ESG Guidelines for Data Centers

These guidelines are supportive of and an extension to the PRPI ESG Policy, and intended to define more granular, tactical, and situationally specific ESG direction to Principal Real Estate staff, our third-party property managers, service providers, and joint venture partners.

Intent

Principal Real Estate recognizes the growing importance of real estate, infrastructure, and technologies that support the digital economy. Specifically, data centers and colocation facilities play an increasing role as the foundation for business, social, and economic networks. Data centers and real estate associated with information technologies have many unique development, operations, maintenance, security, and energy requirements. Emerging ESG strategies may not always apply or be feasible given these circumstances.

The guidelines detailed below are intended to supplement the Principal Real Estate ESG Policy while recognizing that our ESG practices may not be applicable in all circumstances. They outline practices to successfully navigate this unique real estate asset class from an ESG perspective -- bringing enhanced value and reduced risks – and depend on strong collaboration and aligned objectives between facility owners and managers (landlords) and data center customers (tenants).

Actions for Implementation

Consistent with the evolution of ESG strategies and best practices, our fiduciary responsibilities, and our goal to enhance value for all stakeholders, when and where possible Principal Real Estate will engage with appropriate parties as part of our data center investments to collaborate as follows:

1. **Meter and share** energy consumption and environmental performance data as mutually agreed through the lease activities, enabling both parties to monitor consumption and costs, and disclose performance metrics as part of ESG reporting frameworks.

2. **Collaborate** with tenants and building occupants to identify opportunities to reduce energy consumption and costs while maintaining operational standards and building comfort.

3. **Participate** in industry working groups and organizations promoting high-performance and environmentally responsible data center operations, such as the Northern Virginia Technology Council (NVTC), the Data Center Coalition, or the European Data Center Association (EDCA), as appropriate.

4. **Assess** property exposure to physical climate risks and implement appropriate mitigation plans.

5. **Pursue** recognized sustainable building certifications such as LEED or BREEAM, among others, where consistent with the investment strategy.

6. **Support** tenant ESG initiatives and participation in voluntary frameworks, such as the Future of Internet Power Initiative, CDP, the Renewable Energy Buyers Alliance, the United Nations Sustainable Development Goals, or other programs.

7. **Negotiate** and secure clean and renewable energy contracts where available and when in alignment with tenant energy cost and procurement objectives.

8. **Provide** technical expertise and support for issues affecting building operations, maintenance, equipment, backup power, alternative power sources, on-site renewables, emerging technologies, or other areas as requested by tenants.

9. **Educate and inform** tenants, customers, and local community leaders of emerging ESG practices and standards that are material to the success of the property.

As partnership opportunities, new technologies, and industry practices emerge and evolve, Principal Real Estate will continue to collaborate with our data center stakeholders to promote and implement ESG initiatives, and revise and update these best practices accordingly.