

# GREEN OFFICE

## Tenant Program



**Over 97 million square feet of Hines leased space is now “green”!**

# GREEN OFFICE – Tenant Program



“Encouraging our tenants and their employees to make greener choices will pay off in environmental dividends, as well as in energy savings. ***Our own employees have embraced the program, and our tenants have been asking for advice.*** We hope this is only the beginning of an ongoing dialog of how we can all share responsibility for reducing greenhouse gas emissions.”

- Jeffrey C. Hines, President and CEO



# GREEN OFFICE – Tenant Program Summary



- **Over 900** tenants at **170 Hines** properties have rolled out the program!
- **50** additional properties plan to roll out to tenants by Earth Day 2013

**Alan Cranfill**  
Program Administrator



# GREEN OFFICE – Tenant Program Summary

## GREEN OFFICE FAQs

### 1. Is every Hines tenant required to complete and submit the GREEN OFFICE Guide?

The GREEN OFFICE Tenant Guide initiative is voluntary. Hines is hopeful that each tenant office will "walk the walk" when it comes to sustainability and set an example for employees and your fellow tenants.

### 2. What are the primary benefits of participating in the GREEN OFFICE initiative in our office?

- Demonstrate leadership in sustainability and efficient operations
- Create a competitive advantage for business
- Set sustainable goals and then measure improved performance
- Motivate, educate and engage employees
- A sustainable office is a great recruiting tool

### 3. What award or recognition will a GREEN OFFICE receive upon successfully achieving 70 or more Leaf Credits?

Tenant offices submitting a successfully completed Tenant Guide as specified in the introduction will receive a distinctive award to display in your office.



“A green building comes to life when people who inhabit it walk the walk.”

– Gerald Hines



GREEN OFFICE  
TENANT GUIDE

Version 2009.01

# GREEN OFFICE – Tenant Program Summary



## ASK THE “GREEN” QUESTIONS BEFORE TAKING ACTION.

Develop and establish relationships with vendors, contractors and suppliers that have sustainable products and missions. When ordering products/supplies ask about the products’ environmental impact; ask if there is an alternate product with less impact to the environment.

## GREEN OFFICE

| SUSTAINABLE GOAL   | LEAF CREDITS | GREEN OPPORTUNITIES  | UPFRONT COST | LIFE CYCLE SAVINGS | ACHIEVED GREEN |
|--|--------------|---|--------------|--------------------|----------------|
| <b>Energy Efficiency:</b> If every office product purchased in the U.S. this year was ENERGY STAR qualified, Americans would save \$200 million in annual energy costs while preventing almost 3 billion pounds of greenhouse gases. Source: ENERGY STAR   | 30           |   |              |                    |                |
| <b>People &amp; Atmosphere:</b> 96 percent of the Volatile Organic Compounds (VOCs) found in a large office building following construction resulted from the materials used to construct and furnish the building including flooring (hard surface & carpet) and paints. Source: GREENGUARD Environmental Institute   | 7            |   |              |                    |                |
| <b>Travel &amp; Commuting:</b> Drivers spend more than 100 hours a year commuting to work – 25% more than many workers’ spend away from the office on vacation (80 hours) and a single gallon of gasoline produces 19.4 pounds of carbon dioxide – a “greenhouse gas” that contributes to global warming. Commuting resources help employees reduce costs, personal stress, traffic, accidents and air pollution. Source: TREK | 10           |   |              |                    |                |
| <b>Reduce Re-use and Recycle:</b> A ton of paper made from 100 percent recycled paper, as compared to new paper, saves the equivalent of 4,100 kilowatt-hours of energy, 7,000 gallons of water, 60 pounds of air emissions, and 3 cubic yards of landfill. In office use alone, the average employee uses approximately 10,000 sheets of paper every 12 months. Source: GREEN SEAL  | 47           |   |              |                    |                |
| <b>Cleaning:</b> One-third of the cleaning products used today are reported to include ingredients that have negative impacts on air quality and health. Green cleaning products use biodegradable cleaning agents, which means they break down easily and have no phosphates, borates, nitrates, or other ingredients the planet doesn't appreciate. Source: GREEN SEAL   | 6            |   |              |                    |                |

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We speak green in  
17 countries.



green  
verde  
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grüne  
grün  
الأخضر  
zielony  
зеленый  
हरित  
yeşil

Congratulations to the 3,300 men and women of Hines whose commitment to Hines GREEN OFFICE has resulted in the certification of every Hines office around the world—more than 200 in 17 countries. Now, our employees are introducing the voluntary program to our tenants worldwide, continuing what Hines has done for more than half a century—setting the standard for quality and sustainability in real estate, and creating better places for people.

## Hines

Setting the standard in real estate investment, development and management the world over.

Hines.com

## Hines' green office program extends to its 4,000 tenants

Hines, the international real estate firm, announced the expansion of its internal green office program, HinesGO, to a new audience — 4,300 office tenants occupying more than 120 million Hines-managed square feet in over 100 cities in the United States, Mexico, Canada, Panama, Brazil, China and Russia.

Originally designed to enhance the sustainable features and operation of the space the firm itself occupies — more than 230 offices on four continents — the program has been adapted for Hines' tenant base in more than 650 office buildings around the world.

GREEN OFFICE complements the LEED Green Building Rating System and the ENERGY STAR "Bring Your Green to Work" programs, drawing on Hines' 52 years of sustainable expertise attained through the development, management and acquisition of more than 1,100 properties.

"Encouraging our tenants and their employees to make greener choices will pay off in environmental dividends, as well as in energy savings. Our own

employees have embraced the program; and our tenants have been asking for advice. We hope this is only the beginning of an ongoing dialog of how we can all share responsibility for reducing greenhouse gas emissions," said Hines president and CEO Jeff Hines.



JEFF HINES

GREEN OFFICE is promoted through a tenant guide, distributed by building managers, which encourages tenants to identify and implement no-cost and low-cost alternatives to operating in a standard indoor office environment. Scored on a scale of 100, offices are evaluated and when a specific strategy or improvement has been implemented, participating tenants earn "Leaf Credits." If an office achieves 70 Leaf Credits, it is then designated GREEN OFFICE. ■

# GREEN OFFICE

## Tenant Program



| Region              | # of Tenants | GREEN OFFICE Tenant Square Footage per Region | Leased Square Footage by Region* | % GREEN OFFICE Tenant sf |
|---------------------|--------------|---|----------------------------------|--------------------------|
| East                | 76           | 10,026,326                                    | 12,293,184                       | 81.56%                   |
| Midwest             | 43           | 6,261,751                                     | 16,922,381                       | 37.00%                   |
| Southeast           | 14           | 1,163,882                                     | 5,321,495                        | 21.87%                   |
| Southwest           | 153          | 9,194,956                                     | 15,662,870                       | 58.71%                   |
| West                | 621          | 13,557,198                                    | 22,094,996                       | 61.36%                   |
| <b>TOTAL U.S.</b>   | <b>907</b>   | <b>40,204,113</b>                             | <b>72,294,926</b>                | <b>55.61%</b>            |
| International       | 40           | 1,994,193                                     | 25,195,208                       | 7.91%                    |
| <b>TOTAL GLOBAL</b> | <b>947</b>   | <b>42,198,306</b>                             | <b>97,490,134</b>                | <b>43.28%</b>            |

**+43% of Hines managed square feet is currently “green”.**

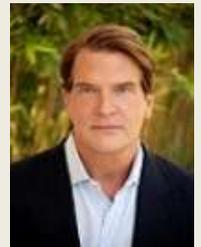
# Why Is There a Buzz About Green Office Space, Even in a Recession?



“Since personnel costs are about 90 percent of a company’s expenditures, office occupancy costs pale by comparison. Even small boosts in productivity can have a major effect on the bottom line. Beyond that, ***tenants probably concentrate on saving energy in their own spaces if they are aware of the overall building’s green features.*** That can result in lower operating costs for everyone and a lesser carbon footprint.”

“Interestingly, one of the most popular reasons tenants choose our green office space is that it helps them recruit a younger workforce – a generation hyper-focused on social responsibility. ***We are working hard to educate the brokerage and tenant communities on how they can be a part of the green equation.***”

- George Lancaster, Sr. Vice President



# GREEN OFFICE for Tenants: Benefits



- Interface and collaborate with tenants regarding a **positive topic**, sustainability, assisting with tenant retention
- Demonstrate **leadership** in sustainability and efficient operations
- A voluntary, **value-added service** to tenants with no or low cost
- Positive **public relations** with opportunity to attract potential tenants
- **Reduce operating expenses** through energy and disposal savings
- Receive credit toward **LEED EB or CI certification**
- **Motivate, educate and engage** employees and tenants

# GREEN OFFICE for Tenants: Benefits



- Increase in commercial **market value**
- Increase potential **value** to investors
- **Lower net operating costs** increases net operating income
- Higher **building value** equates to higher lending rates from lenders
- Increased occupant/worker **productivity**
- Increased **morale** and **health** of occupants
- Reduce employee turnover and absenteeism
- Reduce insurance costs, cleaning and maintenance bills and greater long-term resilience

# Examples How Hines Properties Launched Green Office



- **717 Texas** – Rolled out to larger tenants first with individual meetings
- **525 B Street** – Launched in person at “Coffee Roundtable” meeting with mock-up of GREEN OFFICE award
- **2211 Michelson** – Electronic rollout with face-to-face follow up
- **12100 Wilshire** – Running a teaser on Captivate elevator screens
- **Union Bank Plaza** – “Door-to-Door” campaign
- **One Atlantic Center** – Held tenant luncheon

# Examples How Hines Properties Launched Green Office



- **Charlotte Plaza & Carillon** – Two Lunch & Learns with tenants
- **Watergate Towers** – “Green Event” for all tenants
- **201 S. College Street** – Small group tenant meetings
- **10100 Santa Monica** – Electronic distribution w/face-to-face follow-up
- **The Atrium on Bay** – Contest (Tenants chance to win an ENERGY STAR refrigerator , dishwasher and \$1,000 worth of new office plants if on board by a certain date
- **Various Properties** – Rolled out as part of Earth Day events

# Additional Rollout Methods



- Used property **Newsletters** to trumpet the program and recognize winners
- Ordered several **GREEN OFFICE awards** in advance to save money (vs. ordering them individually), and the awards will be on hand for quick recognition of tenants that achieve the 70 “Leaf Credits”
- Provided **HinesGO<sup>®</sup> t-shirts**, “I’m Walking The Walk,” to encourage employees and tenants
- **Shared media coverage** of the expansion of its internal green office program, HinesGO<sup>®</sup>, to Hines’ 4,300 office tenants

# Efficiency for the Future



***“Sustainability has real meaning and an important place in business language – especially now.*** Companies have to reconcile their marketing gimmicks with impending legislation on carbon emissions and truth in advertising. They are realizing that green is not a device but an approach to business. ***In fact, for the authentic leaders, sustainability is a guiding principle and a quality that aspires for the organization.”***

***“Green has reached maturity in real estate, at least as far as acceptance goes.”***

“Instead of just jockeying for the highest rental rate, real-estate companies are now competing to create the most sustainable office environment, which in turn raises rental rates. ***We are evolving business to place appropriate value on each part of the triple bottom-line: people, planet, and profit.”***

- Gerald D. Hines, Founder and Chairman