



2021

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

“At The Swig Company, we strive to have a positive impact and provide maximum benefit to our tenants, communities, stakeholders and the environment, creating social and environmental value today and well into the future.”

—Jim Carbone, *The Swig Company Chief Executive Officer*

Table of Contents

01

INTRODUCTION

PAGE 3-8

About This Report	4
Message from the CEO	5
About The Swig Company	6
Company Overview	6
› PROGRESS ON GOALS	6
The Swig Portfolio	7
FEATURE: HIGHLIGHTS FROM PARTNER-MANAGED PROPERTIES	8

02

ESG

PAGE 9-14

Materiality	11
Swig Material Topics	
Aligned to the UN's Sustainable Development Goals	12
Stakeholder Engagement	13

03

SUSTAINABLE BUILDING OPERATIONS

PAGE 15-34

Integrated Environmental Management	17
› BENEFITS OF RENOVATION	18
Building Certifications	19
Energy & GHG Emissions	
<i>Our Commitment & Approach</i>	21
ENERGY STAR	22
COVID-19 and Performance Trends	23
Driving Improvements Through Audits	23
2021 Performance	24
Climate Change Risks	25
› GREEN TRANSPORTATION	26
Water	
<i>Our Commitment & Approach</i>	27
› RECAPTURING WATER FOR REUSE	28
2021 Performance	28
Materials & Waste	
<i>Our Commitment & Approach</i>	29
Sustainable Purchasing	30
Waste Management	30
› TENANT ENGAGEMENT	30

Occupant Health & Safety

<i>Our Commitment & Approach</i>	31
Indoor Environmental Quality	34
Safety and Emergency Preparedness	34

04

THRIVING COMMUNITIES

PAGE 35-58

Our People

<i>Our Commitment & Approach</i>	39
Benefits	40
Diversity and Equal Opportunity	41
Nondiscrimination	42
Training and Education	42
Occupational Health and Safety	43
FEATURE: SWIG DIG PROMOTES INCLUSION	44

Tenant Experience

<i>Our Commitment & Approach</i>	45
Building Upgrades	46
h ³ experiences App	47
FEATURE: THE MAKING OF A MODERN, SUSTAINABLE WORKPLACE	50

Community Impact

<i>Our Commitment & Approach</i>	51
Local Action	52
Collective Efforts	52
Company Initiatives	52
Connecting through h ³ experiences	53
FEATURE: COLLEGE TRACK PROGRAM SUPPORTS BRIGHT FUTURES	55
FEATURE: NEW YOUTH BEAT PARTNERSHIP ENHANCES EXISTING PROGRAM	56
Organizational Involvement	57

05

GRI CONTENT INDEX

PAGE 59-67



01

INTRODUCTION

This section outlines our reporting practice, includes a statement from our CEO and describes our company.

About This Report

We have been following numerous green building standards and striving for best practices in the industry for years. We continue to refine our commitments and management approach in support of sustainable development with the publication of our 2021 Environmental, Social and Governance Report, which is our fourth Sustainability report and our first formal ESG report. With this report, we are pledging to share more of what we are doing with our stakeholders and adding information about our people.

To guide the development of this 2021 calendar year report, we referenced the Global Reporting Initiative (GRI) Sustainability Reporting Standards and the 2020 GRESB Real Estate Assessment. Refer to the GRI Content Index at the end of this report for property details and additional information.

This report covers the 11 commercial properties that we manage, which total more than 2 million square feet and host approximately 435 client companies employing roughly 7,000 employees. Due to our ownership interest in several properties in markets such as New York and California, our overall portfolio size remains at 9 million square feet. External assurance was not leveraged for this report. However, data contained within underwent rigorous quality checks internally and through our third-party consultancy partners. We invite our stakeholders to connect with us to share feedback on this report at info@swigco.com.



Message from the CEO

At The Swig Company, we strive to create positive impact and provide maximum benefit to our tenants, communities, stakeholders and the environment, creating social and environmental value today and well into the future.

In 2021, we continued to deepen our commitment to environmental stewardship, positive social impact and responsible governance, and we are now proud to present this expanded version of our fourth annual Sustainability report as our first ESG report. In addition to sharing our efforts to manage our

buildings sustainably, create outstanding tenant experiences and engage with our communities, we are describing the ways we foster the well-being of our employees.

Underpinning the work we do is our h³experiences program, which brings together work, wellness and community by providing flexible workspaces and robust amenities and services—designed to inspire and connect, enhance wellness, promote sustainability and engage communities in and around our buildings.

The ongoing COVID-19 pandemic affected our operations again in 2021, as most of our employees and tenants continued to work remotely. We took advantage of lower occupancy levels to renovate spaces and upgrade amenities, elevating our workspaces. We also leveraged our h³experiences app to connect with our employees, tenants and community partners through meaningful virtual programs.

Coinciding with reduced building occupancy during the pandemic, we have recorded two years of decreased energy and water use. We recognize that resource use will increase when workers return to our buildings, but we remain confident we can continue to minimize impacts.

As we advance our environmental initiatives, we also continue to move in the direction of specific, measurable goal setting and accountability.

Some highlights of the last year include:

- Conducting a formal materiality assessment to inform our governance and reporting
- Expanding our portfolio of buildings with green certifications, including LEED, WELL Health-Safety Rating and WELL Building Standard programs
- Completing the renovation of 633 Folsom Street, starting work on an h³experiences wellness center for the Mills Complex and launching a renovation at 444 Castro Street
- Expanding our Engaging Tomorrow's Workforce initiative with the College Track mentorship program and a partnership with Youth Beat
- Promoting diversity, equity and inclusion (DEI) with initiatives such as adding binding DEI language to our vendor contracts

I am confident that the resilience of our company and team, combined with our spirit of innovation in the pursuit of sustainability and thriving communities, will allow us to emerge from this challenging time an even stronger company. I invite you to read about our journey in the following pages.


JIM CARBONE
Chief Executive Officer



About The Swig Company

Company Overview

The Swig Company, LLC is a privately owned real estate investor operator. For 85 years, the company has been investing in, developing and managing commercial properties in major U.S. markets. Founded by Benjamin Swig in 1936, the company is committed to sustainable long-term growth and value creation with a focus on innovation and people.

The Swig Company identifies and invests in value-added properties, maximizing their worth through active management, leasing, and the structuring and implementation of complex financial transactions. Over time, the company has built a major presence in the commercial real estate market.

We employ 48 team members, with about half working at our corporate headquarters in San Francisco and half at field offices in California. A board of directors composed of members of the Swig family and independent directors oversees the company.



› PROGRESS ON GOALS



25% reduction in like-for-like total energy consumption from 2018 to 2021



34% reduction in like-for-like GHG emissions intensity from 2018 to 2021



48% reduction in like-for-like water consumption from 2018 to 2021

San Francisco Bay Area
7 PROPERTIES

Southern California
4 PROPERTIES

The Swig Portfolio

We invest in existing, often historic, buildings in vibrant urban communities. Our portfolio includes approximately 9 million square feet of mid- and high rise commercial properties in Manhattan, the San Francisco Bay Area, Southern California and other markets.

THIS REPORT COVERS THE 11 COMMERCIAL PROPERTIES THAT WE MANAGE DIRECTLY, WHICH TOTAL MORE THAN 2 MILLION SQUARE FEET.

Managing

11

COMMERCIAL
PROPERTIES

Covering

2M+

SQUARE FEET

Hosting

435

CLIENT
COMPANIES

Holding

6

LEED
CERTIFICATIONS

San Francisco Bay Area

San Francisco

- 🏆 220 Montgomery St.
The Mills Building, Company HQ
- 🏆 501 2nd St.
- 🏆 369 Pine St.
- 633 Folsom St.
- 945 Bryant St.

Mountain View

- 🏆 444 Castro St.
- 🏆 399 W. El Camino Real

Southern California

Los Angeles

- 🏆 617 W. 7th St.
- 🏆 6300 Wilshire Blvd.
3415 Sepulveda Blvd.

Pasadena

- 595 E. Colorado Blvd.

🏆 LEED Platinum certification

🏆 LEED Gold certification



FEATURE: HIGHLIGHTS FROM PARTNER-MANAGED PROPERTIES

Our equity partners in New York are responsible for the day-to-day building management of our co-owned properties in the New York City area, and they share our commitment to sustainability and to environmental, social and governance (ESG) objectives. All three of the buildings featured on this page have achieved green certifications, and two have implemented community engagement programs to have a positive impact on their communities. In addition, our operating partners are adding tenant engagement applications—such as VTS Rise and LifeStart—at most of the properties in our non-managed New York portfolio in 2022 to enhance the experience of building occupants.



1411 BROADWAY

SUSTAINABILITY PROGRAMS:

New York City energy efficiency reporting

ENERGY STAR certified

LEED Gold

WELL Health Safety Rating

COMMUNITY IMPACT PROGRAMS:

Garment District Alliance member, with board membership

Outdoor plaza is a key feature of Broadway pedestrian zone



GRACE BUILDING

SUSTAINABILITY PROGRAMS:

New York City energy efficiency reporting

ENERGY STAR benchmarking

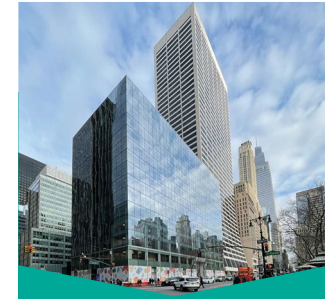
LEED Gold

WELL Health Safety Rating

COMMUNITY IMPACT PROGRAMS:

Bryant Park Business Improvement District member

Grace Plaza Public Space



1100 AVENUE OF THE AMERICAS

(Redevelopment completed 12/31/2021)

SUSTAINABILITY PROGRAMS:

ENERGY STAR benchmarking

LEED Gold

COMMUNITY IMPACT PROGRAMS:

Outdoor plaza public space scheduled to open in 2022

02

ESG

This section describes our reporting process.



Our Commitment:

At The Swig Company, sustainability means ensuring that the investments we make today deliver long-term value to our stakeholders. It means investing in our people, properties and communities in ways that benefit us all and the environment.

Our Approach:

Oversight of ESG matters is dispersed throughout The Swig Company. Strategic direction and communication on sustainability issues, climate risk and community impact are set by the executive team and endorsed by the board of directors.

The executive team—made up of senior leadership in asset management, investments, accounting and tax, HR, IT and innovation—works closely with the CEO and the president to determine management approach. The innovation team coordinates the overall ESG program and reporting efforts.

Community engagement initiatives originate with the innovation team and are implemented broadly by both corporate staff and asset management and property teams. Property and asset management teams also focus on the particulars of green building certifications, energy conservation and waste reduction at the site level. They then communicate back up to the executive team, which provides overall oversight.

Materiality

In moving toward a full GRI-based ESG report, The Swig Company opted to conduct a formal materiality assessment prior to this year's reporting cycle.



All assessments took stakeholder input into account by proxy.

Within this report, we have prioritized disclosure among the topics identified as being most material. All other topics are considered relevant, and we will continue to explore how to address them within our business context.

We anticipate revisiting this process in the future to proactively engage a larger group of stakeholders and keep a pulse on the ever-changing business landscape.

Swig Material Topics Aligned to the UN’s Sustainable Development Goals

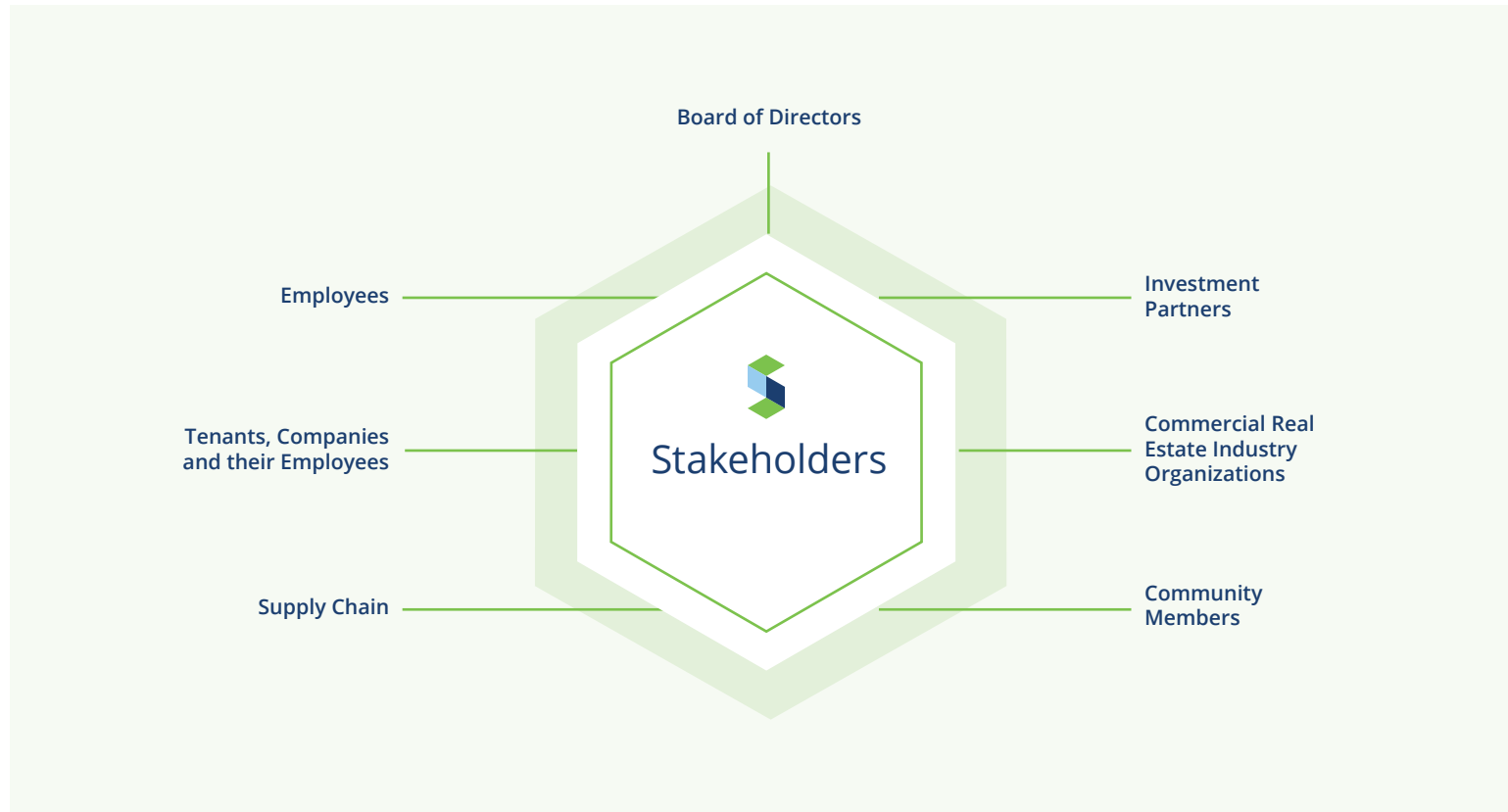
We are aligning the material topics and associated objectives with the United Nations' Sustainable Development Goals (SDGs) to elevate our role in tackling issues that are important to us and the communities we serve.

ESG PILLAR	THE ENVIRONMENT	OUR WORKFORCE	TENANTS/CLIENTS	COMMUNITIES
Material Topics	<ul style="list-style-type: none"> › Materials › Energy Consumption › Water and Effluents › Emissions › Waste 	<ul style="list-style-type: none"> › Employment › Occupational Health and Safety › Training and Education › Diversity and Equal Opportunity › Non-discrimination 	<ul style="list-style-type: none"> › Customer Health and Safety › Tenant Engagement, Satisfaction, Impacts 	<ul style="list-style-type: none"> › Local Community Engagement
SDG Alignment	    	   		 

Stakeholder Engagement

Building strong and enduring relationships with a range of stakeholders has been a priority for us since The Swig Company was founded more than eight decades ago. We define stakeholders as those who can either impact or be impacted by our business activities. Through ongoing engagement, we can understand and address their needs and generate greater value for all.

We interact regularly with internal and external stakeholders and take their diverse perspectives into account—from the initial property investment to on-site management and ongoing efforts to create lasting positive impact. We engage through formal and informal communications, direct interactions and outreach efforts.



STAKEHOLDER GROUP	ONGOING METHODS OF ENGAGEMENT	INPUT INTO 2021 MATERIALITY ASSESSMENT
Board of Directors	Regular board and committee meetings	The core executive team charged with sustainability efforts provided input into the materiality assessment based on their understanding of the interests of the board of directors.
Employees	Engagement on strategy and projects; open forums and discussions; community engagement	The Swig Company's reputation for exceptional service stems from the passion, dedication and diligence of our employees. Because we are a small company, we can more easily identify employee concerns and interests to help shape our programs and strategy.
Investment Partners	Various reporting mechanisms; capital improvement projects and shared goals; climate-related risk management	Frameworks and standards such as SASB and GRESB reflect the concerns and interests of investors. We considered the SASB financial sector standards and identified four ESG topics covered by SASB as part of our materiality assessment. In addition, some of our environmental disclosures were inspired by questions in the GRESB survey.
Tenants (Companies and Their Employees)	Dialogue through one-on-one meetings, surveys and the h ³ experiences app; outreach and education	We believe tenant satisfaction is key. Our ability to address and manage tenant needs is informed by green building initiatives such as Arc, LEED and WELL. We communicate regularly with office managers and third-party firms to understand and address issues that might arise and determine how best to design environmental sustainability efforts.
Commercial Real Estate Industry Organizations	Peer interaction; shared lessons learned; best practices via membership and various committee positions	The materiality assessment was informed by initial peer benchmarking and by referring to Nareit's list of material topics.
Community Members	Volunteerism and giving	We regularly collaborate with organizations to meet community needs and to better understand community members' challenges and the issues that are important to them.
Supply Chain	Green building and environmental considerations; procurement of services	The materiality assessment was informed by supply chain disclosure requirements under different frameworks and standards, as well as disclosures by supply chain partners.

03

SUSTAINABLE BUILDING OPERATIONS

This section describes the principles applied to our work and the property features that demonstrate our sustainability commitment.

Our Commitment:

The Swig Company is committed to reducing the environmental footprint of our portfolio.

Our Approach:

Environmental stewardship informs our long-term investment decisions and guides the ongoing operations of our buildings. Our ENERGY STAR, LEED and soon-to-be WELL-certified buildings provide exceptional occupant comfort through inspired, environmentally responsible workspaces.

We maintain a steady focus on conservation, efficiency and responsible practices to ensure sustainable building operations and healthy indoor and outdoor environments. We pursue a range of actions both large and small to reduce the environmental footprint of our buildings across multiple areas of sustainability.

Key Impact Areas: The environmental impact of real estate results from the energy and water consumed, the greenhouse gas (GHG) emissions generated, and the waste streams produced from the inflow of materials and products. Building operations also can affect occupant health and safety. Our sustainability strategies are aimed at improving the environmental performance of our managed portfolio by reducing adverse impacts in these areas.

Integrated Environmental Management

We utilize industry-leading standards and certifications, performance management platforms, and tenant engagement to manage the environmental impacts of our buildings. This integrated approach to sustainable, high-performance building operations drives ongoing improvements and innovation.

Dedicated property management teams oversee the maintenance and operations at each property. Comfort surveys allow our building engineers to identify and address areas for improvement. While we deferred the 2021 surveys at many of our properties due to low occupancy during the pandemic, we plan to resume them once tenants return. We also partner with consulting firms and specialists to help us optimize the environmental performance of our managed California portfolio.





› BENEFITS OF RENOVATION

The Swig Company invests in existing, often historic, buildings. Our renovation projects extend each building's life and add value by improving efficiency and performance, enhancing amenities, and maintaining desired classic characteristics.



Building Certifications

Green building certifications demonstrate our commitment to sustainability and ensure that our buildings meet energy, water use and health standards. Our portfolio includes ENERGY STAR and LEED-certified buildings that conserve resources while providing exceptional occupant comfort. We also continue to grow our certification program by aligning with other green building standards such as the WELL Building Standard and WELL Health-Safety Rating. Performance is tracked in the Measurabl platform, where we also calculate our GHG emissions footprint.

› LEED

We expanded our suite of LEED-certified buildings in 2021 when 6300 Wilshire building in Los Angeles achieved LEED Gold. We expect 633 Folsom Street to be certified in early 2022 and are working toward LEED certification for 945 Bryant Street. We also have achieved LEED certification for properties under the Existing Building Operations and Maintenance (EBOM) system. LEED (Leadership in Energy and Environmental Design) is a voluntary program of the U.S. Green Building Council (USGBC) that benchmarks performance across multiple sustainability areas.

During LEED certification and re-certification, we work with consulting partners to enhance the property's existing sustainability features and identify new opportunities for advancement. The LEED standards also inform our ongoing sustainability-related policies and practices. We will consider certification at other properties on a case-by-case basis.

› ARC

We use USGBC's performance-based platform Arc to track and benchmark energy and water consumption, as well as each building's total carbon footprint, as part of maintaining our LEED certifications. We plan to bring other properties into this system in the coming years.

› ENERGY STAR

We participate in the U.S. Environmental Protection Agency's ENERGY STAR program to manage and benchmark our performance, as highlighted on [page 22](#).

› WELL HEALTH-SAFETY RATING

The WELL Health-Safety Rating is an evidence-based, third-party-verified rating designed specifically to address a post-COVID-19 environment now and into the future by focusing on operational policies, maintenance protocols, stakeholder engagement and emergency plans. We have implemented features such as new sanitation procedures, health service resources and expanded emergency preparedness programs. We received certifications in 2021 and are working with Leading Edge to recertify our buildings in 2022.

› WELL BUILDING STANDARD

The WELL Building Standard is a leading standard for buildings seeking to implement, validate and measure features that support and advance human health and wellness. We expect 633 Folsom Street to receive WELL Building certification in 2022.



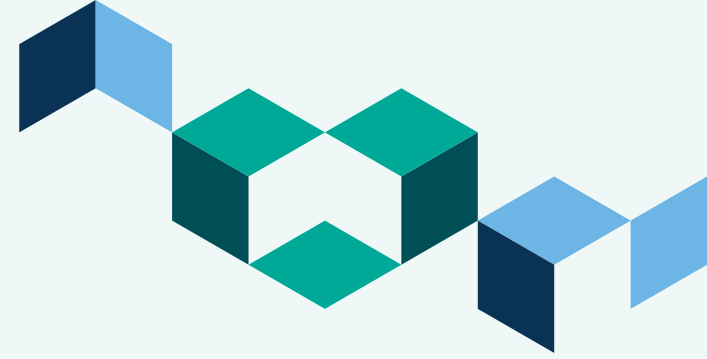
Energy & GHG Emissions

Our Commitment & Approach

Our Commitment: The Swig Company is dedicated to reducing our energy footprint to mitigate climate change.

Our Strategy: We aim to reduce our overall environmental impact by optimizing performance through day-to-day building management, investing in high-efficiency equipment and other innovative solutions, and engaging with our tenants to encourage practices that lower their energy use.

Reducing the carbon footprint of our properties requires a vigilant focus on energy efficiency and a robust database. We partner with companies such as Carbon Lighthouse and Gridium to strategically analyze operations across our portfolio. Carbon Lighthouse's proprietary energy optimization technology deploys dozens of sensors throughout our buildings to collect data on airflow, water, lighting and cooling use. This detail is used to model energy scenarios and also helps us calculate Scopes 1 and 2 emissions derived from natural gas and electricity use associated with operating our buildings, tenant consumption and transportation to and from the properties.





ENERGY STAR

We utilize ENERGY STAR Portfolio Manager at all of our managed properties to gather energy and water data and to manage and benchmark progress. The ENERGY STAR platform scores energy performance based on a nationally representative sample.



› ENERGY PERFORMANCE

In 2021, we continued working to maintain certifications under the more rigorous scoring system that was implemented in 2019. Our LEED-certified properties consistently achieve high scores due to their low energy use intensity (EUI) and decrease in energy consumption over time. The ENERGY STAR average for the California Managed Portfolio increased in 2021, with a strong improvement in Northern California and stable performance in Southern California.

COVID-19 and Performance Trends

We have experienced two consecutive years of energy use reductions and an associated improvement in our carbon footprint in 2020 and 2021. Because this coincides with the remote working environment of the COVID-19 pandemic, we understand that much of the reduction was driven by lower occupancy in our buildings. Even though we ran our mechanical HVAC equipment more than usual to maximize ventilation, for example, our net energy use declined due to a reduced population in our buildings.

We hope that more companies will be able to return to working in person in 2022, and we therefore anticipate our energy consumption will increase as we welcome tenants back to our buildings. However, we are pursuing improvements to our buildings during this time of lower traffic and are confident we can continue minimizing impacts.

We also have begun to consider the Scope 3 emissions associated with occupant transportation by surveying occupants in select buildings. While transportation impacts have been greatly reduced due to the restrictions associated with COVID-19, we continue to work to identify ways we can support transportation options that are healthy for people and the planet.

Driving Improvements Through Audits

We assess our performance and identify opportunities for improvement through energy audits. All our LEED-certified properties undergo energy audits, as required under LEED v2009 (ASHRAE Level I). A professional engineer analyzes the building's energy use patterns to identify any issues in building operations or equipment. These assessments also identify ways we can increase energy efficiency through no- and low-cost improvements.

Two managed properties (The Mills Building and 501 Second Street) and one property in which we have an ownership interest, have also undergone ASHRAE Level II audits. These more in-depth audits involve greater detail regarding the financial analysis of potential improvements, such as capital investment projects, to deliver long-term cost savings and reduced energy use and emissions.

Since 2020, we have been using an enhanced capital planning strategy that allows us to maximize our long-term investments in capital projects by choosing equipment that features the latest and most efficient technology and is sized to meet future growth. This strategy also ensures that we are sharing learnings and best practices between our building teams.

2021 Performance

COVID-19 had a significant impact on our properties' energy consumption; it was the primary cause of the 25% reduction in like-for-like total energy consumption from 2018 to 2021. From 2020 to 2021, we experienced an absolute decrease of 40% in total energy consumption and a 40% decrease in greenhouse gas emissions. The declines were driven in large part by the sale of 300 Lakeside Drive; the property had been responsible for a large share of the portfolio's overall natural gas use, which generates more emissions than electricity.

ENERGY

Energy Consumption	Absolute Consumption				Like-for-Like Consumption		
	2021	2020	2019	2018	2021	2018	% Change
Total energy consumption (MWh)	26,549	44,735	57,494	58,877	22,783	30,261	-25%
Natural gas consumption (MWh)	9,895	17,272	22,533	21,006	8,700	8,583	1%
Electricity consumption (MWh)	16,654	27,462	34,961	37,871	14,083	21,678	-35%
Energy intensity (kWh/sf)	11.09	14.30	17.30	17.42	10.95	14.55	-25%
Gross floor area (sf)	2,394,663	3,127,651	3,324,217	3,380,665	2,080,032	2,080,032	—

Note: The 2018 like-for-like baseline has been adjusted to reflect properties sold within the 2021 reporting year.

GHG EMISSIONS

GHG Emissions	Absolute Emissions				Like-for-Like Emissions		
	2021	2020	2019	2018	2021	2018	% Change
Total Scope 1 and 2 emissions (Mt CO ₂ e)	5,231	8,801	12,000	12,858	4,483	6,766	-34%
Gross Scope 1 emissions (Mt CO ₂ e)	1,792	3,130	4,091	3,808	1,575	1,556	1%
Gross Scope 2 emissions (Mt CO ₂ e)	3,439	5,671	7,908	9,050	2,908	5,210	-44%
GHG emissions intensity (kg CO ₂ e/sf)	2.18	2.81	3.61	3.80	2.16	3.25	-34%
Gross floor area (sf)	2,394,663	3,127,651	3,324,217	3,380,665	2,080,032	2,080,032	—

Measured in metric tons of carbon dioxide equivalent (Mt CO₂e), Scope 1 (direct) emissions are from the consumption of natural gas, and Scope 2 are indirect emissions associated with purchased electricity.

Note: The 2018 like-for-like baseline has been adjusted to reflect properties sold within the 2021 reporting year.

Climate Change Risks

Climate change presents significant risks to our portfolio through impacts that can affect structural components of a building as well as its systems and operations. Long-term shifts in weather patterns and the increasing frequency and severity of floods and other extreme weather events can damage structures and disrupt power and building operations. Slow-moving changes such as higher temperatures have the potential to cause building materials to degrade more quickly. Heat waves also can stress cooling equipment, causing it to operate less effectively or shortening its useful life.

We consider location and associated climate-related risks, such as sea-level rise, when evaluating new investments. However, our long-term hold strategy allows us to focus primarily on how best to position our properties to successfully withstand climate events and how to increase their resiliency in the face of a changing climate.

As part of our efforts to incorporate climate-related considerations into our budgeting and strategic planning processes, we piloted a risk-assessment tool related to climate impacts through our Measurabl data management platform at The Mills Building in 2020. We expanded the use of that tool to our entire California portfolio in 2021. While tools like these are still in early stages of development, we can use these insights on our climate risks in our management approach.

FOR EXAMPLE:

- › Strategic asset management plans for buildings include climate risk categories in the strengths, weaknesses, opportunities and threats (SWOT) analysis section.
- › Critical building component checklists indicate equipment that may be impacted by climate change.



We have been evaluating the risks or vulnerabilities identified at the portfolio and building levels, along with the mitigation and adaptation measures already in place or available to implement. As we evaluate potential upgrades to our buildings to address climate risk, we consider the regulatory environment as well as opportunities for incentive programs to help us make the best strategic decisions.

These efforts help ensure that capital projects are focused on strengthening our properties' resiliency amid climate change and protecting the overall value of our portfolio.

There is a continuing focus across our industry on risks arising from the physical effects of climate change, which can directly affect the value of assets. We will continue to evaluate tools and strategies for managing these risks, while also seeking to reduce our carbon footprint and improve operational efficiencies.



› GREEN TRANSPORTATION

The urban location of many of our properties makes public transportation and biking good options for our tenants. Both modes of transportation lower the carbon footprint associated with travel to and from the building. We encourage the use of alternatives to single-occupancy vehicles in a variety of ways, including the provision of free shuttle bus service to nearby train and subway stations and amenities such as secure shower rooms, bike parking and bike repair stations. In 2021, we completed the installation of a bicycle storage area and a fitness center, both with showers, at 633 Folsom Street. We also began work on an h³experiences wellness center for the Mills Complex, including showers, lockers and expanded bicycle parking. This amenity space will open in 2022.



Water

Our Commitment & Approach

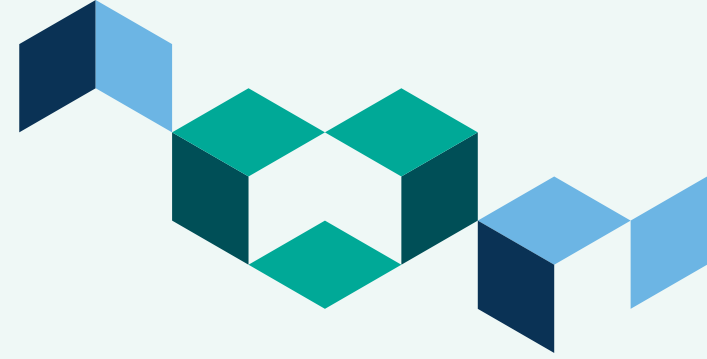
Our Commitment: As a company with deep roots in California, The Swig Company is dedicated to the responsible stewardship of water as a vital, shared resource.

Our Approach: Office buildings consume approximately 9% of the total water used in commercial and institutional facilities in the U.S., with most of the use occurring in restrooms, heating and cooling, and landscaping (U.S. EPA). Like efficient energy use, water conservation is a responsibility shared with our tenants. We have responsible water management policies and practices in place to promote efficiency across our portfolio. Our strategies include proactive maintenance, use of water-efficient fixtures and controls, and tenant engagement to encourage water-wise behaviors.

ADDITIONAL APPROACHES INCLUDE:

- › Minimizing water use in the cleaning of hardscape and building exteriors
- › Choosing water-free cleaning methods where applicable
- › Avoiding harsh chemicals indoors and outdoors
- › Utilizing reclaimed water systems for landscaping

We also track, monitor and benchmark water use to assess performance over time. All of the properties we manage are registered through the ENERGY STAR Portfolio Manager, with most achieving indoor water use levels that are on average 30% lower than the baseline calculated by LEED. We will continue to evaluate opportunities to further reduce use.



› RECAPTURING WATER FOR REUSE

While our properties have minimal landscape irrigation needs due to their urban locations, we pursue opportunities for water reclamation to meet those needs. Renovations to our 633 Folsom Street property, for example, included plumbing the building for reclaimed water use to preserve this valuable resource.



2021 Performance

Reduced traffic in our buildings due to COVID-19 had a substantial impact on water consumption. Absolute water consumption decreased by 30% from 2020 to 2021, due to the sale of 300 Lakeside Drive. Like-for-like consumption decreased 13% during the same period, driven by a 30% reduction at 3415 Sepulveda Boulevard.

Water Consumption	Absolute Consumption				Like-for-Like Consumption		
	2021	2020	2019	2018	2021	2018	% Change
Total water consumption (kgal)	12,315	17,539	28,810	26,827	9,265	17,807	-48%
Water intensity (gal/sf)	5.14	6.23	9.47	9.87	5.54	10.65	-48%
Gross floor area (sf)	2,394,663	2,816,944	3,042,247	2,717,262	1,672,178	1,672,178	—

Note: The 2018 like-for-like baseline has been adjusted to reflect properties sold within the 2021 reporting year.

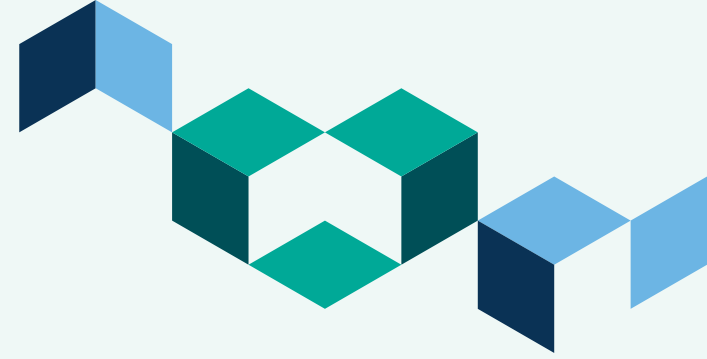


Materials & Waste

Our Commitment & Approach

Our Commitment: The Swig Company seeks to minimize the environmental impact of the materials and supplies that flow into and out of our buildings.

Our Approach: We aim to minimize the overall waste generated at our buildings and to maximize the amount of waste we can divert from landfills. Property management teams pursue strategies to reduce, reuse, repair and recycle, utilizing building-level approaches and tenant engagement to drive improvements. We have conducted waste audits at many of our buildings, although we deferred most annual audits in 2021 due to low occupancy. We plan to increase our tracking of waste generation, disposal and recycling in 2022 so that we can report on our performance.



Sustainable Purchasing

We leverage our purchasing and contracting dollars in support of our sustainability goals. We strive to procure products that meet environmental criteria when available and to work with maintenance and janitorial service providers that use sustainable materials and products. Our corporate office buys office supplies from a local business that not only carries a wide range of eco-friendly products but also has a company donation program to support local nonprofits.

Waste Management

We follow responsible practices and partner with third-party waste management firms to maximize resource recovery and ensure safe disposal of potentially hazardous materials.

WE AIM TO MAKE IT EASY FOR TENANTS TO PRACTICE SUSTAINABLE BEHAVIORS BY OFFERING:

- › Building-level and in-suite recycling for aluminum, glass, paper, cardboard and plastic
- › On-site composting
- › Collection programs for nonconventional items such as e-waste
- › Waste audits

In addition, we follow safe disposal procedures for used masks and gloves.

The amount of waste generated in our buildings has remained much lower than normal as tenants continued working remotely in 2021. As we return to a more regular work pattern, we will continue our efforts to minimize waste streams.

› TENANT ENGAGEMENT

Because most of the waste generated at our buildings is associated with occupant use, we promote responsible purchasing and disposal practices with our tenants through ongoing conversations and awareness-building communications such as e-newsletters. We educate them on available recycling and composting programs, share waste audit results and ways we can improve, and offer tips and facts about the benefits of recycling.



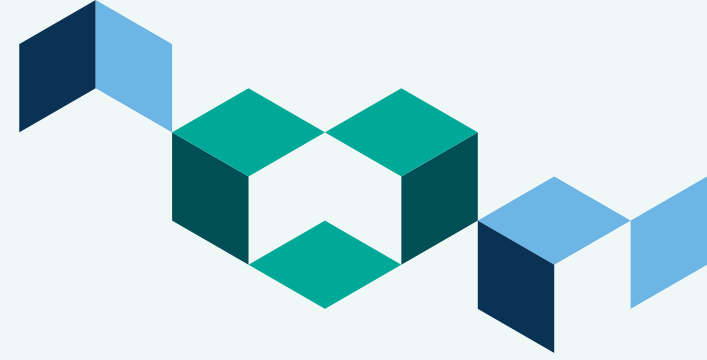


Occupant Health & Safety

Our Commitment & Approach

Our Commitment: The Swig Company upholds an unwavering commitment to ensure the health and safety of all who work in and visit our properties.

Our Approach: Sustainable buildings provide healthy and safe spaces. Protecting the health of those who use our buildings has taken on added urgency during the COVID-19 pandemic. We have always considered potential impacts on human health and safety when making building design and management decisions. Our approach integrates robust environmental, safety and security management practices. Formal aspects include policies, procedures and training with staff and tenants to ensure safe spaces, along with ongoing monitoring and dialogue to help foster a strong safety-first culture.





In 2021, much of our attention focused on keeping those who were working in person safe, and we were able to rely on our strong foundation of health and safety practices.

The h³experiences app allowed us to communicate directly with tenants and tenant employees and to pivot to virtual offerings.

WE USED THE APP TO COMMUNICATE MESSAGES SUCH AS:

- › Reoccupancy plans, based on guidance from government authorities to help keep people safe and comfortable
- › Information about masking, social distancing, building entrance and exit practices, navigating common areas, self-monitoring, approaches to cleaning, hygiene and parking
- › When services would be resuming
- › Where to save 25% off masks and PPE

We believe in supporting our tenants through difficult times. Our asset management team developed a “We Are Here for You” memo and packet for tenants that included updated building policies, health and well-being guidelines, resource links, and information about cleaning and hygiene steps we were taking as well as a one-page reference guide and FAQs. We also formed a committee to focus on COVID-19-related safety measures that follow Centers for Disease Control and Prevention (CDC) and Occupational Safety and Health Administration (OSHA) protocols. As more people return to working in person, we will continue to be vigilant about providing safe environments.

› “WE ARE HERE FOR YOU” PACKET

WE ARE HERE FOR YOU

PROCEDURES TO GUIDE YOU THROUGH YOUR DAY

Arriving	In Your Office	Our Changes	What You Can Do
<ul style="list-style-type: none"> • Sanitize your hands before entering the building • Face coverings are recommended, especially for those who are unvaccinated when entering the building • Maintain social distancing in elevator lobbies and elevators 	<ul style="list-style-type: none"> • Wearing a face covering is recommended when moving through common spaces • Respect social distancing guidelines with coworkers • Utilize video conferencing and refrain from using conference rooms when possible • Limit visitors and guests if possible • Wash your hands frequently • Stay home if you aren't feeling well, and seek medical advice 	<ul style="list-style-type: none"> • The Building has earned the WELL Health-Safety Rating • Hand sanitizer stations have been installed at frequent touch points • Enhanced cleaning and disinfecting of all high touch surfaces will be conducted • Utilization of fresh outside air and increased air filtration • All SCs staff and on-site vendor staff are vaccinated • Building staff will wear masks when entering tenant spaces • Visitors will be asked for proof of vaccination when visiting Property for extended visits to Management offices. 	<ul style="list-style-type: none"> • Stay home if you aren't feeling well • We encourage vaccinations and boosters • Wash your hands frequently, especially after using high touch surfaces • Avoid touching your face • Don't congregate in groups in the lobby or common areas • Be patient as it may take you longer to get to your office when social distancing

OUR EFFORTS INCLUDE:

- › WELL Health-Safety Ratings to help people entering our buildings feel confident that we put their safety first
- › Building policies, procedures and protocols in line with the latest public health recommendations and requirements
- › Building ventilation and filtration systems set to maximize fresh air circulation
- › Strong safety protocols with vendors
- › Signage about safe practices
- › Communicating with our tenants through emails and the h³experiences app, which allows us to quickly share building-specific information directly with tenant employees
- › Rigorous cleaning practices that are in line with CDC guidance and include frequent enhanced sanitation of high-traffic locations and common areas
- › A notification system to quickly make our tenants aware of COVID-19 cases or direct exposures



Indoor Environmental Quality

Our property management teams work to ensure that the indoor environment of our buildings is compatible with good health through proper ventilation, natural light and use of nontoxic products.

In 2021, we continued to operate our mechanical systems in accordance with ASHRAE recommendations to optimize air filtration and minimize COVID-19 risks.

PRACTICES INCLUDE:

- › Using MERV 13 filters
- › Maximizing outside air
- › Disabling demand-side ventilation
- › Utilizing operable windows (if available)

Through our Arc testing program, we perform ongoing monitoring of air quality for carbon dioxide and volatile organic compounds (VOCs), allowing building engineering teams to make informed adjustments to outside air and maintenance procedures as needed. In addition, we employ integrated pest management programs that emphasize prevention above treatment and contract with janitorial service providers that use nontoxic, environmentally responsible cleaning products.

Safety and Emergency Preparedness

We maintain standard policies relating to general safety precautions and conduct training geared toward specific types of incidents, such as power outages.



04

Thriving Communities

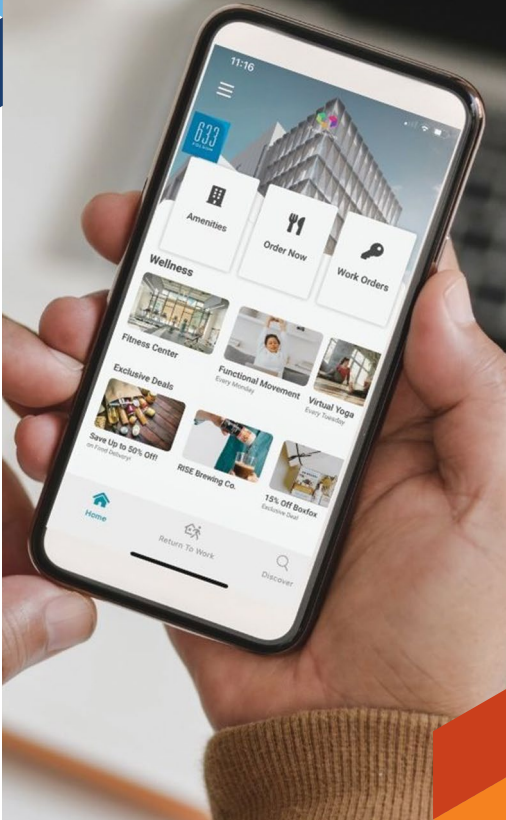
This section describes ways in which we interact and build community with those who work within our buildings, live in the surrounding community or are part of our company at large.

Our Commitment:

The Swig Company is committed to promoting positive social impacts for people and communities.

Our Approach:

We recognize that thriving communities among our employees, within our buildings and in the neighborhoods where we invest are vital to our long-term success. We pride ourselves on being a company where employees feel good about building careers. We also strive to be a supportive neighbor and to make our buildings hubs for meaningful social opportunities, providing places where people within and around our buildings can connect—in person or through our virtual platforms—to collaborate, socialize, celebrate and give back.



h³experiences

Through our h³experiences program, we are creating sustainable and environmentally sound workspaces of the future with personalized experiences and elevated amenities. The h³experiences program also enables us to encourage shared action and positively impact our communities.

Building occupants access the benefits of h³experiences through an app that brings together our elevated tenant experiences and our community impact programs to build a sense of belonging, well-being and value around our buildings.

We initially launched the h³experiences app in Northern California and expanded to our Southern California properties in 2021. It is now available across most of our California portfolio.

Our strategies for promoting social impacts are focused on three main areas: Our People, Tenant Experience and Community Impact.

h³experiences Core Values

CARING



EVOLVING



PARTNERING



CORE VALUES	TENANT PROGRAM	COMMUNITY PROGRAM
<p>Caring</p> <p>Inspired by the origin of the word “hospitality” that encompasses host, guest, and stranger, The Swig Company believes in going the extra mile for the people we know and for those we have yet to get to know well.</p>	<p>Our tenants are fundamentally the clients we serve, and we can play a key role in facilitating the success of their people. h³experiences is about making their days as productive as possible with forward-looking building design, rich with amenities and services focused on the health and wellbeing of our building clients and guests.</p>	<p>Our community engagement program is our commitment to actively forming deeper bonds in the cities where The Swig Company and our building clients live and work.</p>
<p>Evolving</p> <p>We think real hospitality happens face-to-face and moment-by-moment. Planning matters, but trying things out and asking our clients to help us shape what we do makes them part of creating the best solutions.</p>	<p>Business is always evolving—and we need our building clients’ perspective on what makes a difference. h³experiences continually evolves the products, services, and technologies we offer based on our dynamic client relationships, allowing us to better anticipate and fulfill their changing needs.</p>	<p>Through active engagement, we seek to understand the world as others live it, building empathy and a path for real change. h³experiences speaks to the way we identify opportunities, take action, and adapt our approaches to grow our impact.</p>
<p>Partnering</p> <p>We make the greatest impact when we join together with our building clients, our project partners, and the communities where we operate.</p>	<p>h³experiences makes The Swig Company buildings the highest value choice in the market by creating workspace design, services, and amenities around what matters most to our workplace clients, like flexible meeting and workspace options.</p>	<p>h³experiences amplifies positive effects by partnering with community organizations and creating connected caring communities within our buildings—joining individuals together for social good.</p>



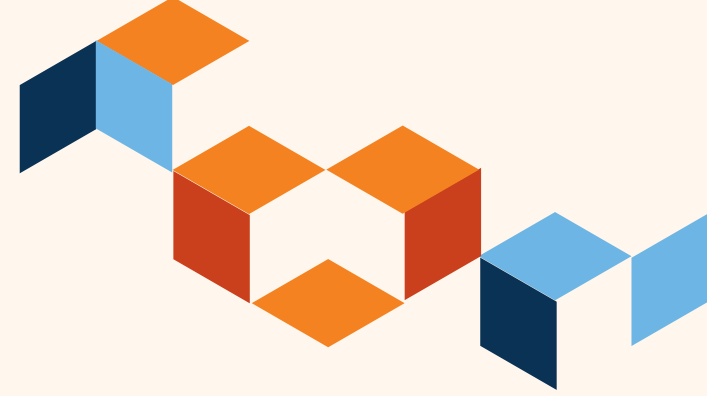
Our People

Our Commitment & Approach

Our Commitment: We are committed to making The Swig Company a place where our employees can grow their careers and have an impact on the company and the world around them.

Our Approach: The Swig Company has been focused on people for 85 years, and it all starts with our employees. On their first day with the company, employees receive a full-day orientation that provides them with a strong foundation for success. We continue to invest in our people throughout their employment by providing competitive benefits, training and development, and engagement opportunities. We also promote diversity among our workforce.

We are meticulous about everything we do, and that includes checking in regularly with employees and managers to be sure they are comfortable in their position and have all the tools they need to get the job done. If problems arise, we create a performance improvement plan. When employees leave the company, our HR director and company president participate in the exit process.





At The Swig Company, we believe it is important to help our employees grow and develop professionally, influence what they work on, and cultivate a sense of purpose. All employees draft their own goals as part of their annual review with their manager. The goals describe projects or initiatives that they want to tackle but that might fall outside their normal duties. A midyear review provides an opportunity to evaluate progress toward those goals and adjust as needed. The review process was created with oversight from our CEO, president and controller.

Benefits

As a small company, we partner with a third-party administrator to offer our employees the best possible benefits.

OUR BENEFITS PACKAGE INCLUDES:

- › Health insurance for regular employees working 20 or more hours a week, with additional options for those working 30 or more hours per week
- › Dental, vision and life insurance fully sponsored by the company
- › Voluntary long-term disability insurance paid for by the employee
- › A confidential employee assistance program
- › Flexible spending accounts for health care or day care expenses
- › Pretax payroll deductions for commuter expenses
- › 401(k) profit sharing and retirement savings plan open to all employees age 21 and older

In addition to vacation time, we also provide paid sick leave and floating holidays, encouraging our employees to use their time off to promote work-life balance and support mental well-being.

Although our full-day orientation is far beyond what most companies offer, we also provide additional consultation as needed to employees who are unfamiliar with certain benefit options.

Diversity and Equal Opportunity

The Swig Company strives to build a diverse workforce, and we are proud that we have a broad employee base.

Our HR director works with managers to ensure that job descriptions are up to date and in compliance with applicable laws, and we have asked our recruiters to seek out diverse candidates from all walks of life who stand out even if they don't meet all our job qualifications.

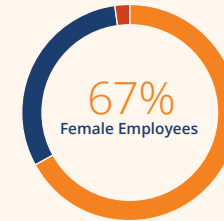
In addition, we work with our network of community partners to cast a wide net for job applicants. For example, College Track helps identify alumni who might be interested in entry-level positions. Read about College Track on [page 55](#).

We have woven diversity, equity and inclusion (DEI) into the fabric of our operations and core values. Our voluntary DEI group, called the Swig DIG, offers a forum for regular discussion, education and training around diversity issues. The group also works to update company policies and practices. Read about the Swig DIG on [page 44](#).

In line with the Swig DIG areas of focus in 2021, we completed an internal assessment of our hiring process by conducting review sessions with managers, HR staff and recruiting companies. These sessions allowed us to quantify and document the best practices we are following internally at the property and regional levels, as well as what other organizations are doing with respect to hiring practices that promote diversity and inclusion. The effort yielded recommendations for recruiting, interviewing and hiring.

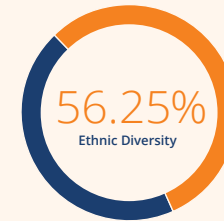
In addition, we added language to our vendor contracts in 2021 to ensure that the companies we work with share our commitment to diversity and maintaining an equitable and inclusive environment. Vendors are required to follow all applicable laws and policies related to promoting DEI within their organization.

DEMOGRAPHICS



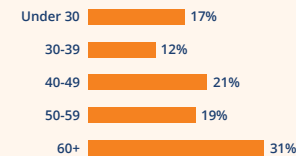
Workforce Overview: Gender

Female 67% Gender Neutral 2% Male 31%



Workforce Overview: Ethnicity

White or Caucasian 43.75%
 Asian or Asian American 29.17%
 Black or African American 2.08%
 Hispanic or Latino 10.42%
 Pacific Islander 2.08%
 Two or More Races 10.42%
 Other 2.08%



Workforce Overview: Age

Nondiscrimination

As an Equal Employment Opportunity and Affirmative Action employer, we prohibit discrimination based on sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation. Our nondiscrimination policy is embedded in our employee handbook and is also provided to all employees as a separate document that is reviewed and signed at onboarding.

Training and Education

The Swig Company is committed to providing our employees with the tools and knowledge they need to succeed within our company.

State-mandated anti-harassment training is completed every two years. To keep the content engaging, we have varied the format from computer-based learning to interactive training led by actors. Managers and supervisors are required to take a two-hour course, while all other employees take a one-hour course. In addition, annual training on our 401(k) plan and on enrollment in company-offered benefits is provided to employees through our third-party plan administrators in conjunction with our HR director.

The Swig Company believes in supporting our team members as they develop the skills they need to do their jobs and to advance in their careers. We assess their proficiency in required skills at onboarding and provide access as needed to the Pryor Learning platform, which offers a wide range of online professional courses. We also offer companywide workshops and seminars on a variety of topics, and employees who wish to pursue advanced education or professional certifications are eligible for reimbursement for taking required classes.



› ONLINE PROFESSIONAL COURSES OFFERED BY:



Occupational Health and Safety

Because most of our employees work in an office environment and are not exposed to high-risk situations, our rate of serious injuries and illness is low. We maintain an injury and illness prevention program, conduct required workers' compensation audits and work to catch potential problems before injuries occur.

We have taken extra precautions to maintain health and safety during the COVID-19 pandemic. Our headquarters staff continued to work remotely in 2021, while employees at our properties worked either on-site or from home in a rotation system to minimize the number of people in the office each day. As we plan for the time when we all can return to working in person, we formed a return-to-office team, which has developed a hybrid work plan and monitors current conditions.

To stay abreast of COVID-19 requirements, labor laws and other issues, we engage expert consultants, and our HR director is a member of the San Francisco Chamber of Commerce and HR-related professional groups.

Ensuring that employees have the correct equipment they need to do their job safely is part of our onboarding process, and we partner with an outside company to do ergonomic evaluations of employees' workspaces in the office or in their homes when they are working remotely.

When we moved to remote work at the beginning of the COVID-19 pandemic, our HR and IT teams worked together to ensure that employees had the necessary equipment. We continue to offer our employees information about ergonomics and reminders to take breaks, and we provide desks and other equipment for home workspaces as needed.

We are aware that the isolation of working remotely has been a strain, and we value the wellness of our employees. In 2021, we contracted with a second employee assistance program provider to expand access to mental health and wellness services and give employees more choices.






FEATURE: SWIG DIG PROMOTES INCLUSION



DIVERSITY | EQUITY | INCLUSION

Our employee-driven DEI group—the Swig DIG—met every two weeks throughout the year, providing a safe space for open conversation, as well as education and training from outside speakers.

The Swig DIG, which has been meeting virtually during the pandemic, brings together employees from across our various locations for peer support and sharing of personal experiences, discussions of local and national events, and evaluation of company policies and practices.

WE HELD A NUMBER OF TRAINING SESSIONS AND WORKSHOPS IN 2021, INCLUDING:

- › The last of a four-part training series on implicit bias, presented by The Mosaic Project
- › Gender & Pronoun 101 for the Workplace, presented by Kelsey Pacha Consulting
- › Understanding Mental Illness, presented by Dr. Tim Kocker
- › A two-part training in understanding trauma, stress management and self-care strategies, presented by Cypress Resilience Project

The Swig DIG also proposed specific changes to management to promote greater inclusivity and equity at The Swig Company.

CHANGES IMPLEMENTED IN 2021 INCLUDE:

- › Binding DEI language was added to vendor contracts.
- › The governance committee of the board crafted a policy statement regarding diversity in the qualifications of independent directors.
- › Corporate restrooms were converted to all gender.
- › Juneteenth was made a company holiday.
- › Employees were given permission to include their pronoun preferences in their signature block.
- › A bullet point was added to the company's list of core values to highlight our commitment to equity and inclusion: "We are committed to building an inclusive, varied workplace welcoming to people of all backgrounds and supporting such inclusion in the real estate industry at large."



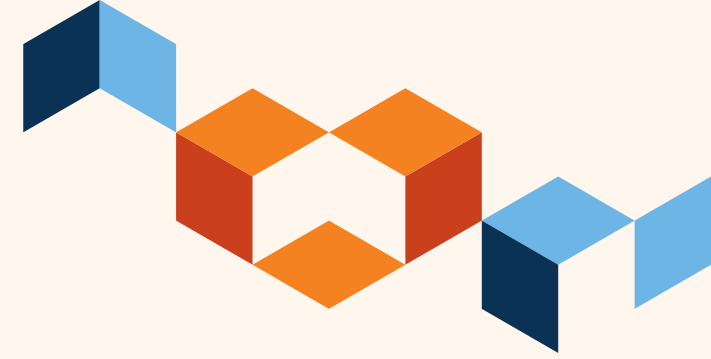
Tenant Experience

Our Commitment & Approach

Our Commitment: We are committed to enhancing wellness and helping people achieve their best.

Our Approach: Our sustainable environments and social and wellness amenities have the power to create inspired experiences with multiple positive impacts. Our focus on innovative thinking and delivering greater value to our tenants served us well in 2021 as we continued to navigate the COVID-19 pandemic while creating spaces that support the evolving ways companies are working.

Our focus on innovation helps us envision the workplace of the future and create buildings that support our tenants. We offer a variety of work environments, including traditional office space, ready-to-occupy spaces available for short-term occupancy, and third spaces to work, such as tenant lounges. By providing flexible physical spaces as well as a range of amenities and programs, we contribute to occupants' ability to thrive and to be their most creative and productive.



OUR OFFERINGS INCLUDE:

- › Healthy building features and environmentally sustainable management practices
- › Outdoor plazas and cafes for downtime and focusing
- › Tenant lounges and hubs to socialize, connect and collaborate
- › Flexible working spaces such as drop-in coworking areas for a change of scenery
- › Conference centers
- › Indoor greenery, rooftop gardens and beehives to connect with nature
- › Fitness centers, wellness rooms, bicycle storage and shower facilities

Building Upgrades

In 2021, we leveraged the time when our buildings were largely unoccupied to create the kinds of spaces that we knew our tenants would want to come back to by continuing to improve physical spaces and add amenities.

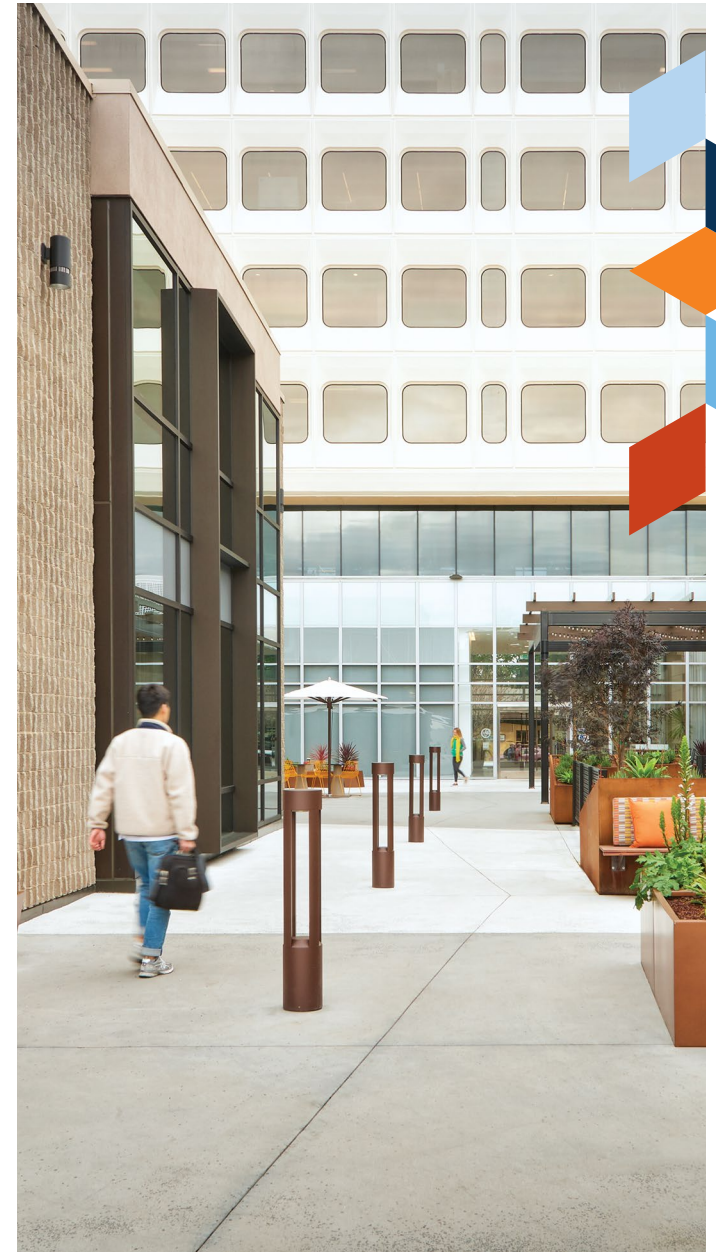
We renovated 633 Folsom Street with upgraded tenant spaces and sustainable and wellness features. Read about the project on [page 50](#). At The Mills Building, we renovated the lobby and launched the addition of a wellness center and the expansion of bike storage facilities. We added a rooftop lounge at 617 W. 7th Street, providing a new outdoor amenity.

We also began a renovation at 444 Castro Street, with a focus on future workspaces.

Remote work and distributed workforces are becoming more accepted, but companies still need spaces to collaborate and create team experiences.

One of two satellite low-rise buildings at 444 Castro will become an h³experiences flexible workspace with furnished, technology-enabled mini-suites that companies and groups can rent short-term. Occupants will enjoy shared amenity spaces and services such as AV-equipped conference and huddle rooms, a mother's room, a serviced kitchen/break area with ample seating, and a large exterior patio and gathering space, as well as access to 444 Castro's h³experiences fitness center.

Improvements at all our properties integrate the WELL Building Standard principles and practices. This standard explores how design, operations and behaviors within the built environment can be optimized to advance human health and well-being.





h³experiences App

Our h³experiences app continues to be the gateway for tenants to access our flexible workspaces, wellness offerings, sustainable environments and community programs. The app allows us to connect directly with our building occupants to share information such as COVID-19-related procedures and to provide instant access to a variety of virtual programs to help tenants continue to feel engaged and get excited about returning to the office.

VIRTUAL PROGRAMS INCLUDED:

- › Popular Uber Eats raffles that gave tenants a needed break from work-from-home meal prep
- › Virtual wellness events such as DIY Self-Massage, 17-Minute Meditation, and Emotional Well-Being
- › Webinars such as Living Sustainably and Giving Back with Positivity that helped tenants make a difference during challenging times

Tenants told us our scavenger hunts and other fun activities gave them a sense of community and company culture when they were not able to meet in person.

"It's been too quiet as everyone is working from home. But this event helps us generate ... fun conversation. You are helping build our team! Thanks again for doing this fun virtual event!"

"Super grateful and super excited about this raffle!! I love that SwigCo added these amazing raffles. It really adds to a great culture here."



The h³experiences program inspires great work and connects people through three pillars:



h³wellness

h³wellness enlivens tenants with virtual enrichment programs, building amenities and healthy building features.



h³work

h³work provides choice and flexibility, with a variety of spaces and services to enhance productivity.



h³community

h³community creates spaces for celebrating and special events and invites our tenants to join us in community service.





FEATURE: THE MAKING OF A MODERN, SUSTAINABLE WORKPLACE

Creating an ideal workplace for our building occupants was at the center of the stunning transformation of our 1960s-era 633 Folsom Street property, earning it a San Francisco Business Times Deal of the Year award. The renovation, which was completed in 2021, incorporated sustainable and climate-sensitive features and serves as a model for building reinvestment in San Francisco.

633 Folsom was redesigned to anticipate the demands of an evolving workforce, prioritizing occupant experience through maximizing usable daylight in workspaces, increasing outdoor space for collaboration and connection, creating a sustainable environment, and providing robust wellness and fitness options.

The centerpiece of the project is an innovative and climate-sensitive façade with exceptionally clear glass that enhances natural light and makes working indoors feel like being outside. The design relies on 680 custom fiber-reinforced polymer sunshades to manage workplace glare and allow occupants to work with blinds open for hundreds of additional hours per year.

The project was designed to achieve LEED Gold certification, is ENERGY STAR rated and is expected to achieve WELL Building Standard certification in 2022.

OTHER HIGHLIGHTS OF THE RENOVATION INCLUDE:

- › Five floors added to the building
- › Complete structural upgrades and new mechanical, electrical and plumbing systems
- › Minimized environmental impact by retaining most of the existing seven stories of concrete superstructure, which kept material out of the landfill and conserved approximately 30% of embodied carbon compared to tearing down and rebuilding the structure
- › A privately owned public open space (POPOS) in front of the building with benches, artwork and a connection to the pedestrian realm, bringing new life to the Folsom Street frontage and enhancing the surrounding neighborhood
- › An innovative water reclamation system on the eighth floor with horizontal sedum plantings and trees to capture rainwater runoff
- › Health and wellness features, including a rooftop deck and garden and robust h³experiences fitness and wellness facilities

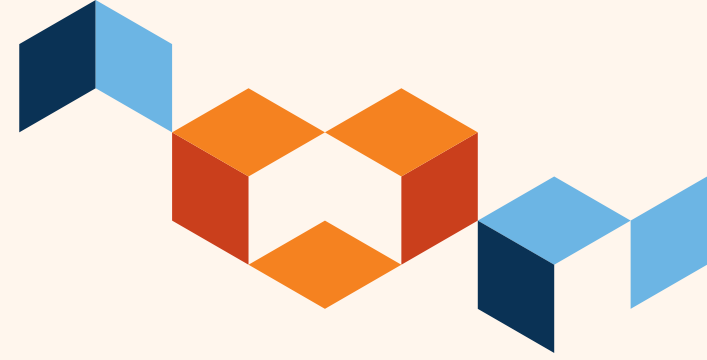


Community Impact

Our Commitment & Approach

Our Commitment: The Swig Company is dedicated to being an active, supportive neighbor in the communities in which we invest.

Our Approach: The Swig Company has a long history of giving back, and we strive to foster and nurture community. In keeping with our values, the development and oversight of our community impact programs are top management responsibilities.





Local Action

Our property management teams are often best suited to identify needs in their communities. As such, they are empowered to organize events and activities in which both employees and tenants can support local causes. Other programs are initiated by our corporate innovation/community impact team. By offering community support opportunities across our managed portfolio buildings, the company amplifies its impact and serves as an industry role model.

Collective Efforts

Our active involvement in commercial real estate associations and organizations promotes knowledge sharing and enables us to contribute to common objectives.

Company Initiatives

The Swig Company makes a difference through charitable donations to local nonprofits and companywide community impact initiatives, as highlighted on the following pages.

Our community impact programs are designed to support our employees while enhancing our impact. The company matches employees' charitable donations to nonprofit organizations of their choosing. Employees also can use two paid days a year for volunteer activities. Although opportunities to volunteer in person in 2021 continued to be limited, employees did participate in multiple virtual events with community organizations such as schools and youth programs.

The main focus of The Swig Company's outreach efforts is education. Our Engaging Tomorrow's Workforce initiative is designed to help prepare young people for successful, productive careers. We believe it is our civic responsibility to help nurture our future workers. It is also a wise business strategy, as the demand for premier office space depends on the availability of a talented and skilled workforce.



h³experiences

Connecting through h³experiences

While throughout 2021 we were once again limited to virtual community programs and monetary support, we continued to develop and deepen our community partnerships, and we are proud of the work we were able to do.



› COMMUNITY PARTNERSHIPS INCLUDE:

We expanded our partnership with College Track, holding a second virtual Corporate Residency Day and launching a mentorship program. Read more on [page 55](#).

We built a new partnership with Youth Beat and engaged Youth Beat students to create a video about the historic Mills Building. Read more on [page 56](#).

Swig Company employees created videos for Life Learning Academy charter high school's new virtual career library, describing their jobs and the education and training required.

Employees also supported the SMART program's virtual career fair, creating day-in-the-life scenarios to give students a peek into property management careers.

We donated hundreds of h³experiences water bottles to Girls Inc. of Alameda County and Life Learning Academy.

Through the Oakland Promise program, we hired a summer intern, an alumna of the College Track program, to work with our innovation team on sustainability projects.



Our h³experiences app allows us to engage with tenant communities and amplify our impact for community partners by promoting engagement with the communities where our buildings are located. We harness the power of the app to invite our employees and tenants to join us in volunteering and donating to those in need.



› FEATURED GROUPS ON H³COMMUNITY SECTION OF THE APP:

College Track

We launched our first-ever virtual giving campaign. Our challenge grant encouraged tenants to donate to College Track, bringing in over \$8,000 in addition to The Swig Company's \$20,000 donation.

Life Learning Academy

A donation link was posted for this San Francisco charter school for at-risk students.

Girls Inc. of Greater Los Angeles

We highlighted this nonprofit in Southern California with a link to learn more. Girls Inc. inspires all girls to be strong, smart and bold, through direct service and advocacy.



FEATURE: COLLEGE TRACK PROGRAM SUPPORTS BRIGHT FUTURES



"I've had the pleasure of having both Dennis Rosario and Julie Berlin as my mentors. They've provided me with incredible support through my last year of undergrad, and I hope to stay in contact with them after my graduation. I'm honored to be a part of the program!"

— Justin Tran



"Kairee Tann has been so supportive to me! I'm excited to continue building our relationship. She gives me feedback, advice, and makes it personal by sharing her own experiences with me. I'm currently interviewing for the full-time role I really want, and she's provided encouragement and exceptional advice that boosts my confidence!"

— Rodaisha James

Through our ongoing partnership with College Track, we engage tomorrow's workforce and create pathways for students from underserved communities to pursue professional careers.

College Track supports students on their journey to college enrollment and through graduation. The program, which begins in eighth grade, has a 95% four-year college acceptance rate and a college graduation rate that is twice the national average.

We pivoted to a virtual Corporate Residency Day in 2020 and held a second virtual program in 2021. We also deepened our commitment in 2021 by creating a mentorship program to offer more in-depth guidance to students.

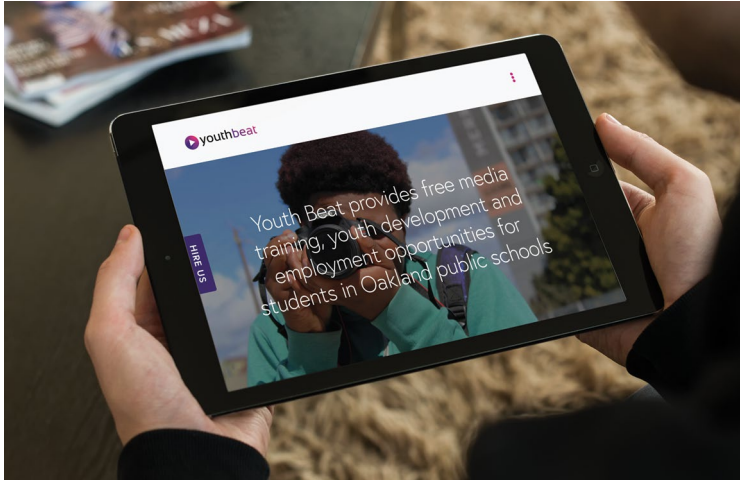
The Corporate Residency Program supports students as they prepare to enter the professional workforce by leveraging the expertise of corporate partners. Our virtual Corporate Residency Day in 2021 gave college students an introduction to our business and careers in commercial real estate and finance. Swig Company employees shared their knowledge about construction, investor relations, administration and building management and spoke about their career paths. Students also had a chance to chat informally with employees in small breakout sessions.

Our new virtual mentorship program with College Track launched with eight Swig Company employees, who were each matched with a college student or recent college graduate. One graduate who was struggling to find a job received help with her resume, mock interview practice and connections with recruiters. She secured a job in her field and continued meeting with her mentor for guidance navigating her first corporate experience.

We intend to continue our mentorship program and to host a third Corporate Residency Day in 2022.



FEATURE: NEW YOUTH BEAT PARTNERSHIP ENHANCES EXISTING PROGRAM



In 2021, we launched a collaboration with Youth Beat, an Oakland, California-based nonprofit that provides free digital media training, youth development and employment opportunities to high school students from some of the Bay Area’s lowest-income neighborhoods.

Youth Beat’s mission to help kids get on a path that leads to success in college, career and life dovetails with The Swig Company’s emphasis on education and nurturing future leaders.

We hired advanced students from the Youth Beat PRO program to create a video about our historic Mills Building. The property team worked with the students to create a video walking tour that highlights the building’s history and how it has been modernized.

We showed the film to another group of students—those participating in our second College Track Corporate Residency Day—to teach them what it means to own and operate an historic office building.

Organizational Involvement

ENTITY	ACTIVE INVOLVEMENT AND/ OR MONETARY SUPPORT	FORMAL MEMBERSHIP	GOVERNANCE BODY REPRESENTATION/COUNCIL
Industry Engagement			
BOMA (Building Owners and Managers Association)	X	X	X
CREtech	X	X	X
CREW (Commercial Real Estate Women) Network	X	X	X
Global Workspace Association (GWA)	X	X	
Lambda Alpha International (Golden Gate Chapter)	X	X	X
NAIOP, the Commercial Real Estate Development Association	X	X	
SPUR	X	X	X
Urban Land Institute (ULI)	X	X	X
Community Engagement			
Alameda County Community Foodbank	X		
Bryant Park Corporation, New York	X		
Children of Shelters, San Francisco	X		
Children Today, Long Beach	X		
College Track	X		
Commercial Real Estate Alliance for Tomorrow's Employees (CREATE), San Francisco	X	X	X

ENTITY	ACTIVE INVOLVEMENT AND/ OR MONETARY SUPPORT	FORMAL MEMBERSHIP	GOVERNANCE BODY REPRESENTATION/COUNCIL
Girls Inc., Alameda County and Greater Los Angeles	x		
Jewish Vocational Service, San Francisco	x		
Lake Merritt-Uptown and Downtown Oakland Community Benefit Districts, Oakland	x	x	x
Life Learning Academy, San Francisco	x		
Mountain View Art & Wine Festival	x		
Notre Dame des Victoires Student Choir, San Francisco	x		
Oakland Metropolitan Chamber of Commerce	x	x	
Oakland Museum of California	x	x	
Pacific Autism Center for Education	x		
San Francisco-Marin Food Bank	x		
Simply the Basics, at multiple locations	x		
SMART, San Francisco	x		
Youth Beat, Oakland	x		
Various organizations for art exhibitions and installations, at multiple locations	x		

05

GRI CONTENT INDEX

This section lists our GRI disclosures and includes additional information not found within the body of the report.

Swig CY2021 ESG Report – GRI Content Index

GRI ID	TOPIC	REFERENCE	DETAIL/OMISSIONS								
General Disclosures: Company Profile											
102-1	Name of the organization	About The Swig Company									
102-2	Activities, brands, products and services										
102-3	Location of headquarters										
102-4	Location of operations										
102-5	Ownership and legal form		We are a privately held company.								
102-6	Markets served										
102-7	Scale of the organization										
102-8	General workforce detail	Content Index	<table border="1"> <thead> <tr> <th>EMPLOYEE HEADCOUNT (AS OF 12/31)</th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Total number of employees</td> <td>54</td> <td>49</td> <td>48</td> </tr> </tbody> </table>	EMPLOYEE HEADCOUNT (AS OF 12/31)	2019	2020	2021	Total number of employees	54	49	48
EMPLOYEE HEADCOUNT (AS OF 12/31)	2019	2020	2021								
Total number of employees	54	49	48								
102-9	Supply chain	Content Index	At Swig, we rely on a range of suppliers and service providers for the products and services we need to run our business. This can range from manufacturers of equipment to financial services that we manage capital by/through, as well as facilities managers that conduct services on site at our properties. Environmental consulting companies also are valued partners that help us understand how our buildings are performing and identify opportunities for further improvements.								
102-10	Significant changes to the organization and its supply chain	Content Index	The divestiture of 300 Lakeside Drive was completed in late 2020. The transition out of our portfolio has resulted in overall reduced utility consumption and greenhouse gas emissions in our portfolio. Changes to our supply chain have been impacted where services were rendered through us for that property prior to the divestiture.								
102-11	Precautionary principle or approach	ESG—Our Commitment									

GRI ID	TOPIC	REFERENCE	DETAIL/OMISSIONS
102-12	External initiatives	Building Certifications	
102-13	Memberships in associations	Organizational Involvement	
102-14	Statement from senior decision-maker	Message from the CEO	
102-15	Key impacts, risks and opportunities	Energy & GHG Emissions—Climate Change Risks	
102-16	Values, principles, standards and norms of behavior	Content Index	<p>Our Core Values</p> <ul style="list-style-type: none"> › We believe the highest integrity and respect should characterize every relationship. › We believe it is important to maximize profit and return on investment for all the assets we manage consistent with our Mission Statement. › We are proud of the top-quality assets in our trust and strive to enhance them with the highest standard of care. › We believe every interaction should embody professionalism, honesty and trust. › We define quality service as exceeding the expectations of owners, partners, colleagues and tenants. › We believe people are our foremost asset. We encourage employees to develop and grow. We pledge to maintain a healthy, enjoyable, stimulating working environment for employees. › We believe it is important to safeguard the economic well-being of the company for the future. › We promise to maintain the confidentiality of all information. › We believe it is important to manage our assets with regard to principles of sustainability. › We are committed to building an inclusive, varied workplace welcoming to people of all backgrounds and supporting such inclusion in the real estate industry at large.

GRI ID	TOPIC	REFERENCE	DETAIL/OMISSIONS
102-18	Governance structure	ESG—Our Commitment & Approach	
102-40	List of stakeholders	Stakeholder Engagement	
102-41	Collective bargaining agreements	Content Index	Due to the nature of our business, where our employees are focused on real estate management and administration, unionization doesn't apply. We do, however, work with third-party contractors, such as construction building tradespersons, janitors, engineers and security officers who may be under collective bargaining agreements.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	
102-43	Approach to stakeholder engagement		
102-44	Key Topics and Concerns Raised		
102-45	Entities included in the consolidated financial statements	About The Swig Company	
102-46	Defining report content and topic boundaries	About This Report	
102-47	List of material topics	Materiality	
102-48	Restatements of information	Not Applicable	There are no restatements of information issued in this report.

GRI ID	TOPIC	REFERENCE	DETAIL/OMISSIONS
102-49	Changes in reporting	About This Report	Though we have issued several GRI-referenced reports in the past, the CY2021 report is our inaugural GRI-based environmental, social and governance (ESG) report.
102-50	Reporting period		Calendar Year
102-51	Date of most recent report		CY2020
102-52	Reporting cycle		2021
102-53	Contact point for questions regarding the report		info@swigco.com
102-54	Claims of reporting In Accordance with the GRI Standards		GRI In Accordance Core-Level Report
102-55	GRI content index		The content index designed against the GRI Standards is found herein.
102-56	External assurance		External assurance is not a component of this effort.
Topic Specific Disclosures			
Management Approach Disclosures (103-1, 103-2, 103-3) are clearly described according to “Our Commitment & Approach” as an introduction to each topical section. Features found within each section speak further to how we manage various impacts.			
Materials			
301-1	Materials used by weight or volume	Sustainable Building Operations	Though we are currently working on establishing a system for tracking detail consistently across our footprint, sustainability practices embedded at the site level are described in this report.
301-2	Recycled input materials used	Materials & Waste	
301-3	Reclaimed products and their packaging materials		

GRI ID	TOPIC	REFERENCE	DETAIL/OMISSIONS					
Energy								
302-1	Energy consumption within the organization	Energy & GHG Emissions Content Index	ENERGY CONSUMPTION (MWH)			Like-for-Like Consumption (2018 Base)		
				2021	2020	2019	2021	2018
			Total energy consumption	26,549	44,735	57,494	22,783	30,261
			Natural gas consumption	9,895	17,272	22,533	8,700	8,583
			Electricity consumption	16,654	27,462	34,961	14,083	21,678
	Energy intensity (kWh/sf)	11.09	14.30	17.30	10.95	14.55		
302-3	Energy intensity							
Water and Effluents								
303-3	Water withdrawal	Water Content Index	Water Consumption (kgal)			Like-for-Like Consumption (2018 Base)		
				2021	2020	2019	2021	2018
			Total water consumption (kgal)	12,315	17,539	28,810	9,265	17,807
	Water intensity (gal/sf)	5.14	6.23	9.47	5.54	10.65		

GRI ID	TOPIC	REFERENCE	DETAIL/OMISSIONS					
Emissions								
305-1	Direct GHG emissions	Energy & GHG Emissions					Like-for-Like Production (2018 Base)	
			GHG Emissions (MT CO2e)	2021	2020	2019	2021	2018
			Total scope 1 & 2 GHG emissions (Mt CO2e)	5,231	8,801	12,000	4,483	6,766
			Gross scope 1 GHG emissions (Mt CO2e)	1,792	3,130	4,091	1,575	1,556
			Gross scope 2 GHG emissions (Mt CO2e)	3,439	5,671	7,908	2,908	5,210
GHG emissions intensity (kg CO2e/sf)	2.18	2.81	3.61	2.16	3.25			
305-4	GHG emissions intensity	Energy & GHG Emissions						
Employment								
401-1	New employee hires and turnover	Our People						
Occupational Health and Safety								
403-1 (2018)	Occupational health and safety management system	Our People—Occupational Health and Safety						
403-6 (2018)	Promotion of worker health							
403-8 (2018)	Workers covered by an occupational health and safety management system							

GRI ID	TOPIC	REFERENCE	DETAIL/OMISSIONS																																
Training and Education																																			
404-1	Training and education	Our People – Training and Education																																	
404-2	Skills and lifelong learning	Our People – Training and Education																																	
Diversity & Equal Opportunity																																			
405-1	Diversity of governance bodies and employees	Our People – Diversity and Equal Opportunity	<p><i>The following detail is based on a voluntary survey distributed throughout our workforce recently. We're proud of the 100% response rate achieved.</i></p> <p>2021 EMPLOYEE DEMOGRAPHIC DETAIL</p> <p>Gender</p> <table border="1"> <tr> <td>Female</td> <td>66.67%</td> </tr> <tr> <td>Male</td> <td>31.25%</td> </tr> <tr> <td>Gender Neutral</td> <td>2.08%</td> </tr> </table> <p>Ethnicity</p> <table border="1"> <tr> <td>Asian or Asian American</td> <td>29.17%</td> </tr> <tr> <td>Black or African American</td> <td>2.08%</td> </tr> <tr> <td>Hispanic or Latino</td> <td>10.42%</td> </tr> <tr> <td>Native American</td> <td>0</td> </tr> <tr> <td>Pacific Islander</td> <td>2.08%</td> </tr> <tr> <td>White or Caucasian</td> <td>43.75%</td> </tr> <tr> <td>Two or More Races</td> <td>10.42%</td> </tr> <tr> <td>Other</td> <td>2.08%</td> </tr> </table> <p>Age</p> <table border="1"> <tr> <td>Under 30</td> <td>16.67%</td> </tr> <tr> <td>30-39</td> <td>12.50%</td> </tr> <tr> <td>40-49</td> <td>20.83%</td> </tr> <tr> <td>50-59</td> <td>18.75%</td> </tr> <tr> <td>60+</td> <td>31.25%</td> </tr> </table>	Female	66.67%	Male	31.25%	Gender Neutral	2.08%	Asian or Asian American	29.17%	Black or African American	2.08%	Hispanic or Latino	10.42%	Native American	0	Pacific Islander	2.08%	White or Caucasian	43.75%	Two or More Races	10.42%	Other	2.08%	Under 30	16.67%	30-39	12.50%	40-49	20.83%	50-59	18.75%	60+	31.25%
Female	66.67%																																		
Male	31.25%																																		
Gender Neutral	2.08%																																		
Asian or Asian American	29.17%																																		
Black or African American	2.08%																																		
Hispanic or Latino	10.42%																																		
Native American	0																																		
Pacific Islander	2.08%																																		
White or Caucasian	43.75%																																		
Two or More Races	10.42%																																		
Other	2.08%																																		
Under 30	16.67%																																		
30-39	12.50%																																		
40-49	20.83%																																		
50-59	18.75%																																		
60+	31.25%																																		
		Content Index																																	

GRI ID	TOPIC	REFERENCE	DETAIL/OMISSIONS
Non Discrimination			
406-1	Non-discrimination	Our People— Non- Discrimination	There were no issues of discrimination within our workforce in 2021.
Indirect Economic Impacts/ Local Community Engagement/ Philanthropy			
203-2, 413-1, 413-2	Indirect economic impacts and community engagement	Community Impact	Financial contributions are tracked and reported on a case-by-case basis throughout the report. As a privately held company, full financial disclosure isn't required by law, therefore, total giving against our overall revenue isn't provided in this report.
Tenant Engagement			
416-1, 416-2	Customer health and safety	Occupant Health & Safety	There were no incidents, including fines, penalties or non-compliance, with local health and safety laws and regulations at our sites in 2021.
Add-On	Customer/tenant engagement	Tenant Experience	We do not currently solicit the assistance of a third-party to assess client/tenant satisfaction. Due to our size and approach, we maintain close relationships with our tenants, which allows us to address feedback directly.
Additional			
Add-On	EnergyStar average scores	Content Index	PROPERTY REGION
			2021
			2020
			2019
CA Managed	90	76	80
Northern California	92	71	77
Southern California	88	88	86

NOTE: Add-on disclosure items are self-selected based on topics that are deemed important by our company.



When we start with our heart, there's a difference in how we think, how we act and how we create impact.

