

2020-21 ESG

ANNUAL REPORT

IMC



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About This Report

This report was prepared by the LMC ESG Committee with support from Verdani Partners. Our disclosure references the Global Reporting Initiative’s GRI 2016 Standards. The content of this report aims to share ESG and sustainability-related information that is material to LMC’s stakeholder groups including Associates, residents, capital partners, trade partners, and surrounding communities. Performance data and sustainability initiatives included in this report are representative of the LMC portfolio. The quantitative environmental performance data referenced in this report reflects the 2020 calendar year. As appropriate, significant developments occurring in early 2021 may be referenced and will be more fully developed in subsequent reports.

Letter from the President

“With a culture that values the environment, empowers social equity, and strives for transparency, we are confident that a promising future awaits us.



2020 was a year of tremendous change and challenge as we collectively navigated a worldwide pandemic, natural disasters, and social unrest. With the support of all LMC Associates, we persevered and continued to develop and effectively manage at a high-level across our entire portfolio.

We remained resilient thanks to our dedicated onsite teams in both our construction and property management divisions. Guided by our mission of always do the right thing for the right reason, we have maintained a culture of integrity and responsible business practices.

To that end, last year saw a continued investment in the sustainability of our company by establishing a more structured environmental, social, and governance (ESG) program. This investment of time and resources reflects our commitment to conducting business in a responsible way.

This program was designed through strategic collaboration from our executive leadership and trusted partnerships, and we are excited to share the formalization of our ESG program and highlight our goals, targets, and initiatives as we continue our commitment to excellence. We believe that advancing ESG principles is the right thing to do, and our belief is backed by the increasing support from our partners and stakeholders to establish official policies and reporting.

We are committed to ESG and we will strengthen our environmental efforts by proactively monitoring our company performance with a focus on the natural habitat. We will also deepen our commitment to the social aspects of our company by further curating our relationships with our Associates, suppliers, residents, and the communities where we operate. Finally, we will ensure stronger governance practices by reviewing our leadership, executive pay, audits, internal controls, and shareholder rights. We will also continue to report to the GRESB Real Estate Assessment, as we did in 2019 and 2020.

As you read through LMC’s ESG Report, I hope you recognize the solid sustainability progress we have made. We look forward to continued collaboration and innovation, and with a culture that values the environment, empowers social equity, and strives for transparency, we are confident that a promising future awaits us.

Thank you for your ongoing partnership.

Sincerely,
Todd Farrell, LMC President



LMC took swift and immediate action to protect the health and safety of Associates and residents nationwide

At the onset of the COVID-19 pandemic, LMC protected Associates and residents nationwide by implementing policies and procedures across the company’s various lines of business.

Corporate & LMC Associates

LMC leaders participated on Lennar’s Executive Leadership Response Team, Critical Incident Response Team, and HR Leadership Response Team to oversee our pandemic response. This included strategies designed to protect our Associates, support our residents, ensure safe work environments, and deliver timely communications. We developed an Epidemic/Pandemic Preparedness Internal Communication Plan and regularly shared information with our Associates about the CDC’s guidelines and Lennar’s 10 Point Plan to a Safer Work Environment. We encouraged adherence to social distancing policies and created flexible attendance policies, in addition to daily wellness assessments for Associates.

Property Operations

To facilitate safe property operations, LMC implemented protocols for health and safety in accordance with CDC recommendations, OSHA requirements and industry best practices. Our innovative “Red/White/Blue” staffing strategy allowed for one management and one maintenance associate to physically work on site each day while always maintaining appropriate social distancing. LMC also rolled out enhanced cleaning measures as part of a national sanitation program that included electrostatic sprayers and new protocols for deep cleaning of facilities.

At the onset of the pandemic, community offices and amenity spaces at our properties were closed to analyze the immediate risks and keep staff and residents safe. LMC was able to leverage in-place technology successfully to maximize the effectiveness of virtual activities such as online leasing tours and customer service activities. As the situation evolved, leasing offices reopened in accordance with local regulations and CDC guidelines.

Managing resident satisfaction was a primary priority for LMC as many residents worked from home and experienced quarantine fatigue. Resident communication was enhanced to engage residents, resulting in lease-renewal rates similar to pre-COVID levels. We also worked collaboratively with residents to develop plans for those who were financially impacted by the pandemic. Lastly, we structured a Rental Assistance and Deferral Plan for residents experiencing substantiated employment hardships and maintained a detailed Rent Relief Tracker.

Construction

Throughout the pandemic, we monitored potential construction risks in our markets across the country, such as disruptions to our construction supply chains. We closely tracked municipal classifications for “essential or non-essential” work that would impact LMC properties under construction, as well as closures of municipal building offices that regulate permits and inspections. In addition, we tracked potential reduction of manpower due to viral contraction, stay-at-home orders, or social distancing of workers that could slow the pace of construction.

In addition, to ensure an entire construction site would not be impacted in the event of an outbreak, we split corporate staff and implemented a strict safety regimen, with distribution of personal protective equipment (PPE) to ensure the health and safety of staff and trade workers. Our on-site protocols included washing stations, cleaning regimens, social distancing, and COVID screenings.

Retail

Early in the pandemic, LMC collaborated with all retail tenants and maintained constant communication to support them through periods of closure. We structured tenant rent abatement and deferrals as needed and prepared restructured payment terms to prepare them for reopening for business and ongoing operations. As a result, we did not lose a single tenant and achieved higher leasing volumes than any other year, with the amount of retail square feet under LOI up over 185% from 2020 to 2021.

Capital Partners

During the economic uncertainty in the midst of the pandemic, LMC made concerted efforts to communicate swiftly and with full transparency with all our capital partners. We maintained constant contact with our lenders and equity partners, while our legal teams worked carefully to preserve our rights under joint venture and loan agreements as the capital market fluctuated throughout 2020.



INTRODUCTION

Company Profile & Map

LMC Company Highlights

\$9B+ Assets Under Management

Top 10 Multifamily Developer Ranking by the National Multi-Family Housing Council, Past 7 Years

65+ Apartment Communities Nationwide Operating or Under Construction, Representing \$7.8B in Total Development Costs

\$7B+ Approximate Development Costs of Potential Developments in our Pipeline for Future Growth

700+ Associates

20 Offices

20-State Presence

~30K Homes Started Since Inception

LMC is a wholly owned subsidiary of Lennar Corporation (NYSE: LEN and LEN.B) that was launched in 2011 as an independent, stand-alone company. LMC has quickly become one of the nation’s most active multifamily real estate developers. As a development and operating company, we build innovative, quality high-rise, mid-rise, and garden apartment communities across the U.S.

We are a fully integrated platform that creates extraordinary living spaces by seamlessly collaborating across all LMC divisions:

- + Development
- + Construction
- + Property Management
- + Investments

Our parent company Lennar, founded in 1954, is the largest homebuilder in the United States. It builds affordable, move-up, and active adult homes primarily under the Lennar brand name and has been a public company listed on the New York Stock Exchange (NYSE) for 49 years.

Assets Under Management

LMC manages for a diverse set of institutional investors including pension funds, sovereign wealth funds, insurance companies, private equity companies, large commercial banks, and high-net-worth individuals. Our Firm’s institutional investors are both national (U.S.) and international companies. As of December 31, 2020, LMC had over \$9.0 billion of gross assets under management (AUM).



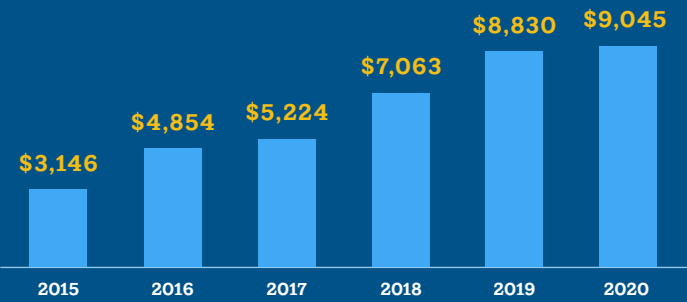
Since Inception



● Office Location ● Non-Office Location

34 Sold	21 Under Construction
45 Operating	62 Predevelopment

as of Q3 2021



Historical AUM (\$M)

As we developed our formal ESG program, LMC collaborated within our organization across departments to select the language that best represents our vision of a sustainable future.

Mission

We believe in creating collaborative, sustainable communities. Together.

Vision

We create a new spirit of living by crafting original, unique, and sustainable communities for great American neighborhoods around the country.

Guiding Principles



Environmental

We believe in building better. We shape great neighborhoods with healthy buildings that care for the environment by preserving natural resources and engaging green technology.



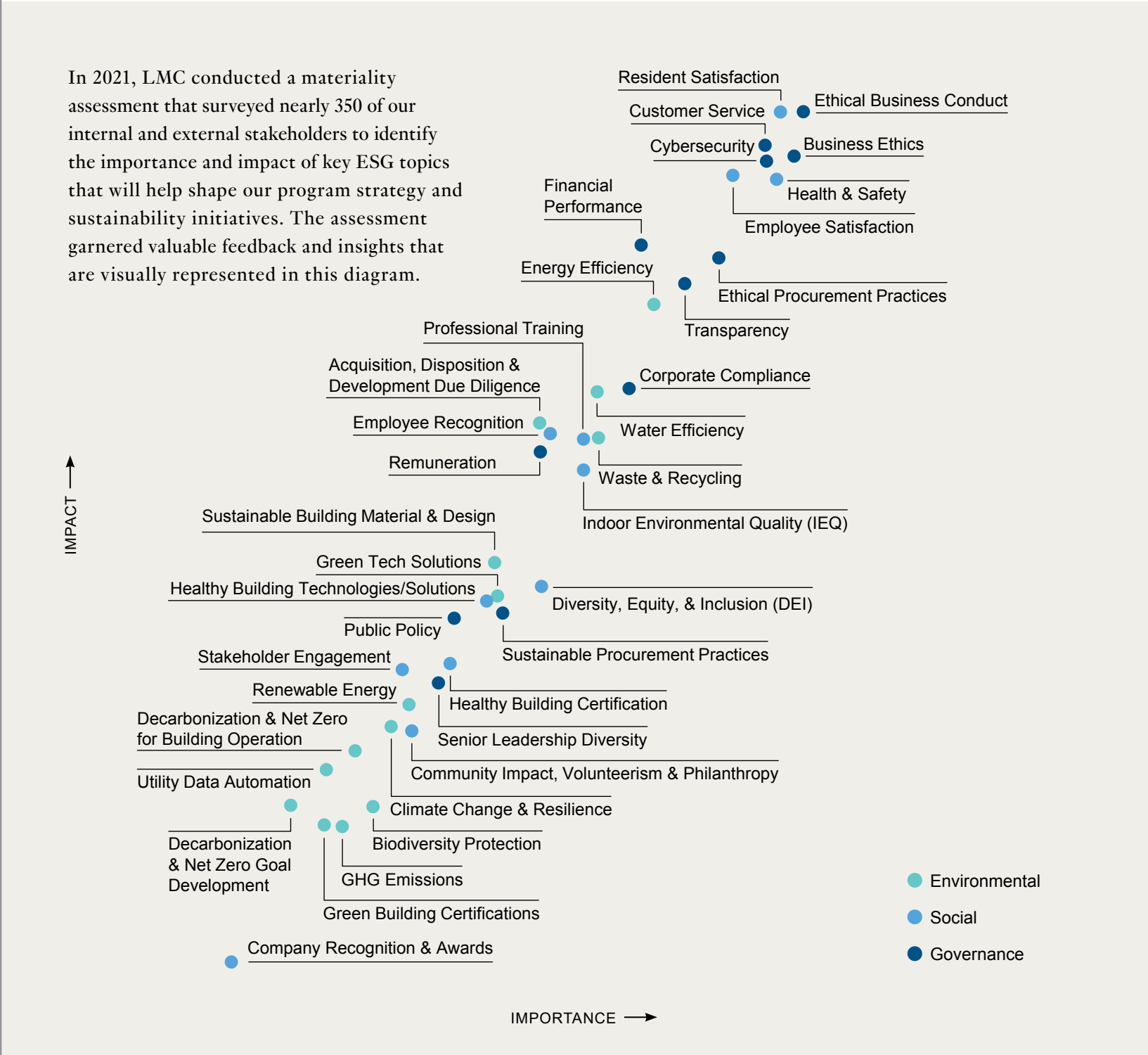
Social

We shape great American neighborhoods by caring for the people that live, work, and play in our communities. We are passionate about our resident and Associate satisfaction and health and safety.



Governance

We are guided by prudent, responsible, and ethical business practices that are integral to delivering outstanding results to the people and communities we serve.



Stakeholder Engagement

Engaging with our key stakeholders is an essential component of LMC’s ESG program. Our stakeholders include people and organizations that are part of our value or supply chain and are influenced by our activities.

LMC Stakeholders

- + Associates
- + Residents
- + Capital Partners
- + Trade Partners
- + Surrounding Community



Collaboration Protocol

To help LMC maximize our performance and build cohesion, our Development and Construction Committee created a Collaboration Protocol. It was designed to facilitate synergies between departments, promote transparency and consistency, and guide the development of LMC communities from inception through construction, lease-up, and disposition or long-term ownership.

Following an engagement process to collect information from Associates via a series of surveys, we summarized information about what processes and tools our teams needed most to work at the highest levels. The results — valuable perspectives from representatives across each discipline and geographic region of the company — culminated in a simple, single-page flow chart with links to specific departmental information. LMC processes and best practices are clearly defined, ensuring effective communication and efficient business operations.

The Collaboration Protocol proved its worth during the challenges faced in 2020 as a result of the pandemic and has also helped us to achieve some major objectives such as streamlining IT workflow and reducing unnecessary expenses. This is one example of our commitment to transparency that helps us to become an even more cohesive, united company.

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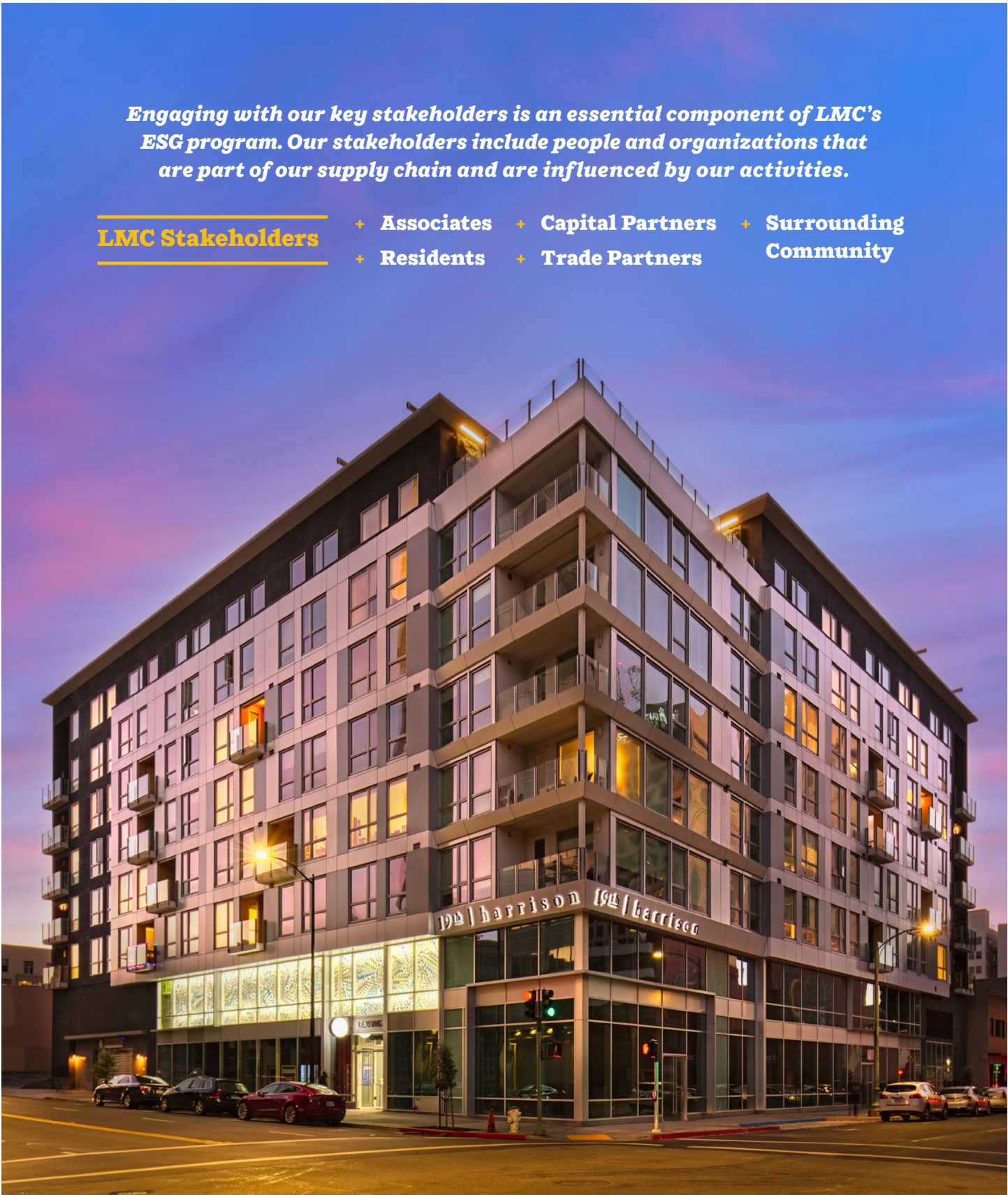
- LMC Stakeholders
- + Associates

+ Capital Partners

+ Surrounding Community

+ Residents

+ Trade Partners



Awards & Recognition

LMC is the proud recipient of numerous industry awards for our company and communities around the nation.

Associate Awards

LMC’s internal awards program publicly highlights Associates — from the C-Suite level through Asset Managers, and Construction Managers — for their award-winning ESG-related initiatives and efforts. In 2020, we hosted the first-ever virtual LMC Living Awards Ceremony for our Associates across 19 categories to honor their contributions to our growing company.



2020 Corporate & Community Awards

National Multifamily Housing Council Top 50: 4th Largest Developer and 12th Largest Builder, 2020; Golden Nugget Award: Oceanaire; Telly Bronze Winning Video: Neighborhoodies; WMFHA Emerald Awards Community of the Year 2020: Twenty20 Mad; J Turner Top Properties by Online Reputation 2020: Radiant; San Francisco Business Journal’s 2019 Real Estate Deals of the Year: 17th & Broadway.

ESG Awards

Environmental San Diego Alonso Award for Sustainable Business Practice: Luma; Minnesota Brownfields Environmental Impact Award: Nordhaus.

Social Ellis Best in Class Award for Outstanding Customer Experience 2017: Onyx; 2020 J Turner ORA Elite Communities: Palmera, Marlowe, The Whitney, Denizen, The 23 & Lumen; 2020 MFE Top Colorado Property: Radiant.

Social, Governance Charlotte Business Journal Best Places to Work: 2019; Best Places to Work in Multifamily: 2019, 2018, 2017; AIM Video Awards Best Training or Company Culture Video, Runner Up: "LMC Collaboration Protocol".

“Our careers are trusted with her guidance; our hearts are better for knowing her.”



JoAnn Blaylock earned the GlobeSt.com recognition as one of the Best Bosses of 2020 for instilling confidence in her team during uncertain times.

She plays a key role in LMC’s rapid growth while remaining focused on our unique company culture. She has grown her group from three to three hundred Associates in her role as President of LMC Living.

JoAnn is both decisive and fearless as a leader and also cultivates a supportive team environment that empowers her team members and encourages collaboration among teams and divisions.

We are very proud of her for this prestigious recognition and look forward to seeing her team grow.



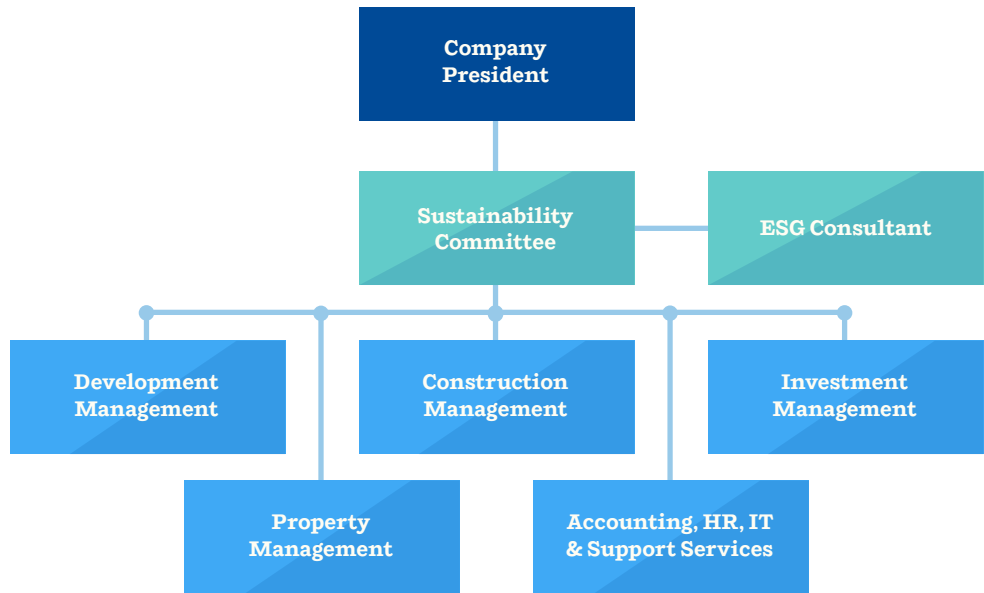
GOVERNANCE

Responsible business practices are an essential aspect of LMC and form the foundation for lasting relationships with our Associates, investors, and residents nationwide. Our robust collaborative processes help us to operate effectively, while providing our partners with the utmost transparency and respect.

Governance Structure

Leadership Structure

LMC is a vertically integrated multifamily real estate company that operates through a collaborative process among Development, Construction, Property Management, Investments, and Support disciplines that include Accounting, Risk Management, Human Resources, Legal, and Tax. Sustainability initiatives are managed at a divisional level across our verticals, with responsibility rolling up to executive level oversight.



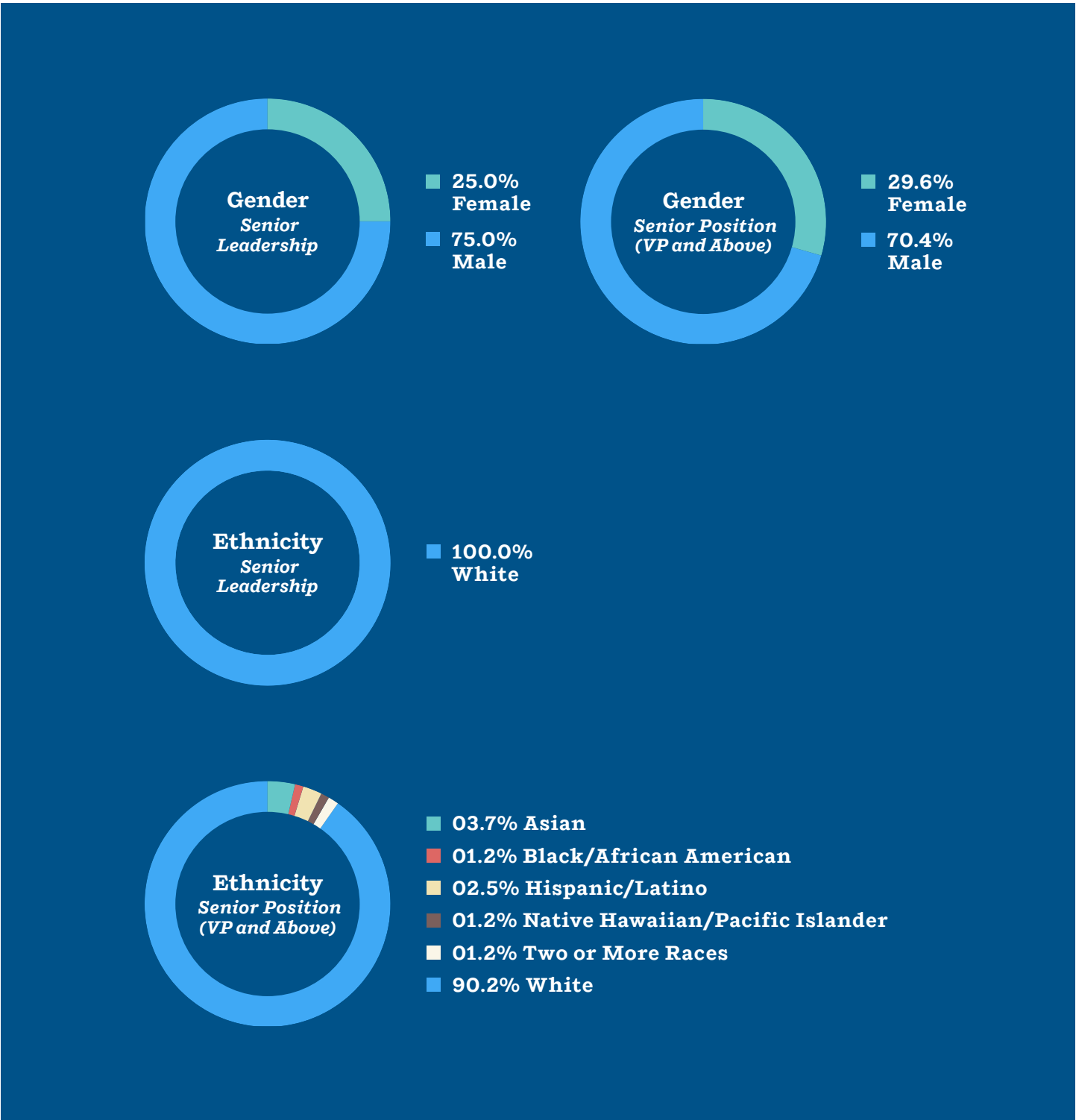
LMC Sustainability Committee

In 2019, we formed the LMC Sustainability Committee to evaluate and refine our efforts in building sustainable and energy-efficient communities. The committee meets regularly and analyzes our standards and procedures from the predevelopment stages through the construction and operating stage of our developments. The committee is also in charge of our annual green energy audits.

The composition of the board is as follows:

Todd Farrell President of LMC; **JR Plyler** Investments, Sr. Managing Director; **Greg Belew** Development, Division President (New York); **Peter Chmielewski** LEED AP, Development, City President (Chicago); **Alicia Scott** Design, Senior Vice President (East Coast); **Will Cannon** Development, Development Manager; **Johnny Yates** Construction, Vice President of PreCon; **Paul Berry** Construction, Safety & Environment Director; **Mike Corona** Construction, Managing Director Preconstruction; **Joni Sappington** Systems, Director of Utility Management Solutions; **Beth Tuttle** Property Management, Senior Vice President Marketing; **Lauren Kyle** Property Management, Brand Manager; **Priscila Garcia** HR, Talent Acquisition Manager; **Alice Ford** HR, Manager.

Executive Management Diversity



Ethical business practices are a part of who we are and are fundamental to building lasting relationships with our Associates, residents, and capital partners worldwide. From managing risk to ensuring the utmost transparency, LMC is dedicated to safeguarding the trust of all our stakeholders through engagement, communication, and responsiveness.

Code of Business Ethics and Conduct

LMC operates in accordance with our parent company’s Code of Business Ethics and Conduct. This guide ensures that all Associates maintain the highest level of integrity in their dealings on behalf of the company and with all stakeholders with whom we do business. It represents our shared commitment to conduct our business with respect, pride, passion, and professionalism.

The Code of Business Ethics and Conduct details the principles all Associates must uphold for honest, accountable, and ethical behavior and practices:

- + Seek guidance and report concerns.
- + Do business honestly and fairly.
- + Promote respect, safety, and legal compliance in the workplace.
- + Obey the law.
- + Satisfy our responsibilities to shareholders.

LMC also leverages Lennar’s internal compliance and legal department for independent oversight of legal and regulatory matters.

Transparency

LMC is dedicated to transparency across all our partnerships. Our teams nationwide have a shared commitment to conduct our business with the highest degree of integrity.



Risk Management

We manage risks across all spectrums of our business (tax, regulatory, counterparty, credit, etc.) through our various business verticals. LMC has an internal Risk Management team who manages various insurance policies and requirements. We leverage internal and external counsel on all endeavors to mitigate risk across the platform.

Annual Audits

Our independent auditor, Deloitte, conducts annual audits across the entire LMC platform. In 2020, our two fund audits represented seven months of work — over 4,700 hours across separate audits — using both GAAP and IFRS standards. As a representation of the meticulousness of our internal reporting and accounting capabilities, zero adjustments were recorded against us.

Security & Continuity

LMC utilizes both in-house and Lennar information technology (IT) and security professionals to mitigate outside cyber threats. Together our IT team and the Security Risk Management Policy empower us to identify, measure, mitigate, and communicate security risks for our organization. We also manage, test, and continually improve our internal systems on an ongoing basis to ensure the highest standard of cyber security.

Due Diligence

LMC's due diligence and overall investment process is robust in nature, and ensure best practices and close collaboration across company divisions. We take pride in continually enhancing our process to incorporate lessons learned. Our Collaboration Protocol is the internal process for due diligence, execution, and monitoring.

Information Security & Data Privacy

Information security and data privacy are top priorities for LMC. Within a rapidly evolving technology landscape, LMC is committed to be a leader in our industry by implementing best practices in our approach to identifying, preventing, detecting, and responding to security incidents.

LMC has taken strategic steps to ensure that our information security program is designed to protect our information assets and data privacy. We have appointed a Vice President of Information, Security Risk & Compliance to establish a Governance Board and the LMC Information Security Office. The Governance Board is charged with guiding the organization’s security posture and fostering LMC’s security culture, including review and approval of all security policies. The Information Security Office is responsible for implementation of policies and practices, while the VP of Information Security Risk & Compliance leads the development and implementation of LMC's security strategy.

The security strategy establishes a scalable, risk-based approach to addressing LMC’s external threat landscape and maintaining a strong security posture. It also ensures that policies and standards set forth align with industry-accepted best practices and are in compliance with regulatory mandates.

Our Information Security and Data Privacy Programs consist of the following:

- + Business Continuity
- + Incident Response
- + Network, Application, Endpoint, & Data Security
- + Security Awareness Training & Testing
- + Security Monitoring & Visibility
- + Security Risk & Compliance Management
- + Threat & Vulnerability Management
- + Third-Party Risk Management





ENVIRONMENT

At LMC, we prioritize responsible natural resource use. We comply with regional requirements in addition to incorporating environmentally friendly and energy efficient features into all our communities. Many of our communities have water conservation measures in place as well as solar power installations. Our environmental approach provides efficiency balanced with an acceptable return on investment.

Environmental Risk Management

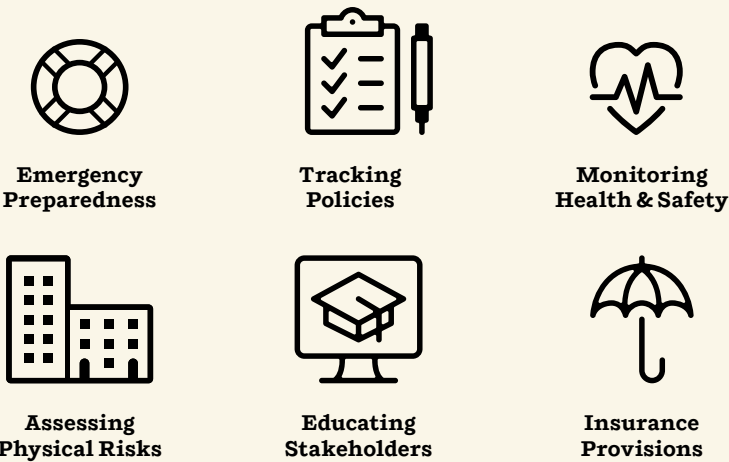
Risk Management

LMC’s environmental risk management program is aimed at minimizing risk to our properties and ensuring the health and safety of our residents, Associates, and communities as we work across all our business verticals. We minimize risk through educating stakeholders on emergency preparedness, tracking policies affecting our business, monitoring health and safety incidents, assessing physical risks at our properties, understanding and educating stakeholders on insurance provisions, and other activities. Our program is supported by our internal Risk Management team as well as internal and external counsel to mitigate risk across our company.

EMS & Safety Protocol

LMC works diligently to serve as a “Good Steward of the Environment.” We have incorporated a proprietary Environmental Management System (EMS) into all our properties that helps us to educate, promote, monitor, and report on each development from the conceptual project level through construction, post completion, and management of each asset. Our LMC EMS sets the processes and standards for maintaining environmental quality, fully performing environmental due diligence, and incorporating site environmental aspects into each development.

LMC's Environment Risk Management Program



Climate & Resilience

An important aspect of our environmental risk management program is addressing climate risk and resilience, thus boosting our capacity to prepare for disruptions and recover from shocks and stressors. We inventory our portfolios to identify critical vulnerabilities and assess physical and transition risks.

Physical Risk

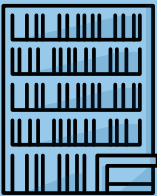
For standing investments, the LMC risk management team conducts portfolio-wide climate-related risk assessments that analyze physical risk factors of climate change such as sea level rise, flooding, hurricanes and severe storms, water risk, and drought risk. The team also tracks the financial impact of extreme weather events through property insurance claims filed and financial impacts incurred due to incidents at our owned properties. In addition, during the due diligence process for new acquisitions and the pre-design phase for new developments, the LMC risk management team assesses properties’ exposure to those physical climate risks.

Transition Risk

The LMC ESG team also conducts portfolio-wide climate-related risk assessments for its standing investments that analyze transition risk factors such as green building certifications and energy benchmarking laws. We determine which risks are material by assessing the percentage of the portfolio exposed to each risk. The LMC ESG team maintains a database of local and state building benchmarking requirements and tracks which properties may need to comply with these regulations each year. We also assess market cycles to

monitor energy cost volatility as well as reputational risks associated with investor demands for sustainability.

Resilience: Flood Mitigation



LMC's property The Lively is located in a flood-prone area close to the Hudson River in Jersey City, New Jersey. Because the building is at one of the lowest elevations in a neighborhood that has experienced flash flooding in recent years, LMC took preventative steps to protect The Lively.

The Cupolex® flood-prevention system was permanently installed to serve as a storm-water detention and infiltration basin system that surrounds the entire perimeter of the site, keeping sidewalks dry while capturing excess rainwater. In addition, the AquaFence® deployable flood-wall barrier system is located onsite for use if necessary to protect the building with a physical barrier during flooding events.

Although deploying the AquaFence has not yet been necessary, the Cupolex system has already protected the property during several storms that produced heavy rain and flooding throughout the city. Thanks to the Cupolex system, the water level has not risen above the sidewalks. The system continues to safeguard pedestrians and residents while protecting The Lively’s interior spaces from floodwater damage.

Sustainable Operations & Initiatives

Resource Savings Spotlight

In 2020, LMC went paperless for our lease agreements, including leases for new move-ins, transfers, and renewals. With a total of 14,245 leases signed with an average of 71 pages per lease, LMC was able to save an estimated 1,017,093 pieces of paper, equivalent to 50-100 trees.

Additional Savings from Paperless Lease Agreements

130 million BTUs

energy saved, equivalent to 29,843 pounds of coal burned

91,400 pounds

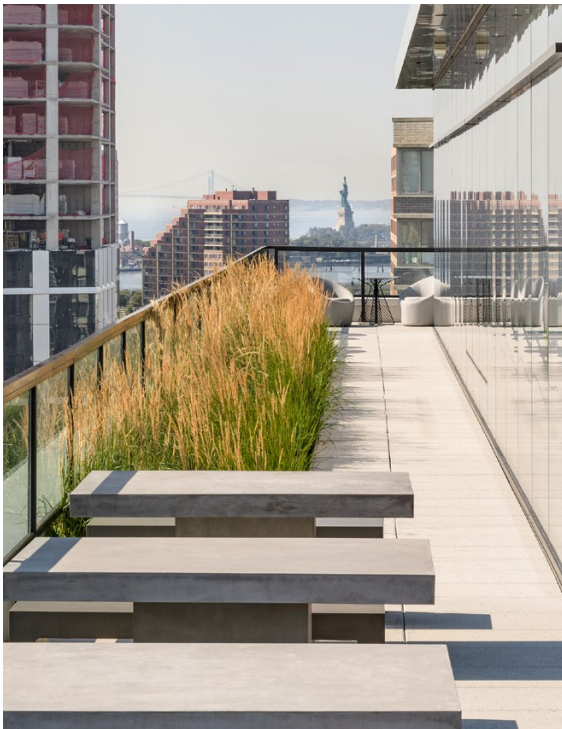
CO₂ emissions avoided, equivalent to 104,193 miles driven by an average passenger vehicle

5,990 pounds

solid waste avoided, equivalent to waste produced by 2,550 average Americans for one year

158,697,662 gallons

water saved, equivalent to water to fill almost 240 Olympic-sized swimming pools



At LMC, we proudly incorporate many environmentally friendly and efficient features into all our communities. Starting at the concept phase, our approach is to build with the environment in mind.

Energy-Efficient Buildings

We comply with the requirements of the International Energy Conservation Code (IECC) but when required, we also comply with additional codes and certification standards such as CalGreen and LEED. Many regions in which our properties are located have incorporated additional levels of energy conservation, while California enacted Title 24 with much stricter regulations including the addition of solar power in some local jurisdictions.

Environmentally Friendly Products Used in LMC Properties

Air Filtration On average, we use MERV 8 rated air filters or greater, depending on mechanical specification.

Appliances 100% of our homes have at least one ENERGY STAR® appliance installed including kitchen, laundry, water heaters, and HVAC systems.

Carpet Pads 100% of carpeted homes use a carpet pad containing recycled content.

EV Charging Stations Many of our properties have installed Electrical Vehicle (EV) charging stations to support access for residents with electric cars.

Entry Doors Most of our doors are ENERGY STAR qualified.

Faucets All of our kitchen and bathroom faucets are WaterSense® certified.

HVAC The majority of homes have a “balanced system” with high efficiency performance and a minimum SEER (Seasonal Energy Efficiency Rating) of 14 for air conditioning.

Insulation All of our insulation is formaldehyde free; blown cellulose is made almost exclusively from recycled materials and meets or exceeds energy codes.

LED Lighting 100% of LMC homes contain energy-saving LED lights.

Light Drywall 25% lighter-than-standard drywall is used in nearly all our homes — it has less of an environmental impact to ship and uses less material as compared to standard drywall.

Low-E Windows Used in 100% of LMC homes, these windows help keep homes warmer in the winter and cooler in the summer, reducing energy use and the associated costs.

Low-VOC Paint 100% of our homes use paints with low levels of volatile organic compounds (VOCs), which create less air pollution than traditional paints and are less likely to trigger problems like asthma, headaches, and nausea.

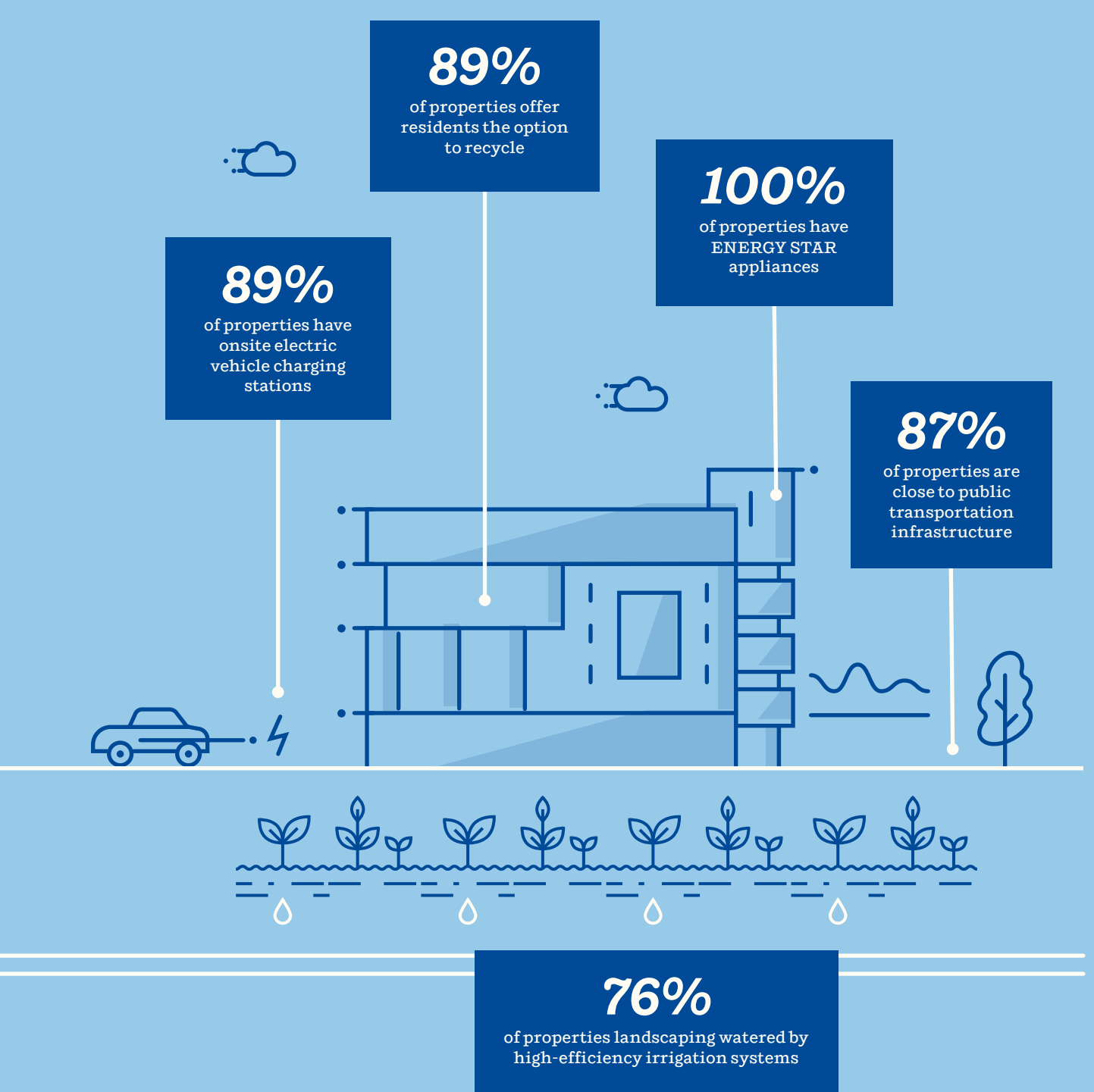
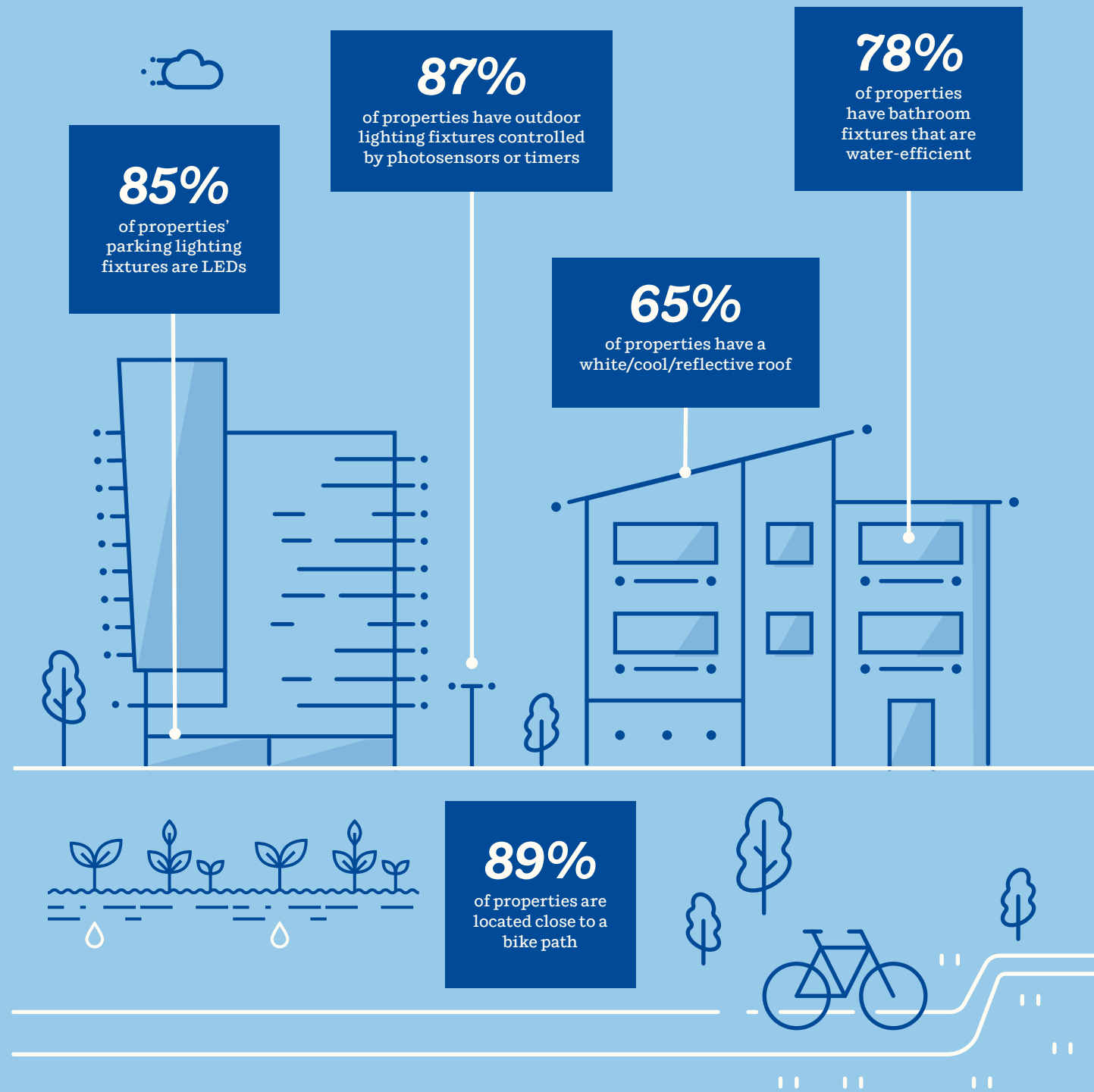
Lumber Most of the lumber we use comes from responsible/sustainable certified forests.

Steel Most of the steel we use is recycled or multi-cycled.

Toilets We use toilets with flush rates of 1.4 gallons per flush (GPF) in homes and 1.2 GPF in leasing or club amenities to improve water efficiency.

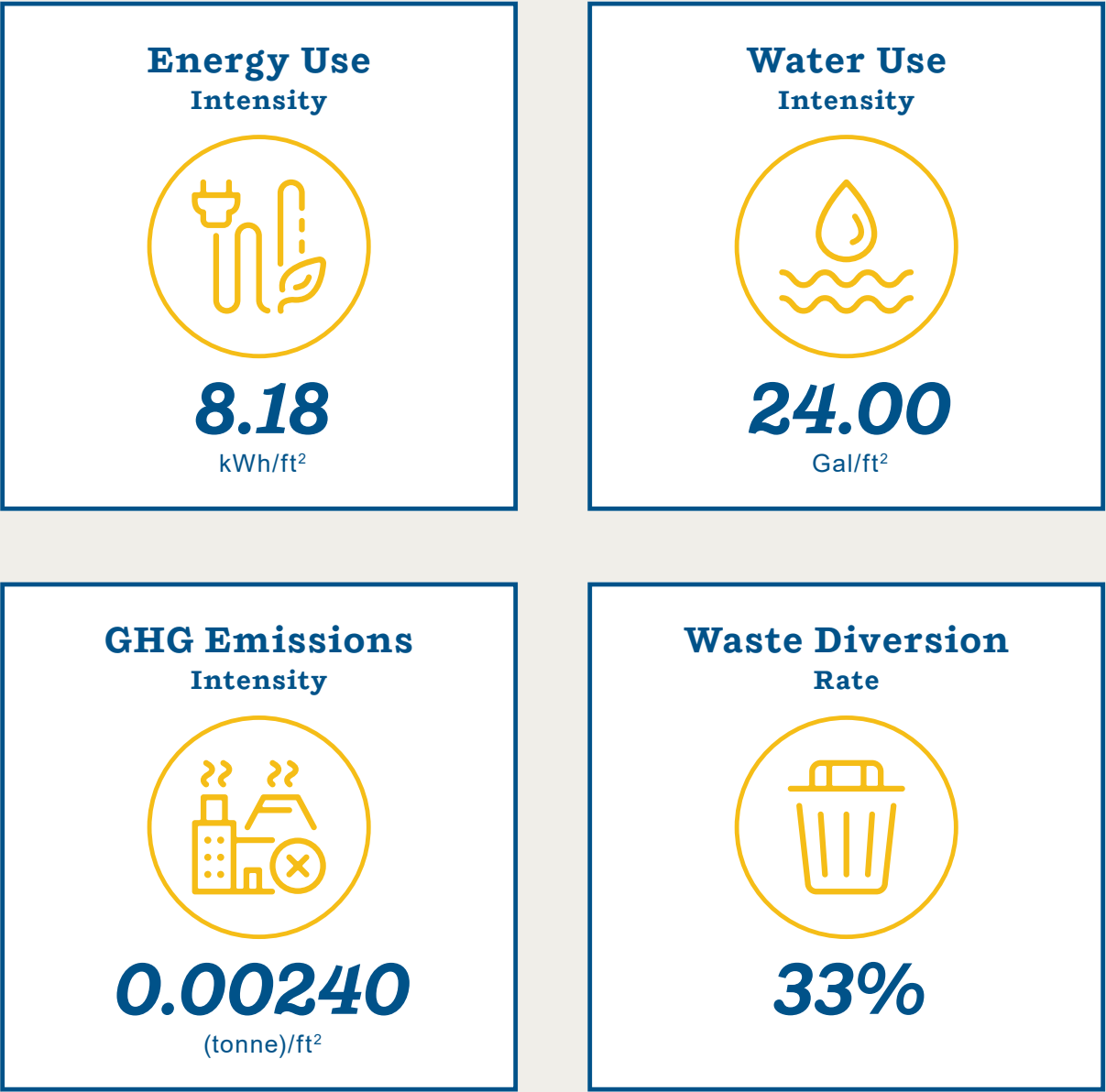
Vinyl Flooring A number of our homes use PET Enhanced Plank, which is made from 40% percent recycled content.

Sustainability Attributes



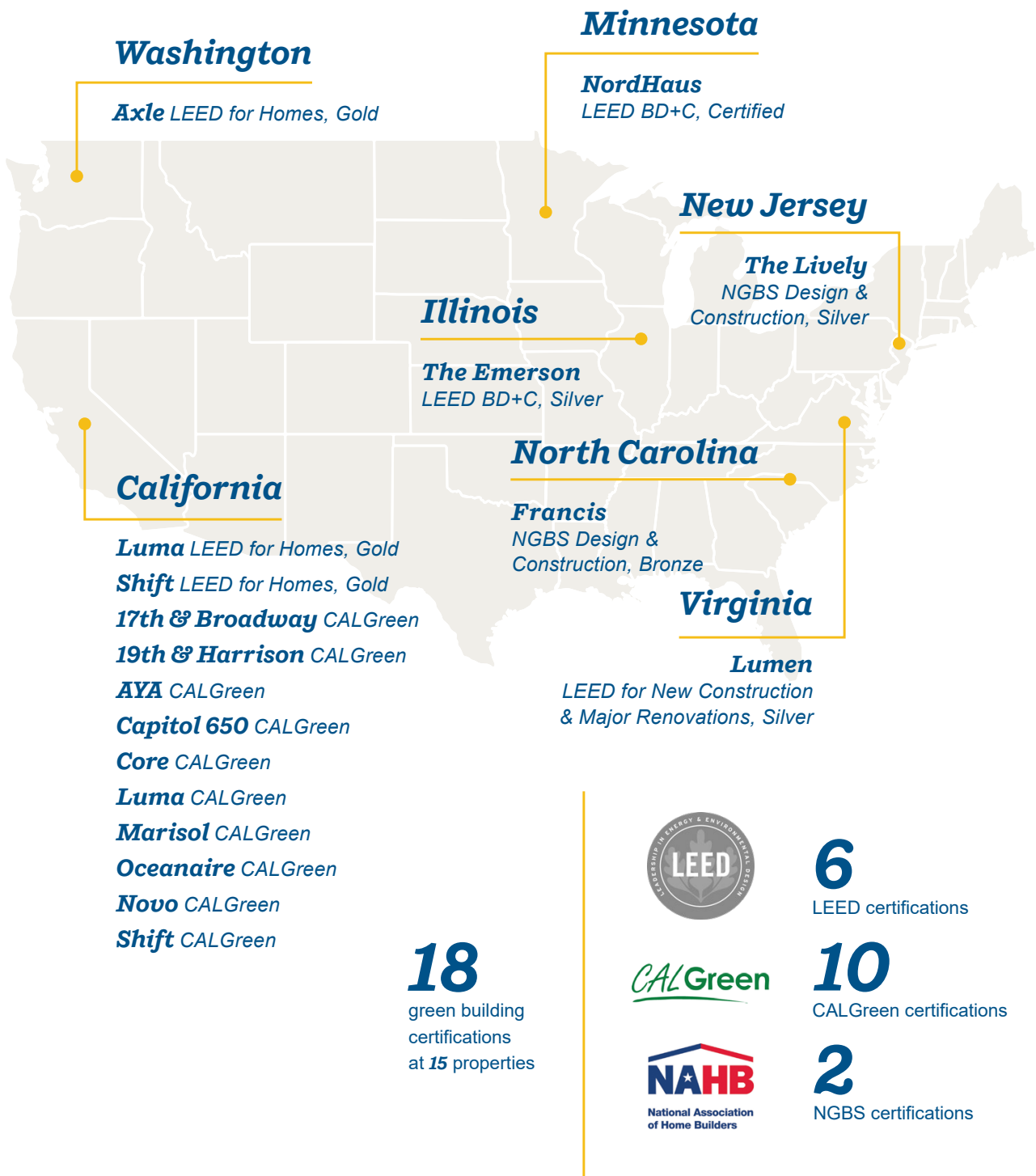
2020 Performance Metrics

LMC tracks key performance indicators to assess our progress in reducing greenhouse gas emissions and energy and water use while increasing waste diversion.



The figures above represent our 2020 performance, normalized for floor area, where data is available. We are in the process of creating environmental performance targets, and we plan to share our progress toward these targets in future reports.

Certified Properties



Green Technologies & Innovation

EV Charging Stations and Electric Vehicles

To roll out charging stations nationwide, LMC established an ongoing service contract with ChargePoint, Inc., the world's largest network of EV charging stations in North America and Europe. In addition to the 401 EV charging stations in our portfolio, we are also working to “future proof” our developments by running additional necessary electrical distribution networks in anticipation of adding additional EV stations based on use.

LMC is also working on a pilot program with Envoy Technologies, Inc., a car-sharing platform with an iOS/Android app that provides on-demand electric vehicles, electric bicycles, and electric scooters as an amenity to apartments, office buildings, and hotels. LMC continues to encourage and promote multiple forms of sustainable commuting, new technologies, and partnerships that establish us at the forefront of industry.

Vitri Solar Panels

In 2020, when the Vitri apartment building was built in Scottsdale, Arizona, an impressive array of solar panels was installed on the roof. The solar array generates an average 300 kWh of energy per day (or 109,500 kWh of energy per year) that is used to offset energy costs associated with the building’s amenity areas. These solar panels save an average of \$31 in avoided energy costs per day, which is approximately \$11,300 over a one-year period.

LED Lighting Retrofits — The Whitney

The Whitney, located in Fort Lauderdale’s Flagler Village, offers luxury apartments with modern features and exclusive amenities. As a result of recent LED lighting retrofits completed in March 2020, the building is also demonstrating excellent energy use performance. In comparison to the previous year’s performance, the electrical savings for the latest period were over 25% or \$43,000. As there were no major year-over-year weather fluctuations, these savings reflect the value of the upgrades to the lighting systems throughout the development’s towers.





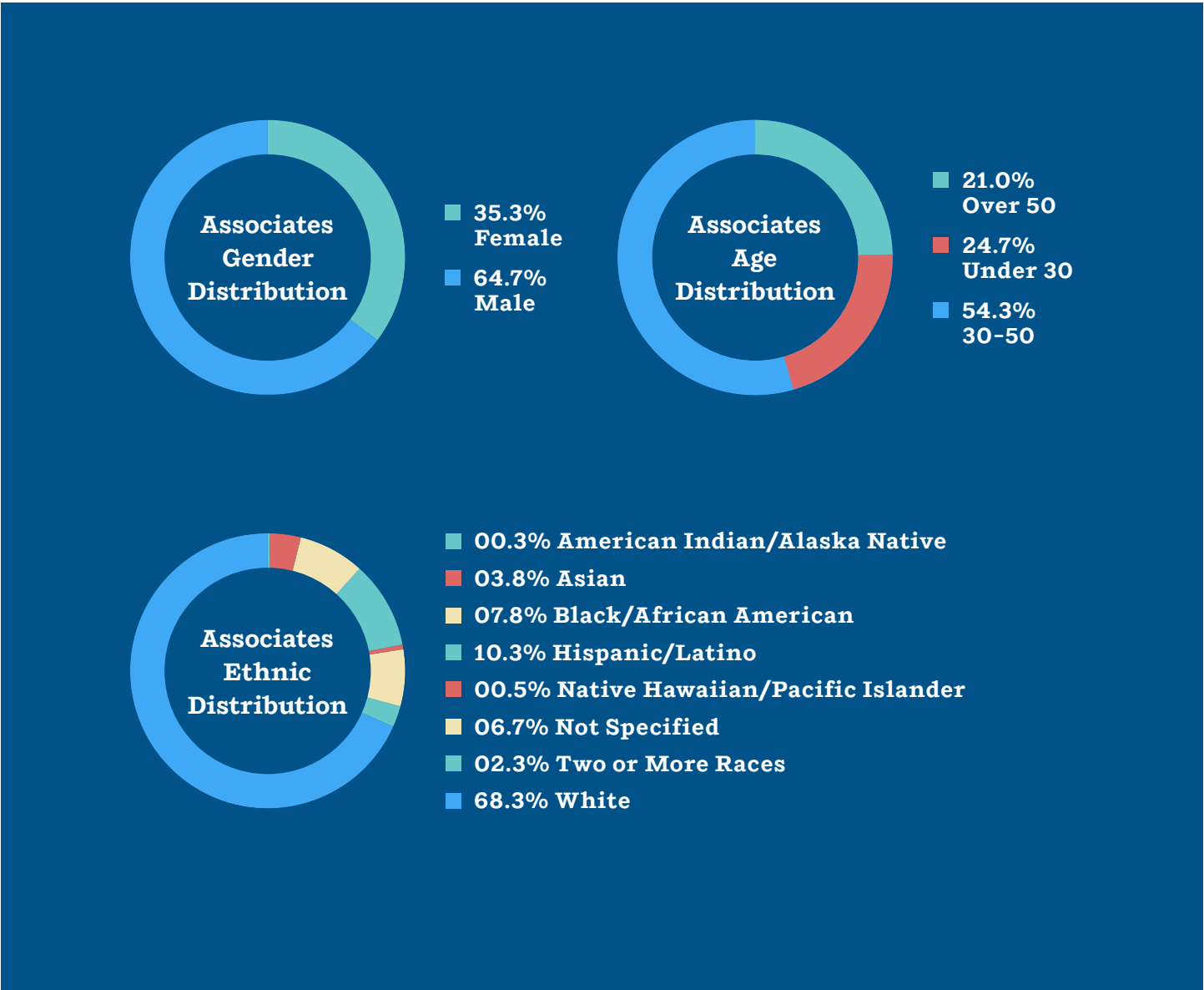
SOCIAL

LMC believes in collaborating, inspiring, and celebrating each other's successes and diversity. We empower our Associates to devote their time and energy to causes that uplift our communities. Our teams actively give back through local philanthropies that improve the lives of others and reinforce our motto to "always do the right thing for the right reason."

Diversity, Equity, & Inclusion

Our Commitment to Diversity

We believe in the fair and equitable treatment of all our Associates. We value the unique contributions and perspectives offered by a diverse workplace and are committed to providing equal employment opportunities for all Associates and potential Associates. We treat each other with respect and value everyone’s input. LMC has zero tolerance for discrimination or harassment and maintains a workplace free of both. We celebrate our differences and welcome diversity.





Investing in our people is a key aspect of our Associate engagement at LMC. We seek to attract and retain top talent and are committed to professional development, with a strong focus on promoting from within. We create opportunities to open channels of communication that bring our Associates together to work as a team and to support, inspire, and celebrate each other.

Let’s Be Good People Together

Our Associate Reference Guide provides a comprehensive framework for our values and helps our Associates approach each challenge with integrity and inclusion. We also prioritize the health and safety of our Associates and promote career advancement while providing attractive and equitable benefits.

Communication

LMC maintains open communication with Associates through multiple channels including LMC Connect, our internal portal, regular Town Hall events, LNN (our parent company’s internal online news network), and LSU (Lennar Success University). We also perform an annual Associate Engagement Survey. We are committed to communicating with our Associates and giving them the opportunity to be heard.

Talent

Our success starts and ends with our people. To ensure that success, we are focused on attracting, developing, engaging, and retaining a highly-skilled workforce. Through our university talent program, we bring diverse new college graduates and summer interns into our company to grow our talent pipeline. In addition, to recruit from a broader population, we invest in new recruiting technology and are committed to enhancing the candidate experience.

Well-Being & Benefits

We offer Associates a competitive and comprehensive benefits package, including paid parental leave and extensive healthcare options and resources for whole-self well-being (physical, social, and financial) as well as 401(k) plan matching. LMC Associates also have the

opportunity to enroll in Lennar’s Perks at Work Program, along with Associate Discount Programs for savings on goods and services.

- + 0.63% Absentee Rate
- + 75% of benefits costs covered by Lennar

Workplace Health & Safety

LMC implements extensive safety protocols for all on-site Associates. In addition, our parent company’s mandatory training for all Associates includes:

- + Injury and Illness Prevention Program
- + Preventing Sexual Harassment Training
- + Security Awareness Training
- + Foreign Corrupt Practices Act Training
- + Code of Business Ethics and Conduct
- + Cybersecurity Training

We also require that Associates who work in the field take additional safety courses including the OSHA 10-hour and 30-hour Outreach trainings, our Lennar Safety 101 course, safety refresher training, and our hazard communication training, among others.

- + 1.35 Injury Rate
- + 1.69 Lost Date Rate

Institutional-Level Processes

Our Associates are required to follow the internal process guidelines included in our Collaboration Protocol. These sophisticated processes and procedures allow for uniformity and consistency across our platform while ensuring excellence and encouraging collaboration and best practices.

Training

LMC is committed to the professional development and career advancement of our Associates. We ensure Associate engagement with ongoing check-in conversations and annual performance reviews and have integrated ESG factors into our performance evaluations. Associates also take regular trainings with ESG components and Construction teams are specifically required to complete EMS trainings to ensure environmental compliance.

2020 Associate Training

~600
Associates

8,941
Courses Taken

3,481
Hours of Training

1,640
Training Resources Accessed

Learning resource classes include:

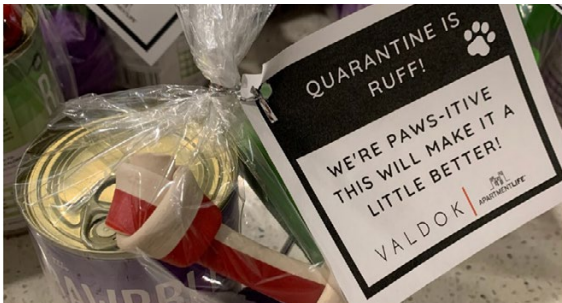
- + Above and Beyond Customer Service
 - + How to Avoid Conflict
- + Breaker Voltage, AMP and Testing

Training course topics include:

- + Active Shooter Response
- + Security Awareness Training

Resident Engagement

LMC prioritizes engaging with our residents through a variety of platforms. We share information on our property websites, resident community sites, and our social media platforms that include LinkedIn. Our “Apartment Life” program also helps to engage residents and increase ESG awareness at our properties.



Community Engagement & Philanthropy

Community Engagement

LMC is Local

As a company, we are committed to giving back at a local level. We are in the business of building communities and places that people call home. From community health and well-being initiatives to enhancement programs for public spaces, our work always comes back to enhancing our local communities. We offer ample employment opportunities as well as events, social engagements, and philanthropies to support our residents and community members. We take community building very seriously and are focused on the betterment of local communities nationwide.

Philanthropy

Habitat for Humanity

LMC supports Habitat for Humanity’s vision of a world where everyone has a decent place to live. Our goal is to raise funds, create teams, and

participate in home builds across the country to support this vision. Last year, three of our teams participated in three different builds across the country. Over 60 LMC Associates took part — around 10% of our Associate population, with representation from all departments including Development, Construction, Property Management, Operations, Accounting, Investments, and HR from our major regional offices in Dallas, TX, Aliso Viejo, CA, and Charlotte, NC, and Chicago. Habitat for Humanity is just one of many organizations LMC partners with and supports.

Philanthropies Close to Our Hearts

LMC teams across the country were involved in Focused Acts of Caring, where our local offices selected 28 charities close to their hearts to give back to the community, including organizations that provide child and family assistance, healthcare services, animal support and other charities.

LMC Cares

LMC Associates kept the spirit of giving alive in 2020, despite the challenges presented by the COVID-19 pandemic. Across the country, Associates worked together to give back to local communities through virtual giving events as well as food, coat, and holiday toy drives.



Partnerships & Programs



To help us reach our ESG goals and targets, LMC has established key industry partnerships and programs that help us to measure, assess, benchmark, and improve the performance of our buildings and operations.



ENERGY STAR
LMC utilizes ENERGY STAR Portfolio Manager®, the premier tool for tracking energy, water, and waste data, as we work toward reducing the environmental impact of our portfolio.



GRESB
GRESB® is an investor-driven organization committed to assessing the ESG performance of real estate assets and infrastructure investments around the world.



CALGreen
LMC pursues CALGreen certifications for select buildings in California to ensure they meet the green building standards of the State.



J Turner Research
LMC works with the leading full-circle online reputation-management firm for multifamily companies to enhance resident satisfaction and increase closing ratios.



U.S. Green Building Council (USGBC)
LMC is a member of USGBC® and aims to align our properties with the sustainability best practices outlined in USGBC’s LEED® rating system for efficient, healthy green buildings.



National Association of Home Builders (NAHB)
LMC participates in NAHB® and their National Green Building Program®, which is the largest network of professionals in the nation dedicated to building and enriching communities.



National Multifamily Housing Council (NMHC)
LMC is part of NMHC®, a prominent organization providing insight, advocacy, and action for members and the multifamily housing communities they build.



Occupational Safety and Health Administration (OSHA)
LMC actively engages OSHA standards to promote safe and healthful working conditions for workers and provides access to OSHA’s training, education, and assistance for team members.



Society for Human Resource Management (SHRM)
LMC takes part in the SHRM® organization, which creates better workplaces by empowering people, advancing HR practices, and maximizing human potential.



Urban Land Institute (ULI)
LMC benefits from a variety of ULI® sustainability resources designed to improve sustainability programs and share best practices with the greater real estate community.



Verdani Partners
LMC works with Verdani Partners™, a full-service sustainability and ESG consulting firm, to develop and implement our ESG strategy, communications, and building certifications.

Fostering Inclusion While Building Diversity

We believe it is only when we accept and value our differences, while looking for commonalities, that our organization will truly innovate and excel.

Our parent company Lennar has taken deliberate steps to ensure that everyone within our organization feels a sense of belonging. We believe that an inclusive work environment not only drives engagement but also fosters innovation, which is critical for sustained growth.

With our motto of Everything’s Included® in our homes, we also believe in diversity and inclusion within our company culture. To promote this belief, we have a companion motto of “Everyone’s Included,” along with a logo featuring the hands of real Lennar Associates.

Lennar’s Human Resources team has taken on an increasingly visible role over the last year to bring more awareness to the opportunities that we offer to Associates and to ensure our values of diversity and inclusion are spread throughout the company.

Five focus areas of our “Everyone’s Included” journey:

- Driving commitment from the top
 - Embedding inclusion and diversity in our culture, policies, practices, and procedures
 - Creating inclusion and awareness through continuous education
 - Creating and developing a diverse leadership pipeline
 - Measuring our progress
- LMC monitors inclusion and diversity, and stands united with Lennar's commitment to diversity as stated in the Lennar Code Business Ethics and Conduct. We work carefully to recruit and hire a diverse leadership pipeline and our internal HR department employs a formal monitoring process through management software.

Expression and Solidarity

2020 marked a year of important political expression and solidarity throughout the country. In the City of Oakland, California, protestors took to the streets to express their views against the use of excessive force by police officers, headlined by the murder of George Floyd. At our LMC property on 17th and Broadway, local artists made use of our plywood protection to visualize their beliefs through beautiful, high-quality works of art. Artists who contributed include Christian Munoz Jimenez, who painted “The Chilean Riot Dog”. Jimenez is both a well-known arts professor and a public artist who has been commissioned to create a series of high-profile works throughout the Bay Area and abroad.





REPORTING & DISCLOSURE

Reporting Methodology



This annual ESG report was prepared by the LMC team with support from our sustainability consultant, Verdani Partners. Reporting and disclosing our portfolio-wide performance data and sustainability operations allow us to benchmark and assess our performance against our peers in the U.S. and around the world.

The aim of this report is to share sustainability-related information that is material to LMC’s stakeholder groups including investors, residents, tenants, Associates, partners, and communities. Our disclosure references the Global Reporting Initiative’s (GRI) 2016 Standards. In addition, this publication includes information that references our second annual disclosure of ESG data to GRESB.

Prior to this report, the most recent report was published in 2020 and covered calendar year 2019. To align with the previous report, the performance data and qualitative data in this report represent the 2020 calendar year.

Contact

For questions about this report, please contact:
LMC.ESG@liveLMC.com

About GRI

The Global Reporting Initiative (GRI) is an international, independent organization that helps businesses, governments, and other organizations understand and communicate the impact of business on critical sustainability issues such as climate change, human rights, governance, and social well-being. With thousands of reporters in over 100 countries, GRI provides the world’s most widely used standards on sustainability reporting and disclosure, enabling businesses, governments, civil society, and citizens to make better decisions based on information that represents global best practices on economic, environmental, governance, and social issues.

GRI Index

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