

Governance

We are committed to strong corporate governance and transparency for our stockholders. Our independent directors stand for election every year, and each of the members of our board of directors standing for re-election at our 2022 annual meeting of stockholders was elected by at least 74% of the votes cast at such annual meeting. We have opted out of anti-takeover provisions and stockholder rights plans and we will not opt back in to those provisions without stockholder approval. Our directors and employees comply with a comprehensive code of business conduct and ethics that encourages honesty, accountability and mutual respect and offers communication channels for handling ethical issues.

Our long-term incentive compensation is fully aligned with our stockholders interests. Performance shares are tied to three-year total stockholder return exceeding the MSCI U.S. REIT Index and FTSE Nareit Equity Industrial Index. We do not have an annual cash bonus plan for our chief executive officer or president and their long-term incentive compensation is paid solely in stock. For 2022, approximately 81% of our chief executive officer and president's direct compensation was at-risk variable incentive equity.

We believe that our executives and directors should own a meaningful equity interest in the Company to more closely align the interests of our executive officers and our stockholders. We require minimum stock ownership by our chief executive officer, president, executive officers and non-employee directors and in fact, our employees and directors own well in excess of \$100 million of our common shares. Each of our chief executive officer, president, other executive officers and non-employee directors are in compliance with their respective minimum stock ownership requirement. Further, our code of business conduct and ethics prohibits new investment and other trading in the member companies of the FTSE Nareit Equity Industrial Index.

Recent Governance Highlights:

- Tied for #1 among all REITs for Corporate Governance in the annual Green Street report on Executive Compensation and Corporate Governance; and
- Expanded our board of directors diversity with the appointment of two new board members during 2022.