



**JBG SMITH**

**ENVIRONMENTAL,  
SOCIAL,  
GOVERNANCE  
REPORT**

**20  
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Real estate is central to urban development, consumes physical resources, and is a significant source of operational and embodied carbon emissions. Equally, it is central to the goal of creating an environmentally sustainable, resilient, and socially inclusive future and achieving truly sustainable development.

**Committing to sustainable development practices ensures JBG SMITH leads by example in demonstrating that focusing on environmental, social, and governance issues that impact our business is not separate from maximizing long-term net asset value (NAV) per share.**

Our sustainability strategy is broadly focused on the economic, social, and environmental aspects of what is material to our business, including the design and construction of our new developments and the operation of our existing buildings. We believe that by understanding the social and environmental impacts of our business, we are better able to protect asset value, reduce risk, and advance initiatives that result in positive social and environmental outcomes.



Illustrative 101 12th Street



Illustrative 101 12th Street

# Doing More, SOONER

While the world has been gripped by an unrelenting pandemic in 2020, two additional critical issues remained in the spotlight - climate change and social justice. While these issues have been politicized they are not political. Instead, they are of great importance to our customers, our investors, and our team. It is for these stakeholders that we cannot stand by silently and drag our feet or do too little with the influence and position of importance that we occupy in the lives of many. It is in that spirit that we believe it is important to use our voice and our actions to drive positive change in response to social and environmental issues.

Climate change and the prevalence of pandemic disease are inextricably linked. Likewise, the disproportionate impact of the economic fallout of the pandemic on underserved communities is inextricably linked to existing racial and economic inequities in our society. We believe we have been agents for positive change on both fronts with several important and ongoing initiatives.

## Proactive ESG Outreach

We engaged our employees, investors and community organizations in an ESG materiality assessment to confirm which ESG topics are most important and impactful to our stakeholders. Investors have broadened their understanding of the connection between climate change, social justice and the building of wealth - further cementing the importance of a thoughtful, thorough ESG strategy. The ESG materiality assessment presented in this report further confirms this connection and underscores its importance as a business practice. And it is helping us set our priorities for action within our ESG initiatives. By using real estate, placemaking and urban planning, we can create value in our communities that is sustainable, equitable, and healthy for all who live there—by design.

## Sustainability

We elevated discussions of the connection between climate change and human health by working with the Urban Land Institute's

Sustainability and Resilience Initiative Council. We worked alongside local leaders through the DC Chamber of Commerce to discuss our collective role in addressing climate change locally. We certified our larger portfolio operations and our own corporate office building at 4747 Bethesda Avenue to the Fitwel Whole Building standard, further strengthening our commitment to the health and wellbeing of our employees and customers. We educated our leasing and engineering teams as well as our customers on the dimensions of healthy indoor air quality.

We finalized our strategic sustainability plan and set specific performance targets for our operational portfolio and future development pipeline. Understanding there are limits to what our portfolio can accomplish, we are steering the next phase of action towards renewable energy strategies on our journey towards a carbon neutral portfolio.

We completed an Open Space Framework plan covering all of National Landing working in collaboration with the National Landing Business Improvement District and community stakeholders. This plan emphasizes the role that the public realm will play in transforming National Landing into one of the premier, smart, healthy, equitable, and green neighborhoods in the region. This Plan looks at the sum of the park spaces as one large urban park that aims to address heat island effect, restore biodiversity, and provide places for physical activity and community gathering. As National Landing grows, approximately 500,000 square feet of green space and three acres of tree canopy will be preserved, enhanced or created, largely due to this collaborative and forward-thinking planning process.

## Governance

We strengthened the composition of our Board of Trustees through the appointment of Phyllis R. Caldwell in March 2021, enhancing our Board's skills and expertise, increasing diversity, and establishing a more equal balance of men and women.

Future risks from climate change and social justice depend on what we do today.

We advanced succession planning within our organization. At the end of 2020, we announced three executive promotions to our leadership team that took effect January 1, 2021. Moina Banerjee assumed the role of Chief Financial Officer, George Xanders is now our Chief Investment Officer, and Carey Goldberg was promoted to Chief Human Resources Officer. These long-term succession planning moves will serve the JBG SMITH team and our fellow shareholders with distinction for many years to come.

We take pride in our progress, but we also recognize that we still have work to do. Since 2019, Dawnita Wilson, our Vice President of Diversity and Inclusion (D&I) has been focused on developing and executing a comprehensive D&I strategy designed to drive behavioral and cultural change.

## Housing Equity

We launched the Washington Housing Initiative (WHI) in 2018 in partnership with the Federal City Council in an effort to mitigate some of the impacts on housing affordability posed by new development throughout the DC metro area. WHI seeks to preserve or build up to 3,000 units of affordable workforce housing in the DC region over the next decade, providing lower income residents with the opportunity to remain in the communities in which they live and work. WHI has come up with a private market capital solution to this issue and consists of a third-party non-profit, the Washington Housing Conservancy (WHC), and the Impact Pool, a JBGS-managed debt financing vehicle. We are proud to report that in the first quarter of 2021, the WHI Impact Pool announced its final closing with total investor commitments of approximately \$115 million. To date, the Impact Pool has deployed approximately \$22 million to preserve approximately 1,150 units of affordable workforce housing units across two assets located in Northern Virginia, one in partnership with Amazon. Through WHI, we have designed an inclusive, replicable model that is focused

on retaining the diverse urban fabric of the communities in which we operate our business.

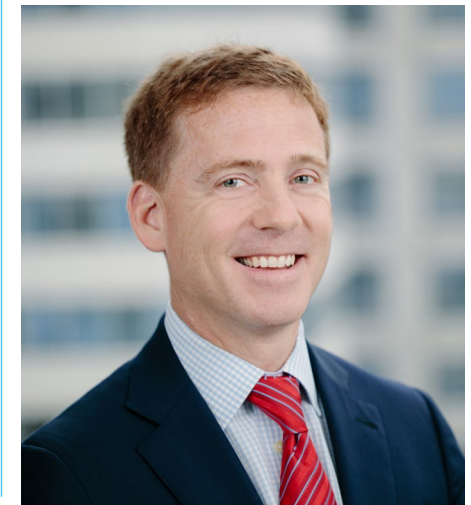
## Social Justice & Equity

We expanded our philanthropic efforts to include more social and racial justice causes, as well as grassroots organizations that are mobilizing these causes. Our commitment to diversity and inclusion throughout every aspect of our business has motivated us to think more strategically about the needs of the diverse communities we serve. It has helped us to better understand the importance of inclusive placemaking and the benefits of social value for our retailers and local business owners.

Future risks from climate change and social justice depend on what we do today and each day going forward. The pandemic will end, but climate change and social justice issues will continue. Knowing our actions can make a difference if we do the right things, we at JBG SMITH are committed to work hard on doing more, sooner.



W. Matthew Kelly, CEO



# OUR Company

JBG SMITH, owns and operates a portfolio of high-growth commercial and multifamily assets amenitized with ancillary retail. JBG SMITH's portfolio reflects its longstanding strategy of owning and operating assets within Metro-served submarkets in the Washington, DC metropolitan area that have high barriers to entry and vibrant urban amenities. Over half of our portfolio is in National Landing, where we serve as the exclusive developer for Amazon's new headquarters, and where Virginia Tech's new \$1 billion Innovation Campus will be located. In addition, our third-party asset management and real estate services business provides fee-based real estate services to the Washington Housing Initiative, Amazon, the JBG Legacy Funds, and other third parties.

4747 Bethesda Avenue

# COMPANY Profile\*

## Virginia



**311** On-Site  
Employees



**28** Office  
Buildings;  
9,500,000 Square Feet



**3,202** Multifamily  
Units

## Washington, DC



**242** On-Site  
Employees



**11** Office  
Buildings;  
3,000,000 Square Feet



**3,311** Multifamily  
Units

## Maryland



**497** Employees  
(104 On-Site; 393 Corporate)



**3** Office  
Buildings;  
781,000 Square Feet



**1,287** Multifamily  
Units

## Operating Portfolio

**42**

**Commercial Assets**

Totaling  
**13.3**

**Million Square Feet**

(11.4 Million Square Feet at Our Share)

**21 Multifamily Assets**

Totaling  
**7,800**  
**Units**

(5,999 Units at Our Share)

## Development Pipeline

Near-Term Development Pipeline

**11**

**Assets Totaling  
5.2 Million Square Feet**

(5.0 Million Square Feet at Our Share)

Future Development Pipeline

**30**

**Assets Totaling  
13.6 Million Square Feet**

(10.0 Million Square Feet at Our Share)

(Estimated Potential Development Density)

## Under Construction

**Two Multifamily Asset**

Totaling

**1,130**  
**Units**

(969 Units at Our Share)

\*Portfolio metrics as of March 31, 2021. At 100% share, unless otherwise noted. Metrics include Potomac Yard Land Bay F and exclude Pen Place which is held for sale to Amazon.

# ECONOMIC Impacts

Our investment strategy demonstrates our commitment to the economic prosperity of our community, and we bring our deep experience developing real estate in the Washington, DC region to each investment decision. We carefully examine the impacts of our development strategy, and we seek to create resilient and inclusive communities that will generate value over the long term.

*Illustrative 1900 Crystal Drive*

# 2020

## Business Performance Highlights



Supported health and safety of our customers and team



Commenced construction on 2.1 million square feet of office at Amazon's New Headquarters (Metropolitan Park)



Launched Smart City Initiative in National Landing to advance 5G rollout and other connectivity enhancements



Completed over 800,000 square feet of office leasing activity



Advanced ESG goals through Washington Housing Initiative Impact Pool financing of 1,151 workforce housing units and received 5-Star GRESB sustainability rating



Preserved our balance sheet strength by recasting our \$1 billion credit facility and closing on \$385 million of financing from Freddie Mac



Completed three under-construction assets totaling 374,000 square feet and 416 multifamily units. Entitled 1,400 multifamily units and 240,000 square feet of office density for potential prelease



Maintained disciplined capital allocation strategy by selling Metropolitan Park land sites to Amazon, acquiring future development asset accommodating up to approximately 550,000 square feet of new development density directly across from Amazon's HQ2, and repurchasing 3.8 million shares at an average price of \$27.72



Secured entitlements for first phase of Virginia Tech Innovation Campus



# HIGHLIGHTS and Awards



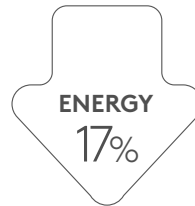
Illustrative Pen Place

# Highlights & Awards 2020

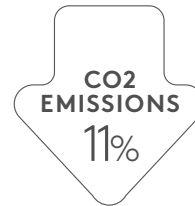


1770 Crystal Drive

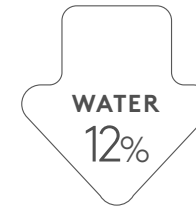
## ENVIRONMENTAL Performance Highlights\*:



Like-For-Like Energy



Like-for-Like Scope 1 and 2 CO2e (MT)




**2020 GLOBAL SECTOR LEADER**  
Diversified Office Residential  
**5-STAR Rating**  
**GREEN STAR Recognition**



**TOP 10 COMPANIES**  
WITH THE MOST BOMA 360 BUILDINGS  
**#1 JBG SMITH**



**8.8** Million Square Feet  
**CERTIFIED AT SHARE**



**6** Million Square Feet  
**CERTIFIED AT SHARE**



**GOLD AWARD**  
Green Lease Leader



THE WASHINGTON POST  
**TOP WORKPLACES 2020**



**Better Buildings CHALLENGE**  
U.S. DEPARTMENT OF ENERGY  
**3.0% Annual Average Reduction**  
In Energy Intensity Since 2014



COMMERCIAL REAL ESTATE DEVELOPMENT ASSOCIATION

NAIOP DC/MD JBG SMITH | 1900 N STREET  
**BEST OF THE BEST AWARDS** Best of the Best: Building  
JBG SMITH | 4747 BETHESDA AVENUE  
Best of the Best: Interiors

\*The COVID-19 pandemic caused a significant reduction of activity in our buildings in 2020, resulting in a related reduction of consumption.

# ENVIRONMENTAL Sustainability

The creation of our assets is naturally resource intensive. As climate change impacts access to natural resources, efficient management and regenerative activities become a business imperative. Our strategies focus on responsible use of resources, ecosystem biodiversity protection, and durability of our assets. The impact of our business on the environment is expressed through key performance metrics covering resource consumption and waste diversion.

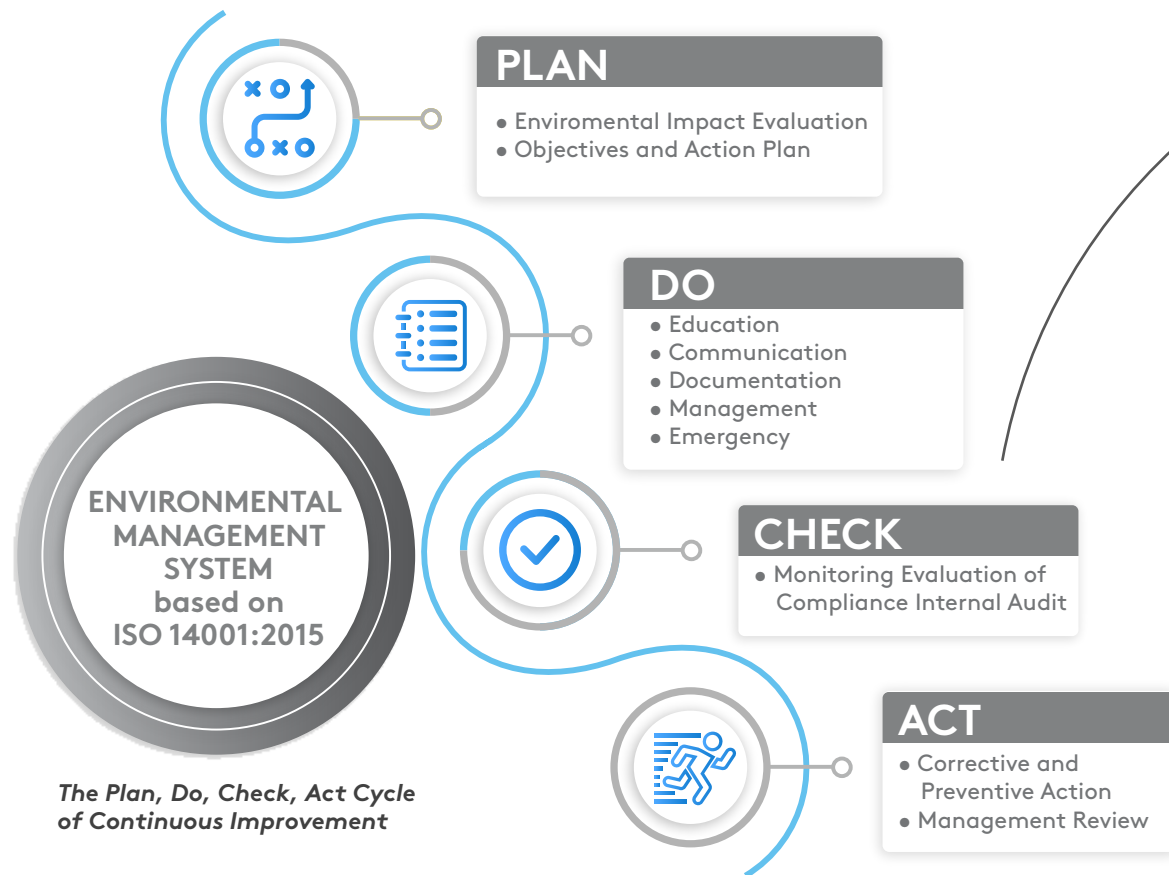
# ENVIRONMENTAL Program Management

At JBG SMITH, we take a holistic approach to environmental sustainability. We actively measure and manage both opportunities and risks to our business associated with environmental issues and trends. By aligning our business practices with the principles of sustainable growth, responsible project development,

and high-performance operations, we demonstrate our commitment to the long-term sustainability of our portfolio and our region.

Our resource-management approach is grounded in an iterative four-step Environmental Management System (EMS) model, based on ISO 14001:2015.

This EMS is applied to environmental policy and defines our approach to decision-making and goal setting, which includes piloting new programs before rolling them out across the full portfolio. Our policies are reviewed and updated annually against applicable ISO standard guidance.



## Environmental Policies

Each environmental policy provides goals, performance metrics, processes, and resources for ensuring the successful implementation and enforcement of the policy at the asset level.

- Biodiversity and Habitat – Aligned to United Nations Environment Programme
- Climate Adaptation – Aligned to ISO 14090
- Energy Management – Aligned to ISO 50001
- GHG Emissions – Aligned to Science-Based Targets
- Health, Safety, and Wellness – Aligned to ISO 45001
- Waste Management – Aligned to ISO 14001
- Water Management – Aligned to ISO 14046

# MANAGING Resources

Our long-term strategy to manage energy and water resources includes operational and capital improvements that align with our business plan and contribute to our sustainability goals. Asset teams review historical performance, conduct energy audits, and regularly assess opportunities to achieve efficiency targets. Capital investment planning considers the useful life of equipment, energy and water efficiency, occupant health impacts, and maintenance requirements.

**We have a legacy commitment to improve the energy efficiency of our commercial operating portfolio by at least 20% over the next 10 years through the Department of Energy Better Buildings Challenge. Our data demonstrates improved energy performance by an average of 3% each year since 2014, consistent with a cumulative improvement of 18%, and on track to meet or exceed the improvement goal by 2024.** We achieve this through energy use monitoring managed by our Tenant Service Center (TSC) team.

We leverage our centralized Tenant Service Center as the watchdog to identify energy efficiency opportunities. The TSC monitors building energy management and control systems across our portfolio 24/7. A team of 10 individuals monitor life safety and energy use in real time. Our Vice President of Energy Management has developed a system that visualizes normalized energy data for each building. This allows us to look at each building's energy usage and overall health, apply best practices across the portfolio, and make control modifications, thereby reducing overall operating costs and building staffing needs — all while preserving tenant comfort.



## Automation Systems

Upgrading mechanical systems, sensors, and automation technologies



## HVAC Equipment Replacement

Long-term capital planning including upgrades of key building equipment to more efficient systems



## Lighting Controls

Installing occupancy and vacancy lighting controls in common areas and tenant space



## Low-Flow Fixtures

Installing low-flow, WaterSense labeled plumbing fixtures



## Lighting Retrofits

Retrofitting lighting throughout the portfolio



## Monitoring and Tracking

Implementing real-time energy data and analysis platforms



JBG SMITH's Tenant Service Center

Photo taken before COVID-19 and social distancing.

## HIGHLIGHTS FOR 2020 implemented across the portfolio controls-based, ongoing energy management

- More aggressive chiller coasting program
  - Optimal start and supporting analysis documentation
  - Ensuring no reheat capabilities are engaged during the summer in DDC-controlled VAV buildings.
  - Chiller-water and condenser-water temperature resets
  - Air handling unit, supply air temperature, and static pressure resets
  - Free cooling lockout
- LED lighting retrofits
  - Lighting controls
  - Low flow water fixtures
- Monitoring and tracking allows us to measure the impact of efficiency investment and to better plan for future improvements:
    - Real-time energy data and analysis platforms
    - Metering of subsystems prior to replacement

### Energy Efficiency Capital Improvements:

- Long-term capital planning includes upgrades of key building equipment to more efficient systems:
  - Automation systems
  - HVAC equipment replacement
  - HVAC system retrofits
- Efficiency capital projects are those that have reasonable paybacks, some of which may be passed through to tenants via our green lease cost recovery clause:
  - LED lighting retrofits
  - Lighting controls
  - Low flow water fixtures
- Monitoring and tracking allows us to measure the impact of efficiency investment and to better plan for future improvements:
  - Real-time energy data and analysis platforms
  - Metering of subsystems prior to replacement

# ENVIRONMENTAL Performance Metrics\*

## Energy

	2020 Absolute		Like-for-Like Consumption		
	Total 2020 (MWh)	Data Coverage (SF)	2019 (MWh)	2020 (MWh)	Like-for-Like Change %
<b>Commercial</b> <small>(includes hotel and industrial)</small>	220,730	11,702,453	251,154	213,519	-15.0%
<b>Multifamily</b>	103,300	6,603,701	111,478	87,889	-21.2%
<b>Total</b> <small>(inclusive of ALL property types)</small>	<b>324,030</b>	<b>18,306,154</b>	<b>362,632</b>	<b>301,408</b>	<b>-16.9%</b>

## Water

	2020 Absolute		Like-for-Like Consumption		
	Total 2020 kGal	Data Coverage (SF)	2019 kGal	2020 kGal	Like-for-Like Change %
<b>Commercial</b> <small>(includes hotel and industrial)</small>	164,611	12,342,091	199,154	160,677	-19.3%
<b>Multifamily</b>	386,110	6,755,979	242,835	228,230	-6.0%
<b>Total</b> <small>(inclusive of ALL property types)</small>	<b>550,721</b>	<b>19,098,070</b>	<b>441,989</b>	<b>388,907</b>	<b>-12.0%</b>

## Energy Use Reduction

kBtu/SF

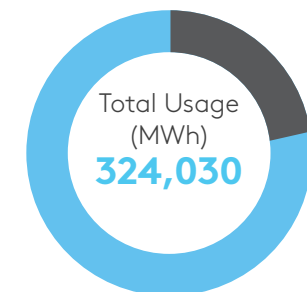


## Water Use Reduction

Gal/SF



## 2020 Absolute Energy Usage Breakdown (MWh)



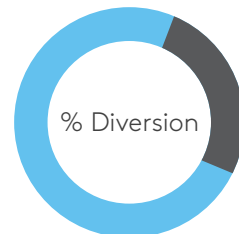
Electricity (MWh)  
**268,459**

Natural Gas (MWh)  
**55,571**



## Waste

Total Waste Weight:  
**8,948 Metric Tons**



Landfilled Waste  
**66%**

Diverted from Landfill  
**34%**

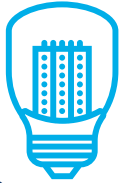
\*The COVID-19 pandemic caused a significant reduction of activity in our buildings in 2020, resulting in a related reduction of consumption.

# CASE STUDIES

## LED Lighting Retrofits and Composting

“As we strive to reach a corporate diversion rate of **60%**, adding composting across our portfolio gives us another opportunity to positively affect our waste profile.”

**Nicole Hollander,**  
SVP Retail Asset Management



### LED Lighting Retrofits

Energy efficiency is a solid business strategy no matter the economic environment. While we shifted capital to address health and safety upgrades due to the pandemic, we also moved forward with planned lighting retrofits.

Our property managers surveyed office tenants to ensure that they were comfortable with personnel entering their space to perform this work. As part of the survey, tenants were also asked to rate their lighting experience on a very simple sliding scale. We were able to use this information to deploy lighting retrofits to achieve not only energy use reductions but also better light quality for tenants.

In our JBGS Parks program, we retrofitted lighting in garages, taking advantage of open access to overhead space.

These projects replaced **8,500 lamps** and will realize an annual energy cost savings of \$100,000 and energy use reduction of approximately 1,000 MWh.

### Composting at North End Retail

Over the summer of 2020, JBG SMITH partnered with REWILD and Union Kitchen at North End Retail and local provider Compost Crew to launch the first composting pilot in a JBG SMITH retail property.

Despite operational changes due to the pandemic, the JBG SMITH team and Compost Crew developed communications and signage. Then they held a virtual community meeting to prepare retailers for the program. The retailers began participating in September 2020.

Already seasoned recyclers, this group of retailers steadily achieve a waste diversion rate of 59%, including a rate of 57% in 2020, despite the disrupting force of the pandemic.

In the first four months of composting, the retailers collectively diverted **5,260 pounds** of material.

# SUSTAINABILITY

## Certifications

Buildings have extensive direct and indirect impacts on the environment. During construction, occupancy, renovation, repurposing, and demolition, buildings use energy, water, and raw materials, generate waste, and produce potentially harmful atmospheric emissions. These facts have prompted the creation of green building and well-being standards, certifications, and rating systems aimed at mitigating the impact of development on the natural environment through sustainable design practices.

Throughout the world, certifications are used to demonstrate compliance with a standard that has an environmental benefit. **JBG SMITH uses rating system certifications as a verification tool.** We believe that assets following green building and well-being certifications are higher quality, more resilient, promote occupant health, and consume fewer natural resources over their lifetimes.

Certifications are more than just a seal of approval. They signify to our investors and stakeholders that we value the benefits that green building and well-being certification programs offer people and the planet.

We currently commit to a minimum of LEED Silver certification for all of our new development, with an emphasis on occupant health, superior indoor air quality, and deep energy efficiency.



### CERTIFICATIONS

LEED for New Construction

LEED for Core and Shell

LEED for Commercial Interiors

LEED for Existing Buildings Operations and Maintenance

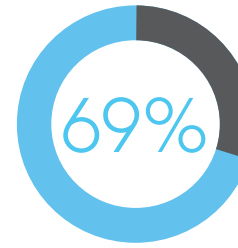
ENERGY STAR Certification

BOMA 360

LEED for Neighborhood Development

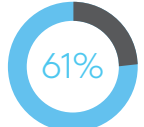
Fitwel Certification

Fitwel Viral Response Certification



LEED Certified  
6.8 Million

Square Feet of LEED Certified Commercial Space



2.0 Million

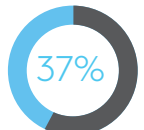
Square Feet of LEED Certified Multifamily Space



ENERGY STAR Certified

4.1 Million

Square Feet of ENERGY STAR Certified Commercial Space

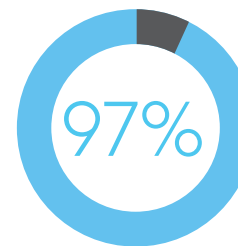


1.8 Million

Square Feet of ENERGY STAR Certified Multifamily Space

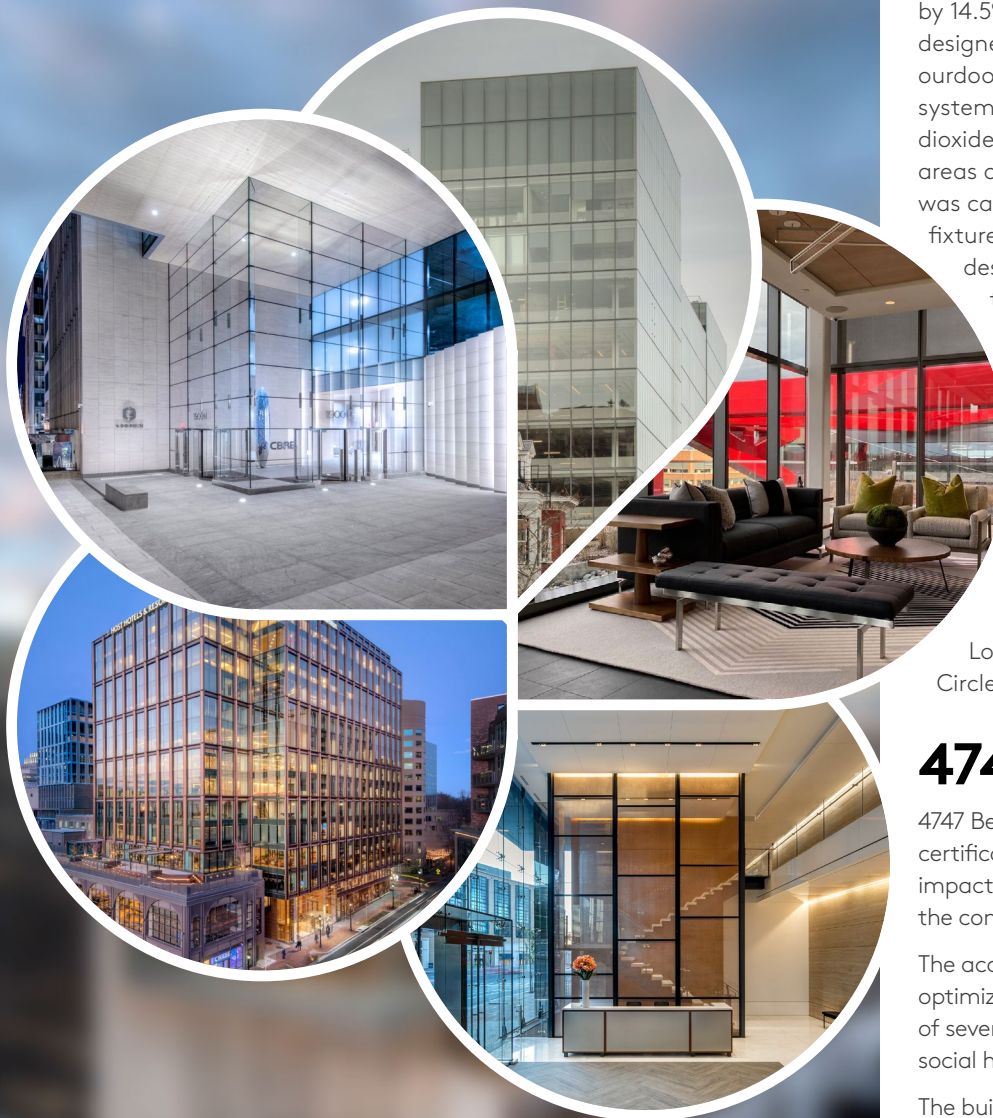


BOMA 360  
58 Certified Projects





# SPOTLIGHT on Certifications



## 1900 N Street

1900 N Street exemplifies the blend of striking design and sustainable building practices, earning a **LEED Gold® certification** in April 2020. The building design optimizes energy performance, exceeding the industry-standard benchmark for energy-efficient buildings by 14.5% (over ASHRAE 90.1-2007). The building was designed to let the outdoors in, as evidenced by the outdoor terrace and outdoor air delivery monitoring system that measures air quality, including carbon dioxide levels and airflow throughout the common areas of the building. At 1900 N, water use reduction was carefully considered both inside and outside. With fixtures and appliances incorporated into the building design, we were able to exceed water reduction targets by 40.7%. Water-efficient landscaping is prioritized throughout the building and surrounding site by selecting drought-resistant plants which reduce the need for potable water. Located in Dupont Circle, the pedestrian-friendly building is well positioned with four alternative transportation options, including 12 reserved spaces for electric vehicles with access to 6 free EV chargers in our underground garage and bike storage. Nearby parks include Henry Wadsworth Longfellow Statue, Dupont Circle, and Dupont Circle Fountain.



Walk Score  
**98**

Transit Score  
**94**

Bike Score  
**91**

## 4747 Bethesda Avenue

4747 Bethesda Avenue received a 1-Star **Fitwel rating** under Multi-Tenant Whole Building v2.0 built certification. This achievement highlights collaboration between building tenants, as this standard impacts all spaces within the building, including tenant spaces, common areas, and those under the control of the building owner/manager.

The accomplishment signifies a commitment from JBG SMITH to develop, operate, maintain, and optimize our buildings for human health. The certification was achieved through the deployment of several evidence-based design and operational strategies that support the physical, mental, and social health of occupants.

The building offers tenant access to a penthouse rooftop terrace with indoor/outdoor lounge, fire pit, and conference or event space fully equipped with Wi-Fi capability. A DOAS mechanical HVAC system provides fresh throughout the building, floor-to-ceiling windows allow for excellent natural light, and nearby parks include Chevy Chase Park and playground, Elm Street Park, and Caroline Freeland Park for even more green space.

# CREATING BIODIVERSE Green, Open Space

Equitable access to green open space is more than a pandemic-era amenity for residents of dense urban areas; it's critical for physical, emotional, and mental health. JBG SMITH recognizes this as a prime opportunity to differentiate our assets while responding to tenant demand for these types of spaces. JBG SMITH strives to meet these needs in its existing building stock and in its development pipeline. For existing buildings, all JBG SMITH assets offer tenants access to the outdoors as special rooftop amenities and/or at plaza level. In JBG SMITH's development pipeline, specifically in National Landing, open green spaces have been incorporated

into the design process from the very beginning through the Open Space Framework Plan. Beginning in June 2020, in collaboration with the National Landing BID, JBG SMITH hosted a series of community engagement sessions to provide information and hear feedback about programming and activities in future National Landing open spaces.

With this plan, JBG SMITH looks to achieve seven distinct goals:

1. Enhancing community identity through public space design
2. Using public space to support neighborhood economic vibrancy

3. Bringing people together with interconnected streets, plazas, parks, and other open spaces

4. Creating public spaces that vary in scale, design, and program

5. Activating public spaces with diverse programs and attractors

6. Designing for the future, emphasizing sustainability, health and wellness, and technology

7. Embracing and strengthening connections to the history of National Landing

The resulting Open Spaces Framework provides a comprehensive vision for five

of the most important future spaces throughout National Landing that reflects current community priorities. This vision will provide important contextual and holistic guidance as JBG SMITH delivers these spaces over the course of the next decade. As a part of the Open Space Framework Plan, five parks will be redeveloped. With the arrival of Amazon HQ2, as the area experiences continued growth, there has never been a more important time to consider open space redevelopment for National Landing. JBG SMITH intends to create a network of parks that will bolster the vibrancy and quality of urban life as well as access to open, biodiverse green spaces to better serve residents and tenants.

## Green Open Space

**586,600 SF**  
open space

**313 CO<sub>2</sub>e(MT)**  
carbon sequestered

more than  
**104**  
plant species



View from 200 12th Street South

# IMPACTS OF CLIMATE Change on Our Business

We take climate change, and the risks associated with it seriously. We are committed to aligning our investment strategy with science. We stand with our communities, tenants, and fellow shareholders in supporting meaningful solutions that address this global challenge. To develop a more informed view of future climate conditions and further our understanding of the direct physical risks to our properties, we have conducted a climate risk assessment, which includes our operating assets and land holdings in our near-term and future development pipeline. The results of this assessment were presented to senior management and are now being used to inform our asset management planning and design of our new developments.






Illustrative 1900 Crystal Drive

# IMPACTS OF CLIMATE

## Change on Our Business

### Physical climate-related risks and opportunities over the short, medium, and long term

To better understand these risks, we engaged Four Twenty Seven, a provider of market intelligence on the economic risk of climate change. Four Twenty Seven completed an analysis of our portfolio to measure direction and magnitude of climate change impacts estimated at a mid-term projection period (2030-2040) using a historical baseline of 1975-2005 as a benchmark. Four Twenty Seven's analysis compared our entire portfolio, including future development, against their database of over 1 million sites globally.

Climate-Related Risk	Potential Climate Impact	Potential Business Impact
 <p><b>Flooding</b></p>	<p>The Washington, DC region is expected to see an increase of around seven "very wet days"<sup>[1]</sup> per year along with a 10% increase in total maximum volume of rainfall during intense rainfall periods.</p>	<p>Vulnerability to flooding is dependent on elevation and flood infrastructure; we will continue to monitor and evaluate flood risk at six sites with potential risk due to these factors.</p>
 <p><b>Sea Level Rise</b></p>	<p>Sea level rise risk is assessed based on coastal location<sup>[2]</sup> and elevation, as well as changes in the frequency of coastal flooding in 2040.</p>	<p>While nine of our assets near tidal rivers are considered to be in a coastal elevation less than 10 meters, there is no change expected in the frequency of coastal flooding between now and 2040.</p>
 <p><b>Heat Stress</b></p>	<p>The DC Metro Area is expected to see an increase of around 30 additional extreme heat days per year.</p>	<p>Possible impacts from heat stress include higher energy costs, reduced grid reliability, and decreased human labor productivity, particularly for outdoor labor, such as construction and outdoor building maintenance activities.</p>

<sup>[1]</sup> Days where rainfall volume exceeds the 95th percentile of the historical baseline.

<sup>[2]</sup> Within 10 kilometers of the coastline.

We do not currently have any assets located within a FEMA Special Flood Hazard Area in our portfolio.

### Climate-related risk oversight and management

Our Board of Trustees oversees climate-related risk. Our sustainability team is responsible for engaging third-party advisors and recommending strategies for assessing climate risk, as well as identifying next steps for adaptation strategies based on identified risks.

### Transitioning to a low-carbon economy

We operate in four major jurisdictions: the District of Columbia, Arlington County, VA, Fairfax County, VA, and Montgomery County, MD. Each of these jurisdictions has made formal public commitments to carbon reduction aligned with the goal of keeping global warming under 2 degrees Celsius, consistent with the Paris Agreement, within the United Nations Framework Convention on Climate Change.

In December 2018, the Washington, DC City Council passed the CleanEnergy DC Omnibus Act. The bill requires that all electricity purchased in the District be renewable by 2032 and sets a building energy performance standard (BEPS) requiring certain buildings to meet minimum energy efficiency standards or demonstrate significant energy reductions by 2026.

Complying with the BEPS and future regulation of energy and carbon may require unplanned capital improvements, increased development costs, and further engagement to manage occupant energy use, which is a large driver of building performance. Properties that cannot meet performance standards within our investment thresholds risk fines for non-compliance, as well as a decrease in demand and a decline in value.

Local jurisdictions have programs in place that provide for financial incentives for improving energy efficiency. Arlington County offers bonus density for achieving higher levels of energy performance and reducing carbon emissions, and Montgomery County offers significant discounts on property tax bills for advanced efficiency measures.

Our initiatives are designed to manage resources efficiently and drive down energy and water consumption in our portfolio to address climate change, compliance with laws, and contribute to electrification. These initiatives are described throughout various sections of this report.

### Climate change resilience in the DC region

We believe that the DC region will remain resilient in the face of climate change. Forward-thinking local climate legislation and significant investment in infrastructure improvements are helping to further prepare our region, which is already well positioned relative to other gateway markets.



# DEVELOPING GREEN, Healthy, and Smart Buildings

Our climate change hotspot analysis suggests that heat stress is our top concern. To mitigate this factor in our development pipeline, we are focusing on envelope design elements, reducing solar heat gain, reducing use of refrigerants, and assuring continued operations in the event of utility interruptions.

JBG SMITH has a near-term and future development pipeline of 20.4 million square feet. This means that over the next two decades, our portfolio could double. It is imperative that we ensure our future assets are able to meet climate change challenges and the transition to a low-carbon economy. Unlike operating assets, new building materials lock in embodied carbon emissions at the time of construction. Addressing carbon emission reduction in building materials will accelerate the move away from fossil fuels.

We are proud to have set performance targets that address future needs and support our local jurisdictions as we all strive toward carbon neutrality.

## By 2030, we plan to:

Reduce predicted energy consumption  
**25%**

Reduce predicted water consumption  
**20%**

Reduce embodied carbon  
**20%**

To achieve these commitments, we use energy and water modeling to inform design decisions aligned with our goals. All near-term development projects also undergo carbon neutrality assessments and are **designed to achieve ENERGY STAR Certification**. Additionally, all development assets are third-party verified by either green building or health and well-being rating systems. These tools allow us to maximize the performance of each asset.

## Key progress highlights:

- We have delivered our first **on-site solar installations** in DC and have committed to more with our future development.
- All our assets follow design guidelines that include specific plans for **access to the outdoors, fitness centers, healthy finish materials, smart home technology, and exceeding ventilation requirements**.
- We are engaging tenants to reduce energy consumption using **smart home technology**.
- We use **low-flush and -flow plumbing fixtures** throughout our portfolio.

## GREEN

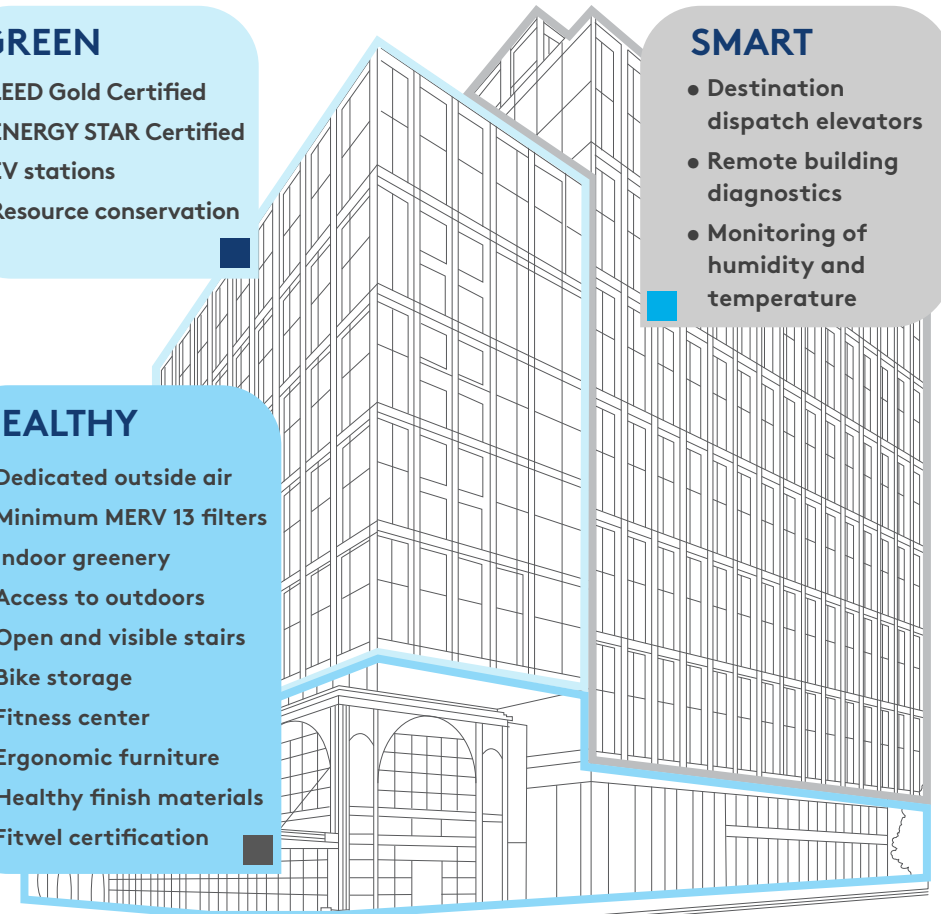
- LEED Gold Certified
- ENERGY STAR Certified
- EV stations
- Resource conservation

## HEALTHY

- Dedicated outside air
- Minimum MERV 13 filters
- Indoor greenery
- Access to outdoors
- Open and visible stairs
- Bike storage
- Fitness center
- Ergonomic furniture
- Healthy finish materials
- Fitwel certification

## SMART

- Destination dispatch elevators
- Remote building diagnostics
- Monitoring of humidity and temperature



4747 Bethesda Avenue

## STORMWATER MANAGEMENT

Managing the stormwater runoff from the impervious surfaces from our properties during rain events is a local priority, and it is essential to protecting our region's freshwater sources. We deploy green roofs on our new developments and collect rainwater for use in irrigation or cooling tower water make-up. These strategies work to mitigate the impact of stormwater runoff from our buildings on stormwater infrastructure and local waterways.

# CARBON Accounting

The disclosure of carbon emissions data is a critical component for measuring progress toward climate change-related goals. We measure and monitor carbon emissions through benchmarking and tracking performance over time.

FIRST Residences

# ACHIEVING a Carbon Neutral Portfolio



A rapid transition to a carbon neutral portfolio is critical to positively impacting climate change. JBG SMITH has taken its first major leap toward carbon neutrality. **In 2020, we committed to a goal of developing a strategic sustainability plan that achieves a carbon neutral portfolio<sup>(\*)</sup>.**

We adapted a simple, widely accepted roadmap:

1. Drive down energy consumption across our existing portfolio
2. Drive down predicted energy consumption and embodied carbon in our development pipeline
3. Deploy on-site solar where most impactful
4. Explore off-site solar opportunities
5. Address the remainder with carbon offsets and verified Renewable Energy Credits (RECs)

We analyzed the capabilities of our existing portfolio and development pipeline using benchmarked data and planned energy efficiency projects over a 10-year horizon. We worked with the Asset Management, Property Management, and Engineering teams to explore the capabilities of our portfolio pipeline and then created a master plan for energy and water use reduction. We engaged our executive team in the creation of and commitment to achieving active targets by 2030.

## By 2030, we plan to:



Reduce operational and predicted energy use

# 25%



Reduce operational and predicted water use

# 20%



Reduce waste

# 60%



Reduce carbon emissions

# 25%

We are working to address the carbon neutrality gaps between where we are and where we know we need to go, based on the capabilities of our portfolio. We look forward to advanced technologies being developed now that will present future opportunities we cannot yet imagine. We will adapt to address the urgency of climate change with the intention of doing more, sooner.

JBG SMITH is committed to achieving a carbon neutral portfolio. This is an ambitious goal requiring hundreds of tactical moves. It is all hands on deck, and we are moving forward, all in it together.

## Additional objectives include:



Benchmark and verify all assets with whole building data available against green building or health and well-being rating systems

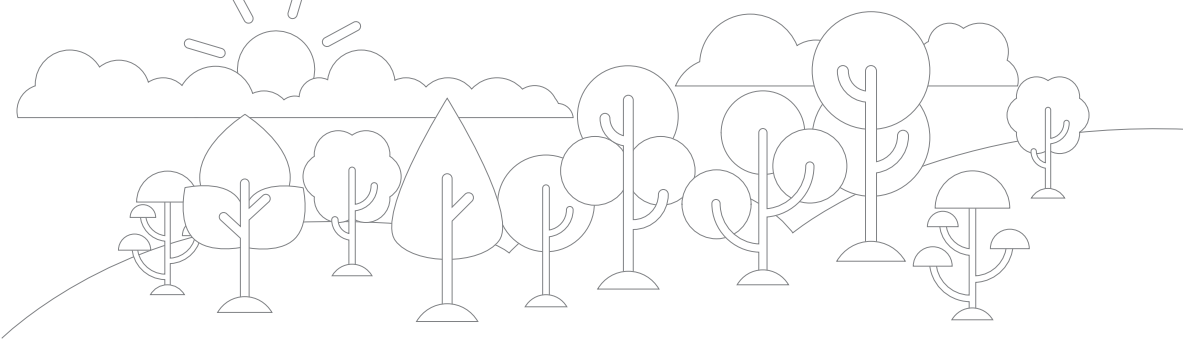


Increase biodiversity



Enhance social value in communities

<sup>(\*)</sup> Following guidance of organizations such as the World Green Building Council, AIA's 2030 Challenge, the New Buildings Institute, and Project Drawdown.



## 2020 Absolute<sup>\*(1)</sup>

	2019 CO2e (MT)	2020 CO2e (MT)	Data Coverage SF
Scope 1	13,604	9,486	14,386,420
Scope 2	88,731	80,816	14,386,420
Scope 3	16,240	14,771	3,919,734
<b>Total</b>	<b>118,575</b>	<b>105,073</b>	<b>18,306,154</b>

<sup>\*(1)</sup> 2020 absolute totals and intensity calculations based on data from 18,306,154 SF

# 5.74 CO2e(MT)

## Carbon Emissions per Square Foot (Scope 1, 2, and 3)



# 11.3% REDUCTION

## in Carbon Emissions (Scope 1 and 2)

### Defining Emissions

- Scope 1** - Emissions from fuel burned on-site (e.g., natural gas, diesel fuel oil)
- Scope 2** - Emissions from energy generated off-site and used by base building and master metered systems
- Scope 3** - Emissions generated by producing energy controlled by others (e.g., multifamily and retail tenants that pay their own utility bills)

Commercial tenant submeters are uncommon in our operating region. Scope 3 emissions are identified in limited cases, primarily where multifamily and retail tenants have direct utility meters, and are not controlled by JBG SMITH. Scope 1 and Scope 2 emissions reported reflect both master metered tenant usage, as well as the company's own usage.

## Like-for-Like Carbon Emissions<sup>\*(1)</sup>

	2019 CO2e (MT)	2020 CO2e (MT)	Like-for-Like %
Scope 1	12,800	9,059	-29.2%
Scope 2	88,352	76,682	-13.2%
Scope 3	15,739	13,288	-15.6%
<b>Total</b>	<b>116,891</b>	<b>99,029</b>	<b>-15.3%</b>

<sup>\*(1)</sup> Like-for-Like Emissions calculations based on data from 16,580,698 SF

\* The COVID-19 pandemic caused a significant reduction of activity in our buildings in 2020, resulting in a larger carbon emission reduction than normal.



# CASE STUDY

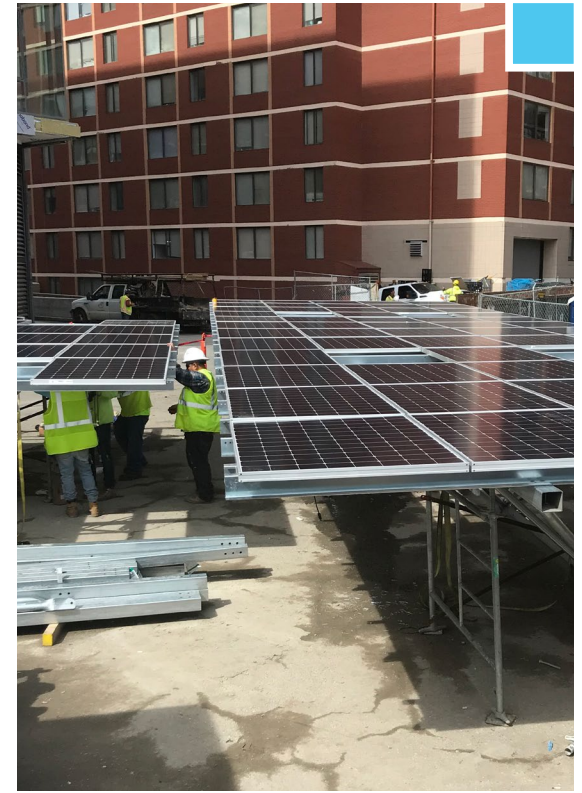
## Solar at The Wren

JBG SMITH is proud to announce The Wren located at 965 Florida Ave NW, Washington, DC, as the first on-site solar project in the portfolio. The multifamily asset was delivered in Q2 2020, bringing 433 new residential units to Shaw, with a unique rooftop amenity space that includes a 51.1kW solar array.

The JBG SMITH development team partnered with Prospect Solar to design and operate the system. The project is structurally unique, with three canopy-mounted arrays. The system, now operational, is expected to produce approximately **60,000 kWh a year**.

// On-site solar is an important piece of our carbon neutral strategy for both operational assets as well as new development. //

**Kim Pexton**  
Vice President of Sustainability



This is the equivalent of charging  
**5,410,223**  
smartphones.



# SOCIAL Responsibility

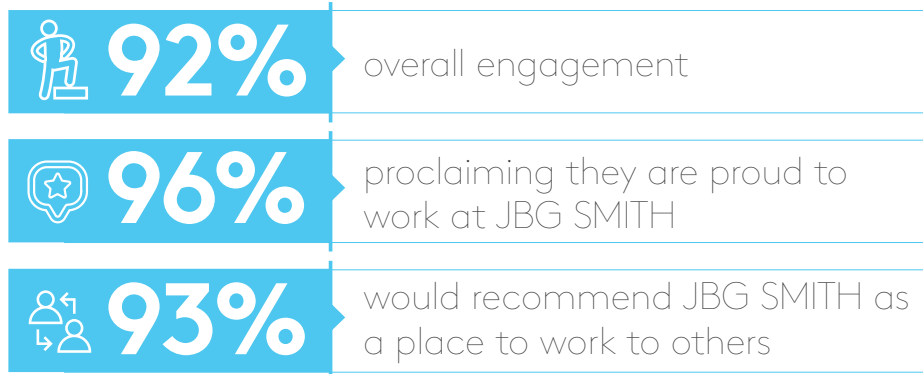
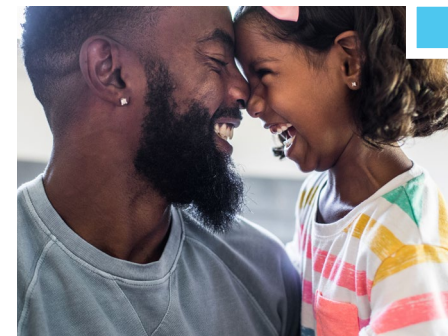
We believe the strength of our entire community is central to sustaining the long-term value of our portfolio. We are committed to the economic development of the Washington region through continued investment in our projects and local communities. We recognize, however, that new development also fosters challenging growth dynamics, with issues of social equity at the forefront. We strive to work alongside community members, leaders, and local and federal governments to appropriately respond to these challenges.



# INVESTING IN Our People

At JBG SMITH, we believe that our talent is our competitive advantage. To that end, we focus on talent development and succession planning, pay-for-performance, and diversity and inclusion. We use talent management practices in the broadest sense to create a holistic, engaging work experience for our employees. The upshot of these practices includes accolades such as placing third on **The Washington Post's list of Great Places to Work** (for large employers). The sentiments that led to this award were reiterated by our employees throughout the year in the frequent pulse surveys conducted to ensure we were supporting our population during the pandemic. Commensurate with our high levels of engagement, we also saw a decline in turnover for the second consecutive year.

Given our continued desire to remain an employer of choice, we continue to monitor the effectiveness of our engagement, and the engagement survey we launched in January 2021 reflected positive results and higher levels of engagement than previous such surveys. A key to engagement is ensuring we are prioritizing our employees' needs and creating a workplace experience where employees thrive. We are proud of what we offer in the area of talent management and the investment we are making in our employee population — especially in a year where many companies were not able to do the same due to COVID-19.














## Engaging Remotely

JBG SMITH moved its corporate office to a work-from-home format on March 12, 2020, to safeguard the health and safety of our workforce and to proactively do our part to stop the spread of COVID-19. Our teams connect daily, whether it be by phone, email, Teams, or Zoom. Many members of our team are now responsible for homeschooling children and caring for family members while also carrying a full workload from home. To help address some of these burdens, we reopened the enrollment period for our health plan and expanded access to free mental health coverage.

Many JBG SMITH employees are frontline workers on-site at our properties. In these on-site locations, JBG SMITH implemented the following protocols:

- We provided our non-essential on-site staff with technology to facilitate working from home.
- Our centralized and remote Tenant Services and Security Center allows us to manage essential building functions remotely, including energy and work order management. This preexisting system supported a differentiated service level to our tenants in normal times, but it has proven invaluable during this crisis.
- Our on-site teams have been provided with personal protective equipment and additional training to maximize social distancing.
- We have instituted enhanced cleaning measures in the normal course, and additional environmental sanitation protocols in the event of suspected or confirmed COVID-19 exposure.
- We have implemented two alternate shifts of 14 days each to minimize exposure among building staff.
- We have provided hazard pay to our frontline property workers while on-site.
- We have reduced certain operating expenses at our commercial properties due to lower population counts.

## EMPLOYEE BENEFITS

	<b>MEDICAL</b> An industry-leading medical and prescription plan at low employee cost
	<b>DENTAL</b> A dental plan at minimal cost
	<b>LIFE INSURANCE</b> Life insurance for employee, spouse, and children at no cost
	<b>SALARY CONTINUATION PLANS</b> Short and long-term salary continuation plans at no cost
	<b>FSA</b> Flexible spending accounts (FSAs) for medical and dependent care expenses
	<b>401K</b> A tax-deferred 401(k) plan with company match
	<b>EAP</b> Company paid Employee Assistance Program
	<b>PAID TIME OFF</b> Paid time off for vacation, sick, and personal holidays
	<b>MATERNITY &amp; PATERNITY LEAVE PROGRAM</b> Generous paid time off to enjoy time with the newest addition to your family
	<b>ADOPTION ASSISTANCE</b> Financial assistance toward the adoption process
	<b>TUITION REIMBURSEMENT</b> Professional development and tuition reimbursement plan
	<b>TRAINING AND DEVELOPMENT</b> In-house programs engage, challenge, and prepare employees for advancement
	<b>EMPLOYEE REFERRAL BONUS</b> Cash incentive when your referrals are hired
	<b>EMPLOYEE STOCK PURCHASE PROGRAM (ESPP)</b> Employees have the opportunity to purchase JBGS stock at a discount

## Professional Development

JBG SMITH University provides support, education, and simple, accessible resources to develop employees and further their commitment to the organization. The training team partners with our leaders to enhance departmental operations, collaboration, and customer experience.

The sustainability team worked with JBGS University to host several training opportunities throughout the year, including:

- Energy Modeling 101
- Health and Wellness in Buildings
- Leasing Healthy Buildings
- Company ESG Overview and Performance

Through JBG SMITH’s national membership and local partnership with the US Green Building Council, employees have unlimited access to online web training and free passes to many in-person trainings, seminars, and tools, which are available through the local USGBC National Capital Region chapter.

## Performance Evaluations

JBG SMITH believes that performance evaluations contribute to organizational goals and the professional growth of employees. JBG SMITH’s employees receive formal evaluations of their performance on an annual basis. Performance evaluations recognize achievement and identify areas where improvement is needed. Employees

begin the evaluation process with a self-assessment. The performance evaluation typically consists of an assessment prepared by the employee’s supervisor and a verbal discussion between the employee and their supervisor. Additionally, multi-rater reviews are conducted and are made available to supervisors to include in the assessment process. JBG SMITH has an ongoing culture of feedback whereby employees and their manager discuss performance against goals throughout the year.

## Healthy Building Leasing Collaborative

When COVID-19 became a national pandemic, JBG SMITH’s leasing team requested talking points that addressed how our pandemic response would benefit our tenants. Seeing a need for ongoing information exchange, we created the Healthy Building Leasing Collaborative.

This platform enabled collaborative exchange with our tenants that led us to:

- Create a series of short, pithy education sessions focused on building components and operational elements such as filtration, ventilation, indoor air, and water quality
- Evaluate the importance of certifications such as Fitwel, WELL, and other recent building ratings that have been introduced in response to COVID-19
- Develop an “elevator pitch” and simple marketing materials for the leasing team

- Provide guidance on the “healthy building components” inventory we developed with the engineering and operations teams
- Design and create a leasing exhibit that highlights our operational pandemic plan

In 2020 we offered **381** different classes

- 30% of which were environmental, social, or governance-related
- Employees logged **13,449** training activities
- 100% of employees attended training

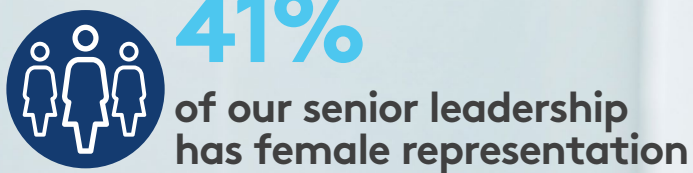
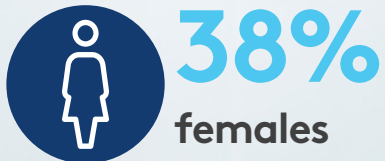


# DIVERSITY and Inclusion



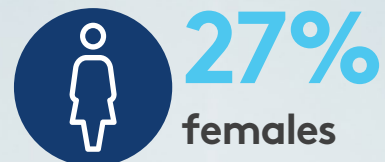
We recognize that a diverse workforce promotes diverse ideas and perspectives. We pride ourselves on fostering a strong, collaborative culture and an inclusive, healthy work environment for all of our employees. This allows us to stay innovative, attract top talent, and remain competitive in the marketplace.

Our workforce comprises



Our Board of Trustees has made a long-term commitment to evolve in a direction that reflects the strength and diversity of our national labor force and establish an equal balance between men and women, and one that reflects the diversity of our country.

Currently, our Board of Trustees comprises



We recognize that diversity and inclusion in the communities in which we work is critical to our placemaking strategy. We strive to **define and measure increased social value in our communities.**



# DIVERSITY and Inclusion

## About D&I

At JBG SMITH, we know that prioritizing diversity and inclusion is not only the right thing to do but also the smart thing to do. And we are committed to building an organization reflective of the tenants, residents, stakeholders, and communities we serve.

## Our D&I Philosophy

We define diversity as the many dimensions that make each of us unique, including (but not limited to) age, education, socio-economic class, race, ethnicity, gender, nationality, language, religion, sexual orientation, and physical and mental ability.

Inclusion, on the other hand, is about enabling an environment where diversity cannot only live but thrive.

## Our D&I Mission and Vision

At JBG SMITH, we strive to achieve excellence in all aspects of our business. As a leading investor, owner, developer, and manager of real estate properties in the Washington, DC metropolitan area, our goal is to build and sustain a diverse and inclusive workplace, reflective of our tenants, residents, stakeholders, and the communities where we do business.

We see diversity and inclusion not only as a competitive advantage but as an opportunity for us to better meet the needs of those we serve, both internally and externally. Our vision is to be considered a great place to work for employees, an employer of choice for top talent, a good corporate citizen in the community, and a role model in the real estate industry.

## Our Progress

2020 marked a transformative year in our corporate diversity and inclusion effort, as we continued to execute our comprehensive, multi-year strategy. With an ongoing focus on our five strategic pillars, we have made notable progress in our journey to cultural and behavioral change. From developing a multifaceted D&I communications strategy to launching our JBG SMITH Inclusion Community, our commitment to D&I was a priority throughout 2020.

To help build D&I competency throughout the organization, our executive team and senior leaders took part in D&I training and participated in related sessions focused on educating and raising awareness. In response to the external climate, specifically the well-publicized instances of racial injustice that took center stage in 2020, we created platforms for our employees to have a voice and engage in important dialogue.

In 2020, Nareit announced the formation of its Dividends Through Diversity, Equity & Inclusion CEO council. Our CEO Matt Kelly, along with other REIT CEOs representing every segment of the REIT industry, serve as founding members. Additionally in 2020, Mr. Kelly signed the CEO Action for Diversity & Inclusion pledge on behalf of JBG SMITH. Together these actions demonstrate, at the highest level, our continued commitment to advancing diversity, equity and inclusion in the commercial real estate industry.

Through the launch of our JBG SMITH D&I Employee Roundtable Series, which included over 100 people, to various facilitated team discussions, we created opportunities to leverage the collective voices of our employees and effect real change.

We also focused on embedding D&I even further into our business, with a focus on implementing more inclusive and equitable systems, practices, and processes. We assessed our talent and recruitment function to establish more inclusive, equitable processes and practices. From being intentional about how and where we recruit diverse talent, to ensuring diverse candidate slates for all open positions, the changes implemented resulted in our 2020 internship class being 54% diverse, with 30% of our interns coming from new partnerships with diverse colleges, universities, and professional organizations.

## Our Five Strategic Pillars of D&I:



### Metrics and Accountability

Establish effective systems, processes, and measures to drive accountability and track progress



### Workplace and Culture

Build and promote an inclusive environment that fosters collaboration, teamwork, and innovation



### Industry and Branding

Position ourselves as an employer of choice, good corporate citizen, and leader in the real estate industry



### Workforce and Talent

Attract, develop, engage, and retain a high-performing workforce that reflects the communities we serve



### Business Integration

Ensure that diversity and inclusion are embedded into the way we do business



# Retail Leasing Strategy

Diversity and inclusion play a significant and intentional role in JBG SMITH's retail leasing strategy. We approach the process of merchandising a new development by thinking about the current demographics of the neighborhood and the customer base we are trying to attract to lease our buildings. Retail experiences play a vital role in defining neighborhoods and in broader social interactions, so it's important that we prioritize D&I when considering the physical retail environment and customer experience.

The way we approach this in our merchandizing process can happen organically or deliberately. Here are two case studies, each demonstrating one of these approaches.

## Organic

North End Retail is part of the Shaw neighborhood of Washington, DC. In this case, our initial strategy was to attract smaller and emerging brands. JBG SMITH's first group of tenants included a mix of local, minority-owned businesses (Lettie Gooch and Glo30), as well as national (Warby Parker and Bonobos) and international brands (Frank & Oak and Kit & Ace).

Over time, we started to see a softening in the market, and a number of those out-of-market retailers were not succeeding. So, we took a step back to reflect on what was working in our

tenant mix and what was not. We determined our local and minority-owned operators were succeeding because they were creating more meaningful relationships with their customers, which translated into better sales. That information helped shape our re-leasing efforts. A number of the tenants we re-leased to were introduced to us by our existing retailers. Some others came to us through a relationship we have with Think Local First, whose mission is to support responsible local businesses and create the conditions in which they thrive, to make Washington, DC a more vibrant, inclusive and equitable place to live, work, and play.

Today, more than one-third of our retailers in North End Retail are local minority - and/or female-owned businesses. This was an example of successfully pivoting our merchandising strategy to better fit the needs of the market.

We are seeing similar diversity in our retail leasing efforts at 1221 Van & West Half. Between the two buildings, we are 80% leased with 40% minority-owned and 100% locally owned businesses.

## Deliberate

In the case of our new development, we are taking a more deliberate approach. We are evaluating each prospective tenant on a quantitative basis, which includes whether they are minority- and/or female-owned businesses. The nature

of this project has garnered a lot of publicity, which has helped our outreach efforts. We are committed to leveraging our existing relationships with minority-owned retailers and a number of other community-based organizations that help support minority-owned businesses (Think Local First, Restaurant Association of Metro Washington, National Landing Business Improvement District, Northern Virginia Black Chamber of Commerce, and others).

One of the things that distinguishes JBG SMITH from other developers/ landlords is our in-house team dedicated to making sure our retailers succeed every step of the way. From creative lease structures, to in-house design and construction support, to our on-site property management and marketing efforts, our cohesive team acts as an extension of the retail owner. When these businesses work with us, they have a lot of support and power behind them.

## WHY LOCAL FIRST?



Local independent businesses are the backbone of our economy, according to Think Local First. They are better positioned to respond to the needs of our community and are inherently tied to the future of Washington, DC. Local businesses also make daily decisions that address issues of economic, environmental, racial, and social equity.

# COMPANY

## Demographics

### JBG SMITH Employees

	Total 2019	2019%	Total 2020	2020%
Female Employees	386	38%	404	38%
Male Employees	619	62%	646	62%
<b>Total Employees</b>	<b>1,005</b>		<b>1,050</b>	

### Senior Leadership\*

	Total 2019	2019%	Total 2020	2020%
Female Employees	26	41%	25	41%
Male Employees	38	59%	36	59%
<b>Total</b>	<b>64</b>		<b>61</b>	

\*Senior Vice President and Above

### Ethnicity

	Total 2019	2019%	Total 2020	2020%
Minority	556	55%	591	56%
White	449	45%	459	44%
<b>Total</b>	<b>1,005</b>		<b>1,050</b>	

### JBG SMITH Employees

	Total 2019	2019%	Total 2020	2020%
White	449	45%	459	44%
Black Or African American	330	32%	326	31%
Hispanic or Latino	132	13%	149	14%
Asian	66	6%	73	7%
Native Hawaiian or Other Pacific Islander	3	0.3%	3	0.3%
Two or more races	23	2%	28	3%
American Indian/Alaskan Native	1	0.1%	2	0.2%
Not Specified	1	0.1%	10	1%
<b>Total</b>	<b>1,005</b>		<b>1,050</b>	

### Employees' Ages

	Total 2019	2019%	Total 2020	2020%
55+	171	17%	174	17%
45-54	213	21%	214	20%
35-44	252	25%	276	26%
25-34	315	31%	336	32%
Under 25	54	6%	50	5%
<b>Total</b>	<b>1,005</b>		<b>1,050</b>	





# WASHINGTON

## Housing Initiative

Across the Washington, DC region, many working people are caught in an affordability gap — earning too much to qualify for housing assistance, but not enough to keep up with rising rents. A two-bedroom apartment in DC rents at an average of nearly \$2,800/month.<sup>[1]</sup> At that rate, more than 600,000 area households<sup>[2]</sup> would pay more than a third of their income for housing — falling into the “affordability gap.”

The Washington Housing Initiative is a transformational, market-driven approach to preserve and create affordable

workforce housing in rapidly changing communities in the DC Metro Region through its two primary vehicles: the Impact Pool and the Washington Housing Conservancy.

The Impact Pool is an investment vehicle that targets after-tax returns equivalent to many traditional investment funds, while at the same time delivering significant social impact. It seeks to provide private investors a total 7% internal rate of return over the life of the investment, inclusive of the current return and after all expenses. Most of the return

is expected to be tax-exempt. The Impact Pool is managed by JBG SMITH Impact Manager, a subsidiary of JBG SMITH Properties.

The Washington Housing Conservancy is an independent 501(c)(3) nonprofit that purchases properties in high-impact locations. Its mission is to keep residents living close to their jobs by offering multifamily housing at affordable rental rates. Capital from the Impact Pool helps to finance the properties purchased by the Washington Housing Conservancy.

### In 2020, The Washington Housing Initiative Team Accomplished The Following:


- Closed on nearly \$115 million in investor commitments to the Impact Pool, including significant investments from major US banking institutions, as well as investments from local businesses and foundations.
- Achieved a 22% rent savings when compared to market rental rates with the acquisition at Parkstone; approximately \$449 per unit.
- 113 affordable housing leases within Parkstone rented to households making less than 80% of area median income (AMI).


[1] [Rentjungle.com](https://rentjungle.com) as of March 2020, Washington, DC


[2] Source: US Census Bureau

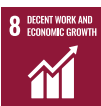
#### Washington Housing Initiative properties report on a series of social and environmental measures selected from the IRIS+ database and align with UN Sustainable Development Goals (SDGs):

- Rent Savings vs. Market (PI1748)
- # Households Served Below 60%/80% AMI (PD5833)
- Energy Purchased/Produced: Total (OI8825), Renewable (OI3324)
- Waste Recycled – Annually (OI2535)
- Greenhouse Gas Emissions (PD9427) – by building, Scope 1 and Scope 2 only

**3 GOOD HEALTH AND WELL-BEING**  
 Good Health and Well-Being  
 • SDG Target 3.9


**6 CLEAN WATER AND SANITATION**  
 Clean Water and Sanitation  
 • SDG Target 6.3

**7 AFFORDABLE AND CLEAN ENERGY**  
 Affordable and Clean Energy  
 • SDG Target 7.1  
 • SDG Target 7.2  
 • SDG Target 7.3

**8 DECENT WORK AND ECONOMIC GROWTH**  
 Decent Work and Economic Growth  
 • SDG Target 8.4

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**  
 Industry, Innovation and Infrastructure  
 • SDG Target 9.4

**11 SUSTAINABLE CITIES AND COMMUNITIES**  
 Sustainable Cities and Communities  
 • SDG Target 11.1  
 • SDG Target 11.2  
 • SDG Target 11.3  
 • SDG Target 11.5  
 • SDG Target 11.6

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
 Responsible Consumption and Production  
 • SDG Target 12.3  
 • SDG Target 12.4  
 • SDG Target 12.5  
 • SDG Target 12.6

During the year, the Impact Pool provided \$21.8 million in loans for the preservation of 1,151 units — a \$15.1 million mezzanine loan to Alexandria Housing Development Corporation for the acquisition of 326 units at Parkstone and a \$6.7 million subordinate loan to the Washington Housing Conservancy for the acquisition of 825 units at Crystal House.

# CASE STUDY: Impact Investing

Alignment with established verification structures is critical to ensure that our strategies are directionally correct. Our Impact Pool investment strategy follows a diligence outline that aligns with the Global Impact Investing Network (GIIN).

The GIIN defines impact investments as investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return. The GIIN has established four core characteristics that define the growing approach of impact investing and offer the financial markets greater clarity on what constitutes credible impact investing.



## Intentionality

Impact investments intentionally contribute to social and environmental solutions. This differentiates them from other strategies such as ESG investing, responsible investing, and screening strategies.



## Financial Returns

Impact investments seek a financial return on capital that can range from below market rate to risk-adjusted market rate. This distinguishes them from philanthropy.



## Range of Asset Classes

Impact investments can be made across asset classes.



## Impact Measurement

A hallmark of impact investing is the commitment of the investor to measure and report the social and environmental performance of underlying investments.

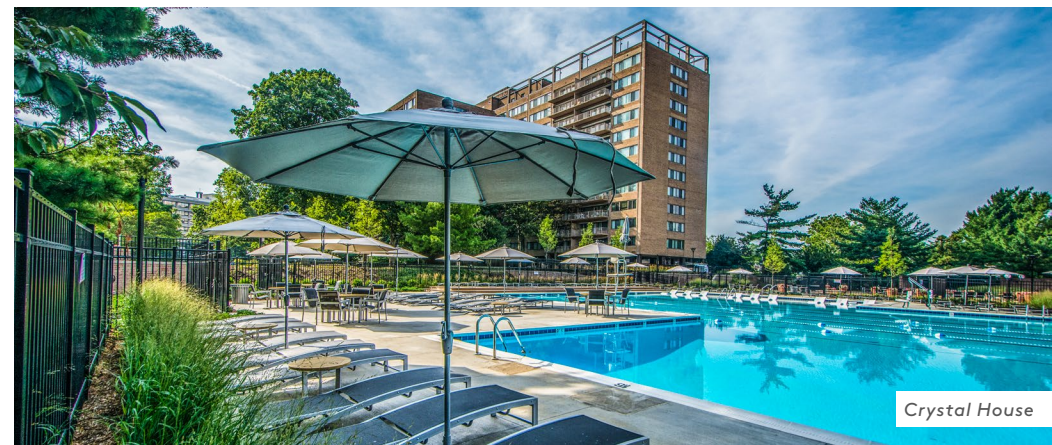
The GIIN provides guidance documents and tools to proactively build and manage an impact investing practice. JBG SMITH uses the IRIS+ catalogue of generally accepted performance metrics to inform our diligence review and reporting activities.

*IRIS+ is the generally accepted system developed by GIIN for measuring, managing, and optimizing impact.*

From <<https://iris.thegiin.org/>>

All acquisitions in 2020 continued to align with GIIN, analyzed the following, and made record of the information in the due diligence record:

- ✓ New and preserved housing
- ✓ Rent savings versus market
- ✓ Support for services and amenities
- ✓ Climate risks
- ✓ Greenhouse gas emissions
- ✓ Energy use intensity
- ✓ Water use intensity
- ✓ Energy and water efficiency potential
- ✓ Renewable energy potential
- ✓ Sustainable practices and programs



# OCCUPANT Engagement



We believe that improved building performance requires enabling our tenants and residents to engage in activities that work to achieve more sustainable outcomes. Actual energy consumption of our assets is benchmarked through ENERGY STAR Portfolio Manager and the Arc building performance dashboard.

Our occupants are empowered to help meet the sustainability goals set for the building using our JBG SMITH Green website. Using this website, we are able to provide tenants and residents with information on how their actions contribute to energy and water use. We also communicate specific actions they can take to manage and reduce their energy and water use.



2345 Crystal Drive

# CUSTOMER Service



Our shared vision as an organization is to be known for delivering best-in-class customer service. In all our communities and offices, we strive to deliver that level of service excellence to our customers every day. We are focused on deepening our customer service mindset and keeping it an important part of our culture.

In 2020, we hosted two different trainings related to pandemic prevention strategies. One training was hosted for the entire Residential Service Team (97), and the other was for all Concierge and Office Team members (172). This was a mandatory training that reviewed prevention strategies, best practices, and our wellness certification protocol. All residential on-site employees attended, and part-time staff were provided with a recording of the training session.

To make sure we're all moving forward as one team, all new residential employees (30) participated in a three-hour workshop dedicated to Customer Service Excellence. We conducted two virtual workshops throughout 2020 for all new hires. The workshops provided them with the tools and perspectives needed to deliver exceptional customer service and ensure that our customers' needs continue to be our highest priority.



## CUSTOMER SERVICE PHILOSOPHY

At **JBG SMITH**, our team of caring, enthusiastic professionals is passionate about providing exceptional customer service. We strive to create tailored customer experiences in all of our communities, so that our customers know their needs are our highest priority.

### FIVE ELEMENTS OF CUSTOMER SERVICE

#### CARING

**I am passionate about caring for customers and coworkers alike.**

- I always warmly greet our customers by name.
- I actively listen and connect with our customers to build meaningful rapport.

#### PROFESSIONALISM

**I am intentional about creating a positive, welcoming environment.**

- I proudly represent JBG SMITH through professional attire, communication, and conduct.
- I focus on attention to detail to ensure that our community always looks its best.

#### EMPOWERMENT

**I am empowered to act.**

- I take ownership of customer concerns and provide timely responses and resolutions.
- I proactively seek opportunities to anticipate needs and exceed customer expectations.

#### LEADERSHIP

**I am a leader who inspires others to achieve excellence.**

- I motivate others through teamwork and celebrate individual and team successes;
- I am accessible and always follow through on commitments.

#### INNOVATION

**I am creative and forward-thinking.**

- I embrace change and personally develop and share best practices and lessons learned.
- I solicit and act on customer feedback to ensure our team delivers service excellence.



**JBG SMITH**



We engage our tenants and residents by providing performance data, resources and strategies for improvements around the following areas:

Sustainability Topic	Area of Interest	Engagement
 <b>Waste</b>	Organic waste removal (composting); recycling education and resources	Providing organic waste removal services and custom labeled bins; educational events and signage
 <b>Energy</b>	Reducing utility costs and "carbon footprint"	LED lighting retrofits; occupancy sensors
 <b>Transportation</b>	Access to public and alternative transportation options	Bicycle storage and changing facilities; EV charging stations; up-to-date transit schedule information; bike share locations
 <b>Health and Wellness</b>	Support for healthy lifestyles and improved productivity	Fitness centers; access to healthy food choices; daylight and views to nature
 <b>Emergency Preparedness</b>	Life safety during various emergency scenarios, which include extreme weather situations and pandemic response	Created reference materials: Emergency Response Guide Floor Warden Training Program Fire Safety Plan Emergency Response Pocket Guide Healthy Workplace Blueprint Healthy Retail Blueprint

Facing a pandemic, challenged by social distancing restrictions, and wanting to engage residents while also supporting our retailers, the JBG SMITH residential team met these challenges with unique virtual events.

### Apartment Gardening Class With REWILD

Our residential team partnered with retailer REWILD for a virtual Zoom class. Residents learned how to repot plants, choose the right plants for their floorplan, and get expert answers to their most pressing apartment gardening questions.

Residents received a kit with a plant, terracotta pot, and soil. They have held this immensely popular event in eight communities, and more than 500 residents have participated.

### Virtual Beer Tasting With Atlas Brew Works

Residents received a six-pack of Atlas beer and attended a Zoom meeting where the brewer walked them through a tasting of each beer variety. Nearly 300 residents in the Navy Yard participated!

We are committed to meeting with our tenants to provide education on the sustainability features of the building they occupy and to support tenant-driven sustainability initiatives. In 2020, our Sustainability team along with the Property Management teams conducted several tenant roundtable presentations. These presentations focused on topics requested by the tenants including education around energy consumption, waste management best practices, and promoting alternative transportation to employees. Our team provided resources to assist tenants who are interested in forming an internal committee to align with their own corporate sustainability initiatives. We are focused on collaboration with our tenants to promote sustainability best practices in their leased space.

Meaningful occupant engagement is an integral component of real estate management. Our mission includes creating a unique experience at all of our properties, where our tenants' needs are our highest priority. We believe in sustainability as a service — by integrating efficiency and conservation

into standard operating practices, we engage on topics that are most impactful to our tenants. We are committed to providing a healthy living and working environment for building occupants. We accomplish this goal through monitoring and improving indoor air quality, eliminating toxic chemicals, providing access to nature and daylight, and encouraging nutrition and fitness.

We are a Green Lease Leader under the program established by the Institute for Market Transformation and the US Department of Energy's Better Buildings Alliance. The Green Lease Leaders program recognizes companies that use the leasing process to achieve better collaboration between landlords and tenants, with the goal of reducing building energy consumption and operating costs.

Our standard lease contains a cost-recovery clause for resource efficiency-related capital improvements and requires tenants to provide data for measuring, managing, and reporting sustainability performance. This language covers 100% of our new leases and renewals.

# BUILDING OCCUPANT HEALTH

## Safety and Well-Being

JBG SMITH is committed to providing a healthy living and working environment for building occupants. We accomplish this through monitoring and improving indoor air quality, eliminating toxic chemicals, providing access to the outdoors and daylight, and encouraging nutrition and fitness.

### Indoor Environmental Quality (IEQ) Management Program

The IEQ program is based on the US Environmental Protection Agency's I-BEAM system, integrating indoor air quality, energy efficiency, and building economics into one management tool to help buildings run at peak performance, including:



Legionella testing on all water-containing building equipment on a semi-annual basis to ensure that equipment is free of harmful bacteria



Volatile organic compounds: JBG SMITH specifies products with low or no VOCs to reduce harmful gases emitted from many products



HVAC systems maintenance, monitoring, and inspections to ensure systems provide adequate ventilation and fresh air, and are continually maintained to ensure efficient performance



Smoking and tobacco-based product control: All commercial buildings and indoor public spaces are smoke-free



Air filters are installed on all units and, where available, building automation systems are used to monitor temperature, humidity, carbon dioxide, and other air quality determinants



Green cleaning: Janitorial vendors use environmentally friendly practices and low-toxicity cleaning products



Chemical water treatment and preventive maintenance: Rigorous care is taken to minimize bacteria growth



Air quality tests are performed annually, with mitigation measures taken if particulate quantities in the air are higher than acceptable limits



Reston Town Center West

# HEALTHY Workplace

In these unprecedented times, JBG SMITH is more committed than ever to delivering a workplace experience that meets the highest standards of operational excellence. With this in mind, we created the JBG SMITH Healthy Workplace Blueprint. The health, safety, and well-being of our tenants, employees, and visitors are at the forefront of every decision we make and every item we referenced in the Blueprint.

The video, [“What to Expect When You Return to the Office,”](#) provides a quick overview of the Healthy Workplace Blueprint and then walks through the physical changes that were implemented at JBG SMITH buildings so they could remain safe and open during the pandemic. These resources and others help individuals understand new protocols and how things have changed since they were last inside a JBG SMITH building.

JBG SMITH’s large, diverse, and expansive portfolio of buildings throughout the Washington, DC region means parts of the JBG SMITH Healthy Workplace Blueprint will differ slightly at each property. Each building’s dedicated property management and engineering teams have modified the document to include building-specific floor plans and a robust building-specific FAQ.

As our tenants prepare to bring their employees back to the office, we want to enable smooth and safe transitions for all. To that end, we have provided tenants with these resources:

- ✓ A “toolkit” of tenant signage
- ✓ Tenant Guidelines for COVID-19 Reporting
- ✓ JBG SMITH’s Environmental Remediation Companies
- ✓ Tenant Service Provider Guidelines and Procedures
- ✓ JBG SMITH’s “Why Healthy Buildings Matter”
- ✓ JBG SMITH’s “Anatomy of a Healthy Building”

JBG SMITH’s COVID response processes and protocols continue to evolve in line with CDC guidance.

## Supporting Our Contractors

Construction has been identified as an essential job, and on-site work has continued throughout the pandemic. To that end, each construction site is following the guidance from the CDC and local health authorities, and we are engaging in daily conversations to stay connected and nimble as the situation continues to evolve.

We are operating all of our buildings with higher amounts of outside air, conducting a building flush each morning, and using **MERV 13 filters**.



# HEALTHY RESIDENTS and RETAIL Experiences

We worked with individual residents and retail tenants on a case-by-case basis to better determine their specific needs and the resources available to them. Our main objectives are to ensure our tenants survive this crisis and our residents remain stable, safe, and healthy in their homes.

## Supporting Our Residents

As is the case globally, the pandemic has had a significant impact on the majority of the population in our region. In the spirit of support and community, we are encouraging our residents to reach out to us if they are experiencing financial hardship as a result of the pandemic, so we can partner with them to find a workable solution.

To ensure the safety and well-being of our on-site employees and residents, we implemented new systems to maintain appropriate social distancing and sanitation standards. In response to the CDC and local health department guidance, we closed all amenity spaces, common areas, and fitness centers at our residential and commercial properties and have taken these additional steps to keep everyone safe:



Enhancing daily cleaning and sanitation services in our buildings



Keeping our maintenance teams available for emergency services



Communicating with our residents more frequently



Postponing non-essential maintenance requests until it is safe to move about freely



Limiting the office hours and number of essential team members on-site to keep our leasing and property management offices open



Giving virtual leasing tours at residential and commercial properties



## Supporting Our Retail Tenants

JBG SMITH team members are working closely with each of our retail tenants to help them successfully navigate this situation and emerge successfully on the other side. We are working on a case-by-case basis with tenants who have demonstrated financial need to determine and structure appropriate short-term rent deferral or other measures to help them during this crisis. In addition, we are working with our local BIDs to provide resources that will enable tenants to find and access federal, state, and local assistance programs. JBG SMITH is also finding new ways to financially support our local businesses and is encouraging the community to do the same.





# JBG SMITH Cares

## Committed to Our Communities

Supporting communities is an inherent part of the JBG SMITH approach of being a good partner. JBG SMITH is committed to giving back to the communities where we do business, focused on five specific areas: Affordable Housing, Advancing the Arts, Education, Environmental Responsibility, and Health and Well-Being. Whether it is through monetary, in-kind donations or hours of volunteer work, JBG SMITH cares — and we are working to make a difference.



Photo taken before COVID-19 and social distancing.

# JBG SMITH CARES

## Focused Giving

JBG SMITH has identified core social responsibility areas of focus and allocates internal resources and corporate giving based on the relevance and impact to our business, as well as community needs.



**Housing Affordability:** We are committed to working with the community, area nonprofits, and the local government to answer the urgent call for increased affordable workforce housing. In addition to partnering with more than 20 local organizations that support those in need, we launched the Washington Housing Initiative to leverage market forces and external investment capital to improve housing equity.



**Diversity and Inclusion:** We believe diversity is one of our strongest assets, and we are committed to developing a workforce that reflects the vibrancy of the communities in which we operate. JBG SMITH professionals hold themselves to the highest standards of service, integrity, and creativity while engaging in projects in a high-energy environment.



**Health and Wellness:** We partner with organizations that facilitate sustainable urban farms, provide nutrition education and assistance, and support policy-making efforts focused on structural inequalities in our food systems.



**Environmental Responsibility:** We are committed to minimizing our impact on local biodiversity and improving natural habitats. We connect our employees to local environmental organizations throughout the year to participate in volunteer opportunities.



**Education:** We work with organizations focused on literacy and early education in the Washington, DC region, including The Esperanza Education Fund, which provides local immigrant students with college scholarships.



**Advancing the Arts:** We seek to integrate a diverse range of public art into our new development projects and existing properties through strategic partnerships with organizations that educate, enrich, and facilitate the cultural life of the Washington, DC region.



# JBG SMITH CARES

## Focused Giving Highlights

In 2020, the JBG SMITH Cares Committee shifted from volunteer hours to ways that we could give back in a safe manner due to COVID-19. The team focused giving on the critical needs for housing and food security in our region.

The committee provided support to

**25** housing organizations and  
**10** food organizations in **2020**

### COVID Relief



Since the start of the pandemic, JBG SMITH has been focused on supporting local partners through various COVID-19 relief efforts. We partnered with our tenant RASA to deliver 5,000 free meals to frontline workers and supported 13 local nonprofits to showcase our commitment to uplifting the community.

In August, we participated in the Restaurant Association of Metropolitan Washington's Summer Restaurant Week to help drive business to restaurants as a form of recovery and relief. Across the DC metro area, 264 restaurants participated in the event. We are delighted to report participation increased this year, despite COVID-19. While an increase is surprising, the reason behind it isn't. 70 percent of restaurants said they were only able to participate because JBG SMITH and Events DC covered the costs to ensure area restaurants were able to take part in the event without any financial burden.

### Virtual Events



#### Running Together

A group of JBG SMITH employees still ran together, virtually, in the Children's National Hospital Race for Every Child 5K and Kids Dash!

The JBG SMITH team raised \$2,385, which will be used by the hospital to provide exceptional pediatric care, support programs for patients and families, and develop new therapies and treatments.

#### Letter-Writing Campaign

JBG SMITH Cares participated in a letter-writing campaign to local elderly with Food & Friends.

### Food Donation



#### Healthy Snack Packs Find a New Home

When our corporate office moved abruptly to remote work from home in March, our office services identified an opportunity to make sure the healthy snacks typically consumed by employees didn't go to waste.

The team donated 40 boxes of healthy snack kits to support the work of the Coalition for the Homeless in the District of Columbia.

#### Food & Friends

Support from JBG SMITH Cares and the Slice of Life pie drive provided over 1.2 million nutritional meals out of their kitchen in Ft.Totten.

Over 10 years, Cares provided more than:

**\$4.6 million**

to nonprofit organizations and had 4,000 volunteers log approximately 15,750 hours.

# SMART Cities Initiative

JBG SMITH is laser-focused on placemaking. As the exclusive developer for Amazon’s new headquarters, that means cultivating vibrant, amenity-rich, walkable neighborhoods throughout National Landing.

As we develop National Landing into a world-class innovation district, we are dedicated to advancing digitization while building a healthy and sustainable portfolio. To that end, we are currently coordinating the deployment of ubiquitous 5G, underpinned by a robust and redundant fiber network and an urban edge data center. We also recently acquired private CBRS spectrum for innovative uses in National Landing — stretching across Arlington County and the City of Alexandria.

This infrastructure paves the way for JBG SMITH to bring an advanced “Smart City” to life from the ground up along with our partners, including the municipalities. This digital foundation will create operational efficiencies and differentiated consumer experiences, including the following features and value drivers.



**Innovation Hub:** JBG SMITH is creating an innovation hub designed to attract best-in-class service providers, partners, entrepreneurs, universities, and global technology companies to live, work, and play in an interconnected environment.



**Smart Homes:** The employees who come to live, work, and play here will have access to smart home technology features to help them more fully engage through personalized experiences. This technology will also increase data share and transparency across the connected grid and allow us to centralize energy and implement resource efficiency measures.

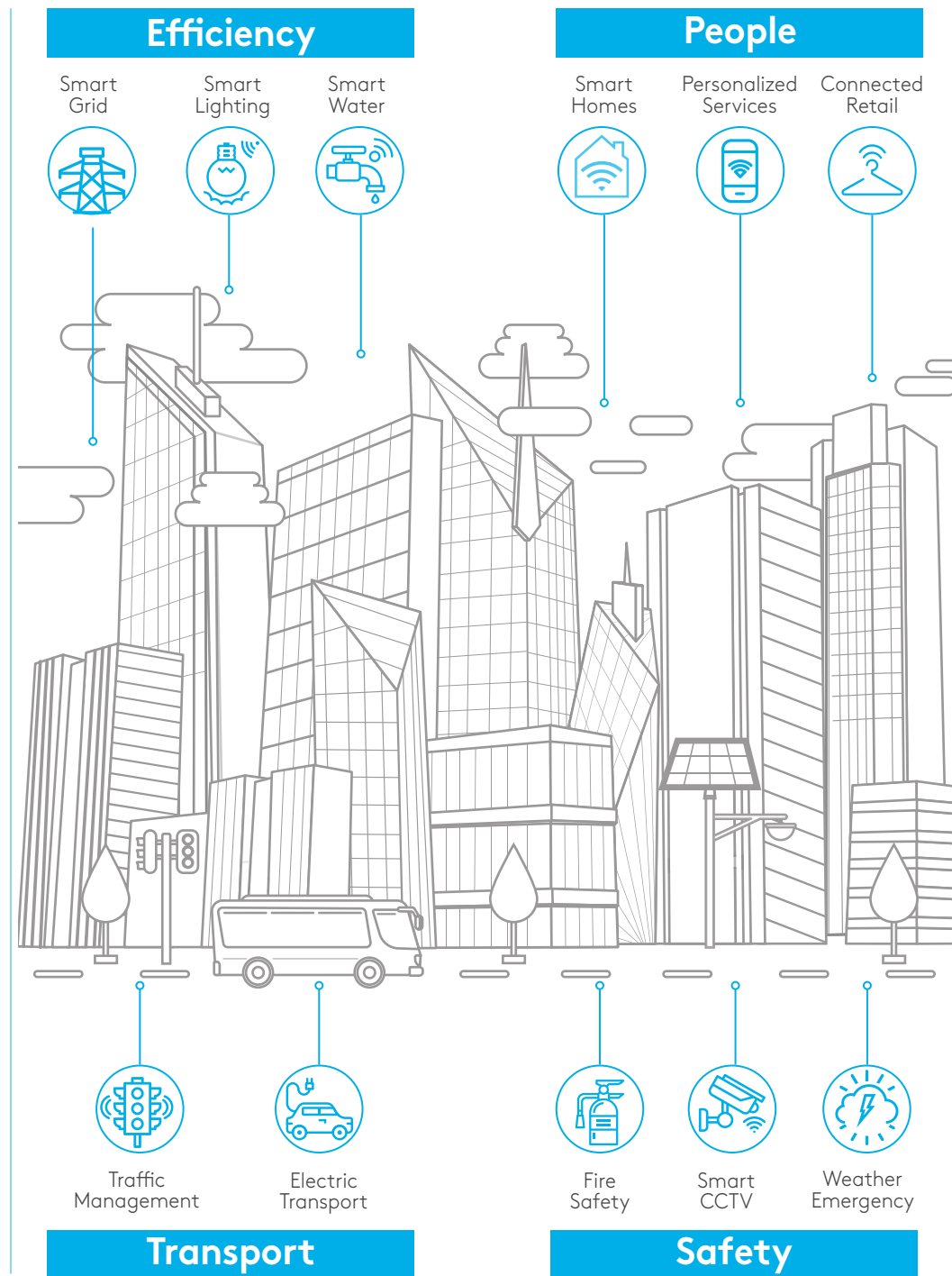


**Smart Energy:** Companies and employees in National Landing will benefit from “smart” energy efficiency features across lighting, water, and energy. They will also experience enhanced building and waste management features that automate and maximize sustainability programs across properties.



**Smart Transportation:** National Landing will have the infrastructure to support smart vehicles and electric transport, as well as enhanced traffic management.

JBG SMITH is confident its Smart City digital investments will continue to attract leading companies and consumers to this innovation district. Going forward, we will leverage this technology infrastructure to continue advancing our placemaking strategy across our portfolio.



# TRANSIT-ORIENTED Development

Our portfolio reflects our longstanding strategy of owning and operating assets within Metro-served submarkets in the Washington, DC metropolitan area that have high barriers to entry and key urban amenities, including being within walking distance of a Metro station. Through our development efforts, we work to realize our vision of sustainable development by using the principles of transit-oriented development.

National Landing is poised to become the most connected downtown in America. Building on its rich legacy of transportation infrastructure, National Landing is constantly evolving, with a new emphasis on next-generation multimodal mobility. Guided by a singular vision, the public and private sectors are together investing more than \$4 billion into the transportation network to meet the needs of current and future residents, employees, students, and visitors. The result will be a downtown district with unparalleled access — where anyone can take the Metro across town for lunch, catch a train to New York or Richmond for the night, or board a flight for a vacation in the Caribbean, all within walking distance.

National Landing's evolution has always been tied to transportation. Its rich legacy has made this urban center one of the most connected in the region, with three Metrorail stations, two major highways, miles of on-street bike lanes and off-street trails, commuter rail, and bus rapid transit. Mass transit is the backbone of National Landing's transportation network. The downtown's robust transit choices allow thousands of residents, employees, and visitors to travel throughout the region quickly and conveniently, without worrying about traffic or parking. Building on those assets by adding capacity and increasing connectivity is the foundation of National Landing's long-term transportation strategy.

Within National Landing, improving human-scaled mobility — walking, biking, scooting, and other forms of next-generation mobility options — is a critical priority in connecting the long blocks and far reaches of the National Landing downtown district. In addition to strengthening transit service within the downtown, expanded regional rail will give more people across the region direct, convenient access to National Landing. Regional commuter rail already brings

Reference: "Mobility Next" <https://nationallanding.org/our-downtown/mobility-next>

//  
Designing a dream city is easy; rebuilding a living one takes imagination.  
//

## Jane Jacobs

Urban planning activist

employees from Maryland and Virginia to the area, but investments underway now will augment service from Amtrak, Maryland Area Regional Commuter (MARC), and Virginia Railway Express (VRE). As an integral part of the interconnected transit network of National Landing, National Airport has long been recognized as a key economic activity generator for

the National Landing area. In the future, regional commuter and intercity rail service will arrive at the doorstep of National Airport via the CC2DCA Intermodal Connector, delivering unparalleled connections and making National Landing the closest business district to a major airport in the country.



Graphic Credit: Institute for Transportation and Development Policy

# MODES of Transportation

Stat: **124 EV** stations across our portfolio

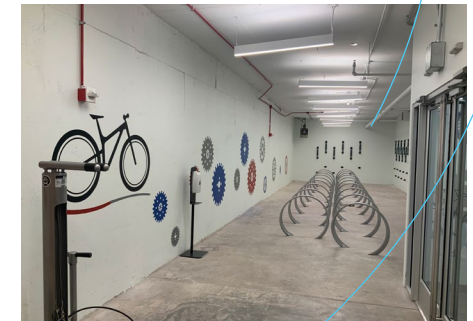
City planning for what has been called “Virginia’s largest downtown” leverages the robust backbone of mass transit inventory. Multimodal mobility is key to bringing people to our buildings and even more critical for getting around within our communities.

JBG SMITH is contributing to decarbonizing transportation and encouraging a culture of walkable, bikeable communities. If you do drive, go electric — we have 124 EV stations across our portfolio.



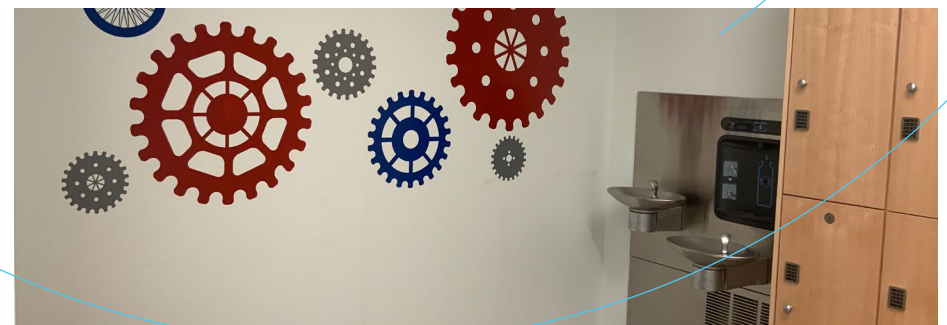
## EV Infrastructure

We added 22 EV chargers to our portfolio, using Volta, Bosch, Blink, EV Power Solutions, JuiceBox, and Tesla. Deploying EVs at our buildings addresses just-in-time demand and helps us accrue green building rating system credits. Our data visualization tool enables us to monitor hours of use, session lengths, energy usage, and GHG savings.



## Creating a Biking Culture

JBG SMITH buildings throughout the region incorporate bike storage rooms. The secure rooms include lockers and in many cases bike repair stations.



# REIMAGINED

## Route 1



Reimagine Route 1 aims to start the conversation about the bold vision to transform Route 1 into a multi-modal, pedestrian-friendly, and urban-oriented boulevard that unifies the area into a truly walkable, connected, urban downtown. Reimagining downtown auto-centric infrastructure is part of a wave of efforts across North America to better balance continuously evolving transportation and mobility needs in downtown areas.

**JBG SMITH has worked side-by-side with the National Landing BID to define key project objectives:**

**Mend The Urban Fabric** Route 1's current design acts as a barrier to east-west connectivity. With a focus on moving

vehicles to and through National Landing, the corridor does not offer a safe or pleasant environment for pedestrians, cyclists, and other micromobility users. The current elevated nature of Route 1 north of 20th Street forces adjacent buildings to either turn their back to Route 1 or front parallel connections such as Bell and Clark Streets. This has resulted in an unwelcoming environment for pedestrians along the corridor. The new vision for Route 1 as an urban boulevard will address these challenges and create a connected and welcoming public realm by setting up a robust street grid to provide additional route options and stronger connections to the various civic, retail, and open space destinations throughout the downtown area.

**Create A Walkable, Vibrant, and Safe Public Realm** Walkability is the cornerstone of many great cities and neighborhoods. Sidewalks that are safe, comfortable, and pleasant for people of all ages and abilities to walk, meet, and socialize are crucial to a vibrant public realm. In addition to wide sidewalks, landscape buffers to isolate pedestrians from traffic and human-scale amenities such as seating, lighting, signs, and memorable public art will encourage interaction and social activities along Route 1.

**Define A Dedicated Space For All Users** The proposed design of Route 1 will need to balance the needs of all potential users, including pedestrians, cyclists, micromobility users, transit and ride-

sharing users, and drivers. Transportation options are evolving rapidly. Micromobility options, ride-hailing services, and bus rapid transit are transforming the way people move in the region. The future Route 1 must be flexible enough to respond to this change in order to maintain market competitiveness and retain and attract residents and retail and office tenants.

**Encourage Resiliency And Sustainability** A walkable urban grid with a variety of uses and access to multiple transportation options attracts residents and workers. In order to stay competitive in today's market, businesses need to attract and retain a new generation of workers — one which values access to a variety of employment, retail, and recreation options without the need to own a vehicle. The new Route 1 will also seek to address the current climate challenge by providing the infrastructure for non-vehicular transport, increasing the tree canopy coverage throughout the corridor, and collecting and treating runoff with stormwater planters.

# CORPORATE Governance

The Board of Trustees of JBG SMITH operates according to our Corporate Governance Guidelines, which are subject to periodic review by our Board of Trustees. Among the Board's priorities are strategic oversight of operations, review of executive compensation structure, conflict avoidance, and administration of the Code of Business Conduct and Ethics, which can be found on the JBG SMITH corporate website at [www.jbgsmith.com](http://www.jbgsmith.com).

2525 Crystal Drive  
Illustrative Rendering



# BOARD ESG Oversight

## Board Composition

During most of 2020, the JBG SMITH Board comprised 11 members, including nine independent trustees. Each of our trustees is subject to re-election annually. The Board is committed to diversity in terms of the individuals involved, their demographics, their industry experiences, and their areas of expertise. As a demonstration of our commitment to gender pay equity within our governing body, all board members are compensated equally, with independent trustees receiving additional compensation for committee positions. Trustees sit on three standing committees: Audit, Compensation, and Corporate Governance & Nominating. The Board met six times in 2020 and, except for one trustee, each trustee attended at least 75% of the meetings of the Board and all committees thereof on which such trustee served during 2020. Each committee is composed exclusively of independent trustees, in accordance with NYSE rules, and met in aggregate 13 times in 2020.



Our Board maintains a strong focus on enhancing shareholder value, including alignment of ESG priorities with our long-term business plans. As institutional investors continue to become more proactive about integrating environmental, social, and governance principles into their investment process, we continue to expand our disclosures and internal controls around ESG data.

We include ESG strategy, climate change risks, and performance data in the following locations:

- [Annual Report](#)
- [Proxy Statement](#)
- [Annual ESG Report](#)
- [Corporate Website](#)
- [Investor Presentations](#)

Committee	Committee Chair
Audit Committee	Scott A. Estes
Compensation Committee	Carol A. Melton
Corporate Governance and Nominating Committee	Alan S. Forman

# OUR TEAM & Integrated ESG Strategy

To ensure that our ESG principles are fully integrated into our business practices, Steering Committees, including members of our management team, provide top-down support for the implementation of ESG initiatives. The ESG team provides our Board of Trustees' Corporate Governance & Nominating Committee with periodic updates on ESG strategy. The Corporate Governance and Nominating Committee is responsible for oversight of environmental and social matters, demonstrating top-down leadership of the organization.

Our sustainability team works directly with our business units to integrate our ESG principles throughout our operations and investment process. The sustainability team includes our Vice President of Sustainability, Sustainability Associate, and a Sustainability Analyst. The Vice President reports directly to our Chief Operating Officer. The team is responsible for annual ESG reporting, maintaining building certifications, betterment program design and implementation, and coordinating with industry and community partners.



Illustrative Typical Rooftop Terrace at Metropolitan Park

# OUR ESG

## Investment Strategy

JBG SMITH's business model prioritizes long-term growth and sustained value. Our investments in urban infill and transit-oriented development enhance urbanization, reduce vehicles on the road, and help to revitalize local communities. By taking old, inefficient buildings out of service and strategically mixing high-quality multifamily and commercial buildings with public areas, retail spaces, and walkable streets, we are working to redefine neighborhoods in a sustainable, equitable, and resilient manner.

Our investment strategy focuses on key environmental and social objectives integrated into our business.



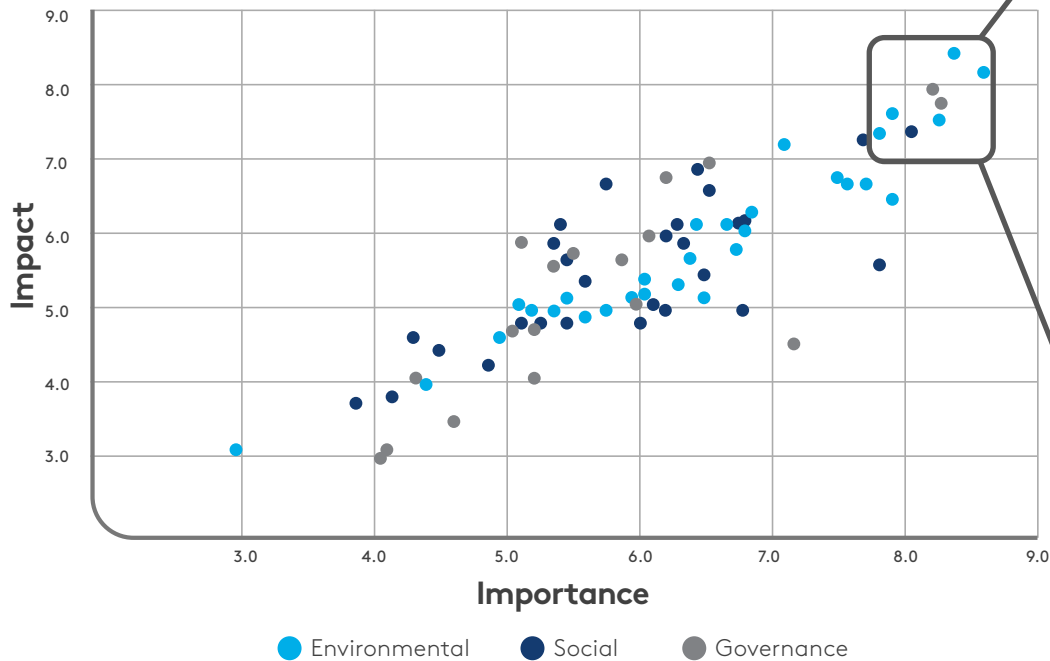
# ESG Materiality

ESG has become an integral part of our business operations. Understanding the priorities and business values of all our stakeholders allows us to better align management strategies that contribute to shared value for all. Our reporting has been built on a foundation of transparency and disclosure. We plan to build on this foundation while striving for a higher level of demonstrated positive, equitable, and climate-responsive impacts.

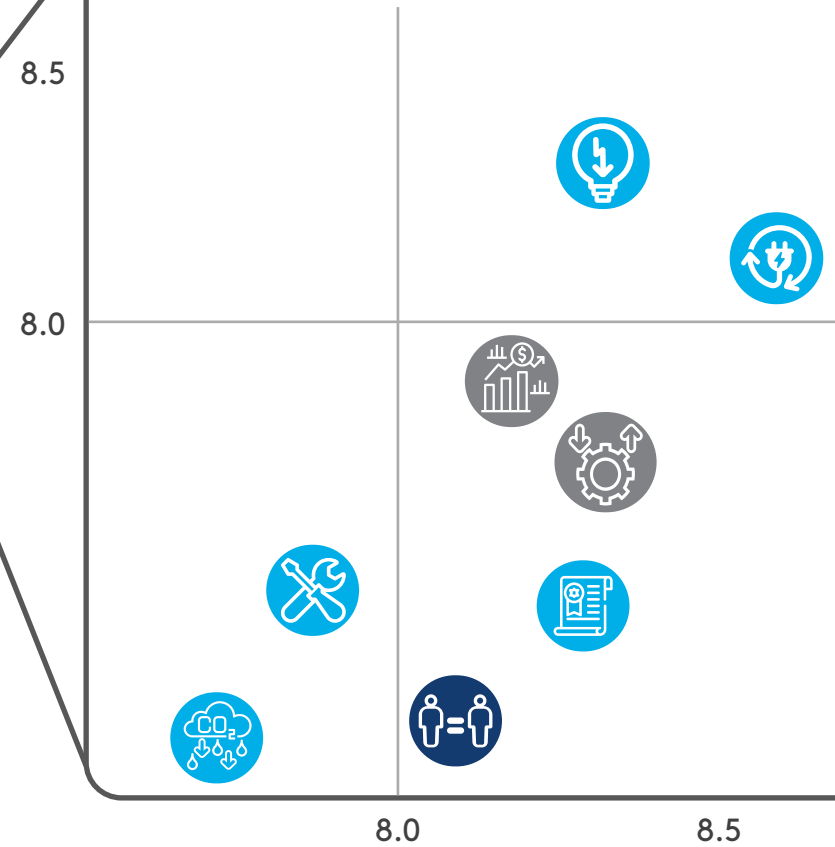
Using the Global Reporting Initiative (GRI) framework as guidance, our high-level summary of how our ESG strategy permeates the organization and our activities is below, and specific elements are found in various locations throughout this report. **The 2020 GRI Standards Content Alignment matrix is found in the Indices.**



# ESG MATERIALITY Assessment











## Most Material Topics



In 2020, JBG SMITH embarked on creating a strategic sustainability plan. As part of this process, JBG SMITH conducted a third-party-administered materiality assessment to determine the Environmental, Social, and Governance (ESG) topics and issues that are most relevant to our business going forward. By understanding the ESG impacts of JBG SMITH's business operations, the company is better able to protect asset value, reduce risk, and advance initiatives that result in positive social and environmental outcomes both internally and externally. Stakeholders included employees, investors, and the local community.

The materiality assessment results above demonstrate that the top priorities among all stakeholder groups are oriented around environmental topics, specifically as it pertains to energy performance and GHG emissions reduction.

The survey identified the **top eight priority** interests to all the stakeholder groups as follows:

 Energy Consumption and Energy Intensity Within the Organization, Including Tenants (E)	 Reduction of GHG Emissions From New Construction and Redevelopment Activity (E)
 Establishing Carbon Emission Reduction Targets and Carbon Neutrality Goals (E)	 Elimination of Discrimination With Respect to Employment and Occupation (S)
 Having ESG Certifications, Ratings, and Labeling Schemes for Assets (E)	 Direct Economic Value Generated by the Organization (G)
 Reducing Energy Consumption (E)	 Disclosure of Risks and Opportunities Posed by Climate Change (G)

# RISK ASSESSMENT and Ethical Practices



## Risk Assessment

Our senior management team, with the assistance of our internal auditors at PwC, conducts an annual risk assessment designed to identify the material risks our business faces and the potential impact of those risks on our strategy and operations.

Our risk assessment process uses a top-down approach, beginning with management's strategic objectives, and focuses on issues that could impact shareholder value. To identify the most significant risks facing the company and the industry, our assessment process starts with interviews with our executive

management team and includes consideration of our risk mitigation strategies.

We employ a risk disclosure approach that focuses on issues that could potentially impact our achievement of strategic objectives. The risk factors disclosed in our Annual Report on Form 10-K filed with the US Securities and Exchange Commission are reviewed by our outside counsel, Hogan Lovells.

## Ethical Practices

Using the Ten Principles of the United Nations Global Compact, we incorporate responsible business practices and ethics into our Code of

Conduct, policies, and procedures. Our company handbook outlines our responsible business practices and includes facets of human rights, labor, and anti-corruption. Responsible business practices surrounding the environment are a part of our operational policies and procedures, located in the environmental programs management portion of this report.

## Collective Bargaining

Some JBG SMITH employees are covered by a Collective Bargaining Agreement. In the event that the terms of the JBG SMITH Handbook differ from the terms of the Collective Bargaining Agreement, the Collective Bargaining Agreement will take precedence.



## Anti-Corruption

As part of our annual risk assessment process, our anti-corruption policy is reviewed and operational controls for specific areas of our business are updated. Those areas include:



**Parking operations**



**Residential leasing**



**Interaction with public officials**

## Whistleblower Hotline

JBG SMITH is committed to fostering an open and trusting environment, and we encourage employees to report concerns regarding potential ethics violations without fear of retaliation. In addition to speaking with managers and supervisors, employees can report concerns through an anonymous, third-party hotline provider, EthicsPoint.



### Workplace Safety and Health Policies:

- A. Workplace Safety
- B. Workers' Compensation
- C. Inclement Weather
- D. Corporate Office Status
- E. Smoking
- F. Drug-Free Workplace
- G. Fire and Safety
- H. Office Security and Workplace Violence

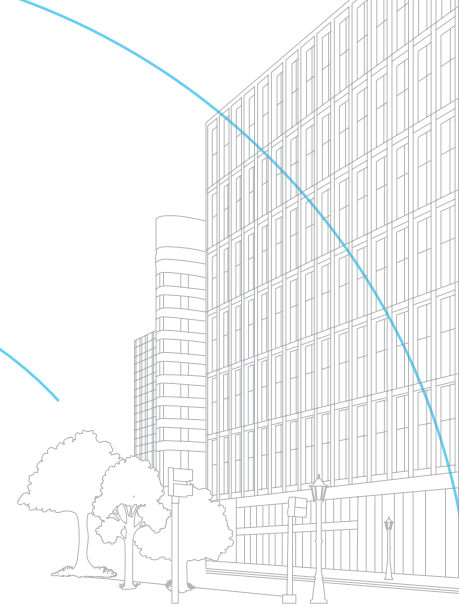


### JBG SMITH: A Tradition of Integrity Ethical Practices Policies:

- A. JBG SMITH Code of Business Conduct and Ethics
  - Honest and Ethical Conduct
  - Fair Dealing
  - Compliance with Applicable Governmental Laws, Rules, and Regulations
  - Conflicts of Interest
  - Corporate Opportunities
  - Compliance Procedures; Reporting Violations

- Accounting Complaints
- Public Disclosure
- Confidential Information
- Insider Trading
- Protection and Proper Use of the Company's Assets
- Waivers of or Changes to the Code of Business Conduct and Ethics
- Administration and Implementation
- Website Disclosure

- B. Business and Entertainment Gifts
- C. Confidentiality and Trade Secrets
- D. Employee Whistleblower Immunity
- E. Equal Employment Opportunity and Discrimination or Harassment in Any Form
  - Sexual and Other Harassment
  - Discrimination and Harassment Reporting Procedures
  - Americans with Disabilities Act
  - Accommodation of Conditions Related to Pregnancy and Childbirth
  - Genetic Information Policy (GINA)
- F. Equality in Housing/Tenancy Opportunities



# ESG Report

JBG SMITH is pleased to present this report containing information on environmental sustainability, social responsibility, and corporate governance. Unless otherwise stated, quantitative and qualitative reporting covers the 2020 calendar year. All financial information is presented in US dollars. Square footages are at JBG SMITH share.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Comprehensive Option (see GRI Index section). Additionally, this report references identified material topics from the United Nations Sustainable Development Goals (see UN SDG Index), as well as disclosures from the Sustainability Accounting Standards Board (see SASB Index) and the Task Force on Climate-Related Financial Disclosures (see TCFD Index). For more information about our sustainability programs and business performance, please visit the Sustainability and Investor Relations portions of our website at [www.jbgsmith.com](http://www.jbgsmith.com). To provide feedback, please email Barbat Rodgers, Senior Vice President of Investor Relations at [brodgers@jbgsmith.com](mailto:brodgers@jbgsmith.com) or Kim Pexton, Vice President of Sustainability at [kpexton@jbgsmith.com](mailto:kpexton@jbgsmith.com).

## DATA VERIFICATION

CodeGreen Solutions conducted a third-party, limited assurance review of energy, water, waste, and greenhouse gas emissions calculations. Greenhouse gas verification followed the methodology of ISO 14064-3, and a parallel methodology was used for energy, water, and waste data. Under this methodology, CodeGreen Solutions found nothing causing it to believe that the values reported are not presented fairly, and in accordance with the relevant criteria.

4747 Bethesda Avenue



# INDUSTRY











## Memberships

JBG SMITH is actively engaged in several industry associations focused on advancing industry standards and advocacy efforts that are aligned with our priorities.

- AIA – Washington, DC
- Apartment & Office Building Association of Metropolitan Washington
- Associated Builders and Contractors – Metro Washington and Virginia chapters
- Better Buildings Initiative
- Building Owners and Managers Association
- Coalition for Smarter Growth
- Commercial Real Estate Brokerage Association of Greater Washington, DC
- Commercial Real Estate Women’s Network
- Congress for the New Urbanism
- CoreNet Global
- DC Preservation League
- D.C. Policy Center
- Disability:IN DC Metro
- District of Columbia Building Industry Association

- Diversity Best Practices
- Federal City Council
- GRESB
- Institute of Real Estate Management
- International Council of Shopping Centers
- NAIOP National and Local Chapters (Washington, DC, Maryland, and Northern Virginia)
- Nareit
- National Multifamily Housing Council
- Restaurant Association of Metropolitan Washington
- Think Local First
- Urban Land Institute
- Urban Land Institute - Greenprint Member
- USGBC National and National Capital Region Chapter
- Washington Building Congress

# UNITED NATIONS Sustainable Development Goal Index

UN SDG	JBG SMITH OBJECTIVE	PROGRESS TOWARD OBJECTIVE
 <p>2 ZERO HUNGER</p>	Contribute to quality food access in urban communities	<ul style="list-style-type: none"> <li>• Prioritizing retail leasing to bring local retailers into communities</li> <li>• Supporting urban gardening and farmers' market assistance programs</li> </ul>
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Provide quality living and working environments	<ul style="list-style-type: none"> <li>• Conducting annual air quality testing</li> <li>• Limit toxic chemicals in buildings through green cleaning program and procurement standards</li> <li>• Providing amenity spaces and services that promote healthy lifestyles</li> </ul>
 <p>4 QUALITY EDUCATION</p>	Promote literacy and early education in our community	<ul style="list-style-type: none"> <li>• Supporting organizations that provide educational support services to underserved communities</li> <li>• Participating in lunchtime reading program at local elementary school</li> </ul>
 <p>5 GENDER EQUALITY</p>	Achieve diversity and equality at all levels of our organization	<ul style="list-style-type: none"> <li>• Committing to diversity on the Board of Trustees that reflects our workforce and our nation</li> <li>• Employee-based diversity and inclusion leadership initiatives</li> <li>• Focusing on recruitment and talent retention</li> </ul>
 <p>6 CLEAN WATER AND SANITATION</p>	Manage stormwater runoff and preserve fresh water sources	<ul style="list-style-type: none"> <li>• Installing green roofs that absorb rainwater and relieve overstressed stormwater sewers during heavy precipitation events</li> <li>• Reusing captured rainwater for irrigation</li> <li>• Integrating pest management strategies to reduce the need for hazardous pesticides</li> <li>• Supporting organizations that preserve and protect local waterways</li> </ul>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	Generate and procure renewable energy	<ul style="list-style-type: none"> <li>• Task force for implementing renewables strategy, including formal relationship with renewables consultant</li> <li>• Analyzing renewable energy opportunities across the portfolio</li> <li>• Demand limiting and curtailment to reduce demand for power from the grid during peak demand periods</li> </ul>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Community investment and quality working conditions	<ul style="list-style-type: none"> <li>• Development strategy focusing on revitalizing communities and the creation of mixed-use urban environment</li> <li>• Providing employees safety training, health and wellness programs, and strategies to promote work-life balance</li> <li>• Thoughtful negotiation of collective bargaining agreement for engineering staff</li> </ul>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	Employ smart growth principles and green building strategies	<ul style="list-style-type: none"> <li>• Developing transit-oriented, urban infill communities</li> <li>• Obtaining green building certifications for design, operations, or energy performance and collaborating to advance local sustainability goals</li> </ul>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Responsible procurement and disposal of materials	<ul style="list-style-type: none"> <li>• Providing support for building occupants to responsibly dispose of waste, diverting waste streams from landfills</li> <li>• Specifying products that meet sustainability standards for recycled content, VOC levels, and regional production</li> </ul>
 <p>13 CLIMATE ACTION</p>	Reduce greenhouse gas emissions and address regional and asset-specific risks	<ul style="list-style-type: none"> <li>• Reducing energy through investing in efficiency measures with proven paybacks</li> <li>• Assessing regional and asset-specific risks associated with climate change, which include sea-level rise, increased chances of flooding, and more extreme weather events</li> <li>• Emergency response planning and occupant training, as well as communication regarding potential catastrophic events</li> </ul>

# GLOBAL REPORTING INITIATIVE

## Index

### GRI 100: Universal Standards

#### GRI 102: General Disclosures

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
102-1	Name of the organization	JBG SMITH
102-2	Activities, brands, products, and services	Our Company
102-3	Location of headquarters	Bethesda, MD
102-4	Location of operations	Company Profile
102-5	Ownership and legal form	Our Company
102-6	Markets served	Company Profile
102-7	Scale of the organization	Company Profile
102-8	Information on employees and other workers	Company Demographics
102-13	Membership of associations	Industry Memberships
102-14	Statement from senior decision-maker	Doing More, Sooner
102-15	Key impacts, risks, and opportunities	Our ESG Investment Strategy, ESG Materiality
102-16	Values, principles, standards, and norms of behavior	Our ESG Investment Strategy
102-17	Mechanisms for advice and concerns about ethics	Risk Assessment and Ethical Practices
102-18	Governance structure	Corporate Governance
102-19	Delegating authority	Board ESG Oversight
102-20	Executive-level responsibility for economic, environmental, and social topics	Our Team & Integrated ESG Strategy
102-21	Consulting stakeholders on economic, environmental, and social topics	ESG Materiality Assessment
102-22	Composition of the highest governance body and its committees	Board ESG Oversight, Our Team & Integrated ESG Strategy
102-23	Chair of the highest governance body	Board ESG Oversight
102-24	Nominating and selecting the highest governance body	Board ESG Oversight
102-25	Conflicts of interest	Risk Assessment and Ethical Practices
102-26	Role of highest governance body in setting purpose, values, and strategy	Board ESG Oversight, Our Team & Integrated ESG Strategy
102-28	Evaluating the highest governance body's performance	Proxy Statement, pg 61: <a href="https://investors.jbgsmith.com/investor-relations/regulatory-filings/sec-filings/sec-filings-details/default.aspx?FilingId=14807392">https://investors.jbgsmith.com/investor-relations/regulatory-filings/sec-filings/sec-filings-details/default.aspx?FilingId=14807392</a>
102-29	Identifying and managing economic, environmental, and social impacts	ESG Materiality Assessment
102-30	Effectiveness of risk management processes	Risk Assessment and Ethical Practices
102-31	Review of economic, environmental, and social topics	Environmental Sustainability, Social Responsibility, Corporate Governance
102-32	Highest governance body's role in sustainability reporting	Board ESG Oversight
102-40	List of stakeholder groups	ESG Materiality

## GRI 100: Universal Standards (Cont.)

### GRI 102: General Disclosures (Cont.)

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
102-41	Collective bargaining agreements	Risk Assessment and Ethical Practices
102-42	Identifying and selecting stakeholders	ESG Materiality
102-43	Approach to stakeholder engagement	ESG Materiality
102-46	Defining report content and topic Boundaries	ESG Materiality Assessment
102-47	List of material topics	ESG Materiality Assessment
102-49	Changes in reporting	ESG Report
102-50	Reporting period	ESG Report
102-51	Date of most recent report	ESG Report
102-52	Reporting cycle	ESG Report
102-53	Contact point for questions regarding the report	ESG Report
102-54	Claims of reporting in accordance with the GRI Standards	ESG Report
102-55	GRI content index	Global Reporting Initiative Index
102-56	External assurance	ESG Report

### GRI 103: Management Approach

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
103-1	Explanation of the material topic and its Boundary	ESG Materiality Assessment
103-2	The management approach and its components	Board ESG Oversight, Our Team & Integrated ESG Strategy
103-3	Evaluation of the management approach	ESG Materiality

## GRI 200: Economic Standards

### GRI 201: Economic Performance

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
201-3	Defined benefit plan obligations and other retirement plans	Investing in Our People

### GRI 203: Indirect Economic Impacts

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
203-2	Significant indirect economic impacts	Economic Impacts

## GRI 200: Economic Standards (Cont.)

### GRI 205: Anti-corruption

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
205-1	Operations assessed for risks related to corruption	Risk Assessment and Ethical Practices
205-2	Communication and training about anti-corruption policies and procedures	Risk Assessment and Ethical Practices

## GRI 300: Environmental Standards

### GRI 302: Energy

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
302-1	Energy consumption within the organization	Environmental Performance Metrics
302-3	Energy intensity	Environmental Performance Metrics
302-4	Reduction of energy consumption	Environmental Performance Metrics

### GRI 303: Water and Effluents

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
303-3	Water withdrawal	Environmental Performance Metrics

### GRI 305: Emissions

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
305-1	Direct (Scope 1) GHG emissions	Carbon Accounting
305-2	Energy indirect (Scope 2) GHG emissions	Carbon Accounting
305-3	Other indirect (Scope 3) GHG emissions	Carbon Accounting
305-4	GHG emissions intensity	Carbon Accounting
305-5	Reduction of GHG emissions	Carbon Accounting

### GRI 306: Waste

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
306-3	Waste generated	Environmental Performance Metrics
306-4	Waste diverted from disposal	Environmental Performance Metrics
306-5	Waste directed to disposal	Environmental Performance Metrics

## GRI 400: Social Standards

### GRI 401: Employment

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Investing in Our People
401-3	Parental leave	Investing in Our People

### GRI 404: Training and Education

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
404-1	Average hours of training per year per employee	Investing in Our People
404-2	Programs for upgrading employee skills and transition assistance programs	Investing in Our People
404-3	Percentage of employees receiving regular performance and career development reviews	Investing in Our People

### GRI 405: Diversity and Equal Opportunity

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
405-1	Diversity of governance bodies and employees	Company Demographics

## GRI G4 Sector Supplement: Construction and Real Estate

DISCLOSURE NUMBER	DISCLOSURE TITLE	2021 REFERENCE/LOCATION
G4 CRE1	Building energy intensity	Environmental Performance Metrics
G4 CRE2	Building water intensity	Environmental Performance Metrics
G4 CRE3	Greenhouse gas emissions intensity from buildings	Carbon Accounting
G4 CRE8	Type and number of sustainability certification, rating, and labeling schemes for new construction, management, occupation, and redevelopment	Sustainability Certifications

# SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

## Index

Table 1. Summary of Quantitative Accounting Metrics

DISCLOSURE TOPIC	CODE	ACCOUNTING METRIC	2020	LOCATION IN REPORT
Energy Management	IF-RE-130a.1	Energy consumption data coverage: Commercial Assets (% by floor area)	97.4%	Sustainability Certifications
		Energy consumption data coverage: Multifamily Assets (% by floor area)	90.1%	Sustainability Certifications
	IF-RE-130a.2	Total energy consumed: Commercial Assets (GJ)	794,628	Environmental Performance Metrics
		Total energy consumed: Multifamily Assets (GJ)	371,880	Environmental Performance Metrics
		Percentage grid electricity: Commercial Assets	88%	-
		Percentage grid electricity: Multifamily Assets	72%	-
	IF-RE-130a.3	Like-for-like change in energy consumption of portfolio area with data coverage: Commercial Assets	-15.0%	Environmental Performance Metrics
		Like-for-like change in energy consumption of portfolio area with data coverage: Multifamily Assets	-21.2%	Environmental Performance Metrics
	IF-RE-130a.4	Percentage of eligible portfolio certified to ENERGY STAR: Commercial Assets	37.0%	Sustainability Certifications
		Percentage of eligible portfolio certified to ENERGY STAR: Multifamily Assets	37.0%	Sustainability Certifications
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy			Environmental Program Management, Managing Resources
Water Management	IF-RE-140a.1	Water withdrawal data coverage: Commercial Assets	90.4%	Environmental Performance Metrics
		Percentage in regions with High or Extremely High Baseline Water Stress	0%	-
		Water withdrawal data coverage: Multifamily Assets	96.2%	Environmental Performance Metrics
		Percentage in regions with High or Extremely High Baseline Water Stress	0%	-
	IF-RE-140a.2	Total water withdrawn: Commercial Assets (in thousands of cubic meters)	623	Environmental Performance Metrics
		Percentage in regions with High or Extremely High Baseline Water Stress	0%	-
		Total water withdrawn: Multifamily Assets (in thousands of cubic meters)	922	Environmental Performance Metrics
	IF-RE-140a.3	Percentage in regions with High or Extremely High Baseline Water Stress	0%	-
		Like-for-like change in water withdrawn of portfolio area with data coverage: Commercial Assets	-19.3%	Environmental Performance Metrics
	IF-RE-140a.4	Like-for-like change in water withdrawn of portfolio area with data coverage: Multifamily Assets	-6.0%	Environmental Performance Metrics
Description of water management risks and discussion of strategies and practices to mitigate those risks			Environmental Program Management, Managing Resources	
Management of Tenant Sustainability Impacts	IF-RE-410a.1	Percentage of new leases that contain a cost-recovery clause for resource efficiency-related capital improvements: Commercial Assets	100%	10K, Customer Service
		Floor area of leases with cost-recovery clause: Commercial Assets	6,622,516	-
	IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants		Customer Service
Climate Change Adaptation	IF-RE-450a.1	Area of properties located in FEMA SFHA or foreign equivalent in total square feet: Commercial Assets	0	Impacts of Climate Change on Our Business
		Area of properties located in FEMA SFHA or foreign equivalent in total square feet: Multifamily Assets	0	Impacts of Climate Change on Our Business
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks		Impacts of Climate Change on Our Business, Managing Resources, Developing Green, Healthy, and Smart Buildings

Table 2. Activity Metrics

DISCLOSURE TOPIC	CODE	ACCOUNTING METRIC	2020	LOCATION IN REPORT
Activity	IF-RE-000.A	Number of assets: Commercial Assets	41	Company Profile
		Number of assets: Multifamily Assets	21	Company Profile
	IF-RE-000.B	Leasable floor area (in total square feet): Commercial Assets	12,989,843	10K
		Leasable floor area (in total square feet): Multifamily Assets	6,783,334	10K
	IF-RE-000.D	Average occupancy rate: Commercial Assets	87.7%	10K
		Average occupancy rate: Multifamily Assets	81.1%	10K

Topics omitted due to lack of applicability to reporting entity: IF-RE-410a.2 and IF-RE-000.C

# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

## Index

THEMATIC AREA	RECOMMENDED DISCLOSURE	LOCATION IN THIS REPORT
<b>Governance</b>	a) Describe the board's oversight of climate-related risks and opportunities.	Board ESG Oversight, Our Team & Integrated ESG Strategy
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	Impacts of Climate Change on Our Business
<b>Strategy</b>	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Impacts of Climate Change on Our Business
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Impacts of Climate Change on Our Business
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Impacts of Climate Change on Our Business
<b>Risk Management</b>	a) Describe the organization's processes for identifying and assessing climate-related risks.	Impacts of Climate Change on Our Business
	b) Describe the organization's processes for managing climate-related risks.	Impacts of Climate Change on Our Business, Developing Green, Healthy, and Smart Buildings
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Impacts of Climate Change on Our Business
<b>Metrics and Targets</b>	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Environmental Performance Metrics
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Carbon Accounting
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Achieving a Carbon Neutral Portfolio





**JBG SMITH  
SUSTAINABILITY**

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