



Strategies for Setting Effective Energy Performance Goals

May 28, 2020

Craig Haglund, U.S. EPA

Ben Myers, Boston Properties

Jessica Loeper, Commonwealth Partners

Jim Soutter, Hudson Pacific Properties



Today's Presenters



Ben Myers

Vice President, Sustainability

Boston Properties

Jessica Loeper

Vice President

CommonWealth Partners



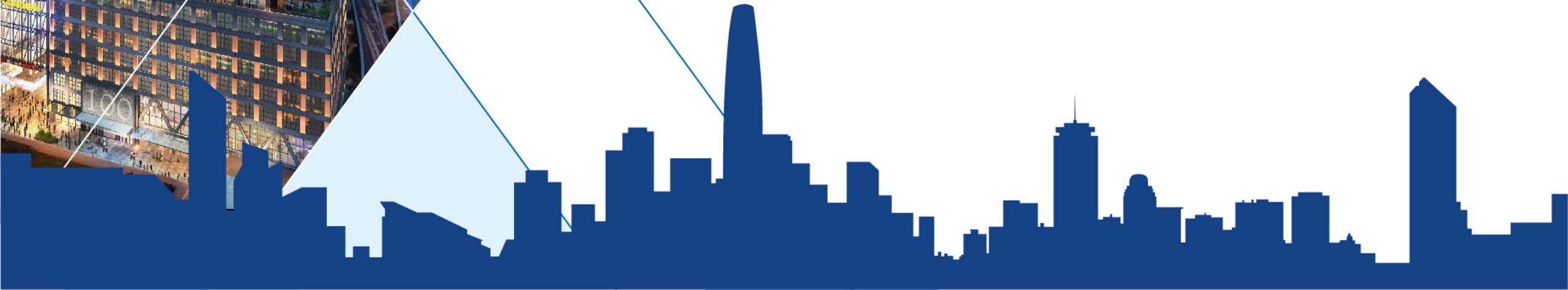
Jim Soutter

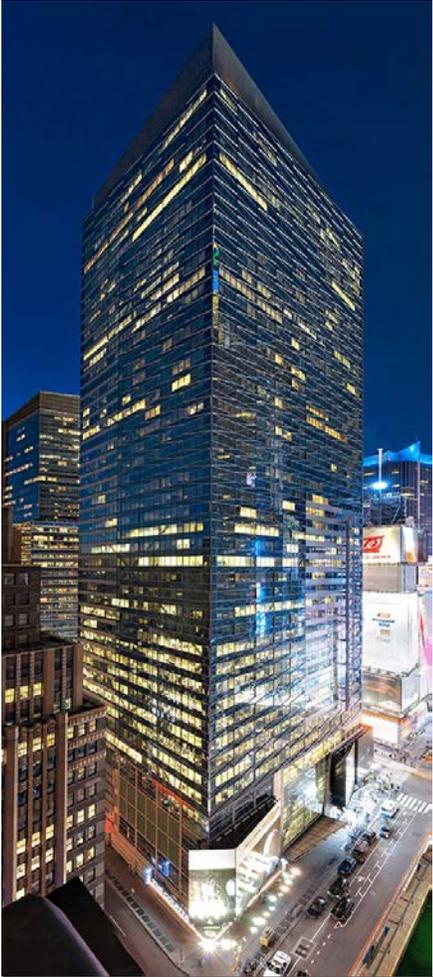
Vice President, Engineering

Hudson Pacific Properties

A detailed architectural rendering of a modern skyscraper at night. The building features a glass facade with many lit windows, and several balconies with glass railings. The top of the building has a distinctive red-tiled roof. The rendering is set against a dark blue sky and is partially framed by a white diagonal line.

The Art and Science of Setting Effective Energy Performance Goals





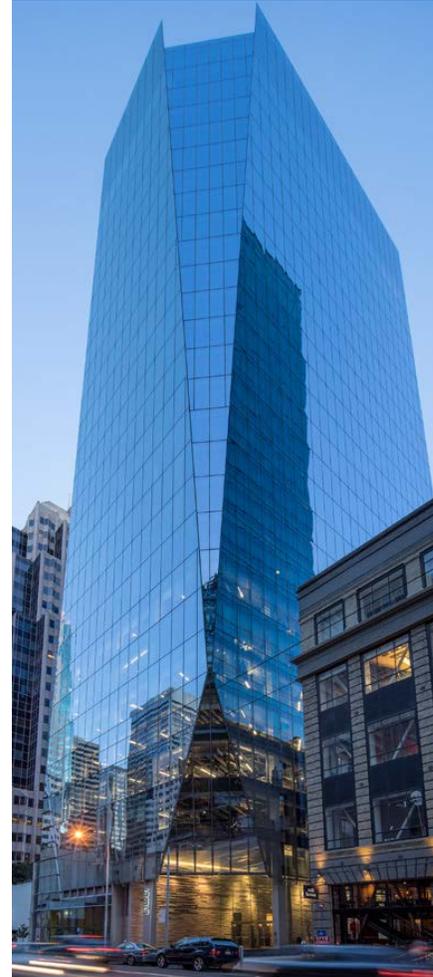
Times Square Tower
New York



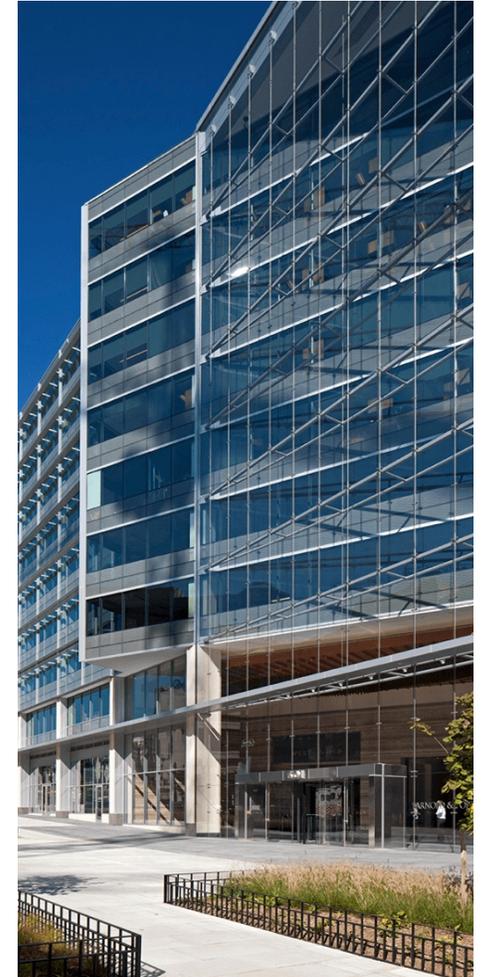
77 CityPoint
Waltham



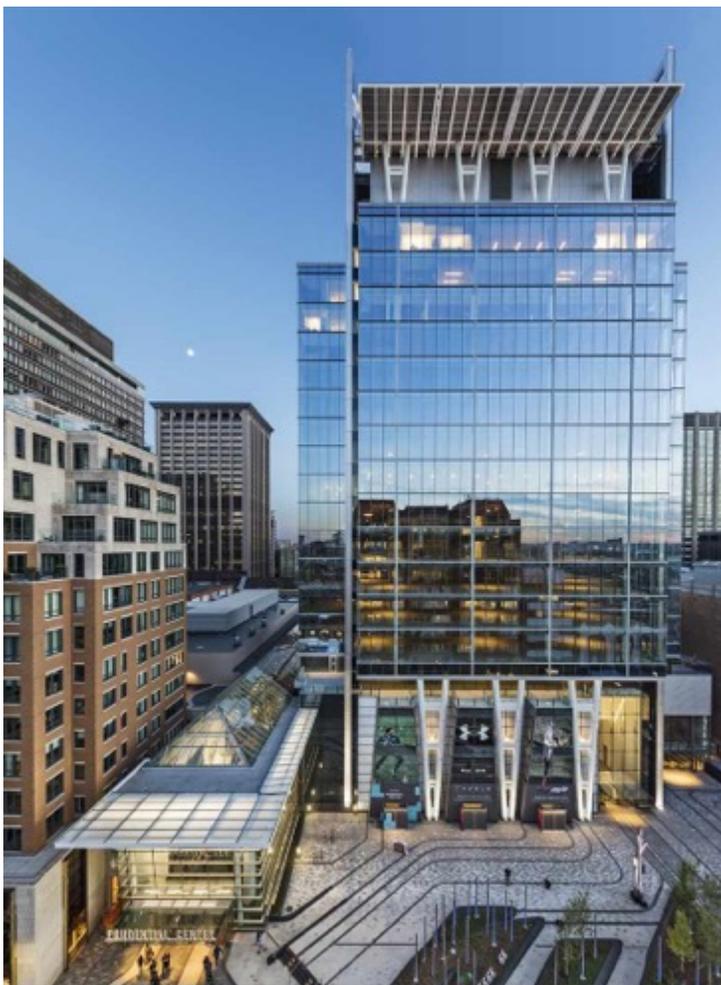
Atlantic Wharf
Boston



535 Mission
San Francisco



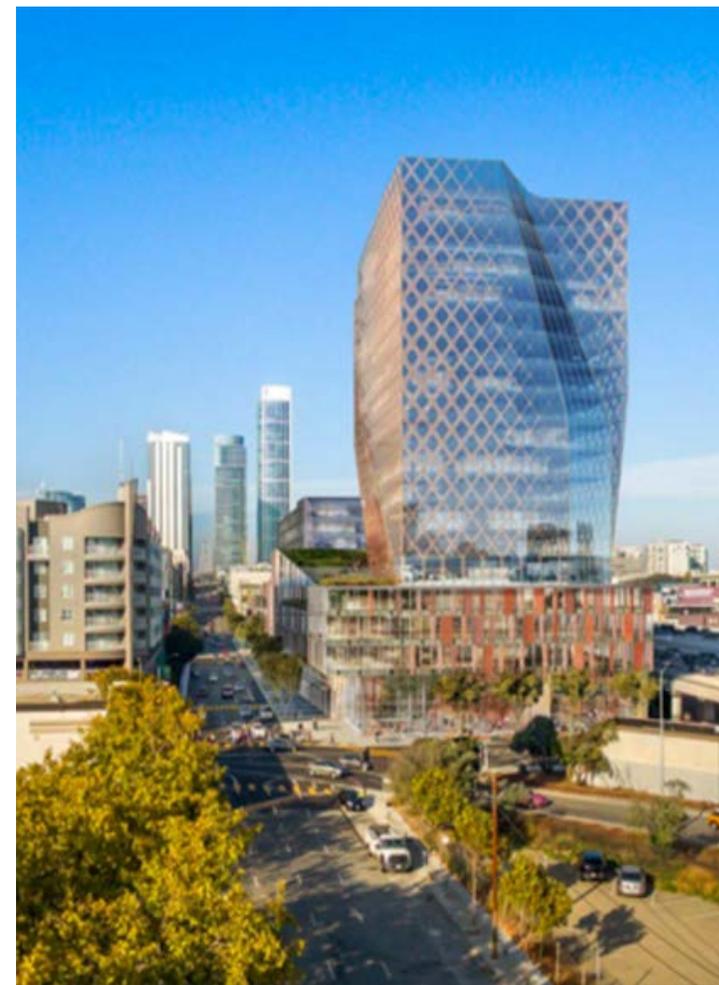
601 Massachusetts Avenue
Washington, DC



888 Boylston Street
Boston

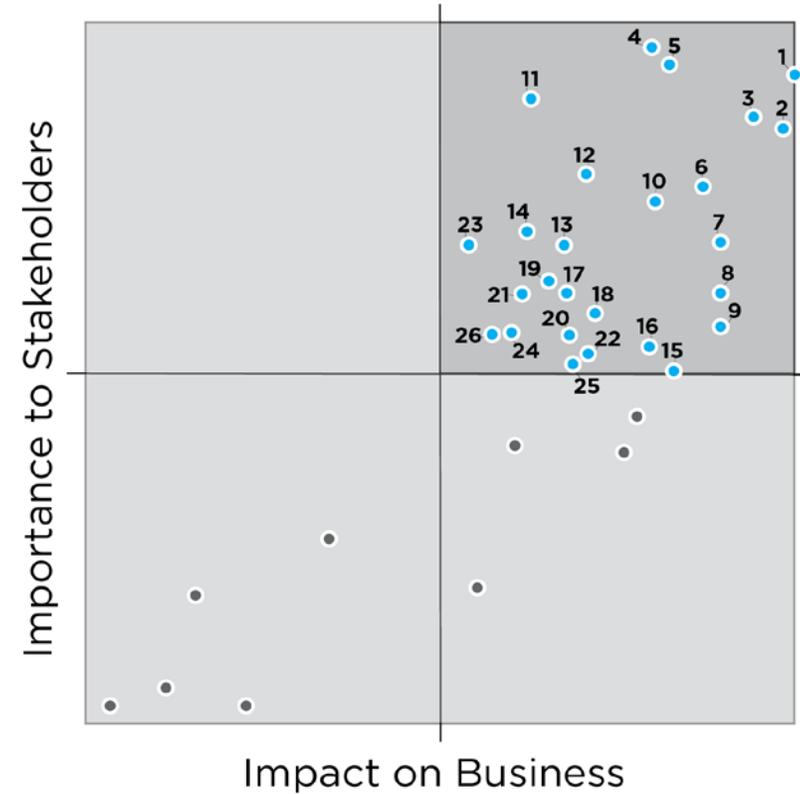
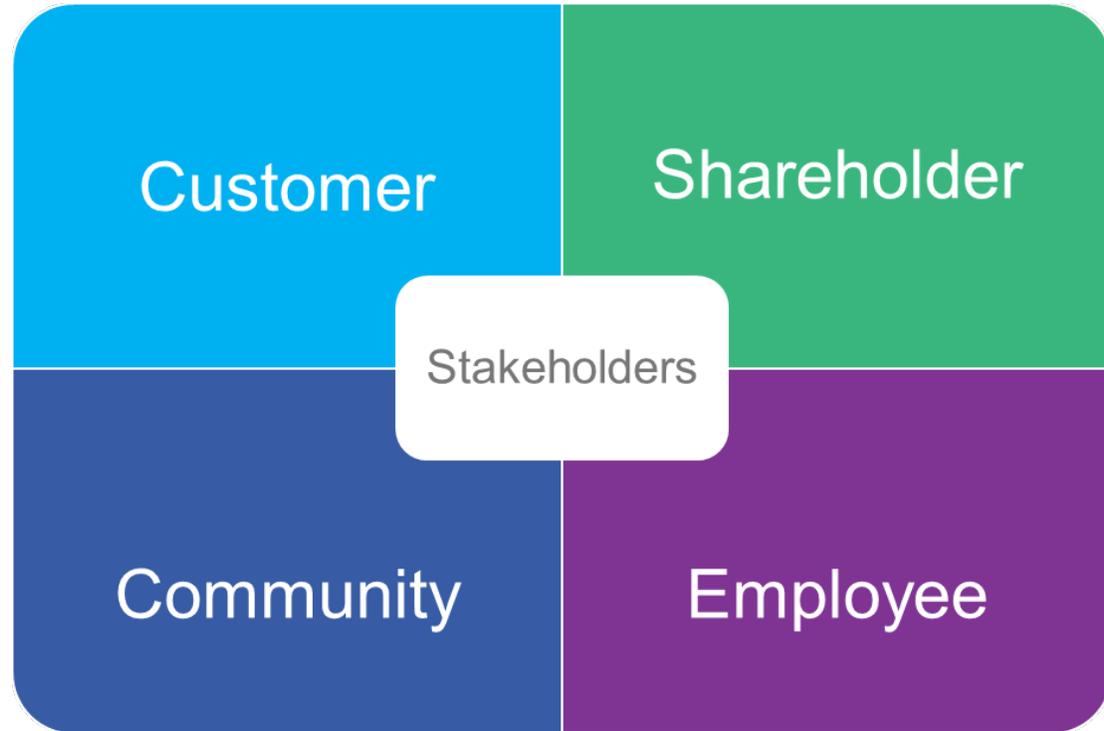


Salesforce Tower
San Francisco



4th and Harrison
San Francisco

Materiality



KEY

- | | |
|--|---|
| 1. Non-Discrimination | 14. Environmental Impact/Life Cycle of Materials Used |
| 2. Customer Satisfaction | 15. Cyber Risk & Security |
| 3. Economic Performance | 16. Employee Occupational Health & Safety |
| 4. Carbon Emissions | 17. Waste/Recycling/Composting |
| 5. Energy Consumption/Efficiency | 18. Equal Pay |
| 6. Ethical Business/Whistleblower Protection | 19. Access to Public Transit |
| 7. Anti-Harassment Policy | 20. Racial Diversity |
| 8. Employee Well-Being | 21. Board of Directors Management of ESG |
| 9. Employee Satisfaction | 22. Walkability & Access to Amenities |
| 10. Health Benefits/Impact of Buildings on Occupants | 23. Climate-related Risks |
| 11. Environmental Violations | 24. Water Consumption/Efficiency |
| 12. Transparency & Disclosure of ESG | 25. Gender Diversity |
| 13. Green Building Certifications | 26. Human Rights |

BXP Sustainability Framework



Climate Action

Energy & Water Efficiency

Green Building Development & Management

Renewable Energy

Carbon Neutrality

Resilience

Climate Risk Awareness

Asset-level Preparedness

Scenario Analysis

Management & Planning

Social Good

Healthy Buildings

Community Involvement

Employee Programs & Benefits

Diversity & Inclusion

7 AFFORDABLE AND CLEAN ENERGY



13 CLIMATE ACTION



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



ESG Leadership



- Over 24 million square feet of actively managed green buildings certified at the highest Gold and Platinum Levels
- All new office development projects required to pursue LEED Silver certification or better



- 40 ENERGY STAR certified properties in 2019
- 2020 ENERGY STAR Partner of the Year



- Selected as a Green Lease Leader by the Better Buildings Alliance for 2015, 2016, 2017, 2018 and 2019

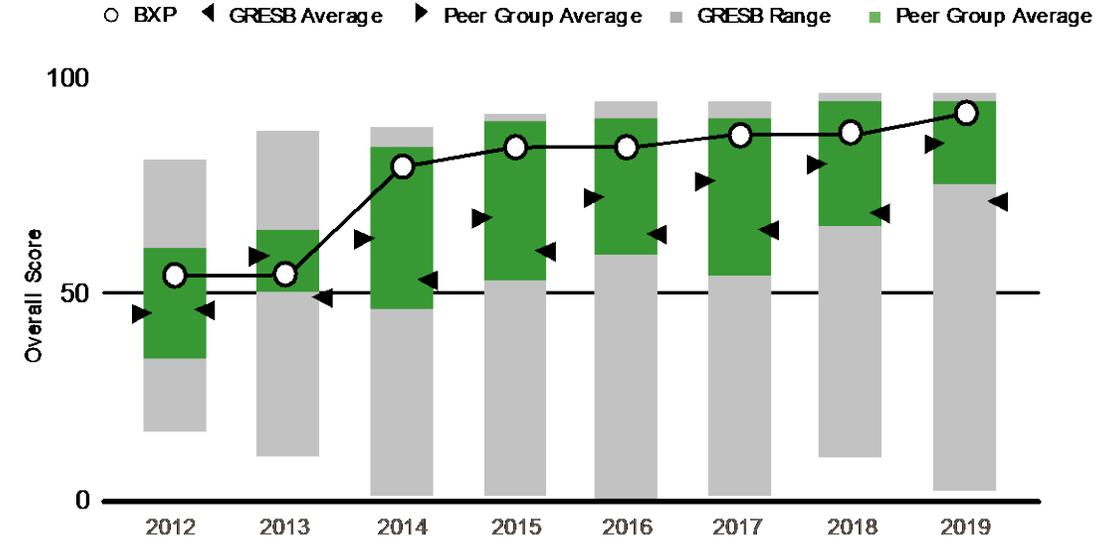


- Nareit Leader in the Light Award winner in 2014, 2015, 2017, 2018 and 2019



- Over 12 million square feet Fitwel Certified
- “Fitwel Champions” and 2020 Building Health Award Winner

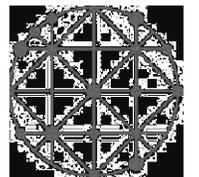
GRESB RESULTS



GRESB
Green Star, 5-Star Rating



S&P ESG
"A-" Rating



MSCI
"A" Rating

**When there's a
scoreboard,
people play
differently.**



Measure, Manage, Disclose

Real-time Performance
Monitoring



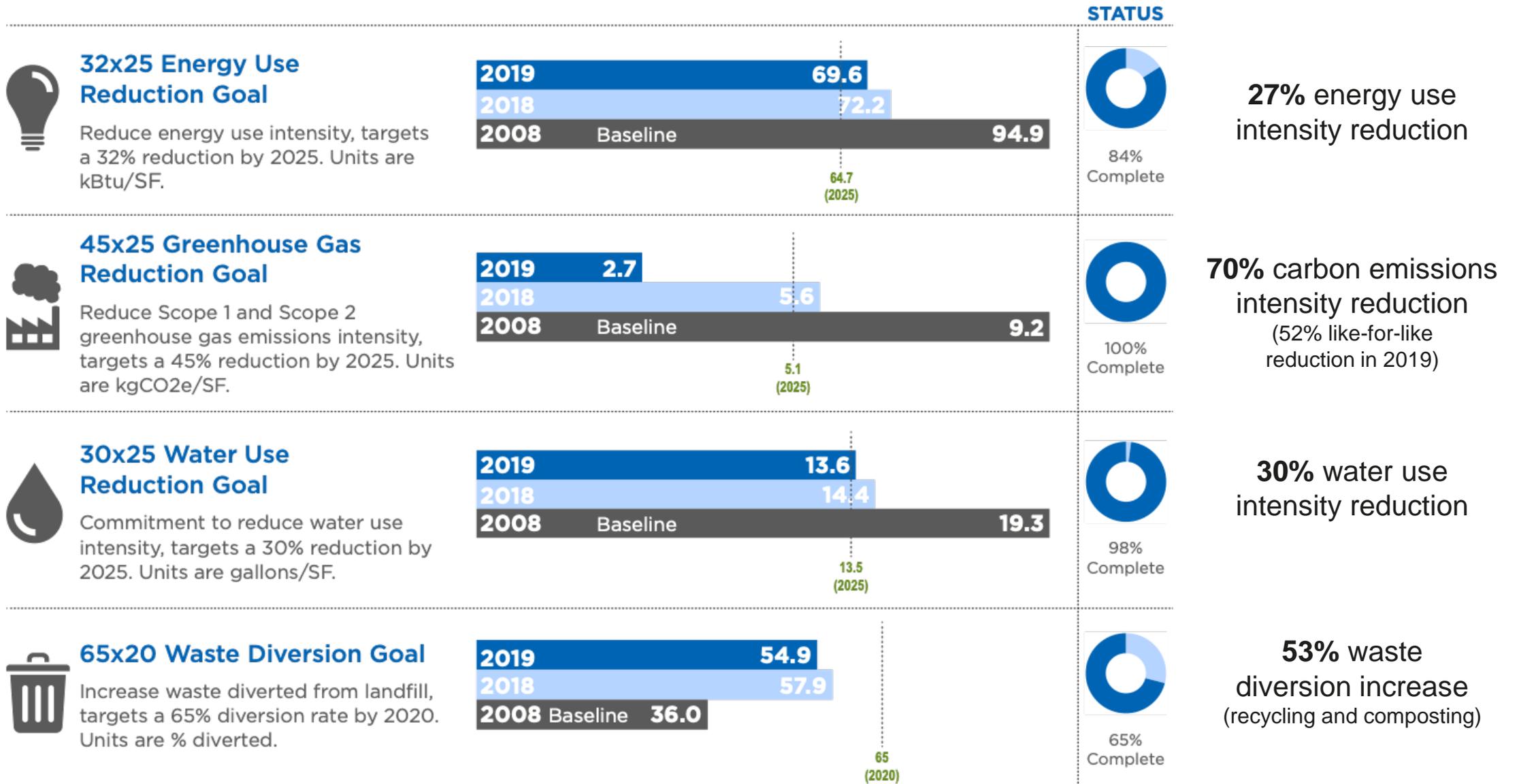
Performance Scoring,
Benchmarking and Certification



Analysis, Reporting and
Disclosure



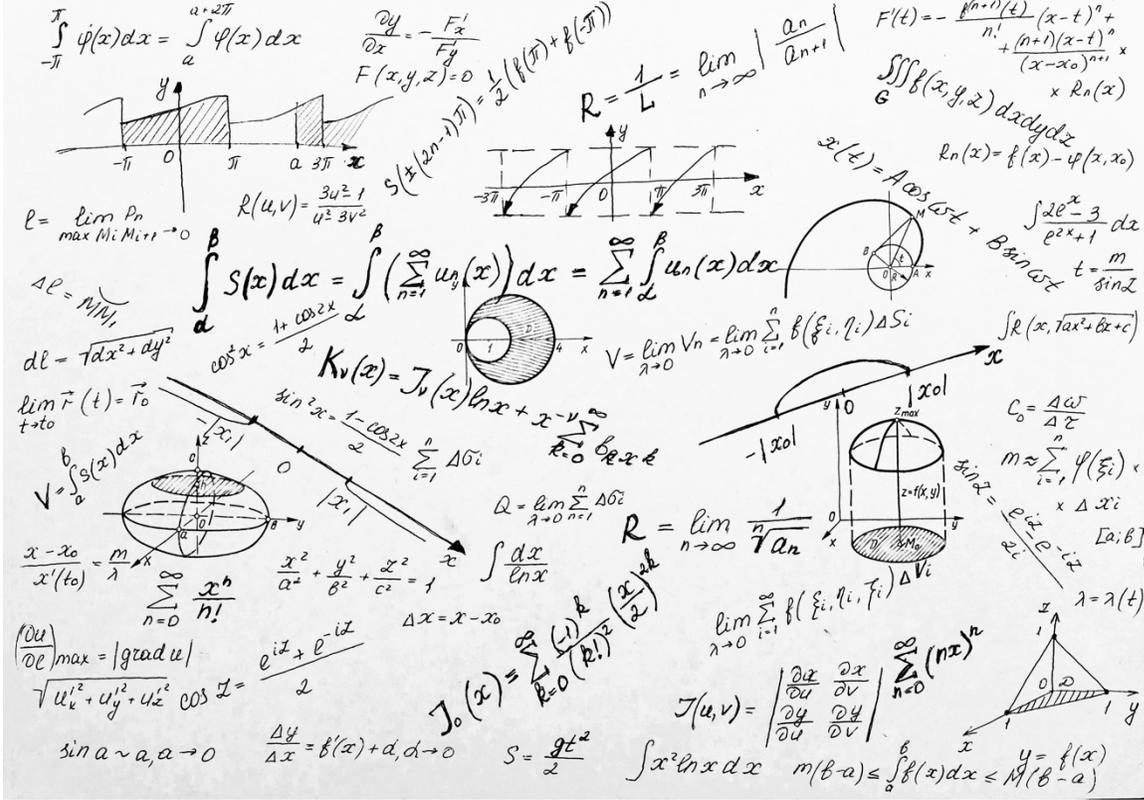
Public Goals



The Art and Science of Energy Goals



Round 1: Duck Hunt



Round 2: Advanced Calculus

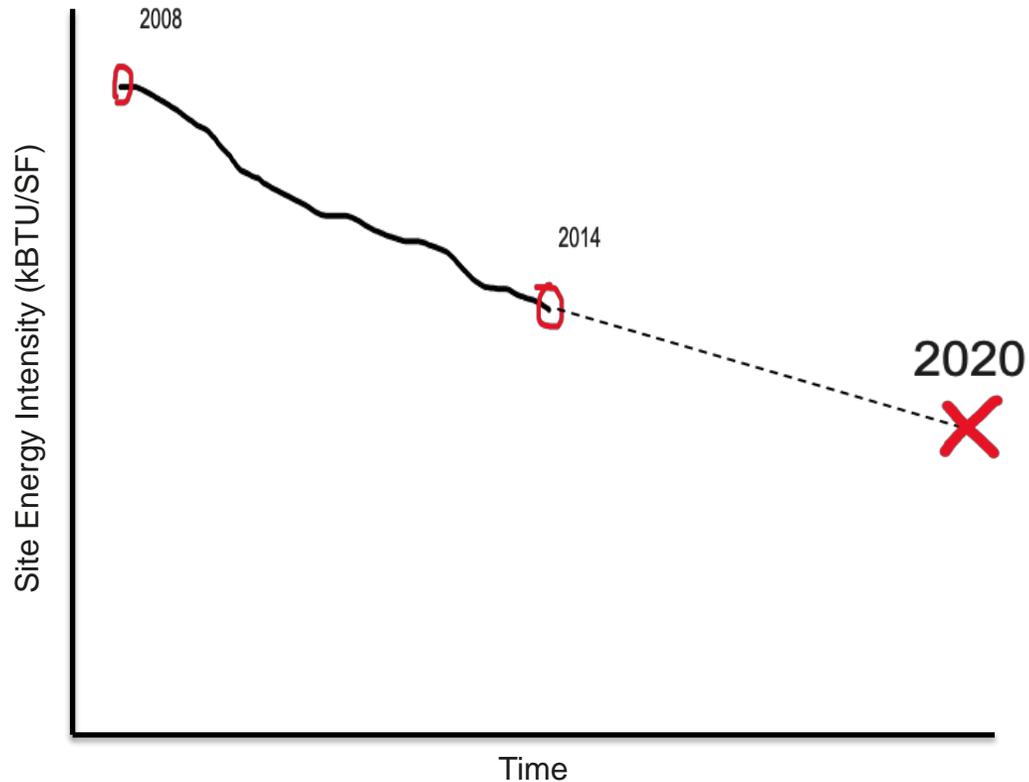
Art: Round 1



Round 1: Duck Hunt

- Circa 2014
- Benchmarked performance (2008)
- Measured energy use intensities from 2008 through 2014 (two-year intervals)
- Projected a straight line through 2020
- Established a '15x20' goal
- Achieved this goal in 2016, 3 years early, recording a 19.8% energy use intensity reduction below the 2008 base

Art: Round 1



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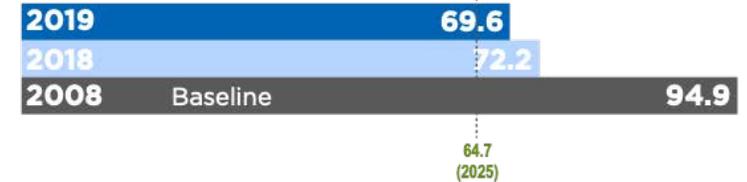
Science: Round 2

- Developed a probabilistic model using a best-case percent reduction estimate for common energy conservation measures and asset improvement potential
- Reviewed the entire portfolio, asset-by-asset with input from Property Management and Engineering teams – assigned probabilities
- Rolled-up asset ‘reduction potential’ to regional targets, and regional targets to enterprise goal



32x25 Energy Use Reduction Goal

Reduce energy use intensity, targets a 32% reduction by 2025. Units are kBtu/SF.



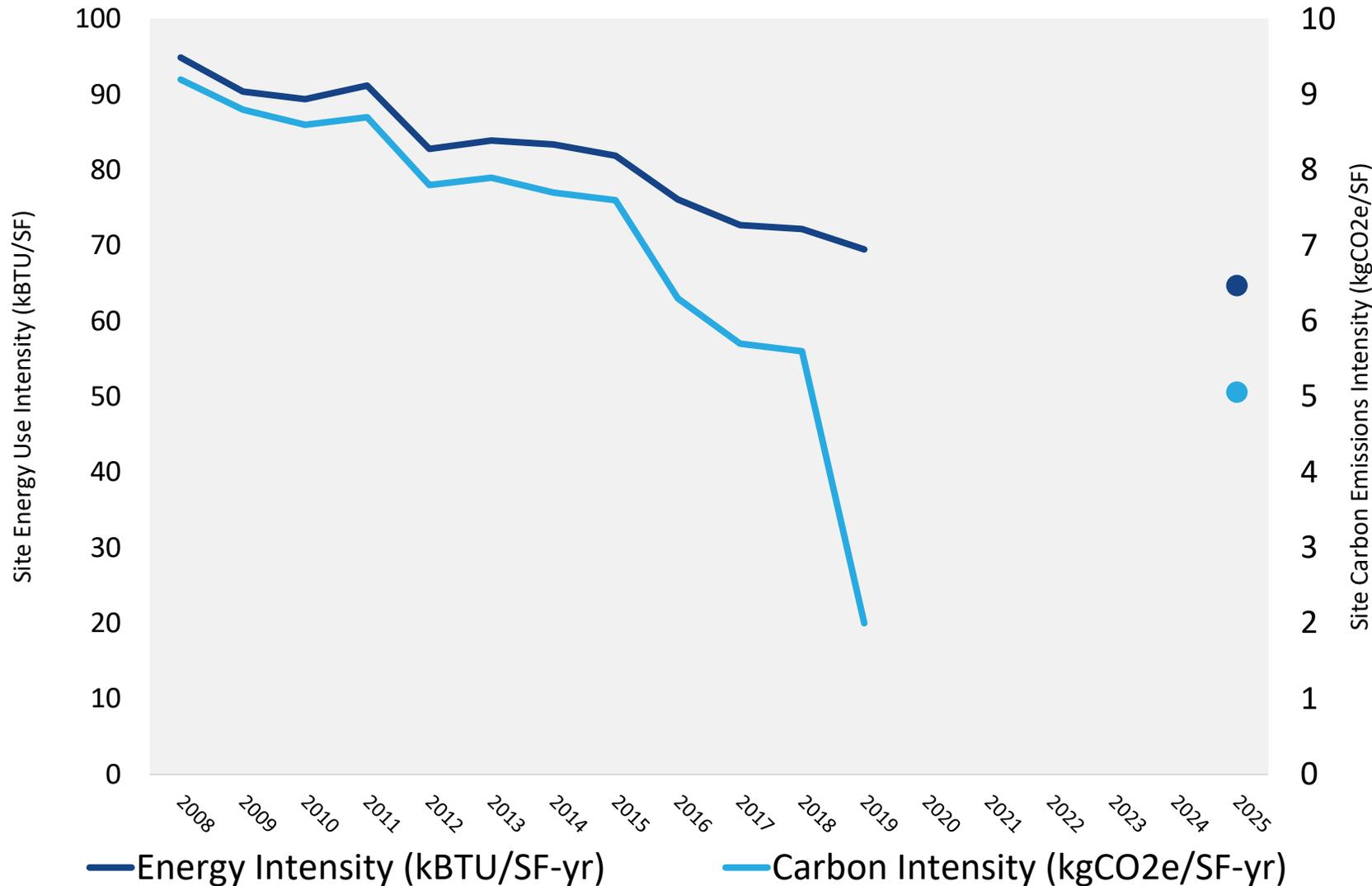
Energy Efficiency Improvement Potential		
2.5%	9.2%	10.2%
Operating Intensity Reduction Factor	Lighting Intensity Reduction Factor	HVAC and Controls Intensity Reduction Factor

Property Name	ENERGY STAR Certification - Year(s) Certified	ENERGY STAR Score	GSF	2017 EUI Estimate (kBtu/GSF)	2013 EUI (kBtu/GSF)	Reduction Rate (4 Years, Compounded)	Energy Efficiency Improvement Potential			Reduction Potential (% below 2017)	Go Forward Annual Reduction (5 Years, Compounded)	2022 Intensity Estimate
							Operating Intensity Reduction Factor	Lighting Intensity Reduction Factor	HVAC and Controls Intensity Reduction Factor			
	2017, 2016, 2015, 2014, 2013, 2012, 2011, 2010, 2009, 2008	88	942,573	78.5	84.3	1.8%	0.5	0.5	0.6	12.0%	2.5%	69.1

Success Drivers

- (1) Detailed Historical Energy Performance Information – EPA Portfolio Manager**
- (2) Strong Partnerships with Operations, Property Management and Engineering**
- (3) Buy-in from Senior Leadership, Purpose**
- (4) Stakeholder Support**
- (5) A Strong Business Case, Persist!**

Energy and Carbon Performance



SCIENCE
BASED
TARGETS

We have an approved science-based target confirming an emissions reduction rate equal to our greater than the rate of reduction required to keep global temperature increase below 1.5° C.

\$31 Million

**Avoided Annual Energy
Operating Cost**



Ben Myers
Vice President, Sustainability
bmyers@bxp.com





CommonWealth
partners
Sustainability for the Common Good

Strategies for Setting Effective Energy Performance Goals

USING SCIENCE-BASED METHODS
TO SET EFFECTIVE ENERGY
PERFORMANCE GOALS FOR BUILDINGS

Jessica Loeper

LEED AP O+M, FITWEL AMBASSADOR
DIRECTOR OF SUSTAINABILITY

May 28, 2020

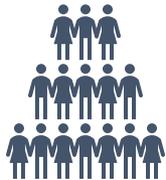


CommonWealth Partners Overview



10.5M GSF

16 multi-tenant Class A office assets as of Dec. 2019



27,000+

Building Occupants



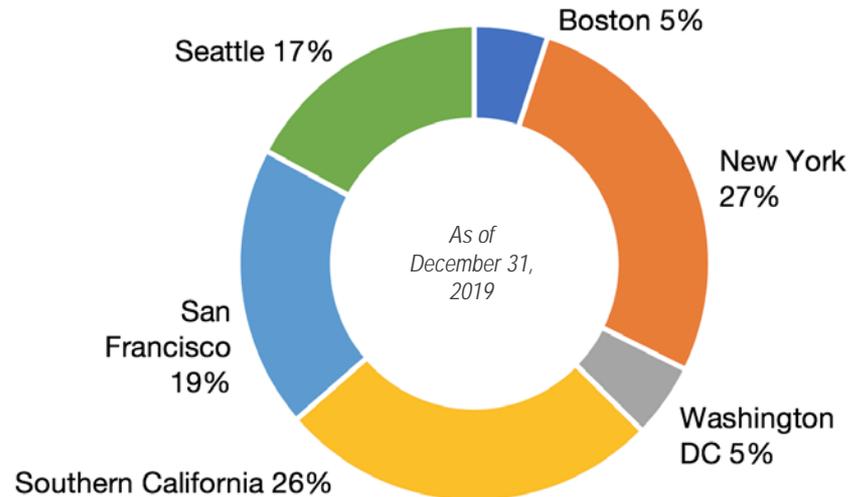
84 / 100

Avg. labeled score as of Dec. 2019
[score >75 indicates top performance]



1st U.S. Office

Non-listed and Regional Sector Leader, 2019 GRESB



G R E S B



SCIENCE
BASED
TARGETS



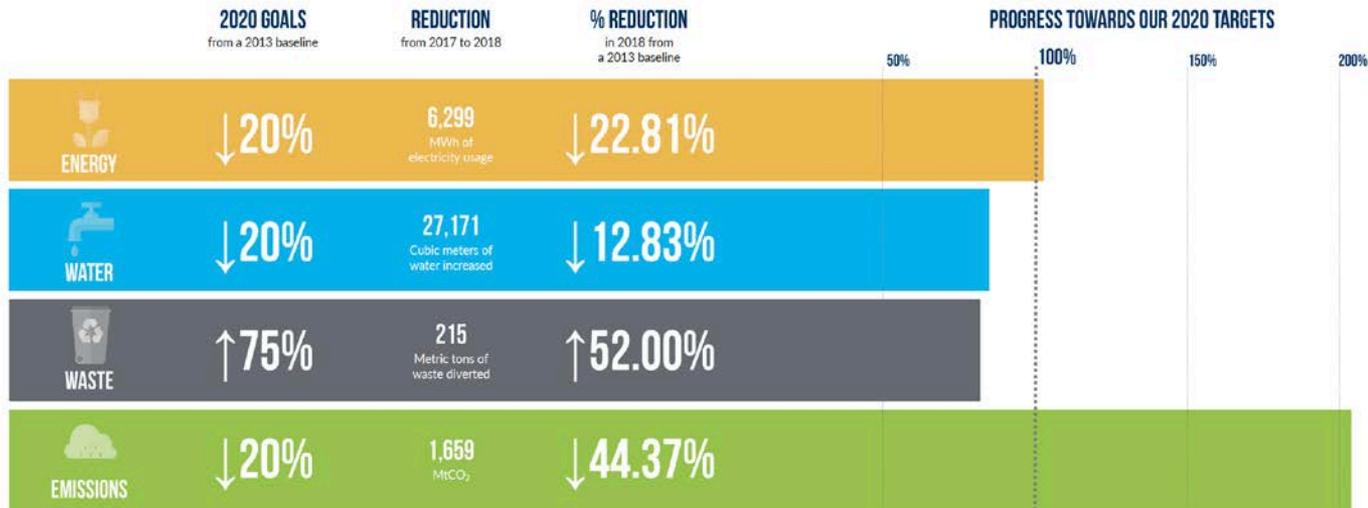
fitwel

BOMA



Step 1: Set Performance Goals

- Consider overall corporate sustainability commitments and investments
- Consider existing performance targets and goals of the property/landlord
- Property-specific initiatives and tenant-specific impacts



RENEWABLE ENERGY

↑ 75%
by 2030

SCIENCE BASED TARGETS

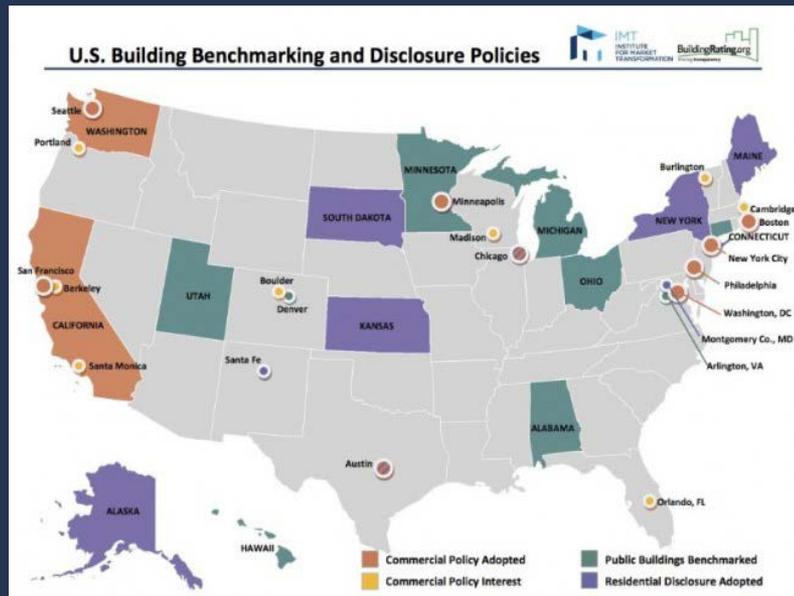
Reduce Scope 1 & 2

↓ 50%
per square feet by 2030

Step 2: Find Pathway to Achieve Goals

Local or National Law

- AB802 (Emissions Benchmarking)
- ENERGY STAR Benchmarking
- AB 1826 (Composting)
- Local Law 97 (NY)



Pathway Programs

- Commit to programs to meet a threshold to be competitive with peers



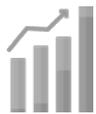
Building Owners: *Where Do Our Emissions Come From?*

What We Can't Control



Acquisitions and dispositions of buildings

Altering the baseline when properties are sold



Tenant Density Changes

Increased or decreased



Tenant Internal Practices

Transportation
Waste Diversion



One Regional Utility Power Source

What We CAN Control



Energy

Whole Building



Transportation

Bicycle Storage

EV Charging Stations

Commuting

Business Travel



Waste

Compost/Recycling

Construction



GHG Inventory Management Plan

DOE's Better Buildings Challenge

Commitment made in 2013

- ↓ **20%** by 2020
ENERGY, EMISSIONS, WATER
- ↑ **75%** by 2020
WASTE



Report on progress annually

- Showing a steady **3%** increase

Goal Setting Tool in ENERGY STAR Portfolio Manager

Summary Details Energy Water Waste & Materials **Goals** Design

Energy Performance (kBtu/ft²)

Energy Use Intensity

200
0

Baseline (Dec 2013) Current (Feb 2020)

Source EUI
Site EUI

Generate & Download Performance Documents for this Property

Metrics Comparison for Your Property & Your Target [Change Time Period](#)

Metric	Dec 31 2013 (Energy Baseline)	Feb 28/29 2020 (Energy Current)	Target*	Median Property*
ENERGY STAR score(1-100)	68	82	80	50
Source EUI(kBtu/ft ²)	154.5	117.5	123.6	193.6
Site EUI(kBtu/ft ²)	64.9	47.4	51.9	78.1
Source Energy Use(kBtu)	557530760.7	423789930.8	446024608.6	698385052.6
Site Energy Use(kBtu)	233975360.3	171087396.5	187180288.3	281943632.8
Energy Cost(\$)	7788203.52	8378040.72	6230562.81	13806600.59
Total GHG Emissions(Metric Tons CO ₂ e)	15515.1	11504.5	12412.1	18958.8

* To compute the metrics at the target and median levels of performance, we will use the fuel mix associated with your property's current energy use.

Per Property Target Setting in ENERGY STAR Portfolio Manager

Baselines & Targets

	Baselines	Target
Energy	12/31/2013	20%
Water	12/31/2013	Not Available
Waste/Materials	12/31/2013	Not Available

[Set Baselines or Target](#)

Property A – Target not yet met.

Metric	Dec 31 2013 (Energy Baseline)	Dec 31 2019 (Energy Current)	Target*	Median Property*
ENERGY STAR score(1-100)	49	54	60	50
Source EUI(kBtu/ft²)	269.9	232.5	215.9	246.5
Site EUI(kBtu/ft²)	113.9	100.1	91.1	106.1
Source Energy Use(kBtu)	488267945.6	421221274.8	390614356.4	446615078.9
Site Energy Use(kBtu)	206013409.1	181323348.0	164810727.3	192254616.3
Energy Cost(\$)	Not Available	Not Available	Not Set	Not Available
Total GHG Emissions(Metric Tons CO2e)	16403.2	14326.4	13122.6	15190.1

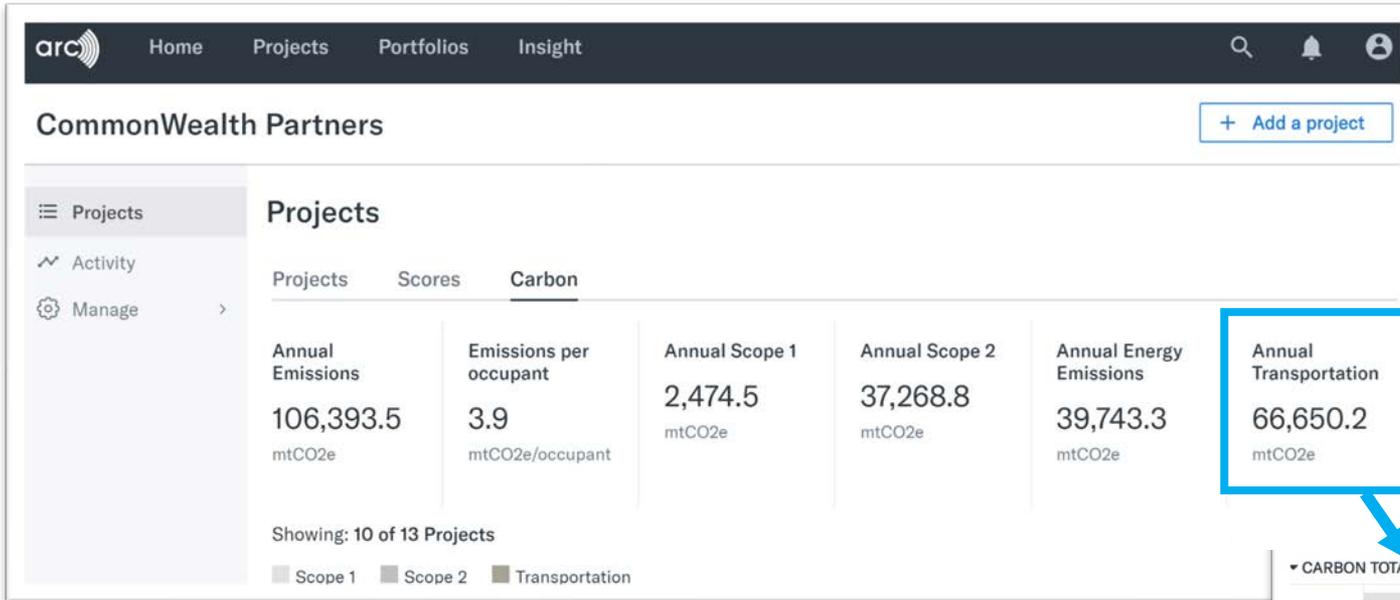
Property B – Target already met.

Metric	Dec 31 2013 (Energy Baseline)	Feb 28/29 2020 (Energy Current)	Target*	Median Property*
ENERGY STAR score(1-100)	68	82	80	50
Source EUI(kBtu/ft²)	154.5	117.5	123.6	193.6
Site EUI(kBtu/ft²)	64.9	47.4	51.9	78.1
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Total GHG Emissions(Metric Tons CO2e)	15515.1	11504.5	12412.1	18958.8

This property already met the 20% emissions reduction target

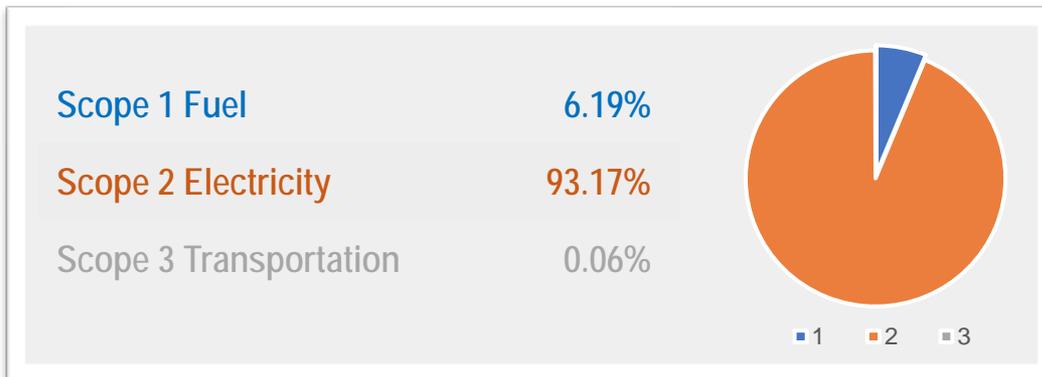
Good candidate for energy reduction projects

Carbon Scope Breakdown: Arc Portfolio & Annual Transportation Survey



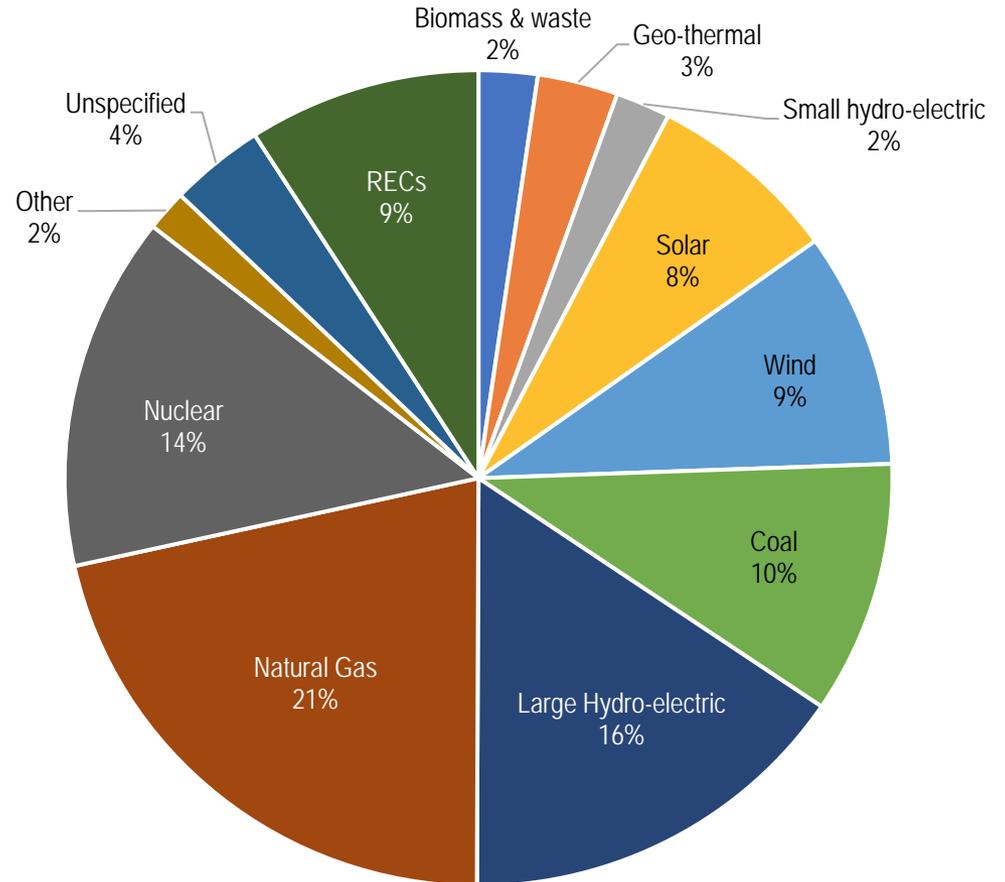
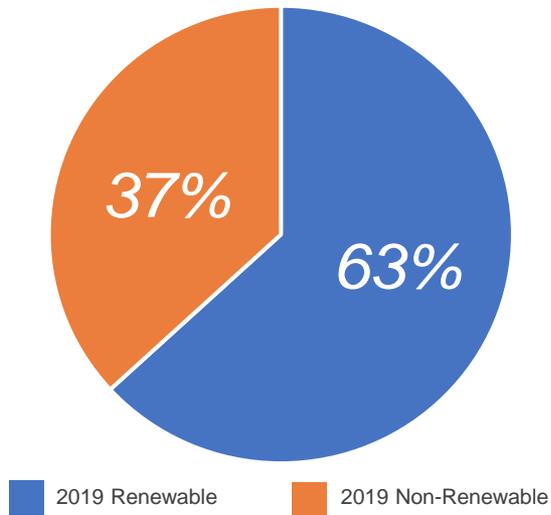
▼ CARBON TOTAL (mtCO2e)

35,194.1	1,663.6	10,478.2	
21,461.3	182.5	12,444.3	8,834.5
19,674.6	0.3	5,042.5	14,631.8
6,846.1	325.1	2,571.6	3,949.4
6,539.3	2,244.3	4,295	
4,145.1	241.5	3,903.6	
3,479.6	24.3	550.1	2,905.2



Scope 2 Renewable Energy Breakdown

**CommonWealth Partners
Renewable Electricity Sources**



Renewable
Energy

↑ **75%**
by 2030

Green Power Tracking in ENERGY STAR Portfolio Manager

Meter Selection:

▶ **Basic Meter Information** (***)*click on the arrow to the left to expand this section*

▼ **Monthly Entries**

Display Year(s):

	Start Date	End Date	Usage kWh (thousand Watt-hours)	Total Cost (\$)	Estimation	Green Power
<input type="checkbox"/>	1/1/2020	1/31/2020	165,627		<input type="checkbox"/>	<input checked="" type="checkbox"/>  Edit

Tracking avoided emissions from green power and RECs.

Tracking Avoided Emissions

About the Green Power for this Entry: 02/05/2020 through 03/05/2020

Quantity: * kWh (thousand Watt-hours)  The quantity of green power must be entered in the same units as your energy usage for this time period.

Fuel Source(s):

- Biogas
- Biomass
How Much? %
- Geothermal
How Much? %
- Small Hydropower
- Solar
How Much? %
- Wind
How Much? %
- Unknown
How Much? %

Generation Location: * I know the specific plant where the energy was generated.
 I don't know the specific plant, but I know the eGRID Subregion (US) or Province (Canada) where the energy was generated.
eGRID subregion (US) or Province (Canada): * 

I don't know anything about where the energy was generated.

Save

We track avoided emissions in ENERGY STAR Portfolio Manager by tracking green power. Avoided emissions count toward our reduction targets.

We enter the power mix breakdown and where the green power was generated for accurate avoided emissions.

Sustainable Development Goals (SDGs)



#7 Affordable and Clean Energy

Ensure access to affordable, reliable, sustainable and modern energy for all

- Reduce energy use by 20% from 2013 levels by 2020
- Incorporate renewable clean energy for 75% of the portfolio's electricity by 2030



#9 Industry Innovation and Infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

- Establish an energy monitoring system (EMS) for all operationally controlled assets
- Track utility data within ENERGY STAR for 100% of the managed assets and label all eligible assets annually
- Establish annual tenant engagement programs for participation
- Implement green leasing across the portfolio
- Perform energy audits or retro-commissioning every 5 years on all operationally controlled assets



#13 Climate Action

Take urgent action to combat climate change and its impacts

- Reduce greenhouse gas emissions intensity by 20% by 2020 and 50% by 2030
- Energy efficient operations upgrades
- Sustainable due diligence resilience guidelines for new & existing acquisitions
- Provide education to stakeholders on climate change measures



#17 Partnerships for the Goals

Strengthen the means of implementation and revitalize the global partnership for sustainable development

- Participate in global partnerships for sustainable development GRESB, CDP, Science Based Targets, ENERGY STAR, and USGBC

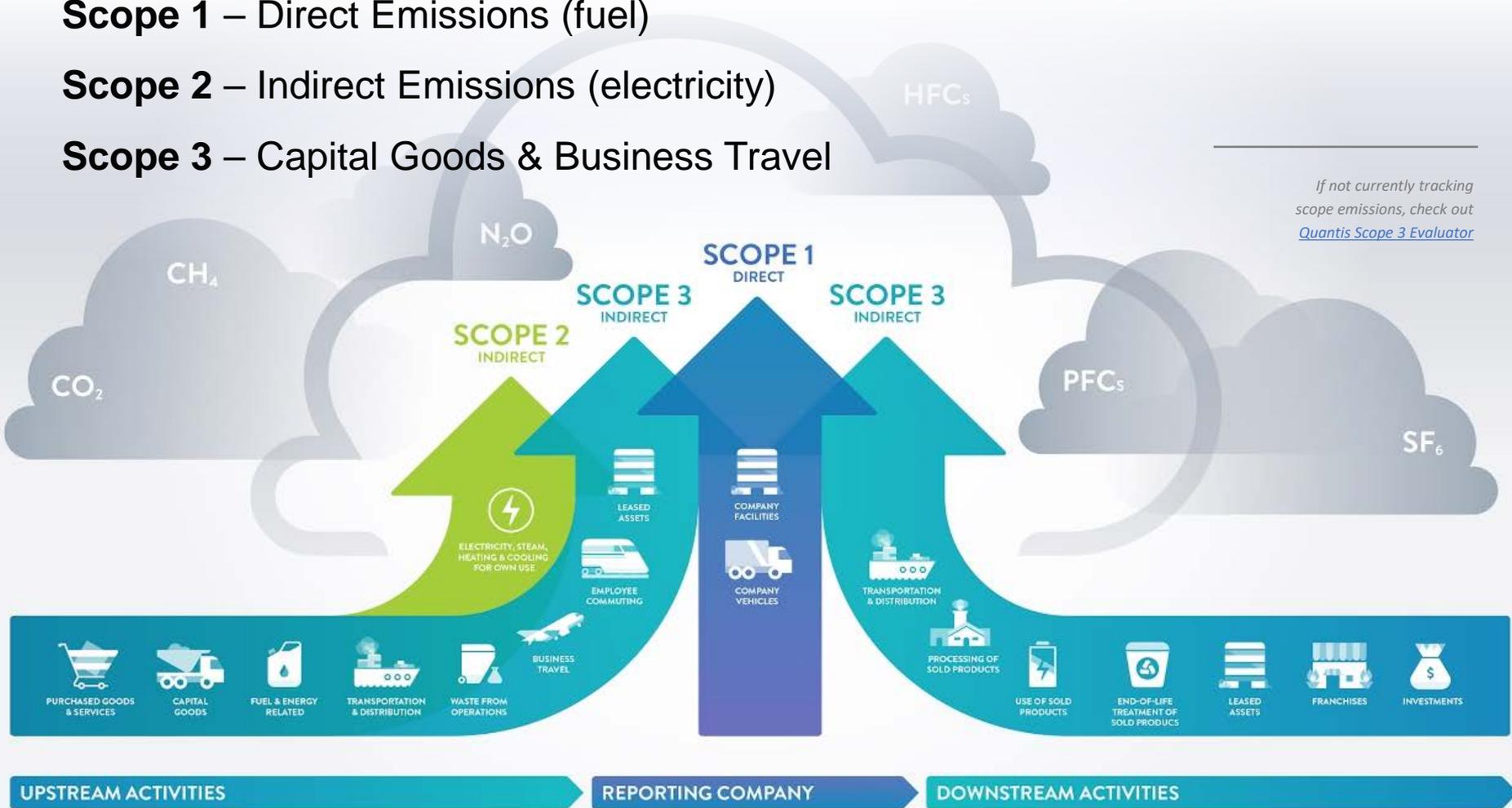
Science Based Targets (SBTs)



Scope 1 – Direct Emissions (fuel)

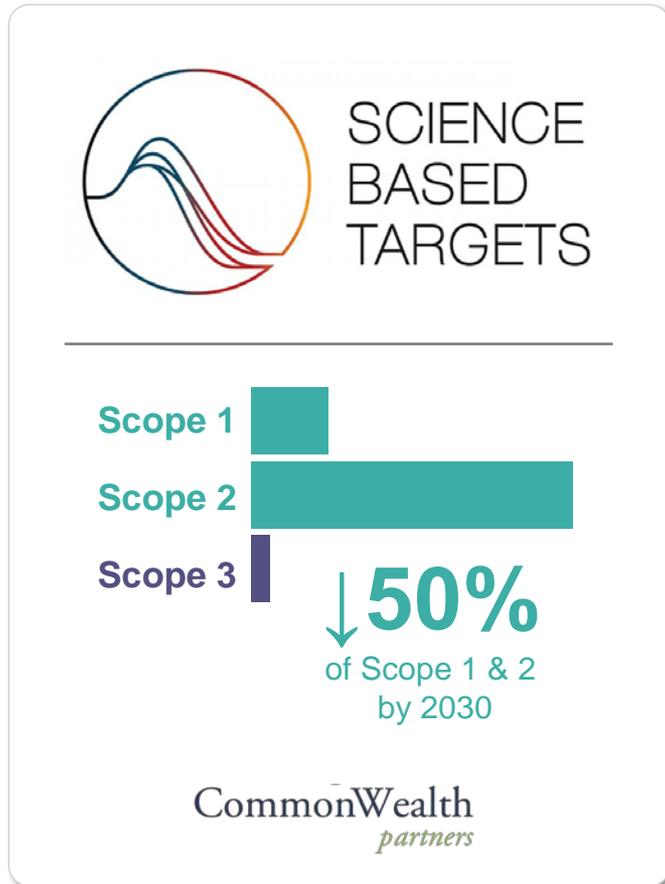
Scope 2 – Indirect Emissions (electricity)

Scope 3 – Capital Goods & Business Travel



If not currently tracking scope emissions, check out [Quantis Scope 3 Evaluator](#)

Science Based Targets (SBTs)



Scope 3 Breakdown view

Category 1	Purchased goods and services
Category 2	Capital goods
Category 3	Fuel- and Energy-Related Activities, Not Included in Scope 1 or Scope 2
Category 4	Upstream transport
Category 5	Waste generated in operations
Category 6	Business travel
Category 7	Employee commuting
Category 8	Upstream leased assets
Category 9	Downstream transport
Category 10	Processing of sold products
Category 11	Use of sold products
Category 12	EoL of sold products (intermediate product, if relevant)
Category 13	Downstream leased assets
Category 14	Franchises
Category 15	Investments

4 Steps to a Science Based Target



#1 SUBMIT COMMITMENT LETTER:

- A. **Scope Boundary:** GHG Protocol Corporate Standard
- B. **Timeframe:** 5-15 years from the date of announcement of the target
- C. **Level of Ambition:** Below 2°C compared to pre-industrial temperatures
- D. **Scope 3:** Screening all Scope 3 possibilities before setting their GHG emission reduction targets
 - Scope 3 emissions is required if it covers over 40% of total scope 1, 2, and 3 emissions
- E. **Reporting:** Annual GHG emissions inventory

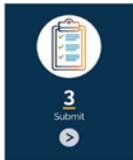
Recognized as “Committed” at www.sciencebasedtargets.org as well as on partner websites at **We Mean Business** and **CDP**



#2 DEVELOP A TARGET:

- A. **24-Month Timeframe**
- B. **Select a Method**
 - A. **Sectoral Decarbonization Approach (SDA)**
 - A. Sector-based
 - B. **Absolute Emissions Contraction**
 - A. Absolute-based
 - C. **C-FACT, CSI, CSO, GVA**
 - A. Economic-based
- C. **Define Your Target:**
 - **Absolute** = sets goals in line w/ overall emissions reductions by a certain year (i.e. 30% reduction from operations by 2030)
 - **Intensity** = relative to products or services (i.e. reduction per sq/ft)
- D. **Set Your Timeframe**
 - Minimum of 5 years and a maximum of 15 years
- E. **Capture All Your Data**
 - Must cover at least 95% of the companywide emissions
 - Identity Scope 1, 2 and 3
 - Must not include offsets or avoided emissions

4 Steps to a Science Based Target



#3 SUBMIT YOUR TARGET

- A. Target Submission Form
- B. GHG Inventory Management Plan
- C. GHG Emissions Checklist
- D. SDA Tool

The Science Based Targets team will then verify the target against the [SBTi criteria](#) and formally approve the target or state if it needs additional work

For a target validation to count for CDP scoring, send the official target validation submission form by April of that first year.



#4 ANNOUNCE YOUR TARGET

- A. Once approved, the target will be showcased on the Science Based Target website and other communications
 - You will be able to use SBT logo
- B. Communications welcome pack and contact with a member of the SBT team will be sent to you
- C. Criteria to track/report progress
 - Company must disclose company-wide GHG emissions inventory on an annual basis

Our Approved Targets



Baseline: 2013
Target Year: 2030

The SBTi's Target Validation Team has determined that your company's scope 1 and 2 target ambition is in line with a well-below 2°C trajectory.

“CommonWealth Partners commits to reduce total Scope 1 and 2 GHG emissions 50% per square feet by 2030 from a 2013 base year.”

Step 3: Implement Programs

- Identify what we CAN control
- Measure and verify performance
- Perform ongoing maintenance
- Collect records of communications, activities and events
- Account for attendance, participation, social media

TENANT RESOURCES

- ✓ Green Lease Language
- ✓ Green Tenant Guide
- ✓ Green Tenant Improvement Guide
- ✓ Cal Green Title 24 Compliance



Stakeholder Engagement Programs

INTERNAL PROGRAMS

- ✓ Sustainability resource site
- ✓ Employee email communications
- ✓ Sustainability newsletters
- ✓ Educational webinars
- ✓ Sustainability trainings

EXTERNAL PROGRAMS

- ✓ Custom sustainability program branding
- ✓ Corporate sustainability website
- ✓ Annual sustainability report
- ✓ New Construction & Renovation guide
- ✓ Green retail guide
- ✓ Tenant surveys
- ✓ E-waste drives
- ✓ Earth day events
- ✓ Vendor and tenant memos
- ✓ Educational presentations
- ✓ Sustainability educational signage
- ✓ Case studies
- ✓ Lobby events

Step 4: Communicate Results

BIKE TO WORK DAY



EMISSIONS POSTERS

ENERGY STATS

City National Plaza
Los Angeles, CA

ENERGY STAR Certified Building Since 2006

ENERGY STAR Score: **82 / 100**

OUTPERFORMS **82%** OF SIMILAR BUILDINGS NATIONWIDE

USES **40%** LESS ENERGY PER SQUARE FOOT THAN THE NATIONAL MEDIAN

Compared to the national median, we prevent **6,910 metric tons** of greenhouse gas emissions each year.

THIS BUILDING'S SAVINGS EQUAL:

- Carbon dioxide emissions from **827** homes' electricity use for one year
- Carbon sequestered by **8,133** acres of U.S. forests in one year
- Emissions from **1,467** passenger vehicles driven in one year.

ENERGY STAR is the simple choice for energy efficiency. For more than 20 years, ENERGY STAR programs have been instrumental in saving energy, reducing greenhouse gas emissions, and protecting the environment. Join the nation's leading efficiency program.

CommonWealth partners

SUSTAINABILITY LEASING FLYERS

SUSTAINABLE CITY NATIONAL PLAZA

City National Plaza, Los Angeles

Sustainable attributes and amenities make CommonWealth Partner properties use less energy and water, reduce waste, increase efficiency, and improve tenant health and productivity. Our properties outperform 59% of similar buildings nationwide.

- BUS SHUTTLE & CARPOOLING**
Why waste gas when you can take a shuttle?
- INDOOR AIR QUALITY TESTING**
This building participates in annual indoor air quality testing to ensure a healthy breathing environment.
- LED LIGHTING**
All indoor and outdoor lighting in this building has been installed with low-energy LED lighting.
- LEED EBOM GOLD CERTIFIED**
This building has been determined by the US Green Building Council to have a gold rating in sustainability, water efficiency, energy, material and resource usage, indoor environmental quality and innovation in design.

55 (Bike icon)

100 (Car icon)

76 (Bicycle icon)

YOUR SUSTAINABLE WORKPLACE

- Bus Shuttle/Carpooling
- City Demand Program
- Sustainable Purchasing Policy
- Green Clearing Policy
- Smoking Policy
- Green Tenant Guide
- Building Resilience & Climate Change Guide
- Energy Efficiency Policy
- Water Efficiency Policy
- Stakeholder Engagement Policy
- Health and Wellbeing Guide
- Waste Management Policy

LED LIGHTING

E-WASTE RECYCLING

WATER QUALITY TESTING

INDOOR AIR QUALITY TESTING

RECYCLING PROGRAM

ENERGY EFFICIENCY

GREEN CLEANING

LOW VOC PAINTS

Keeping You Informed

We strive to keep you informed with a Green Tenant Guide with sustainable tips, bi-annual sustainability newsletters, and quarterly lobby events, e-waste and Earth Day events. Please use the information desk for more information.

PORTFOLIO-LEVEL RECOGNITION

- ENERGY STAR Partner of the Year
- Green Lease Leader
- 100% LEED Certified Portfolio-wide
- 99% ENERGY STAR GreenMarked
- #1 Ranking on GRESB Health & Well-being
- #2 on GRESB Global Office New-Red
- GRESB Greenstars 5 Years in a Row

CITY NATIONAL PLAZA RECOGNITION

- LEED EBOM Gold Certified & Recertified
- ENERGY STAR Label Annually
- BOMA 360
- LAX Green Business Certified

CommonWealth partners

818 SOUTH FLAMINGO STREET
LOS ANGELES, CA 90015
713.515.5555
WWW.CITYNATIONALPLAZA.INFO

Contact Our Leasing Agent
(855) 555-5555 | info@citynationalplaza.info
www.commonwealth-partners.com

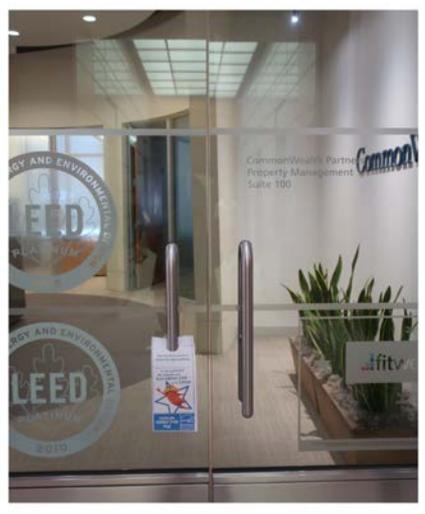
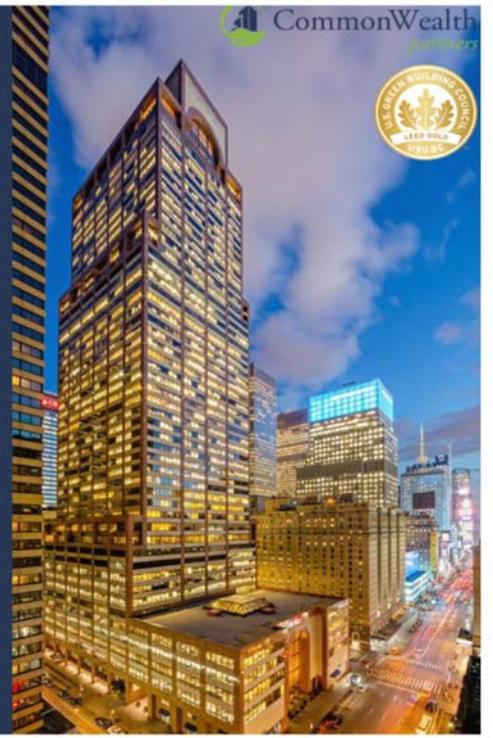
http://citynationalplaza.info/pdf/flyer_CityNational_web.pdf

Elevator and Lobby Signage



Did you know...

-  **ENERGY:** In 2018 we reduced our energy consumption by 2,409 MWh = powering 297 homes' electricity use for one year!
-  **WASTE:** 35% of waste was diverted from the landfill which is equivalent to removing 1,854 metric tons/month of avoided CO2 emissions. This is the same as taking 4,804 cars off the road!
-  **WASTE:** 1.7 tons of E-waste was collected in 2018. As a reminder, a free on-site collection box for electronic recycling (including batteries and lightbulbs) is available for all tenants.
-  **TVOC/VOC Testing:** An annual indoor air quality testing was conducted to ensure our building maintains a healthy working environment for all occupants and visitors.
-  **Policies:** Eight (8) Sustainability Policies/Plans continue to be in place.
-  **Transportation Survey:** 49% of survey respondents commute by bus or train which account for 72% of total miles traveled.



560 MISSION IS FITWEL CERTIFIED FOR BUILDING HEALTH



RUSSELL INVESTMENTS CENTER IS A LEED PLATINUM BUILDING



1888 CENTURY PARK EAST IS AN ENERGY STAR CERTIFIED BUILDING





CommonWealth
partners
Sustainability for the Common Good

Portfolio ESG Targets and Achievements



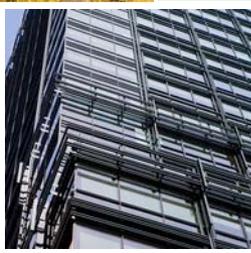

GRESB
1st
2019 GRESB U.S. Office
Peer Group




**ENERGY STAR
AWARD 2020**
PARTNER OF THE YEAR
Sustained Excellence


100%
of Portfolio is LEED
Certified


63%
of Portfolio is LEED
Platinum

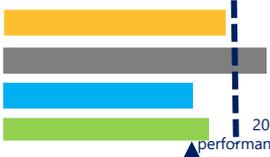
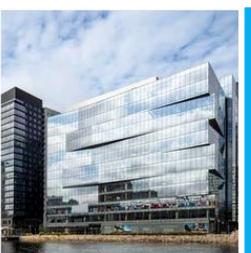


20% Reduction by 2020

- ENERGY
- EMISSIONS
- WATER
- WASTE

2019 performance

75% diversion goal


21
Sustainability
Policies




1st
2018 Green Lease
Leader, Landlord Gold




2019 USGBC
Leadership Award




69%
of Portfolio Energy is
from Renewable Energy
sources

Thank you!

Jessica Loeper

LEED AP O+M, FITWEL AMBASSADOR
DIRECTOR OF SUSTAINABILITY



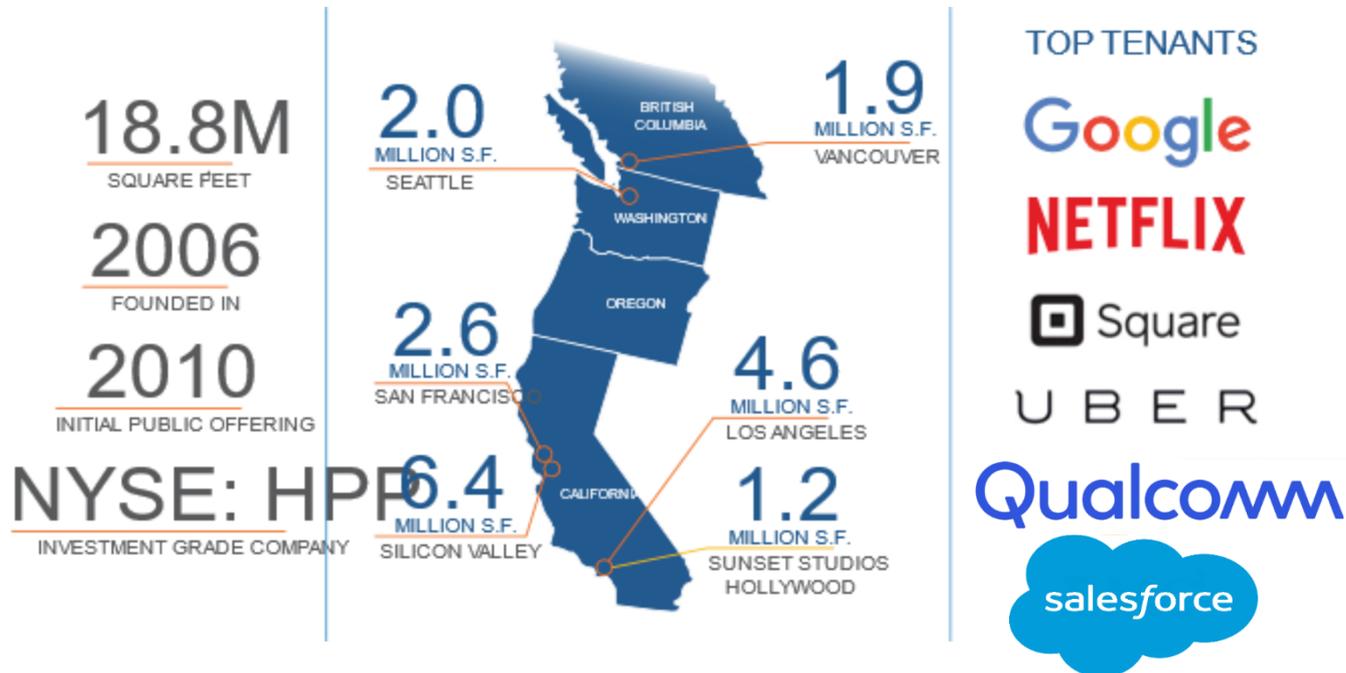
REIMAGINING NOW.
TO CREATE WHAT'S NEXT.



Setting ENERGY STAR Performance Goals & Targets | May 28, 2020
Jim Soutter, Vice President, Engineering

HUDSON PACIFIC PROPERTIES

We're a Visionary Real Estate Company Focused on Epicenters of Innovation for Media and Tech



1. As of 3/31/20. Square footage includes 100% of consolidated and unconsolidated (Bentall Centre located in Vancouver) joint ventures and the pending purchase of Washington 1000. Land square footage represents management's estimate of developable square feet, which may be subject to entitlement approvals not yet obtained.

2019: KEY HIGHLIGHTS

1

Expanded
Benchmarking

2

Invested in Renewable
Energy Credits

3

Strengthened Internal
Leadership

4

Enhanced Internal
Management

5

Increased Communications
& Marketing

KEY PERFORMANCE METRICS

- + **Energy consumption** reduced by 7,262,462 kBtus (0.7% reduction)
- + **Weather normalized site energy** use reduced by 22,436,185 kBtus (2.2% reduction)
- + **Energy use intensity** (EUI) reduced by 0.6%; 2% reduction when weather normalized
- + Achieved average portfolio ENERGY STAR score of 77, an **increase of 2.4% compared to previous year**
- + **Increased ENERGY STAR certifications** to 47 properties, including six properties certified for the first time
- + 18 Properties **rated at or above 90**
- + 273 properties **certified cumulatively** in the company's history

WAYS TO IMPROVE ENERGY EFFICIENCY & ENERGY STAR SCORE

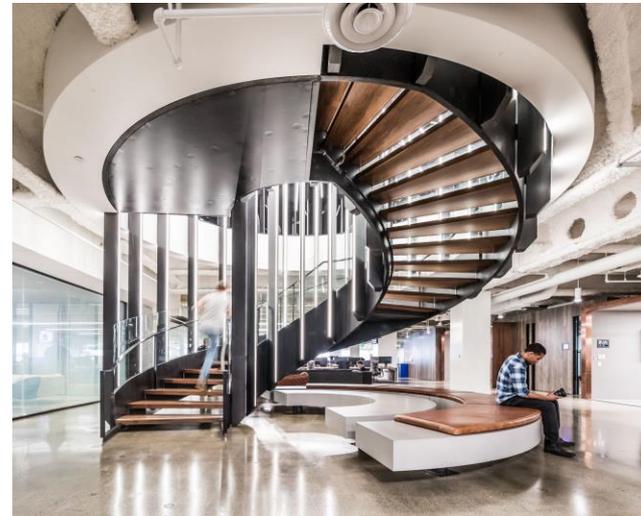


- + **Make a Commitment**
- + **Assess Performance**
- + **Set Goals**
- + **Create and Implement Action Plan**
- + **Evaluate Progress**
- + **Recognize Achievements**

MAKE A COMMITMENT

Hudson Pacific strengthened its commitment to sustainability leadership by taking critical steps to grow and build upon its existing success, which included:

- New executive hires and establishing a Board-level Sustainability Committee
- Forming cross-functional, cross-regional sustainability groups
- Updating Corporate Sustainability Policy
- Tying sustainability metrics to executive compensation
- Integrating green leasing agreements
- Creating a dedicated tab in tenant app to spotlight accomplishments



ASSESS PERFORMANCE



- + **Solid Data Benchmarking**
 - Goby
 - MACH Energy
 - Energy Profiles Limited (Vancouver, BC portfolio)

- + **ENERGY STAR Portfolio Manager (as default tool)**

- + **Energy, Water & Waste in ENERGY STAR Portfolio Manager: 100% Coverage**

- + **Tenant Engagement Surveys**

SET GOALS

- + **2019 Portfolio-Wide Goals**
 - Reduce energy consumption by 2%
 - Improve ENERGY STAR score by 2%

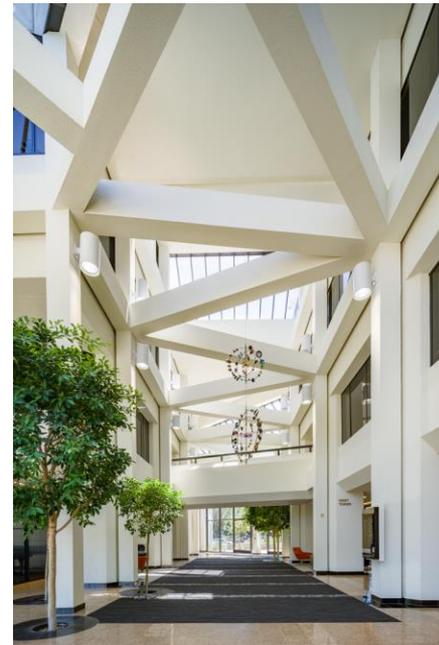
- + **Ongoing Environmental Sustainability Goals**
 - Achieve ENERGY STAR at 75% of the in-service portfolio
 - Obtain LEED certification (Gold or higher) at 100% of developments
 - Implement Sustainability Action Plans for every property
 - Benchmark 100% of the Office Portfolio in ENERGY STAR Portfolio Manager
 - Implement LEED for Existing Buildings strategies as operational frameworks across the portfolio

- + **Bold Goals to Achieve by 2025 (2019 base year)**
 - Net zero carbon in operations
 - Net zero waste in operations
 - Reduce like-for-like energy consumption by 10%
 - Reduce like-for-like water consumption by 5%

CREATE AND IMPLEMENT ACTION PLAN

Comprehensive action plans manage and reduce energy consumption.

- Long-term strategies
- Management practices
 - Create an ESG category in capital improvement plans
 - LEED EBOM projects drive performance
- Innovative technologies
- Retrofits
- Sharing of best practices
- Robust data analytics
 - ASHRAE Level II energy audits



EVALUATE PROGRESS

1

ENERGY STAR
Portfolio Manager

2

Goby

3

Internal
Engineering Team

4

MACH Energy

5

Operational Audit

6

Tenant Engagement
Surveys

RECOGNIZE ACHIEVEMENTS



INTERNAL RECOGNITION PROGRAM

- Best Improvement in ENERGY STAR Score
- Best Tenant Engagement Story
- Biggest Loser Energy
- Biggest Loser Water
- Largest Increase in Waste Diversion



PERFORMANCE BONUSES FOR BUILDING ENGINEERS

BETTER BLUEPRINT PLATFORM

- + Launched in April 2020
- + New framework for our ESG initiatives moving forward



- + Three key focus areas:



SUSTAINABLE

Carbon and Energy
Waste and Water



HEALTHY

Building Design and Operations
Community Engagement



EQUITABLE

Workplace Opportunity
Housing and Homelessness



Reimagining now. To create what's next.

Los Angeles | Silicon Valley | San Francisco | Seattle |
Vancouver

[HudsonPacificProperties.com](https://www.HudsonPacificProperties.com)

Upcoming ENERGY STAR Webinars

- June 4 @ 1 PM ET **Maintaining and Restoring Water Quality in Buildings During the COVID-19 Response – Session #1**
- June 11 @ 2:30 PM ET **Maintaining and Restoring Water Quality in Buildings During the COVID-19 Response – Session #2**
- June 16 @ 1 PM ET **Saving Energy and Money with the ENERGY STAR Action Workbook for Small Business**
- June 18 @ 12 PM ET **Engaging Process Staff in Energy Management**
- July 15 @ 3 PM ET **A New Metric for Higher Education Building Energy Performance**

Register for upcoming webinars at: <http://esbuildings.webex.com>