

# CORPORATE RESPONSIBILITY REPORT

2019

ENVIRONMENTAL | SOCIAL | GOVERNANCE



PHILLIPS EDISON & COMPANY®

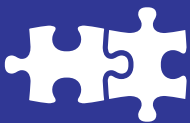
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THE PHILLIPS EDISON & COMPANY (“PECO”) TEAM TAKES PRIDE IN CREATING GREAT OMNI-CHANNEL GROCERY-ANCHORED SHOPPING EXPERIENCES AND IMPROVING COMMUNITIES, ONE SHOPPING CENTER AT A TIME.

# ABOUT PHILLIPS EDISON & COMPANY



Phillips Edison & Company (“PECO”) has focused on the value and potential of grocery-anchored shopping centers for almost three decades. Over that time, we have developed exceptional expertise in every discipline of the grocery-anchored shopping center industry. Our fully integrated platform of talented in-house professionals comes with a unique perspective borne of experience and our ongoing growth and success reflects the efforts of our dedicated team.

PECO’s investing and operating model was created with its first property acquisition in 1992, Nordan Shopping Center. From that day on, PECO has utilized its internally staffed, vertically integrated operating platform to acquire, lease and manage grocery-anchored neighborhood shopping centers. This unwavering focus has resulted in a national footprint and a proven track record of optimizing grocery-anchored property value through multiple real estate and economic cycles.

Today, PECO’s diversified portfolio of well-occupied neighborhood grocery-anchored shopping centers has a mix of national and regional retailers selling necessity-based goods and services in strong demographic markets throughout the United States.

**We provide asset management and property management services to 309 properties, including 284 wholly-owned properties comprising approximately 31.8 million square feet across 31 states (as of 9/30/2020).**

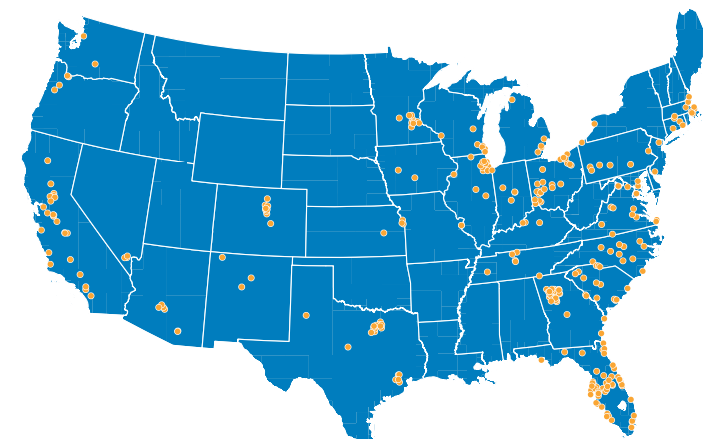
PECO’s strong retailer relationships, deep local market knowledge, use of technology and data to inform investment decisions, and commitment to populating centers with brands that resonate with communities has fueled our growth and allowed us to deliver attractive returns to investors. Our ability to constantly evolve to meet the needs of retailers and their customers has allowed PECO to shape the dynamic retail landscape in many positive ways.

The key to our success is that PECO has remained true to its mission of value creation and its commitment to be a best-in-class operator. With a focus on technology, innovation and customer experience, PECO continues to be an industry leader in its core business of maximizing the value of grocery-anchored neighborhood shopping centers.

**The business that began almost 30 years ago now owns and/or operates approximately 309 properties and has more than 300 associates working in corporate offices in Cincinnati, Park City and Atlanta with regional offices across the country.**



“PECO, much like the Neighbors we serve, was built on - and is strengthened by - our team’s entrepreneurial spirit, collaborative problem-solving and dedication to continuous improvement. We are constantly seeking innovative solutions that will enhance and promote the communities in which we live and work.”  
– Jeffrey S. Edison, Chairman and CEO





“We refer to our tenants as “Neighbors” because a “tenant” is merely someone occupying a space. Our Neighbors are much more than that. Our goal is to treat our PECO Neighbors with care and respect just as we would treat those who live next door to us. When we serve our Neighbors, we are serving our community.”

— Bob Myers, Executive Vice President & Chief Operating Officer



**1991**

Phillips Edison & Company founded

**2000**

Closed Fund I, a \$20 million, fully discretionary investment vehicle

**2004**

Completed consolidation of affiliated entities into an LP structure with a corporate GP

**2007**

Acquired \$600 million portfolio of 60 centers, over 5 million SF, from Developers Diversified Realty as part of Fund III

**2010**

Launched Phillips Edison Grocery Center REIT I



**2014**

Closed the initial public offering for Phillips Edison Grocery Center REIT I, generated ~\$1.75 billion in proceeds

**2017**

Phillips Edison Grocery Center REIT I, Inc. completed the acquisition of Phillips Edison Limited Partnership's real estate assets and asset management business

**2018**

Entered into two joint ventures with Northwestern Mutual to form Grocery Retail Partners I (“GRP I”) and Grocery Retail Partners II (“GRP II”), investing in 20 centers valued at \$415 million

**1992**

Acquired first shopping center, Nordan Shopping Center in Danville, Virginia

**2003**

Closed Fund II, a \$60 million, fully discretionary investment vehicle in two closings and acquired \$175 million Aegis Realty portfolio of 27 centers, over three million SF

**2006**

Closed Fund III, a \$275 million, value-add fund and acquired a total of 116 shopping centers, over 12 million SF, in 27 states

**2009**

Closed Fund IV, a \$120 million, value-add fund and acquired nine centers in seven states, over 1.3 million SF

**2013**

Launched Phillips Edison Grocery Center REIT II

**2015**

Closed the initial public offering for Phillips Edison Grocery Center REIT II, generated ~\$1.2 billion in proceeds

**2016**

Entered into a value-added joint venture with TPG Real Estate to form Necessity Retail Partners (“NRP”), investing in 14 centers valued at \$250 million

**2018**

Completed \$1.9 billion merger with Phillips Edison Grocery Center REIT II, Inc., acquiring 86 grocery-anchored shopping centers



“Investors, communities, Neighbors and other key stakeholders are increasingly focused on environmental and social impact. Many shoppers are choosing products and businesses that align with their values. The financial impact of this shift has the potential to be incredibly positive for companies that take their responsibilities as corporate citizens seriously and invest the time and resources in taking action.”

— John Caulfield, Chief Financial Officer





## A NOTE FROM OUR CEO



**“OUR MISSION AND OUR RESPONSIBILITY TO EFFECT POSITIVE CHANGE HAS NOT WAIVERED OVER THE YEARS. IT BEGINS WITH EACH PROPERTY AND IN EACH COMMUNITY. WHAT HAS CHANGED IS THE DEPTH AND BREADTH OF THIS RESPONSIBILITY.”**

**JEFFREY S. EDISON**  
**CHAIRMAN AND CEO**

It is a pleasure to introduce and present PECO's second annual Corporate Social Responsibility (CSR) Report. This report, which outlines initiatives, programs and measures of our 2019 CSR efforts, is just one of the many ways that our team is working to continuously enhance and measure the positive impacts that we strive to make on the communities in which we live and work.

PECO has focused on grocery-anchored shopping centers since day one - almost 30 years ago. The reason is simple. These properties are essential in every community, providing goods and services for the health and well-being of the surrounding population and serving as gathering places for neighbors, friends and family. They provide essential goods and are vital to the people who live and work in the communities they serve.

PECO was built on our team's ability to enhance these properties, and the neighborhoods in which they are situated. Our focused, hands-on management and leasing initiatives are locally smart, designed to support the businesses operating at each center; provide the most effective array of goods and services to local consumers; and offer a safe and welcoming shopping experience that contributes to, and enhances, the vitality of each neighborhood.

Our mission and our responsibility to effect positive change has not waived over the years. It begins with each property and in each community. What has changed is the depth and breadth of this responsibility. As we have evolved and expanded our footprint and expertise, our corporate responsibility and the way we view it has also grown. Today, with 309 properties in 31 states and more than 300 experts across all areas of the business, we are committed to creating and implementing innovative

solutions that serve not only each individual customer, investor, business and neighborhood, but the overall environment and world as well. As you'll read in this report, our team has implemented an extensive array of programs, including solar roofing, water saving systems, energy-efficient designs and systems, EV charging stations, recycling programs and more. We take our responsibilities seriously and we are investing the time and resources into fulfilling them.

As our team compiled the 2019 results for this report, we were simultaneously experiencing the effects of COVID-19, racial tensions and political unrest. These nationwide and worldwide concerns had a significant effect on all facets of our lives and our business. As always, the PECO team met these new challenges head-on by rapidly deploying resources, pivoting plans and enhancing expertise as

needed. I am pleased to share that as of September 30, 2020, more than 98% of our Neighbors (how we refer to our tenants) are open and operating, as compared to 63% at the height of COVID-19 closures in April 2020. In addition, our associate-led group PECO MORE (Multicultural

Opportunities, Resources and Education) is helping our associates across the country process and find positive ways to impact racial tensions through open dialogue and education. They have established a comprehensive plan to expand and enhance their work to extend into all areas of our business and our communities.

Whether it's through sustainability efforts, socially-impactful programs or responding and helping each other through a crisis such as COVID-19 – our team remains committed to finding opportunities to create value in our business, our communities and the world.

**This is our mission: to create great omni-channel grocery-anchored shopping experiences and improve our communities one shopping center at a time.**

*Jeffrey S. Edison*



PECO'S CULTURE IS FUELED BY THE ENERGY OUR TEAM BRINGS TO WORK EVERY DAY — TO FIND CREATIVE SOLUTIONS AND CREATE VALUE NOT ONLY FOR THE CENTERS WE OWN AND OPERATE — BUT WITHIN EACH COMMUNITY AND THE GREATER WORLD AROUND US.



THROUGHOUT MOST OF 2020, AS THIS REPORT WAS BEING COMPILED, THE UNITED STATES WAS EXPERIENCING THE IMPACTS OF THE COVID-19 PANDEMIC. MOST AREAS OF THE COUNTRY IMPLEMENTED STAY-AT-HOME ORDERS AND MANDATED LIMITS ON OCCUPANCY AND GATHERINGS. THESE MEASURES, ALONG WITH RECOMMENDED SOCIAL DISTANCING AND SANITATION PROCEDURES, CREATED A VARIETY OF CHALLENGES FOR PECO'S TEAM, ITS NEIGHBORS AND ITS COMMUNITIES.

PECO's COVID-19 related response initiatives were led by two internal teams:

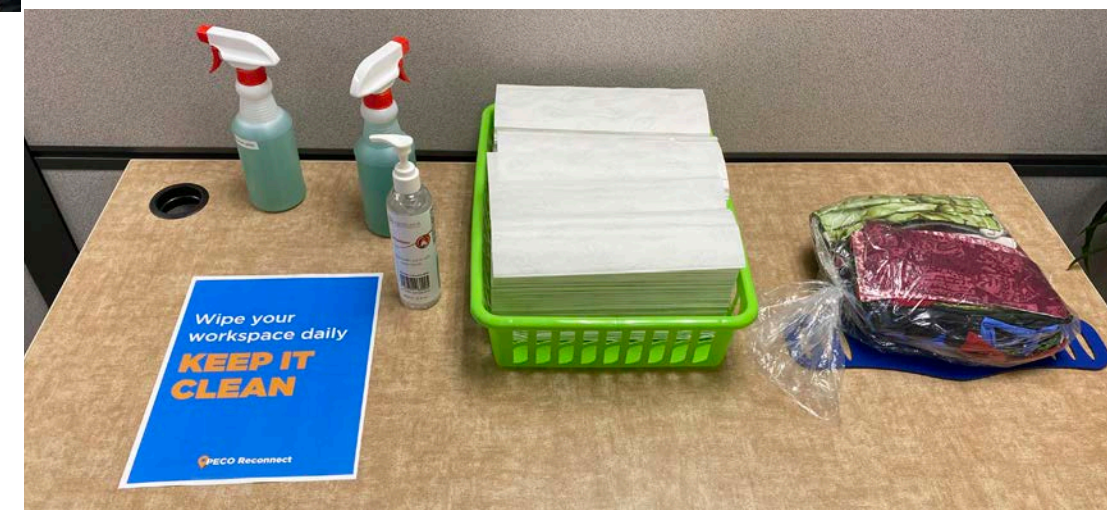
- a "Crisis Response" team charged with overseeing internal processes
- a cross-functional, multi-departmental "Task Force" focused on designing and coordinating the organization's overall COVID-19 response measures.

### PECO'S TEAM

COVID-19 created a unique set of challenges for everyone, including the PECO team. As the pandemic first spread across the nation, all associates rapidly moved into a fully remote work environment. This transition was relatively seamless from a business operations standpoint due to PECO's commitment to maintaining robust and fully integrated technological systems and equipment. During this time, the leadership team increased communications and promoted collaboration by:

- Hosting weekly all-associate Town Hall meetings via video conference.
- Developing a comprehensive intranet site with dedicated areas for information and resources on personal wellness, working from home, communicating with Neighbors and overall COVID-19 federal, state and local recommendations.
- Rolling out a daily email communication designed to give team members the opportunity to keep up to date with company information and share their photos and experiences to stay connected to each other.

The team remained remote for three months. Throughout that time, members of our risk management, facilities management and human resources teams collaborated extensively to develop and implement a robust safety program to facilitate the team's return to the office. Their comprehensive plan included daily online health questionnaires, extensive sanitation procedures and protocols, educational videos, directional and instructional signage and more. All of these things provided the PECO team with the safest environment possible while allowing them to return to the office and reap the benefits of our collaborative culture.







Many of PECO's most severely impacted Neighbors were small, locally owned businesses. These entrepreneurs were true heroes, approaching the crisis with an attitude of 'I can't afford to fail'. They found creative ways to reimagine their businesses in the face of ever-changing health recommendations and new restrictions. Aligned with these Neighbors, the PECO team worked hard to support their efforts. As of September 30, 2020, 98% of our Neighbors (how we refer to our tenants) are open and operating (As compared to 63% at the height of COVID-19 closures in April 2020).

## PECO'S NEIGHBORS AND COMMUNITY

PECO's COVID-19 Task Force placed significant focus on helping the company's Neighbors. At the peak of the closures, approximately 37% of PECO's 5,550 retail spaces were temporarily closed. The Task Force quickly developed and launched a series of initiatives designed to help our Neighbors through the crisis. Cross-functional teams worked together to provide a comprehensive program of information, tools and resources under the PECO Connect™ banner freely available on PECO's website.



### EFFORTS INCLUDED:

- Reaching out to every one of our 5,500 Neighbors to assess the status of their businesses and provide information on available CARES Act funding and other local, regional or industry-specific assistance.
- Implementing a Front Row To-Go™ program which gives shoppers front row access for convenient pick-up. PECO facilitated this offering for Neighbors and their customers with clearly marked parking spaces.
- Installing walk-up windows where space allows to provide an area for customer pick-up without entering the business.
- Installing on-site signage announcing that the stores were open and encouraging customers to shop local.
- Producing a webinar series featuring information and ideas on topics ranging from how to apply for the PPP loan program to how to engage customers while getting ready to reopen.
- Providing expert advice on logistics, menu design and other topics in a video for small business restaurants titled "Reimagining Your Restaurant Business."
- Creating a cash-back rewards program. Credits could be earned for our small-shop Neighbors for completing certain actions such as reopening within 30 days of being allowed per mandates, and leveraging social media.
- Utilizing DashComm, our proprietary communication platform, to share information quickly and efficiently with our Neighbors.
- Creating a digital toolkit which includes downloadable social media graphics; printable signage; customizable flyers and coupons; and industry guides and blueprints to help Neighbors communicate with customers both on-site and online.
- Working with restaurant Neighbors to add outdoor seating, where feasible.
- Encouraging Neighbors to use common areas such as sidewalks, patios and portions of the parking area to display and/or sell merchandise, place dining tables or hold events such as dance recitals and fitness classes.
- Connecting Neighbors with vendors for HVAC upgrades and installations to enhance air quality.





# CORPORATE RESPONSIBILITY OVERVIEW

WE STRIVE TO BE LOCALLY SMART, ENSURING THAT OUR NEIGHBOR MIX OFFERS THE GOODS AND SERVICES SHOPPERS NEED AND WANT WHILE ALWAYS LOOKING FOR INNOVATIVE WAYS TO COMPLEMENT THE SURROUNDING COMMUNITY.

PECO'S FOUR CORE VALUES HELP OUR TEAM PURSUE ITS MISSION, GUIDING EACH DECISION AND EVERY ACTION.



## DO THE RIGHT THING.

From our property operations to our corporate strategy, the PECO team is held to the highest ethical standards. To assist and encourage this, we strive to be transparent in sharing information and facilitate open and honest dialogue across teams and among all levels.

PECO does the right thing – even if it isn't always the easy thing.



## HAVE FUN & GET IT DONE.

Energized, committed and passionate about our work, the PECO team works hard to achieve its mission and accomplish its goals. With that in mind, we try to also have fun along the way – enjoying the company of our teammates and taking the time to create an environment where people want to go every day and remain engaged and excited. We always get it done, and we have fun while we're doing it.



## THINK BIG. ACT SMALL.

Over the past 30 years we've grown, but we're still dreaming big and acting small. We strive to make a big impact on every property, the communities and the environment while still maintaining our "small company" feel by collaborating closely across teams, staying agile and continuously working together to learn and evolve. Our all-associate annual meetings, frequent town hall meetings, comprehensive internal communications efforts and internal networking and learning events keep our associates connected and build the relationships necessary for "thinking big and acting small".



## ALWAYS KEEP LEARNING.

Our industry – and the world – is always changing. The PECO team understands that we must always pursue continuous learning to stay on top of trends in the market and in our communities. PECO University, our internal professional enrichment program, coaching and development programs, tuition reimbursement and other team learning opportunities ensure that every associate has the opportunity to "always keep learning".

PECO's approach to corporate responsibility mirrors, and is bolstered by, our approach to operating our neighborhood grocery-anchored shopping centers. Our mission aligns with our obligations as a good corporate citizen – to create great omni-channel grocery-anchored shopping experiences and improve communities, one shopping center at a time. To achieve our mission, we must positively impact every community we enter, providing safe, clean and environmentally friendly shopping centers that enhance the neighborhood both in terms of look and feel. Our mission, upon which we are always focused, clearly outlines our commitment to fulfilling our corporate responsibilities.

PECO continuously seeks to improve and enhance our environmental, social and governance programs, and align them with the values and interest of our stakeholders. As part of this effort, our team reached out to many of our stakeholders, including board members, investors, the management team, associates, Neighbors, and vendors, to gauge where certain ESG topics ranked in order of importance to each group. The information gathered will be utilized to help identify areas of focus and guide us as we plan for the future.



PECO'S CULTURE IS DRIVEN BY  
OUR TEAM'S CONNECTION TO EACH  
OTHER AND THE COMMUNITIES IN  
WHICH WE LIVE AND WORK



PECO PEOPLE



## ENGAGEMENT, CORE VALUES AND CULTURE

PECO was named a Top Place to Work by Enquirer Media for three years in a row. There's good reason for this – our team. PECO's associates are dynamic, innovative and entrepreneurial. They are driven to succeed and make a lasting impact on our growing organization. Having highly trained, energized and skillful professionals throughout every level of our organization is a great source of pride and a key element of success for PECO.

Our company culture and values define who we are as a team, what we believe in and how we live our unique and energizing culture every day.

The PECO acronym outlines our “cultural descriptors” which describe what our overall culture looks like. **PRIDE** in everything we do, pride in our people and pride in our properties help us reach for our mission of creating great omni-channel grocery-anchored shopping experiences and improving our communities one shopping center at a time. The **ENERGY** and enthusiasm we bring to work every day keeps us moving forward. Our **CONNECTIONS** with each other, our investors, our Neighbors and our communities give us reason to keep pushing for that mission. We take advantage of **OPPORTUNITIES** – to learn, make an impact, connect – and that keeps our business growing.

These are the things that define WHO we are. But HOW do we maintain that strong sense of pride, amazing energy, unique connections and thirst for opportunity? We live our core values.

These values give us a roadmap for every decision we make and every obstacle we encounter. They are actionable guidelines for how we expect everyone on the team to behave and conduct business. When we live by these values, we create a culture of Pride, Energy, Connection and Opportunity – and that culture is the one that will ultimately achieve our mission.



LEADERSHIP TRAITS

We believe that PECO leaders embody the company culture and live by our core values. We expect them to exude passion, empower our teams and achieve results. But we also believe there is not a one size fits all leadership approach. While all of our styles are unique, we embrace these common leadership traits: AUTHENTICITY, ACUMEN, ACTION and AGILITY.

These leadership traits and their definitions are the roadmap for anyone who wants to become a more impactful leader at PECO. They are an integral part of our talent acquisition process when we consider bringing new leaders into the organization, and they are also vital to our internal talent and succession planning as we identify and work hard to promote from within.

PECO hosts Leadership Weeks designed to promote our vision for leadership development. These events include guest speakers, roundtable discussions with executive leaders and other educational opportunities offered both onsite and virtually. Throughout the week, associates receive daily emails sharing recommendations from PECO leaders and citing articles, books and similar resources for associates to use as they work toward developing their skills in PECO's four A's of leadership.

**“PECO’S FOUR A’S OF LEADERSHIP (AUTHENTICITY, ACUMEN, ACTION AND AGILITY) ARE EXCELLENT DESCRIPTORS FOR OUR TEAM’S APPROACH TO ENVIRONMENTAL AND SOCIAL RESPONSIBILITY.**

We are authentic in our dedication to improving communities - and the world around us. We constantly seek to maintain and enhance our team’s acumen around the issues that our communities face and the creative ways in which we can address them. This, in turn, allows us to take action and positively impact our neighborhoods yet remain agile as the needs of our communities change and evolve.”

— Devin Murphy, President



AUTHENTICITY

- IS COMFORTABLE IN HIS/HER OWN SKIN
- TAKES PRIDE AND AN ACTIVE HAND IN HELPING ASSOCIATES SUCCEED
- SHOWS GENUINE INTEREST IN THE WORK AND NON-WORK LIVES OF THE PEOPLE AROUND HIM/HER

ACUMEN

- IDENTIFIES HOW TO GET THINGS DONE INTERNALLY AND EXTERNALLY
- APPLIES FUNCTIONAL EXPERTISE
- CREATES HIGH PERFORMING TEAMS

ACTION

- MAKES INFORMED DECISIONS AND MOVES FORWARD
- DELEGATES EFFECTIVELY
- RALLIES THE TEAM TO ACHIEVE RESULTS

AGILITY

- PIVOTS
- PUSHES THE BOUNDARIES
- COMMITS TO CONTINUOUS IMPROVEMENT

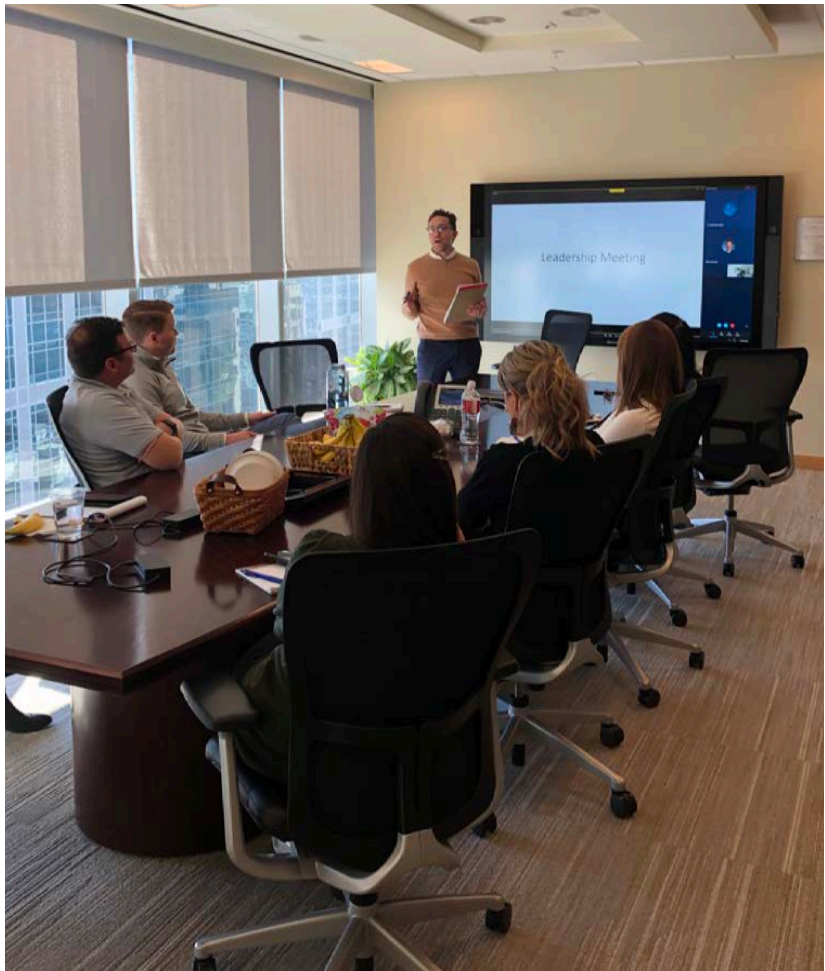




PECO’s most valuable asset is our people. We take great pride in having the best team in the business and put a great deal of effort into helping our associates continue to learn and grow. Our unique PECO University is a focused professional enrichment program designed to provide educational opportunities for our associates. PECO’s success has relied on an exceptional level of in-house expertise in every discipline of the shopping center industry. PECO University creates opportunities for our associates to share their experience and knowledge with others who are eager to achieve their professional goals.

PECO University’s educational offerings address current practices, business issues, theory and future developments, as well as a variety of topics for personal growth. Our curriculum covers every aspect of the retail real estate industry, including design, construction, accounting, development, property management, lease administration, leasing and technology.

In 2019, PECO University hosted Real Estate Operations Education Days. The program included three days of learning events focused on various aspects of real estate operations, including financial metrics, property management, legal, leasing, customer experience, data science, acquisition property tours, and more. Throughout the week associates received daily communications filled with tips, tools, reading suggestions and resources for improving their real estate operations knowledge. A series of internal and external facilitators and guest speakers led live and virtual training sessions each day. Associates had the opportunity to participate in leadership roundtables and conversational small-group breakfast meetings with various leaders in the organization. Over the course of the week associates participated in over 350 hours of learning. For the year, associates participated in over 3,000 hours of PECO University sponsored learning opportunities.



“PECO recruits, hires and develops the best of the best. PECO, our internship program, brings in a talented and diverse candidate pool. PECO University and our related development programs and initiatives give our team frequent opportunities for continuous growth and learning. The success of these programs is evidenced in our long history of promoting from within.”

– Keith Rummer, Senior Vice President, Chief Human Resources Officer & Chief Compliance Officer







**FULL-TIME ASSOCIATES MAY  
APPLY FOR UP TO \$5,250  
PER CALENDAR YEAR**

## EDUCATIONAL ASSISTANCE

To support associate efforts to improve job-related skills and knowledge, PECO has established the PECO Tuition Reimbursement Program. This program, which represents just one of PECO's many investments into its associates, offers the opportunity to obtain funds toward continuing education and pursuit of advanced degrees and professional licensure and certifications. Full-time associates may apply for up to \$5,250 per calendar year toward education related, pre-approved costs. In 2019, nine associates utilized this program.

## INTERNSHIP PROGRAM

PECO offers learning experiences for college students through the PECO Internship Program (PECOI). The 15-week internship/co-op rotation runs during the fall, spring and summer semesters. PECOI, a challenging but rewarding program, offers students of all majors the opportunity to explore the commercial real estate world through various departments.

- PECO averaged 21 interns per 2019 semester, with a 54% return rate from semester to semester.
- In 2019, PECO hired five PECOI participants after their graduation, offering each intern a position as a full-time associate.
- In 2019, PECO amplified our recruiting efforts and student engagement activities in five minority student organizations at University of Cincinnati and Miami University, diversifying our pipeline of talent and increasing the number of applications.

PECO has a strong track record for successfully transitioning interns into full time positions and growing them into leadership roles. Current team members who joined PECO first as interns include an Associate General Counsel, a Regional Director of Portfolio Management, a Director of National Accounts and a Senior Financial Analyst.



**PECO HAS A STRONG TRACK RECORD FOR SUCCESSFULLY TRANSITIONING  
INTERNS INTO FULL-TIME ROLES AND GROWING THEM INTO LEADERSHIP.**





PECO MORE, an associate-led group, is dedicated to furthering diversity and inclusion within PECO, the communities the company serves and the CRE industry. Created in 2019, PECO MORE has developed a comprehensive strategic plan that accomplishes the group's mission through a multi-pronged approach including: education and awareness, community and industry partnerships, internal engagement, recruiting and metric-led accountability.

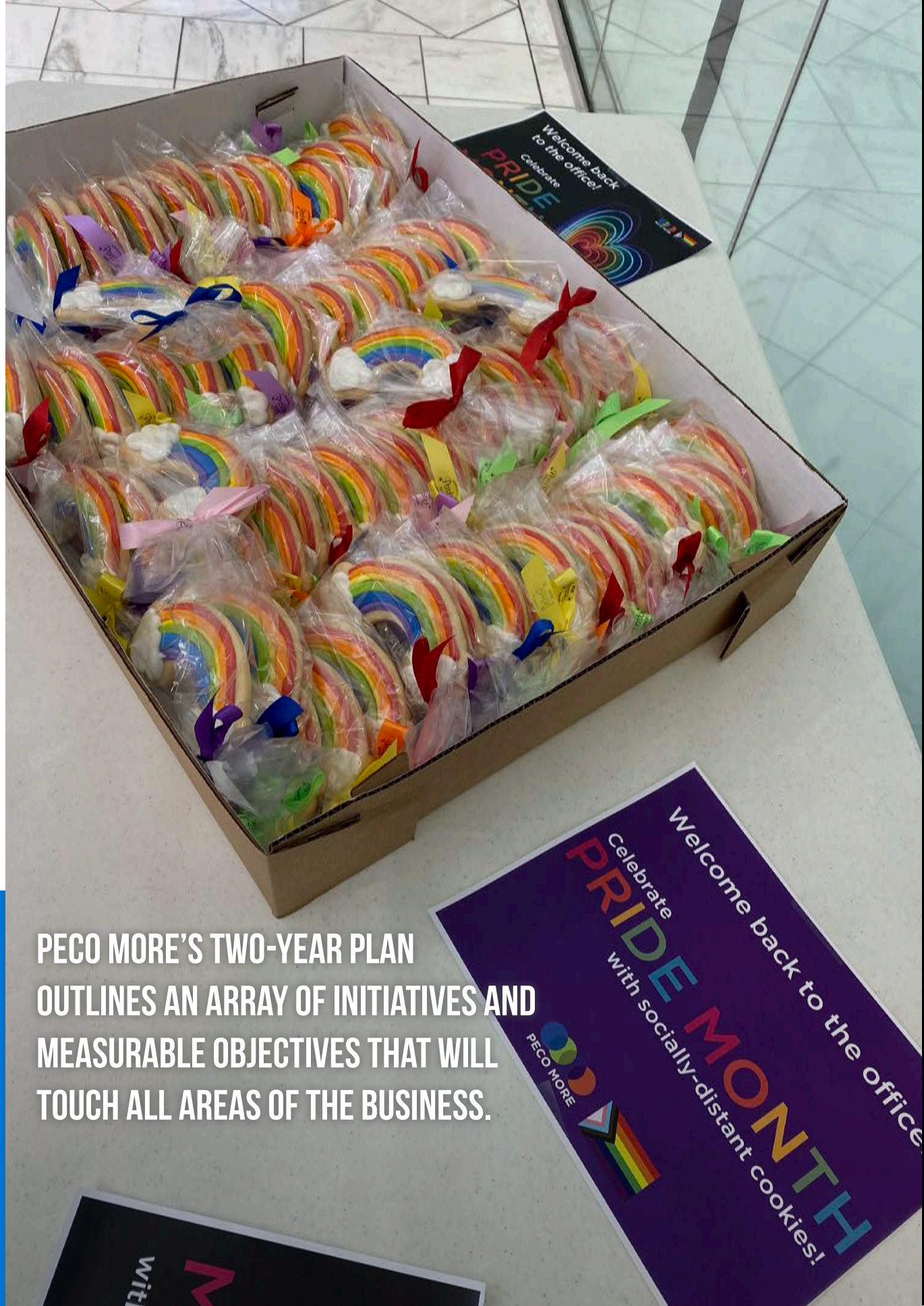
PECO MORE's two-year plan outlines an array of initiatives and measurable objectives that will touch all areas of the business, starting with internally-focused programs. In June 2020, PECO MORE hosted "BEGIN" conversations, a series of 23 small group discussions designed to "begin" dialogue around diversity, inclusion and racism. 140 associates participated in BEGIN sessions and feedback was extremely positive with many requests for additional future sessions. PECO MORE's other initial programming has also leaned into education and awareness, spotlighting specific populations and, in the short time the group has been in operation, has already included informational emails, desk drops and events around Veterans Day, the Chinese New Year, Black History Month, Pride Month and Women's History Month. PECO MORE will continue to refine and implement its strategic plan, exploring ways to increase awareness and sensitivity to a wide array of diversity and inclusion related issues within the company, the communities it serves and the industry.



"PECO MORE promotes diversity and inclusion through open dialogue and continuous learning. Our team has embraced the opportunity to interact with each other around these topics and is very excited about our plans to extend the program further into the company's everyday processes and the community."

— Barry Wilson,  
Vice President of Risk Management,  
PECO MORE Chairperson

PECO MORE'S TWO-YEAR PLAN  
OUTLINES AN ARRAY OF INITIATIVES AND  
MEASURABLE OBJECTIVES THAT WILL  
TOUCH ALL AREAS OF THE BUSINESS.





# PECO NOW

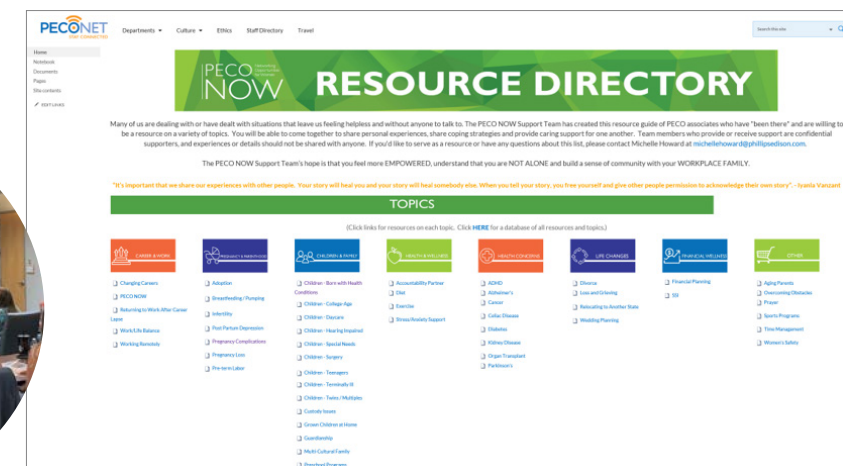
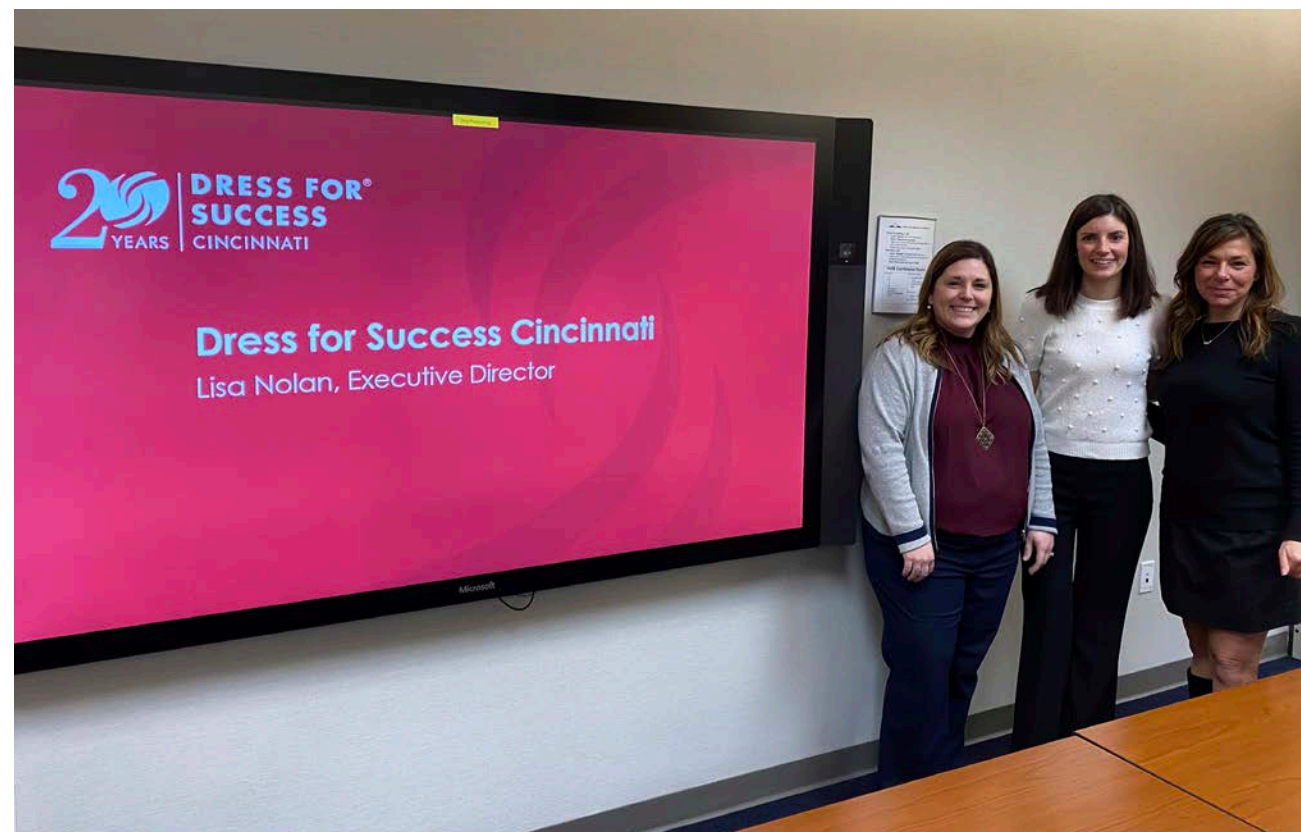
Networking Opportunities for Women

PECO NOW (Networking Opportunities for Women) is an associate-led group whose mission is to provide leadership opportunities to women at PECO through advocacy, support, scholarship and development subcommittees. Created by PECO's female executives in 2014 to place an emphasis on developing and advancing more women into leadership roles, PECO NOW has experienced a high degree of participation from both men and women within the organization and has made a significant impact on the company. An annual talent review just prior to PECO NOW's inception showed that nearly 50 percent of the company was made up of women, but the ratio was much smaller in the upper echelons with three women in VP or SVP roles. Since then, those numbers have more than tripled with 10 women in VP and SVP positions; three women in the C-Suite, including the company's General Counsel, Chief Accounting Officer and Chief Marketing Officer; and two women on the board of directors.



"PECO NOW is designed to help women gain the leadership skills to continue to progress in their careers. It's energizing to see women helping each other grow and overcome challenges. The support from PECO's leadership team as well as the involvement of our male team members has been outstanding and helped PECO NOW continue to grow and evolve. We were pleased that PECO NOW was recognized for excellence by the International Council of Shopping Centers, and our hope has always been that other commercial real estate companies are inspired to create similar programs."

— Cheryl Megill, Senior Vice President and Chief Marketing Officer, PECO NOW Chairperson





In 2019, PECO NOW launched Leadership NOW, a leadership development program designed to help participants grow their leadership skills through a variety of planned educational opportunities, including a company-wide project geared toward encouraging and retaining associate engagement.

The program's goals were to:

- Provide a development opportunity for women at PECO to accelerate the participant's growth and exposure within the company and her career path.
- Offer opportunities for the participant to interact and learn from leaders and associates, both within and from outside the company.
- Ensure that skills, knowledge and insights gained during learning events are relevant to our business.
- Promote PECO's culture of continuous learning.

Leadership NOW's first participant worked closely with PECO's senior leadership group, including CEO Jeff Edison, to determine the priorities of PECO's millennial associate population and find ways to increase engagement and job satisfaction.



**THE ADVOCACY AND AWARENESS COMMITTEE** focuses on raising awareness of obstacles that women associates face both within and outside of the workplace and advocating for the promotion, growth and recognition of women leaders within PECO. In 2019, this committee geared its activities toward recognizing women leaders at PECO and encouraging informal networking and learning through three activity areas:

- **The Women Leaders of PECO** blog series spotlighted women leaders across the company, sharing their successes, advice and experiences. Posted on PECO's website, these articles and interviews were also featured in PECO's social media news feeds.
- **Coffee Catch-Up** events gave participants an opportunity to learn from PECO's senior leaders and then spend time networking informally in small groups. Two events were held with a total of 73 participants and four speakers.
- **A trivia event** gave 36 participants the opportunity to network while competing on their randomly assigned teams. The prize for the winning team was a group lunch to encourage and facilitate ongoing team building.

**THE SUPPORT COMMITTEE** is dedicated to providing resources and support for women in the workplace. We believe that if we can help women, even a little, with personal issues such as the stress of being a working mom and/or dealing with an aging parent, then that woman can be a better leader for PECO.

The PECO NOW Support Committee developed the **New Parents Program** which encompasses a variety of resources, including working parent discussion lunches, new and improved nursing mom areas in PECO's offices, implementation of the Milk Stork program for nursing mothers who travel as part of their work duties and publication of a Parental Leave Planning Guide, which provides information, checklists and resources for new parents to utilize as they transition into the role of working parent.

This committee has also developed an **Aging Parent Guide** which provides a comprehensive list of information and resources geared toward helping associates who are dealing with aging parents.

In 2019, the committee continued to add updates to the nursing mom rooms within the offices, conducted focus groups to guide future activities and facilitated two lunch and learn seminars geared toward associates with aging parents. The group also launched the **PECO NOW Resource Directory** on PECO's intranet. This directory lists associates who have experienced various life events or issues or have expertise in specific areas and are willing to serve as resources and talk with other associates needing guidance or support on those topics.







**THE DEVELOPMENT COMMITTEE** focuses on developing our current and potential women leaders through education. This includes arranging for speakers, training and collaborative learning opportunities. In 2019, this committee held 10 discussion series events around PECO's Four A's of Leadership. In total, 194 attendees participated in these events which often began with a TedTalk or other video to spark discussion and/or involved a panel or roundtable conversation.



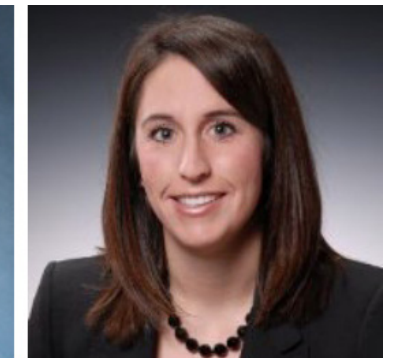
"Each associate and every team at PECO is crucial to the success of our environmental and social initiatives. Our core value of "Think Big. Act Small" says it all. Our large team may operate on a nationwide platform, but we collaborate closely and take action quickly, always cognizant of how every action (or failure to act) will impact not just our business, but our communities and the world around us."

— Jennifer Robison, Senior Vice President and Chief Accounting Officer

#### THE SCHOLARSHIP COMMITTEE

The PECO NOW Scholarship Committee designs and administers a robust scholarship program for women at PECO. These development opportunities are carefully selected based on input from women across the company and are designed to provide an array of skills. In 2019, the Scholarship Committee offered the following programs:

- Personal Branding Workshop, facilitated by external instructor Monica Scalf, was offered to all PECO associates.
- Two associates were selected to attend the AICPA Women's Summit.
- One associate was selected to attend the Disney Institute.
- The PECO NOW Advisory board completed the Enneagram Workshop facilitated by external instructor Leslie Hershberger.





ENQUIRER MEDIA  
A GANNETT COMPANY

**TOP  
WORK  
PLACES  
2019**

## A BEST PLACE TO WORK

In 2019, PECO was named a  
TOP PLACE TO WORK  
by the Cincinnati Enquirer  
for the third year in a row.

We also won special recognition each year  
and in 2019 we were recognized for 'most clued  
in senior management'.

**PECO**  
PRIDE | ENERGY | CONNECTION | OPPORTUNITY

**OUR 2019 ALL-ASSOCIATE  
ENGAGEMENT SURVEY, WHICH HAD A  
91% PARTICIPATION RATE, SHOWED  
90% OVERALL ENGAGEMENT, AND  
96% OF ASSOCIATES REPORTED THAT  
THEY FEEL PROUD TO TELL PEOPLE  
WHERE THEY WORK (COMPARED TO  
80% WORLD NORM).**



RECOGNITION HAS GONE TO PECO'S FINANCE, LEGAL, TECHNOLOGY, PROPERTY MANAGEMENT AND MARKETING TEAMS FOR OUTSTANDING CONTRIBUTIONS IN THEIR RESPECTIVE PRACTICE AREAS.

PECO ASSOCIATES AT ALL LEVELS WERE HONORED FOR THEIR INDIVIDUAL IMPACT ON THE BUSINESS AND THE BROADER INDUSTRY, BEING NAMED TO CINCINNATI MAGAZINE'S TOP 300 BUSINESS LEADERS, COMMERCIAL PROPERTY EXECUTIVE'S STARS TO WATCH, REAL ESTATE FORUM'S WOMEN OF INFLUENCE AND CONNECT MEDIA'S CRE 2019 WOMEN IN REAL ESTATE, TO NAME A FEW.



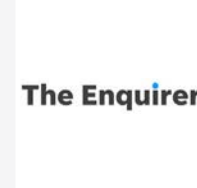
COMMUNITY IMPACT AWARD  
Butler County Board of Developmental Disabilities



INNOVATION AND TECHNOLOGY AWARDS  
Cincinnati Business Courier



LARGEST CINCINNATI CRE PROPERTY MANAGERS  
Cincinnati Business Courier



TOP PLACES TO WORK  
Cincinnati Enquirer



TOP 300 BUSINESS LEADERS IN CINCINNATI  
Cincinnati Magazine  
Bob Myers



STARS TO WATCH  
Commercial Property Executive  
Sarah Harmeling



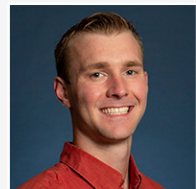
EXCELLENCE WINNER  
Communicator Awards



RISING TECH STARS  
ComSpark  
Ziwei Yu



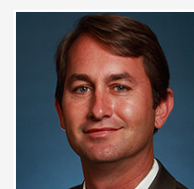
RISING TECH STARS  
ComSpark  
Jake Meyer



RISING TECH STARS  
ComSpark  
Alex DeVore



RISING TECH STARS  
ComSpark  
Joe Darcy



BEST BOSSES IN REAL ESTATE  
GlobeSt.  
Eric Richter



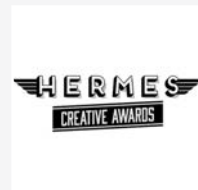
MARKETING & COMMUNICATIONS INFLUENCERS  
Real Estate Forum  
Cheryl Megill



BEST CREATIVE IN SHOW  
Fourteener Awards



2019 HEALTHIEST EMPLOYERS OF GREATER CINCINNATI  
Healthiest Employers



GOLD WINNER  
Hermes Creative Award



GOLD WINNER  
ICSC MAXI Awards  
PECO PR Campaign



GOLD WINNER  
ICSC MAXI Awards  
Retail Intel Podcast



GOLD WINNER  
ICSC MAXI Awards  
Innovative Sales Tools Whitepaper & Video



TOP PROPERTY MANAGER  
National Real Estate Investor



INFLUENCERS IN RETAIL  
Real Estate Forum



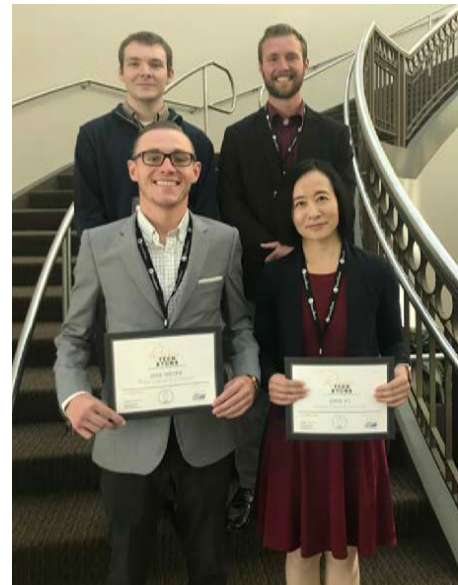
CRE 2019 WOMEN IN REAL ESTATE  
Connect Media  
WOMEN, INFLUENCE AND POWER IN LAW AWARDS  
Corporate Counsel  
WOMEN OF INFLUENCE  
Real Estate Forum  
Tanya Brady



WELL DESERVED AWARD  
UnitedHealthcare



GOLD SERVICE INDUSTRY ADVERTISING AWARDS  
SIA Awards





OVER 80% OF PECO ASSOCIATES RECOGNIZED AND REWARDED THEIR FELLOW ASSOCIATES UTILIZING THE KAZOO PLATFORM IN 2019



#### REWARDS & RECOGNITION PROGRAM

PECO rolled out the “YouEarnedIt” reward and recognition platform in 2016. That program was re-branded as “Kazoo,” and has become an often-used, high profile coaching tool that helps us all be more appreciative of one another. Each associate is granted Kazoo points that they can award to team members in recognition for accomplishments. When an associate awards points, they are asked to describe the reason for the award and select the skills and company values that the recipient displayed in order to earn the points.

Ultimately, associates may redeem points for a variety of rewards including gift certificates, use of a stand-up desk or tickets to an event. Our intranet homepage offers a scrolling feed of points being awarded and rewards being claimed so that the praise is highly visible to everyone in the company. We have found that the Kazoo program has been extremely well-received and is providing an excellent platform for promoting ongoing coaching and feedback within and among the teams.

Over 80% of PECO associates recognized and rewarded their fellow associates utilizing the Kazoo platform in 2019, and over 85% of associates received some form of recognition from their colleagues, redeeming over 1.6 million points.

## PECO ASSOCIATE ASSISTANCE FUND

### ASSOCIATE ASSISTANCE PROGRAM

The PECO Associate Assistance Fund aims to take care of PECO's most valuable asset in times of unforeseen immediate financial hardship or need. This self-governed benevolent enterprise supports eligible associates by providing a variety of resources during their time of need, as approved by a four-person board on a case-by-case basis. The board consists of four associates who review applications on an anonymous basis.



## ANNUAL MEETING

All associates attend a three-day, all-associate Annual Meeting each year. The Annual Meeting event is a core component of the PECO culture, giving associates the opportunity to network internally, share previous year results and discuss goals for the coming year. This time together fosters a strong sense of community, enhancing cross-functional collaboration and innovation.



## THE EDISON FOUNDATION

The Edison Charitable Foundation was established by Jeff and Leslie Edison to help the children, grandchildren, dependents and spouses of PECO associates realize and enjoy their educational dreams. Scholarship opportunities are awarded based on both need and merit. These funds are granted for post-secondary education including college, trade school, select development schools, similar educational programs for the disabled and post graduate education. Awards are granted for the term of the educational program, up to four years.







## PECO WELLNESS PROGRAM

PECO's wellness program is designed to encourage routine preventive care and physical exercise to help prevent the development or escalation of health risk factors into more costly chronic or acute illness. Through our wellness program, PECO offers all associates access to the following resources:



**HEALTHCHECK360 WELLNESS PROGRAM & HSA INCENTIVE:** Associates enrolled in PECO's medical plan are eligible to participate in a health and wellness program with the potential to earn HSA incentives tied to certain health targets and activities. PECO has partnered with HealthCheck360 as our online wellness portal to track incentives, sync tracking devices, compete in challenges with coworkers and much more!



**FREE ON-SITE HEALTH SCREENINGS:** PECO offers on-site health screenings, including tests for cholesterol, diabetes/glucose, blood pressure and BMI. Conveniently offered in Cincinnati, these annual biometric screening are available to all associates.



**LUNCH-N-LEARN EDUCATIONAL SESSIONS:** We collaborate with UnitedHealthcare and Horan for informational sessions promoting health and wellness and present healthcare tools such as myHealthcare Cost Estimator, the Health4Me App, Manage My Rx and Health & Wellness portal.



**HEALTH & WELLNESS WEEK:** PECO leads a week-long event, designed to engage associates in trying new health and wellness options including unique fitness classes, like Goat Yoga, healthy recipe options, fun competitions and keynote speakers.



**FREE FRUIT:** Fresh fruit is delivered weekly to the Cincinnati and Park City offices and is free to all associates!



**LOCAL EVENT PARTICIPATION:** PECO encourages event participation in local fitness events through registration fee reimbursement. We also set up and sponsor five PECO relay teams for Cincinnati's Flying Pig Marathon.



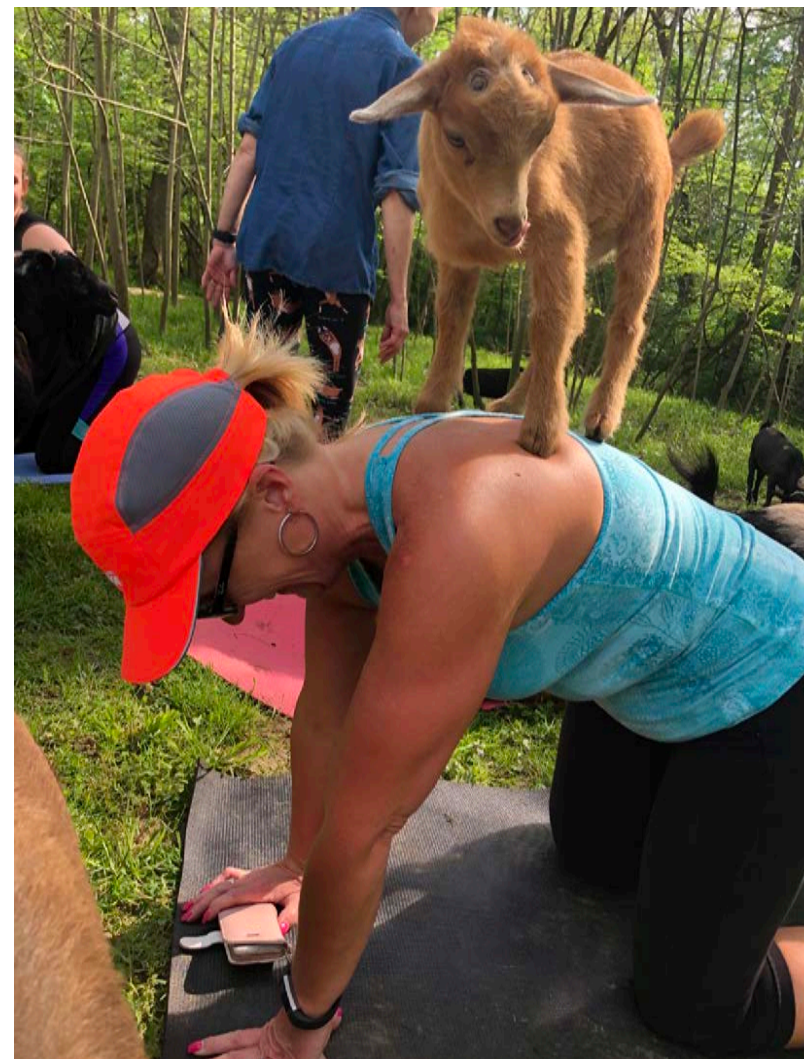
**ON-SITE MAMMOGRAPHY UNIT:** An on-site mobile mammography unit visits PECO's Cincinnati office annually to give associates the opportunity to quickly and conveniently stay on top of this important wellness check-up.



**FLU SHOT CLINIC:** A convenient on-site seasonal flu vaccination clinic is available to all associates. The flu vaccine is available at no additional cost as part of the company's medical plan.



**FITNESS FACILITIES AND GYM MEMBERSHIP REIMBURSEMENT:** Our Cincinnati office offers an on-site fitness facility to all associates free of charge. The facility offers cardio equipment, free weights, Peloton bikes, strength-building equipment and more. On-site classes are offered daily during lunch hours. These classes provide a comprehensive whole-body workout with programs that vary from day-to-day including cardio and strength training. For associates who do not have access to our on-site fitness facility or choose to work out elsewhere, we provide gym membership fee reimbursement to provide everyone with the incentives to engage in a healthy lifestyle.





PECO believes strongly in maintaining a culture of transparency and open communication. We promote this through a bi-monthly internal newsletter and PECOnet, our comprehensive intranet which is a wealth of news and information. Associates also have the opportunity to interact with, and ask questions of, PECO's entire leadership team at quarterly all-associate town hall meetings held in the offices and over Skype (for remote associates) and a three-day, all-associate Annual Meeting.



## TAE INNOVATION AWARD

*"There's a way to do it better — find it"*

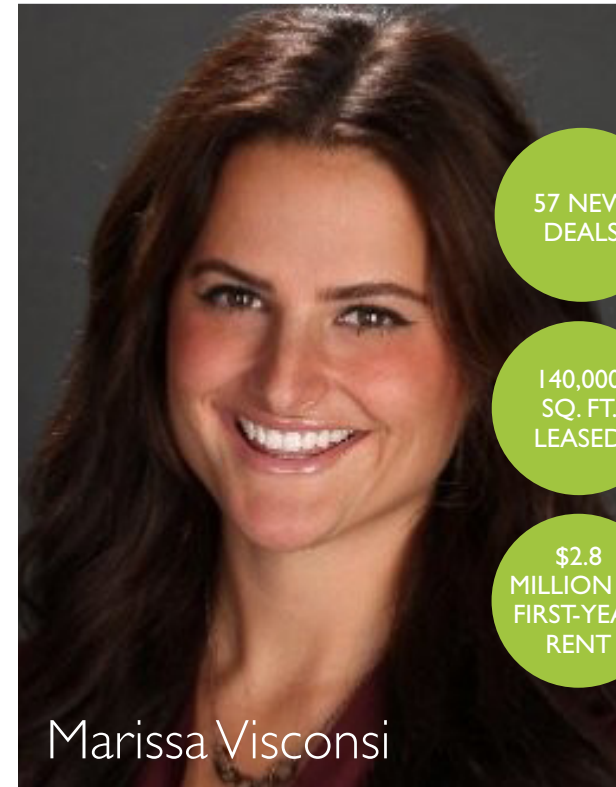
THOMAS ALVA EDISON

In 2014, PECO rolled out the TAE (Thomas Alva Edison) Innovation Award, which recognizes associates that suggest and implement an idea that saves time, money or other resources. It's meant to incentivize associates to be creative, voice their ideas and implement them. It's also meant to help them understand what innovation truly means.

- **THERE ARE NO "MINIMUM" REQUIREMENTS.** An innovative solution doesn't have to make a million dollars or save a thousand. We want our team to know that innovation occurs at every level of the organization and in every part of our processes.
- **THE AWARD CAN BE GIVEN EVEN IF THE INNOVATION FAILS.** Innovation requires risk and that rarely happens without some failures along the way. The TAE Innovation Award rewards our team members for simply thinking creatively and taking the risk.
- **ANYONE CAN NOMINATE OR WIN.** We want ALL of our associates thinking creatively. They don't have to lead a department or be a top leasing agent.



## LEASING TOP PRODUCER & PROPERTY MANAGER OF THE YEAR



57 NEW DEALS

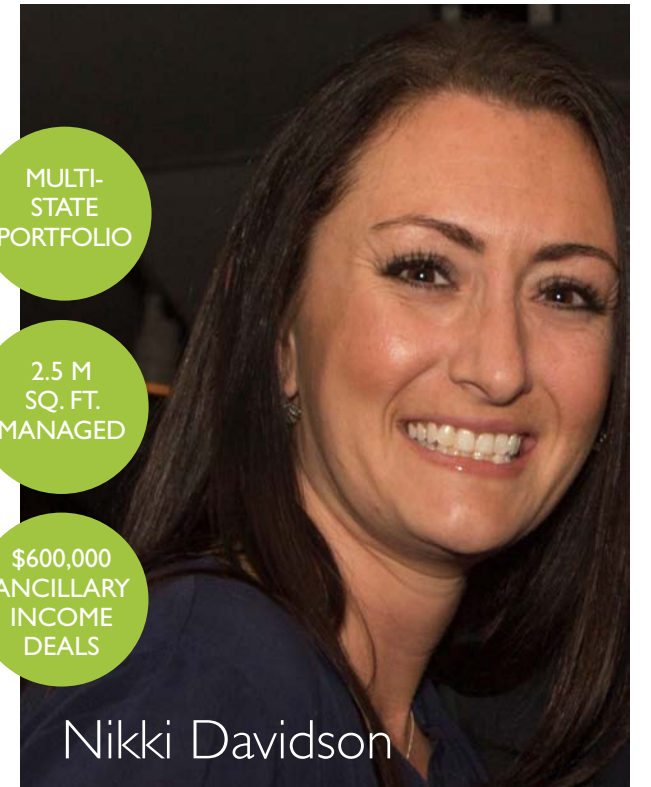
140,000 SQ. FT. LEASED

\$2.8 MILLION IN FIRST-YEAR RENT

Marissa Visconsi

Marissa Visconsi was named as PECO's Leasing Top Producer for 2019.

As a Senior Leasing Professional for PECO, Marissa is responsible for leasing space at 37 neighborhood shopping centers in six states across the western region of the United States. In 2019, Marissa executed a record of 57 new deals totaling 140,000 square feet of gross leasable area and \$2.8 million in first-year rent. Her strong leadership, professionalism and outstanding networking skills allow her to create strong relationships with our retail partners and internally across the PECO team. In addition to her leasing responsibilities, Marissa is active with PECO NOW, helping to promote growth and leadership of other women in the company. She is also active within the community, volunteering her time to a variety of organizations, including preparing donations for Newborns in Need, packaging food for Food Bank of the Rockies and assisting at various events for Florence Crittendon, a school for teen moms.



MULTI-STATE PORTFOLIO

2.5 M SQ. FT. MANAGED

\$600,000 ANCILLARY INCOME DEALS

Nikki Davidson

Nikki Davidson was named as PECO's Property Manager of the Year for 2019, for the fifth consecutive year.

As Assistant Director of Property Management, Nikki oversees a multi-state portfolio of shopping centers across Colorado, New Mexico, Texas and Utah, totaling 2.5 million square feet of retail space. In 2019, Nikki sourced and executed more than \$600,000 in ancillary income deals for PECO with users such as Spirit Halloween, Party City, Tesla and Coors. She is also an active member of PECO's Sustainability and ESG Task Force and managed the installation of a smart irrigation control water conservation program that has generated significant savings for the company. Nikki's ability to manage assets from a granular level while maintaining the global oversight required to maximize property and portfolio performance has proven to be a powerful combination for success. She is also deeply involved in the local communities she serves, driving the growth of our shopping centers and personifying our mission of being 'locally smart.'



PECO'S MISSION IS TO CREATE GREAT OMNI-CHANNEL GROCERY-ANCHORED SHOPPING EXPERIENCES AND IMPROVE OUR COMMUNITIES ONE SHOPPING CENTER AT A TIME. YES, WE OWN AND OPERATE REAL ESTATE. BUT WE ARE MORE THAN A REAL ESTATE COMPANY. WE ARE PART OF A COMMUNITY. EVERY PROPERTY PECO OWNS AND/OR OPERATES IS IN A NEIGHBORHOOD AND OUR CENTERS DON'T JUST PROVIDE GOODS AND SERVICES TO THAT COMMUNITY - THEY ARE AN INTEGRAL PART OF IT. THEY ACT AS A GATHERING PLACE FOR FRIENDS, FAMILY AND NEIGHBORS; AND PROVIDE JOBS, ENTERTAINMENT, CONVENIENCE AND EXPERIENCES.





Our team has long embraced its place in the communities in which we live and work and acted upon our obligations to be good corporate citizens. We strive to be locally smart, understanding and responding to the needs of each neighborhood. We spend time volunteering as a group and individually, and we are always looking for new ways to create a positive impact.

In 2019, we made a change to our lexicon – we began calling our tenants “Neighbors”. This new terminology helped us speak and think in terms that align with who we are, what we stand for and what we want to accomplish. A “tenant” is merely someone occupying a space. Our Neighbors are much more than that. Our goal is to treat our PECO Neighbors with care and respect just as we would treat those who live next door to us.

DashComm™ is a customer service tool designed to simplify communication among PECO associates and our Neighbors. This is one piece of our multi-layered service platform that provides a central location to find answers and information about all our properties and Neighbors. It also facilitates and enhances communication by giving our Neighbors an easy way to report property issues, receive important notifications, report sales, read newsletters or print a billing statement.

Every property PECO owns and/or operates is part of a neighborhood. Our properties act as gathering places for friends, family and neighbors and provide jobs, entertainment, convenience and experiences. They connect people. We make a difference in those communities by providing great omni-channel grocery-anchored shopping experiences. We also impact them by providing an outstanding customer experience to our Neighbors from the time they sign the lease through the day-to-day operation of their business.



# PECO COMMUNITY PARTNERSHIPS

OUR TEAM TAKES PRIDE IN GIVING BACK AND MAKING A DIFFERENCE IN THE COMMUNITIES IN WHICH THEY LIVE AND WORK. AS OUR CORE VALUE STATES, WE “DO THE RIGHT THING.”

## BUTLER COUNTY BOARD OF DEVELOPMENTAL DISABILITIES (Hamilton, Ohio)

Each Christmas PECO ‘adopts’ several families in conjunction with the Butler County Board of Disabilities. Associates purchase and wrap gifts and donate food and cash to these families in order to help make their holidays happy. In 2019, the PECO team helped 12 families and was awarded the Community Impact Award by the Butler County Board of Disabilities.



## GORMAN HERITAGE FARM (Cincinnati, Ohio)

PECO holds an annual volunteer event during business hours, inviting all associates to attend without having to use paid time off. This event has been held at Gorman Heritage Farm for the last four years. In 2019, 110 associates participated, spending a total of 440 hours completing a range of projects including brush removal, weeding, fertilizing and mulching, fence building and more. Gorman Heritage Farm is a 122-acre non-profit working farm with an educational mission focused on agriculture, nutrition and sustainability. It relies on volunteer labor to keep the farm operational.



## LEUKEMIA & LYMPHOMA SOCIETY (Atlanta, Georgia)

Ten PECO associates participated in the Leukemia & Lymphoma Society’s Light the Night Walk, raising \$1,300 to support the Society’s mission of leading the fight against cancer through research, information, education and support services.



## MATTHEW 25: MINISTRIES (Cincinnati, Ohio)

Matthew 25: Ministries helps the poor and disaster victims by repurposing slightly damaged, gently used or overstocked donations and manufacturing by-products such as school notebooks and rice-soy meals in-house. 14 associates volunteered a total of 42 hours in the warehouse sorting and organizing donations.





**OPEN HAND**  
(Atlanta, Georgia)

In 2019, seven associates spent 21 hours packing 1,500 specialized meals for cancer and terminal patients at Open Hand. Open Hand prepares, packs and delivers nearly 5,000 healthy meals each day throughout metro-Atlanta for those who might otherwise go without.



**STEFANIE SPIELMAN COMPREHENSIVE BREAST CENTER** (Columbus, Ohio)

In 2019, the PECO team celebrated National Mammography Day by wearing pink, selling baked goods and selling pink t-shirts specially made to support an associate dealing with breast cancer. As a result of these activities, the team donated \$1,300 to the Stefanie Spielman Comprehensive Breast Center which is the first of its kind in the midwest to offer the full continuum of breast cancer care, from prevention and screening through diagnosis, treatment and survivorship, in one world-class facility. In addition, PECO associates used photos of the activities to create and send a blanket to the associate, showing their caring and support.



**PEOPLE WORKING COOPERATIVELY**  
(Cincinnati, Ohio)

The PECO team has been participating in People Working Cooperatively's Annual Repair Affair and Prepare Affair events for almost a decade. In 2019, 10 associates spent more than 40 hours helping elderly, disabled and other needy individuals and families with general home maintenance. The Prepare Affair, held in the fall, prepares their homes for winter and Repair Affair, held in the spring, helps clean-up for summer.



**REGIFT RAFFLE**

PECO's property management team holds an annual Regift Raffle, selling tickets to associates and donating the funds. In 2019, over 50 items were auctioned off and \$2,001 in proceeds were donated to the Cincinnati Children's Hospital and the SPCA.



**TALBERT HOUSE** (Cincinnati, Ohio)

PECO Community Partnership holds an annual holiday event geared toward collecting food, gifts and other items for those in need. Many of the items and funds collected are donated to the Talbert House which serves the greater Cincinnati region with a range of services focused on substance abuse prevention, assessment, treatment and integration designed to improve social behavior and enhance personal recovery and growth. In 2019, PECO Community Partnership collected 37,000 diapers and thousands of baby wipes to be donated to the Talbert House.



**UTAH FOOD BANK**  
(Salt Lake City, Utah)

The Utah Food bank helps fight hunger statewide. In 2019, six associates donated 12 hours to help sort and organize food.

**RONALD MCDONALD HOUSE CHARITIES**  
(Cincinnati, OH, Atlanta, GA and Salt Lake City, UT)

More than 35 associates spent more than 140 hours helping to cook and serve meals in Cincinnati, Atlanta and Salt Lake City locations of the Ronald McDonald House. In addition, the teams donated food, supplies and toiletries to the organization, which provides support and a place to call home as families travel to area hospitals with their seriously ill or injured children.



**WOMEN'S COMMUNITY KITCHEN**  
(Atlanta, Georgia)

Since 1984, the Community Kitchen has served a lunch meal Monday through Friday to women and children, who are struggling with food insecurity and hunger. In 2019, six associates spent four hours each serving meals.





## GOVERNANCE AND COMPLIANCE

PECO has an established commitment to conducting business with integrity. One of our core values is “Do the Right Thing.” We do the right thing, even if it isn’t always the easy thing.” This core value is embedded in our culture and reflected in our commitment to conducting all of our activities in accordance with the highest ethical standards and in compliance with all legal and regulatory requirements.

Our commitment to doing the right thing means that we aspire to conduct business the right way, which entails preventing, detecting and addressing potential ethical and legal violations. We have a number of tools to assist our associates to ensure that their behavior and actions are reflective of PECO’s values.

PECO is committed to the best practices in corporate governance. PECO operates under the direction of a board of directors which has oversight responsibility for PECO’s operations. Our charter requires that a majority of our directors be independent. In November of 2019, PECO appointed Elizabeth Fischer and Jane E. Silfen to its board of directors, increasing the board to nine total members with eight serving independently.

The board of directors has established an audit committee and a compensation committee, both of which are composed solely of independent directors.

The audit committee has adopted a Code of Business Conduct and Ethics which provides guidelines for ethical conduct for our associates, officers and directors. All associates are required to complete training.

We encourage associates to speak up when our ethical standards are not being met. In addition to sharing concerns with any member of the management team, associates may report ethical or legal concerns (anonymously, if they so choose) to our ethics hotline, which is available 24 hours a day, seven days a week. Reported violations are investigated and actions are taken as appropriate. The audit committee is advised of any reports to the hotline and the results of any investigations. This reporting mechanism exemplifies and supports our commitment to integrity and assists with resolving ethics and compliance concerns in accordance with our core values.



“Building an outstanding company requires a commitment to the highest ethical standards. We are focused on ensuring that our associates ‘Do the Right Thing’ in their dealings with each other, our stockholders, our Neighbors, our business partners and the communities where we do business.”

– Tanya Brady, Senior Vice President and General Counsel



THE CODE OF BUSINESS CONDUCT AND ETHICS AND OTHER GOVERNANCE DOCUMENTS ARE AVAILABLE ON OUR WEBSITE AT [WWW.PHILLIPSEDISON.COM/INVESTORS/GOVERNANCE](http://WWW.PHILLIPSEDISON.COM/INVESTORS/GOVERNANCE).





PECO SEES SUSTAINABILITY  
EFFORTS AS AN OPPORTUNITY  
TO MAKE A DIFFERENCE IN OUR  
COMMUNITIES — AND THE WORLD.

ENVIRONMENTAL RESPONSIBILITY

PECO is committed to making a difference in the communities where our grocery-anchored shopping centers are located. We are committed to becoming industry leaders in energy efficiency, alternative power sources, sustainable design, recycling and other initiatives that will help us preserve and protect the environment.

PECO IS ALWAYS LOOKING FOR WAYS TO REDUCE OUR ENVIRONMENTAL IMPACT BY:



Relying more on sustainable resources such as the installation of solar panels and solar car ports



Reducing water consumption with the use of low flow fixtures and smart irrigation controls



Reducing energy consumption through LED lighting retrofits both internally and externally



Reducing waste by recycling at a shopping center level as well as in our corporate headquarters

Environmental responsibility and sustainability has been part of our DNA since we purchased our first shopping center. Our Green Options Team includes property management, construction and development. Associates are continuing to research and implement energy efficient and eco-friendly programs at our properties across the country. In addition to our active promotion of the principles of reduce, re-use and recycle, our team is focused on the rapid growth of multiple programs from water conservation to high-efficiency mechanical and electrical systems.

We are finding that you cannot underestimate the power of simplicity in driving retail sustainability. Several of our simpler efforts have been creating significant impact as we scale them throughout our portfolio. Here's an overview of those projects and some of their results:

TO DATE

- PECO has installed approximately **10.3 MILLION SF** of white reflective roofing resulting in the energy savings equivalent of:
  - removing **22,018** cars from the road,
  - planting **84,620** acres of trees, or
  - eliminating the energy usage of **9,419** households
- Since 2010, PECO has installed or replaced **11,270+ TONS** of HVAC units with higher efficiency units, generating
  - a total savings of approximately **\$2,030,000** annually
  - and a reduction of **16,783,000 kWh** annually
- PECO has installed or replaced **11,330+** existing interior T-12 lights with higher efficiency T-5 and LED lights, resulting in
  - a total savings of approximately **\$470,000** annually
  - and a reduction of **3,878,000 kWh** annually
- Since 2010, parking lot lighting has been retrofitted to LED at **146** properties generating approximately **\$1,055,000** in savings and a reduction of **12,970 kWh** the equivalent of removing
  - **1,981** cars off the road
  - **151,639** seedlings planted grown for 10 years, or
  - **1,058** homes' energy use for one year



We know our centers have some positive and negative impacts, and we are working to quantify those impacts to better understand how we can increase the positive while reducing and mitigating the negative. We also understand that our work in this regard will never be finished, and our team is currently focused on these exciting new Green Options initiatives.



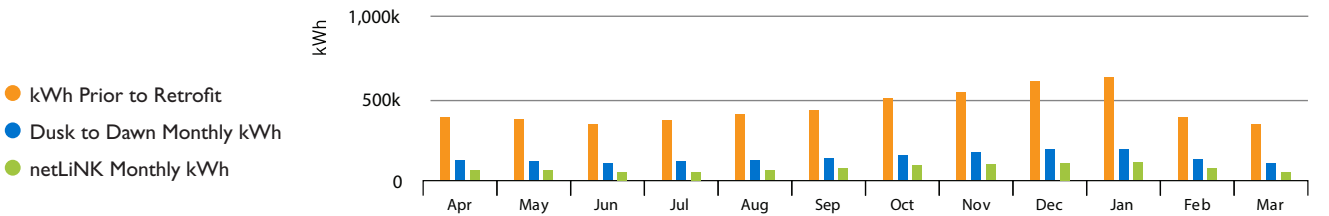
### ENVIRONMENTAL MANAGEMENT SYSTEM

At PECO we believe in pursuing high-performance environmental building initiatives that create economic value for our Neighbors, shareholders and associates. We create great omni-channel grocery-anchored shopping experiences and improve our communities one shopping center at a time.

- Our **Existing Buildings program** spans all of our energy projects, water projects, recycling revitalizations, installations of electric vehicle charging stations, Neighbor engagement and indoor air quality testing.
- The **New Development program** focuses on minimizing the environmental impact of ground-up construction and major renovation projects, embracing environmentally-focused leading-edge building materials and technologies.
- Our **Industry Engagement program** is comprised of our sustainability disclosures to our shareholders, our partnerships with sustainability-focused organizations, our industry outreach efforts, our awards and philanthropy and the creation of our annual sustainability report.

Our sustainability strategy involves four stages: Market Assessment, Action Plan, Implementation and Review. We use the Plan-Do-Check-Act stages as the foundation of our strategy. PECO's EEnvironmental Management System (EMS) is aligned with the ISO 14001 standard. The EMS establishes a systematic approach to PECO's sustainability activities verifying the activities are conducted in a manner that is consistent with the goals of the EMS, State and Federal Environmental regulations.

### AGGREGATED EXTERIOR LIGHTING IMPACT (PAST 12 MONTHS)



### CURRENT GREEN OPTIONS INITIATIVES

- Expanding the third-party solar energy program to provide Neighbors an alternative and less expensive energy source
- Utilizing LED technology in pylon signage, parking lot and building lighting and other appropriate areas
- Training regional property managers in the application of effective green technologies
- Continued expansion of the electric vehicle charging station infrastructure
- Use of drone and artificial intelligence technology for property inspections
- Reduce use of plastic shopping bags
- Purchasing REC's (Renewable Energy Credits) to reduce our Carbon Footprint



\*NetLiNK allows for remote management of parking lot lighting.





“Our team strives to provide cost-effective design and construction solutions that incorporate best in class sustainability products and services.”  
— Tony Haslinger, Senior Vice President, Construction



Our shopping centers recycle more than 17,535,595.56 pounds, which equates to 123,065.6 trees saved.

WASTE RECYCLING

The PECO team works hard every day to maintain a first-class shopping environment at our properties, which means partnering with our Neighbors to actively manage the waste that is generated from our centers. We see first-hand the impact that waste diversion efforts can have both in lowering operating costs and improving the operational performance and absolute value of our properties.

Recycling has a large impact on the overall sustainability of our portfolio. It requires a low capital expense, can be implemented at every property and generates results immediately. 247 (and counting) of our more than 309-owned and managed shopping centers recycle more than 17,535,595.56 pounds, which equates to 123,065.6 trees saved.

On average, about 40 percent of our waste and construction material is diverted from landfills. We are aiming to gradually increase the percentage of waste as well as construction material diverted from landfills over the next few years.

In addition, Phillips Edison & Company has changed its office environment to encourage recycling by its associates. Desks have been equipped with separate recycling bins, and new technologies are being used to help the different departments use as little paper as possible.

ENVIRONMENTAL IMPACT ESTIMATES WERE MADE USING THE ENVIRONMENTAL PAPER NETWORK PAPER CALCULATOR VERSION 4.0. FOR MORE INFORMATION VISIT [WWW.PAPERCALCULATOR.ORG](http://WWW.PAPERCALCULATOR.ORG).



HVAC

In 2019, PECO’s construction team upgraded 2,706 tons of HVAC at 195 centers. On average, the upgrades have saved more than \$487,600 annually, making HVAC the second-largest contributor to energy savings (after lighting). As an example, when installing SEER 16 rated HVAC units versus SEER 14 rated HVAC units, the SEER 16 HVAC units reduce total energy consumption by almost 15 percent.

HVAC REPLACEMENTS

Since 2010, PECO’s construction team has replaced over 11,270 tons of HVAC units with higher-efficiency units. The replacements have helped to reduce electricity usage by up to 16,783,000 kwh annually. Since 2015, nearly \$14.4M has been invested in more efficient units.

11,270 tons

of HVAC upgraded

since 2010

=

16,783,000 kwh

annual reduction in

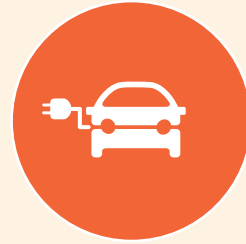
electricity usage



## ELECTRIC VEHICLE (EV) CHARGING STATIONS

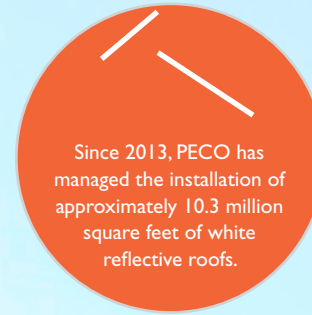


One key impact of our properties is the frequency of single-occupancy auto trips. As the electric vehicle market continues to expand, we will aim to add electric vehicle charging stations to meet the needs of our customers and lower environmental impacts. Further, by adding additional uses to our properties that make it possible to live, work and play with fewer trips, we seek to compound the environmental impact reductions we can achieve.



In 2019, 47 EV Charging Stations were installed throughout the PECO portfolio.

- THEVILLAGE AT ASPEN PARK – Conifer, CO
- BAKER HILL – Glen Ellyn, IL
- ROCKY RIDGE TOWN CENTER – Roseville, CA
- SHOREWOOD CROSSING – Shorewood, IL
- COLLINGTON PLAZA – Bowie, MD
- ROSEWICK CROSSING – LaPlata, MD
- EVERSON POINTE – Snellville, GA
- FAIRVIEW OAKS – Ellenwood, GA
- MACLAND POINT – Marietta, GA
- BETHANY VILLAGE – Alpharetta, GA
- BUTLER CREEK – Acworth, GA
- PARADISE CROSSING – Lithia Springs, GA
- MABLETON CROSSINGS – Mableton, GA
- SHILOH SQUARE – Kennesaw, GA
- COPPELL MARKET STREET – Coppell, TX
- MURPHY MARKETPLACE – Murphy, TX
- SPRING CYPRESS – Houston, TX
- KIRKWOOD – Houston, TX
- TOWNE CROSSING – Mesquite, TX
- ASHBURN FARM – Ashburn, VA
- NAPERVILLE CROSSINGS – Naperville, IL
- WINCHESTER GATEWAY – Winchester, VA
- WILLOWBROOK COMMONS – Nashville, TN
- PLAZA 23 – Pompton Plains, NJ
- COQUINA PLAZA – Pembroke Pines, FL
- SHEFFIELD CROSSING – Sheffield, OH
- ST. JOHNS COMMONS – Jacksonville, FL
- LAGUNA 99 – Elk Grove, CA
- EMPORIA WEST – Emporia, KS
- CARRIAGETOWN MARKETPLACE – Amesbury, MA
- NEW PRAGUE COMMONS – New Prague, MN



Since 2013, PECO has managed the installation of approximately 10.3 million square feet of white reflective roofs.

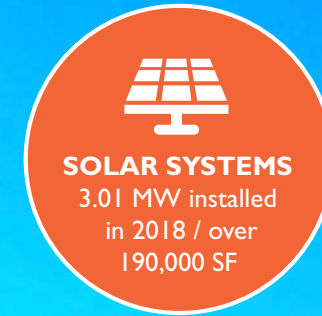
### WHITE ROOFS

In 2019, 39 new white TPO (thermoplastic polyolefin) roofing projects were completed, an investment of approximately \$6.5M.

In addition to having a brand new, maintenance-free roof, PECO and its Neighbors realize a variety of benefits from this program, including:

- Roof replacements can cost up to \$500,000. The new, white TPO roofs require less maintenance and save us time and money on repairs reducing our capital expenditures.
- PECO receives a **discounted rate** when we purchase energy to power common areas.
- Our Neighbors are able to buy their power at a discounted rate.
- The new reflective roofs also offset heating and air-conditioning costs.

## PHOTOVOLTAIC SOLAR ENERGY SYSTEM



**SOLAR SYSTEMS**  
3.01 MW installed  
in 2018 / over  
190,000 SF

In 2019, PECO's property management team enhanced the energy efficiency of Broadway Pavilion in Santa Maria, California. The team replaced 142,944 SF of the shopping center's roof with GAF TPO roof membrane and installed solar panels throughout that area. The roof will be maintained for 20 years with no cost to PECO or our Neighbors. In return, the power generated from the solar panels will be sold back to the grid.



**We are installing r-30 insulation or above in the roofs of almost all new buildings, which greatly helps in minimizing heat transfer.**

The following properties in five states have solar arrays or executed agreements to add solar arrays.





LIGHTING



Normandale Village, Bloomington, MN

EXTERIOR LIGHTING

Lighting is a major source of energy consumption across our portfolio and, therefore, offers substantial opportunity for improved efficiency. Inefficient bulbs not only consume more power directly but also produce more heat, which requires additional energy to be used by HVAC systems for cooling.

We aim to upgrade parking lot lamps, wall packs and pylon signage with LED bulbs or other high efficiency lamps at 10-20 centers annually to reduce energy usage and operational costs.

In 2019, total PECO portfolio wide kWh savings was 5,641,812 with a total savings of \$394,929, representing an overall energy reduction of 83.39%.

EXTERIOR LIGHTING  
LED RETROFITS

To date, we upgraded parking lot and building lighting at 146 properties to LED lights. Property managers now have the ability to use the Netlink Web portal to remotely adjust timers, adjust brightness and turn off specific lights in an effort to further reduce energy.



INTERIOR LIGHTING

Since 2010, PECO's construction team has replaced existing interior T-12 lighting with over 11,330 higher efficiency T-8, T-5 and LED lights. This has helped to reduce electricity usage by an estimated 3,878,000 kwh annually.

Since 2016, the construction team has installed occupancy sensors in all new restroom build outs. A total of 93 were installed in 2019, reducing wasted electricity usage.

ENVIRONMENTAL IMPACT OF EXTERIOR LIGHTING RETROFITS

According to the United States Environmental Protection Agency Greenhouse Gas Equivalencies Calculator (<https://developer.epa.gov/greenhouse-gas-equivalencies-calculator-widget>), the kWh savings achieved through these lighting retrofits is the equivalent GHG emissions of removing 862 passenger vehicles driven for one year or 460 homes' energy use for one year. This is the same amount of carbon sequestered by 5,209 acres of U.S. forests in one year. To help put this in perspective, our typical shopping center covers 2.5 acres. We have, in effect, created the same carbon impact with lighting retrofits as we would if we replaced all of the property in our portfolio with forest.



## WATER CONSERVATION SYSTEMS

We are working to control irrigation where we can, especially in states such as California and Georgia, which are under water conservation directives. We have installed irrigation control systems at 17 properties. In other cases, we are implementing xeriscaping—removing non-native plants and adding native species that require no or very little water, such as cacti and yucca, in addition to rock gardens. Low-flow fixtures are installed in our construction projects and reduce water usage between 20-75 percent per fixture.

**25 PECO PROPERTIES HAVE SMART IRRIGATION CONTROLLERS INSTALLED AND HAVE BENEFITTED BY AN OVERALL SAVINGS OF 172,800,000 GALLONS OF WATER AND \$510,703 SINCE THE FIRST INSTALLATION IN 2016.**

## THE FOLLOWING PROPERTIES HAVE SMART IRRIGATION EQUIPMENT INSTALLED

RED MAPLE VILLAGE

DRIFTWOOD VILLAGE

MEADOWS ON THE PARKWAY

STERLING POINTE

DEERWOOD LAKE COMMONS

HARBOUR VILLAGE

MURPHY MARKETPLACE

NEW PRAGUE COMMONS

NORWOOD SHOPPING CENTER

PAGE PLAZA

SHOPPES OF PARADISE LAKES

THE SHOPPES AT ARDREY KELL

THOMPSON VALLEY TOWN CENTER

WESTWOODS SHOPPING CENTER

VILLAGE AT ASPEN PARK

NEW WINDSOR MARKETPLACE

ALAMEDA CROSSING

LIVONIA PLAZA

MCKINNEY MARKET STREET

NORMANDALE VILLAGE

PLANO MARKET STREET

SEVILLE COMMONS

SPRING CYPRESS VILLAGE

THE SHOPS AT UPTOWN

SHOPPES AT WINDMILL PLACE



## LOW FLOW WATER FIXTURES

Since 2016, PECO's Construction Team has installed over 364 low-flow fixtures including high-efficiency faucets, urinals and toilets.



## TRANSPORTATION



### ALTERNATE TRANSPORTATION

Everyone knows that motor vehicles powered by fossil fuels are a leading cause of air pollution and resource consumption. That's why we are taking measures to make alternative transportation easier and more feasible for shoppers and employees at our properties. Bicycles are a very clean and economical transportation alternative in many communities.

In addition to bicycle initiatives, we aim to equip our properties with charging stations for electric-powered golf carts and vehicles. We have expanded the portfolio's vehicle infrastructure by executing agreements to install charging stations at more properties.



"While operating assets in a constantly changing environment, we are proud to have a team that takes an adaptive approach in executing our sustainability initiatives. PECO continues to meet or exceed annual goals, while striving to keep the implementation of additional sustainable practices at the forefront."

- Eric Richter, Senior Vice President, Property Management





## CASE STUDIES



Reduced the amount of trash entering the landfill by **20 tons**

### RECYCLING PROGRAM

ANTELOPE MARKETPLACE — Antelope, CA

Every city and county in California is currently required to divert organic waste from going to the landfill. Organic waste means food scraps, food soiled paper waste, yard trimmings and non-hazardous wood waste. These items make up approximately 30% of California's waste and release greenhouse gases when they decompose in landfills. Instead, these organic materials can be recycled and used to make compost or mulch when taken to a compost facility.

In 2019, our Antelope Marketplace shopping center introduced a new organics recycling program. In its first year, this program was responsible for reducing the amount of trash entering the landfill from 300 tons to 280 tons, with almost 20 tons of organics being composted instead.



Total savings since installation **\$81,500 and 10.5 million gallons**

### IRRIGATION CONTROLLERS

MEADOWS ON THE PARKWAY — Boulder, CO

The smart irrigation system has seen great success, reducing both water usage and irrigation costs. Installed in June 2017 at our Meadows on the Parkway shopping center for a cost of approximately \$13,000, the system has reduced average irrigation costs at the property from approximately \$36,000 per year to approximately \$19,500 per year.



Output enough to power **251** average California homes

### SOLAR PANELS

BORONDA PLAZA — Salinas, CA

Boronda Plaza is a 93,071-square-foot shopping center anchored by Food 4 Less. In 2018 2,774 solar modules were installed resulting in 1,066.99 kW of production. The output is 1,724.10 MWh/year which is enough to power 251 average California homes. In 2020 the parking structure solar installation was completed, which raised the production to 824,424 kw. This is a unique program which offsets Neighbor's use on a 1:1 ratio and provides the customer a guaranteed 5% discount off of their current rate with the utility provider (PG&E). PECO receives a day one benefit from the reflective roof membrane that is installed on the site.





— MISSION STATEMENT —

WE CREATE GREAT OMNI-CHANNEL  
GROCERY-ANCHORED SHOPPING EXPERIENCES  
AND IMPROVE OUR COMMUNITIES ONE SHOPPING  
CENTER AT A TIME.

GRI STANDARDS CONTENT INDEX

GRI Standard	Disclosure Title	Disclosure Number	Reference	Page
GENERAL DISCLOSURES				
	Organizational Profile			
GRI 102: General Disclosures 2016	Name of the organization	102-1	2019 Corporate Responsibility Report	Cover Page
	Activities, brands, products and services	102-2	2019 Corporate Responsibility Report	5
	Location of Headquarters	102-3	2019 Corporate Responsibility Report	5, Back Cover
	Location of Operations	102-4	2019 Corporate Responsibility Report Phillips Edison & Co. does not operate outside of the United States	5
	Ownership and legal form	102-5	2019 10-K <a href="http://investors.phillipsedison.com/Doc/Index?did=57544341">http://investors.phillipsedison.com/Doc/Index?did=57544341</a>	
	Markets served	102-6	2019 Corporate Responsibility Report	5
	Scale of the organization	102-7	2019 Corporate Responsibility Report <a href="http://investors.phillipsedison.com/Doc/Index?did=57544341">http://investors.phillipsedison.com/Doc/Index?did=57544341</a> As of December 31, 2019, the Phillips Edison & Co., employed 279 full-time employees	5, 32
	Information on employees and other workers	102-8	2019 Corporate Responsibility Report Male 47% Female 53% Exempt: 81% Non-Exempt: 19% Under Age 30: 20% 30-50: 52% Over 50: 28% White: 90% Non-White 10%	
	Supply chain	102-9	Phillips Edison & Co. owns/manages over 300 properties nationwide. The number of vendors supporting the company's efforts is tremendous. Vendors include firms providing day to day property management support, utilities, insurance providers, professional support, advisory or audit firms and construction or other firms providing property redevelopment support.  The company makes payments to approximately 2,500 different entities with utility and tax payments being the bulk.	
	Significant changes to the organization and its supply chain	102-10	There have been no significant changes to the organization or its supply chain	
	Precautionary principle or approach	102-11	Phillips Edison & Co.'s approach to property acquisitions, redevelopment and day to day property management includes completing environmental due diligence when appropriate and or legally required	
	External initiatives	102-12	None	
	Membership of associations	102-13	<ul style="list-style-type: none"><li>• Global Real Estate Sustainability Benchmark (GRESB)</li><li>• National Association of Real Estate Investment Trusts (NAREIT)</li><li>• International Council of Shopping Centers (ICSC)</li><li>• Institute of Real Estate Management (IREM)</li></ul>	
STRATEGY				
	Statement from senior decision maker	102-14	2019 Corporate Responsibility Report	9
	Key impacts, risks and opportunities	102-15	2019 Corporate Responsibility Report	7-22
ETHICS & INTEGRITY				
	Values, principles, standards and norms of behavior	102-16	2019 Corporate Responsibility Report CEO Letter: Phillips Edison & Co's Code of Conduct is available under the Governance section of our website at: <a href="https://www.phillipsedison.com/Investors/governance">https://www.phillipsedison.com/Investors/governance</a>	9, 14-19, 48-49
	Mechanisms for advice and concerns about ethics	102-17	2019 Corporate Responsibility Report Reference our Whistleblower Policy available on our website at: <a href="https://www.phillipsedison.com/Investors/governance">https://www.phillipsedison.com/Investors/governance</a>	48-49
GOVERNANCE				
	Governance Structure	102-18	2019 Corporate Responsibility Report Phillips Edison & Co's., governance structure is available under the Governance section of our website at: <a href="https://www.phillipsedison.com/Investors/governance">https://www.phillipsedison.com/Investors/governance</a>	48, 49



GRI Standard	Disclosure Title	Disclosure Number	Reference	Page
	Delegating authority	I02-19	The organization's CEO serves as the executive sponsor for its Corporate Responsibility program. A full-time SeniorVice President is also employed by the organization and serves as the day-to-day coordinator of program activities.	
	Executive-level responsibility for economic, environmental and social topics	I02-20	Eric Richter, SeniorVP of Property Management has been leading the charge on sustainable initiatives at Phillips Edison & Co.	
	Consulting Stakeholders on Economic Environmental and Social Topics	I02-21	2019 Corporate Responsibility Report	10-13, 16-17, 48-49
	Composition of the highest governance body and its committees	I02-22	2019 Phillips Edison & Co. Proxy Statement INFORMATION CONCERNING THE BOARD OF DIRECTORS <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	48-49
	Chair of the highest governance body	I02-23	Jeff Edison, CEO	8-9
	Nominating and selecting the highest governance body	I02-24	2019 Phillips Edison & Co. Proxy Statement Director Nomination Process <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	6
	Conflicts of Interest	I02-25	2019 Phillips Edison & Co. Proxy Statement RELATED PARTY TRANSACTIONS <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	34
	Role of the highest governance body in setting purpose, values and strategy	I02-26	2019 Phillips Edison & Co. Proxy Statement BUSINESS OBJECTIVES AND STRATEGIES <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	5
	Collective knowledge of highest governance body	I02-27	2019 Phillips Edison & Co. Proxy Statement PROPOSAL 1: ELECTION OF DIRECTORS <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	3
	Evaluating he highest governance body's performance	I02-28	2019 Phillips Edison & Co. Proxy Statement INFORMATION CONCERNING THE BOARD OF DIRECTORS <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	5
	Identifying and managing economic, environmental and social impacts	I02-29	2019 Phillips Edison & Co. Proxy Statement RISKS RELATED TO REAL ESTATE INVESTMENTS AND OPERATIONS <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	11
	Effectiveness of risk management processes	I02-30	2019 Phillips Edison & Co. Proxy Statement RISKS RELATED TO OUR STRUCTURE AND INVESTMENT IN US <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	7
	Review of economic, environmental and social topics	I02-31	2019 Phillips Edison & Co. Proxy Statement RISKS RELATED TO THE RETAIL INDUSTRY <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	10
	Remuneration policies	I02-35	2019 Phillips Edison & Co. Proxy Statement COMPENSATION COMMITTEE <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	5
	Process for determining remuneration	I02-36	2019 Phillips Edison & Co. Proxy Statement COMPENSATION COMMITTEE <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	5
	Stakeholders' involvement in remuneration	I02-37	2019 Phillips Edison & Co. Proxy Statement COMPENSATION COMMITTEE <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	5
	Annual total compensation ratio	I02-38	2019 Phillips Edison & Co. SEC Filing <a href="http://investors.phillipsedison.com/Docs">http://investors.phillipsedison.com/Docs</a>	
STAKEHOLDER ENGAGEMENT				
	List of stakeholder groups	I02-40	2019 Corporate Responsibility Report Our stakeholder groups include: Shareholders and Joint Venture Partners, Employees, Tenants, Vendors and Communities in which we do business.	15
	Collective bargaining agreements	I02-41	No employees were covered under collective bargaining agreements at this time	
	Identifying and selecting stakeholders	I02-42	2019 Corporate Responsibility Report	14, 15, 42, 44

GRI Standard	Disclosure Title	Disclosure Number	Reference	Page
	Approach to stakeholder engagement	I02-43	<ul style="list-style-type: none"> <li>Shareholder and Joint Venture Partners: one-on-one dialogue, materiality survey, bi-monthly board of director meetings. As members of the National Association of Real Estate Investment Trusts (Nareit) and the International Council of Shopping Centers (ICSC), we interact with stakeholders at several of each organization's various conferences.</li> <li>Employees: employee surveys, materiality survey, weekly Communication newsletter; PECO NOW, PECO More, personal and professional development and trainings. volunteerism during workday.</li> <li>Neighbors (Tenants): use of our proprietary communication platform – DashComm, one-on-one dialogue, e-mail, quarterly newsletters.</li> <li>Vendors: one-on-one dialogue, email.</li> <li>Community: Direct dialogue with town and city officials, boards and commissions.</li> </ul>	14, 15, 16-41 44 14, 15 44 14, 15 44-47
	Key topics and concerns raised	I02-44	Cyber Risk & Security, Anti-corruption, Building Efficiency, Diversity & Equal Opportunity, Local Community involvement, Corporate Governance and Environmental Compliance	
REPORTING PRACTICES				
	Entities included in the consolidated financial statements	I02-45	2019 I0-K <a href="http://investors.phillipsedison.com/Doc/Index?did=57544341">http://investors.phillipsedison.com/Doc/Index?did=57544341</a>	
	Defining report content and topic Boundaries	I02-46	2019 Corporate Responsibility Report The company's process is outlined in the 2019 Corporate Responsibility Report	2, 14-15
	List of material topics	I02-47	Relevant topics defined by stakeholders and the company; Economic Development, Cyber Risk & Security, Health & Safety, Energy & Water Consumption, Anti-Corruption, Employee Satisfaction/Well-being, Building Efficiency, Environmental Compliance, Non-Discrimination, Climate Risk/Greenhouse Gas Emissions, Training & Education, Corporate Governance, Diversity & Equality, Local Community Involvement	
	Restatements of information	I02-48	None	
	Changes of reporting	I02-49	N/A	
	Reporting period	I02-50	January 1, 2019 – December 31, 2019	
	Date of most recent report	I02-51	FY 2019	
	Reporting cycle	I02-52	Annual	
	Contact point for questions regarding the report	I02-53	Michael Koehler, Vice President, Investor Relations	
	Claims of reporting in accordance with the GRI Standards	I02-54	2019 Corporate Responsibility Report This report has been prepared in accordance with the GRI Standards: Core option	2
	GRI Content Index	I02-55	GRI Content Index	67-71
	External assurance	I02-56	None	
ECONOMIC PERFORMANCE				
	Management Approach	I03-1, I03-2, I03-3	2019 I0-K <a href="http://investors.phillipsedison.com/Doc/Index?did=57544341">http://investors.phillipsedison.com/Doc/Index?did=57544341</a>	31, 32, 49
GRI 201	Direct economic value generated and distributed	201-1	2019 I0-K <a href="http://investors.phillipsedison.com/Doc/Index?did=57544341">http://investors.phillipsedison.com/Doc/Index?did=57544341</a>	30-32
	Significant indirect economic impacts	203-2	2019 I0-K <a href="http://investors.phillipsedison.com/Doc/Index?did=57544341">http://investors.phillipsedison.com/Doc/Index?did=57544341</a>	7
	Communication and training about anti-corruption policies	205-2	All employees are provided, and formally acknowledge receipt of, Phillips Edison & Company's Code of Conduct annually. Communication and training about anti-corruption policies and procedures – 100% of PECO employees are trained in PECO's anti-corruption policies. PECO also has a Whistle Blower policy and hotline. <a href="https://www.phillipsedison.com/getattachment/Investors/Governance/PECO-Whistleblower-Policy-(Revised-2020-11-04)-(FINAL).pdf?lang=en-US">https://www.phillipsedison.com/getattachment/Investors/Governance/PECO-Whistleblower-Policy-(Revised-2020-11-04)-(FINAL).pdf?lang=en-US</a>	
	Confirmed incidents of corruption and action taken	205-3	There were no confirmed incidents of corruption at PECO during the reopening period	
ENERGY				



GRI Standard	Disclosure Title	Disclosure Number	Reference	Page
GRI 302	Energy consumption within the organization	302-1	A.Total fuel consumption from non-renewable sources: 217.59 MWh B.Total fuel consumption from non- renewable sources: 1,546 MWh C.Total electricity, heating and steam consumption: 0 MWh D. Solar electricity sold: 0 kWh E.Total energy consumption: 1,605 MWh  Areas within the company's direct control include commons areas of the shopping centers, vacant tenant spaces, and the corporate office.	
	Energy consumption outside the organization	302-2	A.Tenant energy consumption from shared meters paid directly by the Landlord on behalf of tenants 46,046.59 MWh	
	Energy intensity	302-3	A. Our energy intensity ratio using energy consumption within our operational control is 0.002 MWh per square foot of gross lettable area, we estimate the energy intensity within our tenants' operational control is 0.001 MWh per square foot of gross lettable area. B. Intensity is calculated as energy consumption divided by total square feet of gross lettable area. C.Types of energy included in our calculations are purchased electricity. D.We have calculated energy intensity both within and outside of our operational control.	
	Reduction in energy consumption	302-4	A.We reduced our energy consumption by 1994.83 MWh as a direct result of our energy conservation programs B.Types of energy included in our calculations are purchased electricity C. 2019 is the first year we have calculated emissions. D. Energy has been inventoried using an organization boundary that aligns with the Operational Control approach defined by The Greenhouse Gas Protocol: Our boundaries of operational control are confined to common areas and vacant premises, and exclude tenants' premises within the operating portfolio	
GRI 303:WATER				
	Water withdrawal by source	303-1	A. Water use within Phillips Edison & Co.'s operational control is largely for our shopping center's landscaping in the common areas. The water is sourced from municipal, public and private water utility providers and landscaping is thoughtfully planned to maximize conservation of this essential resource.We comply with public policy and local requirements for water use and monitor consumption regularly.We strive to reduce our water use without compromising the appeal of our shopping centers B.Total municipal water supply withdrawals (Scope 1 and 2) 536,373,837.47 Gallons	
	Direct (Scope 1) GHG emissions	305-1	A. Gross Scope 1 emissions in 2019 were 102.46 MT CO2e B. 2019 is the first year we have calculated Scope 1 emissions C.We use an operational control boundary in our calculations D.The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)	
	Energy Indirect (Scope 2) GHG emissions	305-2	A. Gross location-based Scope 2 emissions were 29,714 MT CO2e in 2019 B. 2019 is the first year we have calculated Scope 1 emissions C.We use an operational control boundary in our calculations D.The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)	
	Other indirect (Scope 3) GHG emissions	305-3	A. Gross Scope 3 emissions are estimated to be 1,022,773 MT CO2 B. 2019 is the first year we have calculated Scope 1 emissions C.We use an operational control boundary in our calculations D.The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)	
	Reduction in GHG emissions	305-5	A.We reduced our GHG emissions by 80.11 MT CO2e as a direct result of our reduction initiatives B. 2019 is the first year we have calculated Scope 1 emissions C. Scopes 1 and 2 are where reductions took place, Scope 3 is outside our operational control and we commenced estimating this in 2019 D. The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)	

GRI Standard	Disclosure Title	Disclosure Number	Reference	Page
	Waste by type disposal method	306-2	A.Total waste to incinerator: 50,101.33 Tons B. Total waste recycled: 52,917 Tons C. Waste data are inclusive of those tenant and common area dumpsters that are serviced directly by a Phillips Edison & Co. vendor as a part of the company's waste management program, and exclude any waste generated and hauled directly by tenants and/or their vendors.Waste weight is calculated based on known capacity and hauling frequency for waste vs. recycling containers. Assumptions are made regarding the average fullness and weight of containers D. The company has a continuous goal to reduce waste to by 5% per year by increasing the number of centers with Landlord controlled waste removal and recycling programs.	
	Non-compliance with environmental laws and regulations	307-1	No significant fines or non-monetary sanctions during the reporting period	
GRI 401: Employment				
	New employee hires and employee turnover	401-1	Total new employees hired during reporting period: 41 Total turnover during reporting period: 45	
	Benefits provided to full-time employees that are not provided to temporary or part-time employees	401-2	Associates working 30 hours or more per week are eligible for the following benefits during the reporting period <ul style="list-style-type: none"> <li>Medical Insurance – cost sharing by employee and employer</li> <li>Dental Insurance</li> <li>Vision Insurance</li> <li>Health Savings Account</li> <li>Flexible Spending Account</li> <li>Health/ Wellness Programs – employer funded annual health screenings, flu shots, mammograms, wellness incentive HSA contributions</li> <li>Short disability insurance – employer funded for employees</li> <li>Long Term Disability Insurance- employer funded for employees</li> <li>Group Life Insurance – employer funded for employees</li> <li>Supplemental Life Insurance</li> <li>401K match</li> <li>Performance Bonus</li> <li>Long Term Incentive Plan</li> <li>Employee Assistance Program</li> <li>Tuition Reimbursement</li> <li>Parental Leave</li> <li>Critical Illness Insurance</li> <li>Accident Insurance</li> </ul>	
	Parental Leave	401-3	No female employees did not return to Phillips Edison & Co. following their maternity leave. Male employees are eligible for two weeks paid time off following the birth or adoption of a child.	
	Types of injury and injury rates, occupational diseases, lost days and absenteeism, and number of work-related fatalities	403-2	A. Sick days are not calculated as employees receive PTO days which include sick days, personal days and vacation days. B. Lost Time Injuries: 0 C. Work related fatalities: 0	



Report is as of December 31, 2019.

Some of the statements in this report constitute forward-looking statements, and therefore involve contingencies and uncertainties. While such statements reflect our good faith beliefs and commitment to sustainability, they are not factual guarantees. We disclaim any obligation to publicly update or revise any forward-looking statement, except as required by law.



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