

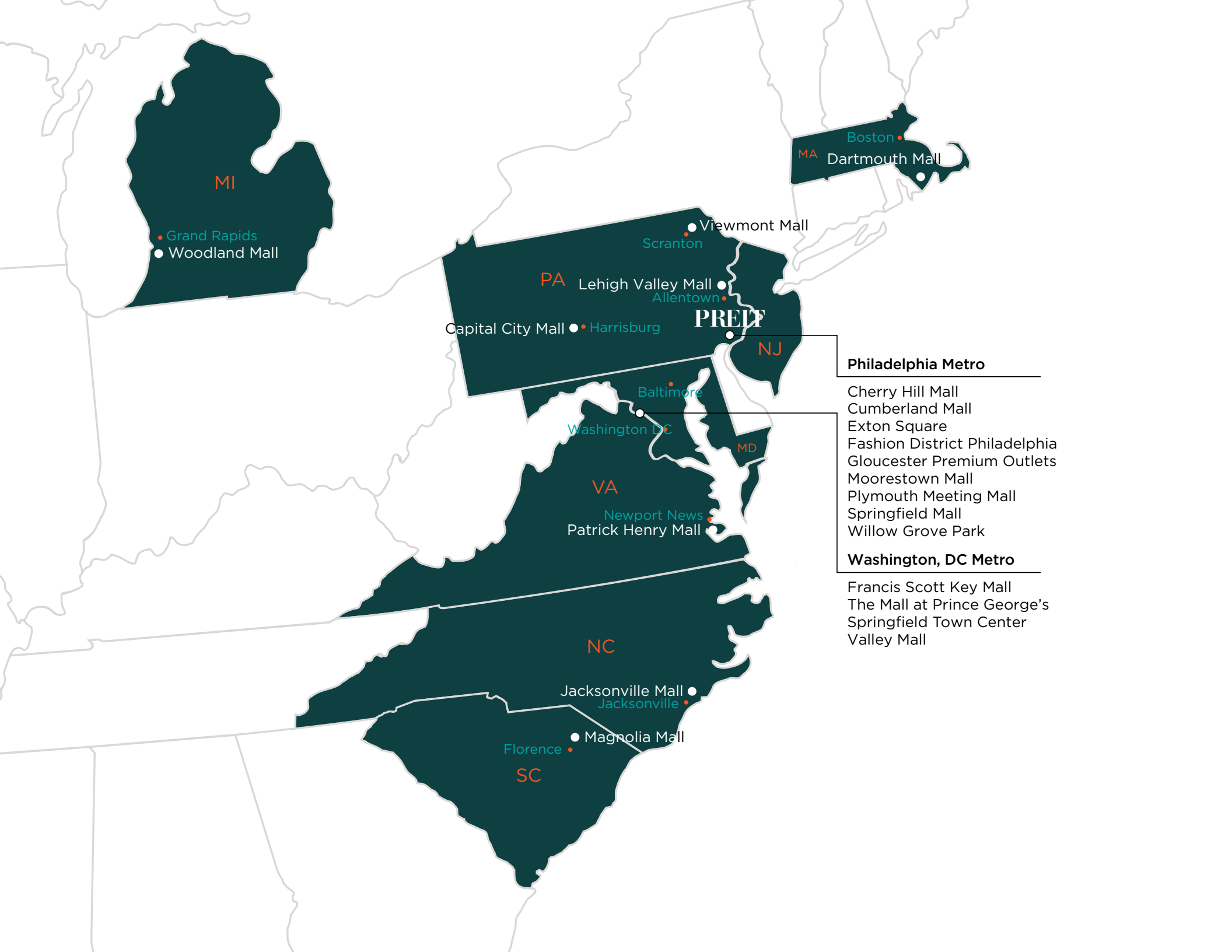
PREIT[®]

sustainABILITY

AT THE HEART OF IT ALL

CREATING PURPOSEFUL PLACES





MI

- Grand Rapids
- Woodland Mall

MA Boston •
Dartmouth Mall

Viewmont Mall

Scranton

PA

Lehigh Valley Mall

Allentown •

PREP

Capital City Mall • Harrisburg

NJ

Philadelphia Metro

- Cherry Hill Mall
- Cumberland Mall
- Exton Square
- Fashion District Philadelphia
- Gloucester Premium Outlets
- Moorestown Mall
- Plymouth Meeting Mall
- Springfield Mall
- Willow Grove Park

Washington, DC Metro

- Francis Scott Key Mall
- The Mall at Prince George's
- Springfield Town Center
- Valley Mall

VA

Newport News •
Patrick Henry Mall

Washington DC

Baltimore

MD

NC

Jacksonville Mall •
Jacksonville

Florence •

SC

Magnolia Mall

OVERVIEW

At **PREIT**, we are focused on meeting the changing needs of consumers and tenants by focusing on our three core pillars: **COMMUNITY, CUSTOMIZATION** and **CULTIVATION**. These pillars drive strategic decisions as it relates to our business, our associates and how we manage our external relationships.

As the world evolves, so too has our focus on becoming a better corporate citizen and prioritizing all of our stakeholders with a view toward the **LONG-TERM IMPLICATIONS OF OUR ACTIONS**. This inaugural sustainability report is designed to share with stakeholders how we view the opportunity to be stronger stewards of sustainability principles across our portfolio and throughout our organization.

The recent pandemic and its continuing effects have undoubtedly shaped the views of corporations across the globe, including our own. We are proud of how the **PREIT team** adapted and pressed forward in the name of the greater good. As we look ahead, we endeavor to set goals that align our activities with thoughtful implementation of ESG principles as we all work for a better, brighter tomorrow across the globe. We are committed to increasing transparency and reporting related to our **ENVIRONMENTAL, SOCIAL** and **GOVERNANCE** (“**ESG**”) programs.

COMPANY BACKGROUND

PREIT is a leading real estate investment trust focused on creating thoughtful, community-centric properties. We curate customized, ever-evolving properties designed to generate success for our tenants and meaningful impact for the communities we serve. Our portfolio consists of **25 OPERATING PROPERTIES**, a total of **19.8 MILLION SQUARE FEET**. Geographically, our properties primarily serve the east coast with a predominance in the mid-Atlantic.

We consider our community to be comprised of various stakeholders — the markets we serve, our **PREIT** associates, and our business partners. **PREIT** is a leader in **CREATING PURPOSEFUL PLACES**. We are invested in the communities we serve — large and small — creating and sustaining **JOBS**, hosting community **EVENTS**, creating opportunities for emerging **LOCAL AND DIVERSE BUSINESSES**, partnering with local organizations to bring **NEEDED SUPPORT** to our communities and putting the **HEALTH AND WELLNESS** of our community first.

OUR CORPORATE SOCIAL RESPONSIBILITY PRIORITIES & ACHIEVEMENTS

COMMUNITY

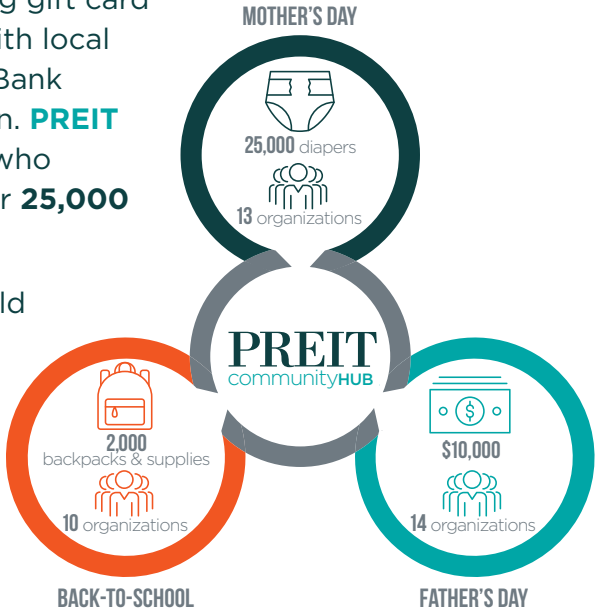
We believe that our properties are important centerpieces in their communities. Our portfolio supports over 20,000 jobs including full and part-time employees and our own staff. Our ever-evolving leasing strategy aims to solidify our position as community hubs wherein we are constantly replacing tenants and introducing uses that have less fluctuation than retail. These uses include fitness centers, healthcare facilities, grocers, office space, apartments, hotels and experiential destinations including dining. In 2021, we supported employers facing nationwide employment shortages and hosted a dozen job fairs at our properties, bringing together onsite and local businesses with job-seekers.

As a community hub, hosting events that bring the community together is natural. Every year, we host hundreds of engaging events across our portfolio. These events range from character meet and greets to vendor shows to drive-in experiences, live events and more.

A key element to our event platform is partnering with community organizations to bring needed support to our communities. Effective in 2021, each seasonal campaign designed to drive business to our tenants, also supports a related community need. For **MOTHER'S DAY**, in addition to awarding gift card packages to deserving customers across its portfolio, **PREIT** properties partnered with local non-profit organizations to collect diapers for families in need. The National Diaper Bank reported that one in three families struggle to provide clean diapers for their children. **PREIT** properties accepted donations in any size or brand and we're grateful for everyone who contributed. Across our properties, **PREIT** was able to **DONATE 245 BOXES** and over **25,000 DIAPERS** to **13 ORGANIZATIONS**.

For **FATHER'S DAY**, our properties held a social media contest where customers could enter to win gift card packages for dads for telling us why he is the best. For every entry received, **PREIT** committed to donating to local food banks and hunger-based organizations. Through this initiative, we supported **14 ORGANIZATIONS** **COMBATTING FOOD INSECURITY** with **\$10,000 IN DONATIONS**.

During the month of June, we were proud to highlight our tenants that gave back to organizations that **SUPPORT THE LGBTQ+ COMMUNITY**.



During **BACK-TO-SCHOOL** season, each **PREIT** Mall partnered with a local non-profit throughout the month of August to collect and distribute backpacks and school supplies for students in need. Across its footprint, **PREIT** collaborated with **10 NON-PROFITS** to ensure students in its communities have the resources they need to kickstart a successful school year. In total, **PREIT** properties collected over **2,000 BACKPACKS AND SUPPLIES** to benefit local families in need.

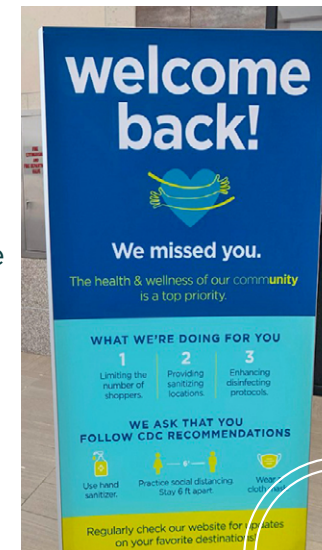


This **HOLIDAY SEASON**, we are focusing on creating an environment where everyone wins as our communities continue to recover from the effects of the coronavirus pandemic — our shoppers, tenants and communities. We are extending a limited-time loyalty program that **REWARDS SHOPPERS** for patronizing our properties, which is also intended to **DRIVE BUSINESS TO OUR TENANTS**, sustaining **EMPLOYMENT** and **TAX REVENUE** and we will also engage our communities with **OVER 80 PLANNED**, festive community events for families and friends. Our property teams have also engaged with several charities to bring **18 GIVING AND ANGEL TREES** to life at our properties to help ensure everyone in our communities has

something to celebrate this holiday season.

The **HEALTH, SECURITY AND SAFETY OF OUR COMMUNITY** is a top priority. The COVID-19 pandemic confirmed this priority. In an effort to put the health and wellness of our community first during this trying time, we were among the first in the country to close our properties to curb the spread of the disease. Our properties prioritized the safe return to business by instituting **DOZENS OF NEW PROTOCOLS** that promote hygiene and notification protocols to avoid the spread of COVID-19. We distributed **MASKS, HAND SANITIZER, SANITIZING WIPES** and increased our **CLEANING STANDARDS**, among other actions.

During the closure of non-essential businesses, our properties proactively sought to act as **HOST SITES** for **BLOOD DRIVES, FOOD DONATION DRIVES, FOOD DISTRIBUTION EFFORTS** and the **DISTRIBUTION OF MASKS** and other **PROTECTIVE SUPPLIES** to local hospitals and first responders.



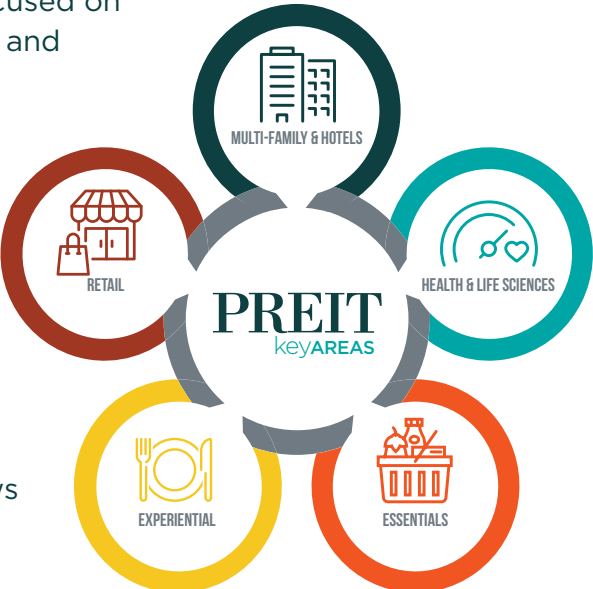
In addition, our public spaces were host to **EIGHT TESTING LOCATIONS** and 4 **VACCINATION SITES**. At Moorestown Mall, we partnered with the state of New Jersey to license space for a COVID-19 vaccination mega-site, one of only six selected within the state. The location had a vaccination capacity of between 4,000-6,000 appointments per day. Additionally, 10 PPE vending machines were installed on our properties, further supporting the health and well-being of our communities.

In 2022, we plan to launch a **COMMUNITY PARTNERS PROGRAM** where we will purposefully align our charitable commitments with PREIT's five areas of focus for the business: housing (multifamily), health (fitness and life sciences), food insecurity (essentials and grocery), clothing insecurity (retail), arts/culture (experiential).

CUSTOMIZATION

PREIT curates customized, ever-evolving properties that generate success for our tenants and meaningful impact for the communities we serve. We have been focused on diversifying the offerings at our properties to reaffirm long-term vitality, continue as the local community hub and help ensure success for our tenants. As we evolve our properties to meet the needs of today's consumer, we're keenly focused on **FIVE CORE AREAS OF ESTABLISHED AND EMERGING OPPORTUNITY**: Multi-family and Hotels, Health & Life Sciences, Essentials, Experiential and, of course, Retail.

Focus on these areas serves a multitude of purposes enabling **PREIT** to create a model that is simultaneously more resilient and environmentally conscious. These businesses offer a broad array of employment opportunities at a variety of skill levels and create an environment where the businesses complement one another improving the experience and proximity of services to our communities, reducing reliance on travel and increasing convenience.



In particular, the addition of **EXPERIENTIAL TENANTS** — ranging from dining establishments to movie theatres to family entertainment — allows our properties to serve as social experiences and gathering places for our communities. In the past five years, we have brought **78 NEW DINING AND ENTERTAINMENT** venues to our portfolio, comprising over **585,000 SQUARE FEET**.



Rendering of multi-family addition at Moorestown Mall

Another key element in our customization effort is the addition of **MULTI-FAMILY AND HOTEL BUILDINGS** at our properties. These buildings would replace underutilized asphalt parking areas creating true mixed-use destination that fits the spirit of a one-stop destination for a convenient, easy lifestyle with nearby necessities and leisure options.

At the same time, more residents create a built-in audience for shopping, dining, and entertainment.

Renters of today seek walkability and convenience in a transit-oriented, one-car culture that fits their vision for easier living.

PREIT plans to partner with developers at **7 OF ITS PROPERTIES** to develop multi-family communities. Of these 7, all will include the addition of **GREEN SPACE** and three will offer an **AFFORDABLE** component.

In addition to expanding the uses on property, during the pandemic, we expedited efforts to make our properties more accessible and convenient for all, initiating a new curbside pickup option, **MALL2GO**, which remains in operation today. We consistently monitor evolving dynamics in our markets, pivoting our plans to best meet the needs of each community.

PREIT
seven **MULTI-FAMILY** properties



CULTIVATION

We believe that a key element that will drive success in business is cultivating skills and services for small, diverse and **EMERGING BUSINESSES** that make our property experiences unique; developing an **INNOVATIVE, COMPASSIONATE WORKFORCE** across our platform and cultivating relationships across **STAKEHOLDER GROUPS**, all of

which will drive the future of our business.

We believe our properties are a tremendous opportunity for the nearly **1,000 SMALL AND EMERGING BUSINESSES** currently operating in our properties to engage with customers and build their brands and we proactively develop ways to attract new and emerging business owners and showcase these businesses and limited-time experiences.

In early 2021, **PREIT** launched a **“SUPPORT BLACK-OWNED BUSINESS AND BRANDS 365”** initiative in which custom website pages were created highlighting Black-owned retailers, restaurants and pop-up shops. Each property’s website also lists fashion brands, cosmetics, fragrance lines, entertainment, athletic and other products for sale at the mall. Over the summer, **PREIT** properties hosted a **DOZEN BLACK-OWNED BUSINESS SHOWCASES**.

We are also keenly focused on our other small business partners and using our reach to support the small businesses that operate in our spaces. During 2021, we highlighted over **100 SMALL BUSINESSES** on our social media channels.

During the pandemic-induced shutdowns that disproportionately impacted small and minority-owned businesses, we quickly pivoted to execute on the following endeavors:

“SHOP LOCAL” WEB PAGES aggregating e-commerce sites for all the small businesses throughout our portfolio. The pages highlighted these businesses not only to the local audience but to customers of the entire **PREIT** portfolio, leveraging the Company’s marketing power for local business partners;

AN “SBA RESOURCES” page that was designed to offer resources for smaller businesses to access the liquidity needed to make it through closure periods

Underlying all of these endeavors are the individuals we employ across our platform. We prioritize a culture of agility, innovation and resiliency so that we can continue to be leaders in our space, recognizing our smaller size relative to our peers allows us to be nimble.



We believe the **WORKPLACE** sets the tone for our operations, while also recognizing that the concept of the workplace continues to evolve. In January 2020, we relocated our corporate headquarters to an office that is designed to create a better **SENSE OF PLACE** and pride and to cultivate a more **COLLABORATIVE WORK ENVIRONMENT**. Since the COVID-19 pandemic began, our corporate employees have worked remotely and continue to do so, generally, with executives

1,000+ small businesses
100+ social media features
12 black-owned business showcases





collaborating in the office weekly. Our current return to office plan allows for continued **FLEXIBILITY** while prioritizing the **HEALTH AND SAFETY** of our employees and balancing them with our business needs. We recognize that our employees' **WORK-LIFE BALANCE** is a priority and benefits from a flexible environment.

Among other things to encourage an engaging, supporting environment, we have **PROGRAMS** in place for our associates that are designed to ensure **EMPLOYEE SATISFACTION** and **ENGAGEMENT**. We conduct an annual culture survey to engage employ-

ees and identify opportunities. We also offer **WELLNESS INITIATIVES** and **EDUCATIONAL PROGRAMS**. This year, our employees benefitted from two **MENTAL HEALTH DAYS** designed to reduce burnout as our associates continue to manage multiple personal and professional priorities in an unprecedented environment.

We require our full-time employees complete **COMPLIANCE TRAINING** programs of mandatory online compliance classes. Topics include Conduct in the Workplace, Cybersecurity, Diversity and Inclusion, Ethics and Risk Management, among others.

PREIT embraces **DIVERSITY** as valuable to a well-functioning company and provides equal opportunities without regard to race, color, religion, national origin, age, sexual orientation, gender/gender identity, disability, status as a protected veteran, or any other characteristic protected by applicable federal, state and local laws. We also endeavor to maintain workplaces that are free from discrimination or harassment on the basis of any such status or characteristic.

Any employee, trustee, officer or vendor may report a Possible Violation of these policies through EthicsPoint, the Company's anonymous third-party reporting system. You can contact **EthicsPoint** or through **PREIT's** dedicated toll-free number **866.737.6809**, which is available **24 HOURS PER DAY/7 DAYS PER WEEK**.

As we look ahead, cultivating a diverse and inclusive workforce is a key priority for **PREIT** as we seek to emulate the communities we serve. As of October 5, 2021, 63% of our employee population is female and 21% is represented by minorities. At the same time, 1/3 of our Named Executive Officers are female. In order to establish a new goal and develop more inclusive practices, we have established a **DE&I TASK FORCE**

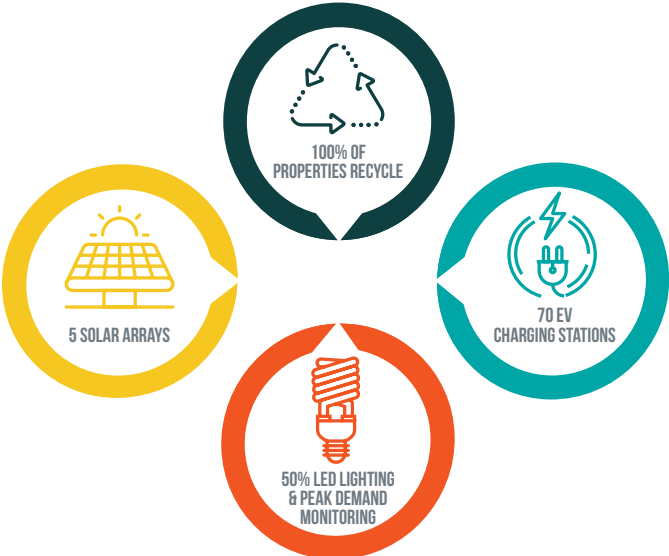
that will set goals for 2022 and beyond. This task force will report directly to the CEO and is internally sponsored by an Executive Vice President.

Maintaining strong relationships across stakeholder groups to increase transparency and accessibility are keys to our operating strategy. We strive to maintain regular dialog with shareholders, lenders, employees, vendors and tenants to understand their business needs, practices and concerns. In 2022, in order to ensure an appropriate level of customer satisfaction, **PREIT** intends to begin tracking its **NET PROMOTER SCORE** among its business partners, setting a baseline upon which to drive overall partner satisfaction.

PREIT is committed to ethical business practices and is actively working to roll out its **HUMAN RIGHTS POLICY** and **SUPPLIER CODE OF CONDUCT** prior to the end of 2021. Please view **PREIT's CODE OF BUSINESS CONDUCT AND ETHICS FOR EMPLOYEES** & for **TRUSTEES**

ASSESSING AND MANAGING OUR ENVIRONMENTAL IMPACT

We recognize that how we operate our business impacts the environment and that climate change is a meaningful matter for our stakeholders. We have taken preliminary steps to measure our environmental impact so that we can set targets and hold ourselves accountable. As we look ahead, we are committed to increasing energy efficiency to reduce greenhouse gas emissions, lower our operating costs, as well as decrease overall environmental impact.



In fact, excluding the two full months of closure, our properties effectively reduced KWH consumption by 14% in 2020 compared to 2019.

SOLAR ENERGY

We have installed solar panels on the rooftops of five of our centers, allowing unused space into a productive energy source. The systems combined are expected to generate more than 7.7 million kilowatt-hours of energy per year.

ENERGY EFFICIENT ROOFS

Over 85% of our centers' rooftops contain at least a portion of white roofs. These roofs reflect sunlight, which prevents heat from damaging the roof and extends the life of the

roof, and keeps the buildings cool to help reduce summer energy usage.

PEAK DEMAND MONITORING

Over half of our centers utilize peak demand monitors to gauge power usage, enabling our centers to increase energy cost savings and make more efficient use of energy throughout the year.

LED LIGHTING

We have installed energy-efficient lighting at over half of our properties, including interior spaces and parking lots.

We believe that LED lighting provides many advantages over traditional lighting, including lower energy usage, reduced maintenance and increased safety. Recent exterior lighting projects at Dartmouth and Mall at Prince George's are expected to reduced usage by 467k KWH/month and 611k KWH/month, respectively,

and an interior common area LED conversion at Valley Mall approximately 1624 KWH/per month. We have been able to source incentive and rebate funding for these projects with minimal cost to us. Our corporate headquarters is equipped with LED lighting and room occupancy sensors to curb unnecessary consumption and decrease our carbon footprint.



partnered with recycling service providers at several of our properties and we continue to explore opportunities to expand recycling across our portfolio. Our recycling programs divert cardboard, glass and plastic from landfills. Additionally, we have recycling programs at properties for clothing, books and cooking oil.

In order to reduce our reliance on single-use plastics, we have installed a filtered water dispenser at our corporate office. Despite a majority of employees working remotely, through October 22, 2021, nearly 3,000 plastic bottles had been saved.



Rooftop solar array at Cherry Hill Mall

REDUCE & RECYCLE

Sustainable management of waste is crucial to providing environmental, social and economic benefits to current and future generations.

All of our centers, as well as our corporate headquarters, participate in recycling programs. To reduce waste, we have

ALL 19 CENTERS AND OUR CORPORATE OFFICE PARTICIPATE IN RECYCLING PROGRAMS

- 100% recycle cardboard
- Over one-third recycle waste (plastic, glass, compost, etc.)
- 75% have clothing collection bins (34 total)
- 90% of properties recycle oil
- Over 100 vendors recycle oil

ALTERNATIVE TRANSPORTATION

We encourage, and seek to better enable, our shoppers and employees to reduce their carbon footprint by using environmentally friendly means of transportation.



Offering EV charging stations is another way we reduce our carbon emissions impact on the local environment and benefit the global climate. **PREIT'S** expanding network of stations currently totals 74 chargers across our properties. We continue to install new electric vehicle charging stations at in-demand malls by partnering with several national companies.

transportation, including bus stops and rail stations. 95% of our properties also offer bike racks, with a total of 47 racks across the portfolio.

OVERSIGHT OF OUR SUSTAINABILITY PRACTICES AND GOALS

Our sustainability practices and goals are overseen by our Board of Trustees, specifically by the Chair of our Nominating and Governance Committee, JoAnne Epps. The priority of improved ESG practices and goals is represented the management team's operating goals for 2021 as part of its annual incentive plan.

View our [GOVERNANCE PRACTICES](#)



FORWARD LOOKING STATEMENTS

This report contains certain “forward-looking statements” within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans, strategies, anticipated events, trends and other matters that are not historical facts. When used, the words “believe,” “target,” “goal,” “expect,” “intend,” “plan,” “project,” “will,” “endeavor,” and similar expressions, which do not relate solely to historical matters, are intended to identify forward looking statements. We caution investors that any forward-looking statements presented in this report and the documents that we may incorporate by reference into this document are based on management’s beliefs and assumptions made by, and currently available to management. These forward-looking statements reflect our current views about future events and are subject to risks, uncertainties and changes in circumstances that might cause future events to differ materially from those expressed or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to, uncertainties affecting real estate businesses generally, current economic conditions (including the state of employment growth, consumer confidence and spending, supply chain challenges and their impact on our tenants), the effects of online shopping and other uses of technology on our retail tenants, risks related to our development and redevelopment activities, acts of violence at malls, including our properties, changes in local market conditions, changes to our corporate management team and any resulting modifications to our business strategies, and general economic, financial and political conditions.

Additional factors that might cause future events to differ materially from those expressed or implied by our forward-looking statements include those discussed herein, and in the sections entitled “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2020 and in any subsequent report we file with the Securities and Exchange Commission. Any forward-looking statements made by us speak only as of the date on which they are made. We are under no obligation to, and do not intend to, update or revise any forward-looking statements to reflect new information, future events or otherwise.

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