

Conference Title: Franklin Street Properties Corp Annual Meeting

Date: 11th May 2023

George Carter: Good morning, everyone. My name is George Carter and I'm the Chairman of the Board and Chief Executive Officer of Franklin Street Properties. Welcome to our 2023 Annual Meeting of Stockholders. I would now like to call this meeting to order. This year we are holding our annual meeting in an all-virtual format and are pleased to have everyone join this live audio webcast. We have designed this meeting to seek to provide stockholders the same opportunities to participate as they would at an in-person meeting. Eriel Anchondo, our Chief Operating Officer is going to say a few words of introduction. Then the meeting will be turned over to Scott Carter, our general counsel and secretary, who will conduct the business portion of the meeting. After the business portion of the meeting has concluded, I will be back to give a few prepared remarks. Eriel.

Eriel Anchondo: Thank you, George. Good morning, everyone. Welcome to the 2023 Annual Meeting of Stockholders of Franklin Street Properties. On behalf of the Board of Directors, Officers and employees, I want to thank you for your trust and interest in the company. The Board of Directors of Franklin Street Properties is comprised of eight individuals, seven of them being independent members. Furthermore, the Audit, Nominating and Corporate Governance, and Compensation committees are all comprised of independent members.

I would like to introduce you to the members of the board, starting with our independent directors. Georgia Murray. Ms. Murray has been a member of the board since 2005 and serves as the Lead Independent Director, is also a member of the Audit Committee and the Compensation Committee. Ms. Murray is today standing for election as a director. John Burke. Mr. Burke has been a member of the board since 2004 and serves as the Chair of the Audit Committee and is a member of the Compensation Committee, and the Nominating and Corporate Governance Committee. Mr. Burke is today standing for election as a director. Brian Hansen. Mr. Hansen has been a member of the board since 2012 and serves as the chair of the Compensation Committee and is a member of the

Nominating and Corporate Governance Committee. Mr. Hansen is today standing for election as a director.

Kenneth Hoxsie. Mr. Hoxsie has been a member of the board since 2016, and serves as the chair of the Nominating and Corporate Governance Committee and is a member of the Audit Committee. Mr. Hoxie is today standing for election as a director. Dennis McGillicuddy. Mr. McGillicuddy has been a member of the board since 2002 and is a member of the Audit Committee. Mr. McGillicuddy is today standing for election as a director. Kathryn P. O'Neil. Ms. O'Neil has been a member of the board since 2016 and is a member of the Audit, Nominating and Corporate Governance, and Compensation Committees. Ms. O'Neil is today standing for election as director. Milton P. Wilkins, Jr. Mr. Wilkins has been a member of the board since 2022 and is a member of the Audit Committee. Mr. Wilkins is today standing for election as a director.

The remaining director is George Carter, who opened the meeting and is now Chairman of the Board and Chief Executive Officer. You'll be hearing from Mr. Carter after we conclude the business portion of today's meeting. Mr. Carter is today standing for election as a director.

Next, I would like to introduce you to the company's other executive officers. Jeffrey Carter, our President and Chief Investment Officer; John DeMerit, our Chief Financial Officer; Scott Carter, our General Counsel and Secretary; and John Donahue, President of FSP Property Management. Finally, I would like to introduce you to Georgia Touma, our Vice President and Director of Investor Relations. Ms. Touma will be acting as the inspector of elections today.

We are fortunate to have in attendance a significant number of representatives from professional services firms with whom we do business. First, we have Tom Ward from the law firm WilmerHale, which is the company's outside legal counsel. There are also representatives from the company's independent public accounting firm, Ernst & Young, including Steve Connors, Shauna Fumicello and Shannon Hartley. There are representatives from Markham, the independent auditors for our

single asset [inaudible], including John McCarthy. Thank you all for being here today. I am now going to turn the meeting over to our general counsel, Scott Carter, who will conduct the business portion of today's meeting. Scott.

Scott Carter: Thanks, Eriel, and good morning, everyone. I am going to facilitate the business portion of the meeting. I will then turn the call, the meeting back over to George Carter for his remarks and a question-and-answer session. In order to conduct an orderly meeting, I call your attention to the rules of conduct posted on the virtual meeting website, which include information about participating in the meeting. Please note that various remarks that we may make about future expectations, plans and prospects for the company may constitute forward-looking statements for purposes of the Safe Harbor provisions under the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, including those discussed in the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2022, and our most recent quarterly report on Form 10-Q for the quarter ended March 31, 2023, both of which are on file with the SEC.

In addition, these forward-looking statements represent the company's expectations only as of today Thursday, May 11, 2023. While the company may elect to update these forward-looking statements, it specifically disclaims any obligation to do so. Any forward-looking statements should not be relied upon as representing the company's estimates or views as of any date subsequent to today. At times during this meeting, we may refer to funds from operations or FFO and other non-GAAP financial measures. Reconciliations of FFO and other non-GAAP financial measures to GAAP net income can be found in our filings with the SEC.

As indicated in the notice of meeting and accompanying documents that were made available to all stockholders entitled to notice of and to vote at the 2023 annual meeting of stockholders. We are here today to consider and vote upon the following matters. First, to elect eight directors, each to serve for a term expiring at our 2024 Annual Meeting of Stockholders. Second, to ratify our Audit

Committee's appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2023. Third, to approve by non-binding vote our executive compensation. And fourth, to recommend by non-binding vote the frequency of future executive compensation Advisory votes.

Broadridge Financial Solutions has prepared an affidavit certifying that the notice of the annual meeting and proxy statement were sent to all stockholders of record as of the close of business on February 28, 2023. A copy of the Notice of Meeting and the affidavit of mailing will be incorporated into the minutes of this meeting. The company has appointed Georgia Touma to act as inspector of elections. Georgia Touma is with us today and has taken the oath of the inspector of elections. Our inspector of elections has furnished a count of the number of shares represented at this meeting in person or by proxy. There are present at this meeting in person or through representation by proxy. A total of approximately 85,327,359 shares of common stock, out of a total of 103,235,914 shares entitled to vote, which represents approximately 82.65% of our total shares outstanding as of the record date for this meeting.

I hereby declare that a quorum exists. The polls are now open and will remain open until I announce that the polls are closed. No votes will be accepted after the polls are closed. The preliminary results of the voting on these matters will be announced following the tabulation of the voting. The first matter to be voted on is the election of eight directors, each for a term expiring at our 2024 annual meeting of stockholders. The nominees for election are George J. Carter, Georgia Murray, Brian N. Hansen, John N. Burke, Dennis J. McGillicuddy, Kenneth A. Hoxsie, Kathryn P. O'Neil, Milton P. Wilkins, Jr.

Second matter to be voted on is the ratification of our audit committee's appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2023. The third matter to be voted on is to approve on an advisory non-binding basis the compensation of our named executive officers as disclosed in our 2023 proxy statement. The

fourth matter to be voted on is to recommend on an advisory non-binding basis, the frequency of future executive compensation votes. Stockholders may vote for a frequency of every one, two or three years. If there are any stockholders with questions relating to the proposals being voted on, please enter them now using the Q&A button on your screen. Stockholders may also submit other questions during the meeting, but responses to questions that do not relate to the proposals being voted on will be addressed later during the question and answer period that will follow the business portion of the meeting.

We'll pause for a moment to see if we have any questions relating to the proposals. Seeing none. We will now proceed to vote. If you are a stockholder who has not yet voted, or if you previously voted by proxy and wish to change your vote, you may vote by using the voting button on your screen. We'll pause for another moment to allow for any voting. Now that everyone has had an opportunity to vote, the business items on the agenda for this meeting are complete and the polls are now closed. We now have the preliminary report of the results of the meeting. The final tabulation will be reflected in the minutes of this meeting and filed by the company in a current report on Form 8-K with the SEC. On the proposal that the nominees be elected as directors, each to serve for a term expiring in our 2024 Annual Meeting of Stockholders, approximately 76,825,472 shares were voted for the election of Mr. Carter, representing approximately 96.69% of the votes cast and approximately 2,627,147 shares were voted against. And approximately 76,460,764 shares were voted for the election of Ms. Murray, representing approximately 96.23% of the votes cast, and approximately 2,991,854 shares were voted against.

Approximately 78,025,926 shares were voted for the election of Mr. Hansen, representing approximately 98.20% of the votes cast and approximately 1,426,693 shares were voted against. Approximately 75,448,190 shares were voted for the election of Mr. Burke, representing approximately 94.95% of the votes cast and approximately 4,000,400. Excuse me. And approximately 4,004,429 shares were voted against. Approximately 77,092,567 shares were voted for the election of Mr. McGillicuddy, representing approximately 97.02% of the votes cast, and

approximately 2,360,052 shares were voted against. Approximately 71,532,799 shares were voted for the election of Mr. Hoxsie, representing approximately 90.03% of the votes cast and approximately 7,919,828 shares were voted against. Approximately 76,675,782 shares were voted for the election of Ms. O'Neil, representing approximately 96.5% of the votes cast, and approximately 2,776,836 shares were voted against. And approximately 77,275,415 shares were voted for the election of Mr. Wilkins, representing approximately 97.25% of the votes cast, and approximately 2,178,054 shares were voted against. There were approximately 5,873,890 broker non-votes.

As the holders of a majority of the votes cast at this meeting had voted for each of the nominees, I hereby declare that the nominees have been elected as directors for a term expiring at our 2024 Annual Meeting of Stockholders. On the proposal to ratify our audit committee's appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2023, approximately 83,571,677 shares have been voted for ratification, representing approximately 98.02% of votes cast. Approximately 1,681,939 shares have been voted against ratification. And holders of approximately 73,743 shares abstained. As the holders of a majority of the votes cast at this meeting have voted for this proposal, I hereby declare that our audit committee's appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ended December 31, 2023, has been ratified.

On the approach – on the proposal to approve on a non-binding advisory basis the compensation of our named executive officers as disclosed in our 2023 proxy statement. Approximately 76,936,220 shares have been voted for this proposal, representing approximately 97.02% of the votes cast. Approximately 2,357,171 shares have been voted against this proposal. Holders of approximately 160,078 shares have abstained, and there were approximately 5,873,890 broker non-votes. The holders of a majority of the votes cast at this meeting, having voted in favor of the resolution regarding executive compensation, I hereby declare that the resolution regarding Executive compensation has been approved. On the proposal to recommend on a non-binding

advisory basis the frequency of future executive compensation votes, approximately 76,571,595 shares have been voted for a frequency of one year, representing approximately 96.5% of the votes cast. Approximately 52,759 shares have been voted for a frequency of two years, representing less than 1% of the votes cast. Approximately 2,721,227 shares have been voted for a frequency of three years, representing approximately 3.42% of votes cast and holders of approximately 107,888 shares have abstained. The holders of a majority of the votes cast at this meeting, having voted for a frequency of one year, I hereby declare that a frequency of one year has been approved. That concludes the business portion of this meeting. I'd now like to turn the meeting back over to George Carter. George.

George Carter: Thank you, Scott. And good morning, again, fellow stockholders. For shareholders that have followed Franklin Street through 2021 and 2022, you know that for full year 2023, we are focused on continuing to execute same two primary business objectives as the last two years. They are number one, to continue our disposition efforts of specific office properties where we believe that those properties' short-to-intermediate-term valuation potential has been reached. And two, to continue aggressive efforts to lease vacant space in our portfolio.

With regard to leasing, we currently own 20 properties totaling about six million rentable square feet. And we are about 75% leased. In other words, we have 25% of our square footage, or about 1,000,000.5 ft² vacant and available for lease. For most of our properties, successful leasing of this last mile, 25% of space, can be disproportionately profitable as many fixed costs of a building's operation get effectively borne by the existing 75% lower occupancy in place rental streams. Like any business with substantial fixed costs, higher profits come at the margin. And in Franklin Street's case, higher lease percentages. And those additional rents will disproportionately flow to the bottom line and improve our FFO metric. Increased occupancies also can meaningfully increase values of individual properties, and maybe most important in these tough office capital markets increase their liquidity to a broader group of potential buyers. We have a significant amount of vacant space to lease and much of that vacancy is in markets that are currently beginning to gain increased traction

and momentum, both because of local underlying business demand forces and improving employee post-COVID back-to-the-office trends.

In Denver, our three central business district properties, as well as Greenwood Plaza, are examples. In Houston, Westchase 1 and 2 and Park 10 1 and 2 are also showing increasing leasing activity. And across our entire portfolio, we continue to see in general a slow but steady increase in the percentage of our tenants' employees that are working more days in the office. Ultimately, this broader return to the office trend will help the corporate decision-makers determine their office space needs and so enable them to make firm and better leasing decisions for the future. With regard to property dispositions, we believe that our stock's current pricing in the public stock market does not reflect our individual property's full intrinsic value. Particularly as certain individual properties are considered by different sources of both private and public capital real estate investors who may have different opinions of those properties, current values and future value potential, regardless of their current rental operations. So if we continue to feel the stock market is having trouble recognizing what we believe is the real value of our individual properties, then as we did in 2021 and 2022, we will continue to try to close the gap between share price and intrinsic property value through select dispositions.

We think the appropriate conditions currently exist in the economy, broader capital markets, and more specifically our company's asset class of office properties to maintain the strategy and discipline of continuing dispositions, even though it shrinks our company size. However, because we are using the vast majority of all disposition proceeds to pay down debt as well as continuously efforting to enhance through tenant leasing and structural capital improvements the value of our remaining properties. We believe we are not proportionally shrinking shareholder brick-and-mortar equity value as it relates to the remaining properties in the portfolio. We strongly believe that we are improving that equity's quality, de-risking it, preserving it to outlast current office market turmoil and potentially increase in value against some very large near-term headwinds and uncertainties surrounding the traditional office property asset class, as well as the broader economy and capital

financing markets. Our goal is to pay down our debt, only[?] a remaining portfolio of high-quality well-located properties with very high equity capitalization and then take advantage of the best opportunity at that time to provide, at minimum, increased liquidity for shareholders through either cash distributions from continued select property dispositions and/or to try and affect other potentially more encompassing alternatives. And of course, one other alternative, depending on real estate, capital, markets and perceived opportunities within that space would be to use some or all of that remaining property equity effectively as a capital platform to launch into longer-term new real estate growth opportunities that began growing again the size and scope of Lincoln Street Properties and its longer-term future.

We believe opportunities that may be available for FSP shareholders are likely to be more numerous, diverse, attractive and ultimately productively consummated for a company and portfolio of properties with very low debt, especially when considering today's evolving commercial office property capital markets. Summary, we believe in the longer-term viability of quality, well-located office space. And we believe in the value proposition intrinsic in Franklin Streets' office property portfolio. And I can assure all FSP shareholders that the company is totally focused with all of its energies on making all of our remaining properties the most valuable they can be, and then harvesting that value for shareholders, taking advantage of any and all the best opportunities available. That concludes my prepared remarks today. I would now like to ask our host to begin the question-and-answer session. Since we have no questions, I would like to close by thanking all Franklin Street shareholders. And all other associated all other associated with this meeting. There being no further business to come before the meeting. This annual meeting of stockholders is now adjourned.

Operator: This now concludes the meeting. Thank you for joining and have a pleasant day.