



Prometheus Real Estate Group

Disclosure Report
Date Submitted: April 2nd, 2024



Disclosure Materials

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire that B Lab deems relevant for public stakeholders, then, as a condition of their certification, the company must:

- 1) Be transparent about details of the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue
- 3) Demonstrate that management practices are in place to avoid similar issues from arising in the future, when necessary.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit and integrity of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to a background check by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company



Disclosure Questionnaire

Industries and Products

	Yes	No
Please indicate if the company is involved in production or trade in any of the following. Select Yes for all options that apply.		
Animal Products or Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Biodiversity Impacts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chemicals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Alcohol	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Firearms Weapons	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Mining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Pornography	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Disclosure Tobacco	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Energy and Emissions Intensive Industries	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fossil fuels Gambling	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Genetically Modified Organisms	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Illegal Products or Subject to Phase Out	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Industries at Risk of Human Rights Violations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Monoculture Agriculture	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Nuclear Power or Hazardous Materials	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payday, Short Term, or High Interest Lending	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Water Intensive Industries	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tax Advisory Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Outcomes & Penalties

	Yes	No
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Breaches of Confidential Information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bribery, Fraud, or Corruption	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company has filed for bankruptcy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consumer Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Financial Reporting, Taxes, Investments, or Loans	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Labor Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Large Scale Land Conversion, Acquisition, or Relocation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Litigation or Arbitration	<input checked="" type="checkbox"/>	<input type="checkbox"/>
On-Site Fatality	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Penalties Assessed For Environmental Issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Political Contributions or International Affairs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recalls	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Significant Layoffs	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Violation of Indigenous Peoples Rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Practices

	Yes	No
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company prohibits freedom of association/collective bargaining	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Company workers are prisoners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Conduct Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Confirmation of Right to Work	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does not transparently report corporate financials to government	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Employs Individuals on Zero-Hour Contracts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Facilities located in sensitive ecosystems	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ID Cards Withheld or Penalties for Resignation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No formal Registration Under Domestic Regulations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
No signed employment contracts for all workers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Overtime For Hourly Workers Is Compulsory	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Payslips not provided to show wage calculation and deductions	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Yes	No
Sale of Data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tax Reduction Through Corporate Shells	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers cannot leave site during non-working hours	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers not Provided Clean Drinking Water or Toilets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers paid below minimum wage	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workers Under Bond	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Supply Chain Disclosures

	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Child or Forced Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Environmental Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Negative Social Impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation or Arbitration

Issue Date	2020-2021
Topic	Litigation related to personal injuries
Summary of Issue	<p>Prometheus Real Estate Group is a Real Estate company and has had 2 litigation cases over the last 5 years related to personal and bodily damage of tenants:</p> <p>Case 1 (2021) -The claimant moved into the Neighborhood in 2014 and vacated in 2020. At the start of the claimant's tenancy the area outside their unit was a parking lot. Over the years this area has changed to a garbage pick-up area and is now currently a loading zone. The complaint is mainly in regards to alleged noise issues from the garbage and loading zone that they claim had become unbearable for them. Case was settled and closed.</p> <p>Case 2 (2020) - Claimant allegedly suffered an injury to their shoulder after a drawer in their unit fell after being loaded with their belongings. Exact mechanism of loss still uncertain, but claimant alleges that they inspected and found four of the drawers were off their tracks. The maintenance team inspected and found that the drawers were not broken. They are soft close drawers, and if they open with force, it could cause them to come off the track. Case was settled and closed.</p>
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	Total value of the settlement of the 2 cases was less than 1% of the company's revenue.
Impact on Stakeholders	Health and wellbeing of tenants was impacted.
Resolution	Regarding the first case, the apartment owner decided to settle the claim with the former tenant to avoid the cost of litigation. Regarding the second case, the maintenance team has started inspecting drawers in the unit to ensure they are on the tracks and will not fall out when opened.
Management Practices	Regarding the first case, there were no changes made to Prometheus practices and procedures. They understand that a place to load and unload the residents' belongings when moving in and out is needed. The company claims they were not aware of any other similar complaint when this case was filed.



	Regarding the second case, the company added a new safety step to the drawer maintenance process.
Related Incidents (Yes/No)	No.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation or Arbitration

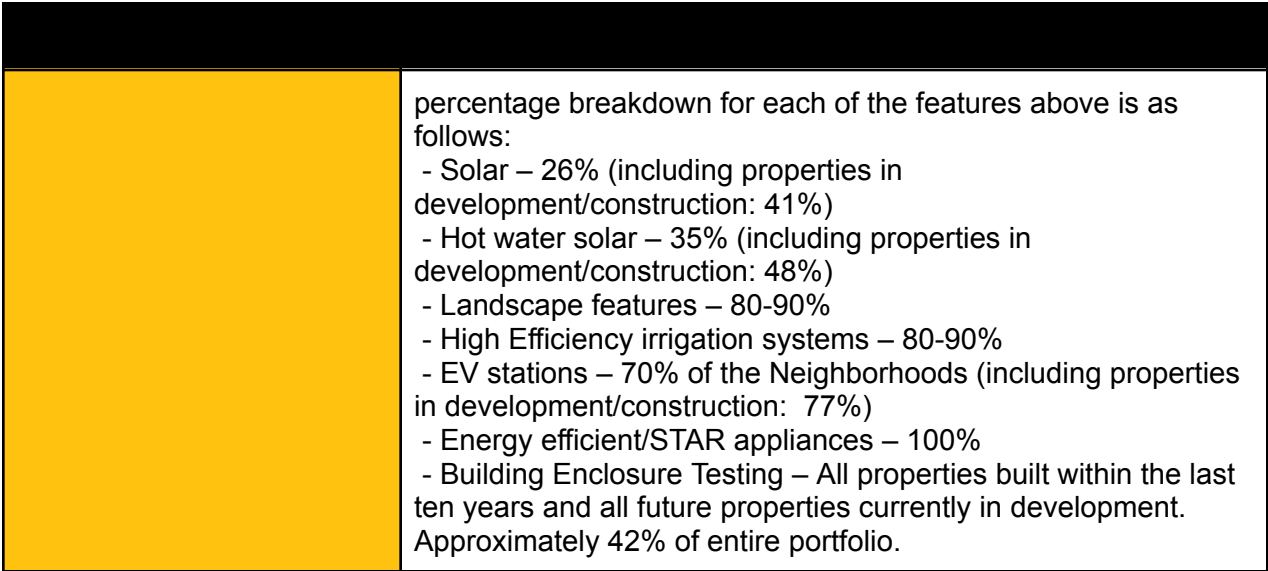
Issue Date	2022
Topic	Litigation related to Antitrust issues
Summary of Issue	The company has 1 pending case related to antitrust issues. Prometheus Real Estate Group, Inc. is named as a defendant in two putative class actions filed in the Middle District of Tennessee which have been consolidated for pretrial purposes by the Judicial Panel on Multidistrict Litigation. Plaintiffs name over 50 defendants and allege violations of federal and state antitrust laws related to the use of a vendors' revenue management software by multifamily property owners and managers.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The financial implications for this case are still unknown.
Impact on Stakeholders	Financial impacts on tenants.
Resolution	Prometheus strongly denies the allegations and will defend the lawsuits. Motions to dismiss are pending.
Management Practices	Management contends its practices in the use of a third party's vendor's software as a reference tool do not violate antitrust laws, and as such, have not altered their practices in response to this case.
Related Incidents (Yes/No)	No.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmental Intensive Industries

Topic	Energy and Emissions Intensive Industries
Summary of Issue	As a real estate developer, Prometheus Real Estate Group operates in an industry that is energy and emissions intensive. They manage the construction of the properties they develop by way of contractors they hire to perform the work.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>Approximately 58% of the properties that the company operates were developed by the company itself.</p> <p>Approximately 62% of Prometheus Real Estate Group's revenue comes from development of its own properties.</p>
Impact on Stakeholders	Decisions made in the real estate development and design process—such as appliance selection, building energy efficiency, construction materials, and energy source availability—impact the long-term energy and emissions performance of the structure.
Management Practices	<p>Prometheus Real Estate Group uses utility management software which helps manage water and energy consumption. They receive alerts when consumption rises. This management software program tracks and notifies when there is abnormal usage, at which point the company investigates the causes of the consumption increase. The use of these "Consumption Alerts" have lead to discoveries of leaks and similar energy inefficiencies (e.g. pool heaters or other devices inadvertently left running) that have resulted in more environmentally-conscious and energy-efficient buildings). Given their focus on EV chargers installation (approximately 1200 across the portfolio), their overall energy consumption actually increased in 2023 vs. 2022. At apartment communities where the software identified energy inefficiencies, however, they did see consumption decreases which ranged from 20-35% year over year. Prometheus has implemented the majority of these energy-saving measures at many of the properties in its portfolio, renovating many of its older properties on a continuing basis to become more energy efficient, and employing all of these measures at its newer properties over the last decade, and certainly in all of its future developments, many of which are either in the entitlement phase or under construction. There are 56 occupied properties presently, with an additional 14 properties in the development pipeline. The approximate</p>





Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Environmentally Intensive Industries

Topic	Water Intensive industry
Summary of Issue	As a real estate developer, Prometheus Real Estate Group operates in an industry that is water intensive. They manage the construction of the properties they develop by way of contractors they hire to perform the work.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	<p>Approximately 58% of the properties that the company operates were developed by themselves.</p> <p>Approximately 62% of Prometheus Real Estate Group's revenue comes from development of its own properties.</p>
Impact on Stakeholders	<p>Decisions made in the real estate development and design process—such as appliance selection, water fixtures, outdoor spaces, pools and landscaping impact the long-term water performance of the facility.</p> <p>The company's main water supply is through local municipalities.</p>
Implemented Management Practices	Prometheus Real Estate Group uses utility management software which helps manage water and energy consumption that provides alerts on consumption increases. Energy efficient landscaping and drought-resistant materials, and high-efficiency irrigation systems are improvement examples that Prometheus has been doing to reduce water consumption. In 2023, they experienced an 8.4% reduction over the entire portfolio in water consumption over the previous year. In areas where they were alerted in advance of water leaks, the reduction in consumption was as high as 15-30%.