



Safehold Corporate Sustainability Policy Summary

Note: Safehold is externally managed by iStar, and consequently has no direct employees of its own. That said, the Board of Directors for both Safehold and iStar have an active voice in communicating their ESG expectations. For both consistency and simplicity, the policy language below applies to both companies.

To build a big business, you must solve a big problem. To sustain a big business, you must do even more. iStar is committed to doing more across our operations – particularly in the realm of social and environmental policies and practices – to facilitate a combination of business success and positive impact in the world. Our pioneering role in the modern ground lease industry affords us a unique 99-year perspective – we truly take the long view one day at a time. We take seriously our impact on the world and people with whom we live and work, and equally consider the world’s ever-changing impact on our business. Ultimately, our employees, customers, investors, partners, and communities are all interconnected, and we then prioritize each to best ensure the continued success of our entire ecosystem.

This document summarizes our governing principles in matters of corporate sustainability, including social and environmental policies. It complements our [Annual ESG Report](#) and [Proxy Statement](#), and is intended to provide greater detail on the policies, procedures, and best practices that guide our work. We consistently endeavor to be better at everything we do, and this summary will then continue to grow and evolve much like the world around us.

--- SOCIAL POLICIES ---

Human & Labor Rights

iStar supports fundamental human and labor rights for everyone. We aim to do business in accordance with the UN Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.

We comply with human and labor laws wherever we operate, and expect and encourage those we work with to do the same. This includes both suppliers and vendors – see our [Vendor Code of Conduct](#) for further detail. We provide our workforce with regular training and communication to ensure continued compliance, and iStar’s [Corporate Code of Conduct](#) details an independent whistleblower hotline where any concerns or suspected violations may be anonymously reported and without fear of retaliation. While we have not had any violations to date, we will promptly review and investigate any possible future infractions to ensure that violations are remedied and offending parties are disciplined appropriately.



Key principles and standards we adhere to include:

- We do not tolerate any form of harassment or discrimination based on gender, race, disability, ethnicity, nationality, religion, sexual orientation, gender identity or any other protected class.
- We seek to provide a workplace that's free of all forms of abuse and exploitation.
- We seek to promote an environment of diversity and inclusion throughout the organization.
- We seek to protect the rights of all individuals, including often vulnerable groups such as women and minorities.
- We prohibit the use of child labor as defined by local law, forced labor of any nature whatsoever, and any other compulsory forms of labor.
- We comply with all minimum wage and compensation requirements as mandated by local law, and endeavor to provide benefits that are beyond those mandated by law.
- We do not require employees to work in excess of the relevant legal limits on working hours, overtime hours, and number of working days per week.
- Employees are granted and properly compensated for any types of paid leave or time off to which they are legally entitled under applicable law (including, but not limited to, holidays, maternity or paternity leave, family care leave, and sick leave).
- We seek to ensure that our activities do not negatively impact access to basic human needs, including, but not limited to, securing access to food, water, sanitation, or healthcare.
- We respect employees' right to freedom of association and honor lawful rights of our workforce to exercise (or not exercise) their right to collective bargaining.

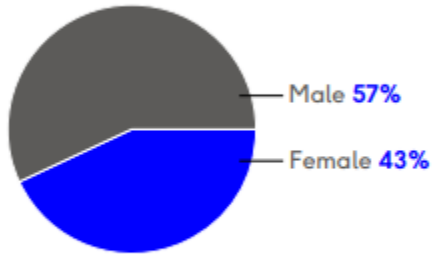
Diversity, Equity & Inclusion

Equal employment opportunity. iStar has a strict policy that does not tolerate any discrimination whatsoever in recruiting, hiring, compensation, benefits, termination, or any other aspects related to one's employment for any protected characteristic as established by law (including, but not limited to, an individual's race, color, religious affiliation, ethnicity, nationality, ancestry, gender identity or expression, sex, sexual orientation, age, marital status, pregnancy, genetic information, or past or present history of mental disability, physical disability, or learning disability).

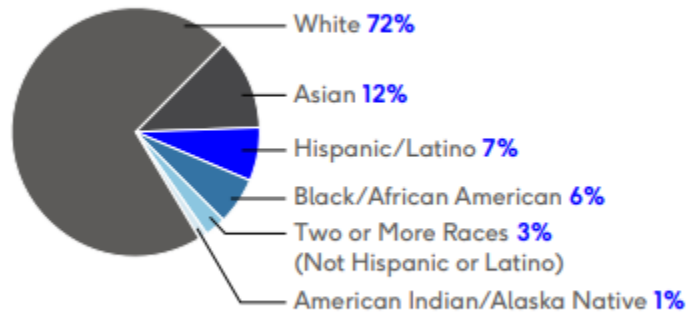
Economic inclusion of historically underprioritized groups. iStar is committed to working with "best in class" vendors and suppliers. We collect data on the organizations we work with to identify women, minority, and veteran-owned companies. When possible, we seek to provide outsized business to these groups as merited by their performance.

Commitment to diversity and workforce demographic disclosure. iStar appreciates that diverse backgrounds provide diverse thought, and know that diverse thought supports both innovation and long-term success. We partner with recruiting firms that specialize in diverse recruiting, and our early talent recruiting emphasizes HBCUs and historical women's colleges. Our current self-identified workforce demographics are summarized hereafter for gender, race, and ethnicity.

GENDER DIVERSITY



RACIAL & ETHNIC DIVERSITY



As of 12/31/21.

Safe & Healthy Workplace

iStar is committed to providing a safe environment for anyone working within or visiting our workplaces. We view applicable health and safety laws as the minimum standard, and endeavor to go beyond such standards when and where possible. We have not experienced any significant OSHA reportable incidents throughout our offices. When and if such an incident does occur, we're committed to identification and remediation of at-risk items in addition to subsequent disclosure.

Our policies for ensuring safe and healthy workplaces are provided to employees (and occasionally to others as necessary). We regularly review, consider, and implement new policies, protocols, and training to promote everyone's continued wellbeing. For example, recent COVID-adapted operations include staggered attendance, on-site testing for employees, and measures to more safely configure cubicle areas. Within each office, OSHA required notices are prominently posted informing employees of their right to a safe workplace, to raise safety or health concerns with us and/or OSHA, and of their ability to receive additional information and/or training for possible workplace hazards.

Political Contributions & Lobbying

iStar does not use company funds to make contributions to political candidates or parties except as permitted by applicable law, nor do we reimburse individual employees who make such contributions. iStar may from time to time advocate a position, express a view, or take other appropriate action with respect to legislative or political matters that affect our business.



iStar does not infringe on an individual employee's right to vote, to financially support a candidate or party of their choice, to keep informed and/or involved in political matters, to serve within civic bodies, or to hold political office at any level of government. The ability to partake in activities of this nature is fundamental to a democracy, and iStar's corporate policy doesn't prohibit employees from any of the aforementioned activities so long as they're acting in their own individual capacity and at their own expense, and do not interfere with our basic business activities.

Anti-Money Laundering ("AML") & Know Your Customer ("KYC")

iStar takes illicit business activity seriously and works diligently to prevent both money laundering and financing of terrorism. We comply with all applicable AML laws and will not knowingly participate in arrangements to launder money, nor will we do business with anyone suspected of involvement with such criminal activity, terrorist activity, or who is subject to applicable trade sanctions. We employ appropriate KYC measures (e.g. industry-leading background checks via an independent third-party provider) to ensure that we satisfactorily know our clients and customers – with the goal of reducing the likelihood that we could be implicated in a nefarious scheme.

- - - ENVIRONMENTAL POLICIES - - -

Corporate Environmental Policy

iStar recognizes the impact our operations and people have on the world around us, and we're committed to the responsible stewardship of our activities upon the environment. Our typical role as lessor and lender limits how much immediate control we have over day-to-day decision making and on-the-ground improvements. However, we seek to limit our environmental footprint where operationally possible by means such as:

- Ensuring our operations comply with applicable local laws, and understanding opportunistic areas for positive impact derived from future possible laws.
- Seeking to limit the carbon impact of our office operations, employees, and technology.
- Assessing our baseline environmental impact so we can subsequently establish a target date for operational carbon neutrality.
- Considering issues like water quality and scarcity, biodiversity, alternative transportation, and energy efficiency for flagship properties within our control.
- Diligencing climate change impacts when considering new Safehold investment opportunities.
- Requiring vendors to conduct aspects of their business in an environmentally responsible manner.



- Providing employees and with education, training, and tools that allow them to reduce their own environmental impact.
- When possible, requesting that building owners and operators provide us with emissions activity reports procured during the ordinary course of business.

Environmental Management

iStar's environmental management efforts are steered by a combination of the ESG Advisory Council and senior management across numerous departments (including, but not limited to, Operations, Asset Management, Construction, and Information Technology). We seek to identify operational areas of environmental risk and opportunities for positive impact, often via a combination of our own efforts and professionals we may hire on a case-by-case basis.

Information gathered is regularly presented to Executive Management, who both approve individual actions and commonly suggest new areas for the team to explore. Findings and progress are regularly reported to the Board of Directors with each quarter's ESG update.

We're currently in the process of measuring our existing carbon footprint and managing it for the future. We expect to establish our baseline operational usage in 2021, followed by adopting impact mitigation measures and establishing a target date for carbon neutrality.

Climate Change

As the investment manager for Safehold, iStar takes the risks of climate change very seriously – it's in fact baked into our business model considering what is most commonly a 99-year investment horizon. Before we launched Safehold, iStar commissioned an independent market analysis that evaluated various climate change impact scenarios and market longevity as key factors to help us understand risks such as temperature increases, sea level rise, and the likelihood of increased natural disasters. For instance, this process identified that localized flood risk may ultimately be more impactful in many urban areas than more heavily discussed sea level rise. With this in mind, we identified a leading third-party vendor to help us better assess this risk as part of our core underwriting process. Further, we follow leading science, research, and technology discussions to better understand the world unfolding around us and the implications on climate change.

iStar's core focus on the ground lease industry presents a relative level of safety that may limit the impact of climate change on the company. That said, we recognize that climate change could introduce or amplify risks for iStar or our customers related to owning and operating real estate. Such risks include, but are not limited to, disruption of use, supply/demand imbalance dynamics, decreased revenue collection, increased operating and capital costs, increased regulatory scrutiny and laws, increased tax levies, and the prospect of uninsured or underinsured losses.



For all the risks that climate change presents, we believe that prudent planning and policies can help mitigate potential long-term impacts to the portfolio. Safehold's standard ground lease contains provisions requiring our tenants' ongoing compliance with all applicable environmental laws; we regularly visit properties to ensure continued compliance. We have also worked to implement insurance provisions with the goal of protecting the integrity of assets. Separately, we're exploring opportunities to create capital programs that could expand our business while simultaneously creating a positive environmental impact through technology.

Operational Waste & Energy Management

iStar seeks to mitigate the volume of waste created by our operations in the areas where our offices are located. Most recently in 2020, we substantially reduced our paper usage by rolling out a new online data warehouse that reduced companywide printing needs. Separately, we also transitioned most plastics out of our offices in 2020 – from water bottles to disposable cutlery – and replaced items with biodegradable alternatives. In addition, we created roughly 64,000 kWh of energy savings in 2020 via a combination of migrating our server infrastructure to the cloud and procuring 66 new Energy Star laptops for our employees.

--- GOVERNANCE & OVERSIGHT POLICIES ---

Training Programs & Policy Auditing

iStar facilitates a comprehensive schedule of policy and best practice training programs each year for the entirety of our workforce (including all part-time employees and contractors). These programs include, but are not limited to, the following:

- Annual employee review and written acknowledgement/sign-off of the Corporate Code of Conduct, with an internal discussion on any items that changed in the prior year.
- Annual human rights training to reaffirm the principles and standards set out in both our Corporate Sustainability Policy Summary and Vendor Code of Conduct. A particular emphasis is placed on raising awareness and prevention of harassment, discrimination, and exploitation (notably forced labor and human trafficking).
- Annual electronic distribution of Vendor Code of Conduct, which notably emphasizes human and labor rights.
- Annual third-party training on diversity, sexual harassment, and cybersecurity.
- Annual AML & KYC training for employees that either (i) manage flow of money in or out of the organization or (ii) interact directly with customers' personally identifiable information (PII).
- Twice annual email distribution reiterating the Company's anonymous ethics hotline and whistleblower program, with an emphasis on non-retaliation for any filed complaints.
- Periodic document management & retention policy training to promote strong adherence with cybersecurity best practices.



iStar is committed to ensuring continued compliance with all policy expectations we establish for ourselves and our vendors. The Company's Head of ESG and Head of Human Resources partner with individuals across iStar to (i) ensure that all training and communication is completed as noted above, (ii) track and audit metrics to assess performance, and (iii) identify opportunities for improving this fluid process. All findings are reported to the C-Suite. Additionally, a third-party audit is completed once every three years to further support best practice review and confirm continued compliance with the Company's training and ethical policy standards.

Stakeholder Engagement

iStar considers our employees, customers, investors, partners, and communities to be stakeholders. These groups are all interconnected to iStar's business, and we consider each of their feedback valuable. The frequency of our interactions with each group depends on a particular topic's (i) importance to stakeholders and (ii) impact on iStar's business success and sustainability. The core tenets of our outreach center around transparent education and communication, providing an opportunity for feedback, and demonstrating a commitment to continued progress – all of which are critical to building both long-lasting relationships and success.

Compliance & Reporting Concerns

iStar's [Corporate Code of Conduct](#) mandates strong ethics, transparency, and accountability throughout our organization. The document is provided to and acknowledged by new employees and our directors, and is distributed to all periodically to reiterate expectations. Beginning in 2021, this distribution and acknowledgement process will be repeated annually.

Whistleblower Policy. Our employees may report any suspected misconduct concerns or violations of iStar's Code of Conduct either directly or anonymously. In 2020, we partnered with NAVEX Global to provide EthicsPoint service to all employees. EthicsPoint is an independent and confidential 24/7 hotline created to help employees and management work together to address fraud, abuse, and other misconduct in the workplace, while cultivating a positive work environment. This resource is noted on our internal HR site and our employees are reminded multiple times each year that the hotline service is available. We prohibit retaliation against employees who report actual or suspected violations. Anyone who attempts to retaliate will be subject to disciplinary action, up to and including termination. See our [Proxy Statement](#) for a description of our whistleblower policy.

Anti-Corruption & Anti-Bribery Policies. iStar expressly prohibits all forms of bribery/corruption and facilitation payments. In terms of this policy, these items are more clearly defined as follows:

- Bribery is the act of improperly promising, offering, giving, soliciting, asking, agreeing, receiving, or accepting something of value for an advantage, or to induce or influence an action or decision.



- A bribe is any payment, gift, inducement, reward, service, or item of value promised or provided – either directly or indirectly – to a recipient with the intent to improperly influence any act or decision of such person or organization.
- Facilitation payments are unofficial payments made to public or government officials or authorities to secure or expedite the performance of routine duties, services, or procedures of non-discretionary nature to which they are already bound to perform. The payment is not intended to influence the outcome of the official's action, but rather to influence its timing.

This policy applies to anyone acting in any capacity on iStar's behalf, including would-be employees, agents, or intermediaries.

Oversight of ESG Policies

iStar's ESG efforts are led by our ESG Advisory Council, which works closely with our Cultural Equity Council that focuses on our Diversity, Equity & Inclusion program. Both councils feature involvement by members of executive management, and both councils regularly report their ongoing work to iStar's Board of Directors. Quarterly updates include a combination of information, discussion, and approval items related to ongoing and contemplated policies and initiatives. iStar's annual ESG report is updated each April. It offers the opportunity to share recent highlights and successes, to reiterate key policies, and to highlight upcoming opportunities to bring our ESG vision to life. We take great pride in this report and look forward to continuing to enhance and expand our ESG reporting in the years ahead.