

# Annual ESG Report

July 2021



# Table of Contents

A Letter To Our Stakeholders.....05

Overview.....06

    Corporate Profile | 7

    2020 Highlights | 8

    About This Report | 9

Environmental.....10

    Environmental & Climate Risk Management | 11

    Transitional Risks | 12

    Physical Risks | 14

    Energy Management Strategy | 15

    Performance Metrics & Targets | 16

    Energy Intensity | 17

    GHG Emissions Intensity | 18

    Water Use Intensity | 19

    Waste Management | 20

    Acknowledgment of Outstanding Operations | 22

    Tenant Engagement | 24

Social.....26

    Our Employees | 27

    Diversity & Inclusion | 28

    Strategic Program Objectives | 29

    HBCU Scholarship Program | 30

    Performance & Career Development | 31

    Social Responsibility Policies | 32

    Stakeholder Engagement | 34

    Corporate Philosophy | 35

    COVID-19 Response | 36

Governance.....38

    Our ESG Steering Committee | 39

    Corporate Governance Guidelines | 39

References.....41

    Property Recognition | 42

    SASB for Real Estate Disclosure Tables | 44





# A Letter To Our Stakeholders

On behalf of the employees of Piedmont Office Realty Trust, I am pleased to present our annual Environmental, Social and Governance (ESG) report to our valued stakeholders. Our Country continues to reflect and move forward after unprecedented health concerns and a strong stance against social injustice. Piedmont has embraced this past year to listen, think creatively and focus on our core principals... pledging to improve service to our customers, be more connected to our communities and better protect our collective environment.

This past year, Piedmont re-emphasized health and wellness across our portfolio. The COVID-19 pandemic has had a profound impact on our daily lives and communities. As a commercial real estate company, we have worked tirelessly to ensure our buildings remain open to serve the needs of our customers and our commitment to providing a safe and productive working environment has not wavered. From redesigning common areas, adding more touchless features, and heightening cleaning protocols, we are enhancing the health and safety across our portfolio.

I am also extremely proud of my Piedmont colleagues who have taken the initiative to advance equality in our country and the commercial real estate industry. Over the past year, Piedmont has strengthened its ties to our communities and taken a stance to condemn the prejudice and discrimination that pervades. We are committed to fairness and equality for our co-workers, tenants, vendors, communities, peers, and stakeholders and will continue to promote the openness, compassion, love and kindness required to bring about a positive social change.

At Piedmont, we are steadfast in our commitment to be a leader among the commercial real estate industry for environmental, social, and governance initiatives. As a company, our principles, our empathy, and our desire to grow as a team... guide us each and everyday to accomplish this objective.

Our 2020 highlights were focused in the areas of Operational Excellence, Healthy Buildings, Social Responsibility, and Corporate Governance. Some of these accomplishments include:

- 2021 Energy Star Partner of the Year
- Top 5 companies nationwide with the most BOMA360 certified buildings
- Published Tenant Health & Safety Procedures & Back to Office Guidelines
- Launched a Gold-Level Sponsorship of Project REAP (Real Estate Associate Program)
- Established scholarship and internships programs with Historically Black Colleges and Universities (HBCU) – Morehouse College and Howard University.



- Supported our communities by partnering with local organizations such as Make a Wish, Wounded Warrior, Carter Blood Center, and numerous homeless shelters
- Financially contributed to the Anti-Defamation League, the NAACP, The National Association of Criminal Defense Lawyers, and the Brennan Center for Justice in an effort to underscore and promote these values

Throughout the past year, Piedmont's mission and corporate responsibility has been front and center and, we pledge to continue to deliver the highest quality of service to our tenants while working together to deliver more environmentally friendly buildings while better serving the communities in which we operate. We are proud of the progress that we have made but we also look forward to the growth and impact opportunities that lie ahead.

**- C. Brent Smith**  
President and Chief Executive Officer

“

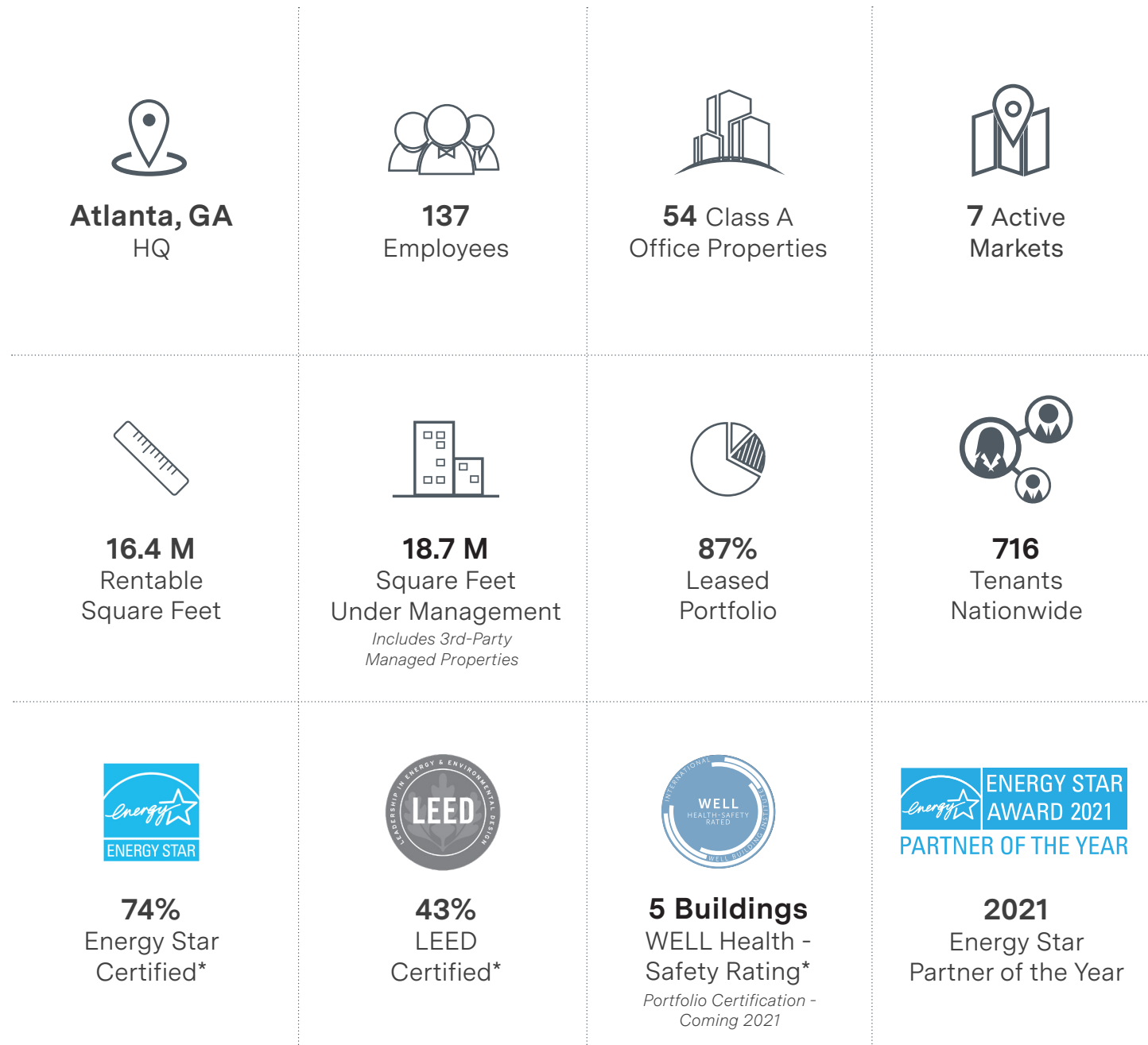
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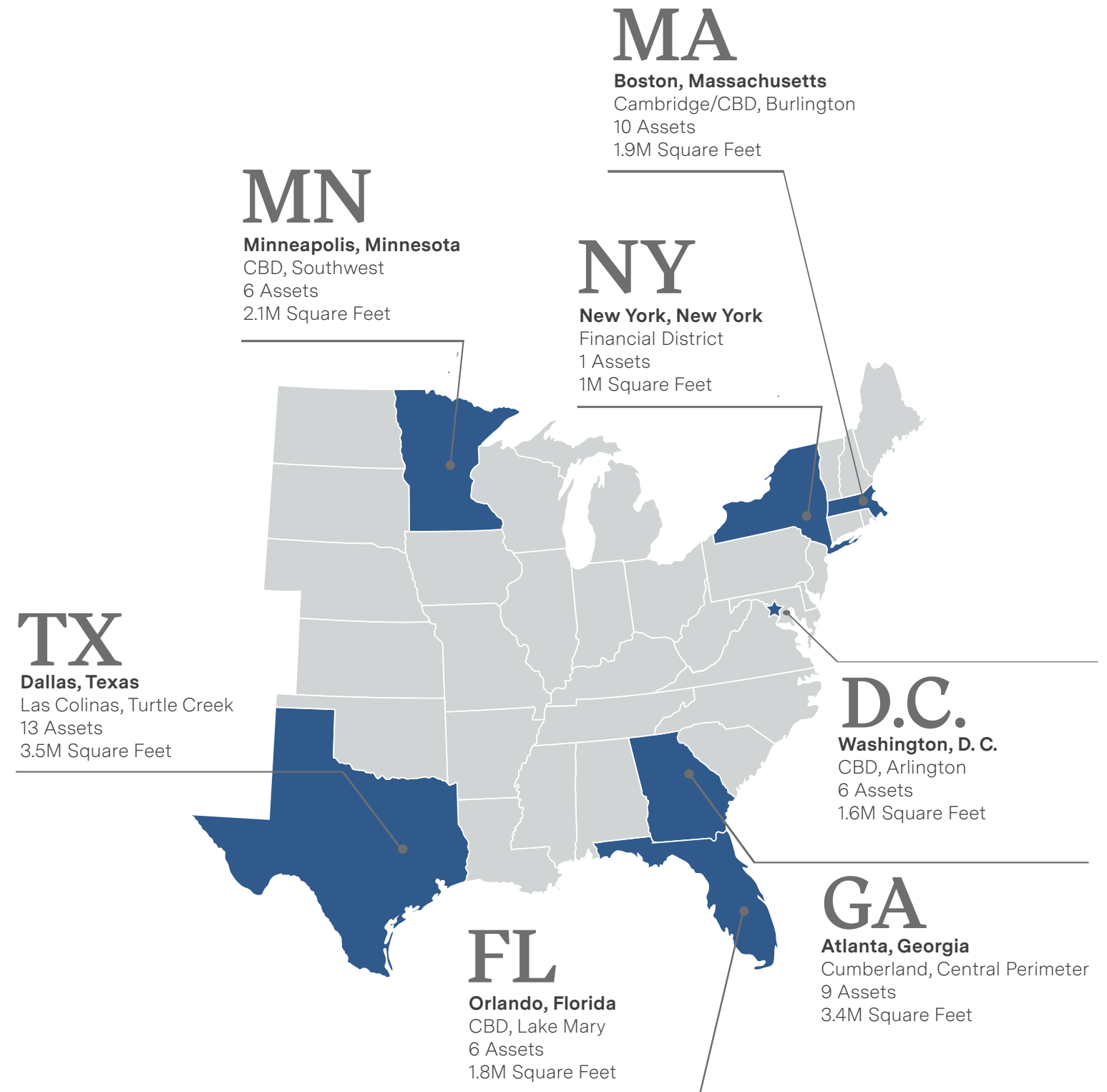
# Corporate Profile

Piedmont Office Realty Trust, Inc. (also referred to herein as “Piedmont”) (NYSE: PDM) is an owner, manager, developer, redeveloper, and operator of high-quality, Class A office properties located primarily in select sub-markets within seven major Eastern U.S. office markets, with the majority of its revenue being generated from the Sunbelt. Its geographically-diversified, approximately \$5 billion portfolio is currently comprised of approximately 17 million square feet. The Company is a fully integrated, self-managed real estate investment trust (REIT) with local management offices in each of its markets and is investment-grade rated by S&P Global Ratings (BBB) and Moody’s (Baa2).



Unless otherwise noted, all data contained herein is as of December 31, 2020.  
 \*Certification data is listed for 2020 and reported as of February 28, 2021.

# Our Markets





# 2020 Highlights



## Environmental Excellence

- Named 2021 ENERGY STAR (ES) Partner of the Year.
- Improved ES certifications of owned SF from 64% (2019) to 74% (2020).
- Improved our average ES score from a 73 (2019) to 78 (2020).
- Top 5 companies nationwide with the most BOMA360 buildings and renewals.
- Improved our ISS Environmental score from a 5 (April 2020) to a 2 (April 2021).



## Climate Strategy

- Adopted a policy to include Renewable Energy Certificates (RECs) in our electricity procurement contracts, where feasible.
- Began including Greenhouse Gas Emissions in our project priority methodology.
- Finalized agreements and designs to build and operate two solar electricity generating systems on the top level of two parking garages in Massachusetts.



## Healthy Buildings

- Achieved WELL Health-Safety Rating at five buildings, with plans to obtain portfolio-wide certification in 2021.
- Piloted a real-time indoor air quality monitoring platform at six buildings.
- Kept our buildings open for business, ready to serve our tenants, while following all government guidelines and strictly adhering to all CDC health and wellness protocols.
- Enhanced automated doors and hands-free fixtures at all buildings.
- Published Tenant Health & Safety Procedures and Back to Office Guidelines.
- Expanded many outdoor spaces to allow for additional remote working locations.
- Enhanced Class A cleaning protocol with new portfolio-wide Cleaning for Health Program.



## Social Responsibility

- Continued our commitment to Diversity & Equity through *Engaging with Empathy & Respect* training in addition to updating our policies and procedures related to performance management, employee law and relations, recruiting, and hiring.
- Launched a Gold Level Sponsorship of Project REAP (Real Estate Associate Program).
- Established scholarship and internship programs with Morehouse College and Howard University.
- Supported our communities by partnering with organizations such as Make A Wish, Wounded Warrior, Carter Blood Care and several local homeless shelters.
- Financially contributed to the Anti-Defamation League, the NAACP, The National Association of Criminal Defense Lawyers, and the Brennan Center for Justice in an effort to underscore and promote these values.
- Continued our COVID-19 relief efforts through safety and healthcare initiatives for our employees, tenants, and communities.



## Corporate Governance

- ISS Corporate Governance score of a 1 (as of 12/21/2020), the highest possible rating.
- Green Street’s 2019 Corporate Governance Rankings: 3<sup>rd</sup> out of all Office REITs and 12<sup>th</sup> out of 79 REITs in Green Street’s coverage.
- First Green Bond Issuance to purchase LEED Certified project in Dallas, TX.

# About This Report

We have a long history of owning and operating Class A sustainable office buildings. In 2018, we solidified our approach to energy management through the release of our inaugural Sustainability Policy, highlighting our commitment to reaching energy and water saving goals. In 2019, we released our first public Sustainability Report, where we reported the Energy Management metrics to the Sustainability Accounting Standards Boards (SASB) for real estate. In addition to this public report, we published policy information and reporting metrics on our website to provide additional transparency into our corporate social responsibility practices.

In 2020, we combined our 2019 environmental, social, and governance information into one collective report covering policy and performance. We expanded our environmental reporting to include all SASB qualitative and quantitative metrics and incorporated information that aligns with the Task Force on Climate-related Financial Disclosure (TCFD). This year’s Annual ESG Report follows a similar framework as our previous year’s report. Please refer to the following tables to find specific TCFD and SASB responses.

Our SASB quantitative data is available on the final page of this report (page 42-47).

TCFD Index	Description	Pg. #
Governance	Board’s oversight of climate-related risks and opportunities.	Pg. 37
	Management role in assessing and managing climate-related risks and opportunities.	
Strategy	Climate-related risks and opportunities we have identified over the short, medium, and long-term.	Pg. 9
Risk Management	Organizational processes for identifying, assessing, and managing climate-related risks.	Pg. 9
Metrics & Targets	Metrics and targets used to manage climate-related risks, opportunities, and performance.	Pg. 14

SASB Topic	Description	Pg. #
Energy Management	How building energy management considerations are integrated into property investment analysis and operational strategy.	Pg. 13
Water Management	Water management risks and discussion of strategies and practices to mitigate those risks.	Pg. 17
Tenant Sustainability Impacts	Discussion of approach to measuring, incentivizing and improving sustainability impacts of tenants.	Pg. 22
Climate Change Adaption	Climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies mitigating risk.	Pg. 9



# Environmental

## Environmental & Climate Risk Management

At Piedmont, we consider sustainability to be a long-term commitment which we proudly undertake on behalf of our stakeholders. Our shareholders and employees expect that their financial and human capital supports conserving our global environment for our tenants and local communities entrust us to reduce our landfill waste and dependence on finite resources.

In 2019, Our Environmental & Social Steering Committee completed a risk assessment to identify the key *Physical* and *Transitional* risks that are most likely to impact our business. This assessment is updated annually, or as new information is learned. Please refer to the Governance section for additional details on our sustainability governance. Our assessments are aligned with the Task Force on Climate-related Financial Disclosures (TCFD) which divides climate-related risks into two major categories.

- (1) Risks related to the transition to a lower-carbon economy, and
- (2) Risks related to the physical impacts of climate change.

We have programs and policies in place, or in process, that align with our identified risks. Our Energy Management System is a continuous improvement model, so we are constantly updating, expanding, and improving our programs. Along with the risks that we have identified, we recognize these risks also allow opportunities to drive down operating costs while providing additional amenities for our tenants such as electric vehicle charging stations and expanded access to recycling and organics composting, and provide healthier work environments and communities for our tenants.

In 2021, we are completing a thorough review of climate risks at each of our assets. This review involves a detailed analysis of each region's physical, transitional, and regulatory climate risk while ensuring we are being as thorough as possible down to the asset-level. Additionally, this information will help inform investment decisions in building resilience, upgrades, future market expansions, and adjustments to our existing metrics and targets, if needed. The following outlines the risks that have been identified, our strategy for mitigating those risks, leveraging the opportunity to collect relevant metrics, setting targets to measure our level of risk and/or mitigation effort, and our plans for additional progress and growth in the future.

Las Colinas Corporate Center | Irving, TX





# Transitional Risks

### Increasing Operating Costs

The increased pricing of electricity, natural gas, off-site energy sources, water rates, and insurance rates could increase the operating costs of our properties. Our strategy is to set a target to reduce property energy and water consumption and improve landfill diversion rates.

2020 Metrics & Targets	2021 Plans
Reduce energy intensity (kBtu/SF) by 20% by 2026, reduced 23% compared to baseline. <sup>1</sup>	Improve the granularity of water tracking to identify best areas for improvement between domestic, irrigation, and HVAC use for each property.
Reduce water intensity (gal/SF) by 20% by 2028, reduced 31% compared to baseline. <sup>1</sup>	Redevelop our waste management contracts to make progress towards our landfill diversion goals.
Track 100% of our waste data by 2025, improve landfill diversion by 50% by 2030.	

### Increasing Stringent Building and Energy Codes

The increasing stringent building and energy codes could increase construction, capital, and maintenance costs. We continue to update our buildings with energy efficient equipment to stay ahead of future code changes in both landlord- and tenant-controlled spaces. Additionally, we engage with our tenants closely regarding our environmental initiatives and encourage them to reduce energy use within their leased spaces. Our existing strategy is to periodically incorporate the issuance of green bonds to acquire, develop, redevelop, and renovate buildings to reduce operating costs, meet recognized sustainable development standards, and reduce our environmental impact.

2020 Metrics & Targets	2021 Plans
Energy intensity (kBtu/SF), reduced from 63.9 (2019) to 53.5 (2020). <sup>1</sup>	Create a sustainable building standard for common area renovations and tenant build outs.
Average ENERGY STAR Score - improved from 73 (2019) to 78 (2020). <sup>2</sup>	Expand tenant engagement efforts by forming a tenant LED upgrade strategy to improve lighting energy efficiency within tenant spaces.
Created a Green Bond Framework and issued our inaugural green bond offering of \$300 million in August 2020.	

(1) 2020 performance data does not reflect a sustainable intensity level because of our reduced physical occupancy due to the COVID-19 pandemic.  
(2) ENERGY STAR building profiles were adjusted for the reduction in physical occupancy, therefore the scores are reflective of true performance.

### Future Implementation of GHG Emissions

We have set a target to reduce Scope 1 and 2 of GHG emissions and plan to include GHG emissions as a project investment priority. Both location-based and market-based emissions will be tracked so that we can quantify the impact of renewable energy purchases on our market-based emissions. We also plan to track the portion of energy use that is electricity. Other energy sources including natural gas, district steam, and district chilled water are at risk of potential elimination as cities move towards 100% renewable energy goals.

2020 Metrics & Targets	2021 Plans
20% reduction in Scope 1 and 2 GHG emissions by 2028, reduced from 6.9 MTCO2/SF (2019) to 5.4 MTCO2/SF (2020). <sup>1</sup>	Work towards tracking our Scope 3 emissions (tenant energy usage) separately from our Scope 2 emissions, where possible.
Track both location- and market-based Scope 2 emissions. We demonstrated an additional 6% carbon savings in our market-based emissions compared to location-based in 2020.	Continue to include regional GHG emissions as a project investment priority.
Electricity portion of total energy consumption was 81% (2020). (IF-RE-130a.2)	

### Building Labels, Ratings, and Certifications

Our strategy is to place a high importance on industry-accepted third-party labels including: ENERGY STAR, BOMA 360, and LEED with the goal to score as well as possible. We continually review other industry-accepted third-party labels to determine the best fit for our portfolio, markets, and buildings.

2020 Metrics & Targets	2021 Plans
Improved scoring on all industry-accepted third-party labels in which we participate.	Certify all owned and managed properties to WELL Health-Safety Rating.
ENERGY STAR: 62% (2019) to 74% (2020) BOMA 360: 73% (2019) to 84% (2020) LEED: 31% (2019) to 43% (2020)	
Average ENERGY STAR Score, improved from 73 (2019) to 78 (2020). <sup>2</sup>	

(1) 2020 performance data does not reflect a sustainable intensity level because of our reduced physical occupancy due to the COVID-19 pandemic.  
(2) ENERGY STAR building profiles were adjusted for the reduction in physical occupancy, therefore the scores are reflective of true performance.



# Physical Risks

## Rising Temperatures and Natural Disasters

Each property has a Business Continuity and Disaster Recovery Plan that is updated annually. We investigate local climate risks and invest in building resilience accordingly. As part of our due diligence process for new market expansions, a climate risk analysis is completed.

2020 Metrics & Targets	2021 Plans
Area of properties in FEMA special hazard flood zones, 0% in 2020. (IF-RE-410a.3)  In 2020, 14% of portfolio (by SF) received WELL-Health & Safety rating.	Certifying all owned and managed properties to WELL Health-Safety Rating.  Conducting a review of regional and city-level climate change risks to help inform the next steps of our mid-to-long term climate risk mitigation strategies.

## Energy Grid and Water Distribution Reliability

We continue to explore and invest in on-site and/or locally distributed power. In 2020, we finalized designs to build and operate two solar electricity generating systems on the top levels of two parking garages in Massachusetts. Additionally, we adopted a policy of incorporating renewable energy purchasing into our supply contracts, where feasible.

2020 Metrics & Targets	2021 Plans
IF-RE-130a.2: Grid electricity was reported at 87% (2019) and decreased to 81% (2020) and renewable energy, improved from 0% to 2% through the purchase of RECs at three sites.  In 2020, 20% of SF is in regions with High or Extremely High Baseline Water Stress. (IF-RE-140a.1)	Tracking water at a greater level of detail to determine where our biggest opportunities for savings are in High and Extremely High baseline water stress buildings.  Considering the inclusion of renewable energy certificates in the supply contracts that renew in 2021.

## Resource Quality or Availability

Utilize LEED guidelines as minimum guidelines for construction and operate according to BOMA 360 and ENERGY STAR standards. Leveraging the use of these standards help us ensure we are building and operating sustainable buildings

2020 Metrics & Targets	2021 Plans
In 2020, reported 0% new construction LEED certifications due to no new construction during the year.  BOMA 360 improved from 73% (2019) to 84% (2020) of the portfolio (by SF).  ENERGY STAR certifications improved from 62% (2019) to 74% (2020) of the portfolio (by SF).	Tracking water at a greater level of detail to determine where our biggest opportunities for savings are in High and Extremely High baseline water stress buildings.  Considering the inclusion of renewable energy certificates in the supply contracts that renew in 2021.  Creating an Environmental Policy Committee, a small group of property managers, to develop portfolio-wide standards for: Integrated Pest Management, Waste Management, Transportation, Landscaping, Green Cleaning, Sustainable Purchasing and Indoor Environmental Quality.

# Energy Management Strategy

Our energy consumption - electricity use in particular - represents our biggest impact on the environment and is also an area where we have the most opportunity to reduce operating expenses. In 2020, our buildings consumed over \$22 million of electricity. Over the past few years, we have developed and continue to refine our Energy Management Strategy in order to best align with our climate change risks. We strive to own and manage workplaces that are environmentally conscious, productive, and healthy for our tenants and employees by:


Empowering our property teams with **data and tools** to sustainably manage our buildings.

Leveraging **industry partnerships** to verify and advance the environmental performance of our assets.

Implementing programs that continually improve our environmental performance and **manage our climate change risk**.


Setting **performance targets** that demonstrate our commitment to sustainable practices.

Additional details of our strategy can be found in our [Environmental Management Policy](#), which reflects the key tools we utilize to reduce our environmental impact. This policy is updated regularly to reflect the continual improvements we make to our sustainable operations. These key tools include:



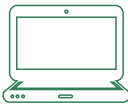
### Property-Level Sustainability Plans

Property-level action plans used to track progress on identified items to ultimately ensure progress towards environmental improvements across the portfolio.




### LED Upgrade Program

Our teams have been aggressively pursuing LED upgrades over the past few years. Almost 90% of our exterior lighting and almost 70% of our interior landlord-controlled lighting has been upgraded to LED. In 2021, we are creating a **Tenant LED upgrade program** to improve the amount of tenant -controlled spaces that have been converted to LED.




### Technology Plans

To stay up-to-date on technology, while also vetting new platforms prior to deployment, we've adopted a **Technology Review** process that helps us test new opportunities to leverage when and where, as appropriate. In 2020, we piloted a real-time indoor air quality monitoring system, WellStat, at six of our buildings.



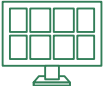
### Quarterly Energy Competition

Our on-site teams are provided an incentive to reduce energy use through quarterly energy-saving competitions. The winning team is celebrated on a quarterly call and at their property with a catered lunch. Additional incentives are available for annual winners.



### Retro-commissioning Program

The Energy Management Committee annually reviews performance metrics of all buildings and takes any operational changes into consideration, then identifies the properties that should undergo commissioning the following year. This process enables us to keep our buildings running effectively.



### Renewable Energy Certificates

We work with our energy supply partner, Schneider Electric, to price renewable energy alternatives in our supply contracts as they renew. Incorporating renewable energy into our energy supply will provide an additional method to reduce our market-based GHG emissions and make progress towards our environmental goals.



# Performance Metrics & Targets

We utilize an environmental management system platform to continually track and manage our environmental data, metrics, and targets. We are partnered with Schneider Electric and utilize their Resource Advisor software to upload our utility (energy, water, and waste) data monthly. Our property, regional, and corporate management teams all use Resource Advisor for ongoing energy and water project tracking and performance monitoring. In 2020, we deployed the GHG Emissions module in Resource Advisor, where we can benchmark and track GHG emissions at the property, regional, and corporate levels. We recognize that monthly energy data only provides a high-level understanding of how energy is used in a building. All of our owned and managed buildings are on the iESMACH Energy platform as well. Access to near real-time energy use provides deeper insight to building engineers of how a building uses energy throughout the day and night.

In 2018 and 2019, we committed to performance targets to align with the U.S. Department of Energy Better Buildings Challenge over 10 years. Our baseline years were set due to the timing in which we had complete data across the entire portfolio for each initiative. Our energy baseline year has been set as 2016 which was when we began solidifying our energy strategy and had complete energy data for our entire managed portfolio. Our water and greenhouse gas emissions baseline year was set as 2018 which was the first year in which we thoroughly began measuring our water consumption and calculating our Scope 1 and 2 emissions.



Reduce Energy Use Intensity by **20% by 2026.**  
(2016 baseline)



Reduce GHG Emissions by **20% by 2028.**  
(2018 baseline)



Reduce Water Use Intensity by **20% by 2028.**  
(2018 baseline)



Improve our landfill diversion rate by **50% by 2030.**

## Properties excluded from our performance metrics include:

Property	Exclusion Reason
225 & 235 Presidential Way	
501 West Church Street	Buildings are managed by tenants where we have no access to utility data.
9320 Excelsior Blvd.	
One Wayside Road	
200 & 400 Bridgewater Crossing	Buildings were sold during the reporting period.
600 Corporate Drive	
1901 Market Street	
1201 Eye Street	Buildings with <60% 12-month average occupancy during the reporting period.
6031 Connection Drive	
Two Pierce Place	
Enclave Place*	

\*Enclave Place became fully occupied for the first time in late 2019; however, due to the COVID-19 impact on occupancy, we do not have a baseline year established.

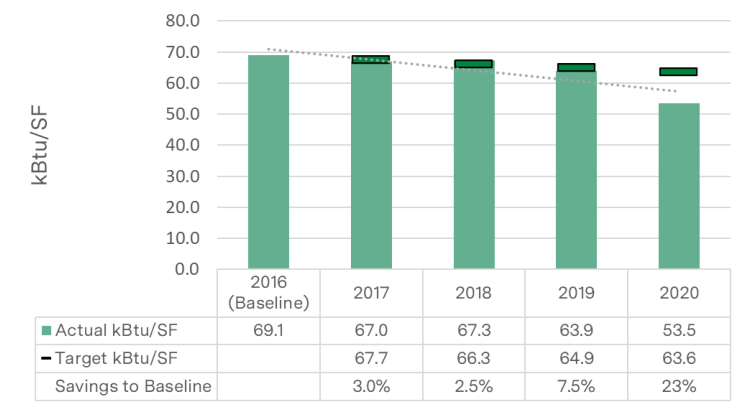
# Energy Intensity

To reduce our energy intensity by 20% over 10 years, we must save 2% per year on average. In 2019, we exceeded our target of 6% savings compared to our baseline. We achieved 7.5% savings in energy intensity, reducing from an intensity of 69.1 kBtu/SF (2016) to 63.9 kBtu/SF (2019). Our building energy intensity represents whole-building energy and as of 2019, we were on-track to achieving our target.

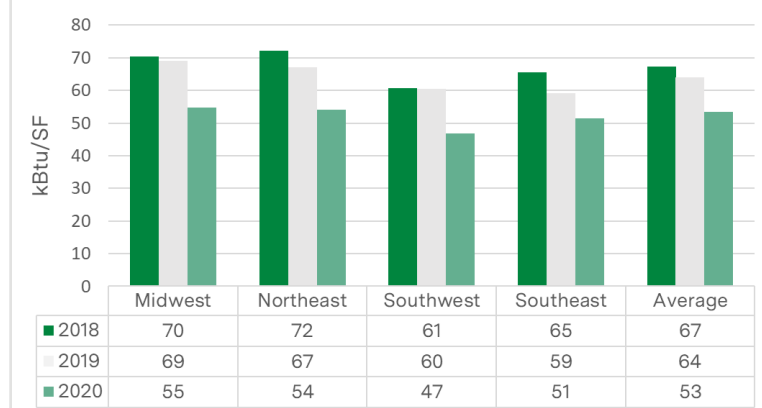
In 2020, our buildings' energy consumption was significantly impacted by reduced physical occupancy due to the COVID-19 pandemic. Due to the extenuating circumstances of 2020, our energy use intensity decreased by 23% compared to the baseline. We know that some of this impact was due to reduced plug load in tenant occupying spaces, as well as, reduced heat load of people and computers in tenant spaces. However, our engineering teams were highly focused on saving energy, where possible, while maintaining a safe indoor environment for occupants and we believe additional savings were achieved through their diligence.

Our managed buildings were connected to a real-time energy management platform, which enabled us to create pre-COVID baselines for our buildings based on each building's historic usage patterns. Between March 2020 and March 2021, our buildings saw an 18% average reduction in energy use compared to their pre-COVID baseline. Weekly reports provided to the property management leadership team so that fluctuations in usage were identified and corrected as quickly as possible. The weekly report and analysis is a best practice that will be continued even once occupancy returns.

Annual Energy Use Intensity (kBtu/SF)



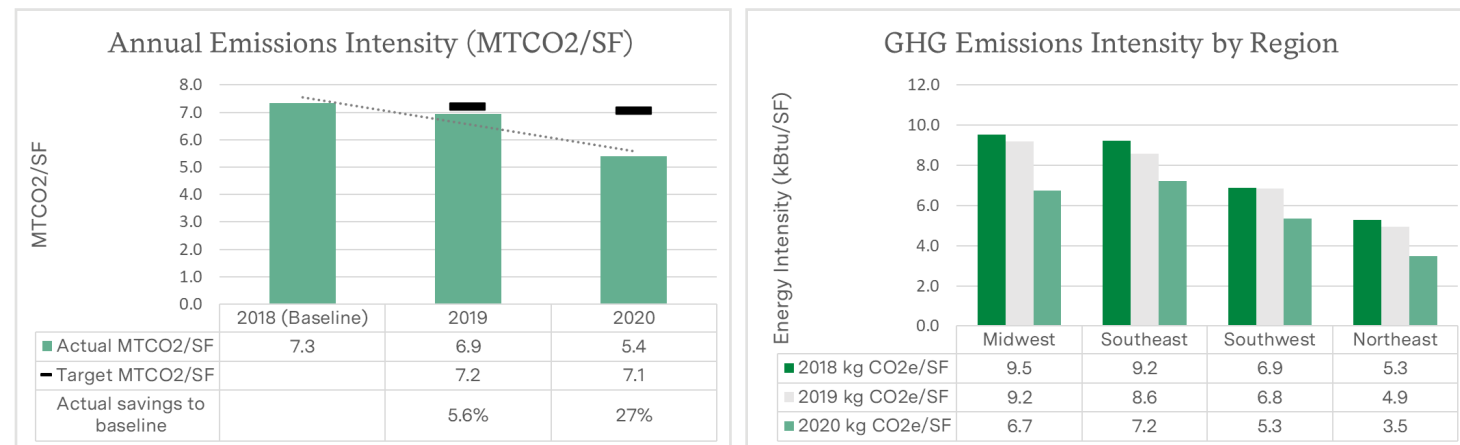
Energy Intensity by Region





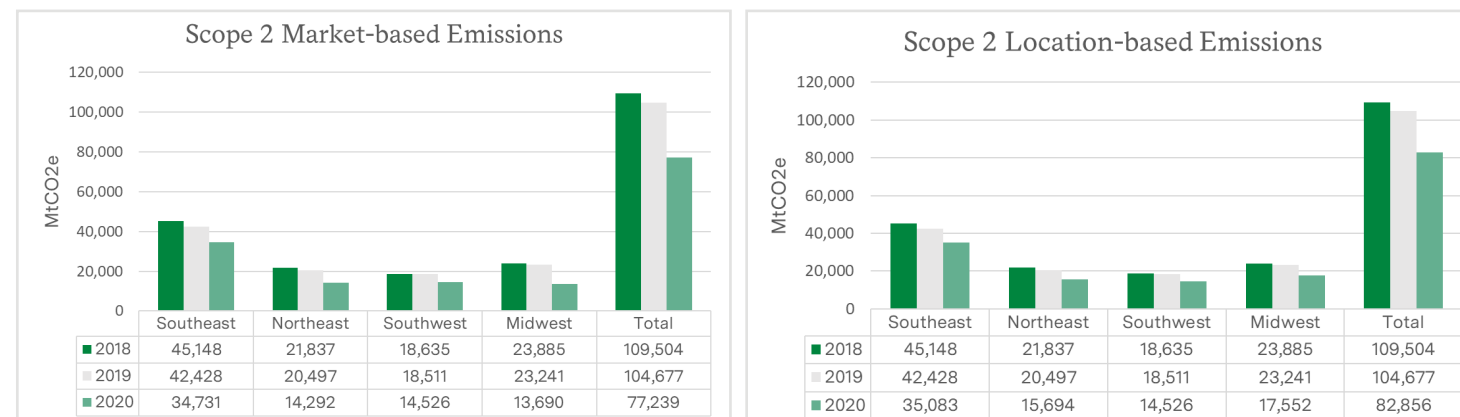
# GHG Emissions Intensity

Tracking our GHG emissions enables us to consider the climate impact of our buildings by region. Our Midwest buildings, primarily our Minneapolis-area portfolio, has energy intensive buildings that are served by an electricity grid that emits the most CO<sub>2</sub>e compared to our other regions. Conversely, our Northeast portfolio has our second largest energy intensity, but those buildings emit the least amount of CO<sub>2</sub>e due to the cleanliness of their electricity grid.



For our 2021 ESG reporting, we are evaluating the feasibility of breaking out our tenant utility usage into Scope 3 emissions. The following graphs also include a comparison of our Scope 2 location- and market-based emissions. In 2020, our market based emissions reduced due to the incorporation of renewable energy certificates in the supply contracts of several of our assets.

A breakout of our Scope 1 and 2 emissions can be found in the following graphs.



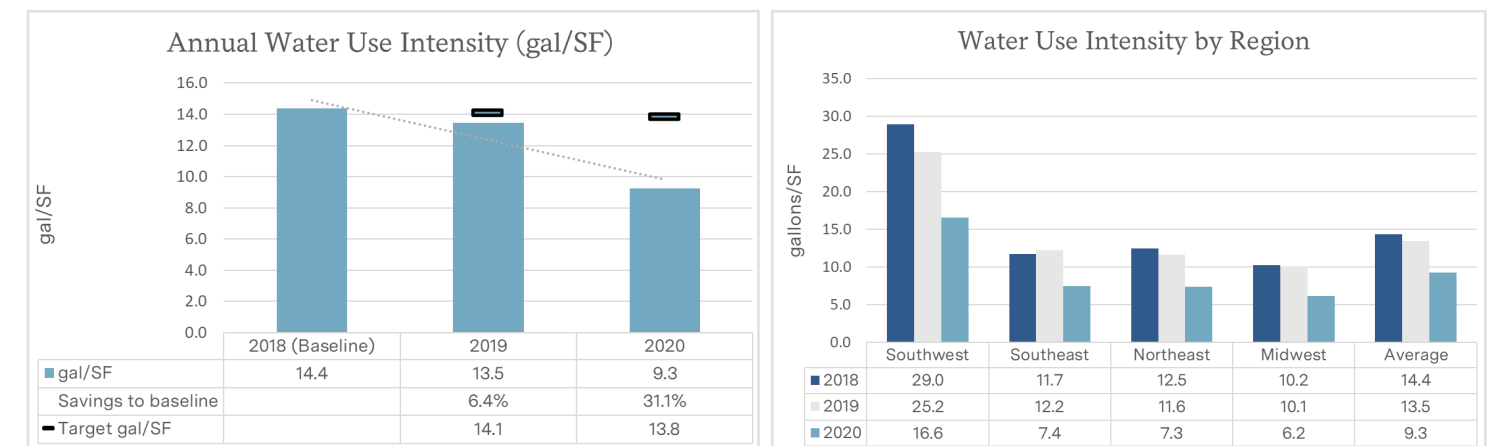
\*Note: Tenants' energy usage is included in our metrics even though tenant energy is considered Scope 3; therefore our Scope 2 emissions may be higher than peers who did not include tenant energy in Scope 2 emissions.

# Water Use Intensity

To reduce our water consumption by 20% over 10 years, we must save 2% per year on average. In 2019, we exceeded our target and achieved a savings of 6.4%, reducing from an intensity of 14.4 gal/SF (2018) to 13.5 gal/SF (2019).

Similar to our energy use, the COVID-19 pandemic impacted the amount of water used by our buildings in 2020. In 2020, we saw a 31% reduction in water use compared to our baseline. We understand this level of savings is not sustainable once physical occupancy increases.

Our portfolio's total water withdrawal and wastewater discharge can be found in the SASB for Real Estate Disclosure section of this report.





# Waste Management

Our properties have six primary waste streams outlined below.



## Trash

General non-hazardous, non-recyclable waste that is sent to the landfill. *Relevant for: All Properties.*



## Mixed Recyclables

General recyclables (paper, cardboard, glass, plastic) sent to a recycling facility. *Relevant for: All Properties.*



## Hazardous Waste

Waste (HVAC system chemicals & lightbulbs) that is disposed according to special protocols. *Relevant for: All Properties.*



## Organic Compost

Organic waste collected from retail vendors or tenant kitchens that is composted. *Relevant for: Some Properties.*



## Shredded Paper

Confidential paper waste that is shredded & serviced by a company that ensures privacy & security. *Relevant for: Some Properties.*



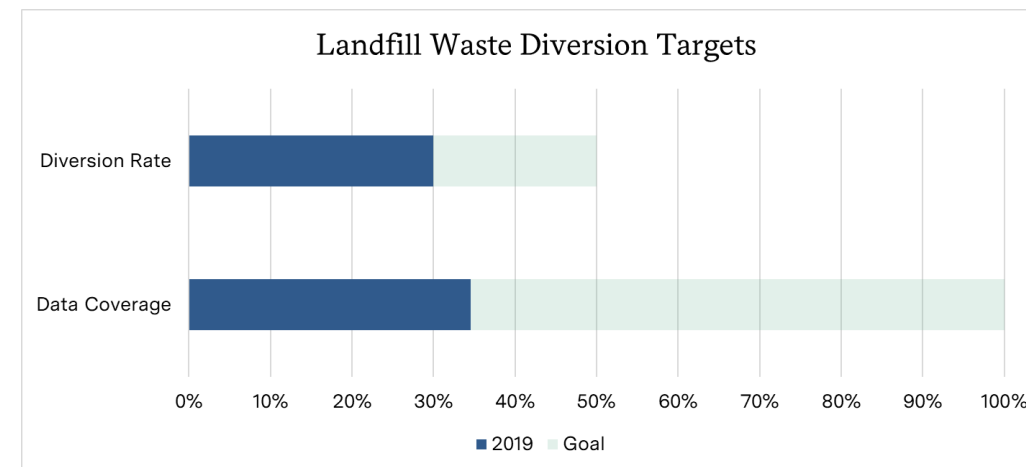
## E-Waste

Computers, printers, and other office electronics that are recycled. Events held annually or containers provided. *Relevant for: Most Properties.*

Our properties provide on-site trash and recycling receptacles in addition to contracting with third-party vendors to properly dispose of trash and mixed recyclables regularly, and hazardous waste as needed. Most properties hold E-Waste events at least once a year or have E-Waste containers available on-site along with trash and recycling. Until late 2019 into 2020, we did not track detailed waste data on a portfolio level due to our diverse set of vendors in which not all are equipped to provide weights for our various waste streams that enable us to calculate diversion rates.

As of 2019, we could calculate the landfill diversion rate for 19 of our properties with an average of 30%. Our primary means of diverting waste from the landfill is through single-stream recycling in addition to composting programs at properties including: US Bancorp, One & Two Meridian Crossing, Crescent Ridge II, and 5 Wall Street. As part of this initiative, we are continuously exploring advanced methodologies including improved recycling and waste reduction throughout our portfolio.

Where we were able to collect detailed waste data, our waste generation was significantly reduced due to such low physical occupancy in 2020 - even more so than our energy and water. In one case, waste tonnage reduced by 72% with many properties halting regular service and changing to on-demand waste removal. We are taking this opportunity to redevelop our waste and recycling contracts to determine the best way to collect more detailed waste and diversion data when operations return to a more normal occupied state. We intend to have additional tenant engagement events and communication related to improved waste reduction and proper recycling in 2021 and beyond.



Our targets do not include reducing hazardous waste, however, our hazardous waste stream is minimal and primarily includes the disposal of fluorescent lamps. As we convert more spaces from Fluorescent to LED lighting, we expect our hazardous waste stream to be significantly reduced.





# Industry Acknowledgment of Outstanding Operations

We have continual strong leadership and participation within the real estate industry's trade organizations. All levels of Piedmont staff participate in events throughout the year with BOMA International (Building Owners and Managers Association), NAREIT (National Association of Real Estate Investment Trusts), NAREIM (National Association of Real Estate Investment Management), and NAIOP (National Association for Industrial and Office Parks).

We leverage industry partnerships including BOMA, ENERGY STAR, and US Green Building Council, to confirm and advance the environmental performance of our assets. We certify all eligible properties to ENERGY STAR, BOMA 360, and LEED O&M in accordance with each program's recertification requirements. It should be noted that we include indirectly managed assets in our eligible portfolio, but we do not have the ability to control building certifications for these assets.

In 2020, 94% of our eligible portfolio obtained an Energy Rating through ENERGY STAR (ASAB IF-RE-130a.4, ineligible properties include those with occupancy less than 50%). The only eligible properties that do not receive Energy Star Ratings are ones that are single-occupant and managed by the tenants.

Of our eligible properties, 74% of them received an ENERGY STAR rating of 75 or higher and were approved for an ENERGY STAR label. This percentage is up compared to 62% (2019). We obtained first time certification at Enclave Place, 6011 Connection Drive, 5 & 15 Wayside, 80 Central, and 90 Central. We improved ratings at three buildings that had dropped below 75 in 2019 including: 750 W John Carpenter, One Lincoln Park, and Glenridge Highlands One.

Refer to the Property Recognition table in the References Tables section of this report for a detailed list of certifications by property.



We are proud to have received the 2021 ENERGY STAR Partner of the Year Award based on our 2020 accomplishments.



*“Piedmont is honored to receive the ENERGY STAR Partner of the Year award, recognizing our accomplishments to date and our ongoing commitment to reduce energy consumption within our buildings. More and more businesses are focused on their impact on the environment and the communities in which they live and work. Piedmont is proud to be a leader in real estate sustainability which benefits our tenants by lowering operating expenses as well as reducing their carbon footprint.”*

**C. Brent Smith**

Piedmont's President and Chief Executive Officer



Piedmont ranks in the top 1% among program participants based on the number of buildings owned and managed with Building Owners and Managers Association (“BOMA”) 360 designations. BOMA 360 is a program that evaluates six major areas of building operations and management and benchmarks a building's performance against industry standards. The achievement of such a designation recognizes excellence in building operations and management.

Approximately 74% of Piedmont's office portfolio is ENERGY STAR certified (based on square footage). ENERGY STAR is a voluntary government program backed by EPA that provides unbiased information to organizations and consumers about cost-effective, energy-efficient products, practices, and services. ENERGY STAR certified buildings earn a score of 75 or higher on EPA's 1-100 energy performance scale and are verified by a licensed Professional Engineer (PE) or Registered Architect (RA). A score greater than 75 indicates the building is more energy efficient than 75% or more of the U.S. commercial building stock.

Approximately 43% of Piedmont's office portfolio is LEED Certified (based on square footage). Leadership in Energy and Environmental Design (“LEED”) is the preeminent program for the design, construction, maintenance, and operations of high-performing green buildings. LEED certification designates commercial buildings that are designed, built, and operated to minimize environmental impact while offering healthy settings in which to work and live. Piedmont had been a Silver member of the U.S. Green Building Council since 2007.

The Atlanta Galleria has been awarded the WELL Health-Safety Rating through the International WELL Building Institute (IWBI). The WELL Health-Safety Rating is an evidence-based, third-party verified rating for all new and existing building and space types focusing on operational policies, maintenance protocols, stakeholder engagement and emergency plans to address a post-COVID-19 environment now and into the future.



*“Informed by the WELL Building Standard and more than 600 experts from the Task Force on COVID-19, the WELL Health-Safety Rating for Facility Operations and Management helps buildings and organizations address the health, safety, and well-being of their most valuable asset - people. A visible indication of confidence and trust, the WELL Health-Safety Rating seal communicates to everyone entering a space that evidence-based measures have been adopted and third-party verified.”*



# Tenant Engagement

Piedmont is dedicated to environmentally sustainable practices that enhance our commitment to provide highest quality office properties. We strive to own and manage workplaces that are not only environmentally conscious but also productive and healthy for our tenants and employees.

We believe it is critical to engage with our tenants to achieve our environmental goals. Tenant engagement can contribute to or hinder our success and it is our responsibility to engage with them to ensure we can partner to be successful.

Our property teams engage with our tenants in many ways throughout the year. Every two years we collect and analyze feedback via our Kingsley Survey and additionally share information with tenants via email communication and newsletters on an ongoing basis. Content may include:

- Information for local community events such as bike-to-work day,
- Tenant events such as on-site e-waste collection day, or
- Resources provided by the local utility company featuring energy-saving recommendations

5 Wall Street Engineering Team -  
Winners of Annual Mach Energy  
Competition



One of our most successful sustainability tenant partnerships has been with Salesforce at 5 Wall Street, located in Burlington, MA. The property management team partnered with the local Salesforce facilities team to ensure open communication about building operational changes, tenant requests, and shared initiatives such as reducing energy and implementation of a composting program.

Salesforce supports and engages its employees with sustainability through its **Earthforce** program by providing them with an avenue to connect with one another on similar passions while affecting positive change on sustainability and environmental issues.

The 5 Wall property management team and local Earthforce team have worked together over the past few years on building upgrades and operational optimization to reduce the building's energy intensity by 23% in 2019 compared to its 2016 baseline. The building's energy intensity reduced another 23% in 2020, in part due to reduced physical occupancy in light of the COVID-19 pandemic. 5 Wall Street received ENERGY STAR certification for the first time in 2018 with a score of 78 and in 2020, improved to a score of 87 - demonstrating that it is more energy efficient than 87% of its peer set.

In addition to energy savings, Piedmont worked directly with Salesforce to implement a composting program throughout 5 Wall Street. The on-site management team has held several lunch-and-learn training sessions to educate employees in order to create a successful composting program and promote tenant engagement and employee buy-in.

Since the programs inception, 36,216 pounds have been composted, which equates to over 18 tons of material. Each floor has numerous centrally located Waste Stations installed to properly separate waste, recycle, and composting. This relationship between our team and Salesforce on the environmental performance progress at 5 Wall Street serves as a best practice across our portfolio.

## Property Spotlight | 5 Wall



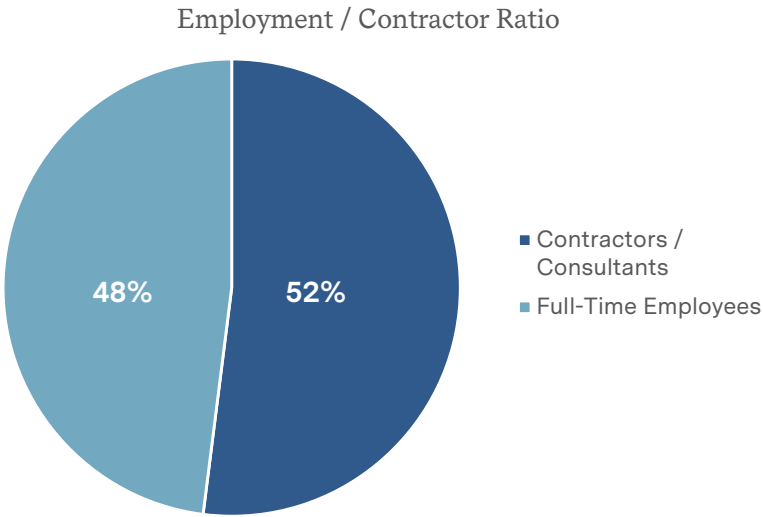
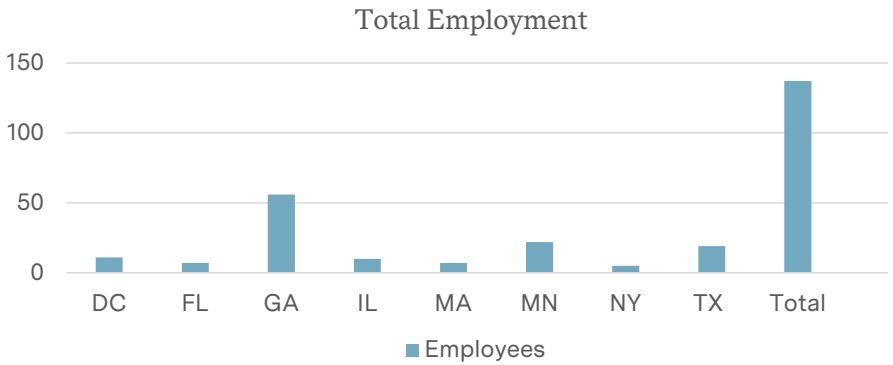


# Social

## Our Employees

As an equal opportunity employer, it is our policy, from recruitment through employment and promotion, to provide equal opportunity at all times without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age, disability, veteran’s status, genetic information, medical condition, or any other characteristics protected by federal, state, or local anti-discrimination laws. Physical or mental disabilities will be considered only as they may relate to essential functions of each particular job and only in accordance with applicable law. This Equal Employment Opportunity policy applies to all of Piedmont’s policies relating to recruitment, promotion, compensation, benefits, training, working conditions, termination, and all other terms and conditions of employment.

As of December 31, 2020, we had 137 full-time employees, with 49 of our employees working in our corporate office located in Atlanta, Georgia. Our remaining employees work in regional and/or local management offices located primarily in our seven major markets. These employees are involved in acquiring, developing, redeveloping, leasing, and managing our portfolio of properties. We outsource various functions where cost efficiencies can be achieved, such as certain areas of information technology, construction, building engineering, and leasing. Approximately 66% of our workforce is salaried, with the remaining 34% compensated on an hourly basis. Statistical information regarding our workforce for the year ended December 31, 2020 was as follows:



**6.1**  
Avg. Employee Tenure  
(In years)

**12.6**  
Avg. Senior Management  
Tenure (In years)



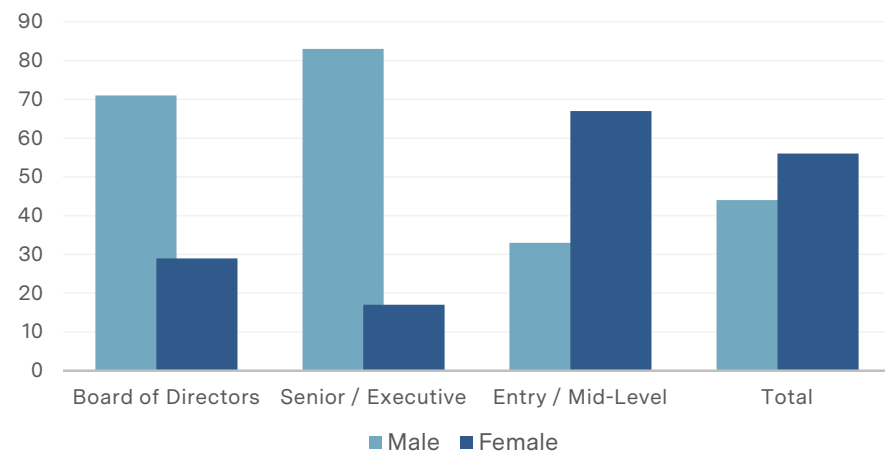
# Diversity & Inclusion

We believe all individuals (employees, vendors, tenants, and guests) are unique and different, and that not everyone has to always agree with what others think or do, but regardless of these differences, all individuals should be treated equally, fairly, and respectfully. We believe the incorporation and collaboration of these differences in backgrounds, cultures, and experiences, aid and improve our capacity to deliver exceptional real estate services within our communities. To be engaged, you must feel included and valued. We strive to build and nurture a culture that not only supports a diverse and inclusive environment where employees feel empowered to share their experiences and ideas but also where there is a shared sense of pride, passion, and commitment to excellence, innovation, and respect.

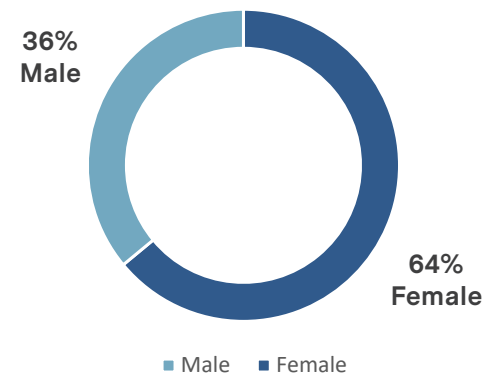
In our continued support of diversity, equity and inclusion, we have partnered with Project REAP (Real Estate Associate Program), which is the industry's leading nationwide effort to bridge the gap between multicultural professionals and the world of commercial real estate. Project REAP provides an 8-week educational program to diverse professionals on the foundations of the business and is taught by esteemed faculty and senior-level industry experts.

Statistical information regarding the diversity of our workforce is shown for the Q1 2020 - April 2021 period.

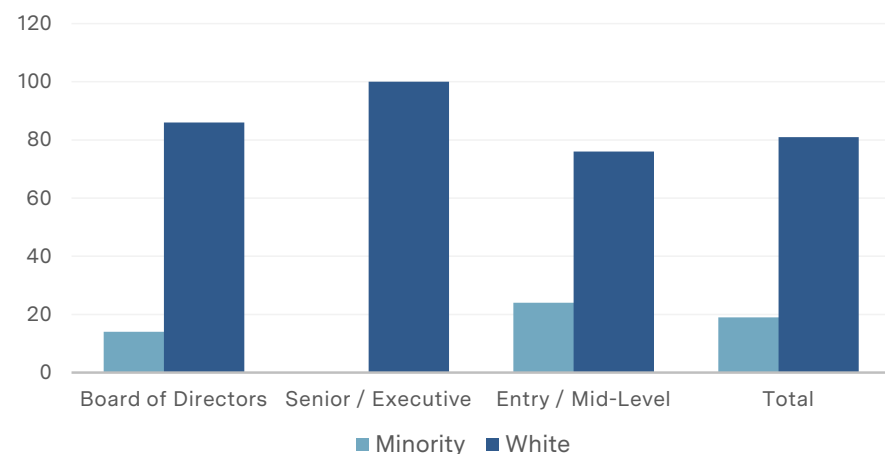
Gender Diversity



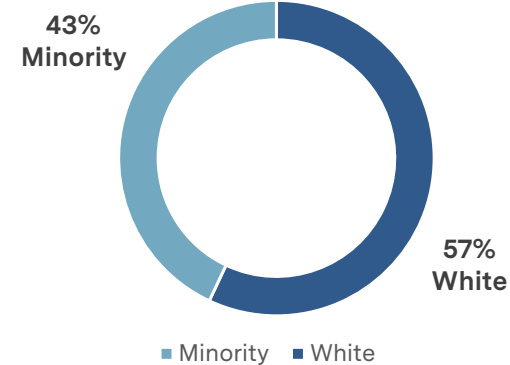
Gender Diversity  
New Hires



Ethnicity



Ethnic Diversity  
New Hires



# Strategic Program Objectives

Our complete and recently updated Diversity & Inclusion initiative can be found [here](#).



## DIVERSITY

Improve the representation of women and minorities at all levels of the organization and integrate people with disabilities and Veterans by driving talent acquisition and management practices to increase results.



## INCLUSION

Create a welcoming, inclusive, and collaborative work environment that fosters creativity and innovation while promoting colleague engagement through awareness and inclusive leadership skills training.



## COMMUNICATION

Create a welcoming, inclusive, and collaborative work environment that fosters creativity and innovation while promoting colleague engagement through awareness and inclusive leadership skills training. Ensure that Diversity & Inclusion initiatives, actions and results are transparent to all key stakeholders.



## EXTERNAL RELATIONS

Engage various external stakeholder groups that support and serve Piedmont's values and interests including our contractors and vendors. Piedmont desires its employee base to be reflective of the communities in which it operates.



## ACCOUNTABILITY

Hold leadership accountable for Diversity & Inclusion goals and objectives. For example, add at least one female or minority to the Senior Management Team; defined as Senior Vice President or above.



# HBCU Scholarship Program

Piedmont is committed to fostering, cultivating, and preserving a culture that supports diversity, equity, and inclusion within our own workforce and the broader commercial real estate (CRE) industry. We strive and are committed to developing, hiring, and supporting a diverse workforce that is reflective of the communities in which we operate and motivates people to work together to deliver results for our investors.

In efforts to further this commitment and encourage a broad applicant pool, Piedmont is investing in the education and the career development of scholars from two Historically Black Colleges and Universities (HBCUs) including Morehouse College (Atlanta, GA) and Howard University (Washington D.C.) by introducing the needs-based Piedmont Office Realty Trust Scholarship Program.

The program provides:

- Scholastic support to rising sophomore students seeking an Economic, Finance, Accounting, Engineering, or real estate specific degree,
- Is renewable based upon scholastic achievement for up to three years for each Piedmont Scholars' Sophomore, Junior, and Senior years, and
- Offers each student the opportunity to intern with Piedmont and acquire first hand experience with the goal to attract more minority candidates to careers in CRE.

We believe that developing a diverse, talented, and skilled pipeline of future candidates for Piedmont and the CRE industry begins with supporting the education and career paths of students today. Our hope is that the Program provides career success and an expanded knowledge of CRE for participating students.

# PDM + HBCU



**HOWARD**  
UNIVERSITY

# Performance & Career Development

The results that Piedmont achieves are determined in large part by how we perform -- as individuals, as teams, and as a company. The means by which we focus our efforts, use our talents, manage our time, and work together will also impact the degree of our success. Employees receive an annual performance review which are completed during the same time frame as our annual incentive compensation evaluation.

Performance management is the organized method of:

- Monitoring results of work activities,
- Collecting and evaluating performance results to determine achievement of goals, and
- Using performance information to make decisions, allocate, resources, and communicate whether or not objectives are met.

## Training and Education

In 2020, Piedmont employees and managers received professional training in accordance with the following:



**Workplace  
Harassment\***



**Diversity &  
Inclusion**



**Ethics**



**Cyber  
Security\***



**Manager Leadership &  
Development Training**



**Pandemic Health  
& Safety**

*\*Received by a majority of our contractors.*

We all share in the responsibility to grow, develop, and broaden our awareness while respecting the differences within each of us and others. Those differences enrich our lives and bring new ideas and perspectives that contribute to the success of Piedmont's goals and objectives. Together, we can encourage a healthy, collaborative, and diverse workplace reflective of the diverse communities in which we live and serve every day. This is a journey in the pursuit of maintaining and broadening a diverse, inclusive, and equitable workforce, culture, and environment for our teammates. As part of this journey, employees participated in a thoughtful training exercise called Engaging with Empathy and Respect to build awareness and reflect on the following:

- Realize the impact of uncertainty this year,
- Understand key concepts relating to diversity and inclusion,
- Learn how to tap into our empathy to help guide our actions and conversations, and
- Recognize how to communicate about difficult, challenging topics.

Piedmont will continue its efforts to maintain and broaden a diverse and inclusive culture with future similar employee training exercises.

Prior to 2021, our training with regards to environmental management and sustainability issues was informal. Our property management and engineering teams interact regularly with our Director of Sustainability, third-party consultant, and relevant vendors to participate in ongoing training. In April 2021, we released formal environmental training in our on-demand library which is available to all new and existing employees. This library has content covering topics such as:

- Climate change
- Environmental Impacts of the commercial real estate industry
- Guidelines on what Piedmont is doing to reduce its environmental impact



# Social Responsibility Policies

## Human Rights

Piedmont intends to provide an environment that is pleasant, healthy, comfortable, and free from intimidation, hostilities, or other offenses that might interfere with work performance.

Discriminatory conduct of any sort will not be tolerated. We apply our policy to all employees, supplies, and vendors, regardless of their geographic location.

Click [here](#) to view our Human Rights Policy.

## Vendor Code of Conduct

Piedmont’s Vendor Code of Conduct describes the expectations of how our vendors conduct business.

We require that our vendors understand the requirements outlined in this policy, operate in accordance with the expectations highlighted, and comply with all applicable laws, rules, regulations, and standards in the regions in which they operate.

Click [here](#) to view our Vendor Code of Conduct.

## Health & Safety

Piedmont intends to maintain a safe and secure workplace at all times. As of December 31, 2020, we had no reportable incidents per OSHA requirements.

The Employee Handbook prohibits workplace harassment and strictly prohibits fighting, threats, or other acts of violence against employees, co-workers, job applicants, clients, or vendors. Piedmont also provides medical, dental, vision, disability, and life insurance for it’s employees and their families.

## Political Advocacy

Piedmont does not contribute to or make expenditures on behalf of any federal, state or local candidates for election, referendum, or initiatives; contribute to or make expenditures on behalf of political parties; contribute to or make expenditures on behalf of political committees or other political entities organized and operating under 26 U.S.C. Sec. 527 of the Internal Revenue Code; contribute to any charity or non-profit organization at the request of any federal, state or local governmental office holder or any candidate for such an office; donate Company time, resources, products or services to any of the foregoing; or pay for advertisements, printing or other campaign expenses.

Click [here](#) to view our Political Spending Policy.





# Stakeholder Engagement

It is important that our stakeholders influence our ESG goals and programs. We have various ways in which we regularly collect feedback and communicate information to each stakeholder group. In addition, we have established means for stakeholders to communicate their concerns to our Board of Directors. If the concern relates to our governance practices, business ethics, or corporate conduct, the concern may be submitted in writing to the Chairman of our Nominating and Corporate Governance Committee in care of our Secretary at our headquarters address.

	Employees	Tenants	Investors	Communities	Vendors
How We Engage?	Direct Feedback	Kingsley Survey (every 2 years)	Investor Conferences	Corporate Philanthropy Program	Direct Communication
	All-Staff Meetings/Calls	Tenant Engagement Committee	Held 300+ Individual Meetings in 2020	Local BOMA & Other Industry Organizations	Vendor Point of Contact
	Project Collaboration	Direct Communication	Periodic Investor Days	Hosting Community Events such as Farmer's Market, Charity Events, Community Affairs, etc.	Vendor Code of Conduct
	Annual Performance Reviews	Establish Tenant Point of Contact	Perception Surveys		Contractual Obligation to Comply with Vendor Code
	Training & Education Programs	Piedmont Post Monthly Newsletter			
	Regional Team Building Events	On-site Tenant Events			
Key Issues?	Health, Safety, & Wellness	ESG Initiatives	Development & Redevelopment Plans	Open Communication with Local Communities	Ethical Business Practices
	Career Development	Building Safety & Security	Capital Allocation	Goodwill	ESG Initiatives
	Diversity, Equality, & Inclusion	Health & Wellness	ESG Initiatives		Performance Expectations
	Recognition	Community Events	Financial Performance		
			Risk Management		

# Corporate Philanthropy

In 2015, we created the Piedmont W. Wayne Woody (PWW) Foundation, in honor of our late Chairman of the Board, in which charitable contributions are distributed to various nonprofit organizations. Recipient organizations are 501(c)(3) entities that fit our charitable giving categories and demonstrate fiscal/administrative stability, including being non-discriminatory and non-political.

In honor of our first responders, during the year ended on December 31, 2020, The PWW Foundation made donations to over 20 charitable organizations that are directly assisting in the battle against COVID-19 in each of our markets.

In addition to financial contributions through the PWW Foundation, Piedmont recognizes the value and benefit of employee volunteerism and fully appreciates its positive impact on the community, its employees, and ultimately, the Company by promoting team building, collaboration, and unity.

To promote volunteerism among employees, Piedmont provides a matching program where an employee may request time away from work to support a community service project or activity. Preference is given to those organizations that are tied to real estate industry programs or that may have a major tenant sponsorship. Our employees have partnered with Piedmont to donate thousands of dollars and hours annually to numerous organizations.

*\*See sampling of the organizations we have supported.*



Feeding The Homeless | Atlanta, GA



AVIVO Toy Drive | Minneapolis, MN



American Red Cross



WOUNDED WARRIOR PROJECT



Make-A-Wish



BRENNAN CENTER FOR JUSTICE



TRUST FOR THE NATIONAL MALL





# COVID-19 Response

As we reported last year, our highest priority has been, and will always be, protecting the well-being of our tenants, visitors, contractors, and employees. We are committed to providing a safe and healthy environment for occupants and visitors alike. In 2020, each of our assets remained open to serve the needs of our tenants. We continue to follow all government guidelines and strictly adhere to all recommended Centers for Disease Control (CDC) health and wellness protocols.

As part of this incredibly important work, the Piedmont Engineering protocols have been enhanced and are regularly updated to reduce the potential risks associated with the spread of airborne pathogens. The following items bare some of the enhancements that have been applied:

- Our HVAC cooling towers have been sanitized and all ancillary distribution such as air handling units, boiler, chillers, heat pumps, fans, and exhaust systems have all been inspected and test for normal building operations.
- Highest prioritization to maximize outside air to all tenant spaces and verify it is always meeting or exceeding ASHRAE standards for indoor air quality.
- Maintain positive pressures within the building envelop via continuous dilution of building air flows with outside air.
- Based on the mechanical systems data points (outside air %, humidity %, temperatures and CO2, if applicable) are constantly monitored, trended and alarmed to notify property teams of any deviation from operating procedures.
- Toilet exhaust ventilation systems are regularly monitored to ensure sufficient and balanced exhausting of air from all restrooms.
- Maintain humidity levels between 40-60% at all times allowable per ASHRAE guidelines.
- Parking garage exhaust systems are run before, during, and after normal business hours to ensure maximum fresh air available.
- Flushing and operation of hot water and potable water systems are routinely conducted to avoid concerns with water stagnation.

All of us at Piedmont are highly focused on providing all occupants piece of mind that the office property is among the safest environments to conduct business due to the sophistication of the operations and the ability to provide an extremely clean environment.

In 2020, Piedmont upgraded the entire portfolio's cleaning program with the additional Cleaning For Health Program. This program was developed by industry-leading cleaning consultant Core Management Services and meets or exceeds all CDC guidelines, incorporates best-practices communicated by vendor-partners, and is implemented at other leading organizations. It is designed to promote and protect the health and safety of Piedmont's tenants, employees, vendors, and visitors.

Program features include:

- Higher frequency cleaning and disinfecting of common touch points including but not limited to main entrances, lobbies, elevators, escalators and restrooms that exceed CDC Guidelines.
- Disinfecting according to Green Seal's "Guidelines for Safer COVID-19 Cleaning and Disinfection".
- Specialized training for all janitorial staff with revised shift times and social distancing measures to keep those employees safe and healthy.
- Focus on common area daytime cleaning as much as possible to reduce transmission opportunities between building occupants.

We are proud of the work our teams have accomplished during this pandemic to keep everyone safe, but we all recognize the work is not complete. We are committed to adjust and adapt to utilize best operational practices as the pandemic situation evolves.





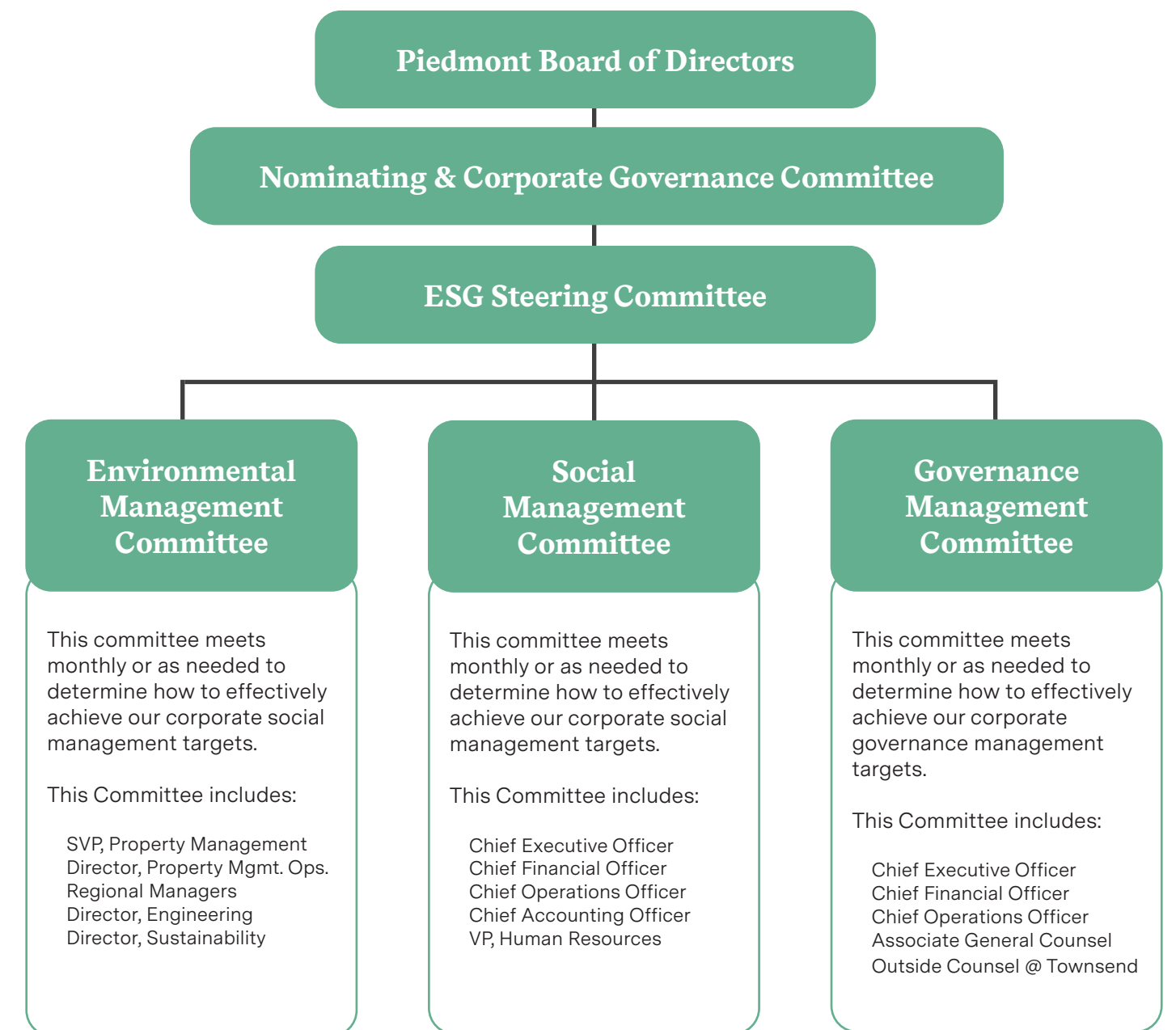
# GOVERNANCE

## ESG Governance

Our ESG Steering Committee supports on on-going commitment to environmental, health and safety, corporate social responsibility, and other relevant public policy matters. This committee reports to the Board of Directors through the Nominating & Corporate Governance Committee. The Human Resources and Compliance departments, along with the support of the regional Management team, facilitate and implement our social and governance programs.

The Environmental Management Committee is responsible for our environmental programs which include metrics and reporting to be reviewed and approved by our Internal Audit department for consistency and accuracy before being published.

Click [here](#) for more information on our Corporate Governance Guidelines.







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# REFERENCES



# Property Recognition Reference Table

Region	Property	Energy Star	LEED	BOMA 360
Southwest	1430 Enclave Pkwy	✓	✓ EB (2009) Gold (2019)	✓
	161 Corporate Center	✓	---	✓
	6011 Connection Drive	✓	---	✓
	6021 Connection Drive	--- Low Score	---	✓
	6031 Connection Drive	--- Not Eligible (Occupancy)	---	✓
	6565 N. McArthur Blvd.	✓	✓ Gold (2020)	✓
	750 W. John Carpenter Pkwy	✓	✓ EB (2009) Gold (2018)	✓
	Enclave Place	✓	✓ CS (2009) (2016)	✓
	Las Colinas Corporate Center I	✓	---	✓
	Las Colinas Corporate Center II	✓	---	✓
	One Galleria Tower	✓	✓ EB (2009) Certified (2016)	---
	One Lincoln Park	✓	✓ v4.1 Silver (2020)	✓
	Park Place on Turtle Creek	✓	---	✓
	Three Galleria Tower	✓	✓ EB (2009) Certified (2016)	---
	Two Galleria Tower	✓	✓ EB (2009) Certified (2016)	---
Southeast	1155 Perimeter Center W.	✓	✓ EB (2009) Gold (2019)	✓
	200 South Orange	--- Low Score	✓ EB (2009) Silver (2017)	✓
	400 TownPark	✓	✓ CS 2.0 Silver (2008)	✓
	500 TownPark	✓	✓ CS (2009) Silver (2017)	✓
	501 W. Church Street	--- No Rating (Tenant Mgd)	---	---
	CNL Center I	✓	---	✓
	CNL Center II	✓	---	✓
	Galleria 100	✓	---	✓
	Galleria 200	✓	---	✓
	Galleria 300	✓	---	✓
	Galleria 400	✓	---	✓
	Galleria 600	✓	---	✓
	Glenridge Highlands One	✓	✓ EB (2009) Silver (2018)	✓
	Glenridge Highlands Two	✓	---	✓
	The Medici	✓	---	✓

Region	Property	Energy Star	LEED	BOMA 360
Northeast	1201 Eye Street	✓	✓ EB (2009) Gold (2018)	✓
	1225 Eye Street	✓	---	✓
	1414 Massachusetts Avenue	--- No Rating (Tenant Mgd)	---	✓
	225 Presidential Way	--- No Rating (Tenant Mgd)	---	---
	235 Presidential Way	--- No Rating (Tenant Mgd)	---	---
	25 Burlington Mall Road	✓	---	✓
	3100 Clarendon Blvd.	✓	✓ CS (2009) Silver (2018)	✓
	400 Virginia Ave.	✓	---	✓
	4250 North Fairfax Drive	✓	✓ v4.1 Platinum (2020)	✓
	5 & 15 Wayside Road	✓	---	✓
	5 Wall Street	✓	✓ CS 2.0 Gold (2009)	✓
	60 Broad Street	--- Low Score	---	✓
	80 Central Street	✓	---	✓
	90 Central Street	✓	---	✓
	Arlington Gateway	--- Low Score	✓ EB (2009) Gold (2018)	✓
	One Brattle Square	--- No Rating (Tenant Mgd)	---	✓
	One Wayside Road	--- No Rating (Tenant Mgd)	---	---
Midwest	9320 Excelsior Boulevard	--- No Rating (Tenant Mgd)	---	---
	Crescent Ridge II	✓	✓ EB (2009) Gold (2016)	✓
	Norman Pointe I	✓	---	✓
	One Meridian Crossing	✓	---	✓
	Two Meridian Crossing	✓	---	✓
	Two Pierce Place	--- Not Eligible (Occupancy)	---	✓
	US Bancorp Center	✓	✓ EB (2009) Gold (2018)	✓



# SASB For Real Estate Disclosure Table

Topic	Code	Accounting Metric	Unit	Totals			Midwest			Southwest			Northeast			Southeast			Notes
				2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	
Activity Metric	IF-RE-000.a	Number of Assets	#	55	58	58	8	8	7	12	12	15	22	22	21	13	16	15	(3) Assets acquired in 2019: 100, 400, and 600 Galleria. (3) Assets sold in 2019: The Dupree, One Independence Place, 500 West Monroe. (3) Assets acquired in 2020: One, Two, and Three Galleria Office Towers. (4) Assets sold in 2020: 1901 Market, 200 & 400 Bridgewater Crossing, 600 Corporate Drive.
	IF-RE-000.B	Gross Floor Area	SF	17,732,091	19,092,933	19,022,330	4,012,856	4,012,856	2,864,447	2,815,848	2,851,848	4,411,417	6,554,421	6,554,421	6,211,091	4,312,966	5,673,808	5,535,375	Where GFA is not available, gross leasable area is used.
	IF-RE-000.C	Percentage of Indirectly Managed	% by SF	12%	11%	11%	7%	7%	9%	0%	0%	0%	24%	24%	25%	6%	5%	5%	Indirectly managed corresponds to NNN buildings.
	IF-RE-000.D	Average Occupancy Rate	%	88%	90%	88%	88%	86%	83%	79%	87%	85%	88%	90%	89%	95%	92%	92%	
Energy Mmgt.	IF-RE-130a.1	Energy Consumption Data Coverage	% by SF	89%	89%	89%	93%	93%	91%	100%	100%	100%	76%	76%	75%	96%	97%	97%	
	IF-RE-130a.2	Total Energy consumed by portfolio area with data coverage	GJ	1,127,512	1,016,290	955,215	232,231	180,868	149,298	159,560	159,931	247,959	349,894	314,760	244,521	385,826	360,731	313,437	
		Total energy consumed by on-site solar array	GJ	844	888	701	0	0	0	0	0	0	844	888	701	0	0	0	Corresponds to the on-site solar array at 400 Bridgewater Crossing. RECs are not retained, therefore are not included in our portion of renewables.
		Percentage grid electricity	%	88%	87%	81%	83%	76%	76%	99%	98%	75%	82%	83%	80%	91%	91%	90%	Other sources include district steam, district chilled water, and natural gas. Significant change in Southwest in 2020 due to Galleria Office Towers in Dallas using locally shared chilled water plant.
		Percentage renewable	%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%	3%	0%	0%	0%	Renewable power was included in the supply contracts at 3100 Clarendon, 4250 N. Fairfax, and Arlington Gateway beginning in March 2020.
	IF-RE-130a.3	Like-for-like change in energy consumption of portfolio area with data coverage	GJ	1,015,960	975,076	821,189	182,316	180,868	149,298	159,560	159,931	133,007	296,994	277,495	225,446	377,089	356,782	313,437	
			% by GJ	---	-4.0%	-15.8%	---	-0.8%	-17.5%	---	0.2%	-16.8%	---	-6.6%	-18.8%	---	-5.4%	-12.1%	Excludes: Properties sold in 2019, properties acquired in 2020 and properties sold in 2020.
			GJ	979,764	935,766	778,484	162,535	160,131	130,109	143,146	141,358	109,492	296,994	277,495	225,446	377,089	356,782	313,437	
			% by GJ	---	-4.5%	-16.8%	---	-1.5%	-18.7%	---	-1.2%	-22.5%	---	-6.6%	-18.8%	---	-5.4%	-12.1%	Excludes: Properties sold in 2019, properties acquired in 2020, properties sold in 2020, and properties with occupancy less than 50% in 2019 or 2020.
	IF-RE-130a.4	Percentage of eligible portfolio that has obtained an energy rating	% by SF	93%	94%	94%	93%	93%	91%	100%	100%	100%	89%	89%	88%	96%	97%	97%	Ineligible properties include those with occupancy less than 50%.
		Percentage of eligible portfolio that is certified to Energy Star	% by SF	80%	62%	74%	80%	80%	72%	74%	45%	89%	74%	50%	63%	94%	71%	82%	Excludes buildings sold in 2019 and 2020. 2020 includes 1st time certifications at (5) buildings: Enclave Place, 6011 Connection, 5 & 15 Wayside, 80 Central, and 90 Central.



# SASB For Real Estate Disclosure Table

Topic	Code	Accounting Metric	Unit	Totals			Midwest			Southwest			Northeast			Southeast			Notes
				2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	
Water Mgmt.	IF-RE-140a.1	Water Withdrawal Data Coverage	% by SF	89%	89%	89%	93%	93%	91%	100%	100%	100%	76%	76%	75%	96%	96%	97%	Same as energy data coverage
		Percentage in High or Extremely High Baseline Water Stress	% by SF	---	19%	27%	---	0%	0%	---	60%	74%	---	0%	0%	---	33%	34%	Baseline water stress is the ratio of total withdrawals to total renewable supply in a given area. High or Extremely High indicates that more water users are competing for limited water supplies. Source for determining baseline water stress by building address: <a href="https://wri.org/applications/aqueduct/water-risk-atlas">https://wri.org/applications/aqueduct/water-risk-atlas</a>
	IF-RE-140a.2	Total water withdrawn by portfolio area with data coverage	Cubic meters (m3)	956,458	877,241	594,203	140,770	125,873	57,241	286,521	253,741	228,046	256,729	225,488	137,884	272,436	272,139	171,031	
	IF-RE-140a.3	Like-for like change in water withdrawn for portfolio area with data coverage	m3	862,502	816,796	557,313	97,572	92,005	57,241	286,521	253,741	203,445	214,702	202,532	125,596	263,707	268,518	171,031	Excludes: Properties sold in 2019, Properties acquired in 2020, and Properties sold in 2020.
			% by m3	---	-5.3%	-31.8%	---	-5.7%	-37.8%	---	-11.4%	-19.8%	---	-5.7%	-38.0%	---	1.8%	-36.3%	
			m3	830,683	777,848	510,987	93,781	87,758	48,393	258,494	219,040	165,966	214,702	202,532	125,596	263,707	268,518	171,031	Excludes: Properties sold in 2019, Properties acquired in 2020, Properties sold in 2020, and Properties with occupancy less than 50% in 2019 or 2020.
			% by m3	---	-6.4%	-34.4%	---	-6.4%	-44.9%	---	-15.3%	-24.2%	---	-5.7%	-38.0%	---	1.8%	-36.3%	
	Wastewater	Total Waste Water discharged for portfolio area with data coverage	m3	853,814	810,853	421,316	140,770	125,873	42,310	203,534	192,024	110,104	245,802	224,438	129,454	263,707	268,518	139,449	
		Like-for-like change in wastewater discharged for portfolio area with data coverage	m3	779,515	755,080	389,449	97,572	92,005	42,310	203,534	192,024	90,524	214,702	202,532	117,165	263,707	268,518	139,449	Excludes: Properties sold in 2019, Properties acquired in 2020, and Properties sold in 2020.
			% by m3	---	-3.1%	-48.4%	---	-5.7%	-54.0%	---	-5.7%	-52.9%	---	-5.7%	-42.1%	---	1.8%	-48.1%	
			m3	747,696	716,132	367,522	93,781	87,758	33,469	175,506	157,324	77,439	214,702	202,532	117,165	263,707	268,518	139,449	Excludes: Properties sold in 2019, Properties acquired in 2020, Properties sold in 2020, and Properties with occupancy less than 50% in 2019 or 2020.
			% by m3	---	-4.2%	-48.7%	---	-6.4%	61.9%	---	-10.4%	-50.8%	---	-5.7%	-42.1%	---	1.8%	-48.1%	



# SASB For Real Estate Disclosure Table

Topic	Code	Accounting Metric	Unit	Totals			Midwest			Southwest			Northeast			Southeast			Notes
				2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	
Mgmt. of Tenant Sustainability Impacts	IF-RE-410a.1	Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and associated leased floor area	% by SF	93%	79%	83%	92%	95%	80%	99%	97%	86%	91%	75%	83%	52%	70%	73%	We first began measuring this metric in 2-2-, but were able to calculate it for 2018 and 2019. Upon seeing the decrease in 2019, we were able to identify an area for improvement with our short-term lease template. We still have a barrier with government leases that often cannot be altered.
	IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for grid electricity consumption	% by SF	N/A	39%	34%	N/A	55%	42%	N/A	17%	11%	N/A	64%	67%	N/A	11%	12%	Primarily NNN buildings or retail tenants where tenants have their own meters or sub-meters. We are not currently working to add sub-meters so fluctuations in this number are largely due to selling or acquisition. We are determining the best approach for encouraging sub-metering in existing assets.
		Percentage of tenants that are separately metered or sub-metered for water withdrawals.	% by SF	N/A	12%	12%	N/A	11%	16%	N/A	0	0	N/A	25%	26%	N/A	3%	4%	
Climate Change Adaptation	IF-RE-410a.3	Area of properties located in 100-year flood zones	SF	0	0	---	0	0	---	0	0	0	0	0	0	0	0	0	No properties are in a FEMA Special Flood Hazard Area: <a href="https://msc.fema.gov/portal/search#searchresultsanchor">https://msc.fema.gov/portal/search#searchresultsanchor</a>
GHG Emissions	Total emissions by portfolio area with data coverage	Scope 1	MtCO2	1,520	1,648	1,021	713	795	503	84	152	43	723	701	474	0	0	0	We began tracking location-based and market-based in 2020.
		Scope 2 (location-based)	MtCO2	132,083	125,908	98,851	31,268	30,114	22,993	29,346	29,188	23,434	25,184	23,664	17,340	46,286	42,942	35,083	
		Scope 2 (market-based)	MtCO2	132,083	125,908	91,156	31,268	30,114	17,352	29,346	29,188	23,434	25,184	23,664	15,638	46,286	42,942	34,731	
	Like-for-like change in energy consumption of portfolio area with data coverage	Scope 1	MtCO2	1,459	1,605	1,002	713	795	503	84	152	43	662	658	456	0	0	0	Excludes: Properties sold in 2019, Properties acquired in 2020, and Properties sold in 2020.
		Scope 2 (location-based)	MtCO2	109,504	104,677	82,856	23,885	23,241	17,552	18,635	18,511	14,526	21,837	20,497	15,694	45,148	42,428	35,083	
		Scope 2 (market-based)	MtCO2	109,504	104,677	77,239	23,885	23,241	13,690	18,635	18,511	14,526	21,837	20,497	14,292	45,148	42,428	34,731	
		Scope 1	MtCO2	1,459	1,605	1,002	713	795	503	84	152	43	662	658	456	0	0	0	Excludes: Properties sold in 2019, Properties acquired in 2020, Properties sold in 2020, and Properties with occupancy less than 50% in 2019 or 2020.
		Scope 2 (location-based)	MtCO2	115,353	110,081	86,580	20,959	20,158	14,954	27,410	26,997	20,850	21,837	20,497	15,694	45,148	42,428	35,083	
		Scope 2 (market-based)	MtCO2	115,353	110,081	81,814	20,959	20,158	11,941	27,410	26,997	20,850	21,837	20,497	14,292	45,148	42,428	34,731	



