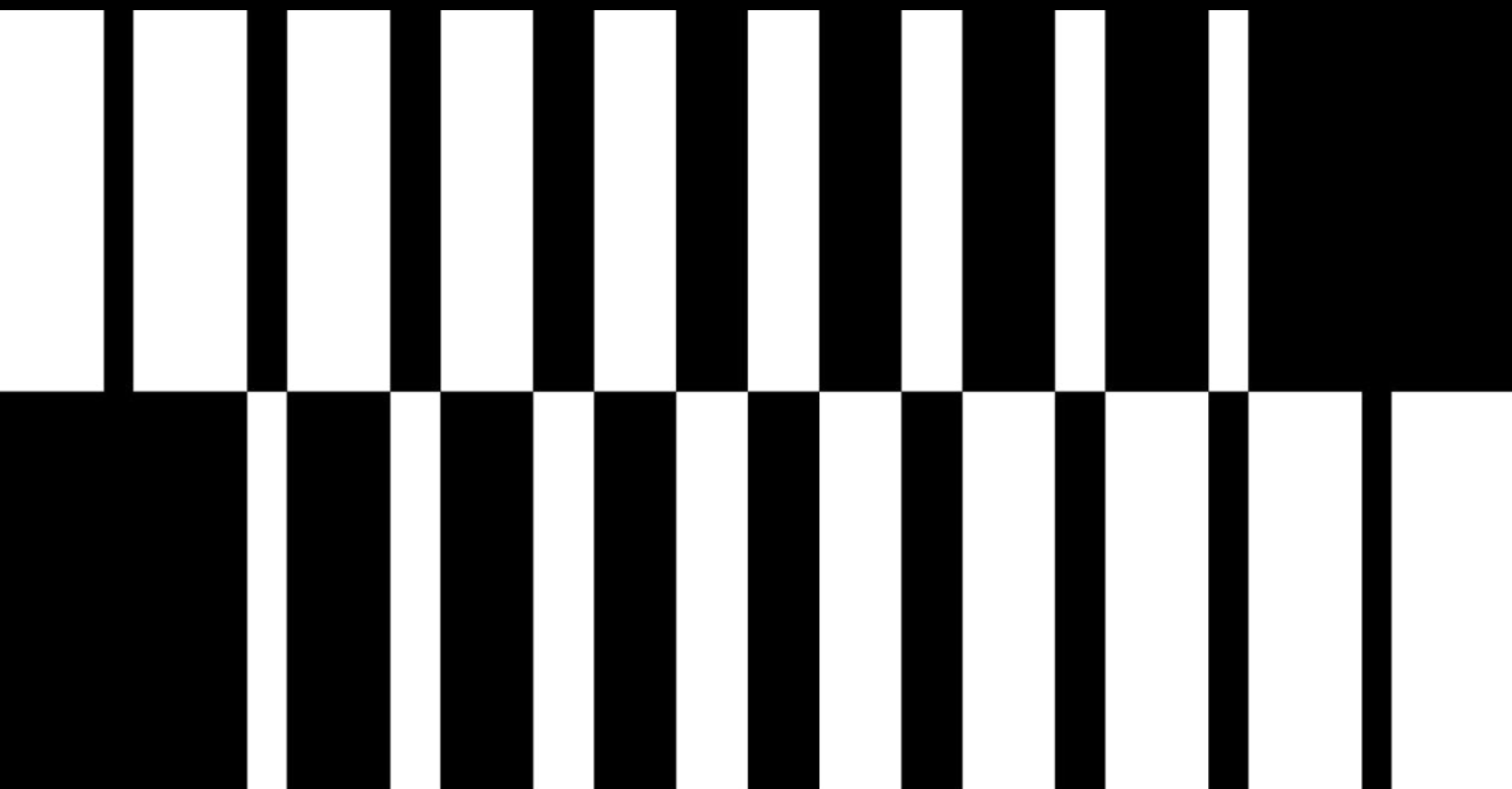


ELECOR

PROPERTIES



2025 IFRS S2 REPORT

ABOUT US

Corporate Overview

Paramount Group, Inc. was, up until December 19, 2025, a Maryland Corporation and operated as a publicly traded REIT. On December 19, 2025, Rithm Capital Corp. (“Rithm”) successfully completed its acquisition of Paramount Group, Inc. and later renamed the operating platform to Elecor Properties (“Elecor”). Through this transaction, Elecor became a wholly-owned subsidiary of Rithm, integrating our portfolio of high-quality Class A office assets in New York and San Francisco into Rithm’s global asset management platform. Elecor operates in the United States, with Class A office properties located in New York, New York and San Francisco, California.

About TCFD and IFRS S2

The Task Force on Climate-Related Financial Disclosures (TCFD) was created by the Financial Stability Board in December 2015 to improve and increase reporting on climate-related financial information.

In 2023, the Financial Stability Board announced that the work of the TCFD had been completed and asked the International Financial Reporting Standards (IFRS) Foundation to take over the monitoring of progress on companies’ climate-related disclosures from the TCFD. The IFRS Foundation has also published the International Sustainability Standards Board (ISSB) Standards—IFRS S1 “General Requirements for Disclosure of Sustainability-Related Financial Information” and IFRS S2 “Climate-Related Disclosures.” The objective of IFRS S2 is for companies to disclose information about their climate-related risks and opportunities. The IFRS S2 disclosures are focused on climate-related risks and opportunities that may affect a company’s cash flow, access to finance, or cost of capital over the short-, medium-, or long-term.

IFRS S2 requirements are structured around four categories that represent core elements of how organizations operate—governance, strategy, risk management, and metrics and targets.

Our Climate-Related Reporting

Elecor is an industry leader in implementing sustainability initiatives that help us manage operating costs, attract and retain premium tenants, and ultimately enhance portfolio value. We operate our portfolio in alignment with the highest corporate responsibility standards. In 2025, 100% of Elecor’s Core Office Portfolio (defined in the **Reporting Boundary** section below) achieved Leadership in Energy and Environmental Design (LEED) Platinum or Gold and Fitwel certifications, and also achieved ENERGY STAR’s NextGen certification across 8 million square feet of space.

We disclose climate-related risks and opportunities, greenhouse gas (GHG) emissions, reduction targets, and strategies for achieving targets in our publicly available reporting, as well as in our annual responses to the CDP Corporate Questionnaire (Climate Change theme) and GRESB (formerly known as the Global Real Estate Sustainability Benchmark).

We also refer to the IFRS S2 framework to incorporate climate-related risks and opportunities into our risk management and strategic planning processes. In this IFRS S2 report, we disclose how climate change and the transition to a low-carbon economy can potentially affect our business over the short-, medium-, and long-term.

Reporting Boundary

This report covers Elecor’s core properties where the company has operational control and at least 25% ownership, and it excludes fund investments and non-core assets. The reporting boundary, referred to as the “Core Office Portfolio,” covers nine total properties: six New York City properties (1633 Broadway, 1301 Avenue of the Americas, 1325 Avenue of the Americas, 31 West 52nd Street, 900 Third Avenue, and 712 Fifth Avenue) and three San Francisco properties (One Market Plaza, 300 Mission Street, and One Front Street). Since the Rithm acquisition was completed at the end of 2025, Elecor has prepared this IFRS S2 Report independent of Rithm’s reporting, covering the period from January 1, 2025 through December 31, 2025.

GOVERNANCE

Board Oversight of Climate-Related Risks and Opportunities

(S2.6.a)

Throughout 2025, Elecor's Board of Directors had oversight of environmental and social matters, including climate-related risks and opportunities, as reported in **previous filings**. At the time of writing this report, the Board has been dissolved as a result of the company's acquisition by Rithm. Going forward, climate-related governance responsibilities will be incorporated into Rithm's broader governance framework.

Management's Role in Managing Climate-Related Risks and Opportunities

(S2.6.a, S2.6.b)

Elecor's Executive Management, comprising senior officers who lead their respective departments, holds ultimate responsibility for the oversight of corporate responsibility initiatives. Climate-related issues and objectives are a core responsibility of Elecor's Senior Vice President of Energy and Sustainability, who oversees the management-level Sustainability Committee. Both the SVP and the Committee advise Executive Management on sustainability strategy, emerging regulatory and compliance frameworks, stakeholder engagement, and climate-related risks and opportunities on a regular basis, which can be as frequent as quarterly. Following Rithm's acquisition of Elecor, Rithm has actively supported Elecor's established climate governance framework, ensuring continued alignment and strategic backing for these portfolio-wide initiatives.

Established in 2019, the Sustainability Committee ensures the continuous monitoring, adaptation, and integration of sustainability goals across Elecor's operations. The Committee is composed of management-level representatives from key departments, including Finance, Legal, Leasing, Human Resources, Asset Management, Operations, and Property Management. Meeting monthly, the Committee plays a key role in evaluating industry trends and legislation, tracking current portfolio performance, and executing next steps to align Elecor's business practices with an evolving sustainability landscape.

Sustainability Committee Responsibilities

- Improve the environmental performance of all assets
- Increase the health, well-being, and social awareness of employees and tenants
- Provide spaces that promote physical and mental well-being for all building occupants
- Report on Elecor's achievements toward best-in-class governance and transparency efforts, including coordinating stakeholder engagement

As an additional layer of our sustainability strategy, we have incorporated pay incentives into our compensation structure for the management of climate-related issues. During annual performance reviews of Elecor's SVP of Energy and Sustainability, Engineering, and Property Management teams, accomplishments including building performance, sustainability, and social achievements are considered.

STRATEGY

Climate-Related Risks and Opportunities

(S2.I0.a, S2.I0.b, S2.I0.c, S2.I0.d)

Understanding our climate-related risks and opportunities bolsters the resilience of our organization. Our approach to reporting in alignment with IFRS has identified several categories of climate-related risks and opportunities that may affect our cash flows, access to finance, or cost of capital over the short-, medium-, or long-term. These are described in the following sections and in the tables below.

We define short-, medium-, and long-term as 0-5 years, 6-15 years, and 16-35+ years, respectively, which aligns with our capital planning cycles. For some of our analyses in this report, we also consider very long-term trends for up to 75 years. Transition risks are the effects of policy, legal, technology, and market changes resulting from climate change mitigation and adaptation measures, while physical risks are the result of event-driven (acute) or longer-term shifts (chronic) in climate patterns.

Risk Type		ID	Risk Description	Time Horizon		
				Short	Medium	Long
Transition	Market	M.R1	Increased energy costs and resiliency systems for buildings due to the transition of grid-supplied energy to more renewable sources		X	X
		M.R2	Increased energy prices due to market supply and geopolitics	X	X	X
		M.R3	The increased cost of raw materials due to climate change impacts		X	X
	Regulatory and Legislative	RL.R1	Carbon pricing and taxation obligations		X	X
		RL.R2	Penalties due to natural gas restrictions		X	X
		RL.R3	Requirements to procure renewable energy	X	X	X
		RL.R4	Mandates and regulation of energy efficiency, electrification requirements, targets, and disclosures (e.g., NYC's Local Law 97, CA SB 253, and SB 261)	X	X	X
	Reputation and Market	RM.R1	Changes in tenant and stakeholder preferences	X	X	X
Technology	T.R1	Costs required to replace existing systems and services with lower emissions or all electric options to avoid regulatory penalties	X	X	X	
Physical	Acute	PA.R1	Increased precipitation, hurricanes, tropical storms, extreme heat, wildfire, and air quality impacts leading to increased insurance premiums and construction costs	X	X	X
	Chronic	PC.R1	Changing weather patterns and sea level rise requiring building infrastructure upgrades and increased insurance premiums			X
		PC.R2	Rising temperatures and global climate change lead to increases in cooling costs	X	X	X

Opportunity Type	ID	Opportunity Description	Time Horizon		
			Short	Medium	Long
Cost Savings	CS.O1	Reduced resource consumption leads to lower utility bills	X	X	X
Technology	T.O1	Installation of new technologies that lower emissions	X	X	X
	T.O2	Pursuit of supportive policy incentives and rebates	X	X	X
	T.O3	Procurement of lower-emission sources of energy	X	X	X
Reputation and Market	RM.O1	Increases in the number of green building certifications, responsible resource management, energy efficient design, environmental data tracking and transparency, and availability of renewable power leads to tenant engagement, attraction, and retention	X	X	
	RM.O2	Running an environmentally responsible business attracts and retains employees	X	X	X
Resiliency	R.O1	Reduced fines, energy costs, and operating expenses due to reduced source-generated carbon emissions of renewable energy delivered from the grid		X	X

Impact on Business, Strategy, and Financial Planning

(S2.I3.a, S2.I3.b, S2.I4.a, S2.I4.b, S2.I4.c, S2.I5.a, S2.I5.b, S2.I6.a, S2.I6.b, S2.I6.c, S2.I6.d, S2.21.a, S2.22.a, S2.29.b, S2.29.c, S2.29.d, S2.29.e)

The risks and opportunities included in the table above have the potential to affect Elecor's business model, strategy, and financial performance. We have adjusted our business model to implement a range of initiatives informed by our climate scenario analyses, which helps us achieve our climate targets and builds a solid foundation as we continue to evaluate the development of a formal climate transition plan. These initiatives include on-site energy efficiency improvements, advancing electrification, evaluating the generation of on-site renewable power, and purchasing renewable power (such as through renewable energy certificates, or RECs). To advance these decarbonization efforts, Elecor has allocated resources such as dedicated employees, consulting support, capital investments, training, and investments in new technology and software. We also use proactive capital planning and available incentives to aid in our management of these risks and opportunities.

In the following section, we expand on how each of these risks and opportunities may affect our business, as well as our strategy to manage them. Where available, quantitative financial impact metrics have been provided; otherwise, we discuss financial impacts qualitatively. We do not anticipate a material financial impact within the next annual reporting period.

Climate-Related Risks and Business Impacts

Market Risk I (M.RI)

Given the transition of grid-supply energy to more renewable sources due to legislated commitments, we anticipate increases in energy costs needed to power our building systems. Utility companies must make upfront investments in new renewable energy sources as well as upgrades to the grid to accommodate additional renewable sources, costs that typically are passed through to consumers. Additionally, with increased reliance on renewable energy systems that may only be intermittently available, we expect that utility companies will need to invest in storage systems, costs that are also typically passed through to consumers. One way in which we monitor and track these changes is through assessing cost premiums associated with purchasing newly constructed, location-specific RECs and comparing those against general REC pricing. Our recent assessment showed that in comparison to standard U.S. market Green-e certified RECs, location-specific premiums are significant: PCC1 RECs in San Francisco are estimated to be 10 times higher in price, while Tier 4 RECs in New York City are 14 times higher. We monitor pricing to understand how renewables may impact costs for energy generation and regulatory compliance in the markets in which we operate.

In support of enhancing the resiliency of the grid, we are enrolled in Demand Response plans with our utility providers to mitigate risks associated with grid failures, supported by programming our Building Management System (BMS) with global curtailment options. We have also included policies in our Emergency Response Plans to address grid failures, such as reducing energy on vacant floors, and installing backup generators.

Market Risk 2 (M.R2)

The impacts of climate change and geopolitical events can lead to supply disruptions and price volatility in energy markets, resulting in increased energy prices that could affect our assets and operations. We aim to reduce the risk of this impact by pursuing measures for energy efficiency, renewable energy, and resiliency, as well as monitoring energy prices and procurement options on an ongoing basis.

Market Risk 3 (M.R3)

The impacts of climate change may also increase the costs of raw materials, resulting in higher materials costs for construction of renovations, fit-outs, and development. To reduce our exposure to this risk, we receive quarterly price forecasting results from vendors to make our supply chain more resilient against price fluctuations. If vendors forecast near-term price increases, we may authorize the earlier acquisition of materials to avoid the increases. We also evaluate options to source materials domestically. In addition,

Elecor's Sustainable Purchasing Policy aims to reduce the demand for virgin resources or raw materials by setting performance expectations on purchasing, thereby promoting reuse and recycling, and durable materials. We strive to use salvaged material, Forest Stewardship Council (FSC) certified wood, and low volatile organic compound (VOC) content of paints, seals, and flooring in construction and building upgrades.

Regulatory and Legislative Risks I-4 (RL.R1, RL.R2, RL.R3, RL.R4)

Elecor owns or manages assets in New York City and San Francisco, and we are therefore required to comply with numerous local regulations throughout the entire portfolio, including those specific to climate, such as carbon pricing, electrification, renewable energy procurement, energy efficiency, data tracking, targets, and disclosures. Examples include New York City's Local Law 84 and San Francisco's Code Chapter 20, which require energy and water consumption benchmarking, and California's SB 253 and SB 261, which require disclosure of climate-related topics, including emissions reporting. Our current approach to data tracking for regulatory preparedness is aligned with best practices, including climate reporting in alignment with IFRS S2 recommendations, GHG inventory processes aligned with the GHG Protocol, and emissions data assurance aligned with ISO 14064-3.

We are also subject to Local Law 97 for our New York City properties, which sets emissions thresholds for buildings. To inform our capital planning cycles and address potential fines, we analyze the projected financial impact of Local Law 97 on our New York City portfolio annually. Elecor is not projected to incur any Local Law 97 fines during the first compliance period of 2024-2029.

In general, current and emerging regulations may lead to penalties in the case of non-compliance. We work to comply with applicable regulations and leverage these legislative requirements as an opportunity to pursue greater building measurement and efficiency, enhance data quality and processing, and guide emissions reporting. Additionally, potential risks that we consider include future legislation that may involve natural gas restrictions and result in penalties or taxation obligations, among other risks.

Reputation and Market Risk I (RM.R1)

Changing tenant and stakeholder preferences around the management and disclosure of environmental and social issues can pose reputational risks. These topics can be subject to different levels of scrutiny under varied political landscapes and tenant priorities.

Across our organization, we aim for value alignment with our stakeholders and prioritize activities that are beneficial to our business. We continue to monitor shifts in the political landscapes in which we operate, as well as changes in tenant and stakeholder preferences.

Technology Risk I (T.R1)

As part of our transition toward lower-emissions systems to address regulatory requirements, we may face increased costs to upgrade existing systems with higher efficiency or all electric options. In response, we apply proactive thought to our equipment upgrades and investment decisions across the portfolio. We identify building systems that require retrofits or that are near end-of-service life, and plan capital investments accordingly. For example, when a boiler is at the end of its useful life, we evaluate options for electrification when updating the equipment. During acquisitions, we analyze building mechanical systems regarding both location and efficiency, and we consider compliance with current and future environmental regulations.

Physical Acute Risk I (PA.RI)

Weather events such as increased precipitation, hurricanes, tropical storms, extreme heat, or wildfires can cause property damage, which may lead to higher operating costs for maintenance, retrofits, or construction in more severe cases. This can also result in increased insurance costs for assets located in markets vulnerable to climate change. According to **an article** by the Deloitte Center for Financial Services, they project that for a commercial building in the United States, the average monthly cost of insurance could increase at an 8.7% compound annual growth rate from 2023 to 2030. Due to our portfolio concentration in coastal cities, we are aware that climate-related adaptation and mitigation strategies will be important to our business. Elecor strives to limit physical risks and reduce the impacts of potentially harmful climate events by assessing preventative measures for potential climate-related risks.

Physical Chronic Risk I (PC.RI)

Changing weather patterns and sea level rise may result in increased insurance costs for buildings located in markets vulnerable to climate change, as well as property damage, which may require building infrastructure upgrades. Investing in resilient infrastructure to limit physical risk is important to reduce the impacts of potentially harmful climate events. Climate effects such as rising sea levels and increased flooding may cause widespread population migration to non-coastal areas. Our properties are evaluated for flood-based risks and undergo risk assessments twice a year through our third-party property risk management provider, FM Global. Our Property Managers and Engineers use these quantified assessments to inform and prioritize capital investments and building upgrades. For example, we evaluated the installation of thermal storage tanks in the basement of one of our assets as part of our electrification strategy. When making this upgrade, we decided to also relocate our chillers to the 11th floor due to potential flood risk. This action will help protect our boilers from damage and prevent repair costs in the event of potential future flooding.

Physical Chronic Risk 2 (PC.R2)

The rise in global temperatures can result in extreme heat events in some areas where our properties are located. This would lead to increased operating costs due to the increased need for cooling services. The annual amount of OpEx dedicated to utility spend for energy is 1-10% of total annual operating expenses, representing the potential financial impact that may become vulnerable to physical risks of rising temperatures and global climate change due to an increase in cooling days. Through our latest climate risk assessment using ClimateCheck's Risk Analysis tool, we estimated potential increases in energy usage and the increase in the number of days over 93°F in New York City and over 82°F in San Francisco within the next 25 years for each of our assets. This analysis allows us to plan, prioritize, and bolster our portfolio's resilience against the potential of increasingly warmer temperatures by focusing on upgrading heating, ventilation, and air conditioning (HVAC) systems that are energy-intensive or approaching the end of their useful life. Retrofitting or replacing these systems presents opportunities for increased efficiency, which lowers utility costs that may be needed in the event of rising temperatures. These improvements may include installing variable frequency drives and air handling units or upgrading chillers.

Climate-Related Opportunities and Business Impacts

Cost Savings Opportunity I (CS.OI)

Reducing consumption across energy, water, and waste also presents cost-saving opportunities. Starting with energy, improvements in efficiency could lead to lower operating and utility costs due to reduced energy consumption. As part of our strategy for enhancing energy efficiency throughout our portfolio, we partner with third-party subject matter experts to conduct energy audits and identify energy conservation measures (ECMs) over the short-, medium-, or long-term to optimize building performance. ECMs include system replacements, HVAC upgrades, lighting retrofits, and BMS programming and controls, which contribute to reduced energy consumption that subsequently reduces utility costs for our properties.

To reduce water consumption and manage water access risks, tenant build-outs are required to follow code requirements, such as the installation of low-flow fixtures to reduce water consumption. Existing toilets, urinals, faucets, and showers across the portfolio are also upgraded with low-flow fixtures to further reduce water consumption and utility costs. Additionally, most of our properties have minimal landscaping. For those properties that are landscaped, we rely on smart meters to regulate the amount of water used for irrigation. To further reduce irrigation needs and costs, these landscaped areas use native plants that require less water since they are adapted to the local climate.

To manage waste generation and cost, Elecor implements recycling procedures and conducts waste audits. Every building in the Elecor portfolio has a Solid Waste Management policy implemented intended to prioritize recycling and diversion of waste from the landfill, which reduces our exposure to potential fines that can be issued in both New York City and San Francisco in instances of contaminated waste streams or non-compliant sorting. For certain new development projects, construction waste reduction targets are established on a project-by-project basis. These targets often align with LEED's threshold of 75% diversion of construction and demolition waste from landfill.

Technology Opportunity 1 (T.O1)

One strategy our team explores to lower emissions and energy costs is piloting new technologies. For each property in Elecor's portfolio, we develop 5-year and 10-year capital plans based on the assessment of building equipment conditions to anticipate future capital needs. Our team identifies building equipment that is near the end of its useful life and propose capital projects that would result in energy efficiency improvements. To inform these capital plans, we hire external consultants to conduct ASHRAE Level II Energy Audits to identify energy efficiency opportunities. These capital improvements may increase property value and reduce operating costs through modernization.

Technology Opportunity 2 (T.O2)

Policy incentives and rebates can make it more financially feasible to invest in sustainability and climate resilience throughout our portfolio by lowering initial costs of building improvements or upgrades. For 2025, we received over \$1.5M in incentives related to energy improvements across our portfolio. Taking advantage of opportunities like utility incentive programs shortens the payback period, which helps to encourage the installation of updated building systems over the continued operation of outdated equipment. As building codes and regulations become more stringent, these incentives can also help offset compliance costs to help our properties meet or exceed regulatory standards and tenant expectations.

Technology Opportunity 3 (T.O3)

In addition to our resource and energy efficiency strategies, we strive to be less reliant on fossil fuels and other emissions-intensive sources of energy over the medium- and long-term. To address this opportunity, our team is exploring strategies to advance electrification, which is the process of replacing fossil-fuel-burning equipment with electric equipment. This is intended to lower a building's long-term carbon footprint, assuming that additional renewable resources will be installed and deployed to power the grid. Elecor already purchases renewable power as a cleaner alternative to the grid-generated power provided by local utility companies. Our objective is to match the amount of electricity used by our Core Office Portfolios in both New York City and San Francisco with an equal amount of RECs on an annual basis.

Reputation and Market Opportunity 1 (RM.O1)

Green building certifications, responsible resource management, energy-efficient design, environmental data tracking and transparency, and availability of renewable power can lead to tenant engagement, attraction, and retention. Tenants are increasingly looking to partner with owners that share their values, and we continue to recognize our opportunity to attract and retain tenants that value sustainability. With a core office portfolio that features 100% LEED Platinum or Gold and Fitwel certified assets, and 8 million square feet of ENERGY STAR certified assets, these initiatives help us attract and retain premium tenants and ultimately enhance portfolio value. According to Cushman & Wakefield's publication, "**Green Is Good: Sustainable Office Outperforms in Class A Urban Markets**," LEED-certified buildings have consistently achieved higher rents than non-LEED counterparts, averaging \$4.13 per square foot, or 11.1% higher rent than non-LEED certified buildings.

As part of our efforts to retain tenants through partnership initiatives, we also engage with tenants on energy efficiency initiatives. We are in constant communication with our tenants by sharing best practices and facilitating the adoption of third-party designations, including the ENERGY STAR Tenant Space Recognition. Our team shares environmental performance data to support the reporting needs of our tenants. Additionally, through the development of green lease provisions, we utilize our leases as a tool to improve energy efficiency and create high-performing assets in partnership with our tenants.

Reputation and Market Opportunity 2 (RM.O2)

We also see an opportunity in attracting and retaining employees as a result of our corporate responsibility initiatives. As various stakeholders prefer to work with companies that prioritize environmental and social issues, we anticipate that our reputation for responsible operations will have positive impacts on our overall business and assist us in attracting and retaining employees. Job seekers and employees who wish to be associated with a responsible and forward-thinking company may find Elecor more appealing as a result of our sustainable business practices and alignment with employee values. Additionally, prioritizing social responsibility initiatives can help improve employee well-being and productivity through features such as offering competitive benefits and cultivating an inclusive company culture.

Resiliency Opportunity 1 (R.O1)

As the grid potentially decarbonizes and utilizes more renewable energy, Elecor's carbon footprint would subsequently decrease, resulting in reduced potential for fines from emissions-related regulations. Additionally, we look to pursue electrification and the procurement of renewable energy sources to enhance resiliency.

Climate Resilience

(S2.22.a, S2.22.b, S2.25.a.ii, S2.25.b)

We recognize climate change as a potential risk to our business that requires effective management. Developing proactive strategies and pursuing capital improvements to mitigate and prepare for the potential impacts of climate change on our assets has become increasingly important to our stakeholders and is important to the future sustainability of our operations. In pursuing resiliency strategies, we align with the interests of our stakeholders, which could yield increased access to capital.

To advance a resilient strategy, we perform several climate scenario analyses covering our Core Office Portfolio. To cover a range of possibilities, our collective analyses consider several climate change scenarios, covering time horizons ranging from 2025 to 2100. Climate scenario analyses involve inherent uncertainties including assumptions related to future emissions pathways, policy developments, and physical climate outcomes. We consider these uncertainties in our assessment of climate resilience and will continue to monitor and refine our assumptions, analyses, and disclosures over time.

Our climate-related scenario analyses are also used to strategically identify and capitalize on climate-related opportunities. These results help us to understand the potential changes to our business landscape, which allow us to identify, assess, and prioritize climate-related opportunities. We are committed to refreshing our climate scenario analyses annually and is continuing to use these analyses to inform our resiliency strategy.

ClimateCheck

In 2025, Elecor used ClimateCheck's Risk Assessment tool, which assesses risks related to precipitation, heat, drought, flood, and fire for each asset. The Tool uses a blended, scenario-based approach that draws on the median of the spread across multiple frameworks, including:

- The four Representative Concentration Pathways (RCPs)—2.6, 4.5, 6.0, and 8.5—from The World Climate Research Programme's 5th Coupled Model Intercomparison Project (CMIP5)*
- Shared Socioeconomic Pathways (SSPs)
- The World Energy Outlook (WEO)

FM Global

Elecor hires FM Global, a third-party property insurance company, to conduct on-site risk assessments twice a year and provide quantified assessments of risks and recommendations to enhance the resiliency of our assets. FM Global evaluates the exposure of real estate assets to property loss and business interruption due to extreme precipitation, wind, temperature rise, drought, and sea level rise. As a result of their analysis, FM Global recommended several measures to mitigate risks, such as developing emergency response plans and updating protection structures for roofing, utility transformer vaults, and gas vents. These recommendations revalidated our existing approach to risk management, which involves leveraging contractors, financial resources, and existing employees to implement resiliency measures. In response to their recommendations, we created a formal domestic water leak response plan, installed flow and leak detectors to improve protection against liquid damage, and developed emergency response plans for liquid damage and flooding.

Complementing these site visits, FM Global also produces physical risk reports that are available on their website in real time. This methodology evaluates asset-level exposure to climate-related events including wildfire, freeze, wind, collapse, flood, hail, and lightning, and considers two scenarios—RCP 2.6 and RCP 8.5*. RCP 2.6, the “best-case scenario,” was selected to illustrate climate-related impacts on our assets and business in a low-carbon future that is aligned with the goals of the Paris Agreement. RCP 8.5, the “business as usual” scenario, was used to illustrate the effects of unchecked carbon emissions, in order to identify risks to our assets and business in a future with extreme climate-related physical impacts. These scenarios, as well as the assumptions they use, are described in more detail in the table in the **Appendix**. These reports also distinguish between inherent risk and actionable risk and provide recommendations for initiatives that minimize actionable risk. We continue to use FM Global's assessments to make decisions on upgrading our assets to further enhance our ability to respond to climate-related risks and opportunities.

Climate Central

We use Climate Central's Coastal Risk Screening Tool, an interactive map showing areas threatened by sea level rise and coastal flooding, to assess properties in our Core Office Portfolio exposed to these risks. Through the Tool, we considered two scenarios—RCP 2.6 and RCP 8.5*. The findings of our analysis show that:

- Our properties are likely to remain above sea level through 2100.
- In the absence of mitigating actions, our San Francisco properties have greater exposure to risks related to sea level rise in a RCP 8.5 warming scenario.
- Wind and flood are actionable risks for which mitigation actions are needed.

WRI Aqueduct

We use the World Resources Institute's (WRI) Aqueduct Water Risk Atlas to assess baseline water stress in regions where our assets are located. The Water Risk Atlas considers several scenarios, including RCP 2.6 and RCP 8.5*, as well as SSPs. Our analysis showed that none of the assets in our portfolio are in regions of High or Extremely High baseline water stress.

* Representative Concentration Pathways (RCPs) are scenarios modeling future GHG concentrations and are used by The World Climate Research Programme (WCRP) and Intergovernmental Panel on Climate Change (IPCC) to project climate change impacts. Four commonly used RCPs are described in the table in the **Appendix**, as well as the assumptions typically used in these scenarios, according to a **peer-reviewed paper** from the Climatic Change journal.

RISK MANAGEMENT

Enterprise Risk Management

(S2.25.a, S2.25.c, S2.24)

Elecor's Enterprise Risk Management (ERM) framework is administered by Executive Management and follows two approaches—a bottom-up approach in evaluating risk during the building acquisition phase, and a top-down approach for enterprise-level risk.

Elecor's Executive Management leads an enterprise-level process, which typically takes place every two years, to evaluate the current risk landscape across the operational, financial, and strategic areas of the company. This Enterprise Risk Assessment includes "Environmental & Climate Change" as an operational risk. The process calculates a weighted average score for each risk to determine the top risks. Senior Management evaluates the internal controls that are in place to mitigate each risk and determines the department responsible for oversight.

Process for Identifying, Assessing, Prioritizing, and Monitoring Climate-Related Risks and Opportunities

(S2.25.a.i, S2.25.a.iii, S2.25.a.v, S2.25.a.vi, S2.25.b)

To holistically identify, assess, and manage climate-related risks, having a clear strategy is key. At Elecor, our risk management strategy is integrated throughout our business operations and is supported by several risk-specific management, mitigation, and adaptation measures. Elecor's processes for identification, assessment, prioritization, and monitoring of climate-related risks and opportunities are business-focused and have not meaningfully changed in comparison to the previous reporting period.

Elecor uses a comprehensive checklist to assess environmental risks for potential new investments. This checklist covers seven thematic areas, requesting both qualitative and quantitative data about the borrower and asset. Our goal is to identify opportunities for capital structuring, operational improvements, and asset repositioning, thereby proactively reducing investment risk both before and after acquisition.

To assess regulatory-related risks, we perform GHG emission forecasting across our portfolio to prepare for regulations on emissions and climate-related disclosures. For example, in preparation for California's SB 253 and SB 261, we conducted an analysis to assess any data gaps, and we are working to improve data quality and completeness across our properties.

To assess the acute and chronic climate-related physical risks to Elecor's portfolio, we conduct climate change scenario analyses, using tools/analyses from ClimateCheck, FM Global, WRI Aqueduct, and Climate Central, as described in the **Climate Resilience** section of this report. We use information gathered from these tools/analyses (e.g., engineering site visit results, natural hazard maps, standardized risk assessment scoring, and global climate model data) to assess the nature, likelihood, and magnitude of climate-related risks and opportunities, setting thresholds for actionable risks.

We also conduct assessments to understand where our mechanical systems are located within our buildings to address flood risk specifically. We found that mechanical systems across our assets are generally in areas not located in basements or on lower floors, so they are more resilient to flood events.

Cadence for Identifying, Assessing, and Managing Climate-Related Risks

Annually

- Analyze asset level exposure to physical climate hazards through climate scenario analysis
- Review capital plans, where projects are reevaluated for implementation and can be expedited or deferred

Semiannually

- Conduct building evaluations through third-party physical risk assessments

Quarterly

- Acquire price forecasting from vendors
- Receive third-party physical risk assessments

Monthly

- Evaluate building sustainability performance with Executive Management

Ongoing

- Identify proximity to flood zones during underwriting
- Update analyses on emerging transition risks, including legislative developments
- Monitor energy prices and procurement options
- Initiate stakeholder engagement
- Re-evaluate risk to natural disasters and climate change
- Work with external consultants to improve our properties through retro-commissioning and ASHRAE Level II Energy Audits

In addition to climate risk identification, Elecor also identifies climate-related opportunities for resource efficiency, technology, resiliency investments, and reputational enhancements. Elecor continuously tracks and reviews progress on these climate-related opportunities using key performance indicators and stakeholder feedback. Prioritization of identified climate-related risks and opportunities involves developing criteria based on factors such as financial performance, payback periods, and alignment with strategic goals.

METRICS AND TARGETS

Climate-Related Metrics

(S2.29.a.i, S2.29.a.iv, S2.29.a.v, S2.32)

GHG Emissions (Gross)	2025 (MtCO ₂ e)
Scope 1 GHG emissions	4,342.41
Scope 2 GHG emissions (location-based)	54,448.07
Scope 2 GHG emissions (market-based)	18,759.81
Total Scope 1 and Scope 2 GHG emissions (location-based)	58,790.48
Total Scope 1 and Scope 2 GHG emissions (market-based)	23,102.22

*Note: Reported metrics cover Elecor’s Core Office Portfolio and are measured in metric tons of carbon dioxide equivalent.

Additional industry-based metrics beyond those included in this report can be found in Elecor’s 2025 GRI Content Index, available on our website.

Measurement of GHG Emissions

(S2.29.a.ii, S2.29.a.iii, S2.29.a.v, S2.29.a.vi, S2.36.)

Our energy consumption data was collected by gathering aggregate utility data from Consolidated Edison, Pacific Gas and Electric Company, and Elecor’s Property Management teams. The data was then converted into carbon emissions using global warming potentials published by the GHG Protocol and EPA eGRID subregion emissions factors (NYCW subregion for NY properties and CAMX subregion for CA properties). We use the quantification methodologies of the GHG Protocol because it is the best-practice approach and the most widely recognized method for GHG accounting. We also use region-specific emissions factors, rather than global emissions factors, for the most accurate and specific accounting possible. Our emissions data is assured by a third party using methodologies outlined in ISO 14064-3.

Elecor leverages the ENERGY STAR Portfolio Manager platform to measure emissions data across 100% of Elecor’s Core Office Portfolio. Reports downloaded from Portfolio Manager both verify and track Elecor’s progress towards corporate-wide reduction targets, including Elecor’s interim and net zero emissions targets; however, there is no assurance that these goals can be achieved on the timeline indicated or at all.

In our GHG inventory, Scope 1 emissions, or direct emissions, are generated by the on-site combustion of fossil fuels used for heating, hot water, and standby generators.

Scope 2 emissions, or indirect emissions, are generated by the off-site generation of steam and electricity supplied by local utilities. Elecor purchases renewable power to reduce the Scope 2 emissions that cannot be mitigated by efficiency improvements alone. Our objective is to match the amount of electricity used by our Core Office Portfolios in both New York City and San Francisco with an equal amount of RECs. Elecor does not purchase carbon offsets or credits.

Scope 3 emissions are indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions. While this report is prepared in alignment with IFRS S2, we continue to refine our reporting of Scope 3 GHG emissions. In our last assessment, nine Scope 3 categories were identified as potentially relevant to our business; however, we determined that comprehensive, high-quality data for these categories is not currently available without undue cost or effort, as defined within the IFRS S1 and S2 frameworks. Consequently, we are prioritizing the establishment of internal data controls to ensure future disclosures are accurate, aligning with the compliance timelines of emerging jurisdictional requirements such as California SB 253. The relevant categories are as follows:

- Category 1 – Purchased Goods and Services
- Category 2 – Capital Goods
- Category 3 – Fuel- and Energy-Related Activities
- Category 4 – Upstream Transportation and Distribution
- Category 5 – Waste Generated in Business Operations
- Category 6 – Business Travel
- Category 7 – Employee Commuting
- Category 11 – Use of Sold Products
- Category 15 – Investments

Carbon Tax

(S2.29.f)

New York City's Local Law 97 sets limits on Scope 1 and 2 GHG emissions for large buildings starting in 2024 with the ultimate goal to reduce emissions by 80% below 2005 levels by 2050. The law requires building owners to report their emissions data to the city, which will be used to track progress and ensure compliance. Building owners who do not comply with the law may face fines, which increase over time. There are GHG emission caps for each building that are determined by multiplying the occupancy group space use types (determined by ENERGY STAR) by the square footage of each building. This process is repeated for each building type represented within the gross floor area. For each reporting year, the limits will be compared against the actual GHG emissions of the prior year and a fine of \$268.00 will be assessed for each metric ton of CO₂e over the limit.

For our New York City assets, we apply the carbon tax of \$268.00 USD per metric ton of CO₂e to our operational and capital decisions. For our internal analysis, the carbon tax is applied to two scenarios—one where the grid stays the same ("business as usual") and the other where New York State achieves a 70% renewable grid by 2030 ("best case scenario"). We also assume static consumption from the reporting year. The price of carbon remains static as well since it is static in the law.

Our team recalculates the potential financial impacts of this law using the carbon tax when we have updated consumption data. We monitor our buildings to evaluate how they will perform compared to the allotted carbon allowance, and for those buildings that are projected to exceed the allowance, we look at operational and capital improvements that can be implemented to reduce emissions. We also work with third-party engineering firms to develop decarbonization plans that identify further reduction opportunities. Our ultimate objective is to minimize the potential fines from this regulation.

Climate-Related Remuneration

(S2.29.g)

We incorporate pay incentives into our compensation structure for the management of climate-related issues. During annual performance reviews of Elecor's SVP of Energy and Sustainability, Engineering, and Property Management teams, sustainability accomplishments are considered.

Climate-Related Targets

(S2.33, S2.34, S2.35, S2.36.a, S2.36.b, S2.36.c, S2.36.d)

Well-defined targets determine a clear roadmap for Elecor's environmental efforts, ensuring our team is unified in our goals and works towards achieving them with focus. Our environmental targets, set in 2018, specify reductions for energy, emissions, water, and waste to be achieved by 2025. We include GHG associated with electric, steam, natural gas, and fuel oil consumption in our emissions target.

Our climate-related targets cover our Core Office Portfolio (see the **Reporting Boundary** section of this report). Our climate-related targets were set with consideration to the outcomes of the Paris Agreement and used a 2015 base year. Both are gross GHG emissions targets, as Elecor does not deduct emissions from initiatives such as renewable energy credit (REC) purchases. The GHG covered in our targets include carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). Neither of our climate-related targets were derived using a sectoral decarbonization approach nor validated by a third party.

Net Zero Target

To advance our decarbonization strategy, we have committed to align our portfolio with the ULI Net Zero Carbon Operations by 2050 Goal. This is a pledge to achieve absolute net zero by 2050 for Scope 1 and Scope 2 emissions; however, there is no assurance that this goal can be achieved on the timeline indicated or at all. This target does not include Scope 3 emissions, since these indirect emissions are largely outside of Elecor's operational control.

Interim GHG Emissions Reduction Targets

To advance our ambitious net zero goal, we have also set interim emission reduction targets to drive action within a timeframe that is aligned with corporate planning and investment cycles. We set a target for an absolute reduction of Scope 1 and Scope 2 GHG emissions by 35% by 2025 from a 2015 baseline. Moving forward, we intend to set new targets based on our progress to date and reflect any changes stemming from the company's acquisition by Rithm Capital in December 2025.

Progress Against Targets

We track our progress against energy and emissions targets at the organizational level. We report performance compared to these targets at the asset level to Elecor's Executive Management at least annually, as part of the approval process for our annual Corporate Responsibility Report. As part of this annual process, Executive Management also reassesses targets based on performance.

Elecor's 2025 energy consumption was 206,913 MWh, representing a 24% reduction compared to a 2015 baseline of 271,153 MWh. Our 2025 location-based emissions were 58,790 metric tons of carbon dioxide equivalent (MtCO₂e), representing a 14% reduction compared to a 2015 baseline of 67,971 MtCO₂e.

APPENDIX

(S2.22.b)

Pathway	Scenario Description	Assumptions
RCP 2.6	“Best-case” scenario: Low-carbon future aligned with the goals of the Paris Agreement	• Consistent global climate policy development with international cooperation • Decline in population • High income growth • Increased land use for carbon capture and renewable energy production • Rapid transition from non-renewable to renewable energy sources • Substantive low-carbon and negative emission technological innovations
RCP 4.5	“Middle-of-the-road” scenario: Emissions peak in 2040 then are moderately reduced through some proactive action, but do not achieve the goals of the Paris Agreement	• Moderate emissions mitigation policies • Moderate population growth • Uneven regional economic development • Increased carbon sequestration through reforestation • Reduction in agricultural land usage due to efficiencies • Gradual emissions reductions through moderate transition to nonrenewable energy • Average technological developments.
RCP 6.0	“Intermediate emissions” scenario: Emissions peak in 2080 then are moderately reduced through some action, but do not achieve the goals of the Paris Agreement	• Moderate emissions mitigation policies • Steady increase of population • Moderate economic growth • Moderate carbon sequestration through reforestation • Moderate reduction in agricultural land use • Slow adoption of renewable energy with continued reliance on oil in the near-term • Substantial technological developments after 2080
RCP 8.5	“Business as usual” scenario: Unchecked carbon emissions	• No future policies requiring GHG emissions reductions • Slow income growth • High population growth • High rates of deforestation and agricultural land use • Drastic increase in the use of nonrenewable energy sources • Slow technological development