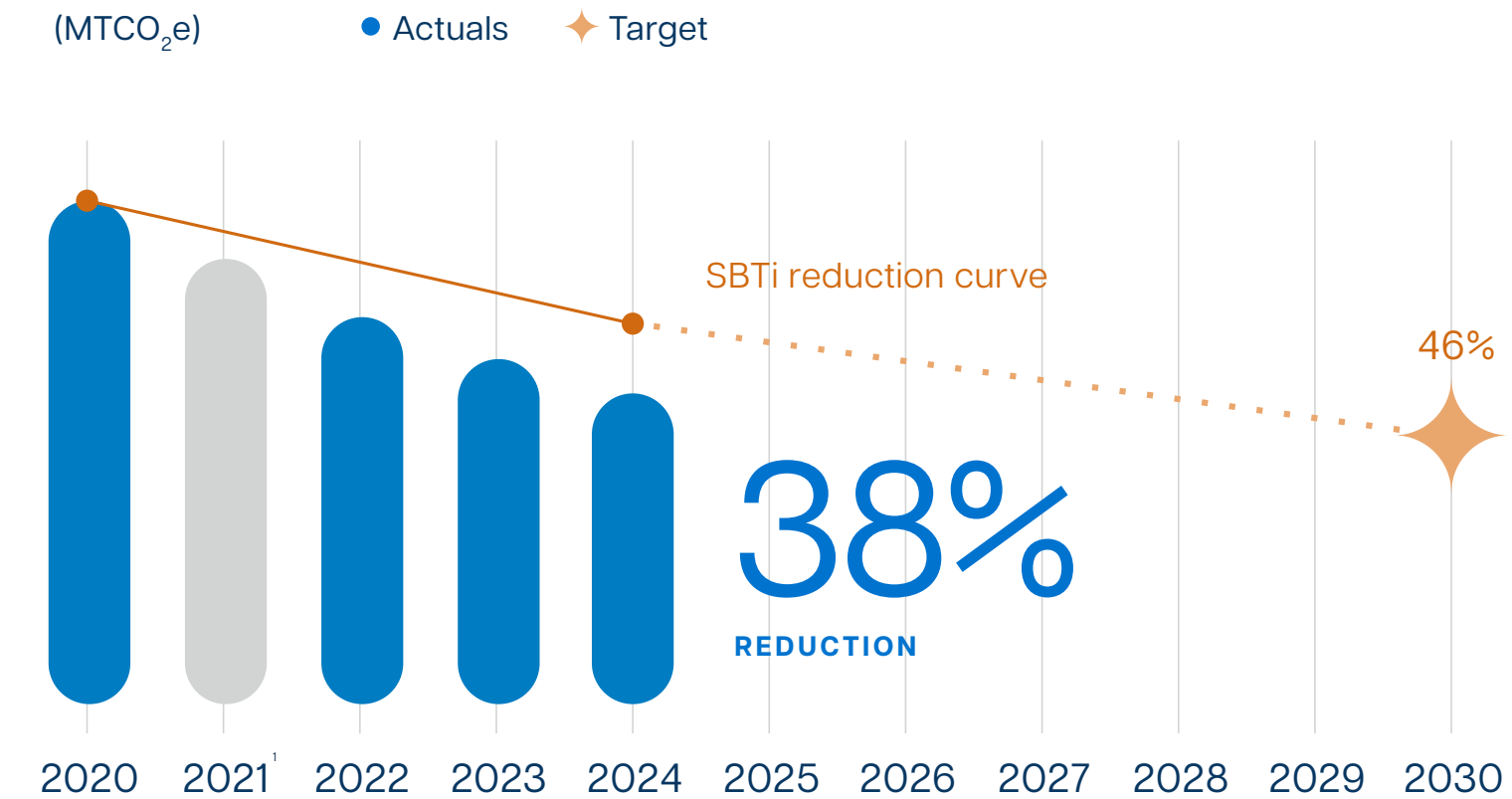
# Greenhouse Gas Emissions

In 2024, PECO established a target of reducing Scope 1 and 2 emissions by 46% by 2030 compared to a 2020 baseline, in alignment with the Science Based Targets initiative®. At the close of 2024, we achieved a **38% reduction** in Scope 1 and 2 emissions versus our 2020 baseline, resulting in an absolute reduction of over 8,000 metric tons of CO<sub>2</sub>e – while simultaneously growing our portfolio by 4% in gross leasable area.

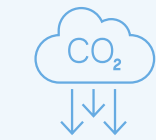
We accomplished this through a focused energy-management strategy that emphasizes resource efficiency and renewable energy use.

Obtaining accurate and reliable GHG emissions data is not only essential for achieving and tracking those reductions but also for maintaining transparency and building stakeholder trust. To that end, in 2024 PECO underwent a data assurance process for our baseline year of 2020 as well as for calendar years 2023 and 2024.

## PECO Emissions



<sup>1</sup>Data from 2021 has been excluded to reflect improvements in consistency and completeness across our reporting systems.



**Goal**

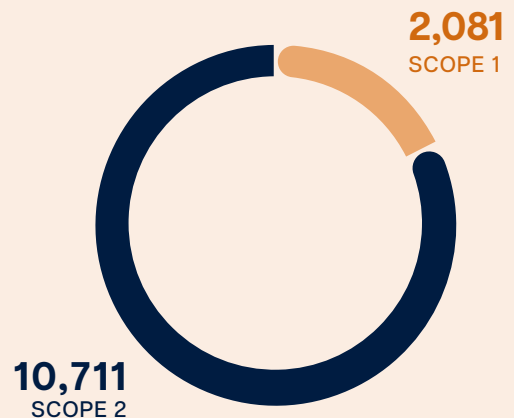
↓ **46%**

Reduce Scope 1 and 2 emissions by 2030.

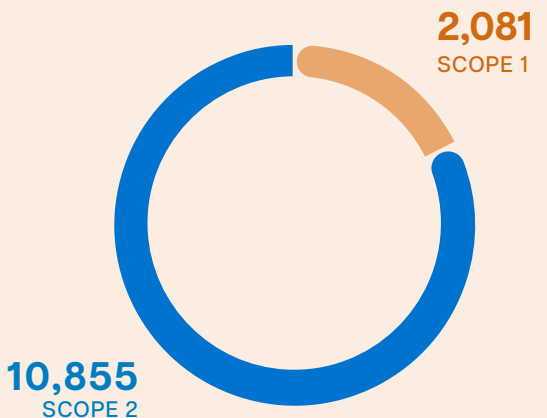
## 2024 Scope 1 and 2 Emissions

MTCO<sub>2</sub>e

### Location-Based



### Market-Based



## Scope 3

We are actively working to establish a strategy for disclosing our Scope 3 (indirect) emissions. We are primarily focused on meeting all required reporting requirements and understanding the impact of our most material indirect emissions sources, such as emissions from our Neighbors.



# Energy Efficiency

PECO employs multiple strategies to maximize energy efficiency that result in cost-effective management of our real estate while also mitigating our impact on the environment.

In 2024, PECO invested almost **\$10 million** in energy-efficient, return-driven projects, including high-efficiency lighting, lighting controls systems, and white roofs. Through these initiatives, we reduced our energy consumption by 800,000 kWh in 2024, and our overall usage by over 20,000 MWh from our 2020 baseline.



Alico Commons | Fort Myers Metro, Fort Myers, FL

## Our Energy Management Pillars

### High-Efficiency Lighting

LED lighting systems are more efficient, producing the same lumen output as incandescent or compact fluorescent lighting.

**100%** of shopping centers with partial or full LED conversion

### Lighting Control Systems

Remote lighting control systems allow us to closely tailor lighting solutions to property needs, reducing unnecessary lighting usage.

**72%** of shopping centers with advanced lighting controls systems

### White Reflective Roofs

White roofs reflect, rather than absorb, the sun's heat, reducing the building's cooling load and saving energy.

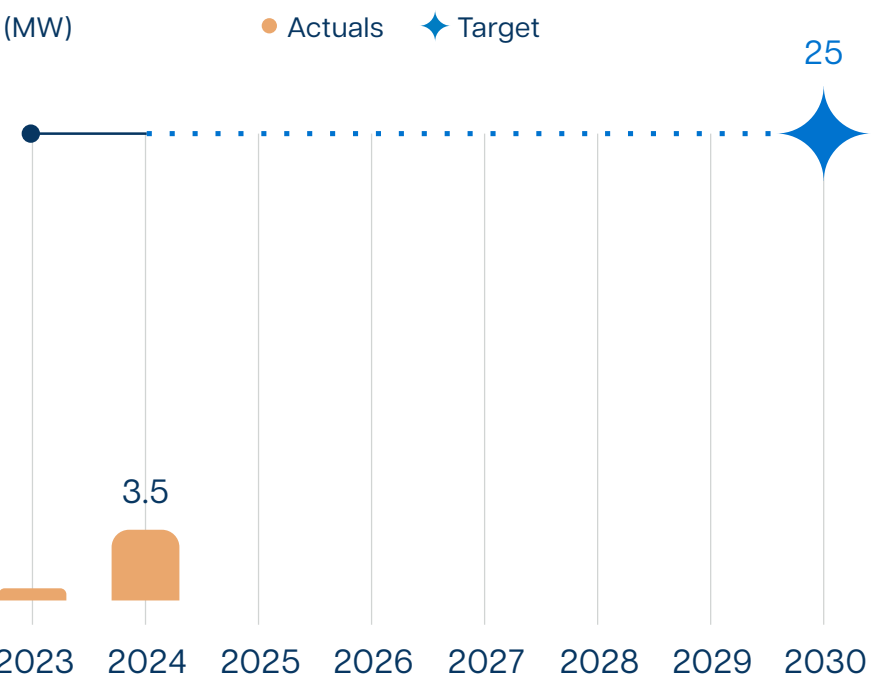
**132** shopping centers with reflective roofs



# Renewable Energy

PECO is committed to advancing the adoption of renewable energy to provide us and our Neighbors with access to clean, reliable, and affordable energy. In 2024, we increased our hosted capacity by 2.5 MW.

## PECO Renewable Energy



Sterling Pointe Center | Sacramento Metro, Lincoln, CA

### SPOTLIGHT

## Wholly Owned Energy Generation

In addition to our hosted renewable energy, PECO also acquired its first wholly owned and operated on-site renewable energy system in 2024. The 79-kW solar installation at Bethel Shopping Center marks a significant milestone in our efforts to integrate clean energy solutions across our properties.



PECO has set a goal of hosting  
**25MW**  
of renewable energy by 2030.



Boronda Plaza | Salinas Metro, Salinas, CA



# Water Management

Our approach to water stewardship is multifaceted and data driven.

In 2024, we saved over 440,000 gallons by utilizing practical, reduction-focused strategies. Where possible, we prioritize:

- Smart irrigation systems to optimize water use based on real-time weather data and soil conditions
- Xeriscaping to minimize the need for supplemental watering while maintaining aesthetic appeal
- Submetering to monitor water usage at a granular level, identify anomalies, and facilitate targeted conservation measures
- Operational oversight to provide a critical forum for reviewing water cost and consumption variances and enabling proactive management

This integrated strategy not only reduces operational expenses but also supports our broader environmental objectives and enhances the resilience and marketability of our properties.

### CASE STUDY

## Setting a New Water Intensity Target

In 2024, PECO began phasing in a new intensity-based target to guide our water conservation efforts to replace our absolute water-reduction target.



### Goal

We aim to achieve a water use intensity of

10.5 gal

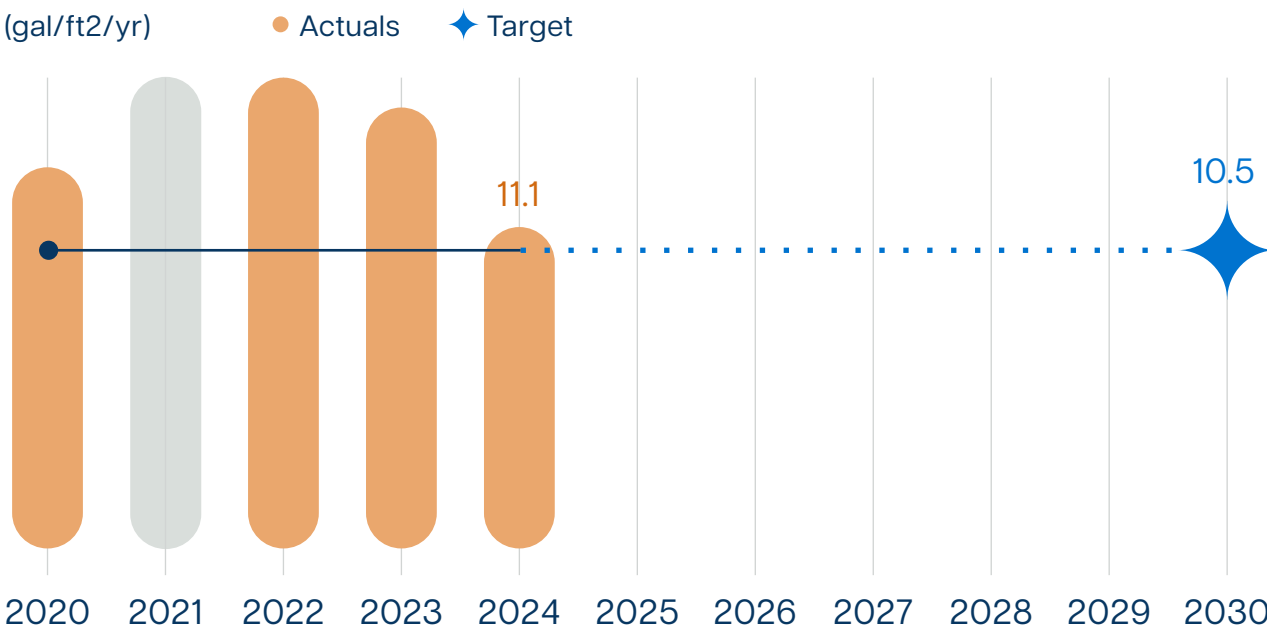
per square foot for landlord-controlled water consumption\* across our portfolio by 2030.

\*Landlord-controlled water includes uses such as landscaping irrigation and domestic water use in common areas. Gross building area will be measured for each reporting period to ensure consistency and comparability over time.

## Why Water Intensity?

An intensity target better aligns with our business objective and growth strategy. Water intensity provides a more accurate and scalable measure of our performance regardless of portfolio and property size.

### PECO Usage Intensity



### PECO Water Consumption



<sup>1</sup>Data from 2021 has been excluded to reflect improvements in consistency and completeness across our reporting systems.



# Waste Management

◆ PECO collaborates with our vendors and Neighbors to promote and implement responsible waste management practices across our portfolio.

We employ, where feasible and available, initiatives such as the following:

- ◆ Conducting property and technical waste assessments
- ◆ Integrating recycling measures and providing composting facilities
- ◆ Right-sizing the number of waste pickups at shopping centers
- ◆ Distributing a Neighbor Sustainability Guide that promotes conservation practices



Town Center at Jensen Beach | Port St. Lucie Metro, Jensen Beach, FL



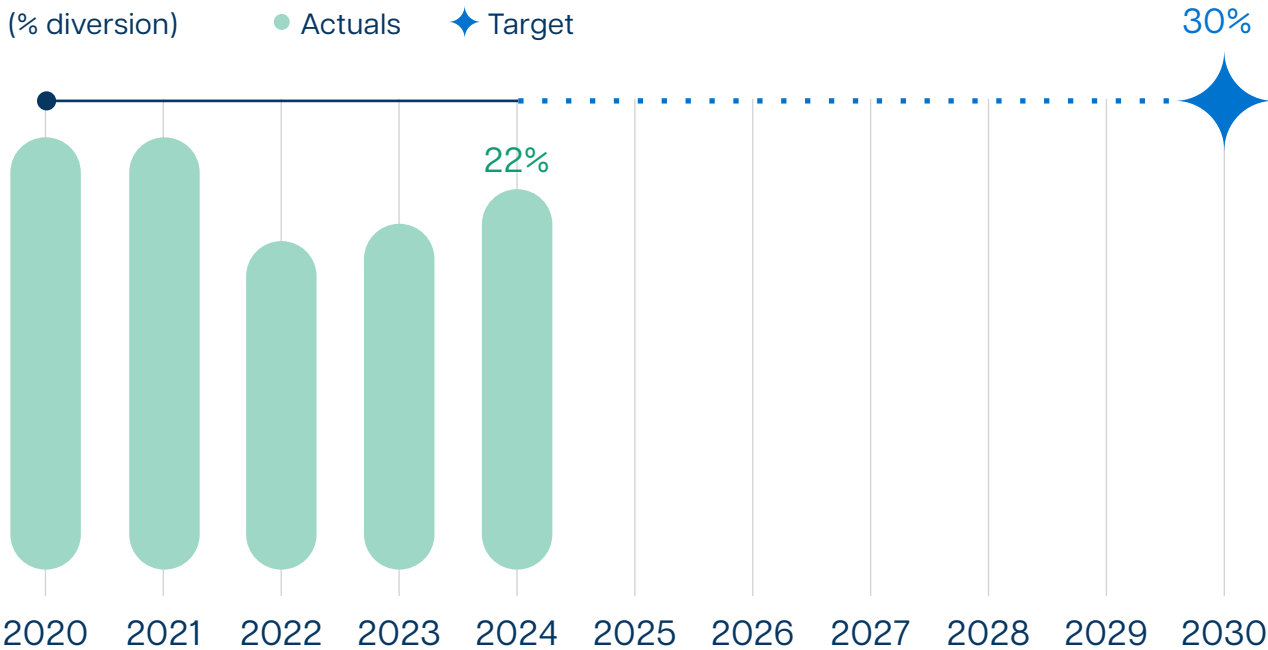
## Goal

PECO established a target of a

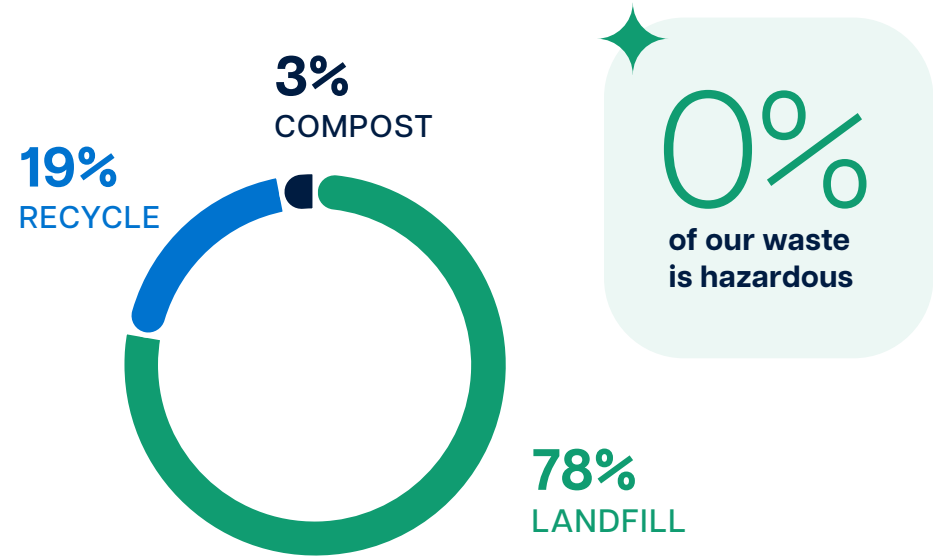
30%

waste diversion rate

## PECO Waste Diversion



## PECO Waste Streams





# Development and Redevelopment

We are dedicated to creating additional value at our shopping centers through our development and redevelopment initiatives. We work to integrate sustainable features into these initiatives through thoughtful site design, efficient use of energy and water, prioritizing safety and resilience, and seeking green building certifications where feasible.

## Sustainable Site Design

- Stormwater quality and detention measures to reduce downstream flooding
- Native plants in green spaces to promote biodiversity
- Sidewalks for pedestrian access and bike racks to encourage eco-friendly commuting

## Green Building Certifications

Evaluation for the Green Building Initiative's Green Globes Building Certification, which considers environmental sustainability, health and wellness, and resilience, to provide third-party verification for our newly developed initiatives



## Energy & Water Efficiency

- Minimum SEER 14-rated HVAC units to improve energy efficiency
- New or replacement white TPO or PVC roofs with at least R-30 insulation to minimize heat absorption
- Low-flow fixtures in restrooms to conserve water
- Exterior LED lighting to reduce energy consumption

## Safety & Resilience

- Climate assessments and risk mitigation strategies to address extreme weather events
- Sustainable building materials and sustainable procurement practices to enhance resilience and environmental responsibility



Roxborough Marketplace, pre-construction (top), during construction (middle), and complete (bottom) – Denver Metro – Green Globe Certified



# Climate Risk

## Climate-Risk Management and Resilience

As a long-term owner and operator of grocery-anchored shopping centers, we recognize the importance of a comprehensive strategy to identify and assess climate-related risks across our portfolio. Our approach to climate-risk management enables us to proactively evaluate acute physical and transitional climate impacts and implement asset-specific action plans that enhance resilience. By integrating climate-risk considerations into our decision-making processes, we aim to minimize economic disruptions, safeguard our shopping centers, and strengthen our ability to adapt to changing conditions.

For more specific information about our climate-risk management program, refer to our [International Financial Reporting Standards \(IFRS\) Disclosure \(S2\)](#) in the appendix.

## Climate-Related Governance

Strong climate governance is central to our approach to managing climate-related risks and opportunities. Our Board of Directors provides strategic oversight, with the Nominating and Governance (N&G) Committee having direct responsibility for overseeing our climate-risk management program. This includes regular reviews of climate-related strategies, risk assessments, and performance updates.

At the management level, our Enterprise Risk Management (ERM) Team integrates climate-related risks into the broader risk assessment framework, ensuring alignment with our overall risk profile and business objectives. Both the N&G Committee and the ERM Team receive quarterly updates on climate-related developments, enabling informed decision-making and continuous improvement in our climate-resilience efforts.



Butler Creek | Atlanta Metro, Acworth, GA

## Metrics and Targets

### Science-Based Targets and Emissions Reduction

We have set a near-term target of a 46% reduction in Scope 1 and 2 greenhouse gas emissions by 2030 from a 2020 baseline, aligned with the Science Based Targets initiative® (SBTi®). This target, which is embedded into our operational planning and performance metrics, reflects our ambition to align with a 1.5°C pathway as recommended by the Intergovernmental Panel on Climate Change (IPCC).

### Sustainability-Driven Projects

We are prioritizing sustainability-focused initiatives across our portfolio, including:

- LED lighting retrofits to reduce energy consumption and operational costs
- Smart irrigation systems to optimize water use and enhance landscape resilience
- High-efficiency white reflective roofs to minimize heating and cooling loads of our buildings

These projects not only contribute to emissions reductions but also enhance tenant satisfaction, operational efficiency, and long-term asset value.

### Integration of Climate-Risk Management into Decision-Making

To ensure climate considerations are embedded across our Company, we have integrated our climate-risk management and resilience strategy into property operations and capital investment decisions. This integration of climate-risk management ensures effective mitigation of potential risks in our long-term asset planning.

### Transparent and Ongoing Stakeholder Engagement

We are committed to transparent and consistent communication with our stakeholders. Progress on our climate strategy, targets, and transition plans will be disclosed annually through our 10-K filings, Proxy Statements, and Corporate Responsibility & Sustainability Reports. These disclosures will provide updates on emissions performance, scenario analysis outcomes, and the integration of climate considerations into our strategic planning.



# Strategy & Risk Management

## Climate-Related Risk Assessment

We employ a structured and proactive approach to prioritizing climate transition risks, integrated within our broader ERM framework. The ERM Team convenes quarterly to assess, among other things, our exposure to climate-related transition risks, such as regulatory changes, market shifts, and evolving stakeholder expectations.

We utilize a dedicated ERM tool that quantifies each identified climate-risk based on three key dimensions:

1.

**Financial Impact**  
Estimating the potential economic consequences of the risk
2.

**Probability of Occurrence**  
Assessing the likelihood of the risk materializing
3.

**Effectiveness of Mitigation Measures**  
Evaluating the extent to which existing or planned actions can reduce the risk

This structured evaluation enables us to prioritize risks that pose the greatest threat to our business and to allocate resources effectively toward mitigation and adaptation strategies. The process ensures that climate-related risks are continuously monitored, reassessed, and integrated into strategic planning and decision-making.

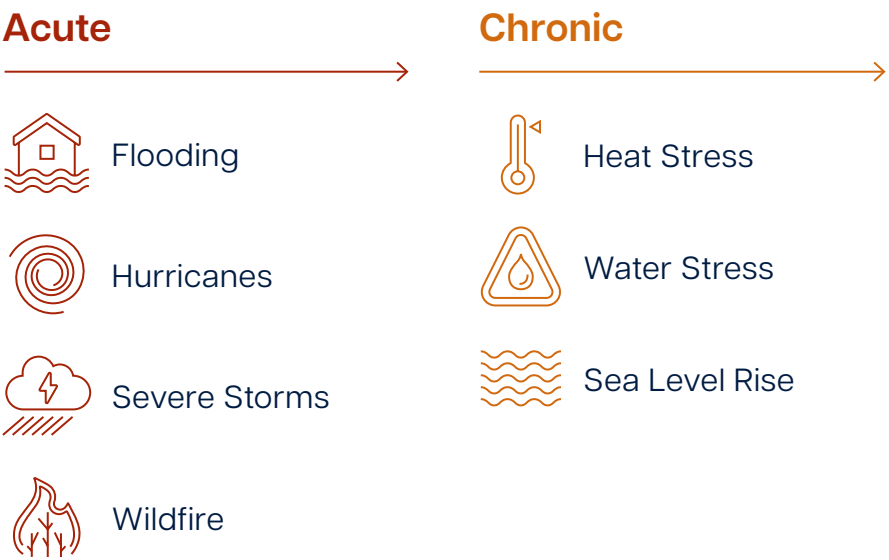


Sterling Pointe Center | Sacramento Metro, Lincoln, CA

## Scenario Analysis and Strategic Planning

To assess the resilience of our business under different climate futures, PECO conducted scenario analyses using Representative Concentration Pathways (RCPs) 4.5 and 2.6. These scenarios help us evaluate a range of physical and transition risks, from high-emissions trajectories with severe climate impacts (RCP 4.5) to low-emissions pathways aligned with the goals of the Paris Agreement (RCP 2.6). These insights guide our strategic and long-term planning for our shopping centers in the face of a changing climate. Our overall exposure to climate-related risks has been quantified as moderate by our ERM Team. No single climate-related risk has been identified as having a materially significant impact on our operations or financial performance at this time.

### Physical Risks



Centennial Lakes Plaza | Minneapolis Metro, Edina, MN



# Centers & Economic Impact



*Our PECO shopping centers are integral to the local communities we serve.*



# Centers & Economic Impact

Our centers are integral to the local communities they serve, because they:



We do this through our focused efforts to:

- ◆ Attract tenants – including local businesses – that draw strong, loyal customer bases and enhance their communities
- ◆ Maintain open lines of communication with our stakeholders
- ◆ Implement high-quality maintenance, safety, and operations
- ◆ Provide EV charging facilities as an additional amenity for customers and employees
- ◆ Build and operate environmentally sustainable centers, as verified through third-party certifications



Cascades Overlook | Washington, D.C. Metro, Sterling, VA





# Impact on Our Communities & Neighbors

We are committed to the success of each center and each tenant. In fact, we refer to our tenants as our Neighbors – and that is not hyperbole. It is how we conduct ourselves every day. PECO strives not only to be a great neighbor, but also to provide a mix of great Neighbors at our centers, collectively contributing to the well-being and vibrancy of our communities.

## Supporting Local Entrepreneurs and Small Business Owners

\$25+ million

invested in our local Neighbors through capital investment in their spaces



St. Charles Plaza | Lakeland Metro, Davenport, FL

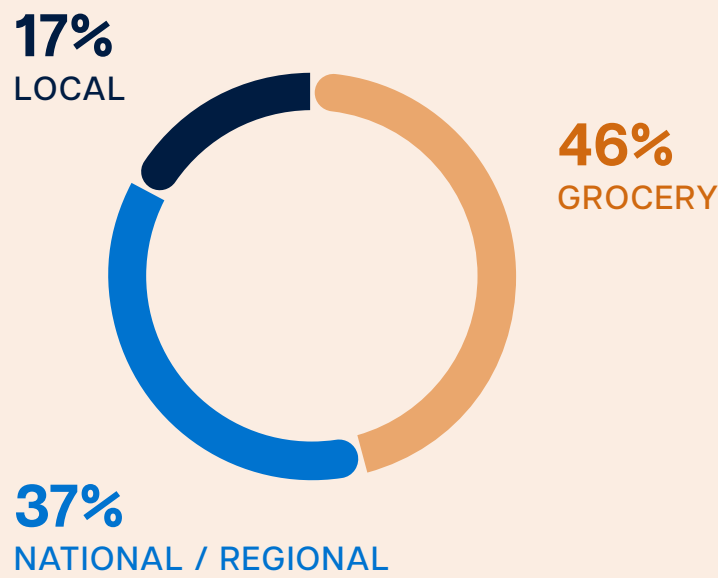


Rocky Ridge Town Center | Sacramento Metro, Roseville, CA

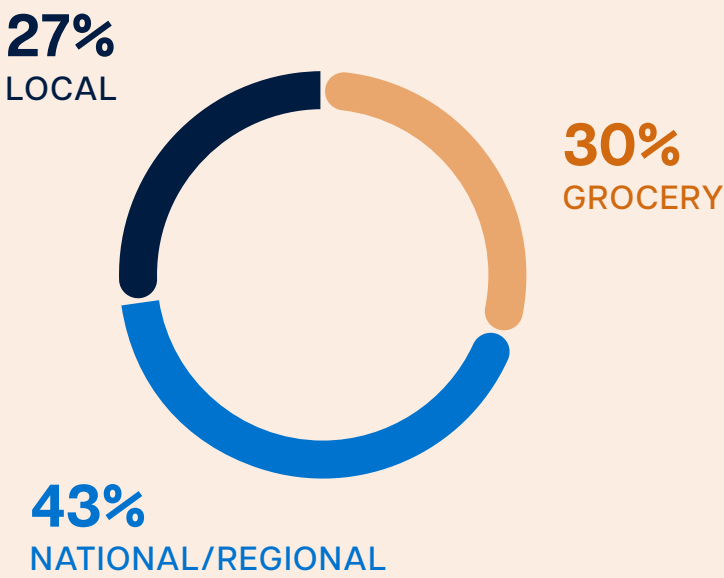
At PECO, we highly value the unique shopping experiences that our local entrepreneurs and small business owners bring to our shopping centers. Our local Neighbors reflect the spirit, diversity, interests, and needs of the communities that we proudly serve. In 2024, local businesses constituted 17% of PECO's leased square footage and 27% of ABR. These financial investments reflect our partnership with our local Neighbors and our commitment to serving our communities – neighbors serving neighbors.

## Providing Amenities and Services to the Community

Leased Square Feet by Neighbor Type



ABR By Neighbor Type





# Impact on Our Communities & Neighbors

## Investing in our Centers

We positively affect our communities and their residents when we reinvest in our centers.

\$39 million

Investments in Development and Redevelopment Projects

\$27 million

Operating Capital Improvements

## Economic Impact

Our centers indirectly benefit the residents of our communities by providing tax revenue to fund governmental services, such as roads, education systems, elder care, law enforcement, and fire protection.

\$77+ million

in Real Estate Taxes

\$2 million

in State & Local Income, Franchise, and License Taxes



Arapahoe Marketplace | Denver Metro, Greenwood Village, CO



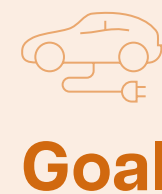
Grassland Crossing | Atlanta Metro, Alpharetta, GA

In addition to providing essential goods and services to our communities and as a result of the continued demand for the retail opportunities our centers provide, we expect that the payroll tax and consumer sales tax generated by our centers will continue to contribute to funding of these governmental services.



# EV Charging

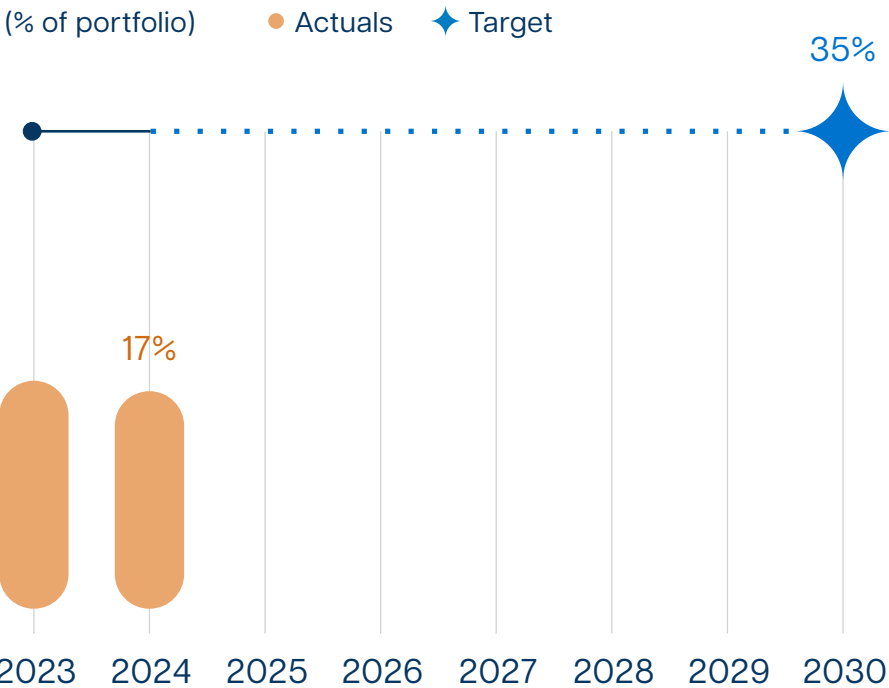
Electric vehicle (EV) charging stations are emerging as a highly valued amenity – not only for our Neighbors, but also for their employees and customers. In 2024, we increased our total of EV chargers by 19% by installing 18 additional charging stations for an aggregate of 202 stations at 53 shopping centers, representing 17% of our portfolio and bringing us halfway to our goal of 35%.



PECO has set a goal of EV chargers at

**35%**  
of our portfolio.

## PECO EV Chargers



Harpers Station | Cincinnati Metro, Cincinnati, OH



# Engagement With Our Communities & Neighbors



## Vendor Engagement

As the owner and operator of a national portfolio, PECO maintains an extensive vendor list. Because our vendors are vital to our work at both the local and national level, we want them to embrace our mission and culture just as our associates do. To that end, we ask our vendors to adhere to our Vendor Principles and Standards of Conduct. These standards set forth and promote alignment with our expectations for ethical behavior, environmental responsibility, and social commitments. To better understand our vendors’ governance, diversity, and CRS practices, we ask them to complete our biennial Vendor Engagement Survey. The next Vendor Engagement Survey occurs in 2025.

## Neighbor Engagement

PECO’s annual Neighbor Satisfaction Survey plays a pivotal role in shaping our operational policies and enhancing the overall Neighbor experience. The survey gauges attitudes on various indicators, including department responsiveness, shopping center appearance, space adequacy, and future needs. We pride ourselves on our prompt response times to any issues our Neighbors raise in the survey. To enhance the survey’s utility even further, in 2024 we engaged an independent implementation expert to improve the questionnaire and assist us in analyzing the responses and results.

### SPOTLIGHT



Our PECO associates, as community residents themselves, are enthusiastic about serving the communities in which they live and PECO operates.

To that end, our associates formed PECO IMPACT, a program that encourages community involvement and connects our associates to causes they care about. With the full support of our Executive Team, this associate-led group arranges volunteer and charitable service projects with organizations that address community concerns.



### 2024 PECO Impact by the Numbers

13

Volunteer Events

\$22,524

Dollars Donated

597

Volunteer Hours

276

Boxes and Cans for Food Donations

233

Employees Engaged

200+

Lives Saved Through 71  
Donated Blood Products





Mansell Village | Atlanta Metro, Roswell, GA

## SPOTLIGHT

### Neighbor Loyalty and Satisfaction

In 2024, PECO sent out our newly revised Neighbor Satisfaction Survey.

32%

Response rate  
(exceeding our 30% goal)

95%

Overall satisfaction  
with PECO



95%

Neighbors expressing interest  
in renewing their lease

93%

Satisfaction with the  
appearance of our  
shopping centers



95%

Satisfaction with the response  
time from PECO team with  
Neighbor requests

✦ In 2024, PECO was pleased to achieve a **Net Promoter Score (NPS) of 14**, reflecting a good level of customer loyalty and satisfaction.\*

\*The NPS, created by Bain & Company, is a market research metric that serves as a barometer for customer experience and a predictor of business growth. On a scale of -100 to 100, a score above 0 is considered good, while a score above 50 is considered excellent and above 80 is considered world-class. See <https://www.qualtrics.com/experience-management/customer/net-promoter-score/#::-:text=Above%20%20is%20good%2C,what%20constitutes%20a%20recommendable%20experience>.



# Building Certifications



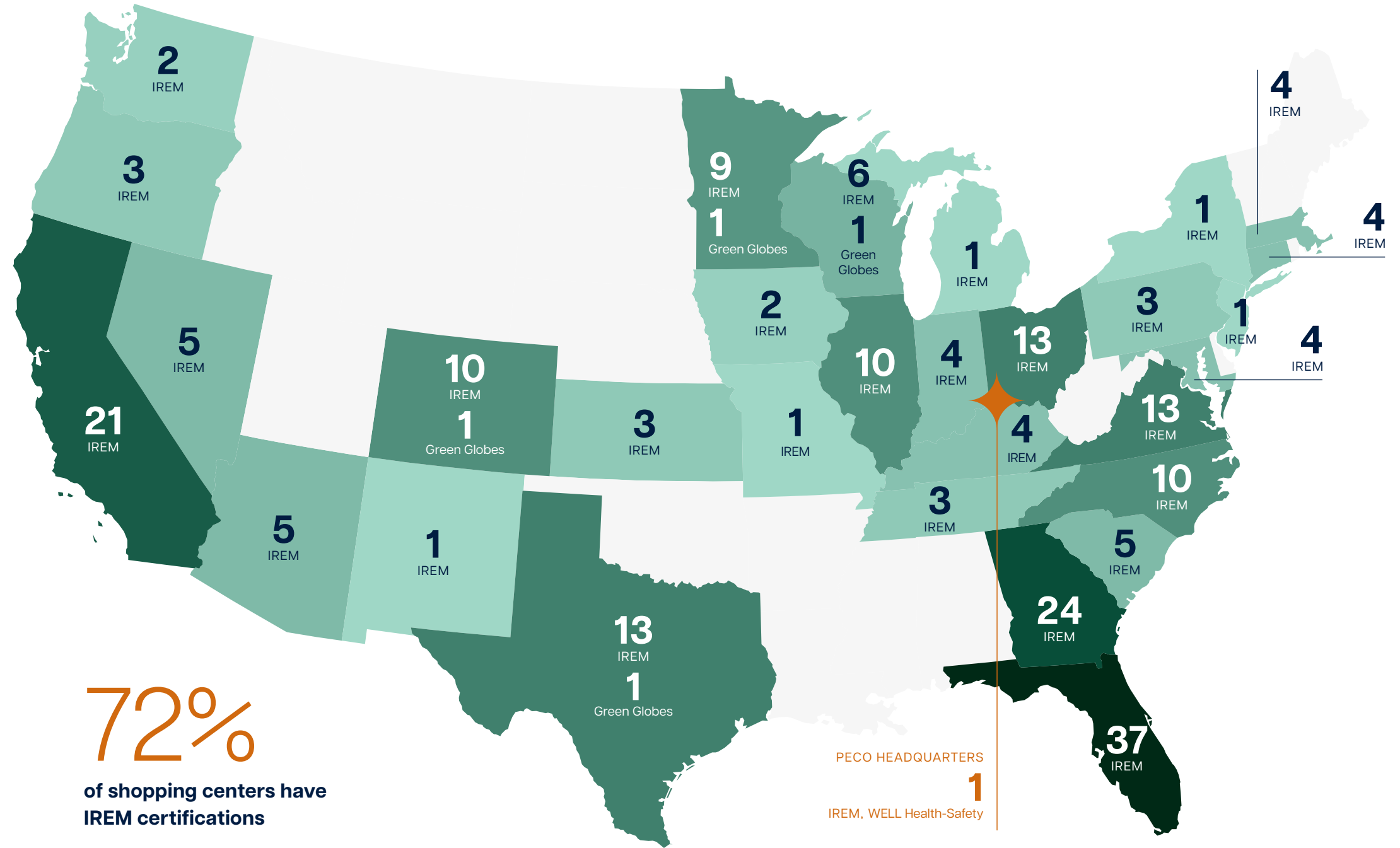
The Institute of Real Estate Management® (IREM) Certified Sustainable Property® (CSP) certification recognizes real estate properties that have implemented best practice sustainable operation measures. As of year-end 2024, 223 of our centers, or 72% of our portfolio, have been awarded IREM CSP certifications. **In 2024, PECO also received three IREM Jackson Control Sustainability Awards that recognize exceptional performance among IREM CSP-certified properties.**



The Green Building Initiative (GBI) awards Green Globes building certifications on the basis of environmental sustainability, health and wellness, and resilience of all types of commercial real estate. PECO has achieved 4 Green Globes certifications since 2021.



The WELL Health-Safety Rating® addresses safety and acute health issues within buildings, primarily through operational and management policies. In 2024, our Cincinnati home office renewed its WELL Health-Safety Rating for the fourth consecutive year.



## SPOTLIGHT

### Green Lease Leader Gold Landlord



PECO is proud to be a Gold Level Green Lease Leader, renewing this designation in 2024. We are committed to advancing sustainability across our portfolio.

As part of this commitment, we have integrated Green Lease clauses into over **10 million square feet** of leased space – representing approximately 30% of our total Gross Leasable Area (GLA). These clauses align landlord and tenant interests around energy efficiency, water conservation, and sustainable operations, helping to reduce environmental impact while enhancing long-term asset value.



# Oversight & Ethics



*PECO's strong governance practices promote long-term value creation for our stockholders and other stakeholders.*



# Oversight & Ethics

PECO’s Board of Directors and Executive Team lend their experience to drive our Company’s progress by:

- ◆ Fostering a culture of integrity and ethical conduct for our associates
- ◆ Building and maintaining a relationship of trust and respect with our Neighbors, investors, vendors, and the communities we are privileged to serve
- ◆ Guiding decision-making through sound and ethical business practices
- ◆ Safeguarding the interests of our stockholders and other stakeholders through comprehensive internal control frameworks with independent oversight and review
- ◆ Assessing enterprise risk management and mitigation strategies for material risks on a regular basis
- ◆ Providing transparency in our reporting and stakeholder disclosures
- ◆ Prioritizing regular engagement with our stakeholders

As a publicly traded Company, we disclose our operations and financial results through our filings with the U.S. Securities and Exchange Commission (SEC), earnings presentations and other investor materials, proxy statement, postings on our website and this report. We strive for transparent engagement with all our stakeholders.

Please visit our [website](#) for access to all our public filings and the key policies and procedures constituting our corporate governance framework.



## SPOTLIGHT

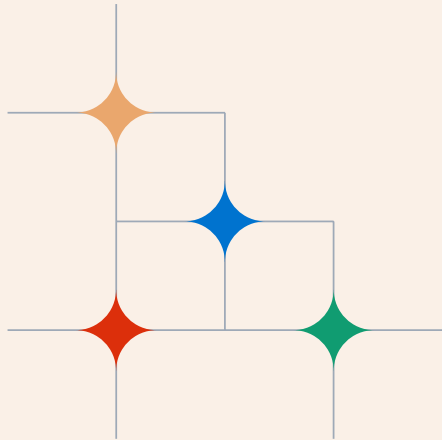
### Our Lead Independent Director



“I am proud of our Board’s unwavering commitment to transparency, accountability, and ethical leadership. Sound governance is not just a framework – it’s a catalyst for long-term value creation.”

**Leslie T. Chao**

Lead Independent Director





# CRS Oversight & Management



Our Nominating & Governance committee oversees and is responsible for our CRS program, receiving quarterly updates from our executive team. The Chief Legal and Administrative Office manages the executive aspects of our CRS program, including oversight of strategic initiatives and progress.

Day-to-day management of our CRS program, including strategic initiatives, economic and environmental targets, climate risk and opportunity management, and CRS compliance are the responsibility of our Corporate Responsibility and Sustainability Team, led by our Vice President of Corporate Responsibility and Sustainability.

## Oversight

Board of Directors  
Nominating & Governance  
Committee

- Provides strategic oversight and governance of the CRS program
- Ensures alignment with corporate values, stakeholder expectations, and regulatory requirements
- Reviews and approves key CRS policies, goals, and disclosures
- Monitors progress on CRS initiatives and climate risk mitigation



## Management

Executive Team

- EVP, Chief Legal and Administrative Officer has direct accountability for the CRS program
- Integrates CRS strategy into overall corporate governance and risk management
- Reports progress and challenges to the Board’s N&G Committee
- Champions CRS initiatives across departments and ensures executive alignment



## Execution

CRS Team

- VP, Corporate Responsibility and Sustainability leads the development and execution of the CRS strategy
- Coordinates with internal stakeholders to implement initiatives
- Tracks performance metrics and prepares internal and external reports
- Identifies opportunities for innovation and continuous improvement

## Cross Functional Partners

- **Property Management:** Implements sustainability practices in facilities and operations.
- **Risk Management:** Integrates CRS risks into enterprise risk assessments.
- **Finance:** Supports CRS reporting, budgeting, and sustainable investment strategies.
- **HR:** Drives diversity, equity, inclusion, and employee engagement initiatives.
- **Accounting:** Ensures accurate tracking and reporting of CRS-related financial data.



# Board of Directors

Our Board of Directors is composed of highly qualified and experienced individuals who set a high standard for effective corporate governance.

Operating through regular board meetings and three standing committees – Audit, Compensation, and Nominating & Governance – all of which are exclusively composed of independent directors, the Board maintains a commitment to transparency and independence. In 2024, our Board consisted of 10 directors, with seven designated as independent and three as non-independent. As of 2024, 30% of our Directors are women and two members are ethnically diverse. Leslie T. Chao serves as the Board’s Lead Independent Director. This composition reflects our commitment to a diverse and qualified leadership team.

In 2024, each director attended all Board and committee meetings, including executive sessions without the presence of management and the non-independent directors. None of our directors serve on more than two other for-profit public Company boards. Additionally, each Board and committee member undergoes an annual self-assessment, contributing to a culture of continuous improvement.

## Quick Stats | Board Composition

Gender & Ethnically Diverse

50%

Average Age

59

Average Tenure

7.6 years



Name	Jeff Edison	Les Chao	Liz Fischer	Devin Murphy	Steve Quazzo	Jane Silfen	John Strong	Tony Terry	Parilee Wang	Greg Wood
Tenure	2009	2010	2019	2014	2013	2019	2018	2023	2023	2016
Experience/Qualifications										
Business / Strategic Leadership	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Real Estate / Retail Industry	◆	◆	◆	◆	◆	◆	◆	◆	◆	
Corporate Governance	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Financial / Accounting	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Investment / Capital Markets	◆	◆	◆	◆	◆	◆	◆	◆		◆
Risk Management or Oversight	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Technology / Information Systems / Data and Cybersecurity	◆	◆					◆		◆	◆
Human Capital Management	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆



# Governance Framework

The principal framework for governance is set forth in our Charter (as amended), Bylaws (as amended), Board Committee charters, and Corporate Governance guidelines.

Please see the [Governance page](#) on our website to read these documents.



## Key Corporate Governance Features

- Lead Independent Director
- Independent Audit, Nominating and Governance, and Compensation Committees
- Annual election of all Directors
- Compliance with Nasdaq’s Governance Requirements
- Opted out of the Maryland business combination and control share acquisition statutes
- Stockholder approval required to classify the Board
- Clawback policies adopted
- Stockholder right to amend bylaws by majority vote
- No stockholder rights plan
- Prohibition on hedging and pledging stock by executives

## Board Committees

### Audit Committee

- Oversee the integrity of financial statements, accounting practices and audits
- Review the scope, effectiveness, and results of the internal audit function
- Enterprise Risk Management Program
- Cybersecurity and information governance
- Business ethics and whistleblower policies

### Compensation Committee

- Review and approve the compensation of the CEO and other executive officers
- Evaluate and approve director and executive officer compensation plans, policies, and programs
- Director and executive officer stock ownership requirements

### Nominating and Governance Committee

- Corporate Responsibility and Sustainability Program
- Annual Board and Committee assessments
- Establish corporate governance practices, guidelines, and policies for the Company



# Driving Ethical Behavior

At PECO, consistently fostering a culture of accountability and acting with integrity is fundamental to our business, anchored in our Core Value “Do the Right Thing.” Our Core Values guide our actions and conduct, forming the foundation of our commitment to ethical behavior. To uphold this commitment, we have established a comprehensive framework of policies and procedures, reinforced by annual training, to ensure that every associate comprehends and adheres to our Company’s standards. These include:

- ◆ Code of Business Conduct and Ethics
- ◆ Vendor Principles and Standards of Conduct
- ◆ Human Rights Policy
- ◆ Whistleblower Policy

◆ Our Board annually reviews the Code of Business Conduct & Ethics and considers any necessary changes or updates to our standards and practices.



## SPOTLIGHT



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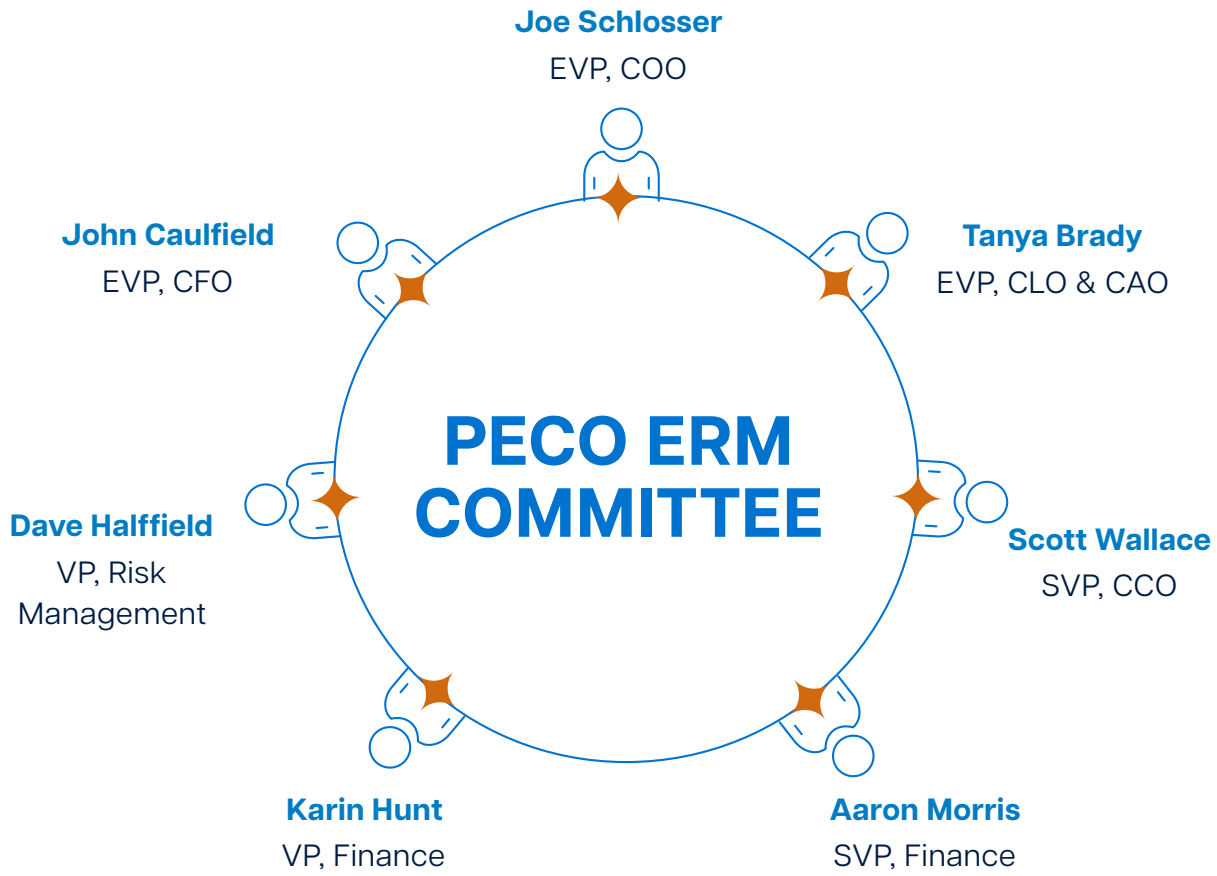
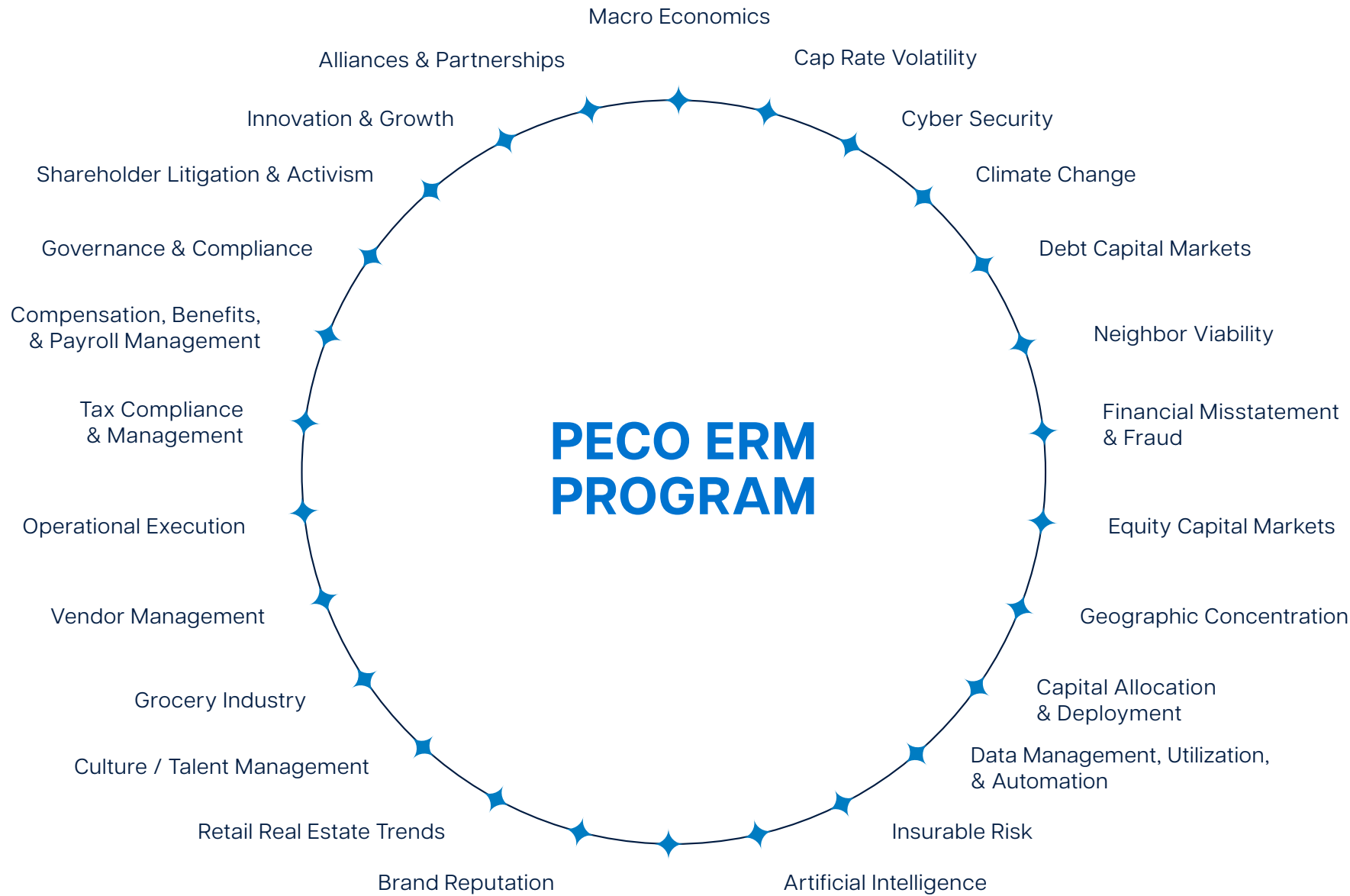
Ethics Violations  
in 2024

\*That met the threshold for materiality or required disclosure under SEC rules.



# Risk Management

Risk management is critical to our strategic approach to achieving our business objectives. Under the direction of the Audit Committee, our Enterprise Risk Management (ERM) Program serves to identify and highlight risks holistically across the Company.





# Cybersecurity

PECO’s cybersecurity-risk management program, which is modeled after the National Institute of Standards and Technology cybersecurity framework (NIST CSF), works toward preventing, identifying, detecting, and mitigating cybersecurity risks.

Focused on people, processes, and technologies, it includes associate training, periodic workforce testing, and the deployment and monitoring of leading security solutions and controls.

Under the oversight of our Chief Information Officer, we maintain a cybersecurity risk management program designed to identify and mitigate material cybersecurity threats.

The cybersecurity team delivers regular cybersecurity training to all associates including security videos and informational tips, new hire training, quarterly refresher training, out-of-band timely cybersecurity alerts, and monthly simulated phishing campaigns with teachable moments and focused training, all designed to provide security specific knowledge to our associates. We utilize positive reinforcement to encourage associates’ participation, in addition to required periodic training.

To maintain the currency of our cybersecurity measures, we internally publish and annually review a suite of cybersecurity policies and procedures. Additionally, we engage with external cybersecurity experts to conduct annual penetration testing, provide monitoring of the environment, conduct tabletop exercises, and for dedicated incident response and advanced forensics capabilities. In addition to internal and external audits, we undertake assessments including the NIST CSF, cybersecurity maturity assessment, and Center for Internet Security Benchmarks, to identify opportunities for enhancement.

## SPOTLIGHT

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Cybersecurity Incidents in 2024

\*That met the threshold for materiality or required disclosure under SEC rules.





# Appendix





# Forward Looking Statements & Other Legal Matters

This report may contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements can generally be identified by the Company’s use of forward-looking terminology such as "may," "will," "expect," "intend," "anticipate," "estimate," "believe," "continue," "seek," "objective," "goal," "strategy," "plan," "focus," "priority," "should," "could," "potential," "possible," "look forward," "optimistic," “target,” “commit,” or other similar words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. Such statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those projected or anticipated, including the risk factors and other risks and uncertainties described in the Company’s 2024 Annual Report on Form 10-K, filed with the SEC on February 11, 2025, as updated from time to time in the Company’s periodic and/or current reports filed with the SEC, which are accessible on the SEC’s website at [www.sec.gov](http://www.sec.gov). Except as required by law, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Additionally, certain information included herein or elsewhere, such as our website, is informed by third-party frameworks or other stakeholder expectations and is not necessarily material for our SEC reporting purposes, even if we use language such as “material” or “materiality”. Particularly in the sustainability context, “materiality” is subject to varying definitions that differ from and are often more expansive than the definition under US federal securities laws. Our use of frameworks and other standards is meant to inform our disclosures, but we cannot guarantee, and no language of “alignment” or similar should be understood to mean, complete adherence to such standards or any particular stakeholders’ interpretation of same. Some of the information herein is also reliant on third-party information or methodologies. Any inaccuracies or changes in such information or methodologies, whether in or out of our control, could cause results and performance to differ from what is reported. In addition, various aspects of this report are based on processes and procedures that we believe apply appropriate levels of support to address issues in scope and, while these statements may use words such as “ensure,” “prevent,” or similar language, such terms should not be considered to mean that such efforts will be successful in all situations.

Also, certain information included in this report is used for compliance with various legal obligations, including California’s SB 261. However, this report is broader in scope than such legal requirements, and any such use shall not be deemed to incorporate portions of this report that are not responsive to such obligations or references to same. It is not intended, and we hereby disclaim, any legal relations, rights or obligations to any third-party in connection with these disclosures. Moreover, by providing this information, neither we nor any of our affiliates are conceding any specific item is required or applicable under any legal obligation, nor are we conceding any particular interpretation of such legal requirements. Moreover, in certain circumstances, information included in this report may differ from information included in regulatory reporting due to differences in methodologies for the calculation of certain metrics or other factors, which may be out of our control.

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## Contact Us

For more information about PECO and our Corporate Responsibility and Sustainability Program, please contact Kim Green, Senior Vice President, Investor Relations, [kgreen@phillipsedison.com](mailto:kgreen@phillipsedison.com) or Ryan Knudson, Vice President, Corporate Responsibility and Sustainability, [rknudson@phillipsedison.com](mailto:rknudson@phillipsedison.com).



# Disclosures

## Boundary Approach

Phillips Edison & Company (PECO) has calculated and reported material Scope 1 and 2 GHG emissions utilizing the Operational Control Approach as defined in the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). This control approach best aligns with PECO’s primary business function as a real estate owner and lessor. As defined by the GHG Protocol, under the operational control approach, a company has full authority to introduce and implement its operating policies at the operation. Using this approach, PECO accounts for all controlled spaces (including common areas, parking spaces, and vacancies of its owned assets as well as leased office spaces) within Scope 1 & 2. No Scope 3 categories are included in this inventory report.

## Methodology & Data Sources

### Scope 1

**Natural Gas:** Calculated using energy meter data provided by PECO and the EPA emissions factor for natural gas (2023).

**Mobile Combustion:** Calculated using flight-hour data provided by PECO and estimated fuel consumption based on a gallons-per-hour intensity factor from Jet VIP. Emissions were then determined using the 2023 EPA emissions factor for Jet A Kerosene.

**Fugitive Emissions (Refrigerants):** Calculated using refrigerant recharge data provided by PECO and the EPA and DEFRA emission factors for the specific refrigerant types (R410A and R22).

**Stationary Combustion:** Phillips Edison did not have any stationary combustion usage or emissions in 2024.

### Scope 2

**Electricity:** Calculated using energy meter data tracked through Phillips Edison’s energy management software (Goby/Conservice) as well as estimated data, where necessary, using the Energy Information Administration (EIA) 2018 Commercial Building Energy Consumption Survey (CBECS) data and averages calculated from the actual data (as explained above).

**Market-Based Emissions:** Phillips Edison purchased 2,010,000 kWh of unbundled Renewable Energy Certificates (RECs) for the reporting period ending in December 2024. RECs were first allocated proportionally to the entities included in Phillips Edison’s IREM certification. Any remaining RECs were then distributed based on the relative carbon intensity of each entity’s grid. To calculate emissions for electricity remaining post-REC allocation, Green-e Energy Residual Mix Emissions Rates (2024) were applied.

**Location-Based Emissions:** Calculations were conducted using the EPA EGRID subregion factors published in January 2025.

## Emissions Factors

Emissions factors were sourced from the EPA Emissions Factors Hub (January 2025), EPA Emissions & Generation Resource Integrated Database (eGRID) with 2023 data, Green-e Energy Residual Mix Emissions Rates (2024), and UK DEFRA 2024 factors.

## Year-to-Year Changes

The methodology used for the 2024 reporting period was consistent with the prior year’s reporting, with minor revisions to best align with methodologies defined within the Company’s 2020 baseline. Calculation and reporting methodologies will be revisited in the future as appropriate.

**Green-e Residual Mix Factors:** PECO consistently applied Green-e Energy Residual Mix Emissions Rates from 2024 (adjusted system mix) across all calculations, addressing inconsistencies in the previous cycle where data from various years may have been used.

**CBECS Factors:** PECO has updated its energy consumption benchmarks to align with the most recent (2018) CBECS data. This correction was particularly important for vacant spaces in the southern region, where the previous factor of 5.10 kWh/sq ft was replaced to match the official CBECS source value of 4.9 kWh/sq ft.

**Data Estimation Framework:** The need for estimates was determined by internal staff, who performed a detailed review of meter-by-meter and asset-level usage gaps, patterns and trends. This analysis allowed PECO to identify gaps in data availability and implement appropriate estimation methodologies where necessary.

**Estimation Threshold:** PECO adjusted its estimation approach threshold to ensure methodological alignment with 2020 baseline calculations. The organization implemented a 60% data coverage threshold for determining the appropriate estimation method.

**Estimation Methodology:** If data for a given energy type covered more than 60% of the year, estimates based on the site’s average daily energy consumption were utilized to address data gaps. Conversely, when data coverage fell below the 60% threshold, estimation factors were applied from the EIA’s CBECS, specific to each asset’s building type and climate region.

### Use of Estimations:

**Natural Gas:** PECO reduced the number of entities requiring estimated data from 199 in the previous reporting period (including 182 vacancies) to 170 entities in the current year (including 167 vacancies).

**Electricity:** PECO decreased the number of entities with estimated data from 337 (including 285 vacancies and 14 parking areas) to 306 entities (including 258 vacancies and 7 parking areas).

**Parking:** For parking usage that was not tracked by PECO’s meters, ENERGY STAR Portfolio Manager Estimated Energy Metrics were used to estimate parking electricity usage. These improvements reflect PECO’s ongoing commitment to enhancing data quality and reporting accuracy.



# Supplemental Charts

The following tables reference data for the period of January 1, 2024, to December 31, 2024.

## Energy Consumption

Year	Electric (GJ)	Natural Gas (GJ)	Other Fuels (GJ)	Solar (GJ)	Total (GJ)
2020	164,814	55,950	2,169	—	222,933
2023	108,260	35,448	4,276	—	147,984
2024	106,317	35,147	3,859	1	145,324

## Carbon Emissions

Year	Scope 1 (MTCO <sub>2</sub> e)	Scope 2 Market Based (MTCO <sub>2</sub> e)	Scope 2 Location Based (MTCO <sub>2</sub> e)	Total (MB) (MTCO <sub>2</sub> e)
2020	3,018	17,669	17,941	20,687
2023	2,148	12,217	11,651	14,365
2024	2,081	10,855	10,711	12,936

## Waste Disposal

Year	Waste Production (tons)	Streams		
		Landfill (tons)	Recycle (tons)	Compost (tons)
2020	55,156	41,517	13,639	—
2023	73,176	58,565	12,217	3,093
2024	79,175	64,073	12,297	2,805

## Water Consumption

Year	Landlord Controlled Water Consumption (gal)
2020	186,847,889
2023	170,988,698
2024	170,470,510

## Water Intensity

Year	Landlord Controlled Water Intensity (gal/sqft)
2020	12.47
2023	13.91
2024	11.12

## 2024 Waste Diversion

Landfill (tons)	Recycle and Compost (tons)
64,073	15,102
81%	19%

## Purchased Renewable Energy Credits (RECs)

Year	MW
2023	795
2024	2010



Solar Installations

Market Name	Developer <sup>1</sup>	Capacity
Boronda Plaza	PECO	604 kW-DC
Boronda Plaza	PECO	464 kW-DC
Broadway Pavilion	PECO	981.9 kW
Stop & Shop Plaza	PECO	100 kW
Village At Glynn Place	Neighbor	97 kW
Hickory Plaza	Neighbor	50 kW
Mableton Crossing	Neighbor	97 kW
Montville Commons	PECO	136 kW
Richmond Plaza	Neighbor	97 kW
Rosewick Crossing	Neighbor	60 kW
Sterling Pointe Center	PECO	300 kW-DC
Sunridge Plaza	PECO	239 kW-DC
Willimantic Plaza	PECO	200 kW
Willimantic Plaza	Neighbor	80 kW
Bethel Shopping Center	PECO	79.2 kW

<sup>1</sup>We refer to Phillips Edison & Company as “PECO” and our tenants as “Neighbors”.

EV Charging Stations

Year	Number of Stations	Number of Shopping Centers
2023	184	50
2024	202	53



# Internal Financial Reporting Standards (IFRS) S2 Industry-Based Guidance

## IF-RE-130a.1

	Gross Floor Area	Consumption Data Coverage	% Electric Data Coverage	Consumption Data Coverage	% Natural Gas Data Coverage
Shopping Center – Whole Building	37,622,800	12,976,429	34%	6,573,388	17%
Shopping Center – Base Building	1,942,745	1,864,451	96%	1,936,508	100%
Office	146,890	143,070	97%	143,070	97%

## IF-RE-130a.2

	Total Energy Consumed	Grid Electricity	% Grid Electricity	Natural Gas	% Natural Gas	Renewable	% Renewable
Shopping Center – Whole Building	1,266,784	1,008,133	80%	258,651	20%	0	0%
Shopping Center – Base Building	130,310	101,907	78%	28,403	22%	0	0%
Office	10,911	5,486	50%	5,425	50%	0	0%

## IF-RE-130a.3

	2023 Like For Like Energy Consumption	2024 Like for Like Energy Consumption	Like for Like % Change	Gross Floor Area
Shopping Center – Whole Building	468,987	442,966	-6%	3,886,204
Shopping Center – Base Building	129,428	121,643	-6%	1,800,924
Office	10,555	10,911	3%	146,890

## IF-RE-130a.4

	Gross Floor Area	IREM CSP Gross Floor Area	% IREM CSP
Shopping Center – Whole Building	37,760,594	25,939,861	69%
Shopping Center – Base Building	–	–	–
Office	137,794	137,794	100%

## IF-RE-140a.1

	Landlord Controlled Water Withdrawal Data Coverage	Gross Floor Area	% Data Coverage	% Floor Area
Total Floor Area	35,696,000	35,797,000	99.7%	100%
High or Extremely High Baseline Water Stress	129,428	13,171,744	99.9%	37%

## IF-RE-140a.2

	Total Water Withdrawal	% Water Withdrawal
Total Floor Area	170,470,000	100%
High or Extremely High Baseline Water Stress	101,850,000	60%

## IF-RE-140a.3

	2023 Like For Like Water Withdrawal	2024 Like for Like Water Withdrawal	Like for Like % Change	Gross Floor Area
Total Floor Area	170,700,000	136,100,000	-20%	15,069,667
High or Extremely High Baseline Water Stress	88,800,000	85,400,000	-4%	6,720,563



IF-RE-410a.1

New Lease Floor Area	New Lease Floor Area with a Cost Recovery Clause	% of New Leases
5,383,307	2,989,000	55.50%

IF-RE-410a.2

% of tenants Separately Metered Grid Electricity	% of tenants Separately Metered water withdrawal
99.5%	69%

IF-RE-450a.1

Gross Floor Area located in 100-year flood Zones (million Sqft)	% of tenants Separately Metered water withdrawal
1.14	69%



# International Financial Reporting Standards (IFRS) Disclosure (S2)

## About TCFD and IFRS S2

In 2023, the Financial Stability Board (FSB) announced the conclusion of the Task Force on Climate-related Financial Disclosure’s (TCFD) mandate and formally transferred responsibility for monitoring climate-related disclosure progress to the International Financial Reporting Standards (IFRS) Foundation.

This report has been developed in accordance with IFRS S2, which builds upon the foundational principles of the TCFD recommendations, while providing a more standardized and globally consistent framework for climate-related financial disclosures. IFRS S2 is specifically designed to help entities like Phillips Edison and Company (PECO) disclose material information about climate-related risks and opportunities. By aligning with IFRS S2, this report ensures compliance with evolving global disclosure expectations and supports more robust, decision-useful reporting for investors and stakeholders.

## Governance

### Board Oversight

**Governance Structure and Responsibilities:** Our Nominating and Governance (N&G) committee has direct oversight over our CRS program and the identification, assessment, and management of climate-related risks and opportunities.

**Integration into Risk Management:** Climate-related risks – both physical and transition – are integrated into PECO's enterprise risk management framework. The Board reviews how these risks could affect our operations, financial performance and long-term resilience. This includes scenario analysis and stress testing to evaluate the potential effects of climate change under various plausible futures.

**Monitoring and Performance Review:** The N&G committee receives quarterly updates on our progress toward our climate-related targets and transition plans. This includes evaluating the effectiveness of mitigation strategies, assessing the adequacy of disclosures, and ensuring compliance with regulatory requirements. The Board also considers stakeholder expectations and evolving best practices in climate governance.

**Capacity Building and Expertise:** To ensure effective oversight, the Board engages in ongoing education on climate-related topics and may seek external expertise when necessary. This helps maintain a high level of competence in understanding the implications of climate change for our business.

### Management’s Role

At PECO, climate-related risks and opportunities are integrated into our broader enterprise risk management (ERM) framework. Our management team plays a central role in identifying, evaluating, and responding to these risks in alignment with our strategic objectives and regulatory obligations.

**Enterprise Risk Management Oversight:** Our ERM group meets on a quarterly basis to review all material risks, including those related to climate change. This cross-functional team includes:

- Chief Compliance Officer (CCO)
- Chief Financial Officer (CFO)
- Chief Legal and Administrative Officer (CLO and CAO)
- Chief Operating Officer (COO)

This group is responsible for assessing both physical risks (e.g., extreme weather events, water stress) and transition risks (e.g., regulatory changes, market shifts), as well as identifying emerging climate-related opportunities such as energy efficiency initiatives and green building certifications.

### Integration into Strategic and Operational Planning:

Management ensures that climate-related risks are considered in capital planning, asset acquisition, and operational decision-making. This includes:

- Evaluating the climate resilience of new and existing assets
- Incorporating climate risk into due diligence processes
- Aligning property management practices with sustainability goals

**Reporting and Escalation:** Findings and recommendations from the ERM group are reported to the Board and relevant committees, helping to ensure that climate-related risks are addressed at the highest levels of governance. This structure supports informed decision-making and continuous improvement in our climate-risk management practices.



# Strategy

## Risks and Opportunities

Physical	
Acute (1–15yrs)	Flooding
	Hurricanes
	Severe Storms
	Wildfire
Chronic (15yr+)	Heat Waves
	Water Stress
	Sea Level

Transition	Short term (1–5 Years)	Medium Term (5–15 Years)	Long Term (15+ Years)
Policy	Regulations at local and state level could impose additional operational costs or fines for non-compliance	Regulations at national and international level could result in increased operating costs for reporting	Changes in policy that result in utility rate structure and demand-period driven costs
Technology	None	Shifts in technology result in increased costs of capital improvements	Changes to available and required technology which require specialized training and operating costs
Market	Volatility in energy markets result in increased utility costs	Increased investor focus on climate-related performance impacts access to capital markets	Changing consumer preference for specific types of goods and services
Reputation	None	Internal and External Stakeholder expectations for green power and building certifications	Demand for sustainable spaces and landlord provided renewable energy options

Climate Related Opportunities	
Near	Reduction in operational expenses from utility consumption
	Increase revenue from renewable energy hosting
	Meet investor expectations for sustainable operations
Long	Lower lifetime operating costs of assets
	Reduced property losses and business interruption following climate-related events

## Decision Making

**Scenario Analysis and Strategic Planning:** To assess the resilience of our business under different climate futures, PECO conducted scenario analysis using Representative Concentration Pathways (RCPs) 4.5 and 2.6. These scenarios help us evaluate a range of physical and transition risks, from high-emissions trajectories with severe climate impacts (RCP 4.5) to low-emissions pathways aligned with the goals of the Paris Agreement (RCP 2.6). Insights from this analysis inform our capital allocation, asset management, and risk mitigation strategies, enhancing the resilience of our portfolio under varying climate conditions.

**Science-Based Targets and Emissions Reduction:** We have committed to a near-term target of 46% reduction in Scope 1 and 2 greenhouse gas emissions by 2030 from a 2020 baseline, aligned with the Science Based Targets initiative (SBTi). This target reflects our ambition to align with a 1.5°C pathway and is embedded into our operational planning and performance metrics.

**Integration of Corporate Responsibility into Decision-Making:** To ensure climate considerations are embedded across the organization, we have integrated our dedicated Corporate Responsibility Team into property operations and capital investment decisions. This cross-functional collaboration ensures that sustainability is a key criterion in evaluating projects, vendor selection, and long-term asset planning.

**Sustainability-Driven Projects:** We are prioritizing sustainability-focused initiatives across our portfolio, including:

- LED lighting retrofits to reduce energy consumption and operational costs.
- Smart irrigation systems that optimize water use and enhance landscape resilience.
- High-efficiency white reflective roofs to minimize heating and cooling loads of our buildings.
- These projects not only contribute to emissions reductions but also enhance tenant satisfaction, operational efficiency, and long-term asset value.

**Transparent and Ongoing Stakeholder Engagement:** We are committed to transparent and consistent communication with our stakeholders. Progress on our climate strategy, targets, and transition plan will be disclosed annually through our 10-K filings, Proxy Statements, and Corporate Responsibility & Sustainability (CRS) Reports. These disclosures will provide updates on emissions performance, scenario analysis outcomes, and the integration of climate considerations into our strategic planning.



# Risks and Opportunities

## Assessing Risks

**Climate-Related Risk Assessment:** PECO employs a structured and proactive approach to prioritizing climate transition risks, integrated within our broader Enterprise Risk Management (ERM) framework. The ERM team convenes quarterly to assess our exposure to climate-related transition risks, such as regulatory changes, market shifts, and evolving stakeholder expectations.

We utilize a dedicated ERM tool that quantifies each identified risk based on three key dimensions:

- **Financial Impact** – Estimating the potential economic consequences of the risk.
- **Probability of Occurrence** – Assessing the likelihood of the risk materializing.
- **Effectiveness of Mitigation Measures** – Evaluating the extent to which existing or planned actions can reduce the risk.

This structured evaluation enables us to prioritize risks that pose the greatest threat to our business and to allocate resources effectively toward mitigation and adaptation strategies. The process ensures that climate transition risks are continuously monitored, reassessed, and integrated into strategic planning and decision-making.

**Scenario Analysis and Strategic Planning:** To assess the resilience of our business under different climate futures, PECO conducted scenario analysis using Representative Concentration Pathways (RCPs) 4.5 and 2.6. These scenarios help us evaluate a range of physical and transition risks, from high-emissions trajectories with severe climate impacts (RCP 4.5) to low-emissions pathways aligned with the goals of the Paris Agreement (RCP 2.6). Insights from this analysis inform our capital allocation, asset management, and risk mitigation strategies, ensuring our portfolio remains resilient under varying climate conditions.

**Monitoring and Reporting:** Our Enterprise Risk Management Committee meets quarterly to review and assess climate-related risks alongside other strategic and operational risks. A key component of this process is our internally developed ERM Risk Management Tool, which quantifies the potential impacts of climate-related risks on Funds from Operations (FFO) and asset value. This tool enables scenario-based analysis and prioritization of risks based on financial materiality.

The tool is regularly updated by our Corporate Responsibility & Sustainability (CRS) Team, who integrate the latest climate data, regulatory developments, and asset-level insights. This ensures that our risk assessments remain current and aligned with evolving climate science and market expectations.



## Metrics and Targets

### Cross Industry

#### Greenhouse Gases

- **Scope 1:** 2,081
- **Scope 2 Market:** 10,855
- **Scope 2 Location:** 10,711

PECO is still assessing its Corporate Scope 3 Boundary Categories

### Deployment Towards Risks and Opportunities

#### Real Estate

#### Energy Management

- (1) 141,222 GJ (CRR) 141,642 (Base Building)
- (2) 76%
- (3) 0% (No RECs Retained, 2117 GJ Produced onsite)
- -5% (Base Building), 139,983 GJ (2023), 132,554 GJ (2024)

The Strip Mall category is not eligible for certification or an energy rating through ENERGY STAR. 223 properties or 71.7% of GLA have an IREM CSP Certification.

For over a decade, PECO has been committed to implementing environmental initiatives such as white reflective roofing upgrades, LED exterior lighting retrofits, and the installation of solar panels across our properties. Utility data management plays a critical role in our energy management strategy, both at the building and portfolio levels. We also evaluate all properties for green building certifications, including Green Globes and IREM Certified Sustainable Property (CSP). As of the end of 2024, 223 of our shopping centers received IREM CSP certification.

### Water Management

37% of our GLA is in High or Extremely High Baseline Water Stress (Aqueduct)

Base Building 170,470,000 Gallons (645,231 Cubic Meters), 60% High or Extremely High Stress Regions (101,850,000, High), (170,470,000, Total)

Base Building like-for-like change: -2% {(167,300,000, 2024), (170,700,000, 2023)}

PECO assesses water sources during the due diligence process. PECO complies with public policy and local requirements for water use and monitors property water consumption. Water use within PECO’s operational control is largely for the shopping center’s landscaping in the common areas. PECO has taken a multifaceted approach to reducing water consumption across the portfolio. PECO has implemented xeriscaping and a Smart Water Control Program. For additional information see page 25.

### Measurement of Neighbor Sustainability Impacts

- (1) 55.5% of New Leases
- (2) 2,989,000 Square Feet (.276 million square meters) of new leased floor area contains cost recovery (Query Cleo Provided)
- (1) 99.5% Electricity
- (2) Water 69%

PECO aims to avoid major flood zones and assesses flood zones during the due diligence process of a property. PECO performs a flood analysis on each newly acquired property, and it’s used to determine which properties need additional measures to help mitigate flooding-related risks.



IFRS Sustainability Disclosure Standard			S2-Climate Related
Governance	A	the governance body responsible for oversight of climate-related risks and opportunities.	Governance – Board Oversight
	B	management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	Governance – Management’s Role
Strategy	A	Risks and opportunities that could reasonably be expected to affect the entity’s prospects	Strategy – Risks and Opportunities
	B	the current and anticipated effects of those climate-related risks and opportunities on the entity’s business model and value chain	Strategy – Decision Making
	C	the effects of those climate-related risks and opportunities on the entity’s strategy and decision-making, including information about its climate-related transition plan	Strategy – Decision Making
Risks and Opportunities	A	processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks	Risk Management – Assessing Risks
	B	processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities	Risk Management – Assessing Risks
	C	extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity’s overall risk management process.	Risk Management – Assessing Risks
Metrics and Targets	A	Climate-Related Metrics	Metrics and Targets – Cross Industry
	B	Industry-Based Metrics	Metrics and Targets – Industry Based
	C	Climate-Related Metrics	Metrics and Targets – Targets

IFRS S2 Industry-Based Guidance Volume 36 – Real Estate			S2-Climate Related
Activity Metric	IF-RE-000.A	Number of assets, by property subsector	Page 4
	IF-RE-000.B	Leasable floor area, by property subsector	Page 4
	IF-RE-000.C	Percentage of indirectly managed assets, by property subsector	Page 4
	IF-RE-000.D	Average occupancy rate, by property subsector	10K



# GRI Index

GRI Standard	METRIC	Disclosure	Description	Response
GRI 2: General Disclosures 2021	M90	2-1	Organizational details	Page 4, Proxy, 10K
	M89	2-2	Entities included in the organization’s sustainability reporting	Page 3, 10k
	M88	2-3	Reporting period, frequency and contact point	Page 3
	M87	2-4	Restatements of information	Page 3 and 50
	M86	2-5	External assurance	Page 60-61
	M85	2-6	Activities, value chain and other business relationships	10K
	M84	2-7	Employees	Page 4
	M83	2-8	Workers who are not employees	Page 4
	M82	2-9	Governance structure and composition	Page 42, Proxy
	M81	2-10	Nomination and selection of the highest governance body	Page 42, Proxy
	M80	2-11	Chair of the highest governance body	Proxy
	M79	2-12	Role of the highest governance body in overseeing the management of impacts	Page 41
	M78	2-13	Delegation of responsibility for managing impacts	Page 40
	M77	2-14	Role of the highest governance body in sustainability reporting	Page 40
	M76	2-15	Conflicts of interest	Proxy
	M75	2-16	Communication of critical concerns	Page 43, Proxy
	M74	2-17	Collective knowledge of the highest governance body	Page 41, Proxy
	M73	2-18	Evaluation of the performance of the highest governance body	Proxy
	M72	2-19	Remuneration policies	Proxy
	M71	2-20	Process to determine remuneration	Proxy
	M70	2-21	Annual total compensation ratio	Proxy
	M69	2-22	Statement on sustainable development strategy	Page 28
	M68	2-23	Policy commitments	Page 43
	M67	2-24	Embedding policy commitments	Page 44



GRI Standard	METRIC	Disclosure	Description	Response
GRI 2: General Disclosures 2021	M66	2-25	Processes to remediate negative impacts	Code of Business Conduct & Ethics
	M65	2-26	Mechanisms for seeking advice and raising concerns	Code of Business Conduct & Ethics
	M64	2-27	Compliance with laws and regulations	Page 39
	M63	2-28	Membership associations	Page 9
	M62	2-29	Approach to stakeholder engagement	Proxy
GRI 3: Material Topics 2021		3-1	Process to determine material topics	PECO engages with stakeholders to determine which topics are relevant and material to the business.
		3-2	List of material topics	Topics relevant and material to PECO Corporate Responsibility include: Energy Consumption Greenhouse Gas Emissions Water Consumption Waste Diversion Sustainability Education Construction Sustainable Practices Associate Engagement Internal Leading and Development Health, Well-Being and Safety Risk Management Cybersecurity Corporate Governance
		3-3	Management of material topics	PECO revisits topics determined as material to the business regularly, and works with all stakeholders and management to evaluate and align on materiality.
GRI 201: Economic Performance 2016	M96	201-1	Direct economic value generated and distributed	10k
GRI 205: Anti-corruption 2016	M101	205-1	Operations assessed for risks related to corruption	Page 44 and Code of Business Conduct & Ethics
	M102	205-2	Communication and training about anti-corruption policies and procedures	Page 44 and Code of Business Conduct & Ethics
	M108	205-3	Confirmed incidents of corruption and actions taken	Page 44 and Code of Business Conduct & Ethics
GRI 206: Anti-competitive Behavior 2016	M107	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Code of Business Conduct & Ethics
GRI 302: Energy 2016	M113	302-1	Energy consumption within the organization	Proxy
GRI 303: Water and Effluents 2018	M118	303-1	Interactions with water as a shared resource	Page 25
	M116	303-3	Water withdrawal	Page 51



GRI Standard	METRIC	Disclosure	Description	Response
GRI 305: Emissions 2016	M129	305-1	Direct (Scope 1) GHG emissions	Page 22 and 49
	M128	305-2	Energy indirect (Scope 2) GHG emissions	Page 22 and 49
	M133	306-2	Management of significant waste-related impacts	Page 26
	M132	306-3	Waste generated	Page 49
	M131	306-4	Waste diverted from disposal	Page 26 and 49
	M130	306-5	Waste directed to disposal	Page 26 and 49
GRI 401: Employment 2016	M138	401-1	New employee hires and employee turnover	Page 14
	M137	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 15
	M136	401-3	Parental leave	Page 15
GRI 403: Occupational Health and Safety 2018	M148	403-1	Occupational health and safety management system	Page 15
GRI 404: Training and Education 2016	M151	404-1	Average hours of training per year per employee	Page 16
	M150	404-2	Programs for upgrading employee skills and transition assistance programs	Page 12 and 16
GRI 413: Local Communities 2016	M160	413-1	Operations with local community engagement, impact assessments, and development programs	Page 32 and 33



Data Assurance Statement



Independent Assurance Statement  
Provided by ISOS Group, Inc.

To the Management Team of Phillips Edison & Company, Inc.:

ISOS Group, Inc. [“ISOS” or “we”] were engaged by Phillips Edison & Company, Inc. [“Client” or “PECO”] to conduct moderate level type 2 assurance of environmental data in its 2024 Corporate Responsibility & Sustainability Report [“Reported Information”], covering the period beginning January 1, 2024 and ending December 31, 2024 (“CY24”).

We have performed our moderate assurance engagement in accordance with the AccountAbility 1000 Assurance Standard v3 (“AA1000AS”). Our review was limited to the Reported Information comprising of:

- Energy consumption
- GHG emissions (Scope 1, Scope 2 location and market-based)
- Water use
- Waste management

We have not performed any procedures with respect to other sustainability-related information and, therefore, no conclusion on information outside of this scope of work is expressed.

PECO’s responsibilities

The Company’s management are responsible for:

- Preparing the data in accordance with generally accepted reporting practices,
- The accuracy and completeness of the information reported,
- The design, implementation and maintenance of internal controls relevant to the preparation of the report to provide reasonable assurance that the report is free from material misstatement, whether due to fraud or error,
- Ensuring the data performance is fairly stated in accordance with the applicable criteria and for the content and statements contained therein.

Criteria

The assurance process was intended to provide an independent opinion confirming that the Client has complied with procedures for data management at the company and minimized degrees of error by adequately:

1. Sourcing utility, waste hauler, vendor and internal data to populate relevant data management systems,
2. Enforcing management and quality controls across the reporting period,
3. Aggregating and converting metrics into the correct unit of measure, and
4. Calculating greenhouse gas emissions.

Boundary

Organizational Boundary	Phillips Edison & Company, Inc. is an owner and operator of omni-channel grocery-anchored neighborhood shopping centers. PECO’s centers feature a mix of national and regional retailers; its top grocery anchors include Kroger, Publix, Albertsons, and Ahold Delhaize. As of March 31, 2025, PECO’s wholly-owned portfolio consisted of 298 properties, totaling approximately 33.5 million square feet, located in 31 states.
Assurance Boundary	The boundary of assurance included three hundred and twenty (320) assets reporting on landlord-controlled spaces in PECO’s 2024 Corporate Responsibility & Sustainability Report.
GHG Emissions Consolidation Approach	The GHG emissions boundary followed the operational control methodology specified in the GHG Protocol.

Limitations and Exclusions

Greenhouse gas quantification is unavoidably subject to inherent uncertainty because of both scientific and estimation uncertainty and for other non-financial performance information the precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time.

Reviews pertaining to the completeness and capture of all utility meters at properties, particularly those attributed to tenant spaces, is limited to what is disclosed in data management systems. No visit to the Client’s headquarters or facilities was conducted throughout this engagement. It was determined that these limitations and exclusions do not materially impact the performance criteria or assurance engagement.

Methodology

The assurance procedures undertaken were to determine the strength of the systems in place. ISOS Group:

- Engaged a sample of individuals responsible for performance measurement,
- Evaluated current management systems for performance data collection, compilation, calculation, reporting, and validation,
- Validated alignment to standard reporting protocols to ensure accurate claims to the quantitative methodology and approach and assurance claims,
- To verify quantitative claims, both at the aggregate level and on a sample basis, and test accuracy, consistency, completeness, and reliability, ISOS Group:
  1. Conducted a portfolio assessment analyzing performance results to uncover any errors, misstatements, gaps, or performance anomalies,
  2. Brought all findings to the Client’s attention to address and confirmed resolution,
  3. Selected the following properties for testing and analysis, including cross-reference to primary source data to uncover variances and address any exclusions and other limitations:
    - a. Meadows on the Parkway Station LLC, Boulder, Colorado, United States
    - b. Rolling Meadow Station LLC, Rolling Meadows, Illinois, United States
    - c. West Village, Chanhassen, Minnesota, United States
    - d. Sheffield Crossing Station LLC, Sheffield Village, Ohio, United States

Findings

Based on the process and procedures conducted, there is no evidence that the Reported Information is not materially correct and provide a fair representation of the Client’s environmental impacts to stakeholders for the stated period and reporting boundary.

Parameter	2024 (Absolute)
Total Energy Consumption (MWh)	40,409
Total Scope 1 GHG Emissions (MT CO <sub>2</sub> e)	2,081
Total Scope 2 Location-Based GHG Emissions (MT CO <sub>2</sub> e)	10,711
Total Scope 2 Market-Based GHG Emissions (MT CO <sub>2</sub> e)	10,855
Total Water Consumption (Gallons)	170,470,510
Total Waste Production - Landfilled (Tons)	64,073
Total Waste Production - Diverted (Tons)	15,102



Application of the AA1000AP

Findings and conclusions concerning adherence to the AA1000 AccountAbility Principles:

Inclusivity	PECO documents their key stakeholders – neighbors, communities, associates, stockholders & investment partners and vendors – within their 2023 Corporate Responsibility & Sustainability Report. They document an overview of their engagement strategies per stakeholder group.
Materiality	PECO engages with stakeholders to determine which topics are relevant and material to the business and documents their 13 material topics within their 2023 Corporate Responsibility & Sustainability Report. ISOS Group recommends that PECO conduct a formal materiality assessment with all of its key stakeholders, revisiting this assessment on an ongoing basis.
Responsiveness	PECO reports annually to the GRESB Real Estate Assessment and publishes its annual Corporate Responsibility & Sustainability Report on its public website. The Corporate Responsibility & Sustainability Report is prepared in reference to GRI and includes GRI, SASB, and TCFD indices for review. Beginning in 2024, PECO plans to report in alignment with the IFRS Standards S1 and S2.
Impact	Within their 2023 Corporate Responsibility & Sustainability Report, PECO shares goals and measurements. In 2024, they plan to update their annual Corporate Responsibility Report to more clearly link measured performance against stated goals. ISOS Group recommends developing a GHG emissions reduction target, ideally aligned to global standards such as SBTi.

Restriction of use

This assurance report is provided exclusively to the Client under the terms of our engagement, including agreed disclosure arrangements. Our work is intended solely to address the matters outlined in this moderate assurance report and is not intended for any other purpose. This report is not suitable for use or reliance by any party other than the Client. Any third party, accessing or relying on this report, does so at its own risk. To the fullest extent permitted by law, we disclaim any responsibility or liability to any party other than the Client for our work, this report, or the conclusions stated herein.

Statement of Competency and Independence

ISOS Group is an independent professional services firm that specializes in sustainability reporting and is a provider of external assurance services. ISOS Group is a Global Reporting Initiative Certified Training Partner and a CDP Silver Solutions Partner. Our team of experts have the technical expertise and competency to conduct assurance to the AA1000 assurance standard, which meets the criteria for assurance of sustainability information. No member of the assurance team has any business relationship with the Client, its directors or managers beyond the scope of this assignment. We conducted this assurance independently and, to our knowledge, without any conflicts of interest. ISOS Group upholds a strong code of ethics, ensuring high professional standards in all business activities. The assurance team has extensive experience in conducting assurance engagements over sustainability-related information, systems and processes. Further information, including a statement of competencies, can be found at [www.isosgroup.com](http://www.isosgroup.com).

Signed on behalf of ISOS Group: San Diego, California – USA, June 2, 2025.



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