

Domain Capital Group

ANNUAL ESG REPORT | 2023

TABLE OF CONTENTS

SENIOR LEADERSHIP STATEMENT	3
INTRODUCTION	4
TRANSPARENCY	9
CORPORATE STEWARDSHIP	10
ENVIRONMENTAL IMPACT	12
In-Office Footprint	12
Certified Sustainable Working Forests	12
Environmental Mitigation	14
Renewable Energy Development	15
SOCIAL SUSTAINABILITY	17
DEI and Employee Retention	17
Engagement & Charitable Outreach	18
Tila Studios	19
Atlanta Women's Foundation	19
Employee Safety, Well-Being & Health	19
TRUSTED GOVERNANCE	20
ESG Training	20
INVESTMENT CASE STUDIES	21
Blue Heron Slough Conservation Bank – Salmon Restoration at Scale	22
Electric Owl Studios	23
Multifamily Housing Operator	24
LOOKING AHEAD	26

SENIOR LEADERSHIP STATEMENT

Domain's commitment to reviewing ESG considerations and aligning investment decision-making and corporate procedures with the United Nations' Sustainable Development Goals ("SDGs") is a significant step toward ensuring investments are not only financially sound but also contribute positively to broader global objectives. The SDGs provide a comprehensive framework for addressing various global challenges, including poverty, inequality, climate change, and environmental sustainability.

By incorporating the SDGs into its investment processes, Domain can make a meaningful impact on global sustainability and help clients achieve their financial goals in a way that is socially responsible and environmentally conscious. This approach reflects the growing trend in the financial industry towards sustainable and impact investing, where financial returns are considered alongside their broader societal and environmental implications.

Through the management of long-term investment vehicles, Domain strives to protect and/or realize both existing and additional value by accounting for environmental, social and governance ("ESG") risks and opportunities. Part of our management philosophy is to deliver risk-adjusted financial returns through investing in natural resource assets and enterprises that deliver market-based economics combined with impactful environmental and social outcomes. ESG issues may have a material effect on investment performance, and therefore, Domain believes that ESG assessments represent an important component of the investment process. At Domain, ESG risks are carefully considered through new investment opportunity analytics, decision making processes, the management and monitoring of current timberland and environmental restoration project investments, and the disposition of assets.

We believe in compliance with environmental, social, health and safety laws, regulations and standards (as applicable and appropriate) as a way to protect the natural world, Domain's employees, our third-party contractors, operating partners, and local communities.

Domain's commitment to this philosophy is exhibited through the following:

- 01 Compliance with Environmental, Social, Health and Safety Laws, Regulations and Standards
- 02 Promotion of Conservation of Streams, Wildlife Habitat and Ecosystem Biodiversity
- 03 Encouragement of Sustainable Forestry Asset Management through Third Party Timberland Certification
- 04 Prioritization of Local Hiring to Support Local Communities and Employment Opportunities
- 05 Respect for Human Rights in Operations and Labor Contracts
- 06 Consideration and Evaluation of ESG Components for All Acquisitions and Dispositions
- 07 Continual Improvement of Internal Controls, Processes and Procedures to Protect Investors' Interests
- 08 Maintenance of Clear and Transparent Investor Reporting

Domain believes that ESG principles should be considered when analyzing potential investment opportunities, particularly those in the real estate and natural resource sector where potential climate shifts could have an exacerbated impact on a given investment. Through research and/or on-the-ground due diligence, Domain strives to acquire and dispose of properties that are compliant with ESG principles.



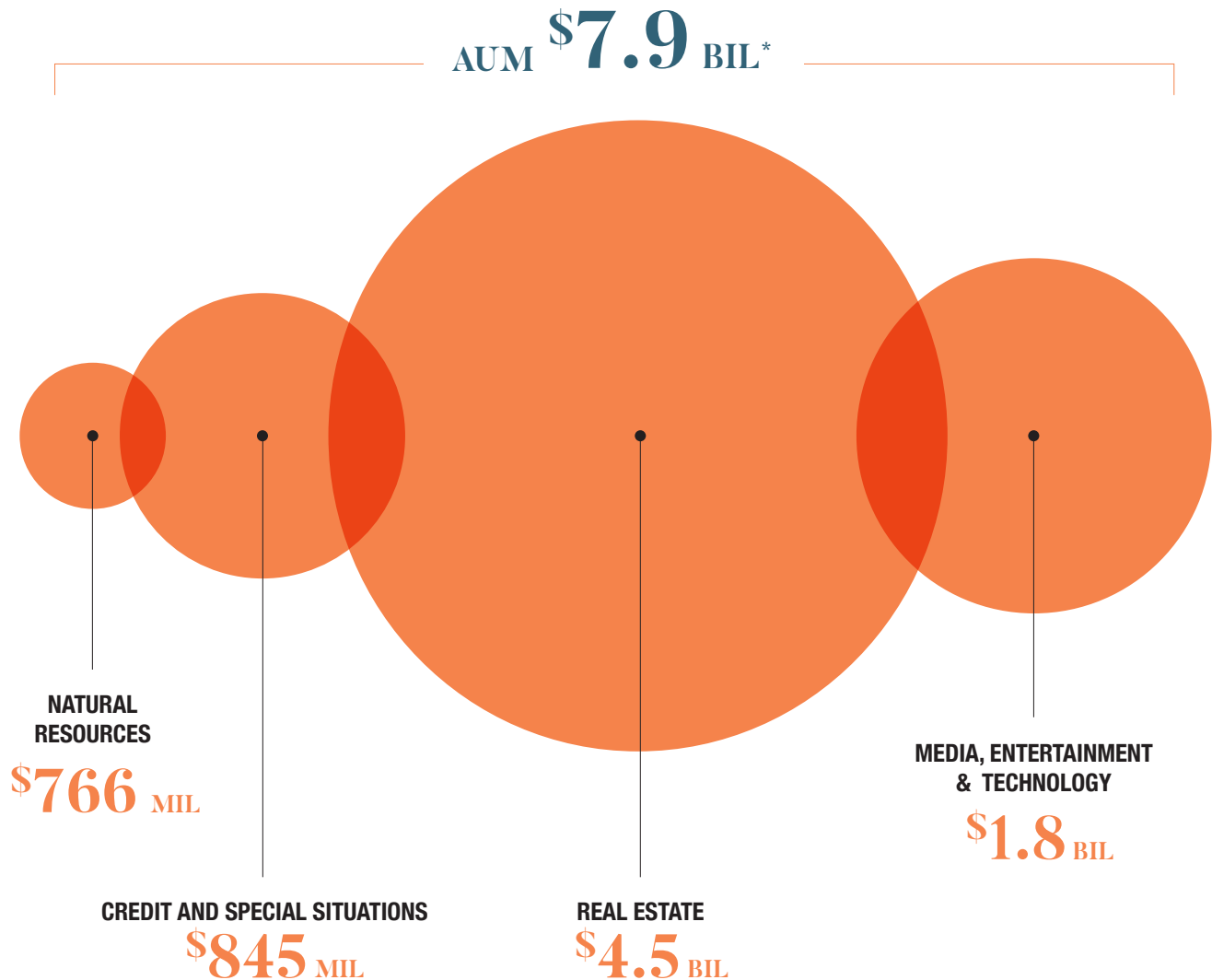
PAT LEARDO

CEO | Executive Managing Director

INTRODUCTION

Based in Atlanta, GA, Domain Capital Group (“Domain”) was founded in 2008 as a real estate focused registered investment adviser managing investments on behalf of a large state pension plan. Since its founding in 2008, Domain has grown to a portfolio of \$8 billion in assets under management (as of December 31, 2023) on behalf of global public and private pension plans, insurance companies, foundations and endowments, high net worth individuals and families, managing commingled investment vehicles and separate accounts across Real Estate, Natural Resources, Credit & Special Situations, and Media, Entertainment & Technology related investment strategies.

Over the last fifteen years, Domain has deployed more than \$10 billion across a range of sectors and asset types within Real Estate, Timber, Insurance Products, Agriculture, and Media, Entertainment, & Technology.



* As of 12/31/2023

2008

Domain is formed as a real estate focused investment manager.

2010

Domain invests \$220 million in non-real estate investments, marking the start of a multi-strategy investment platform.

2012

Domain acquires a large, diversified entertainment intellectual property asset, including films and television shows for more than \$800 million. Domain invests more than \$650 million in late-stage venture capital.

2014

Domain provides \$250 million in fund financing to a global private equity firm.

2017

Domain acquires a Timber Investment Management Company, forming both Domain Timber Advisors and Domain Capital Group, LLC. Domain provides \$400 million in additional fund financing to a global private equity firm.

2018

Domain negotiates an over \$1 billion buyout of a multifamily owner/operator and leads the strategic recapitalization of the company.

2021

Domain acts as lead lender & administrative agent for an \$825 million debt syndicate for the acquisition of a large life insurance company.

2022

Domain closes on \$715 million capital commitments for its flagship entertainment investment fund, Domain Entertainment Fund I.

2023

Domain Timber Advisors closes on \$225 million in new capital commitments across its value-added timberland strategy.

Our Executive Team

Domain's executive leadership team has more than 20 years of professional experience, while the organization is supported by both investment and non-investment professionals across Investments, Legal / Compliance, Finance & Accounting, Operations, Information Technology, and Investor Relations business functions.



PATRICK R. LEARDO
CEO | Executive Managing Director
40+ Years of Experience



SERGIL NAVIWALA
CFO | Managing Director
20+ Years of Experience



DAVID SEAMAN
President | Executive Managing Director
35+ Years of Experience



PETE CHIAPPETTA
Managing Director
15+ Years of Experience



CAROLYN SEABOLT
COO | General Counsel
25+ Years of Experience



FERHAT GUVEN
Managing Director
20+ Years of Experience



ANDY LARY
Executive Managing Director
25+ Years of Experience



CHUCK TAYLOR
Managing Director
25+ Years of Experience



ANTHONY TITTANEGRO
Executive Managing Director
25+ Years of Experience



JOE SANDERSON
Managing Director
25+ Years of Experience

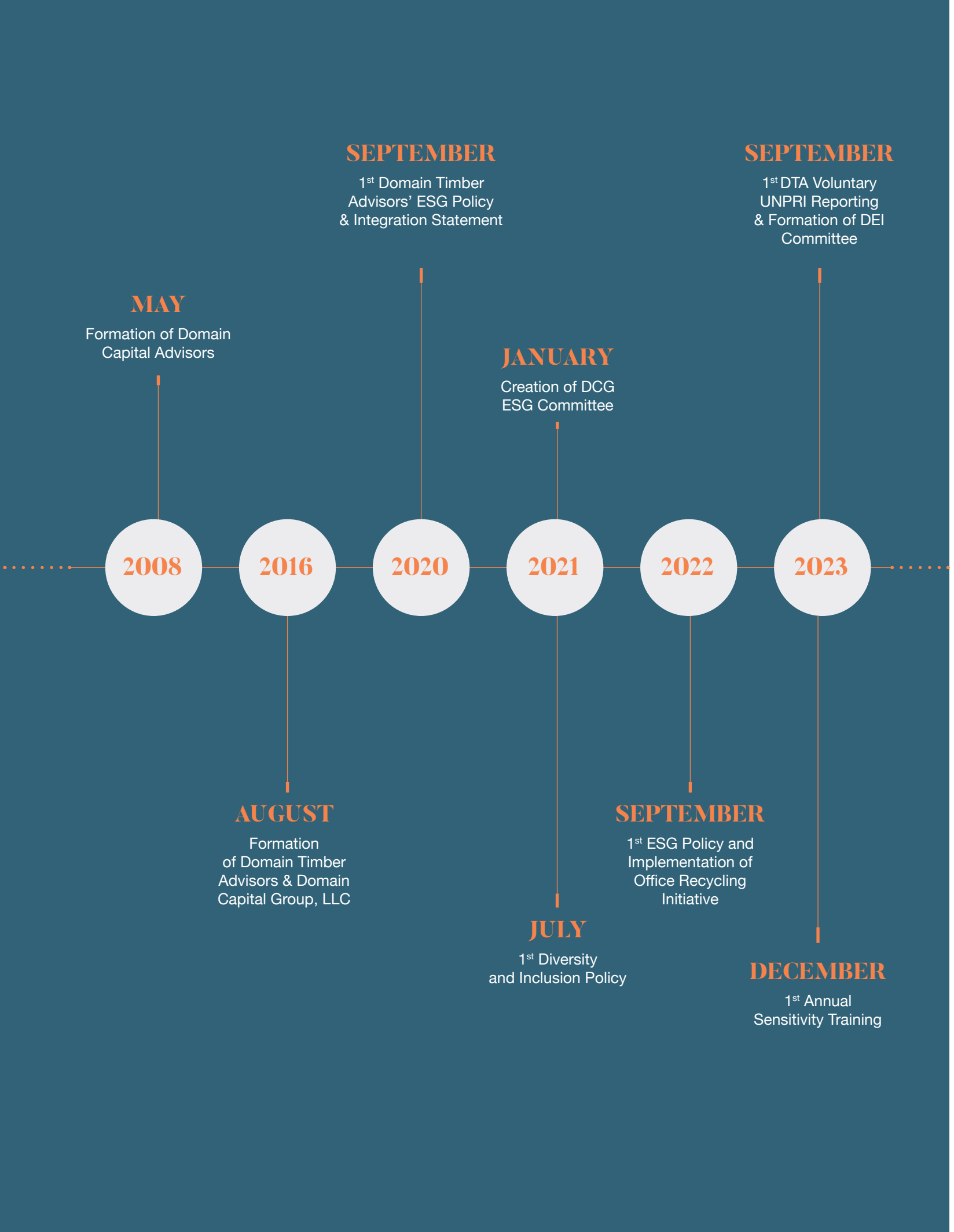
Domain ESG Committee & Focus Groups

Domain's approach to investing is designed to place an emphasis on aligning investment policies and philosophies with clients' goals, while demonstrating a strong commitment to responsible investing and the prioritization of ESG principles. By doing so, Domain recognizes the importance of integrating sustainability and ethical considerations into its investment strategies.

The establishment of the Domain Capital Group ESG Committee in 2022 marked a significant step toward consolidating and formalizing sustainability initiatives within the organization. By bringing together a diverse group of team members from various backgrounds and disciplines, this committee aims to create a unified framework for responsible investment practices. Our mission involves sharing innovative and forward-thinking ideas related to ESG factors, which can help guide the company's investment decisions and ensure they align with environmental, social, and governance principles. Such initiatives are crucial for fostering sustainability and responsible business practices in the investment industry.

Name	Title	Area of Focus
Micheal Alexander	Chief Compliance Officer	Compliance
Caroline Cartright	Vice President	Human Resources
Pete Chiappetta	Managing Director	Media & Entertainment
Brad Greeson	Vice President	Real Estate
Jasmine Movagharnia	Assistant Vice President	Media & Entertainment
Alton Owens	Director	Natural Resources
Carolyn Seabolt	Chief Operating Officer & General Counsel	Operations / Legal
Chuck Taylor	Managing Director	Real Estate
Ana Arroyave	Vice President & Controller	Accounting

Focus	Group	Key Personnel	Governance Documents
Corporate ESG Integration	Domain Capital Group ESG Committee	Carolyn Seabolt	DCG ESG Policy
UNPRI Reporting	Domain Timber Advisors ESG Team	Alton Owens	PRI Signatory Enrollment
ESG Acquisition Screening	Individual Vertical Investment Committees	Pete Chiappetta Chuck Taylor Joe Sanderson	DCG ESG Policy
Social Awareness	Diversity, Equality, & Inclusion Committee	Caroline Cartright Jasmine Movagharnia	DCG DEI Policy
Cyber Security & Governance	Compliance & IT Teams	Michael Leardo Micheal Alexander	DCG Compliance Manual
Forest Certification	Timberland Investment Team	Alton Owens Scott Reaves	Individual Investment Management Agreements
Commercial Real Estate Sustainability	Real Estate Investment Team	Chuck Taylor Alex Lacher	DCG ESG Policy
Biodiversity & Carbon Reporting	Timberland Investment Team	Alton Owens Taylor Echols	Individual Investment Management Agreements



2008

MAY

Formation of Domain
Capital Advisors

2016

AUGUST

Formation
of Domain Timber
Advisors & Domain
Capital Group, LLC

2020

SEPTEMBER

1st Domain Timber
Advisors' ESG Policy
& Integration Statement

2021

JANUARY

Creation of DCG
ESG Committee

JULY

1st Diversity
and Inclusion Policy

2022

SEPTEMBER

1st ESG Policy and
Implementation of
Office Recycling
Initiative

2023

SEPTEMBER

1st DTA Voluntary
UNPRI Reporting
& Formation of DEI
Committee

DECEMBER

1st Annual
Sensitivity Training

TRANSPARENCY

Domain Timber Advisors became a signatory to the United Nations Principles for Responsible Investment (UNPRI) in June 2021 and joined over 5,000 other signatories in a commitment to the six Principles of Responsible Investment listed below:

Beyond Domain's internal policies, we adhere to the UNPRI principles for both internal organizational dynamics and investment considerations.

PRINCIPLE 1

Incorporate ESG issues into investment analysis and decision-making processes.

PRINCIPLE 4

Promote acceptance and implementation of the principles within the investment industry.

PRINCIPLE 2

Incorporate ESG issues into ownership policies and practices.

PRINCIPLE 5

Work together to enhance effective implementation of the principles.

PRINCIPLE 3

Seek appropriate disclosure on ESG issues into policies and practices.

PRINCIPLE 6

Report on implementation activities and progress towards implementing the principles.



Domain Timber Advisors' submission of their first annual United Nations PRI (Principles for Responsible Investment) report for the period ending December 31, 2022, demonstrates a commitment to transparency and accountability in ESG. By providing information on various ESG-related issues, including organizational overview, policy/governance/strategy, investment stewardship, and climate change screening and adaptation, Domain is taking a significant step toward aligning its operations with responsible investment principles.

Using this initial submission as a baseline is a prudent approach to track and measure progress in ESG indicators year-over-year. It allows Domain Timber Advisors to identify areas that may require improvement and to develop strategies, policies, training, and processes to enhance their ESG performance. This iterative process aligns with the broader trend in the investment industry, where investors and asset managers increasingly focus on integrating ESG considerations into their decision-making and reporting.

By actively working to improve its ESG performance, Domain not only contributes to responsible and sustainable investment practices but also positions itself to better meet the evolving expectations of investors and stakeholders who prioritize ESG issues in their investment decisions.

CORPORATE STEWARDSHIP

As an investment manager, an organization, an employer, and a corporate citizen in today's environment, Domain is committed to being a forward-thinking and responsible steward of capital.

With approximately 200 investors across four distinct investment verticals within two separate registered investment adviser ("RIA") subsidiaries, Domain strives to deliver quality services to its clients and provide an asset-specific approach to ESG stewardship. Given the varied risk profiles associated with each of Domain's investment verticals, including i) Real Estate, ii) Media, Entertainment, and Technology, iii) Credit and Special Situations, and iv) Natural Resources, Domain believes it is prudent to implement asset-specific ESG considerations and decisions throughout an investment's life cycle.

As a policy, Domain's investment team reviews ESG considerations and seeks to align our investment decision-making and corporate procedures with the United Nation's Sustainable Development Goals.

The Domain ESG Committee, which has a diverse mix of employees from across all levels and departments of the company, has established the following guidelines:

- Setting the ESG goals and initiatives for the company.
- Holding quarterly meetings.
- Monitoring the progress of goals and initiatives.
- Reviewing the ESG policy on a quarterly basis with the goal of keeping it up to date.
- Composing an annual company ESG report.

At the asset level, during the investment diligence process, we review numerous asset specific ESG principles.



Examples of these asset-specific principles include:

- Performing background checks for key individuals
- Reviewing relevant permits and government approvals
- Confirming anti-bribery and anti-fraud policies
- Ensuring there are no material conflicts of interest that are not eliminated or expressly disclosed
- Confirming compliance with local and national environmental policies
- Assessing climate change resiliency of certain investments
- Reviewing asset-specific policies, such as energy utilization and recycling policies

Domain believes that understanding how each new investment can conform with ESG principles prior to investment allows us to create actionable ESG plans that can potentially enhance the value and performance of an asset. Additionally, each investment memo presented to internal and external parties will include an ESG review section where considerations are summarized, analyzed, and discussed.



ENVIRONMENTAL IMPACT

IN-OFFICE FOOTPRINT

Domain is committed to positively impacting the environment by reducing its in-office environmental footprint. We take steps to ensure that our organization and employees are taking initiatives towards reducing personal waste and advocating for waste reduction within our office space and the entire building. Domain provides convenient recycling receptacles at every office neighborhood, educates employees on the appropriate way to separate waste and recycling, and periodically consults with building management to ensure the viability of the building's overall recycling program. Further, Domain implements proper IT recycling by sending outdated hard drives and computer monitors to electronic waste recycling programs. Overall, we strive to produce as little waste as possible relative to the volume that we recycle.

At the workplace, Domain provides its employees with refillable water bottles and actively reminds and encourages each member across the organization to utilize our water refill station to minimize energy usage and conserve fuel resources. Additionally, Domain has installed various in-office features to promote energy efficiency in the workplace, including automated light sensors and window treatments. When feasible, Domain utilizes electronic signature services for document execution, helping to conserve paper, as well as water used in manufacturing paper.

Domain Capital Group is headquartered at the Promenade Tower located in Atlanta, Georgia and managed by Cousins Properties. As of April 2024, Cousins received Leadership in Energy & Environmental Design (LEED) Gold certification for Promenade Tower, which is a globally recognized rating system that rates buildings on efficiency, cost saving, sustainability. LEED certification ensures electricity cost savings, lower carbon emissions and healthier environments where people live, work, learn, and play. Cousins is also currently enrolled or participate in Energy Star, BOMA360, FitWell, GRESB, and Better Buildings.

We believe these practices demonstrate a clear alignment with the U.N. Sustainable Development Goals of Clean Water and Sanitation as well as Responsible Consumption and Production. Through our in-office and out-of-office efforts, as a company we hope to contribute to the overall reduction of pollution, dumping, and minimization of hazardous chemicals and materials through the increase of recycling and safe reuse.

CERTIFIED SUSTAINABLE WORKING FORESTS

Domain's natural resource team's extensive experience in sustainable timberland management, environmental mitigation, and habitat restoration projects, underscores their dedication to responsible and ecologically sound practices.

With a team boasting over 100 years of combined experience in sustainable forest management and 34 years of collective expertise in various environmentally focused initiatives across the United States, Domain is well-positioned to make a positive impact on natural ecosystems. This wealth of knowledge and experience enables them to address complex environmental challenges, promote biodiversity, and contribute to the overall health of ecosystems. Our commitment to achieving "nature-positive" results and ecological uplift align with much broader efforts to address environmental issues and promote sustainability, which are increasingly crucial in the face of ongoing ecological challenges. Domain's resources and leadership play a pivotal role in ensuring that our initiatives not only meet the highest environmental standards but also drive positive outcomes for nature and the communities they serve.

Domain's commitment to environmental stewardship is evident through its responsible management of a significant land area, encompassing nearly 200 thousand acres. These efforts involve third-party audited forest certification programs that adhere to sustainable standards. Enrollment in these forest certification programs, including the American Tree Farm System (ATFS), Sustainable Forestry Initiative (SFI), and Forest Stewardship Council (FSC), are widely recognized for their focus on responsible and sustainable forest management practices. By participating in these programs, Domain contributes to the preservation and sustainable use of forested landscapes, which is vital for maintaining biodiversity, combating climate change, and promoting responsible land management.



245,240

acres enrolled in third-party certification schemes

- 101,563 in ATFS
- 100,088 acres enrolled in SFI
- 7,703 acres enrolled in FSC

Planted **55.3 mil** trees on **91,400 acres**

EOY 2023 Total Forest Carbon Stocks **41,046,585 MtCO₂e**

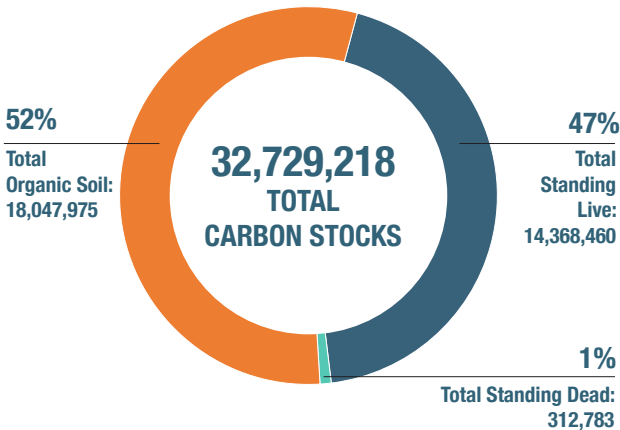
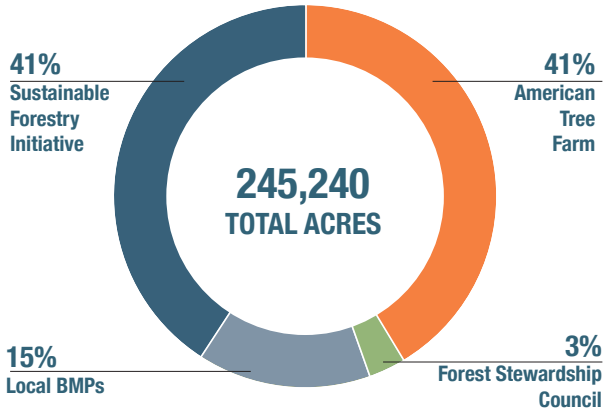
BOY 2023 Total Forest Carbon Stocks **32,729,218 MtCO₂e**

252,248 MtCO₂e of Carbon stored in Harvested Wood Products

147,966 MtCO₂e of Carbon stored in "Products in Use"

104,282 MtCO₂e of Carbon stored in "Products in Landfills"

DTA FOREST CERTIFICATION



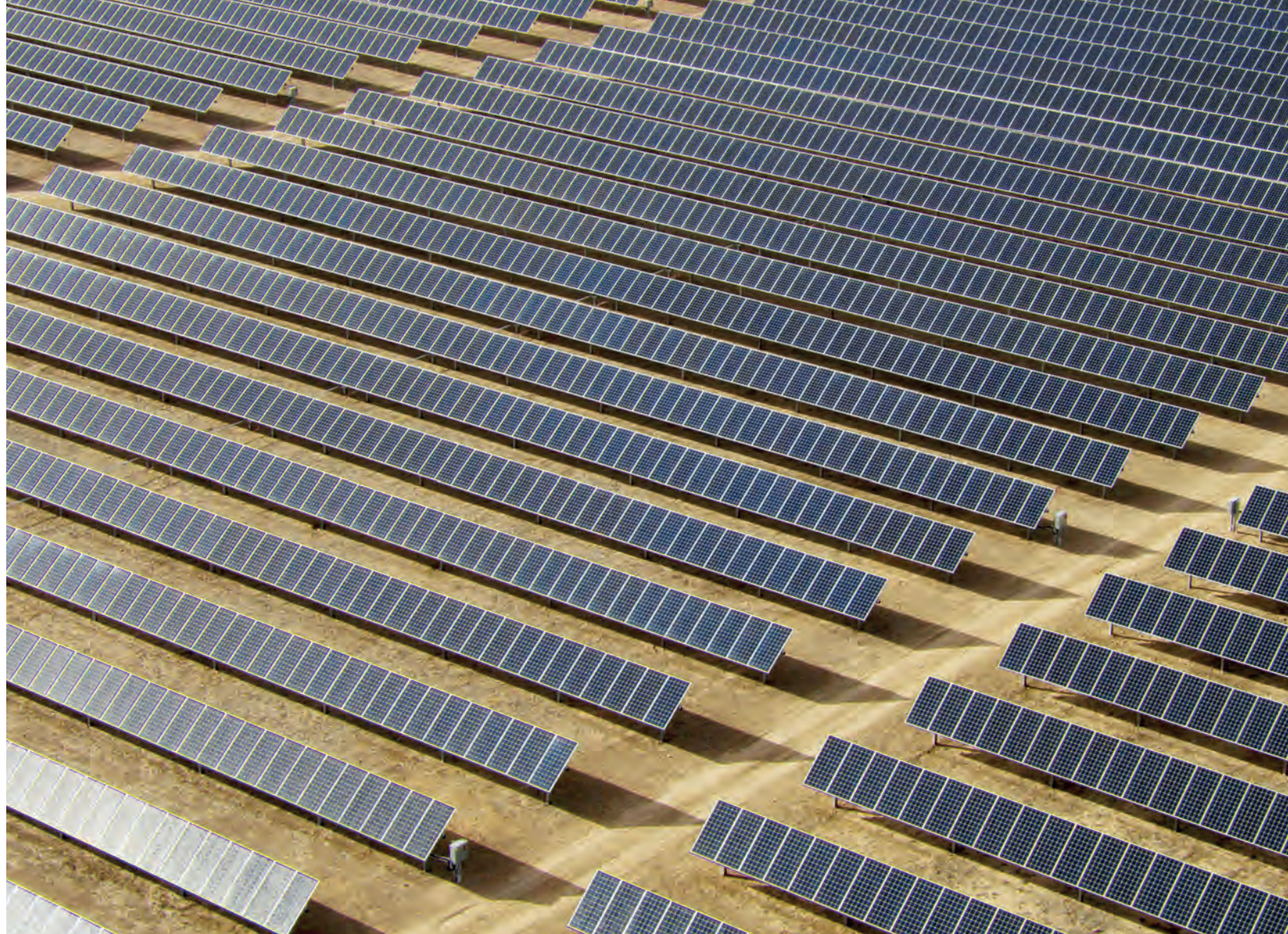
ENVIRONMENTAL MITIGATION

Domain's track record in the ecological restoration sector, spanning nearly 24 years and encompassing over 85 conservation projects in 13 states, demonstrates its commitment to restoration of natural ecosystems and protection of rare species and sensitive habitats. The company continues to manage 28 different projects in 2023, contributing to functional uplift across various watersheds and habitat types. This dedication to species and habitat conservation showcases Domain's expertise in sustainable and environmentally responsible investment practices. We feel that our work plays a crucial role in preserving and enhancing ecosystem services and biodiversity across a wide range of natural communities.

2023 SPECIES & HABITAT IMPACT

- Endangered San Joaquin Desert Kit Fox (*Vulpes macrotis mutica*)
- Threatened Chinook salmon (*Onocorhynchus tshawytscha*)
- Threatened Lower Columbia River steelhead (*Onocorhynchus mykiss*)
- Threatened Lower Columbia River Coho salmon (*Onocorhynchus kisutch*)
- Threatened Mojave Desert tortoise (*Gopherus agassizii*)
- Threatened Delta smelt (*Hypomesus transpacificus*)
- Threatened Giant Garter Snake (*Thamnopsis gigas*)
- Threatened California Tiger Salamander (*Ambystoma californiense*)
- Protected Pacific lamprey (*Lampetra tridentata*)
- Protected Bald eagle (*Haliaeetus leucocephalus*)
- Protected Longfin smelt (*Spirinchus thaleichthys*)
- Vernal Pool Wetlands
- Bottomland Hardwood Wetlands
- Freshwater Marsh and Riparian Woodlands
- Freshwater High-Gradient Streams
- Hydric Pine Flatwoods





RENEWABLE ENERGY DEVELOPMENT

Domain's strategic move to assemble more than 23,000 acres of timberland by the end of 2023 to support renewable energy projects, specifically solar and wind, showcases its commitment to sustainable and forward-thinking investments. This approach reflects a belief in realizing value beyond traditional timberland returns through innovative land use and value-added initiatives.

The decision to engage in solar energy development as the "highest and best-use" for the land is significant. It aligns with broader goals of reducing greenhouse gas emissions, combating climate change, preserving biodiversity, and decreasing dependence on foreign energy resources. Solar and wind energy projects not only generate clean energy but also contribute to the transition away from fossil fuels, which is crucial for mitigating environmental challenges.

Moreover, Domain's partnerships with eight different solar and wind energy developers and utilities, along with their involvement in 22 renewable energy projects with the potential to produce approximately 3,000 megawatts, underscores their commitment to sustainable practices and demonstrates their role in advancing the clean energy transition. These projects not only benefit the environment but also offer economic value, highlighting the potential for responsible investing to deliver both financial returns and positive societal and environmental impacts. Domain's approach exemplifies the evolving landscape of investment strategies that prioritize sustainability and responsible resource management.

Domain's views on addressing climate change and its impact on timberland investments demonstrates a comprehensive and forward-thinking strategy. The following are some key points that highlight our approach:

- **Variable Climate Risks**

Recognizing the varying degrees of climate risk in different timber growing regions is crucial. While we acknowledge the potential impact of climate change, we emphasize assessing these risks on a sub-regional level rather than categorically excluding entire major regions. This nuanced approach allows us to consider factors such as site selection, forest condition, and investment hold periods when making acquisition decisions.

- **Diversification and Sustainable Management**

Domain emphasizes the importance of geographically diversified portfolios combined with science-based sustainable forest management practices as a strategy to mitigate climate risk. Diversification helps spread risk across different regions, while sustainable management practices promote resilience in the face of changing environmental conditions.

- **ESG Considerations**

Domain actively incorporates ESG principles into its natural resource acquisitions and dispositions. We conduct thorough research and on-the-ground due diligence to ensure that properties align with ESG principles. Any areas of concern are noted, and we are willing to implement new procedures and operations to address issues conflicting with ESG principles.

- **ESG Matrix Commitment**

Domain's commitment to responsible investing, as evidenced by its ESG Matrix, showcases our dedication to aligning our practices with environmental, social, and governance principles. This commitment not only demonstrates ethical and sustainable investment practices but also responds to the growing demand from investors and stakeholders for responsible investment strategies.

Overall, Domain's approach represents a holistic and adaptive response to climate change and ESG considerations within the timberland investment industry. It reflects our commitment to responsible investing, risk mitigation, and the long-term sustainability of our investments.

Domain Timber Advisors is an active member of The National Alliance of Forest Owners (NAFO), a national advocacy organization committed to advancing federal policies that ensure our working forests provide clean air, clean water, wildlife habitat and jobs through sustainable practices and strong markets. NAFO directly responds to introductions of policy in Washington, DC through the issuance of statements, comment letters, etc. regarding legislation around working forests, climate change, carbon data quality and accessibility, sustainable jobs in the forestry and forest products sectors.

Domain is also a member of the Forest Resources Association which strives to provide an effective member voice in Washington, DC, defending against threatening legislation and regulation, and advancing public policies that support industry sustainability.

Lastly, Domain is a member of The Society of American Foresters whose mission is to advance sustainable management of forest resources through science, education, and technology, promotion of professional excellence while ensuring the continued health, integrity, and use of forests to benefit society in perpetuity. The Society's Policy and Public Affairs Team works with policymakers, partner organizations, and key coalitions to provide a unified voice for sustainable forest management and forestry and natural resource professionals.

SOCIAL SUSTAINABILITY

DEI AND EMPLOYEE RETENTION

Social topics are related to Domain's care of people, including the organization's employees, as well as within local communities. Domain believes a workplace where differences are both accepted and encouraged fosters an environment where employees can thrive and grow long-term. We aim to align the culture of Domain with the U.N.'s Sustainable Development Goals, including Good Health and Well Being, Gender Equality, and Decent Work and Economic Growth.

Domain encourages our employees' participation in social impact initiatives. We have partnered with local organizations such as Lift Up Atlanta, The Center for Puppetry Arts and Big Brothers Big Sisters. In addition, Domain matches employee donations to various charitable organizations.

We recognize the importance of an engaged workplace to deliver on our strategic objectives and our investor mandates with both performance and results. We seek feedback from our employees through annual surveys to assess key areas of our business that can be improved to enhance overall performance and ensure a healthy business environment. Feedback from these surveys is transparently shared with all colleagues and Domain's management team follows up on actionable items. Most recently, employees submitted feedback to Pension & Investment's Best Places to Work in Money Management. In 2023, Domain was once again ranked as one of the best workplaces. The ranking was based on a third-party evaluation of Domain's workplace policies, practices, philosophy, systems, and demographics, as well as an anonymous employee survey that measured the overall employee experience.

Striving to be a great place to work for all employees, Domain promotes a corporate environment of openness, inclusion, engagement, fairness, and respect. To further these efforts, Domain created a sub-committee focused on the continued promotion of Diversity, Equity, and Inclusion ("DEI") at Domain. Domain's DEI Committee is committed to increasing diversity and equity in the workforce and maintaining an inclusive workplace. The DEI Committee intends to make progress towards 1) racial equity, advancing gender equality, and increasing representation at every level of our firm and 2) prioritizing an inclusive working environment, identifying systemic inequities, and ultimately improving the organization's workplace culture through the following action items:

- Recruit, hire, and develop a workforce that reflects the communities we serve,
- Develop compelling messages, including opportunities for dialogue, which encourage all employees to see the importance of DEI,
- Improve the consistency of desired outcomes by strengthening policies and procedures and enhancing training; and
- Promote employee feedback and engagement to assess employee satisfaction and firmwide culture to ensure a wide range of voices are heard and considered in decision-making processes within the firm.

During the year, Domain expanded the networks and schools from which it recruits and began the initial work on partnerships with BLK Management and HBCU schools to reach a wider and more diverse candidate base. Domain held its internship program during 2023, which provides undergraduate and post-graduate students with the opportunity to gain experience and mentorship across Domain's investment team. The internship program also serves as an opportunity for Domain to assess the candidacy of a potential analyst. As a result of the internship program, Domain has extended offers to past interns, the most recent of which joined the firm in August 2023 after completing an 8-week internship during the summer of 2022.

ENGAGEMENT & CHARITABLE OUTREACH

Domain believes in fostering employee activities through engagement events, including game nights in the office, employer-sponsored trips to local sporting events, and social events, including local restaurant get-togethers, holiday parties, and more. We believe that spending time together outside of the office helps build relationships and encourages cross-platform collaboration, ultimately benefiting our investor base. We want our employees to not only enjoy the work they are doing, but also the people with whom they work on a daily basis. Domain held events throughout the year that highlight various causes and events and raises awareness among the employees at Domain.

During the year, Domain facilitated engagement events for organizations such as The Atlanta Women's Foundation, Lift Up Atlanta, Center for Puppetry Arts, Big Brothers Big Sisters of America, Women's Forest Congress, University of Georgia's Warnell School of Forestry & Natural Resources, University of Florida and more. Additionally, Domain fostered social engagement events through an exclusive partnership with TILA Studios, movie outings in support of Domain's active co-financing partnership with Warner Brothers Pictures, and team outings for activities such as escape rooms, local sporting events, golf tournaments, game nights, and more.

Domain understands the value of supporting our community with both time and charitable giving. We believe that businesses have a broader responsibility to the communities in which we operate. Through employee volunteer days and non-profit charitable donations, Domain has created an opportunity to give back to our community. As part of our philanthropy program and corporate donations program, Domain has matched over \$307,000 in contributions by its employees to various organizations in 2023. Furthermore, Domain participated in charitable engagement such as a Holiday Toy Drive and raising funds for Reshape the Quake to address global natural disasters.





TILA STUDIOS

Domain and TILA Studios, a visual arts incubator, have partnered to develop exposure for emerging Black women artists through Domain's art acquisition initiative. Domain's art acquisition initiative aims to provide a platform for artists of diverse backgrounds to showcase their work outside of a traditional gallery model. The partnership is a testament to Domain's goal of being a good corporate citizen in the City of Atlanta. Domain's goal with the selected works displayed throughout the office is to inspire Domain's employees and spark creativity.



ATLANTA WOMEN'S FOUNDATION

Since its inception in 1998, the Atlanta Women's Foundation (AWF) has been a catalyst for change in the lives of women and girls, helping them live safe, economically self-sufficient, and vibrant lives. AWF raises funds for grantmaking through a collective impact model that amplifies the work of strategic nonprofits serving the area. By focusing on economic empowerment, mental health & well-being, and workforce development, AWF helps its grantees provide wraparound services like childcare, career coaching, financial literacy training, business loans, higher education, and more. In 2023, Domain attended the Numbers Too Big to Ignore Luncheon featuring special guest Brooke Shields, which helped raise funds for the organization.



EMPLOYEE SAFETY, WELL-BEING, & HEALTH

Domain promotes employee health, safety, and overall well-being. All employees are required to adhere to company and OSHA safety requirements. In response to the COVID-19 outbreak, Domain has taken additional measures to ensure employee and workplace health and safety. We believe every employee should have access to quality essential healthcare services and safe, effective, quality, and affordable medicines and treatments. Domain's comprehensive health and wellness insurance provides employees and their dependents access to medical, dental, vision, life, disability, critical illness, accident, and other insurance benefits. Further, we provide an attractive package of company benefits to attract and retain employees, including a 401(k) plan and match program, profit sharing, shadow equity incentive plan, carried interest participation for eligible employees, and firmwide unlimited paid time off. To provide a mechanism to attract and retain employees, Domain implemented a Unit Appreciation Rights ("UAR") Shadow Equity Incentive Plan, which allows employees who have been with Domain for 12 consecutive months to participate in the appreciation in the value of the company over time, subject to the terms of their award agreement, including a vesting schedule.

TRUSTED GOVERNANCE

ESG TRAINING

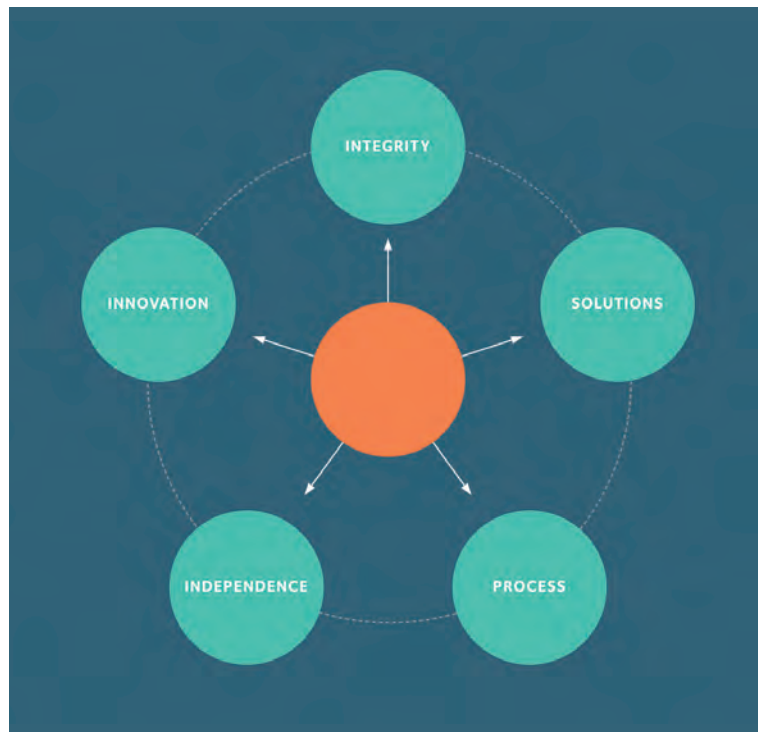
To continue the encouragement of ESG initiatives at Domain through its employees, the ESG committee promotes regular training opportunities on key environmental, social, and governance issues.

The ESG committee has supplied the Atlanta office with multiple large recycling receptacles with easy access for all employees as well as a central recycling receptacle for electronics. As an accompaniment to the recycling receptacles, the committee has also provided guidance on what items are and are not appropriate for recycling. Additionally, the ESG committee released a report detailing various ways our employees can work to become more environmentally conscious both at work and at home.

Domain holds trainings such as sensitivity training, anti-harassment training and discrimination training, to foster a culture of dignity, respect, and tolerance and emphasize conflict resolution and communication.

Domain applies a responsible governance approach with a primary focus on ethics and accountability across the organization to ensure compliance and business continuity. Moreover, we believe our organization's principles and compliance policies take into consideration the U.N. Sustainable Development Goals of Peace, Justice, and Strong Institutions. During 2023, Domain formed an Enterprise Risk Management Committee, which is responsible for the review of all non-investment-related risks for Domain and its affiliates. More specifically, though not exhaustive, the committee will address risk issues around client relations, credit and counterparties, finance, governance and oversight, human resources, legal, compliance, potential conflicts of interest not covered by the Investment Committee, operations, technology, service providers, regulations, strategies, reputation, and valuation.

Governance topics relate to how Domain operates our business, from decision-making processes to compliance, risk management and investor reporting. Domain applies a responsible governance approach with a primary focus on ethics and accountability across the organization to ensure compliance and business continuity. Moreover, we believe our organization's principles and compliance policies take into consideration the U.N. Sustainable Development Goals of Peace, Justice, and Strong Institutions.



INVESTMENT CASE STUDIES

When evaluating potential investments across all verticals, Domain places emphasis on evaluating the ESG considerations to ensure they align with our policies.

For example, during 2023, Domain closed on a short-term senior debt facility to a global producer and distributor of theatrical entertainment. As part of the diligence process, Domain ensured that the company's theatrical production list would have no performances in any country designated on the OFAC list or anti-terrorism list. Additionally, Domain ensured that it would hold control over centralized accounts and that any key personnel changes would not hinder the opportunity.

Within the Domain Entertainment Fund vehicle, Domain executed multiple transactions during the year. While environmental considerations were fewer for the media investments given their nature, Domain ensured that all asset purchases and co-financings had ESG factors considered. For example, investments were done with minority artists.

Furthermore, investment case studies in Real Estate and Natural Resources are detailed on page 22.

BLUE HERON SLOUGH CONSERVATION BANK

SALMON RESTORATION AT SCALE

The Blue Heron Slough Conservation Bank undertaken by Domain Environmental Investments II, LP in partnership with the Port of Everett in Snohomish County, WA, to restore degraded agricultural lands previously used for strawberry farming back into critical habitats for threatened species of salmon, steelhead and bull trout. Here are some key highlights of the project:

- **Historical Land Restoration**

The project involves the restoration of 353 acres of historically altered and degraded agricultural land. This land had been isolated from its natural hydrological processes due to previous commercial agricultural operations. The restoration efforts aim to return it to a more natural and ecologically functional state.

- **Partnership for Sustainable Development**

The collaboration between Domain Environmental Investments II, LP, and the Port of Everett is designed to not only restore the tidal ecosystem but also facilitate sustainable development in the local watershed. This partnership is a model for how public and private entities can work together to achieve both environmental and economic goals.

- **Conservation Bank for Environmental Credits**

The project's end goal is to establish the Blue Heron Slough National Resource Damage Assessment (NRDA) Conservation Bank. This bank will provide commercial environmental credits to offset unavoidable impacts to endangered salmon, federally protected wetlands, and tidal ecosystems. This approach promotes a balance between development and conservation.

- **Environmental Cleanup Efforts**

Under the guidance of the Puget Sound Initiative and the Washington State of Ecology, The Port of Everett's investment of over \$33 million in cleaning up historic contamination demonstrates a commitment to environmental stewardship. It aligns with broader efforts to restore and protect the ecological health of the area.

- **Habitat Restoration**

The restoration efforts include a variety of activities, such as creating tidal habitats, constructing interior slough networks, removing dikes, and initiating tidal flow. These actions aim to restore approximately 100 acres of intertidal marsh, benefiting various ecosystems within the Snohomish River Estuary.

- **Ecosystem Connectivity**

The project's location adjacent to other restoration and protected lands enhances ecological connectivity, allowing for the movement of wildlife and promoting biodiversity in the region.

- **Mitigation for Impact Compensation**

The project fills a critical need in the local area by providing mitigation credits that compensate for impacts to aquatic resources and endangered species. This is essential for maintaining the ecological balance while allowing for development in the region.

Overall, this restoration project represents a holistic approach to environmental stewardship, economic development, and conservation. It showcases the potential for sustainable practices and partnerships to restore and protect vital ecosystems while also supporting local economies and communities.

As referenced by the various restoration activities listed above, Blue Heron Slough is an example of how strategic partnership can contribute to SDGs #6 – Clean Water and Sanitation, #12 – Responsible Consumption and Production, #14 – Life Below Water, and #15 – Life on Land, specifically related to targets 6.6, 12.2, 14.1, 14.2, 14.5, 15.1, 15.2, 15.5, and 15.8.



ELECTRIC OWL STUDIOS

WHERE FILM TAKES FLIGHT

Domain's Electric Owl Studios investment financed the ground-up development of the world's first LEED Gold-certified purpose-built studio facility, "The Greenest Studio on Earth™." The EOS development features a total of 313,000 square feet, including six soundstages, wardrobe, mill, support space, and on-site production offices. The studio is built with and operates with a commitment to quality, community, and sustainability. In 2023, Electric Owl Studios was named a winner of Inc.'s 2023 Best in Business list in the sustainability category.

Situated on 17 acres, the site is located 25 minutes from downtown Atlanta and is accessible via multimodal transportation, including surface street driving, Interstate 285, and Atlanta's MARTA heavy rail passenger trains and buses. Additionally, the site is a 25-minute drive from Hartsfield-Jackson International Airport.

During construction, dedicated efforts were made to create a facility that is an environmental leader within the purpose-built film studio industry. The facility is LEED-Gold certified, obtaining credit for:

- Being developed on a previously developed site
- Having access to numerous methods of transit
- Incorporating low water use fixtures
- Utilizing energy optimization technology through on-site solar panels providing over 30% of power usage, 48 EV charging stations, High-efficiency HVAC system, and smart thermostats
- Utilizing low-emitting materials during construction
- Building with indoor air quality enhancements
- Operationally, Electric Owl Studios is committed to environmental and social stewardship. The facility has in-place operational policies to reduce waste, including:
 - Styrofoam condensing and recycling
 - Dehydrator and vacuum sealing of food leftovers and composting of remaining food scraps
 - On-demand dumpster pickups, reducing the amount of empty space per load
 - Rainwater reuse in landscaping, reducing the amount of water required from the municipality
 - On-site beehives that facilitate local pollination and biodiversity

Additionally, Electric Owl Studios offers all employees a health care plan and a 401k match.

Electric Owl Studios believes in being an active participant within the local community. The studio has relationships with numerous companies to help facilitate all aspects of film production, including set building, lighting and grip resources, and operational support, many of which source employees, equipment, and supplies from the local area. The studio offers internships to local students who are interested in exploring the entertainment industry as a career.



MULTIFAMILY HOUSING OPERATOR

Domain manages a multifamily housing operator that owns and operates over 20,000 units across the United States. The Company is dedicated to being environmentally conscious, implementing social initiatives for employees and residents alike, and operating under governing responsibilities and has adopted a multi-year plan to enhance the Company's ESG efforts and best practices.

ENVIRONMENTAL



100% of the portfolio is tracked by RealPage for water and energy consumption

100% of the portfolio integration is on Measurbl

Partnership with Tesla installed 268 charging stations across portfolio

All new buildings constructed to NGBS silver or greater

GRESB submission for 2023

Sustainability lease addendums

SOCIAL



Partnership with Move for Hunger – 1,596 meals donated in 2022

Annual Make a Difference Day – In 2022, 373 employees volunteered at various local charities

New employee DEI training

Annual resident satisfaction surveys administered by a 3rd party

Companywide employee satisfaction surveys with follow-ups with the Executive Committee

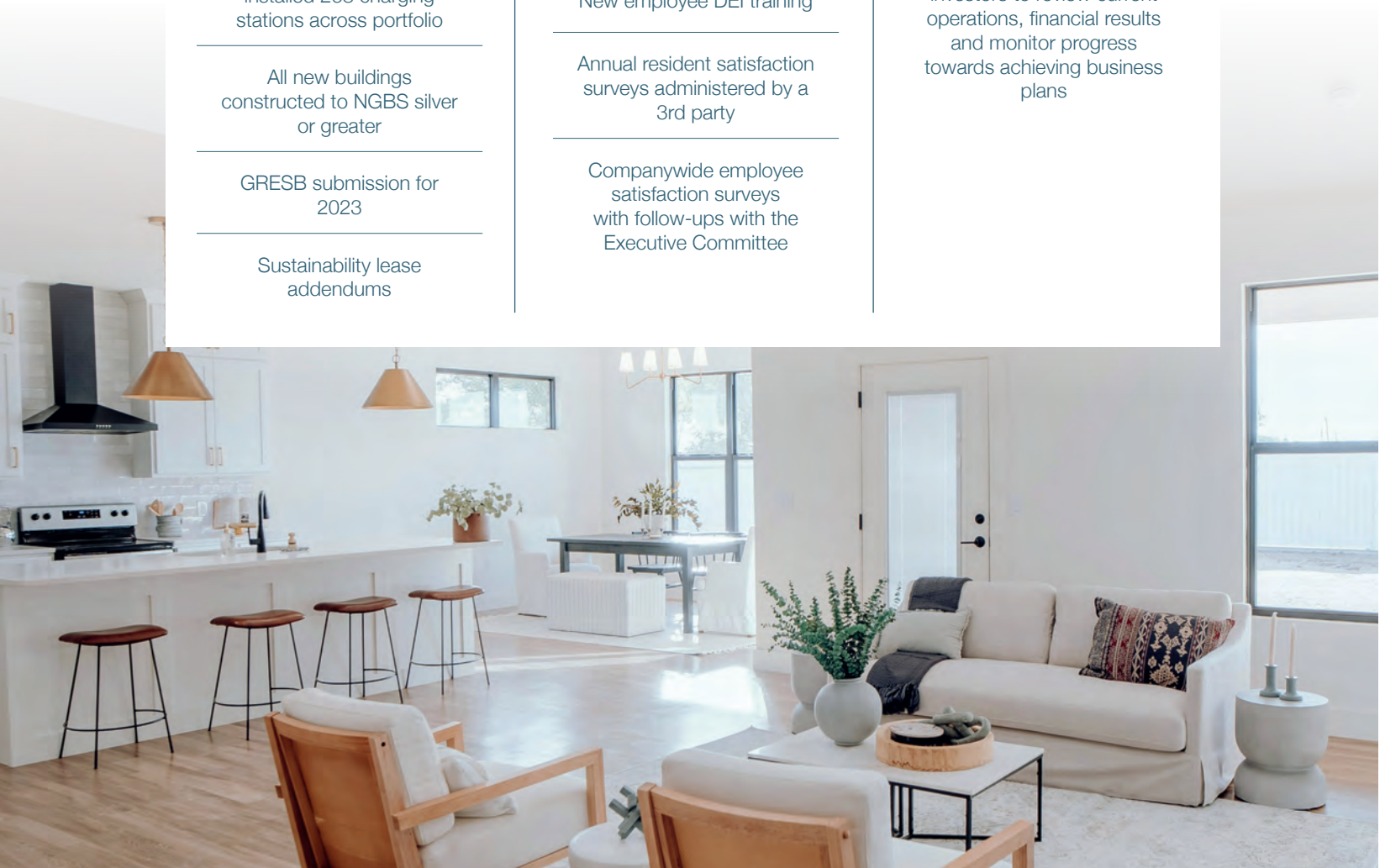
GOVERNANCE



Created full-time Vice President of Sustainability and Compliance role to champion ESG initiatives

Firmwide Business Ethics Policy

Quarterly meetings with investors to review current operations, financial results and monitor progress towards achieving business plans



In 2023, the Company submitted its first GRESB filing. The Company partnered with data aggregator, Measurabl, to assist with navigating the evolving landscape of voluntary GRESB reporting, identify opportunities for portfolio performance improvement, and help build comprehensive ESG strategies and implementation plans that embed ESG into portfolio strategy and operations.

Sustainability and environmental consciousness directly impact the Company's construction practices and ongoing operations. Specific areas of focus include energy consumption, greenhouse gas emissions, water consumption, waste management, and hazardous material refuse such as refrigerants. Additional specific examples of the Company's environmental focus include:

- Development focus on TOD (transportation-oriented development) and increased density in communities that support smart transportation, including bike and car sharing.
- Safety programs and training on maintenance and/or proper operation of equipment and supplies, including disposal.
- All communities have recycling programs in place.
- Replacement of fixtures and lights with energy-efficient technology (LEDs).
- Electric charging stations have been installed at several communities to accommodate residents with electric vehicles.

Social consciousness for the Company focuses on the interaction with employees, residents, and other people in our communities. The Company believes in employee development, community involvement, labor standards, anti-discrimination, diversity, and health and safety. The Company participates in a wide variety of social programs, including:

- Annual Make a Difference Day, where all employees have the opportunity to give a day of volunteering in their specific communities.
- Employee health initiatives, including company-wide "Fitbit" challenges and progressive insurance coverage, encouraging proactive health maintenance.
- Annual resident satisfaction surveys administered by a 3rd party. Survey results and resident comments are used to critique property operations and are often incorporated into annual property operating plans.
- Every community has Facebook, Instagram, Twitter, and LinkedIn accounts with frequent blog posts with topics including health, wellness, and conservation.
- Numerous communities facilitate shelf-stable food donations on behalf of residents during move-outs.

Corporate governance is the right and responsibility of the management of a company for all stakeholders. The Company believes this governance expands to its joint venture partners, its lenders, its vendors, and other business partners.

The Company currently conducts:

- Quarterly meetings with investors to review current operations, financial results, and monitor progress towards achieving business plans.
- External audit performed by a third-party with no management comments. Internal audit initiatives and activities at both the property and corporate level to ensure best practices.
- Annual business plans and periodic strategic plans approved by investors.
- Third-party quarterly appraisal of properties and overall company valuation.



LOOKING AHEAD

Domain's commitment to continual improvement of its ESG policies and procedures reflects a proactive approach to responsible investment practices. The outlined milestones for the remainder of the year demonstrate a strong dedication to enhancing ESG awareness and making a positive impact on both client assets and the communities that depend on them.

Here's a breakdown of these milestones:

Increase ESG-related Awareness and Training

Raising ESG awareness and offering training opportunities across the organization is a fundamental step in ensuring that all team members are aligned with responsible investment principles.

Monitor Carbon Offset and Biodiversity Credit Markets

Keeping an eye on emerging carbon offset and biodiversity credit markets across the U.S. shows Domain's intent to stay at the forefront of sustainable investment opportunities.

Enhance Climate Positive Reporting

Improving and expanding climate positive reporting, including asset and account level sequestration, carbon storage, and greenhouse gas emissions, demonstrates transparency and accountability in addressing climate-related issues.

Receive the assessment

from Domain's first annual UNPRI reporting submittal and begin incorporation of any recommendations from UNPRI while continuing to improve around global ESG reporting standards.

Expand Engagement with DEI Committee

Increasing engagement with the Domain Capital Group's Diversity, Equity, and Inclusion Committee reflects a broader commitment to fostering diversity and inclusion within the organization.

Develop KPIs

for all ESG commitments by end of 2024.

By actively pursuing these milestones, Domain is positioning itself as a leader in responsible investing, and its efforts can have a positive impact not only on its clients but also on the broader financial industry's ESG practices and standards.

FINAL STATEMENTS



For as long as I can remember, I have felt a deep connection to nature and rural landscapes, which naturally led me to a career in ecology and land conservation. Working in a field dedicated to improving natural places has been incredibly rewarding. Over the past six years at Domain, I have had the privilege of managing 85 environmental restoration projects across 13 states and in 2023, Domain sought to apply some of these developed core conservation principles to our sustainable timberland portfolio. It's exciting to witness the growing interest from both clients and our internal team in implementing natural capital solutions across nearly 250,000 acres of third-party certified forestlands.

ALTON OWENS

Director
Co-chairperson | ESG Committee



Growing up as part of a minority community, promoting social impact and governance through sustainable and ethical business practices has been a guiding force throughout my career. Fueled by that drive, I joined the ESG committee and pioneered Domain's first DEI Committee to further promote inclusive practices across financial services. It has been an honor to work alongside passionate individuals to further Domain's impact reach both within our office walls and to the larger Metro Atlanta community. I am enthusiastic about what is to come from such a dedicated group of people at Domain. Domain strives to create and cultivate a diverse workforce that encourages equitable opportunities and inclusive culture, foster innovation, and reflect broader societal values.

JASMINE MOVAGHARNIA

Assistant Vice President
Co-chairperson | ESG Committee

As Co-Chairs of the Domain ESG Committee, we have enjoyed collaborating with team members across all our investment verticals to explore how we can integrate sustainability measures into our real estate, media and entertainment, and credit strategies. Domain and the ESG Committee have made a strong commitment to transparency and the continuous improvement of our ESG-related policies, governance, and strategy, and it is extremely satisfying to see both our Committee and Investment Teams energized by these efforts.

Domain

CAPITAL GROUP

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