BKM Capital Partners

2025-2026 SUSTAINABILITY AND CORPORATE RESPONSIBILITY REPORT

Published - April 2026

bkmcp.com

Table of Contents

Letter from the CEO

I'm pleased to share BKM's fourth annual Sustainability and Corporate Responsibility Report. As we continue to build on more than a decade of growth, our commitment to embedding responsible business practices across our platform has only strengthened. What began as a foundational effort has evolved into a more integrated, data-driven approach—one that we believe is essential to driving long-term value for our investors, employees, tenants, and the communities we serve.

Over the past year, we made meaningful progress advancing our sustainability strategy across the portfolio. We enhanced our environmental data coverage through expanded onboarding and benchmarking efforts, conducted comprehensive risk and resilience assessments, and invested in robust employee training programs that reinforce accountability across our organization. Together, these initiatives reflect a more coordinated and scalable approach embedded throughout our investment lifecycle.

Central to this progress is our continued focus on measurement, transparency, and accountability. Following our initial GRESB participation, we refined our internal processes, strengthened our data collection capabilities, and advanced key policies to better align with industry best practices. At the same time, we remained committed to investing in our people—expanding leadership development programs, increasing employee engagement initiatives, and supporting meaningful community involvement across our markets.

As the commercial real estate landscape continues to evolve, we recognize that sustainability and corporate responsibility are not static goals, but ongoing commitments. We remain focused on reducing our environmental impact, fostering an inclusive and high-performing culture, and maintaining strong governance practices across our operations. Looking ahead, we will continue to build on this momentum—driving greater integration, enhancing performance, and identifying new opportunities to create value responsibly.

Thank you for your continued partnership and trust. It is this support that enables us to move forward with clarity, discipline, and purpose.

Sincerely,

Brian Malliet

Founder, Chief Executive Officer, and Chief Investment Officer

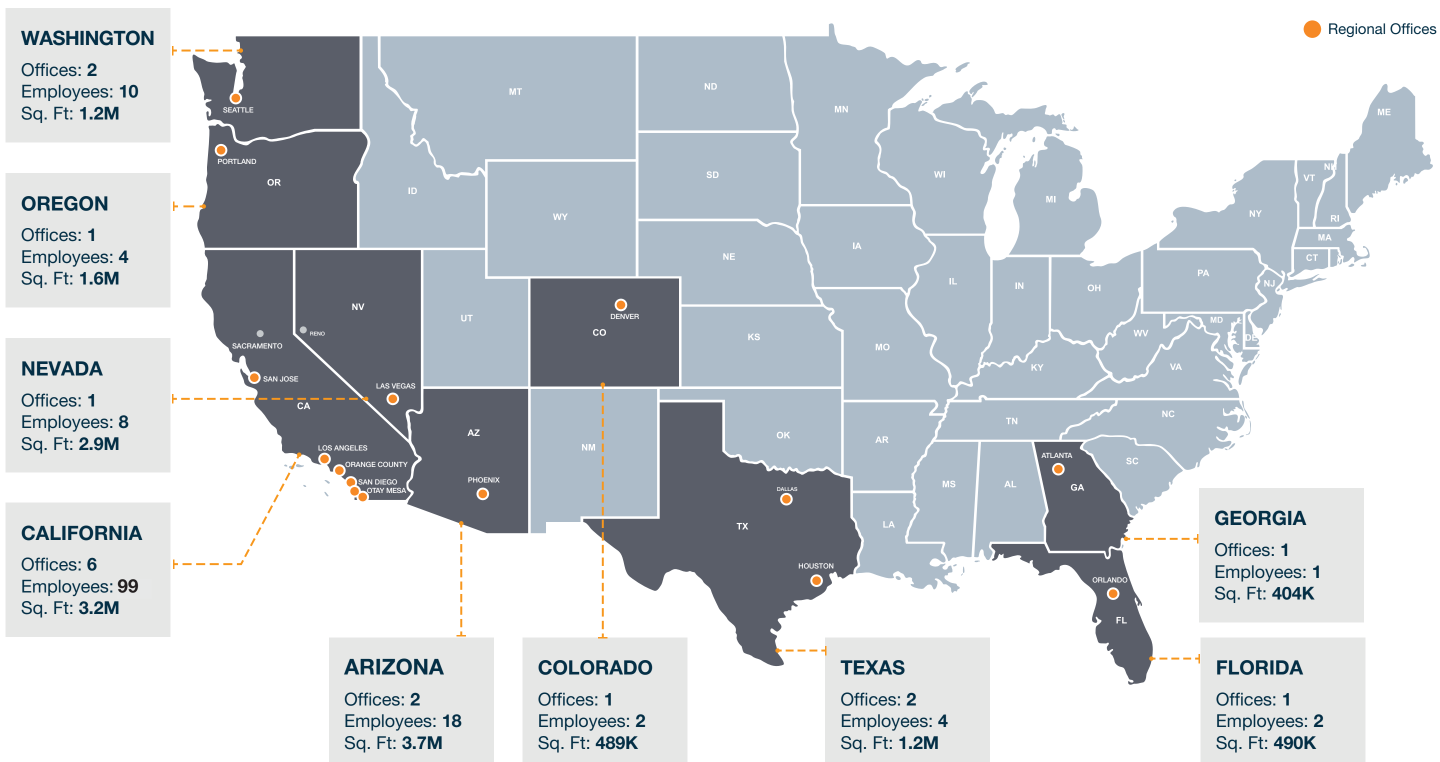
BKM Capital Partners

Who We Are

Headquartered in Newport Beach, California, BKM Capital Partners is the leading institutional fund manager and operator of small and mid-bay light industrial properties in the United States. BKM's singular focus, market knowledge, decade-long track record, and institutional approach provide a platform for investors to access a traditionally fragmented asset class with an experienced partner with the ability to execute. BKM's platform drives significant ROI in this niche asset class through active hands-on management with an experienced investment and operations team. Since its inception in 2013, BKM has successfully acquired more than 30 million square feet of industrial projects valued at over $6 billion. The firm continues to grow its investment management business through strategic joint ventures, institutional investor funds, and separate account equity capital.

Portfolio Overview

BKM currently owns 14.8 million square feet of multi-tenant light industrial product across the United States and features 17 regional offices in the markets we serve, providing local management expertise across our portfolio.



103	**14.8M**	**$3.3B**	**3,000+**	**148**
Active Properties	Active Sq. Feet	Current AUM	Current Leases	Current Employees

Data as of April 1, 2026.

Our Commitment

SUSTAINABLE VALUE CREATION

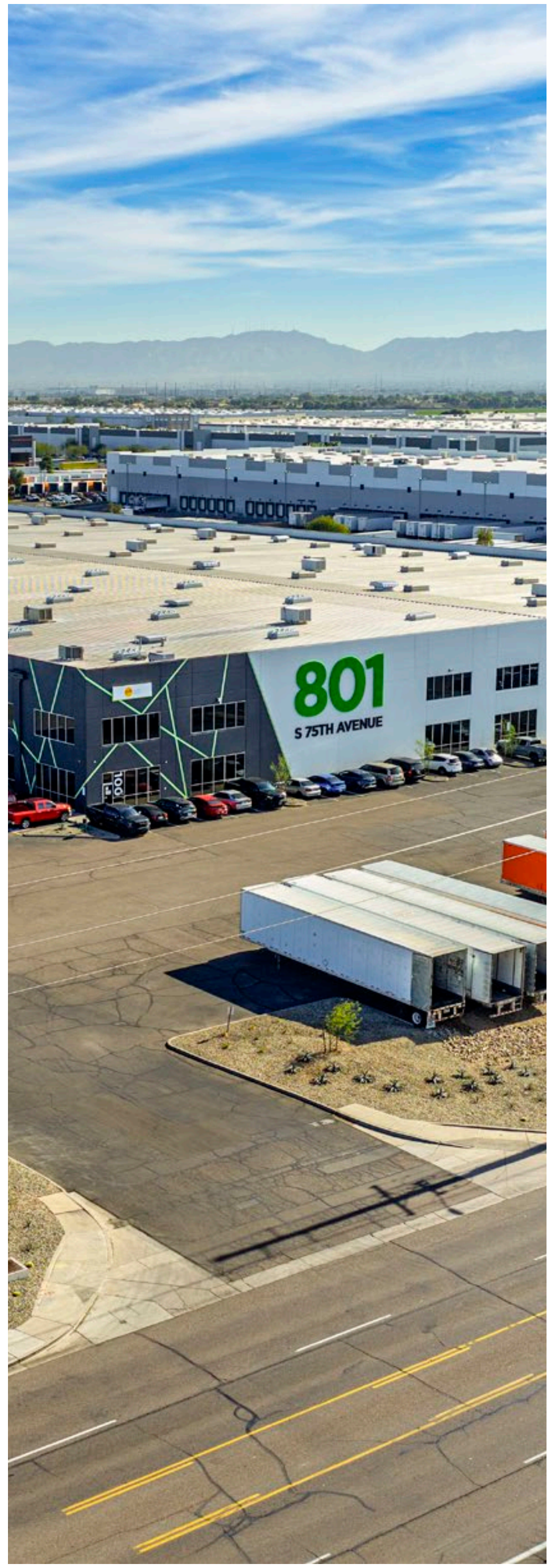
At BKM, we weave sustainability and corporate responsibility into the fabric of our operations and investment strategy—creating long-term value by enhancing our service offerings, attracting and retaining top-tier talent, and deepening the trust we share with our stakeholders. This approach reinforces our role as a thoughtful and responsible steward within the communities in which we operate.

CONSISTENT EXECUTION

We believe companies that embed environmental stewardship, social responsibility, and sound governance into their day-to-day operations and investment decisions are best positioned to thrive over the long term. We carefully assess every opportunity through this lens—recognizing that responsible management not only enhances asset performance but also drives lasting value.

ENDURING PERFORMANCE

We recognize our commitment to sustainability and corporate responsibility in supporting the foundation of a resilient, future-ready organization. By embedding equitable, sustainable practices across every facet of our business, we aim to create lasting value for our investors, tenants, communities, and team members alike.



BKM Core Values

RESPECT
Champion diversity and foster respect

TEAMWORK
Unite and elevate—we are one team

ACCOUNTABILITY
Own our actions, learn from every outcome

ATTITUDE + PERFORMANCE = EMPLOYABILITY
Both are expected

OWNERSHIP & INTEGRITY
Act like an owner. Act with integrity

ADAPT & EVOLVE
Embrace change, lead with innovation

EMPOWERMENT
Cultivate strength within and around

Program Overview

At BKM Capital Partners, our commitment to sustainability and corporate responsibility reflects our focus on operating responsibly, creating long-term value for stakeholders, and strengthening the communities we serve. We recognize that these priorities continue to evolve across the industry, and we adapt our approach to remain aligned with these changes.

We believe that embedding sustainability and corporate responsibility considerations throughout our investment lifecycle and asset management processes enhances asset performance, supports tenant demand, and strengthens risk mitigation. Our efforts are centered on advancing environmental sustainability, fostering meaningful social engagement, and upholding strong governance practices—driving measurable impact and delivering durable value for our stakeholders.

Environmental Sustainability

Environmental impact mitigation. Ensuring the continued improvement of building efficiencies at existing assets while considering improvement opportunities for new investments.

***AREAS OF FOCUS:* Carbon emissions, waste reduction, energy and water efficiency, sustainable construction practices, and data collection and monitoring.**

Social Engagement

Foster an environment with a focus on respectful engagement, diversity, and well-being at the corporate level to provide better work environments for employees and tenants, drive more effective management of our assets, and deliver better returns to investors.

***AREAS OF FOCUS:* Safety and wellness, employee and tenant engagement, charitable contributions, community relations, and diversity, equity & inclusion.**

Governance

Promote a culture of corporate responsibility, accountability, equality, and transparency among employees, clients, and investments.

***AREAS OF FOCUS:* Robust internal controls for risk mitigation, incorporation of sustainability and corporate responsibility factors in our investment management process, equitable compensation, and business integrity.**

Ongoing Goals and Accomplishments

SUPPORT OUR PEOPLE.

MEASURE OUR PROGRESS.

REDUCE OUR FOOTPRINT.

INVEST IN OUR COMMUNITIES.

CREATE SUSTAINABLE VALUE.

2025 MILESTONES AND ACCOMPLISHMENTS

Sustainability and Corporate Responsibility Program

- Removed 173K SF of turf and replaced with water-wise landscaping
- Replaced 550K SF of outdated roofing with reflective, cool roof coatings to reduce thermal emittance and energy emissions
- Created five new policies surrounding varied environmental, tenant, and risk-related topics
- Maintained solar projects at three assets, producing over 800K kWh in 2025

Data and Benchmarking

- Completed second GRESB assessment, improving our score by 52% from the prior year
- Maintained or increased diversity in employee demographics
  - 58% women in 2025 vs 54% in 2024
  - 43% BIPOC in 2025 vs 38% in 2024
  - 73% diverse overall vs 70% in 2024

Engagement and Education

- Completed 310 volunteer hours across the organization
- Conducted 34 tenant events across our national portfolio, gaining valuable face time with customers and opening clear lines of communication for the future
- 19 employees completed leadership development and coaching programs
- Collected 821 tenant satisfaction surveys across the portfolio
- Conducted 8 Lunch and Learns and completed 620 total hours of company-wide training

2026-2027 Initiatives

To ensure continuous improvement around our sustainability and corporate responsibility plan, we have outlined the following initiatives for the next two years. To stay at the forefront of best practices, we will continue to evaluate and evolve our program as the industry landscape changes over time, through both internal controls and external resources.

Sustainability and Corporate Responsibility Program

- Extend solar program across our California portfolio where appropriate
- Broaden EV charging program to further contribute to emission reduction
- Expand waste and recycling programs in all regions
- Scale E-Waste program in all regions

Data & Benchmarking

- Utilize prior GRESB results to inform tracking and reporting initiatives
- Increase data coverage across our entire portfolio for more accurate reporting
- Further refine BKM's proprietary BI tools for property-level data tracking
- Establish geographic risk profiles for each active investment region in BKM's portfolio
- Increase women in leadership by 10%
- Benchmark baseline property-level data where appropriate

Engagement & Education

- Conduct building engineer trainings to establish best practices and increase safety
- Widen philanthropic reach by partnering with new local organizations
- Increase engagement in satisfaction surveys at the employee and tenant level
- Expand company-wide sustainability and corporate responsibility-related trainings
- Further refine and standardize tenant engagement initiatives for all regions, including program buildout for new regions

Sustainability and Corporate Responsibility Committee

BKM established its Sustainability and Corporate Responsibility Committee in 2018 to guide the implementation of the firm's strategic priorities under the oversight of the Executive Committee. The committee plays a central role in advancing these initiatives across the organization, providing leadership and direction to embed responsible business practices throughout BKM's operations and culture.

The committee is led by Emily Pollard, Senior Director of Marketing and Communications, and is supported by cross-functional representatives from both BKM Capital Partners and BKM Management Company. Its efforts are focused on addressing climate-related risks and advancing best practices in energy efficiency, greenhouse gas reduction, water conservation, and waste management across the small-bay light industrial portfolio. In addition, the committee promotes social impact through philanthropic initiatives, volunteerism, and a continued focus on diversity and inclusion. It also supports strong governance practices by reinforcing policies and procedures that promote risk mitigation and uphold business integrity.

Industry Engagement

Building Owners and Managers Association

For more than a century, BOMA has led the charge in commercial real estate advocacy, innovation, and professional development—uniting industry leaders to drive meaningful, sustainable progress across all sectors of the built environment. With a strong commitment to diversity, equity, inclusion, and continuous improvement, the organization is helping to shape the future of commercial real estate.

Commercial Real Estate Women's (CREW) Network

Established in 1989, CREW Network is the premier global business network dedicated to advancing all women in CRE through business networking, industry research, leadership development, and career outreach. Committed to transforming the commercial real estate landscape, CREW Network emphasizes diversity, equity, and inclusion (DEI) as core values, striving to remove barriers and create equitable opportunities for women globally.

Urban Land Institute

The Urban Land Institute (ULI), established in 1936, is the world's oldest and largest network of real estate and land use professionals. ULI is dedicated to shaping the future of the built environment for transformative impact in communities worldwide. Through its commitment to research and education, ULI plays a pivotal role in promoting responsible land use and sustainable urban development practices across the globe.

National Association for Industrial & Office Parks

Founded in 1967, NAIOP serves as a leading advocate for developers, owners, and investors in office, industrial, retail, and mixed-use real estate. Through its strategic initiatives, NAIOP is committed to advancing responsible, sustainable development practices that positively impact communities. The organization's focus on inclusivity, transparency, and collaboration positions it as a pivotal force in shaping the future of CRE.

ENVIRONMENTAL

Environmental

BKM is committed to the conservation of natural resources at both the corporate and investment level through resource management programs and environmentally conscious practices.

WATER EFFICIENCY AND CONSERVATION

- Drought-tolerant and native plants
- Utilizing drip irrigation and reclaimed water
- Installing low-flow faucets and toilets
- Educating tenants on best practices to conserve water
- Proactive stormwater management

SUSTAINABLE CONSTRUCTION

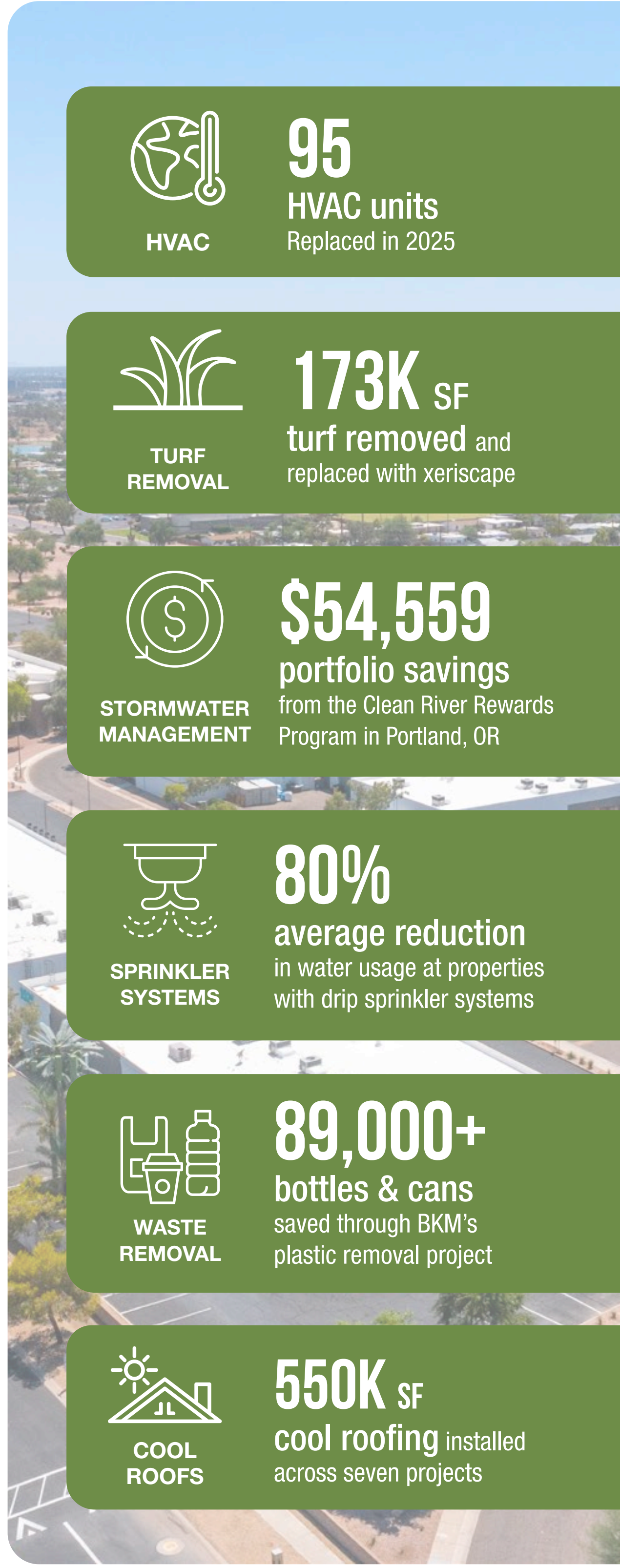
- Biodiversity Policy
- Responsible Construction Policy
- Responsible Vendor Policy
- Environmental Sustainability & Resilience Policy
- Property resilience assessments on all new acquisitions

WASTE REDUCTION PRACTICES

- Provide reusable water bottles for team members and tenants
- Installation of a Bevi water station to eliminate plastic use
- E-Waste recycling events

ENERGY CONSERVATION

- LED lighting in all new spec suites
- Installation of solar energy systems in high-cost utility markets where applicable
- Cool roof upgrades lower energy costs and provide greater efficiency
- EV chargers provide a unique property amenity while advancing clean energy initiatives in states like CA and AZ



HVAC
95 HVAC units
Replaced in 2025

TURF REMOVAL
173K SF turf removed and replaced with xeriscape

STORMWATER MANAGEMENT
$54,559 portfolio savings
from the Clean River Rewards Program in Portland, OR

SPRINKLER SYSTEMS
80% average reduction
in water usage at properties with drip sprinkler systems

WASTE REMOVAL
89,000+ bottles & cans
saved through BKM's plastic removal project

COOL ROOFS
550K SF cool roofing installed
across seven projects

Case Study: Scalable Roof Restoration

BKM Capital Partners' roof restoration program focuses on repairing and upgrading existing roofing systems—rather than full replacements—through a repeatable, data-driven process. By combining moisture detection, targeted repairs, and eco-friendly reflective coatings, the program enhances energy efficiency, extends roof life cycles, and reduces both costs and environmental impact across the portfolio.

27K GAL of white silicone roof coatings applied

807K LBS of spray foam insulation applied

75K+ GAL of reflective roof coatings installed

Methodology

- Moisture scanning using drone-enabled assessments allows for targeted repairs
- Seamless silicone coating systems protect existing membranes while reducing surface temperatures
- Spray foam insulation improves thermal performance and seals air leaks, enhancing energy efficiency

Performance Benefits

- **Energy Efficiency:** Reflective white roof systems reduce surface temperatures by up to 50 degrees Fahrenheit, lowering cooling demand and electricity usage
- **Operational Savings:** Reduced HVAC loads and peak electricity demand translate to lower operating costs, notably in high-rate utility markets
- **Lifecycle Extension:** Coating systems protect against UV, weathering, and standing water, delaying full replacement cycles

Spotlight: Gridline Orlando

BKM engaged Global Roofing to pilot a roofing project in Orlando, FL—BKM's first East Coast market. Initial inspections flagged two buildings in need of roof repairs, providing protection against regional weather patterns and extending the life of the current roof layer without the need for full replacement.

- **Restored over 125,000 SF of rooftop** across two buildings by replacing wet insulation, repairing roof units, and applying silicone coatings.
- **Realized ~40% cost savings** to restore vs reroof the buildings
- **Reduced up to 200 tons of landfill waste** by eliminating the need for tear-downs
- **Minimal to no disruption** to tenants during installation

TCFD FRAMEWORK: CLIMATE OVERSIGHT AND MANAGEMENT

BKM is governed by its Executive Committee, which oversees the strategic direction and operations of the Firm. The Committee is responsible for establishing investment programs aligned with the Firm's strategic plan and for designing and implementing the material policies and procedures that guide BKM's operations and investment management processes. This includes the oversight of climate-related risks and opportunities as an integral part of the Firm's enterprise risk management and sustainability strategy.

1 Governance: Oversight and Management of Climate-Related Risks and Opportunities

The Executive Committee plays a central role in overseeing both physical and transition climate-related risks and opportunities. As part of its governance duties, it reviews climate impact assessments, approves ESG-related policies, and ensures alignment with corporate sustainability and decarbonization goals. A sustainability subcommittee reports quarterly to the Executive Committee, covering trends in physical climate hazards (e.g., flooding, heat events), regulatory developments (e.g., emissions mandates), and overall exposure of the investment portfolio to climate risks.

Management plays a key role in integrating climate risk into day-to-day operations and long-term planning. A cross-functional Sustainability and Corporate Responsibility task force, led by senior leadership, monitors regional climate trends—such as flood or heat exposure—and evolving regulatory frameworks. Department heads assess and manage operational exposure to risks like energy cost volatility, compliance with emissions standards, and tenant demand for green buildings. The legal and asset management teams also address litigation and compliance-related risks, while property and construction teams implement physical risk mitigation (e.g., energy retrofits, flood protection).

2 Strategy: Addressing Climate-Related Risks and Opportunities Across Time Horizons

The organization identifies both physical and transition climate risks and opportunities across short-, medium-, and long-term horizons:

- Short Term (0–3 years): Rising energy costs, stricter energy efficiency regulations, extreme weather events, and tenant expectations for sustainable practices.
- Medium Term (3–7 years): Growing competition for green-certified buildings, and reputational risks if climate targets are unmet.
- Long Term (7+ years): Sea-level rise and shifting weather patterns affecting asset resilience, and market positioning risk in a low-carbon economy.

These risks inform business strategy and financial planning. The company prioritizes acquisitions in low-risk geographies, invests in adaptive infrastructure and clean technology, and adjusts operating models to meet evolving climate policies. Financial models incorporate both physical upgrade costs (e.g., storm-proofing, HVAC improvements) and transition expenses (e.g., decarbonization retrofits).

The company's strategic resilience is evaluated under various climate scenarios. Under aggressive decarbonization pathways, the company accelerates clean tech adoption and targets green-conscious markets. In more extreme physical scenarios, adaptive infrastructure and enhanced insurance coverage are prioritized. The approach remains flexible, phasing capital expenditures as needed to maintain compliance, competitiveness, and financial stability.

3 Risk Management: Identifying, Assessing, and Managing Physical and Transition Risks

Climate-related risks are fully integrated into BKM's enterprise risk management (ERM) framework and assessed across both physical and transition categories:

- **Physical Risk Assessments** include geographic climate risk mapping, annual portfolio audits, and collaboration with third-party experts to identify vulnerabilities to floods, droughts, wildfires, and other regional hazards.
- **Transition Risk Assessments** include a formal framework to evaluate exposure to regulatory shifts, carbon pricing, legal liability, and reputational risk. Scenario modeling projects financial impacts under varying carbon tax regimes.

Risk mitigation spans operational, regulatory, and reputational fronts. Physical mitigation includes renewable energy installations, water efficiency upgrades, and HVAC improvements. Business continuity plans ensure tenant safety and disaster response readiness. Transition mitigation includes early compliance with building performance standards, scalable green retrofits, and active engagement with policymakers. Stakeholder feedback—through surveys and tenant outreach—guides decision-making and reputation management.

All climate-related risks are reviewed regularly within the broader ERM process, ensuring strategic alignment between sustainability actions, operational resilience, and financial goals.

4 Metrics and Targets: Monitoring Climate Risk Performance and Progress

BKM employs a comprehensive set of metrics to monitor progress on physical and transition climate-related goals including but not limited to the following:

Key Metrics:

- Carbon emissions and carbon intensity
- Energy usage and intensity per property; share of renewable energy use
- Physical risk exposure scores (e.g., flood, fire, heat stress)
- Compliance with energy/emissions regulations
- Tenant engagement in sustainability initiatives

Targets:

- Cut total emissions by 5% by 2030 (baseline 2022)
- Launch 100% tenant-facing sustainability initiatives by 2027, including green leasing and energy partnerships
- Meet or exceed all performance standard compliance requirements by 2027

BKM reports annually on these targets using tools such as GRESB and Energy Star Portfolio Manager, maintaining transparency and demonstrating leadership in climate risk management and performance.

SOCIAL

Social

BKM is committed to creating a culture of support and community for our investors, tenants, and employees by investing time and resources into developing our talent, developing a diverse, equitable, inclusive work environment, and encouraging volunteerism and charity across our workforce.

SAFETY AND WELLNESS

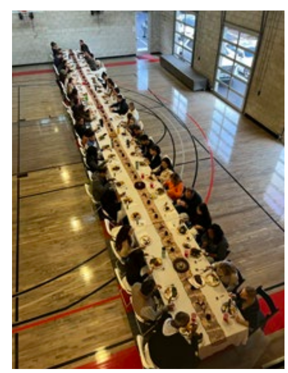
We prioritize the safety and well-being of our employees, tenants, and the communities we serve, recognizing that a secure and healthy environment is fundamental to long-term success. Through rigorous safety protocols and targeted wellness initiatives, we support the needs of both our workforce and tenants, while continuously enhancing our practices to deliver a best-in-class experience.

We take careful precaution to ensure our employee's safety with the following initiatives:

- Adhering to all local and federal safety laws
- Ongoing training for safety
- Responsible contractor policy
- 24/7 locked facilities with key fob required for entry

- **WELLNESS DAYS -** all employees receive two days of paid time-off annually to utilize as wellness days
- **EMPLOYEE ASSISTANCE PROGRAM (EAP)** for counseling and support
- **ON-SITE FITNESS FACILITY** at our corporate office for company sports tournaments and after-hours use
- **EMPLOYEE LUNCH PROGRAM** providing two company-sponsored meals per week
- **EMPLOYEE RESOURCE GROUPS (ERG'S)** for more personalized employee guidance



Social

EMPLOYEE ENGAGEMENT

We are dedicated to fostering a workplace culture built on engagement, empowerment, and ongoing development. We understand that our continued success is closely linked to the satisfaction, well-being, and professional growth of our employees. As a result, we emphasize opportunities for advancement, promote open dialogue, and cultivate a collaborative environment where every individual feels supported and valued.

To reinforce this commitment, we have implemented a range of initiatives aimed at enhancing employee development and strengthening collaboration across teams. These initiatives include:

- **Biannual Company-Wide "Operation Education" Events:** two-day, interactive programs combining educational sessions with team-building activities to strengthen connections across the organization
- **Sustainability and Corporate Responsibility Trainings:** cover topics such as cybersecurity and cultural awareness
  - Employees completed 620 training hours and 324 Linkedin Learning courses in 2025
- **Lunch & Learn Sessions:** eight employee-led trainings conducted in 2025
- **Coaching Programs:** Executive Coaching, Middle Management Coaching & Development Program, and Emerging Leaders Program, with 19 total participants in 2025

- BKM employees completed 381 **PROFESSIONAL DEVELOPMENT HOURS** in 2025

- BKM was honored with **20 INDUSTRY AWARDS** in 2025

- Hosted 12 **ALL-HANDS MEETINGS** in 2025

Employee Benefits

BKM is committed to providing a robust and competitive benefits platform that supports the recruitment, retention, and overall well-being of our employees. Our offerings are designed to deliver meaningful health, wellness, and financial support, addressing the varied needs of our workforce. As our organization evolves and workforce expectations shift, we continually evaluate and refine our benefits to remain competitive, relevant, and responsive to the needs of today's professionals.

Medical, Dental, Vision, Life, LTD, & Pet Insurance

Professional Development Resources

Employee Assistance Program

Competitive Compensation

Paid Time Off & Holiday Pay

401k Plan + Company Match

FSA / HSA Programs

Fun & Relaxed Office Environment

Education Reimbursement

Social

TENANT ENGAGEMENT

We recognize that tenant engagement is a fundamental component of delivering a high-quality, service-driven real estate experience. Our approach centers on building strong, long-term relationships through well-maintained properties, consistent on-site presence, and clear, proactive communication.

We actively seek tenant feedback and integrate those insights into decisions that shape the leasing experience. Beyond day-to-day operations, we view our tenants as partners—working collaboratively to enhance building performance, streamline operations, and support initiatives that improve efficiency and reduce overall impact.

To further strengthen connections across our portfolio, we create opportunities for engagement through on-site events, tenant spotlights, and regular interactions that foster community and reinforce a sense of shared purpose within each BKM park.

Our tenant engagement strategy includes:

- Satisfaction and move-out surveys
- Robust communication channels
- Annual tenant appreciation events
- Onsite management and frequent face-to-face interactions

- **34 TENANT EVENTS** held in 2025
- Collected **800+ TENANT SURVEY RESPONSES** across the portfolio
- **BI-ANNUAL NEWSLETTERS** sent to all tenants with the latest news and reminders

Social

COMMUNITY OUTREACH/CHARITABLE GIVING

We are dedicated to making a meaningful impact in the communities where we operate. We believe responsible investment management extends beyond our properties to supporting local charities and nonprofit organizations that enhance quality of life. Through our volunteer and charitable giving programs, we partner with organizations that drive positive social outcomes and strengthen the communities we serve.

Our community initiatives include:

- Providing **16 paid volunteer hours per employee per year** for the cause of their choice.
- Supporting **3 local high school sports programs** and athletes from the community by offering use of BKM's onsite gym facilities and basketball court.

BKM volunteers completed 310 hours of service in 2025, working with 20+ different organizations.

BKM Charitable Partnerships

Meals on Wheels America
San Diego Food Bank
Samaritan's Purse Operation Christmas Child
BOMA International
girls who invest
Project Hope Alliance
Orange County Rescue Mission
beyond blindness
Impact100 OC
Food Lifeline
Out for Undergrad
inclusively
The Salvation Army
three square
Downtown Dog Rescue
SEO
arizona humane society
MLT
Feed My Starving Children
Barnyard Buddies
Familia de Sangre
LifeStream Blood Bank
Newport Bay Conservancy
Bonita Street

Social

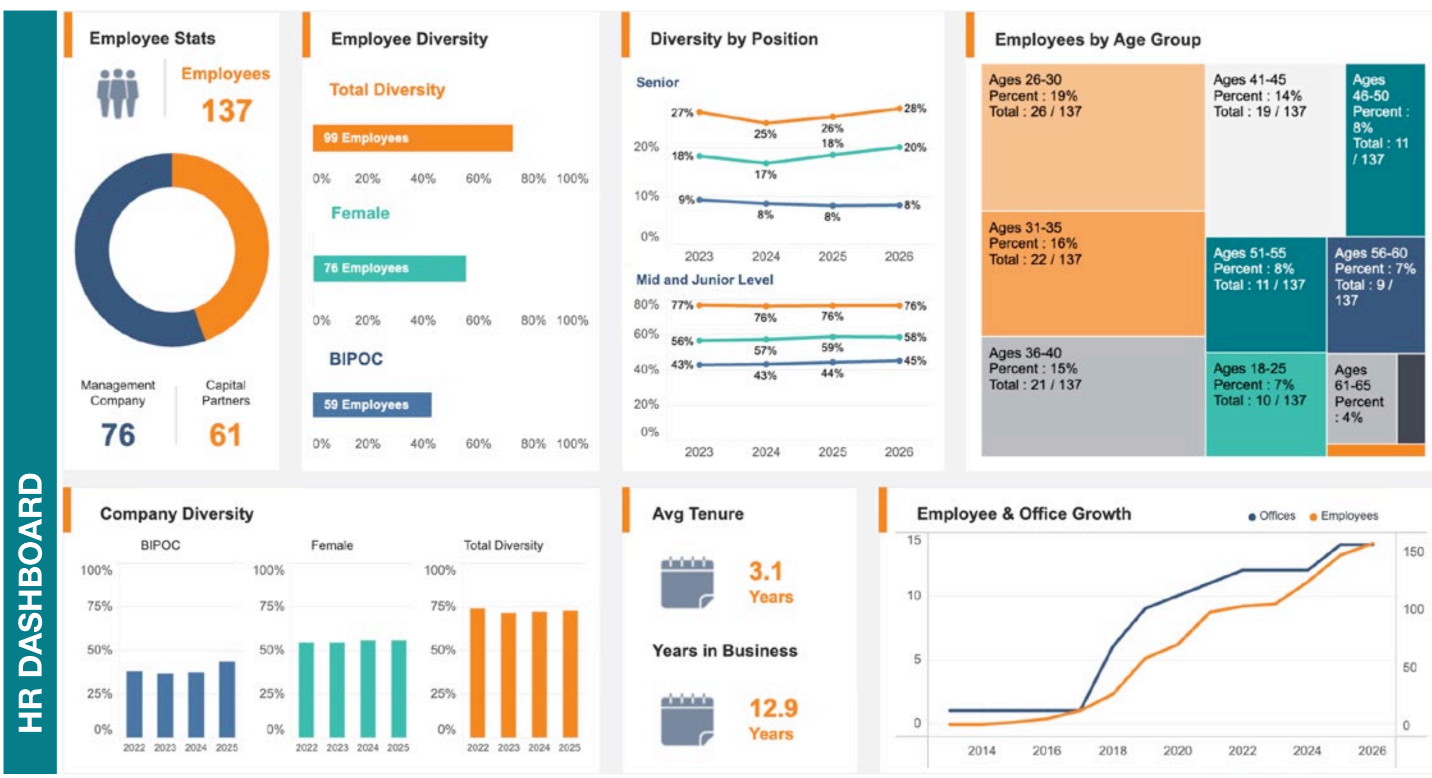
DIVERSITY, EQUITY, AND INCLUSION

BKM is committed to fostering a culture rooted in diversity, equity, and inclusion.

We value the unique perspectives each individual brings and strive to maintain an environment defined by fairness, respect, and equal opportunity. By embracing the diverse backgrounds, experiences, and viewpoints of our team, we strengthen our organization and enhance the quality of service we deliver. This commitment shapes an inclusive culture where employees feel supported, encouraged to share their ideas, and empowered to grow and succeed.

Our people are central to everything we do, and diversity, equity, and inclusion remain foundational to our human-centered approach. The breadth of perspectives across our team drives innovation, strengthens collaboration, and contributes to our continued success. We recognize that employees perform at their best when they feel comfortable being themselves and confident that their voices are heard.

We celebrate diversity in all its forms—including differences in age, race, ethnicity, disability, gender identity and expression, sexual orientation, socio-economic background, religion, veteran status, family structure, and perspectives. By fostering an inclusive environment, we position our team to perform at the highest level and deliver strong outcomes for our tenants and investors.



Data as of January 1, 2026.

Social

HUMAN CAPITAL INITIATIVES

EXPANDED PARENTAL LEAVE: BKM's 10-week paid Parental Leave program also includes up to 12 months of a hybrid work schedule to support the needs of new parents.

COMPENSATION: BKM is committed to ensuring fair and equitable pay. Our Compensation Committee conducts twice-annual compensation reviews of all team members across the Company and at all levels of seniority.

POLICIES: All employees are expected to comply with the requirements outlined in our Employee Handbook, BKM's Code of Conduct, and Anti-Harassment and Discrimination Policy.

EDUCATION: In-person and online education is provided to address topics such as unconscious bias and harassment prevention to encourage behavior that supports an inclusive work environment free from discrimination. Trainings specific to sustainability and corporate responsibility principles have also been implemented and are required for all employees.

EMPLOYEE RESOURCE GROUPS

bkm WORKING PARENTS

BKM Working Parents Group

Founded in 2024, the BKM Working Parents Group is dedicated to providing support and guidance to employees at all stages of parenthood who are navigating the trials of maintaining a work-life balance. Members of the group have access to a range of benefits, including intimate workshops and events tailored to working parents, as well as opportunities to connect with other like-minded individuals in the organization.

- 15 active participants in 2025

bkm WOMEN'S NETWORK

BKM Women's Network

Founded in 2022, the BKM Women's Network provides a platform for women to connect and grow through various organized events, workshops, and networking opportunities. The group's mission is to provide the women in the organization the tools and resources to grow both personally and professionally, breaking traditional industry norms and promoting gender equity across the workplace.

- 35 active participants in 2025

Culture Spotlight

BKM CAPITAL PARTNERS RECOGNIZED AS A 2025 BEST WORKPLACE BY INC.

Inc. Best Workplaces 2025

Recognizing Excellence in Workplace Culture

Inc.'s Best Workplaces program honors organizations that have built exceptional workplace cultures where employees feel supported, engaged, and empowered to do their best work. The selection process is grounded in comprehensive employee surveys, which measure key factors such as management effectiveness, benefits, professional development, and overall workplace satisfaction. These results are supplemented by an audit of company policies, practices, and benefits to provide a holistic view of the employee experience.

Earning recognition as an Inc. Best Workplace reflects a strong alignment between company culture and employee feedback. Organizations that meet the program's benchmarks demonstrate a commitment to fostering environments where employees feel valued, motivated, and connected to the broader mission. This distinction highlights a company's ability to create a positive, high-performing workplace culture—driven not by external rankings, but by the voices and experiences of its own people.

GOVERNANCE

Governance

BKM is committed to effective governance practices that include corporate governance, ethics, and professional responsibility. These policies, procedures, and practices are in place to ensure that all team members and stakeholders operate in a responsible and transparent manner. We prioritize the importance of examining and maintaining effective governance practices.

BKM GOVERNANCE STRUCTURE

BKM EXECUTIVE COMMITTEE
Firm-wide governance and business strategy

- **INVESTMENT COMMITTEE**
  Investment selection and performance; market and credit risk
- **VALUATION COMMITTEE**
  Pricing and valuation oversight
- **SUSTAINABILITY AND CORPORATE RESPONSIBILITY COMMITTEE**
  Environmental stewardship, social responsibility, corporate governance and sustainability
- **COMPENSATION COMMITTEE**
  Compensation, promotion, and benefits

BKM EXECUTIVE COMMITTEE

- Comprised of the company's Managing Directors and Executive Officers.
- Team-based approach shares decision making authority across a team of highly experienced professionals.

Member	Title	Years of Experience
Brian Malliet	Founder, Chief Executive Officer, & Chief Investment Officer	38
Bill Galipeau	Chief Financial Officer and Chief Operating Officer	31
Brett Turner	Senior Managing Director, Acquisitions & Dispositions	22
Susan Rounds	Senior Managing Director, Operations & Administration	28
Mason Waite	Senior Managing Director, Asset & Portfolio Management	14
Mike Valdes	Senior Managing Director, Finance & Accounting	14
Dave Jensen	Managing Director, Strategic Partnerships	20

BKM LEADERSHIP TEAM

- Comprised of the company's Senior Directors and Directors.
- Diverse breadth of experience and tenure, ensuring expert coverage across all departments.

Member	Title	Years of Experience
Bill Carrier	Senior Director, Portfolio Management	20
Michael Grossner	Senior Director, Acquisitions and Dispositions	13
C.E. Kaiser	Senior Director, Construction Management	15
Craig Morrow	Senior Director, Property Management	16
Emily Pollard	Senior Director, Marketing and Communications	16
Adam Candler	Director, Debt Capital Markets	10
Charlie Farmer	Director, Acquisitions and Dispositions	11
Crystal Mattox	Director, Office and HR Administration	20
Dan Figueroa	Director, Construction Management	25
Betsy Hilkene	Director, Property Accounting	11
Koren Mercer	Director, Design	23
Ted Tobiasz	Director, Asset Management	17

Governance

BKM upholds robust oversight, transparency, and risk management across all business levels, ensuring operational durability and sustained value for our clients, employees, and investors alike. Our commitment to operational excellence and sound governance is fundamental to serving stakeholders and is crucial for our ongoing success and commitment to ethical conduct.

To maintain these standards, we have established the following committees for strong corporate governance practices and proactive risk management. In addition, we have engaged strategic advisors across key business verticals to provide specialized expertise, further strengthening governance, enhancing decision-making, and supporting the firm’s commitment to delivering value for its stakeholders.

- **Executive Committee** sets the Company’s overall business strategy, inclusive of governance, risk and compliance objectives. It also ensures that decision making and governance is a shared responsibility and that the Company is not reliant on, nor subject to, any one Executive.
- **Sustainability and Corporate Responsibility Committee** supports the activities of the Sustainability and Corporate Responsibility Sub-Committee and the Company’s ongoing commitment to environmental stewardship, social responsibility, governance, and sustainability.
- **Investment Committee** oversees the Company’s investment transactions, management, policies and guidelines, including investment thesis and benchmarks.
- **Valuation Committee** sets the Company’s valuation program and standards and ensures that the valuation of all assets and liabilities held in investment vehicles are marked to market using approved methodologies, and that fair valuations are free of conflicts of interest.
- **Compensation Committee** ensures that the Company’s compensation programs and standards are fair, equitable, and align with the long-term interest of management, ownership, and investors.
- **AI Committee:** Oversees BKM’s AI strategy, including approving tools and use cases, establishing policies, and managing risk. It ensures AI is implemented responsibly, securely, and in alignment with the firm’s operational and strategic goals.

Governance

RISK MITIGATION

BKM engages with consultants and strategic partners to mitigate risk across the business—informing policy development, identifying and assessing potential financial and operational exposures, enhancing data and EMS systems, and refining performance goals and long-term strategy through an evolving roadmap.

We maintain strong corporate governance practices and proactive risk management through the following activities:

- Regular executive team review of portfolio risks
- Insurance policies: GL, E&O, Cyber, Crime, D&O & EPLI
- Commitment to implementation of BKM's Responsible Investment Policy with Investment Committee oversight
- Comprehensive compliance manual
- Disaster recovery manual and procedures
- Compliant whistleblower hotline
- Annual audits performed by independent third-party firms

1 Risk Assessment - Investment Due Diligence

Property-level assessments evaluate physical vulnerabilities, carbon footprints, and regulatory exposure, with added focus on potential insurance challenges as climate risks intensify.

2 Adaptation and Mitigation Measures

Site-specific strategies are developed to address physical threats (e.g., floods, wildfires, heat), while building retrofits, efficiency upgrades, and water management initiatives help reduce emissions and comply with evolving regulations.

3 Financial Impact

BKM assesses climate-related risks in financial terms by modeling capital expenditures, revenue fluctuations, and future operational costs under various climate scenarios.

4 Data and Metrics

A centralized data system is used to track and manage energy, water, waste, and emissions data at the property level, supporting informed decision-making during acquisitions and ongoing operations.

5 Stakeholder Engagement

Tenants, investors, and local communities are engaged in sustainability efforts, reinforcing climate resilience through transparent communication and collaborative planning.

6 Reporting

Climate-related risks and mitigation progress are disclosed in alignment with TCFD, ensuring reports and investor updates reflect current efforts and outcomes.

7 Scenario Analysis

BKM runs scenario analyses using 1.5°C and 2.0°C pathways to assess transition and physical risks for assets held up to eight years, with optional 3.0°C modeling for stress testing high-risk markets.

8 Review and Continuous Improvement

The checklist is regularly reviewed to reflect evolving climate data and industry best practices, while performance benchmarking and staff training support long-term resilience.

Governance

DUE DILIGENCE

We conduct rigorous due diligence on all potential real estate investments to ensure compliance with environmental, social, and governance standards. Our screenings include:

- An independent third-party property resilience assessment that is performed on all potential acquisitions. This assessment identifies regional climate hazards and evaluates the property for risk and resilience to these hazards.
  - If risks are identified, BKM will work with the third-party to explore adaptive mitigations that may allow the property to be resilient to these hazards, and to highlight mitigation strategies that already exist at the site.
- A Phase 1 ESA report is also performed on all potential acquisitions by an independent third-party to view and investigate the property regarding current or former use to determine if there is a potential for environmental contamination.
- Upon acquisition, any risks and concerns identified during the due diligence process are addressed and transitioned to the operations team for execution if necessary.

ETHICS

We uphold the highest ethical standards in our real estate endeavors. Transparency, accountability, and integrity are paramount in our operations, guided by rigorous codes of conduct promoting responsible and sustainable practices. We staunchly oppose bribery, corruption, and any unethical conduct, aiming to cultivate trust with all stakeholders. Our commitment to business ethics is central to our Environmental, Social, and Governance strategy, underscoring our dedication to generating lasting value and upholding ethical excellence.

- **Anti-Bribery & Corruption** – background checks on all hires
- **Anonymous Business Integrity hotline**
- **BKM's Code of Conduct** – employee commitments to safeguarding assets, and doing the right thing by our investors and company
- **Comprehensive compliance manual**
- **Conflicts of interest** – employees must disclose any conflicts of interest that may arise between their personal interests and the interest of BKM
- **Anti-discrimination** – BKM is committed to providing equal opportunities to all employees and applicants for employment
- **AllVoices Anonymous Reporting Platform** – employees can report harmful or unwanted conduct

Governance

CYBERSECURITY

We place a strong emphasis on cybersecurity, recognizing the vital importance of protecting our clients' sensitive information. Through robust protocols and industry-leading practices, we safeguard the confidentiality, integrity, and availability of data across our real estate portfolio. Our approach includes routine vulnerability assessments, comprehensive employee training, and strict access controls to prevent unauthorized access and breaches. By partnering with clients and tenants to promote data protection awareness, we strengthen collective resilience. Protecting client data is central to building trust, fostering lasting stakeholder relationships, and maintaining our position as a leader in the real estate industry.

Standard cybersecurity practices at BKM include:

- Fully redundant 3-2-1 system backup utilizing both cloud and off-site backups.
- Best-in-class email security system including full archiving, email encryption and active threat detection.
- Bi-Annual company-wide cybersecurity awareness training.
- Cloud-controlled SD-WAN network with state-of-the-art firewall and advanced security suite.
- Centrally managed Endpoint Detection and Response suite for all PC's and servers including AI threat detection and anti-ransomware protection.
- Live cloud backup protection of all PC's and servers in the organization.
- Annual internal and external penetration testing and remediation from an independent cybersecurity firm.
- Mandatory multi-factor authentication for access to all critical systems for all employees.
- Active Cyber insurance policy.

The following critical initiatives were instituted in 2025:

- **SOC Onboarding:** Onboarded a third-party Security Operations Center (SOC) to provide continuous monitoring, improve threat detection, and accelerate incident response capabilities.
- **Security Platform Consolidation:** Centralized email, endpoint, and fleet/device management into Microsoft Defender to improve visibility, reduce tool sprawl, and simplify security operations.
- **Advanced Protection Capabilities:** Implemented Microsoft Defender Suite as an add-on to Business Premium to enhance threat protection, enable advanced analytics, and strengthen overall security posture.

Governance

ONGOING EMPLOYEE EDUCATION

To ensure compliance and adherence to BKM's Compliance Manual, Code of Conduct, as well as industry and government regulations, all employees are required to participate in annual trainings that include:

- Cybersecurity, data protection, and privacy
- Code of Conduct
- Compliance, ethics, gifts and entertainment policies
- Anti-money laundering
- Insider trading
- External communications
- Political contributions

Published - April 2026

BKM Capital Partners

2025-2026 SUSTAINABILITY AND CORPORATE RESPONSIBILITY REPORT

BKM Capital Partners was founded in 2013. Headquartered in Newport Beach, California, BKM Capital Partners is a leading real estate operator and fund manager specializing in the acquisition and improvement of value-add small-bay light industrial properties in major markets across the U.S. The firm has 17 offices and 150+ employees and continues to produce top quartile performance for its investors.

Please visit our website below for more information.

bkmcp.com

Contact us

949.566.8800

Headquarters

1701 Quail Street, Suite 100
Newport Beach, CA 92660