

# 2022 ESG Report

Hines





“Our firm’s ambitious approach to ESG is a reflection of my grandfather’s insatiable curiosity, innovative drive, and commitment to making each project and initiative we touch better and more efficient than the last.”

**Laura Hines-Pierce**  
Co-CEO

In 2022, we celebrated our firm’s 65th anniversary and ushered in a third generation of family leadership to the Office of the CEO. It was a year of future-focused growth, exploration, transition, and preparation for the path ahead. This was particularly true of our ESG efforts. We set ambitious new targets for our firm. Our teams built foundations and frameworks and scaled up in order to accelerate toward our most urgent ESG goals.

We launched our new business unit EXP by Hines to push beyond the traditional boundaries of real estate and place greater focus on the climate challenges and opportunities facing people, the planet, and our industry. A partnership between our Global ESG team and the newly formed Hines Global Ventures, EXP enables us to put more resources and expertise behind climate-focused, venture-based innovation – an approach to ESG that creates long-term value. In addition to helping us pursue ambitious impact targets,

EXP is a growth engine for our firm and a way to create actionable, real-world solutions for our clients, communities, and partners.

We announced a firm-wide, science-based operational carbon target of net zero by 2040. To meet this goal, we are acting now to develop and implement solutions across our portfolio and share them with the industry. By implementing data-driven measurement and management practices, exploring ways to harness the power of renewable energy, and adopting new technologies that make our buildings more efficient, we are taking critical steps to reduce our operational carbon footprint.

We released our Embodied Carbon Reduction Guide publicly, to share our strategies for curbing carbon across the building lifecycle. We also grew our market-leading T3 portfolio to 26 projects, which demonstrates how building with renewable timber can reduce embodied carbon and increase

value and return on investment.

Our T3 timber buildings also address human health and well-being in the built environment – another key ESG focus for us. Our teams continued to develop new ways of creating exceptional experiences for the people who live, work, shop, and dine in our buildings, with particular focus on making the moments spent in our office spaces meaningful and productive.

In September, we welcomed employees to Texas Tower, our new global headquarters in Houston. A dynamic, next-generation building – with LEED® Platinum, WiredScore, and WELL certifications – Texas Tower is giving us the place and space to completely reimagine the office experience. We are testing new offerings and amenities, piloting and refining innovative ways of supporting collaboration and engagement, and establishing best practices that will benefit our employees across the globe and

enhance our tenant experiences.

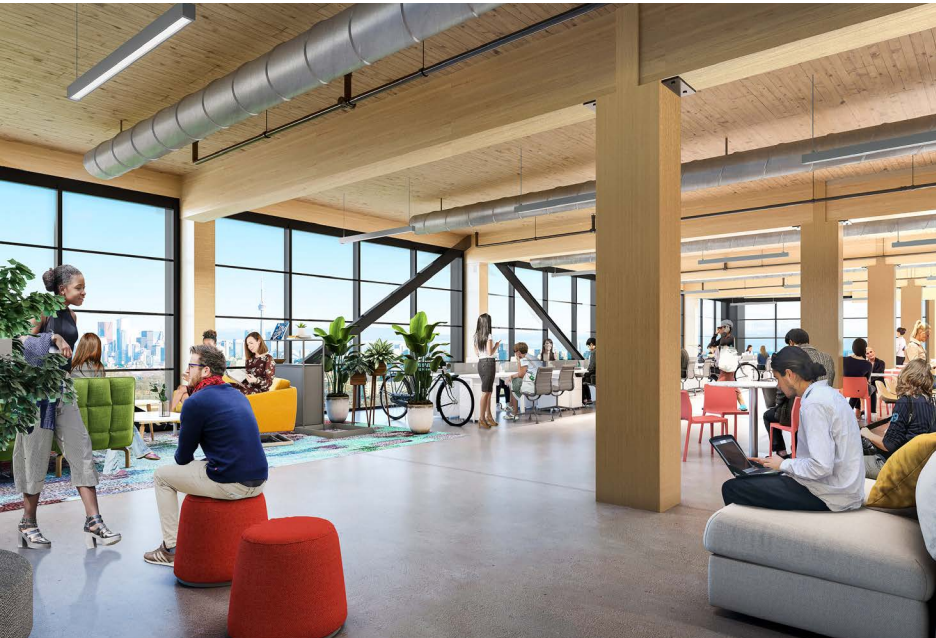
As we move into 2023, we are leveraging the groundwork laid in 2022 to meet the climate and financial disruptions facing our industry head on – and to remain focused on our founder’s commitment to continuous improvement, innovation, and value creation across everything we do. We know our dad and grandfather, Gerald D. Hines, would be proud of the ESG momentum we have built over the past year, and he would share our excitement for the path forward.

**Jeffrey C. Hines**  
Chairman and Co-CEO

**Laura Hines-Pierce**  
Co-CEO



# 1



ESG at Hines

# 2



People and Communities

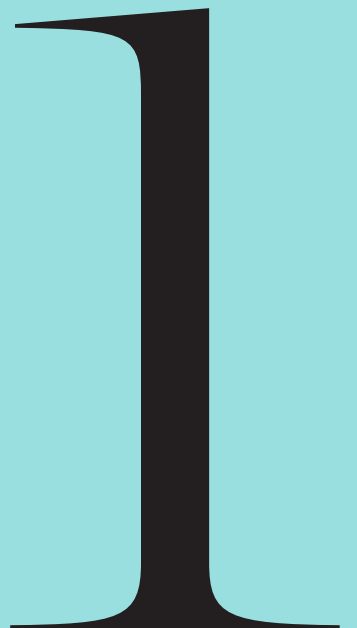
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Environment and Climate



# ESG at Hines





# Our Firm

Hines has been a leader in real estate investment, development, and management for more than six decades. Founded by Gerald D. Hines in 1957, Hines is now one of the largest privately held real estate firms in the world, with a global presence and extensive experience across all property types and investment-risk profiles.

As we have grown, Hines has stayed true to our founder’s dedication to excellence, integrity, and ingenuity in the built environment. We strive to lead our industry in innovation and ESG, and we are committed to leveraging our business expertise to tackle the pressing challenges we all face as people living on a warming planet.

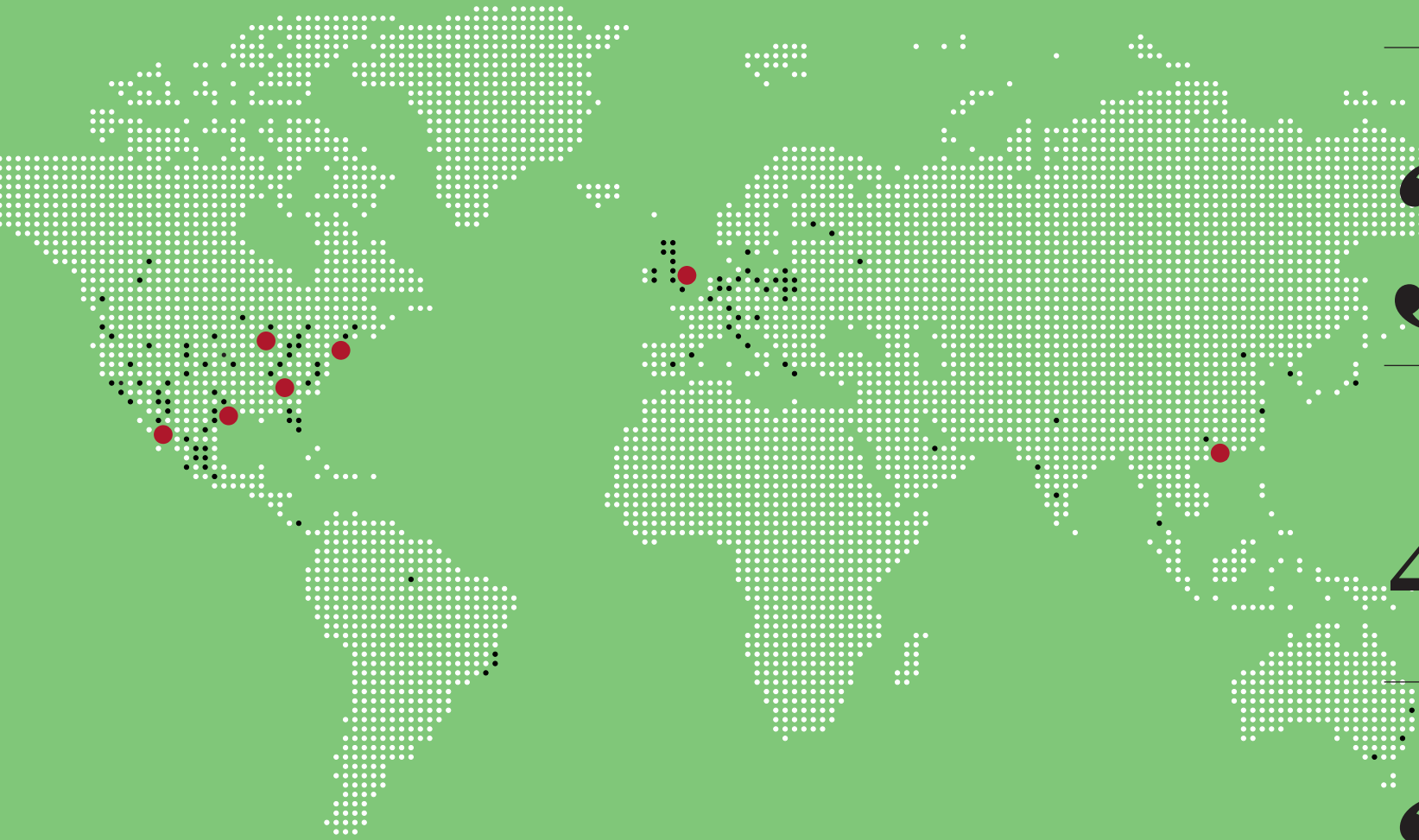


Texas Tower, Houston



HINES AT A GLANCE<sup>1</sup>

Global  
Presence



● Regional headquarters

>4,700

global employees

395

cities where Hines is located

402

cities with management assignments

30

- |           |                  |             |                      |
|-----------|------------------|-------------|----------------------|
| Australia | France           | Luxembourg  | South Korea          |
| Austria   | Germany          | Mexico      | Spain                |
| Brazil    | Greece           | Netherlands | United Arab Emirates |
| Canada    | Hong Kong S.A.R. | New Zealand | United Kingdom       |
| China     | India            | Panama      | United States        |
| Czechia   | Ireland          | Poland      | Vietnam              |
| Denmark   | Italy            | Russia      |                      |
| Finland   | Japan            | Singapore   |                      |

countries

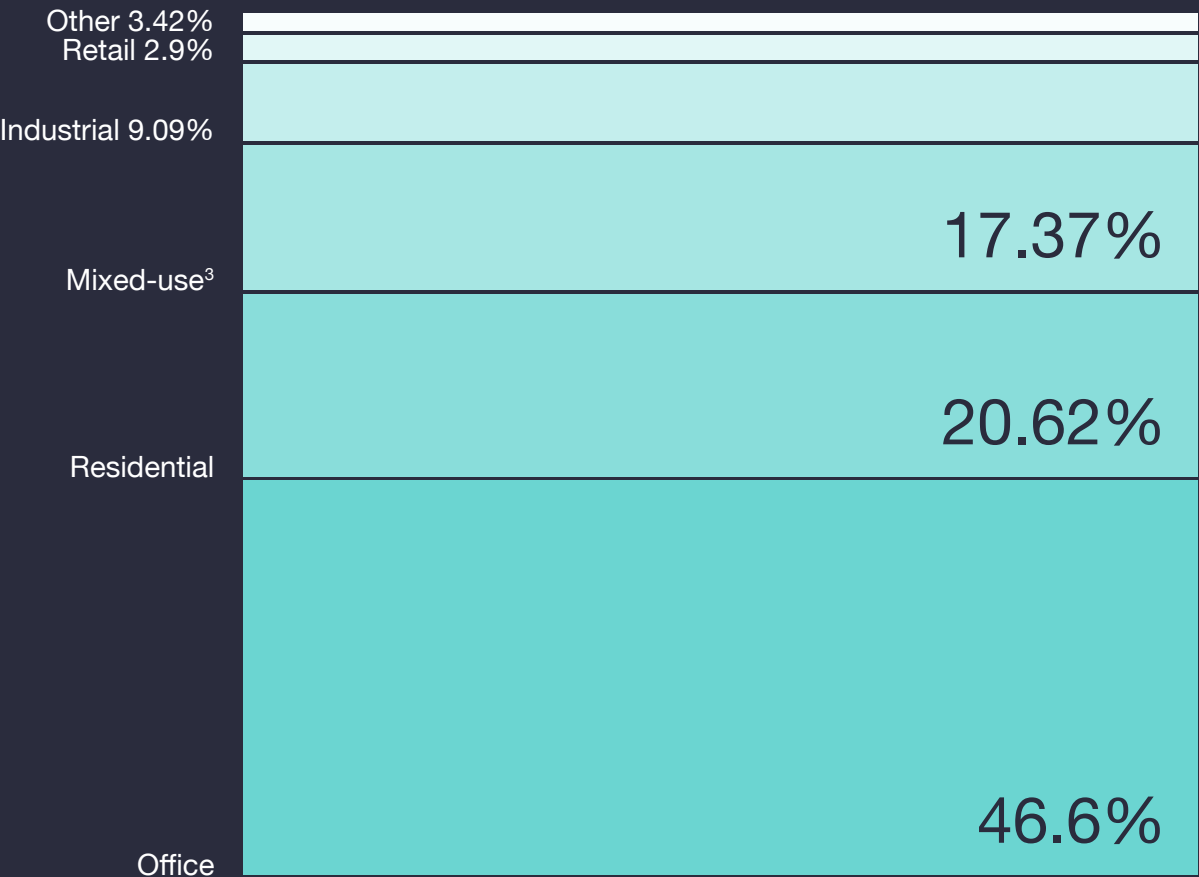


HINES AT A GLANCE

Total Assets Under Management

\$95.7 B<sup>2</sup>

AUM by Sector



Developments Worldwide

203

projects underway (91.8M sf)

982

completed projects (295M sf)

Property Management Portfolio

665<sup>4</sup>

properties (230.6M sf)

HINES AT A GLANCE

Investments

Strategic investment funds

64

Institutions

200<sup>+</sup>

High-net-worth individuals

600<sup>+</sup>

Retail investors

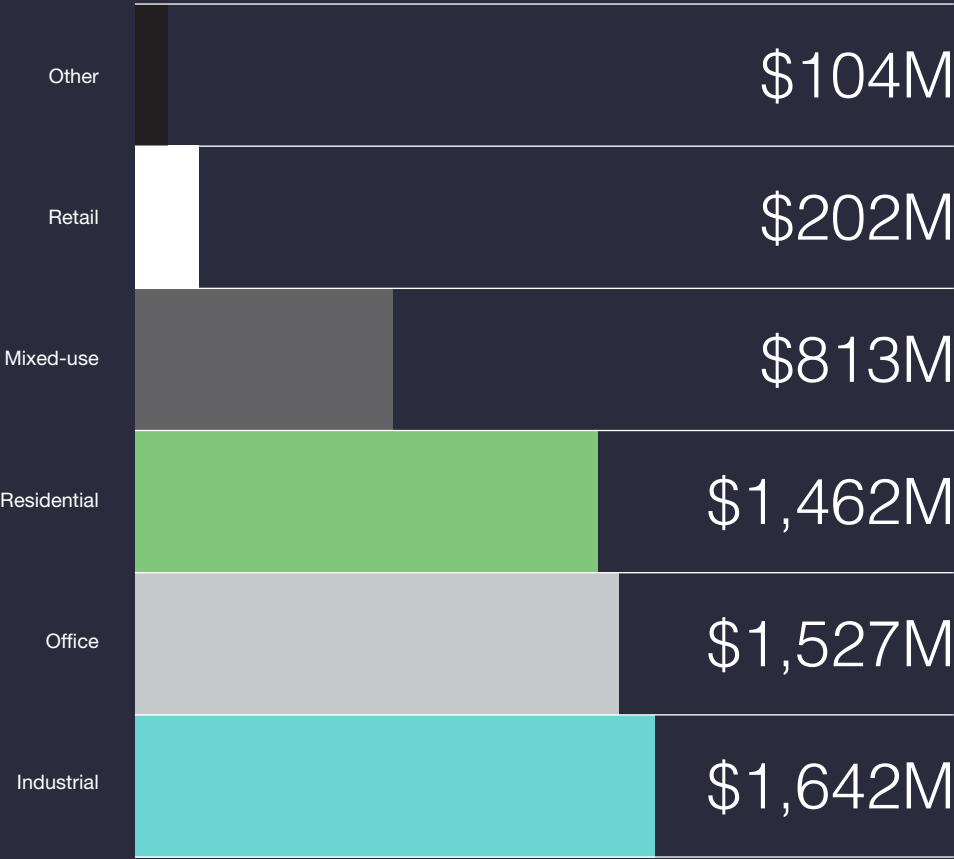
150,000

37

countries represented  
by investors

- Australia
- Austria
- Belgium
- Brazil
- Canada
- Chile
- Cyprus
- Czech Republic (Czechia)
- Denmark
- Finland
- France
- Germany
- Guatemala
- Hong Kong
- Hungary
- Israel
- Italy
- Japan
- Korea
- Kuwait
- Lebanon
- Luxembourg
- Mexico
- Netherlands
- Norway
- Oman
- Panama
- Peru
- Portugal
- Qatar
- Russia
- Singapore
- Spain
- Switzerland
- United Arab Emirates
- United Kingdom
- United States

Properties approved by  
the Hines Investment  
Committee for  
Acquisition in 2022





# Our ESG Strategy

## Transitioning our business to the new normal

Climate change is fundamentally altering the way we operate as an industry. It demands we look beyond buildings to create people-centric, nature-positive cities and communities that address environmental and social needs in the present and remain resilient in the future.

To accelerate our transition toward this new normal, we focused our efforts in 2022 on laying critical foundations upon which to implement and activate our ESG strategy. We built on the structure of our ESG Framework (launched in the spring of 2021) by setting targets and building the necessary systems, programs, partnerships, and resources to reach them.

We closely collaborated with the Hines Global Digital Strategy Office (GDSO) and worked to build the infrastructure for a robust, automated system for tracking and managing ESG data. This data hub will increase capabilities for ESG investment intelligence and value creation, and expand the role of data in investment process and strategy. It will also help us strengthen our ESG disclosure and reporting.

We launched a firm-wide ESG upskilling program that has already gained good traction. Beginning with pilots designed to build and test regional and function-specific ESG trainings, the program will expand across

the whole organization to help all Hines employees take an active role in supporting and achieving our ESG goals.

And, as part of our new business unit EXP by Hines (which you will read more about later in this chapter), Hines Global Ventures pursued innovation through startup incubation and investments in our ESG focus areas.

As we move into 2023, we will continue to build ESG momentum and implement our strategy, with specific focus on these key priorities:

- Expanding our ESG team globally to put even more resources and expertise behind our strategy
- Strengthening and refining our ESG reporting, data, and analysis
- Creating net zero plans for Hines funds and regions
- Experimenting with ways of leveraging ESG to enhance our business value
- Exploring approaches to building attainable housing more efficiently and affordably

“In addition to setting our firm-wide net zero target, our team has spent 2022 building critical infrastructure, capturing key data, finding the right tools, and rolling out new processes to accelerate toward our ESG goals.”

**Peter Epping**  
Global Head of ESG



## ESG FRAMEWORK PROGRESS

## Environmental

FOCUS AREA	COMMITMENTS	2022 PROGRESS / OUTCOMES	2023 OBJECTIVES / TARGETS
<b>Embodied carbon</b>	Assess, manage, and aim to reduce embodied carbon on new developments and major renovations	<ul style="list-style-type: none"> <li>Published v2 of the publicly available Hines Embodied Carbon Reduction Guide with partner MKA on Earth Day</li> </ul>	<ul style="list-style-type: none"> <li>Encourage adoption of Embodied Carbon Guide across the firm and industry</li> <li>Explore the possibility of establishing a firmwide embodied carbon reduction target</li> </ul>
<b>Operational carbon</b>	Reduce operational carbon across our portfolio through energy efficiency, electrification, circular systems, and green electricity	<ul style="list-style-type: none"> <li>Collaborated with internal and external stakeholders to establish a decarbonization platform</li> <li>Started a technical draft of the internal Hines Operational Carbon Guide</li> <li>Began developing internal Carbon Impact Assessment tool (based on CRREM methodology) in partnership with GDSO</li> </ul>	<ul style="list-style-type: none"> <li>Internal release of the Hines Operational Carbon Guide and the Hines Carbon Impact Assessment tool</li> <li>Develop further resources to support decarbonization processes</li> </ul>
<b>Net-zero carbon</b>	Model global portfolio's operational carbon footprint and identify pathways to net-zero carbon; establish a net zero target for the firm	<ul style="list-style-type: none"> <li>Announced an operational carbon target for Hines of net zero by 2040</li> <li>Began the process of aligning with the SBTi's target-setting criteria for 1.5C</li> </ul>	<ul style="list-style-type: none"> <li>Achieve target validation with SBTi and set an interim net zero operational carbon target for the firm</li> <li>Continue to model and track progress towards our target through establishment of our ESG data infrastructure</li> </ul>
<b>Building certifications</b>	Explore and leverage ESG building certifications that deliver market-leading projects and collaborate with ESG building-certification organizations such as U.S. Green Building Council and International WELL Building Institute, among others	<ul style="list-style-type: none"> <li>Developed ESG Development Briefs for select funds within our Investment Management platform, aligned with best-in-class certification standards</li> <li>Published inaugural Green Bond report</li> <li>Improved internal processes and data management platform to track certifications for our global portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Establish a firmwide position on ESG building certifications for all new developments and asset acquisitions</li> </ul>
<b>Indoor air quality (IAQ)</b>	Maintain and grow our IAQ leadership by creating indoor environments that promote health, well-being, and productivity	<ul style="list-style-type: none"> <li>Completed a review of academic and industry literature on IAQ, including monitoring and air-cleaning treatments, to evaluate Hines' current practice and identify items the firm might consider in enhancing its proactive IAQ management focus</li> </ul>	<ul style="list-style-type: none"> <li>Continue to monitor IAQ across our portfolio and implement best practices wherever feasible</li> </ul>



## ESG FRAMEWORK PROGRESS

## Social

FOCUS AREA	COMMITMENTS	2022 PROGRESS / OUTCOMES	2023 OBJECTIVES / TARGETS
<b>Attainable housing</b>	Support project teams through tracking performance and identifying best practices	<ul style="list-style-type: none"> <li>Completed internal research on affordable housing challenges, opportunities, and best practices</li> <li>Developed affordable housing white paper</li> </ul>	<ul style="list-style-type: none"> <li>Explore opportunities to collaborate with best-in-class partners to expand our affordable-housing impact</li> <li>Grow our impact by activating our employees to give back via pro-bono services and volunteer opportunities</li> </ul>
<b>Diverse suppliers</b>	Track supplier diversity where applicable	<ul style="list-style-type: none"> <li>Formed a Strategic Sourcing Community of Practice (COP) to help identify and utilize diverse suppliers</li> <li>Leveraged our partnership with Supplier.io to validate our diverse spend and access a national database of diverse-owned companies</li> <li>Launched partnership with National Minority Supplier Diversity Council to expand access to U.S. diverse-owned businesses</li> </ul>	<ul style="list-style-type: none"> <li>Reach our internal goal of 7.5% diverse supplier spend</li> <li>Expand the COP to include our development and construction business</li> <li>Implement new technology tool to screen potential suppliers for diversity and ESG metrics and track our diverse spend in real time</li> </ul>
<b>Education</b>	Raise awareness and access to real estate careers through education	<ul style="list-style-type: none"> <li>Launched Skylines Scholars program in the U.S.</li> <li>Expanded our partnership with Project Destined into more U.S. regions</li> <li>Expanded our list of target schools for Hines internships and early career recruitment</li> </ul>	<ul style="list-style-type: none"> <li>Expand Skyline Scholars to include Canada, Mexico, and the UK</li> <li>Launch Analyst Rotational Program to education and train new employees on different business lines across the firm</li> </ul>
<b>Diversity, equity, inclusion</b>	Enhance our people practices in order to achieve greater equity, retention, and representation	<ul style="list-style-type: none"> <li>Launched five new Employee Resource Groups, bringing our total to seven</li> <li>Expanded the number of official DEI forums from 13 to 35</li> <li>Increased our Female Global Officers by 1% and our Minority Global Officers by 3%</li> </ul>	<ul style="list-style-type: none"> <li>Aim for both interview panels and candidate slates to be 50% diverse</li> <li>Share region-specific DEI plans with staff locally to better ensure employee engagement</li> <li>Train 100% of our hiring managers on the firm's hiring practices</li> <li>Ensure 100% of employees are undergoing an official Talent Review</li> </ul>
<b>Health and well-being</b>	Enhance employee health and well-being	<ul style="list-style-type: none"> <li>Introduced the True-Up pay deferral and savings plan to our 401(k) program</li> <li>Rebranded our Employee Assistance Program to an Employee Well-being Program</li> </ul>	<ul style="list-style-type: none"> <li>Focus on destigmatization of mental health through employee communication campaigns and ERG activations</li> <li>Formalize employee health and safety policies on a global scale</li> <li>Expand vacation and bereavement policies</li> </ul>
<b>Community building</b>	Enhance Hines' philanthropic and employee volunteering programs	<ul style="list-style-type: none"> <li>Globalized the OurCommunity employee-volunteering program</li> <li>Launched Social Value Toolkit, an employee resource that helps bring social impact into project areas</li> </ul>	<ul style="list-style-type: none"> <li>Integrate Volunteer Match into OurCommunity Program</li> <li>Launch Lead-by-Service initiative to engage senior leaders in pro-bono real estate projects for charitable causes</li> <li>Update, enhance, and expand Social Value Toolkit's resources</li> </ul>

Governance

FOCUS AREA	COMMITMENTS	2022 PROGRESS / OUTCOMES	2023 OBJECTIVES / TARGETS
Data management	Establish a robust data-management infrastructure that enables ESG measurement, goal-setting, and reporting with integrity, transparency, and effectiveness	<ul style="list-style-type: none"><li>Launched the GDSO to create a firm-wide data and technology platform that empowers employees, engages clients and partners, optimizes operations, and supports product and service transformation, with a heavy emphasis on ESG data, process, and innovation</li><li>Developed a holistic ESG data architecture with GDSO, which includes the development of carbon accounting and financial impact tools and evaluation of ESG data management providers</li><li>Assessed firm-wide ESG data availability as part of Annual Plans</li></ul>	<ul style="list-style-type: none"><li>Deploy global ESG data architecture, starting with release of carbon accounting and financial impact tools and onboarding of select assets into ESG data management providers</li></ul>
Resilience and Responsible Investment	Integrate ESG intelligence factors, including climate risks and environmental and social impacts, into our Investment Management business	<ul style="list-style-type: none"><li>Enhanced our Investment Committee’s asset review template to include a new ESG section focusing on environmental impacts, climate risks, and community/social impacts</li><li>Appointed the CEO of EXP by Hines to the Investment Committee as a voting member</li></ul>	<ul style="list-style-type: none"><li>Further revise and update the ESG section of the Investment Committee asset review template with improved carbon- and climate-related metrics</li><li>Provide template training resources to enhance users’ data-collection proficiency</li><li>Assess various asset-level climate risk providers and evaluate a firm-wide recommendation to support resilience efforts and their inclusion in the Investment Committee process</li></ul>
Reporting	Measure and report progress on ESG goals through GRI-aligned ESG reports as well as other relevant reporting and disclosure frameworks or industry associations such as UN SDGs, TCFD, SFDR, NCREIF, and INREV Have all flagship funds submit to GRESB	<ul style="list-style-type: none"><li>Conducted a firm-wide TCFD-aligned climate maturity assessment and fund-specific TCFD gap analysis for four European funds or joint ventures</li><li>Three entities designated for SFDR Article 8</li><li>Two out of seven flagship funds achieved 5-star GRESB ratings (HECF and HEVF 2).</li></ul>	<ul style="list-style-type: none"><li>Align 2022 ESG report with relevant UN SDGs Hines contributes to</li><li>Evaluate potential to become a TCFD supporter and implement climate maturity assessment recommendations</li><li>Secure SFDR Article 8 designation for two more investment entities</li><li>Complete initial GRESB submissions for three additional flagship funds</li></ul>
Employee upskilling	Upskill employees on ESG- and carbon-related topics through education, training, engagement, and support from internal ESG experts	<ul style="list-style-type: none"><li>Developed and release ESG 101 and Carbon 101 trainings</li></ul>	<ul style="list-style-type: none"><li>Develop and release ESG 101 and Carbon 101 trainings</li></ul>





# UN SDGs

In 2022, we began integrating the United Nations Sustainable Development Goals (SDGs) into our ESG strategy. While some Hines investment funds and entities already incorporate SDGs in their strategies, we wanted to have our firm-wide ESG Framework solidly in place before embarking on our SDG journey.

We are starting by focusing on the goals that align with our ESG focus areas, leverage our strengths as a business, and are most relevant to our stakeholders.



**SDG 3**  
We prioritize the health and well-being of our employees and their families with quality programs and benefits (3.8). Our buildings are designed, built, and managed to enhance the health and well-being of both occupants and local communities (3.9).



**SDG 5**  
We are dedicated to attracting, developing, and promoting a talented and diverse workforce and are making a concerted effort to increase gender diversity in our workforce (5.5). We strive to support an inclusive culture in which all Hines employees feel valued and have equal opportunities to achieve their maximum potential.



**SDG 9**  
Our platform, EXP by Hines, integrates our Global ESG and Hines Global Ventures to develop practical and sustainable solutions for our clients, communities, and partners (9.b). We prioritize sustainable building design and operations to future-proof our portfolio and promote global economic development (9.1, 9.4).



**SDG 11**  
We strive to develop, operate, and invest in sustainable real estate assets that promote inclusive, safe, and resilient urban environments (11.3). We also prioritize the rehabilitation and upgrading of existing buildings to improve energy efficiency and reduce their carbon footprint (11.4) while also providing access to quality and affordable spaces that enhance local communities (11.6).



**SDG 13**  
We have set a net zero operational carbon target by 2040 for the organization and are striving to also reduce embodied carbon emissions across our new developments and retrofits (13.2). We are seeking to better understand and mitigate climate risks affecting our organization and assets (13.1, 13.3). By developing, investing, and operating sustainable real estate assets, Hines is promoting a low-carbon future and contributing to global efforts to address climate change.



**SDG 17**  
Collaboration is key to our ESG strategy’s success. We engage with a range of stakeholders, such as occupiers, supply-chain partners, local communities, investors, NGOs, and peers, to deliver improved ESG outcomes and strengthen the global partnership for sustainable development.



Portland Towers, Copenhagen

# Responsible Investment

## Bringing ESG into investment decisions

Our investment business is built on decades of experience and financial stewardship as an owner, developer, and manager of real estate assets – and an ESG lens pushes us to invest even more responsibly, with a focus on long-term value. We select, renovate, and build assets that will have a positive impact on the world, and we strive to exceed local legislation and policies related to responsible

resource use (including energy and water consumption and waste management), carbon emissions, and labor impacts.

We have seen that assets which demonstrate a commitment to ESG can be better investments due to positive effects on rents or cap rates associated with green building certifications, systems efficiency and performance, lower climate risk, and amenities

that improve tenant and community well-being. We see a huge opportunity to align with discerning occupiers and investors looking for spaces and assets that prioritize ESG.

For more on our approach to investing responsibly, please review our [Responsible Investment Statement](#) and [Sustainability, Resilience, and Responsible Investment Framework](#).





## ESG Fund Strategy Alignment Project

In 2022, we launched the ESG Fund Strategy Alignment Project to create a cohesive approach to ESG strategy and messaging across Hines investment management globally. In the first phase of this initiative, we collected and analyzed fund- and asset-level data and strategies to determine best practices for setting targets, tracking performance, and developing actionable ESG strategies.

We will use our findings to develop aligned ESG standards and processes to guide our investment vehicles as they create their own ESG strategies. While targets will be different across regions or investment strategies, our end goal is for each Hines investment entity to develop an ESG roadmap by the end of 2023 that includes consistent KPIs and supports firm-wide ESG ambitions.

## ESG in Investment Committee

Over the past several years, we have been working to more deeply integrate environmental and social impacts and climate risks into our Investment Committee’s asset review process.

Beginning in January of 2022, we leveraged the new ESG section of our asset review template to screen all Hines investment opportunities. The ESG section captures and quantifies the social and environmental impacts and climate risks in potential deals. This allows the firm’s Investment Committee to question ESG impact, costs and value creation for each asset review.

“At some point, every building will have an embodied and operational carbon footprint visible to the market, which will then be embedded into the value of that asset.”

**Josh Scoville**  
Senior Managing Director  
Hines Proprietary Research



## The Global Digital Strategy Office

Accurate data is the foundation for driving our ESG initiatives, measuring and reporting progress toward our targets, and maintaining industry leadership. In 2022, Hines created the GDSO. A fusion of our digital strategy, information technology, and data teams, the GDSO’s goal is to transform how we use ESG data to help us gain a clear and comprehensive picture of Hines assets, individually and collectively, so we can make better operational and financial decisions across our business.

The GDSO is working in close collaboration with our ESG team to build the data architecture, analytics, and processes necessary to measure success against our ESG targets. The new data infrastructure will enable us to better track and analyze environmental and social performance data and prepare information for reporting to GRESB and other frameworks. Data on carbon and energy use will also help us to understand transition risk and create a path to net zero for all Hines assets.

# Reporting and Accountability

ESG reporting helps Hines funds and investment entities monitor and meet targets, manage risks, and provide efficient, transparent disclosure. This report is aligned to the GRI Standards, properties within our portfolios pursue ESG certifications relevant to their regions and asset classes, and many submit to GRESB to measure performance. Reporting frameworks also form foundations for our investment teams to build fund-level ESG and net-zero strategies, which help make assets more resilient and mitigate transition risk.

As a UN PRI signatory, we also leverage the Task Force on Climate Related Financial Disclosures (TCFD) recommendations for climate-risk reporting. Over the past three years, several of our investment entities have gone through a TCFD gap analysis, or climate maturity assessment, to determine

climate risks and opportunities. We are continuing to increase portfolio alignment with TCFD recommendations and evaluate potential assets through the lens of their focus areas: governance, strategy, risk management, and metrics and targets.

## ESG progress and performance

Nine Hines investment entities submitted to GRESB in 2022. All four of our European funds received five out of five green stars and were recognized as leaders in their sectors. The Hines European Core Fund (HECF), our longest-running investment vehicle, also achieved a PREA open-ended fund ESG award and Article 8 designation from the Sustainable Finance Disclosure Regulation.

For a more detailed picture of Hines funds and their ESG performance, click [here](#).

## GRESB PERFORMANCE

# GRESB Participation by Gross AUM

2021

\$22.5B

2022

\$26.9B

Projected 2023

\$40.9 B

# GRESB Sector Leadership



**HECF**  
Global Sector Leader, diversified core (sixth year in a row)  
93/100



**HEVF2**  
Sector Leader, non-listed value added  
94/100



**BVK**  
Sector Leader, non-listed value added  
91/100



**Cherrywood**  
Global Sector Leader, mixed-use  
99/100



# EXP> by Hines

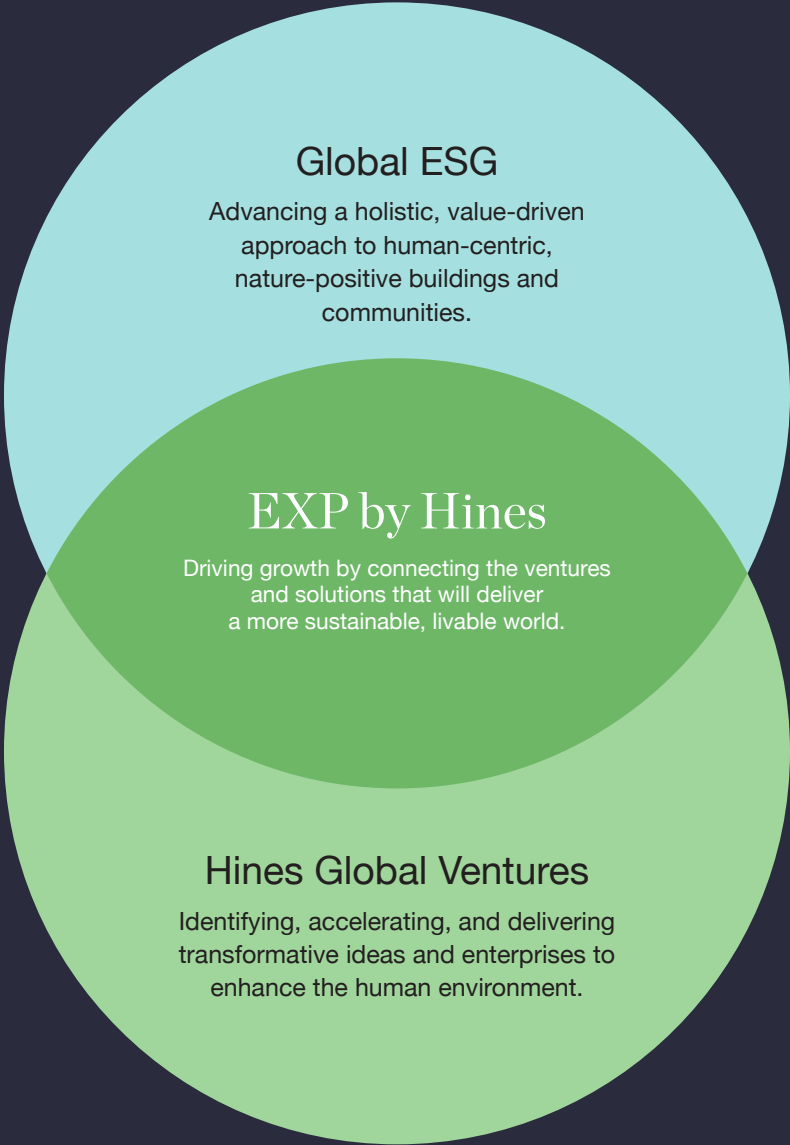
Our firm’s vision is bigger than buildings. In order to be the best real estate investor, manager, and developer in the world – now and in the future – we are pushing beyond the boundaries of the built environment to create a better, more livable planet.

We created EXP by Hines (EXP) in 2022 to expand our capabilities, explore untapped possibilities, and drive exponential outcomes that will transform our business, our industry, and the world.

A convergence of our Global ESG team and the new Hines Global Ventures, EXP is focused on exploring, incubating, testing, and delivering actionable, real-world solutions for our clients, communities, and partners. Our dedicated EXP team gives us new capacity and expertise to accelerate growth and innovation in opportunity areas while continuing to build momentum and excellence across our current core business competencies.



From left: Doug Holte, CEO, EXP by Hines, Kathryn Scheckel, Head, Hines Global Ventures, and Peter Epping, Head, Global ESG





Because we see climate change as the most influential disruptor in CRE today – and one of our biggest opportunities to lead – it is a critical focus for EXP. From exploring and advancing building decarbonization to experimenting with new business models and services that help our investors and customers reach their own ESG goals, EXP is leveraging and expanding Hines' core expertise to reimagine what's possible for our firm and stakeholders.

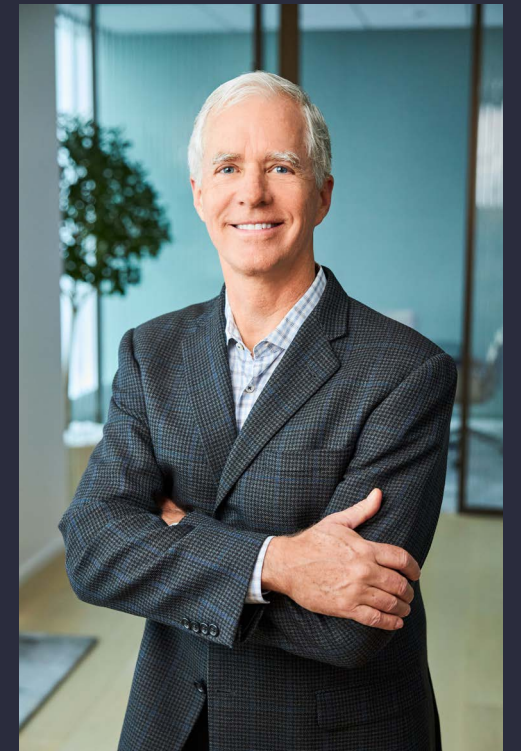
EXP is also examining the ways people live, work, and play in their environments, to find ways of improving and transforming human experiences within and beyond buildings. We are piloting

digitization tools and technologies that make buildings smart and responsive to tenant needs. We are collecting and aggregating data to provide tenants and clients with transparency and accountability around things like air quality and energy efficiency in their spaces. And we are exploring opportunities to invest in technology and infrastructure that could catalyze affordable and attainable housing.

Through EXP by Hines, we are working to ensure that innovation and environmental and social sustainability are woven into the fabric of everything we do as a business – for our people, our partners, and our planet.

“EXP is enabling us to fully activate and integrate venture innovation and environmental and social sustainability into our brand, our products and services, and our talent.”

**Doug Holte**  
CEO, EXP by Hines





# Our Governance

Leading with integrity and a commitment to sustainability

ESG is a firm-wide priority at Hines. Though much of the work comes to life at the regional level, our strategy and goals are adopted and approved by the Hines Executive Committee (EC). The EC is deeply invested in our firm’s ESG progress and stays informed through the CEO of EXP by Hines and our Global Chief Investment Officer.



## The Hines Executive Committee

The Hines Executive Committee is composed of ownership representatives and leading regional and central senior executives. This global group serves as our board of directors and is responsible for the firm’s overall governance. Our Investment, Management Services, Audit & Compliance, and additional management committees also provide oversight.

- |   |  |
|---|--|
| <b>Jeffrey C. Hines</b><br>Chairman and Co-CEO  | <b>Chiang Ling Ng</b><br>CIO, Asia                                       |
| <b>Laura Hines-Pierce</b><br>Co-CEO   | <b>Ray Lawler</b><br>CEO, Asia Pacific                                   |
| <b>C. Hastings (Hasty) Johnson</b><br>Vice Chairman                                       | <b>Douglas H. Metzler</b><br>CEO, West Region                            |
| <b>Keith H. Montgomery</b><br>CFO   | <b>Mark A. Cover</b><br>CEO, Southwest Region and Mexico/Central America |
| <b>David L. Steinbach</b><br>Global CIO Co-Head, Investment Management                    | <b>Steve Luthman</b><br>CEO, U.S. Midwest & Southeast Regions and Canada |
| <b>Christopher D. Hughes</b><br>CEO, Capital Markets Group Co-Head, Investment Management | <b>Sarah Hawkins</b><br>CEO, East Region                                 |
| <b>Alfonso Munk</b><br>CIO, Americas  | <b>Lars Huber</b><br>CEO, European Region                                |
| <b>Alex Knapp</b><br>CIO, Europe  | <b>S. Lee Timmins</b><br>CEO, Eurasia Region                             |

## Our Guiding Principles

- 1  
The Hines standard represents the global real estate benchmark for value creation, integrity, service, and quality for all clients.
- 2  
All Hines products and services are of the highest standard as appropriate for the mission.
- 3  
The Hines employee is the greatest example of the Hines standard and the company’s most valuable asset.
- 4  
Hines is committed to fostering an inclusive culture where diversity is respected and valued.
- 5  
We will continually strive to be the industry leader in sustainability and the premier real estate company in the world.

# Global Code of Conduct and Business Ethics

Excellence, integrity, and trust are at the core of everything we do at Hines. Our Global Code of Business Conduct and Ethics complements our Guiding Principles and affirms a company-wide commitment to our core values and priorities. The code provides an overview of the regulations and policies that guide our firm and employees, and helps us make decisions as individuals and as a business.

The global code covers key topics including fair business practices, safeguarding resources and reputation, avoiding conflicts of interest, respect in the workplace, and health and safety, and is designed to be accessible to everyone at Hines. Due to our international presence and service diversity, our standards and expectations of Hines vendors, suppliers, and contractors are aligned with those we set for ourselves, which helps us minimize risks and ensure excellence across the value chain.

## ESG Governance and Team Structure

Global ESG at Hines is composed of a cross-functional team of central and regional employees. This group, which represents diverse backgrounds, expertise, job families, and seniority levels, is tasked with supporting our firm-wide investment in ESG and executing on our commitments.

Throughout 2022, we rapidly grew the ESG team to put more human capital behind ESG efforts across the firm. Hines’ Regional CEOs appointed ESG leads to spearhead efforts and set goals on the regional level, and we grew our central team to support ESG communication and carbon management. We will continue to build ESG capacity in 2023,

with a focus on hires who will advance firm-wide knowledge and expertise, expand ESG in our investment process, and explore ways to more deeply integrate ESG into our development and management business lines.

### ESG Regional Leagues

Expanding on the success of our Europe ESG League, in 2022 we formally established an APAC ESG League as well as an ESG task force in the U.S. Southwest Region. These groups were created to maintain alignment and consistency across firm-wide ESG priorities while supporting regional stakeholders, strategies, ambitions, and requirements.

Through close collaboration with various teams, the ESG Regional Leagues and task forces are working to integrate and embed ESG across development and management in their regions. They have regular internal meetings, and regional leaders meet monthly to share knowledge and best practices around ESG implementation and activities.



The Hines Europe ESG League gathers in Barcelona.



## Investment Governance and ESG

A subset of the EC sits on the Hines Investment Committee, which currently comprises 12 Hines executives with an average tenure of 21 years. The Investment Committee is independent of both the EC and our operating platforms, and is the governing body with final authority over all investment decisions. The CEO, EXP by Hines is a voting member of the Investment Committee, and there is a process in place to evaluate ESG factors as part of the investment committee approval process.



ESG HIGHLIGHTS

1957

Gerald D. Hines founds the firm with a focus on quality and energy efficiency.



1992

Hines develops indoor air guidelines in advance of EPA standards.

1998

Hines joins USGBC to guide and grow the global market for high-performance buildings.

2001

The EPA names Hines ENERGY STAR Partner of the Year for the first time.



2006

Executive leadership at Hines makes a firm-wide commitment to pursue LEED certification on all new projects.

Hines partners with California Public Employees Retirement System (CalPERS) to establish the first green real estate development fund.

1978

Hines' engineering team begins firm-wide energy tracking and management.



1994

Hines implements environmental and engineering accountability protocols for its U.S. Energy Standards program.



28 Hines buildings receive the EPA's ENERGY STAR® label the first year it expands to CRE.

1999

2004

Hines becomes the first real estate firm to win ENERGY STAR's Sustained Excellence Award for long-term commitment to conservation.

2007

Hines founds the German Sustainable Building Council with other partner organizations.

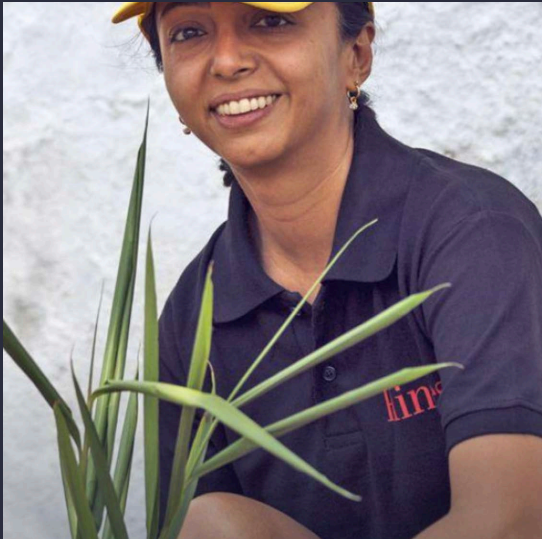
ESG HIGHLIGHTS

2008

Hines is recognized by CoStar as the #1 developer and owner of green office buildings in the U.S.

2011

Hines launches the myCommunity program to help employees give back to their communities through volunteerism.



2018

Hines provides a three-year grant to create the ULI Women's Leadership Initiative.

2020

Hines partners with Well Living Lab on research to address virus transmission in the built environment.

2021

Hines releases new ESG Strategic Framework to further ESG focus and commitments across investments, properties, communities, and stakeholders.

Hines partners with MKA to develop an Embodied Carbon Reduction Guide to help mitigate the impact of embodied carbon from new developments.

Hines becomes a Signatory to the UN Principles for Responsible Investment (PRI).

Hines is awarded Global ESG Firm of the Year by PERE.

2009

The Hines GREEN OFFICE Program (HinesGO) launches to enhance the sustainable features and operations of its office spaces for tenants.



2012

Hines publishes its first sustainability report based on the GRI framework.

Hines invests in Fifth Wall, a real estate venture capital firm.

Hines becomes Founding Alliance Member of Well Living Lab.

Hines hires its first Director of Diversity and Inclusion.

The Hines European Core Fund (HECF) is named a Private Diversified Global Sector Leader by GRESB for its commitment to sustainability.

2017



2019

Hines hires its first Chief People Officer.

Hines releases Embodied Carbon Reduction Guide on Earth Day.

Firm sets a target of net zero operational carbon in our building portfolio by 2040.

Hines developed and rolls out Social Value Toolkit for Hines employees.

Hines launches Skyline Scholars to share CRE with students from underrepresented backgrounds.

2022



People and Communities

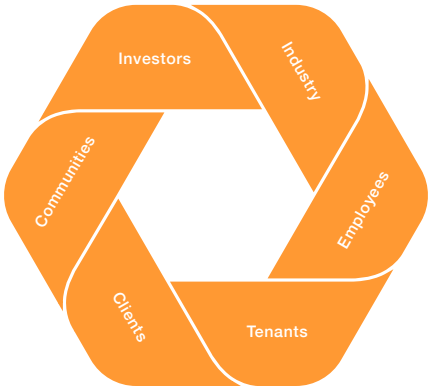


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# Our Stakeholders

Connecting with the people, partners, and places that support our business

Bringing value to Hines stakeholders is a critical part of our business and our ESG strategy. We engage with stakeholders across the spectrum to understand their needs and determine material topics and strategic direction for our firm.



## STAKEHOLDER ENGAGEMENT

Employees	Global Employee Engagement Survey every two to three years, with pulse surveys as needed; performance reviews annually, with regular check-ins; management orientation annually; monthly webcast with CEO and other leadership; ongoing intranet communications; ongoing internal conferences
Investors	Investor survey every three years; investor conference every 18 months; quarterly reporting; ongoing investor interviews
Tenants	Tenant satisfaction survey every two years
Clients	Ongoing participation in applicable educational webinars
Communities	Ongoing participation in community events; ongoing employee volunteering
Industry	Ongoing participation in industry events and partnerships



# Our People

When Hines employees thrive, so does our business

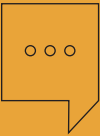
Hines employees are changemakers, innovators, and industry leaders. Through the work we do together every day, we are creating better buildings and a better world. Our employees are also our firm’s most important asset and investment. We are committed to supporting our employees – from interns to executives – with exceptional work environments and opportunities, so they can thrive in their careers with us and in their lives.



Julie Kniowski, Associate, Strategic Projects, Allison Pfeiffer, Director, Strategic Projects, Kathryn Scheckel, Head, Hines Global Ventures

## Elevating Our Employee Experience

We created an Employee Experience team to build the best possible workplace experience at Hines. The team connects with our workforce through listening and surveying to understand what employees need to do and feel their best. Employee Experience leverages what they learn to develop initiatives and programs that support employee flexibility and engagement, amplify our firm-wide culture, and utilize Hines office spaces as centers of gravity for the firm.



### 2022 Global Employee Engagement Pulse Survey: Measuring What Matters

Employee Experience conducted a firm-wide pulse survey in the spring of 2022 to check in with Hines employees on satisfaction, well-being, and belonging and to understand if actions we have implemented since the last pulse survey, in March of 2021, were gaining traction.

We launched this pared-down version of our biennial Global Survey to keep our finger on the pulse of employee sentiment and to better understand our employee base as the world around us continued to shift. We used this feedback to enhance a number of employee engagement programs.

92%

I am proud to work for Hines.

88%

I would gladly recommend Hines as a place to work to people I know and respect.

85%

I feel as if I belong at Hines.

83%

Overall, I am extremely satisfied with Hines as a place to work.

Survey Participation rate 78%

# It's about time.

## Focusing on intention and flexibility with Hines PrimeTime

We deal in prime real estate, and we believe the time spent in our office spaces should be prime too. In the wake of the COVID lockdown, as employees began returning to the office – many on

a hybrid schedule – the Employee Experience team conducted listening sessions to understand what time in our workspaces meant to them and what we could do to make their office experiences as engaging and fulfilling as possible. There were many great learnings from our 18 months of listening, but our biggest takeaway was that the people part of our business – the energy people bring to and share through the office environment – cannot be replicated remotely.

Based on this and other feedback, we created PrimeTime, a holistic approach to hybrid work designed to help Hines teams put more intention around collaboration and shared goals, so they can maximize the time spent together in the office while supporting individual flexibility. PrimeTime includes office-based activities and events that encourage meaningful social connections as well as thoughtful space design that accommodates a variety of uses.

PrimeTime is supported by an app that enables teams to coordinate their schedules, book workspaces, and invest their time together intentionally. The app also collects data that helps us track engagement and refine the program.

We introduced PrimeTime in the spring of 2022 with roadshows at Hines hubs in London, Houston, and New York, followed by a soft launch at these offices in June of 2022. The program has gained traction and feedback has been positive. We have been excited

“The office isn’t just about space, it’s about time.”

**Liz Duarte**  
Employee Relations Team

to see how these different hubs use PrimeTime to meet their unique needs while maintaining a consistent culture.

Moving forward, we will roll out PrimeTime across Hines regions and test new events and cadences to better understand

and measure employee engagement and program impact. We are also planning to develop a version of PrimeTime for Hines tenants who want to support hybrid work and program their spaces for engagement.





# Enhancing the Office Experience at Texas Tower

Texas Tower, Hines’ new global headquarters in Houston, honors our firm’s heritage and spirit of innovation while providing us with a future-forward facility to pilot new ways of elevating experiences in prime office space. The 47-story, one-million-square-foot office tower, developed in partnership with Ivanhoé Cambridge and designed by Pelli Clarke Pelli, is built to the highest standards our firm has achieved in Houston, including LEED® Platinum, WiredScore and WELL Building.

Technology is at the core of Texas Tower. A sophisticated underfloor HVAC system enables employees to control the air flow in their spaces, and shades with sensor technology ascend and descend from the full-height windows based on temperature and sunlight. The building also offers

exceptional amenities focused on employee wellness and well-being, including a state-of-the-art fitness center, a gorgeous public garden, and access to fresh air and green space throughout the building.

Since moving into Texas Tower in September of 2022, we have been creating a living lab for our occupier services and facilities management business. By creating programs and services that help us provide hospitality-focused experiences – and testing them on our own employees – we are finding innovative ways to refine our offerings and support our clients and tenants.

We hosted a Family Day in September to celebrate the opening of our space and invited employees to bring their families for tours and events. We created a Coffee Chat series to encourage leaders from across the firm to sit down with Texas Tower employees and share news or successes from their regions. And we have been experimenting with pop-up

events like surprise dessert bars to celebrate our employees, gift-wrapping stations to help manage holiday stress, and ping-pong tournaments to promote fun-focused amenities.

Moving forward, we are considering ways to make onsite the new off-site by utilizing Texas Tower and our other headquarters spaces to host region- or firm-wide, in-person events and programs that foster team connection, collaboration, and culture.



Photography by Magda Biernat



## Supporting Financial Well-Being

Financial stress and uncertainty can take a significant toll on mental health. We want Hines employees to take full advantage of the benefits we offer and feel confident in their financial future.

In 2022, we added the True-Up pay deferral and savings plan to our 401(k) to ensure every U.S. Hines employee who qualifies for a full employer match receives it. We also laid the groundwork for an education program for prospective retirees, to address concerns about medicare and social security and help them navigate their benefits beyond Hines.

## Prioritizing Employee Health and Well-Being

We are committed to helping our employees prioritize their health and well-being. We offer a variety of benefit programs tailored to our global regions and provide resources to help employees navigate and take advantage of all the Hines benefits available to them and their families.

In 2022, we placed specific emphasis on mental health and addressing the stigmas often associated with seeking care. We rebranded our Employee Assistance Program as an Emotional Well-being Program and replaced our longstanding provider with a more agile, digitally enabled resource that meets a broader range of needs. We also replaced our backup care provider with an



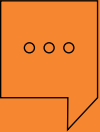
enhanced program that supports adults, children, and pets. And our benefits and DEI teams partnered to ensure members of our Employee Resource Groups (ERGs) are made aware of our benefits and programs. We continued our focus on mental health and, beginning in January of 2023, expanded our vacation and bereavement policies to give employees more paid time to prioritize their well-being.



## Addressing Employee Concerns

Hines is dedicated to conducting business in accordance with the highest ethical standards and to following the letter and spirit of the laws and regulations applicable to our business. We encourage and expect our employees, shareholders, and business partners to report conduct they believe to be unethical or in violation of the law, the Hines Global Code of Business Conduct, or firm-wide policies and principles.

Through EthicsPoint, individuals may anonymously and confidentially report actual or suspected violations by phone 1-866-384-4277 or online at [ethicspoint.com](https://ethicspoint.com). Employees may also report concerns to their regional Employee Relations contact via email.



## 2022 Pulse Survey Highlights

We are particularly proud of the progress made across the Manager Effectiveness questions on our pulse survey. We attribute this improvement to MPACT’s recent emphasis on regular communication between employees and their managers, which was implemented in response to feedback from our 2021 pulse survey.

90%  
I trust my immediate supervisor / manager.

87%  
My manager provides me with timely and helpful feedback and check-ins.  
▲ up from 84%

86%  
My manager sets clear expectations and goals with me.  
▲ up from 83%

86%  
My manager supports my efforts to balance my work and personal life.  
▲ up from 85%

## Encouraging Learning and Career Development

Our Talent Development team creates programs, resources, and educational opportunities that help bring new hires up to speed and support employee learning at every career stage.

The **Real Estate Education Program** (REEP), Hines’ proprietary curriculum of virtual and in-person courses, teaches employees about all aspects of our business, and we also offer on-demand learning with education modules on topics ranging from respect in the workplace to DEI.

Our **Management Acceleration Program** (MAP) includes training tracks for new and existing managers as well as resources to help them contribute to our culture of inclusion and belonging.



We offer a variety of virtual and in-person courses for employees about all aspects of our business.

Our **Managing Performance and Cultivating Talent** (MPACT) program fosters quality communication between employees and their managers and helps spark discussions about career growth and development.

We provide mentoring support through **myMentoring**, a program and platform that pairs mentors with mentees and provides flexibility, accountability, and resources to support their relationships.

## 2022 LEARNING & CAREER DEVELOPMENT: BY THE NUMBERS

MPACT

completion

92%

Hines-specific trainings

REEP: 626

2,117

participants

Global conferences

9

Total training hours

▲ 30.5% increase from 2021

210,472\*

\*includes interns and contractors



# The ASU ESG Ambassadors Program

We established the ESG Ambassadors program in 2022 to help employees deepen their knowledge of ESG. A partnership with Arizona State University – home to the first dedicated sustainability school in the U.S. and known for its exceptional ESG research and reputation – the program is designed to educate and inspire our employees around our firm-wide ESG initiatives, so they can share their expertise with Hines colleagues and industry peers.

The virtual curriculum encouraged discussion and ideation with Hines’ ESG leadership and ASU professors as well as breakout sessions and team projects.

Topics ranged from community impact and social programs to setting science-based targets and achieving net zero operational carbon at Hines properties. At the end of the 2022 cohort, which included 32 Hines employees, teams researched and presented a capstone project on an ESG innovation that could be implemented at the firm. Participants also prepared their own plans for better integrating ESG into their day-to-day work.

Moving forward, we plan to refine and expand the ambassador cohort based on participant feedback and create Hines and ASU co-developed courses on specific ESG topics.



Employees from a variety of disciplines participate in the Hines ESG Ambassadors first cohort.



## Our Leadership Principles

Hines is committed to helping our employees become our future leaders. We focus on five key principles to set expectations for all employees across the firm and in each area of our business.

- Create Value and Grow the Hines Legacy
- Take Risks You Believe In
- Create Lasting Partnerships
- Be a Great Leader and Team Builder
- Act with the Highest Principles

These principles help elevate what we value and reward most at Hines and create equal opportunities for employees to develop their careers with confidence and courage.



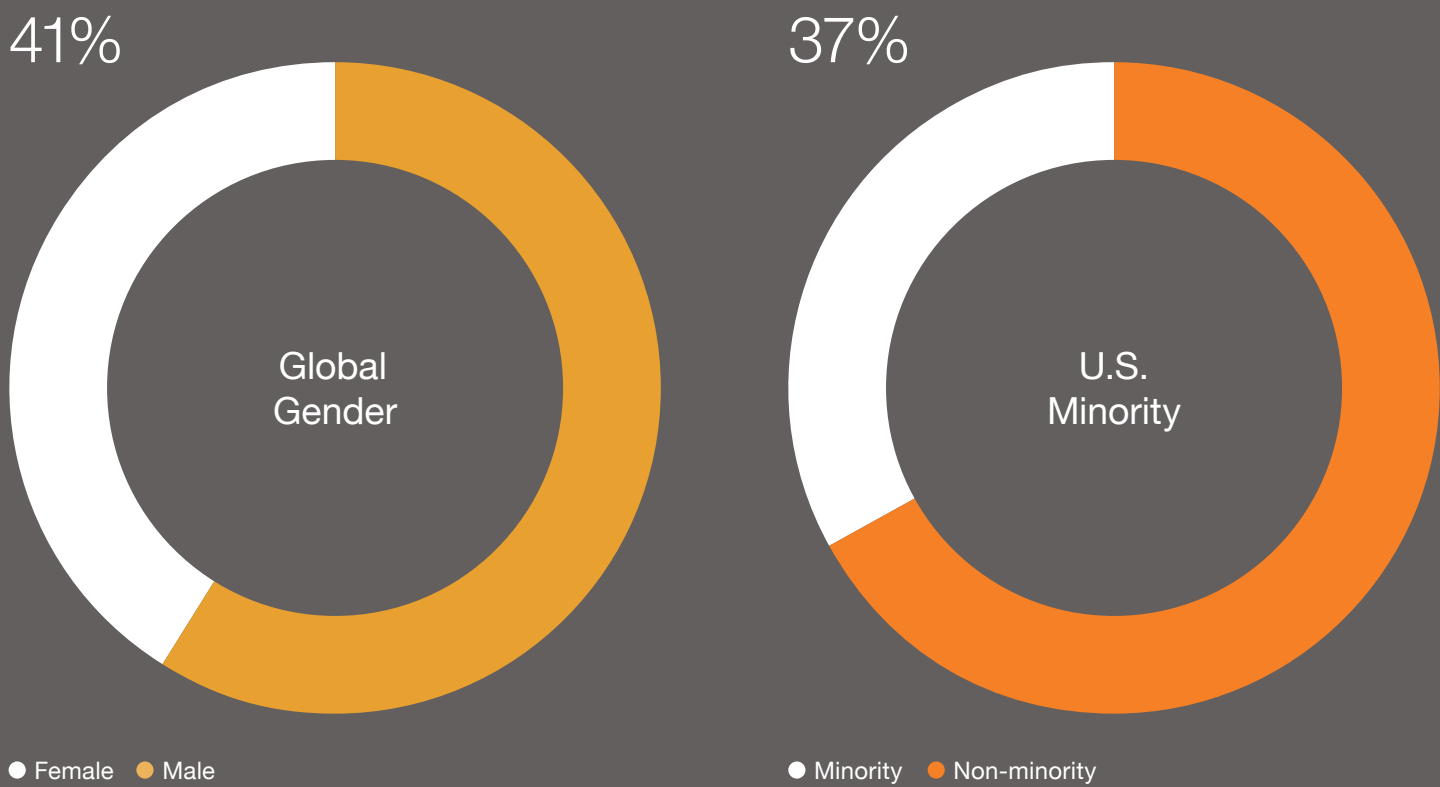
### HiFive

Based on Our Leadership Principles, the HiFive employee recognition program acknowledges and celebrates the many ways Hines teammates contribute to our workplace community. Powered by Workhuman, a Workday partner that focuses specifically on driving cultures of recognition, HiFive supports tenure recognition and gifting, life-milestone achievements, and peer-to-peer awards.

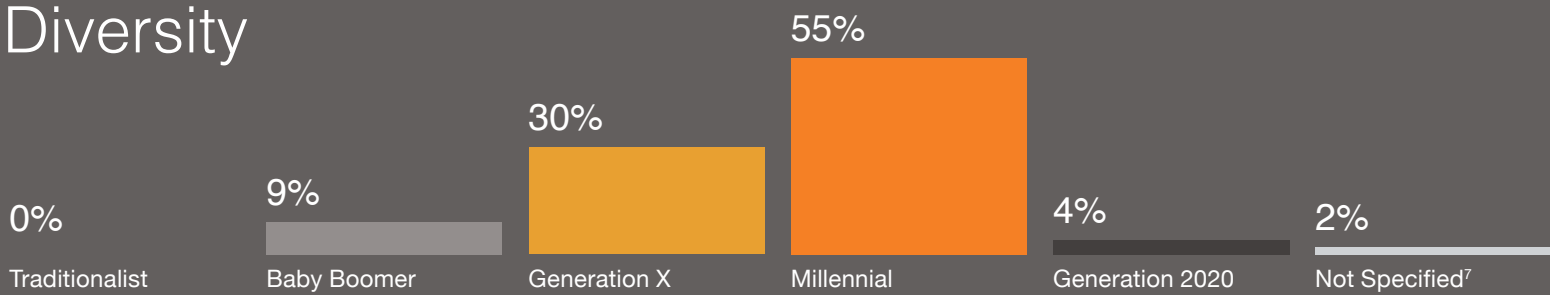
We launched HiFive in June of 2022. In the first six months of use, there were more than 2,000 awards given, including many from managers to direct reports and other employees.

EMPLOYEE DIVERSITY<sup>5</sup>

Firm-wide Diversity



Generational Diversity



Officer Level Diversity<sup>6</sup>

19%

Female Global Members of the Executive Committee

22%

Female Global Officers

10%

Minority U.S. Officers

Promoting Diversity, Equity, and Inclusion

We are dedicated to attracting, developing, and promoting a talented, diverse, and multicultural workforce. We strive to provide an inclusive environment where differences are valued and celebrated, and where employees can reach their full potential.

Diverse perspectives advance new ideas and contribute to our innovative culture, which benefits our firm, our partners, and all the people and communities we touch.



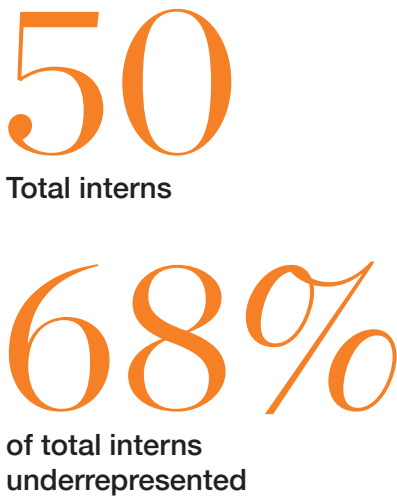
Access: Expanding CRE awareness and education

Our commitment to a diverse and inclusive workforce starts with the talent pipeline. Through our campus recruiting initiatives, internships, and university-based partnerships, as well as relationships with organizations working to increase diversity in CRE, we are creating opportunities for underrepresented, under-networked students to experience our industry and build career connections.



Hines REDI

Real Estate Development and Investment (REDI) is our summer internship program designed for students who are interested in pursuing a career in real estate. This training program provides hands-on experience, opportunities, and connections that lay the foundation for a career in CRE through an analyst bootcamp, site visits, lunch and learns with Hines leaders, community service projects, and a final capstone presentation.



A participant in Skyline Scholars spends time with Hines Securities, Inc. Chief Compliance Officer LeRonica Hill.



Skyline Scholars

We created Skyline Scholars to arm the next generation of diverse CRE leaders with knowledge and connections that will help them succeed. Launched in 2022, this 5-week Hines program for college freshmen and sophomores from underrepresented minority groups spans CRE career opportunities and professional development. It also includes a résumé-boosting certification and guarantees each participant a first-round interview for the Hines REDI program. Our inaugural class included 53 scholars from 20 universities across the U.S.

In 2023, we aim to expand Skyline Scholars into new geographic markets across North America and London, enhance the mentorship program that pairs scholars with Hines employees, and facilitate more in-person activities like property tours and networking events.



2022 Partnerships in the U.S. and Europe

10,000 Black Interns (Europe)

Greater Houston Women’s Chamber of Commerce

Forte

National Minority Supplier Diversity Council

Project Destined

Real Estate Associate Program / Project REAP

Real Estate Balance (Europe)

Real Estate Executive Council

TOIGO Foundation

Urban Land Institute

# Celebrating the 20th anniversary of the ULI Hines Student Competition

Twenty years ago, our founder, Gerald D. Hines, won the ULI Prize for Visionaries in Urban Development. Rather than accepting the award money, he reinvested it in ULI by starting a student competition to spark innovation, education, and opportunities for the future leaders of our industry.

Launched in North America in 2002, the ULI Hines Student Competition expanded to Europe in 2020 and APAC in 2022. At least 10,715 students

have participated in the program since its beginning and many of them are pursuing rewarding careers in commercial real estate.

25  
student finalists

550+  
total participants

## An Interview with Sean Sacks, Senior Managing Director and City Head of Hines Boston and 2004 ULI Hines Student Competition Participant

**How did your experience as a participant in the ULI Hines Student Competition impact your career?**

At the time of the competition, I was completing a dual degree in both city planning and real estate development, and I was unsure of my career direction. The competition cemented my



desire to focus on the multifaceted nature of development. We had opportunities to sketch out the best site plan and build forms with architects, collaborate with the city and the neighborhood on a mix of uses that generate economic development and improve quality of life, and analyze market data and run financial feasibility studies. It was exciting to be able to deliver something lasting that positively impacts the built environment for a very long time.

**Did participating in the competition inspire you to pursue a career with Hines?**

I didn't start at Hines until ten years into my CRE career. I was looking to change companies, and Hines was at the top of my list. Hines' sponsorship of the

competition highlighted a deep commitment to great design, working with stakeholders in the private and public sectors, and creating projects that have positive impacts on our cities. Even back in 2004, Hines was encouraging ESG (not called ESG back then) through responsible land use, sustainable design, and great open spaces for the public to enjoy.

**Were there lessons learned from the competition that you keep with you today?**

The first lesson I learned is that sustainable design is critical to development and doing the right thing for future generations. The second is that great design really does make for better places. Lastly, I learned that being a developer is an intense career. You interact with many different types of people on varying tasks on any given day, but the work is so incredibly satisfying. You can really make a huge, positive impact on our cities.

**Would you recommend the competition to graduate students considering a career in CRE?**

Absolutely. Participants learn so much about urban design and development in a very compressed time frame. The competition is also a great opportunity to meaningfully interact with developers, architects, and designers as advisers. It is one of the best ways to challenge yourself as a graduate student and validate your passion for the industry.



Hiring: Attracting and engaging diverse talent

The Hines Talent Acquisition Team is deeply invested in conducting an objective, inclusive hiring process. We know diversity makes our workforce stronger, more resilient, and more representative of the people and communities we serve, and we are working to improve diverse representation in all job families and officer levels.



Belonging: Building and maintaining an inclusive, engaged culture

We want our employees to thrive at our firm and feel valued throughout their careers with us. Through our OneHines Local Ambassador events at the office level to our firm-wide DEI forums and employee resource groups, we strive to cultivate OneHines: A company culture that fosters connection, purpose, and belonging.

Hines ERG Groups

Our Employee Resource Groups aim to amplify representation and belonging at Hines by promoting allyship and advocacy. These voluntary, employee-led virtual groups connect employees and provide a strong network of support from people of all backgrounds across the firm. Each group is sponsored by at least one member of Hines’ executive leadership and our DEI team provides administrative resources and guidance.

In 2022, we hosted a forum to engage our workforce around the opportunities offered through Hines ERGs and launched five

new resource groups. More than 425 participants attended the virtual forum from 17 countries – and 15% of them joined ERGs.

Existing groups:

- OneHines Women’s Network (OHWN)
- Black Advancement Network (BEAN)

New in 2022:

- Alliance for Veteran Engagement (AVE)
- Latino & Hispanic Employee Resource Network (LHERN)
- Working Caregivers (CARE)
- OneHines Asian Network & Alliance (OHANA)
- Hines PRIDE Network

In 2022, we saw diverse representation across all measured talent acquisition categories:

67%  
of all new domestic U.S. hires were female and/or a racial/ethnic minority

33%  
of domestic U.S. officers hired were female and/or a racial ethnic minority

42%  
of all global hires identified as female

68%  
of incoming interns were female and/or a racial/ethnic minority

77%  
of candidates hired into roles after being interviewed by a diverse panel were female and/or a racial/ethnic minority

35 DEI Forums

2,764  
participants

4,500  
hours of learning time



# OneHines Women’s Network Relaunch

The OneHines Women’s Network (OHWN) was our firm’s first affinity group. In 2022, we relaunched the initiative to build better alignment across all of our ERGs and provide a stronger platform for female leadership growth at Hines. As part of our broader DEI efforts, we are working to ensure women are equipped with everything they need to succeed at our firm and in our industry. The relaunched OHWN is designed to be an engine for professional development and provides members with access to Hines’ senior leadership.

“The reinvigorated work of the OneHines Women’s Network is critical to reaching gender parity at the executive level of our firm and in our industry.”

**Chiang Ling Ng**  
Chief Investment Officer,  
Asia Pacific



# Laura Hines-Pierce – A Woman of Influence

The PERE Women of Influence (WOI) list recognizes women who are transforming the commercial real estate space. We are proud to share that Laura Hines-Pierce was selected as one of 10 WOI finalists in 2022.

In naming Hines-Pierce as a WOI honoree, PERE noted that she is the youngest chief executive of a PERE 100 firm – and the only woman known to be pregnant at the time of her appointment to co-CEO. Hines-Pierce was highlighted for her support of women in the field as well as spearheading the OneHines Women’s Network and pushing initiatives to increase gender-diverse hiring practices at our firm.

By celebrating industry pioneers and changemakers like Hines-Pierce, WOI shines a spotlight on the tremendous impact made by women leaders in commercial real estate – and provides a glimpse of the bright future to come as more women ascend into CRE leadership roles.







Elevation: Retaining and promoting diverse talent

Retaining and promoting diverse talent is critical to our DEI strategy and resilience as a firm. We are laser-focused on progression and specifically officer promotion, where we are most challenged for parity at Hines. We track voluntary turnover to understand whether women and minorities are leaving Hines or specific job families at a faster rate than other employees, so we can uncover and address root causes.

Expanding Supplier Diversity

Our commitment to DEI extends to our supply chain. We identified supplier diversity as a key focus area in our ESG strategy, and we are actively working to forge partnerships with systemically underrepresented businesses across Hines regions. Supporting small, local, and diverse-owned companies builds our supply-chain resilience and helps us meet our clients’ ESG requirements and goals.

In 2022, we formed a Strategic Sourcing Community of Practice to accelerate progress toward our supplier diversity goals and provide tools to help our operations team identify and utilize diverse suppliers. We leveraged our partnership with Supplier.io to both validate our current diverse spend and provide Hines employees with access to a large, national database of diverse-owned companies when selecting new vendors for bids or direct business.

We also partnered with National Minority Supplier Diversity Council (NMSDC) to expand our access to small and diverse-owned businesses across the U.S., and we laid the groundwork to implement new technology in 2023 that will allow us to screen potential suppliers for diversity and ESG metrics and track our diverse spend in real time.

While we gained tremendous ground on our supplier diversity efforts in 2022 – particularly within our facilities management business line – we know we have farther to go. We are committed to continuous improvement and to demonstrating the business benefits of a diverse supply chain.

“We are excited to build on our 2022 partnerships and progress to really increase our diverse spend in 2023 and beyond.”

**Sheri Fisher**  
Vice President, Strategic Sourcing

HINES DIVERSE SUPPLIER SPEND

2022 Actual

5.3%

2023 Goal

7.5%

2024 Goal

10%



Social Value Toolkit

Launched in August of 2022, the Social Value Toolkit was designed to inspire our teams to implement and activate social initiatives that will benefit Hines stakeholders. The toolkit meets the need, expressed in our 2021 ESG survey, for a broader understanding of Hines’ ESG efforts and access to resources teams can use on project, property, and firm-wide levels.

Grounded in the six social focus areas of the Hines ESG Framework – Attainable Housing, Community Building, CRE Education, DEI, Diverse Suppliers, and Health and Well-being – the toolkit contains more than 55 innovative ideas that have been implemented and tested across Hines regions. From site-specific resources for integrating attainable housing into a project plan to criteria for ensuring diverse suppliers are included in a bid, the Social Value Toolkit provides Hines’ “house view” on the best ways to meet social goals and requirements.

The toolkit is designed to evolve with new ideas and best practices from across our firm and industry, so it remains relevant and ready to help Hines teams bring value to the people and communities we touch with our business. It is a digital, searchable database available to all Hines employees.

# Our Clients and Tenants

## Building great experiences for the people in our spaces

Hines is known for shaping urban skylines. Though we are certainly proud of our iconic buildings, we believe the work and life that happens inside of them is what is most important.

We challenge ourselves to create inspiring and welcoming spaces, hyper-efficient operational systems, cutting-edge tech platforms, and innovative programs in Hines buildings, so we can provide exceptional experiences for everyone who walks through our doors. By putting people at the center of everything we do, we meet stakeholder needs while continually

improving and innovating our approach to investment, development, and management in the built environment.

### Cultivating and Curating Client Relationships

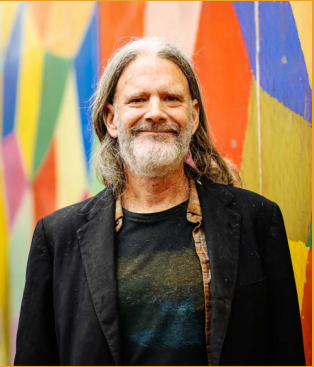
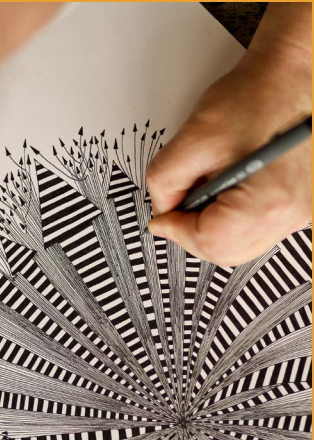
Our Global Client Strategy Group works to integrate hospitality best practices into every client relationship to ensure Hines clients and tenants receive exceptional communication and care from our teams. This team strives to elevate the client experience, ensure coordination and collaboration across global client teams, and foster a tenant-centric culture.



### ArtLifting

Artwork brings color and wonder to spaces and enhances the visual experience in buildings. Hines property managers strive to make Hines-managed spaces vibrant and unique and we have a robust art curation program to source and commission distinctive works. To meet this need – and support talented artists who might be overlooked in the traditional art scene – we often partner with ArtLifting, an organization that represents artists impacted by housing insecurity and disabilities.

ArtLifting provides opportunities, empowerment, and validation for artists by making their work visible and available. By selling their art, artists are able to take control of their income and gain a sense of confidence and independence. We have utilized ArtLifting to provide artwork at 20 Hines properties, impacting more than 70 artists.





## Highlighting Hospitality: Partnering With Forbes Travel Guide

In 2022, we partnered with Forbes Travel Guide, the global authority on five-star service, to define and develop hospitality standards for Hines. Through this collaboration, we are creating custom service standards for our properties that emphasize hospitality and prioritize collaborative, creative, and curated spaces. Our goal is to provide an elevated experience in Hines-managed buildings that support our clients’ needs and company cultures.

Forbes provides world-class professional development resources to many of the world’s most beloved hospitality brands. Our partnership will also include an in-person and online training program to help our employees implement the new service

standards and create consistent, meaningful experiences for Hines clients across the globe.



“Hines’ culture, our ability to connect with our tenants, and the desire to continuously improve on what we are doing at our properties is a cornerstone of everything we do.”

**A participant’s key takeaway**

## The Hines Experience Academy

The Hines Experience Academy (HXA) is our proprietary, hospitality-focused learning journey. Developed in 2021, it was launched in 2022 to help our teams continue to provide world-class service and experiences for Hines clients and tenants.

The new learning platform is comprised of courses and modules designed to give participants new ways to engage with clients and build meaningful relationships that put hospitality at the heart.

Courses are taught by outside experts and range from high-level theories to more tactical strategies that ignite change and create memorable customer experiences. While the academy is designed for our management and operations teams, the coursework is open to everyone at Hines who is interested in learning about the culture of hospitality and developing professional relationship skills.

### HXA COUSES

1,328  
participants



# Attainable Housing

## Addressing inequity in the built environment

Quality, affordably built, attainable housing is critical to ensuring that people and communities flourish. As a global real estate company, Hines has the responsibility – and the opportunity – to develop and invest in attainable housing solutions in the communities where we operate. We forge

partnerships with cities and social welfare groups to ensure community needs are being met through our projects and strive to exceed local and national attainability mandates when possible. And we know we need to do even more.



Transbay Block 4, San Francisco

## Shaping our Attainable Housing Strategy

In 2022, we explored the market conditions affecting housing affordability, researched investment approaches, and synthesized the competitive landscape to better understand the risks and rewards. These insights are helping us shape an attainable housing strategy and actionable path forward for Hines.





# Our Communities

Contributing to the places where we do business

As a firm, we endeavor to bring value to communities through every building we invest in, develop, and manage. We are also

committed to helping communities thrive by supporting local initiatives that support human flourishing.

## Partnerships, Philanthropy, and Volunteering

Gerald D. Hines’ philanthropic legacy continues to inspire our firm today. We make generous annual contributions to the United Way of Greater Houston – a cause close to Mr. Hines’ heart – and respond to tragedy and injustice with compassion and action. We encourage employees to support causes they care about by providing paid time off for volunteering and contribute to Hines communities through partnerships, donations, and days of service.

In 2022, Hines’ Houston employees raised more than

**\$597,427**

for the United Way of Greater Houston, including a generous match from Jeff Hines.



OurCommunity

OurCommunity is an internal, opt-in program that encourages employees to serve their communities through volunteering. Hines employees across the globe are granted one paid workday every year to serve a charity of their choice by way of volunteering individually, as part of a team, or as an entire office. We track program success through the YourCause platform to celebrate office, regional, and firm-wide accomplishments and promote our social impact.



Left: The Hines team at CIBC SQUARE took part in a 10K run in Toronto to support CAMPFIRE Circle, which delivers vital programs to kids affected by childhood cancer and their families. Above: Hines team members in New York participate in the American Heart Association race.

Founder’s Day

Founder’s Day is a celebration of Gerald D. Hines’ birthday and an opportunity to amplify his commitment to community through a day of service. This year, on our second annual Founder’s Day, Hines team members participated in regional volunteer events around the world.

Below: In Toronto, the team commemorated a tree to Mr. Hines at CIBC SQUARE Park to forever honor his legacy at the building.



271

OurCommunity participants

2000+

of hours contributed

154

organizations served

46 Founder’s Day events around the world in 25 cities and 11 countries  
485 employee participants  
1500+ community service hours worldwide





CASE STUDY

# Campaign for Ukraine: The Hines Community Responds to People in Need

In the wake of Russia’s invasion of Ukraine, the Hines family, our employees, and our client partners came together to help. We formed a task force in March of 2022 to support the people of Ukraine through funding and on-the-ground support, providing aid, contributions, and kindness to war-ravaged citizens and communities.

## Cash contributions

Funding from employees and the Hines family was used to provide humanitarian aid in Ukraine

through the International Rescue Committee, Save the Children, and the Ukrainian Red Cross Society.

- \$250,000.00 from the Hines family
- \$145,395.61 in employee donations
- \$145,395.61 in Hines family match of employee donations

## Donations and opportunities

Hines employees and office teams throughout Europe showed great compassion and innovation in the face of this challenge, finding inventive ways to support Ukrainian people in need. Colleagues have provided accommodation for Ukrainian families in their own homes and our teams have reached out to Ukrainian communities offering job opportunities at Hines.

- Hines France continues to collect and donate food, toiletries, and Ukrainian books for children. They have also partnered with a Parisian church to welcome refugees.
- Hines Greece continues to provide clothing donations.
- Hines Germany donated more than \$2,600 in cash to local organizations supporting relief efforts for Ukraine. The team also organized a visit to the zoo in Berlin for Ukrainian children and coordinated donations, including laptops, to provide online education for children.
- Hines Spain partnered with our tenant OnTime to cover the \$5,300 cost of sending a bus full of goods to the Ukrainian border, returning with 40 Ukrainian refugees.
- Hines European Core Fund (HECF) partnered with occupier John Lewis to contribute more than 91,000 units of hand wash, body wash, and shower gel to Ukrainians in need.

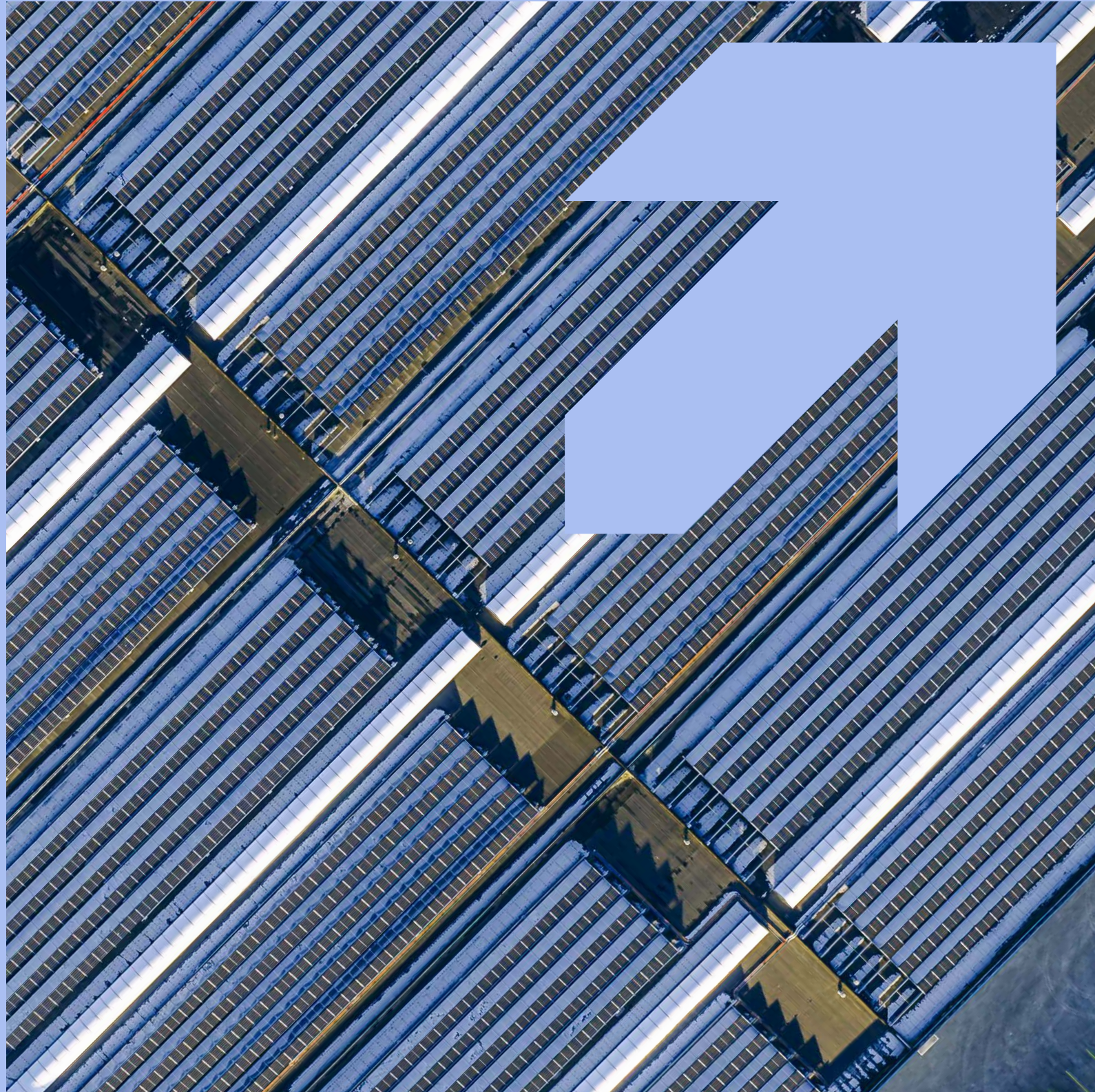


Hines employees and office teams throughout Europe found innovative ways to support Ukrainian people in need.

## Utilizing our spaces

- Hines spaces across Europe have been repurposed to help those in need of support and shelter.
- Hines Netherlands provided space at ABC Westland to temporarily house Ukrainian refugees.
- Hines Denmark, in conjunction with our HECF, provided two apartments at no cost to Ukrainian refugees.
- Hines Poland provided the Piaseczno warehouse to the Society of Ukrainian Friends as a storage and logistical hub.





Environment and Climate

3



As an environmental steward and an industry leader, we have an obligation to combat climate change and address climate risk across our business.



Hines has made climate- and carbon-related interventions a top priority and our teams are actively collaborating on short- and long-term solutions to curb carbon and build climate resilience in the built environment. We are also leveraging technology to collect data and drive digitization at our properties, in order to gain real-time insights on efficiency and performance and provide accurate, transparent information to our stakeholders.

With a new carbon strategy in place and the increased capacity we have gained over the past year, we are committed to bold climate action and acceleration on our pathway to net zero.



# Our Focus on Carbon

## Addressing carbon in and beyond our business

Carbon's contribution to climate change is one of the biggest challenges facing our planet. As a firm with a legacy of innovation, we see an opportunity to lead. We are committed to exploring and implementing solutions that will decarbonize the Hines portfolio, help our stakeholders meet their own carbon goals, and support our industry in forging the path toward a carbon-neutral built environment.

In 2022, we introduced a firm-wide carbon strategy and began laying the groundwork to activate

it. We grew our carbon team to place more dedicated resources behind measuring, managing, and curbing our carbon emissions. We created a plan and process for collecting carbon data across our assets. And we conducted research on best practices for balancing embodied carbon impact with operational carbon reduction in retrofits. Our goal is to understand the operational and embodied carbon footprint of every Hines building, so we can map a unique decarbonization pathway for each asset.



aer, Munich





Our ESG ambitions in action  
at 555 Greenwich and  
Salesforce Tower Chicago



20  
4

Net Zero  
by 2040

# A Plan for Our Planet

Carbon’s impact on climate – and the environmental and social costs of that impact – is one of the biggest challenges facing our industry. We created an outreach campaign, A Plan for Our Planet, to be transparent about our role in the climate crisis and proactively communicate what we are doing to address it.

Launched in conjunction with our firm-wide net zero operational carbon target, A Plan for Our

Planet is helping us inform and engage Hines stakeholders around our climate goals and the steps we are taking to reach them through outreach on social media, in our newsletters, and across our presentations.



345 Hudson, New York

“Accurate data is enabling us to measure our carbon footprint which will allow us to test and adapt our strategy — and it’s helping us operationalize carbon reduction and improve decision-making across the firm”

**Mike Izzo**

Senior Vice President  
Environmental Strategies





## Leveraging the CRREM Tool

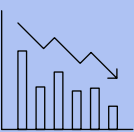
Over the course of 2022, we used the Carbon Risk in Real Estate Monitor (CRREM) tool to create a standardized way to begin assessing carbon risk across our assets. By reengineering the tool to align with our firm’s goal of net zero operational carbon by 2040, we have been able to provide a single point of view for evaluating carbon risk across Hines existing and future assets and understanding where they are on the path to net zero. In 2023, we will utilize our version of the CRREM tool to run scenarios for more Hines assets to better understand their carbon footprints and create actionable decarbonization pathways.

## Operational Carbon: Our Path Toward Net Zero

In early 2022, our leadership unanimously approved a firm-wide target of net zero operational carbon emissions by 2040. We committed to the Science Based Targets initiative (SBTi) and have committed to setting interim, science-based targets for Scope 1, 2, and 3 emissions across Hines-owned properties, corporate offices, and third-party asset and property management services – without using offsets.

Since then, our teams have been working at the ground level, building the infrastructure that will help us meet our carbon commitments. We also began drafting an Operational Carbon Guide, to be released in 2023, which will provide our teams with best practices for leveraging efficiency, green power, and electrification to reduce carbon emissions in existing buildings

and develop new, net zero-ready projects. With these foundational elements in place, we will be able to increase momentum toward our net zero goal.



## ULI C Change: Quantifying Climate Risk

A building’s carbon impact and potential to meet or miss global climate goals is becoming a greater factor in determining asset value. While climate risk is a growing contributor to stranded assets – with huge economic and social implications for our industry and our cities – it is difficult to consistently quantify.

To tackle this problem head on, Hines joined the Urban Land Institute and other industry partners in C Change, an initiative designed to address climate risk by integrating it into asset value, starting with the European market. C Change leverages industry collaboration and data sharing to discover and define best practices for assessing and evaluating climate risk over the lifespan of an investment.

Over the course of 2022, we worked with our partners at C Change to create proposed guidelines for assessing climate risk and templates that support disclosure and reporting. Our broader goal is to create a standardized assessment and disclosure process – and an open-source tool – for evaluating climate risk in real estate. We see the potential to implement this tool across global markets, supporting asset-level decarbonization plans that help future-proof the built environment and positively impact the people living and working in buildings.





CASE STUDY

# Deploying PV's Potential for Power at Tiel Distribution Center, Netherlands

In 2021, Hines acquired a logistics distribution center and retail space in Tiel, Netherlands, on behalf of the Hines European Value Fund 2 (HEVF 2). Shortly after purchase, our team began exploring the feasibility of using the significant roof space for solar power generation to provide renewable energy onsite. While there was already a subsidy in place for implementing a solar energy solution at the site – and deadline for using the subsidy – several obstacles had prevented the previous owner from moving forward.

## Challenges and considerations

- Structural / roof strength
- Insurance increases
- Tenant concerns / cooperation

## Benefits

- Carbon reduction
- Lower energy costs
- Increased IRR

Our tenant’s insurance company had quoted a significant price increase on their business continuity insurance due to concerns around insulation flammability. Our team performed safety tests and worked with the insurance company to reach a resolution: A slightly higher premium that would be offset by lower energy costs.

The roof needed to be reinforced to bear the weight of the solar panels. As the tenant relies on the Tiel facility for the majority of its product storage and fulfillment, our team had to create a plan for

augmenting the roof that would minimally impact employees, workflow, and the business bottom line in order to proceed with the project.

Lastly, though HEVF 2 owns the solar panels, the fund’s earning parameters are limited to real estate income. To navigate this, our team structured the lease at Tiel so that our tenant earns the offsets generated by the PV system.

Thanks to our team’s persistence in working through the challenges of bringing solar power to Tiel, the facility is now running electricity positive, reducing carbon emissions and energy costs, and adding value to the asset. The success of this project points to PV’s potential across the logistics asset class, where roof space can accommodate robust solar arrays that meet – or exceed – an asset’s power needs.



## Solar at Tiel

43.5k sqm logistics distribution center  
4,800 solar panels, added in two phases

### Phase 1: 3,600 panels

- Projected IRR: from 12.88% to 13.08%
- 1.5 MWh generated annually (> asset consumption profile)
- 1.59M euro investment
- 276k euros stabilized NOI



# The Embodied Carbon Reduction Guide

Released on Earth Day, 2022, the [Embodied Carbon Reduction Guide](#) is a robust resource that provides a clear understanding of embodied carbon and outlines tools and tactics for reducing it across the built environment. The guide is a living document designed to foster goal-oriented collaboration with our development partners, employees, contractors, and design consultants. It is publicly available online to serve as a reference and industry standard for quantifying, tracking, and reducing embodied carbon across the building lifecycle.

Since its release, the guide has gained great traction with developers, architects, academics, governments, and NGOs as well as building-material suppliers and contractors. It has also been used to craft proposed legislation for Washington State’s Buy Clean initiative.

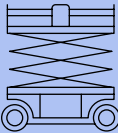
# Embodied Carbon

The embodied carbon in yet-to-be-built buildings will determine whether the world meets key climate goals. It is critical that we act now to begin significantly reducing embodied carbon across the building lifecycle.

We are working toward measuring and managing embodied carbon across our portfolio, testing new materials and construction methods that reduce embodied carbon, and piloting innovative ways of developing and renovating high-quality buildings with a smaller carbon footprint. We are also laying the groundwork for setting an embodied carbon target for our firm by collaborating with other industry leaders to create clear, consistent standards for measuring embodied carbon in new and existing buildings.



Salesforce Tower Chicago, Chicago



# Conceptual Construction: Addressing Carbon Across the Building Lifecycle

Our Conceptual Construction Group (CCG) is a central design, engineering, and construction resource that brings consistency, best practices, and innovation to our projects. The group works at the design and preconstruction phases to minimize risk, maximize efficiency, and help our regional teams deliver buildings that reflect the Hines standard of quality, innovation, sustainability, and long-term value for our stakeholders.

CCG collaborates closely with our Carbon Team and was instrumental in creating our Embodied Carbon Reduction Guide. Together, these teams lead our efforts to reduce embodied and operational carbon across

the building lifecycle, bringing innovative solutions to each project and leveraging lessons learned across our portfolio. By working with manufacturers to improve existing technologies and test new ones, develop strategies to address national and international sustainability standards, and implement new building and operating practices, CCG is helping to reduce carbon emissions – and improve efficiency – in Hines buildings. In 2022, we expanded CCG to Asia to further our ESG goals and promote knowledge sharing across the firm.



# T3: High-Tech Space with a Low Carbon Footprint

T3 is our building model for positive change. Pioneered by Hines more than a decade ago, T3 blends the timelessness of timber with ultra-modern technology to provide a sustainable, sophisticated way of prioritizing climate goals and addressing tenant comfort and connectivity.

The mass timber structure of a T3 building reduces embodied carbon while the exposed wood

interiors create its signature ambiance. Large, open areas and flexible floor plans enable tenants to personalize their spaces. And wellness-inspired amenities like balconies, social areas, and fitness centers prioritize well-being, while tying T3 to place. Leveraging local vendors, creators, and craftspeople, each T3 building is unique and connects with the surrounding community.



## Why Timber?

Timber is one of our planet’s most rapidly renewable resources. It also stores rather than emits carbon.

By leveraging timber for both structure and interior, Hines’ T3 buildings address many ESG goals and meet bold carbon commitments. The responsibly produced timber used for T3 is less energy intensive to extract and process than concrete and steel. It is cleaner, quicker to build with, and produces less waste. It is also recyclable, biodegradable, nontoxic, and more fire-resistant than traditional building materials.

What’s more, people are naturally drawn to T3 buildings. Bright wood interiors create warm, inviting spaces that uplift and inspire. The acoustics of exposed wood provide a quieter, more pleasing and productive environment. And the recognized wellness benefits range from increased happiness to better health.



GLOBAL BUILDING CERTIFICATIONS

Gerald D. Hines knew that energy efficiency was a mark of quality and contributed to a building’s value. Today, Hines partners with global organizations like USGBC, ENERGY STAR, UKGBC, German Sustainable Council, Green Building Council Brasil, and others to help set and raise industry standards for quality, efficiency, and sustainability in buildings. We use building certifications to set internal targets, align with Green Bond Principles, support stakeholder goals, and benchmark success on a project and firm-wide basis.

Over the past 18 months, our GDSO has built a more robust system for collecting and tracking ESG data across Hines assets. This is helping us to produce more precise and auditable certification submissions and closely track our progress.

Building Sustainability Certifications

In 1998, our firm collaborated with the US Green Building Council (USGBC) to formalize the energy efficiency specifications we established for Hines buildings into industry-wide standards. What became the Leadership in Energy and Environmental Design (LEED) certification continues to be a benchmark for Hines and our industry.

Since then, we have partnered with green building organizations and certification programs across our global regions to establish and promote best practices.

144

LEED properties

1

BiodiverCity

71

BREEAM certified

34

BOMA360

13

DGNB certified

1

Nordic Swan Ecolabel

3

HQE certified



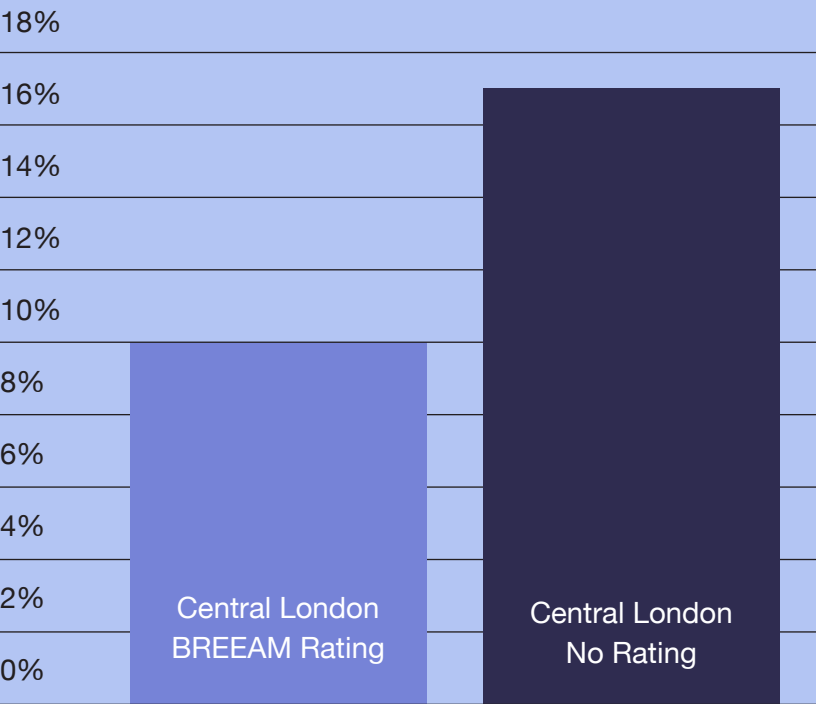
GLOBAL BUILDING CERTIFICATIONS

Gauging Green Premiums with BREEAM

In 2022, Hines’ Proprietary Research launched an initiative to gauge whether tenants and investors place a “green premium” on assets with stronger ESG profiles. Our research team focused on the UK market and compared central London properties with BREEAM certification – a science-based, environmental performance standard used world-wide – with un-certified properties.

We determined that average rents and capital values were roughly 7% higher for BREEAM Outstanding & Excellent buildings in our research area, while vacancy rates were nearly 7% lower. Moving forward, we will be working with GDSO and our investment management group to determine whether we can put green premiums on certain ESG-related technologies and efforts at the asset level. For more information about this study and our findings, read our news piece: [Is There Value-Add in Energy Certifications?](#)

VACANCY RATE Q2 2022<sup>8</sup>



QUALITY-ADJUSTED ‘GREEN PREMIUM’ FOR CENTRAL LONDON<sup>9</sup>

	Average Costar Quality Rating	Average Sale Price (£/PSF)	Average Rent (£/PSF)
Central London BREEAM Rating	4.24	1,331	67.22
Central London No Rating	3.54	1,049	53.08
BREEAM Rating Premium	20%	26.9%	26.6%
Adjusted ‘Green Premium’		7.1%	6.9%

Wellness Certifications

We believe the built environment should prioritize human health and wellness. Our teams pursue ratings and certifications measuring our efforts to construct and manage buildings that make life better for the people living and working in them.



Huntington Center, Columbus

118

WELL Health and Safety Rated

6

WELL Certified

4

Fitwel Certified



## GLOBAL BUILDING CERTIFICATIONS

### Energy Ratings

Hines partnered with the EPA in 1999 to develop the ENERGY STAR certification program for commercial buildings and became the first international and privately held real estate company to commit to the standards.

#### ENERGY STAR<sup>10</sup>

# 141

buildings in portfolio

82,770,492 SQF

# 2,261

labels to date

# 189

2022 labels

# 81.01

average performance rating

# 31%

more energy efficient than the national average

# 102,147

metric tons in annual CO2 reduction

# \$15.9M

total savings per year across the portfolio

# \$0.92

average energy cost savings per sf per year

#### AWARDS



# 16

Sustained Excellence award



# 3

Partner of the Year award

### Digital Connectivity Certifications

Digital connectivity has become integral to the way we live and work in buildings. We leverage WiredScore to assess our technology platforms and help ensure our spaces are as smart, dynamic, and connected as possible, so that our employees and tenants enjoy collaborative, productive environments.

# 17

WiredScore certified



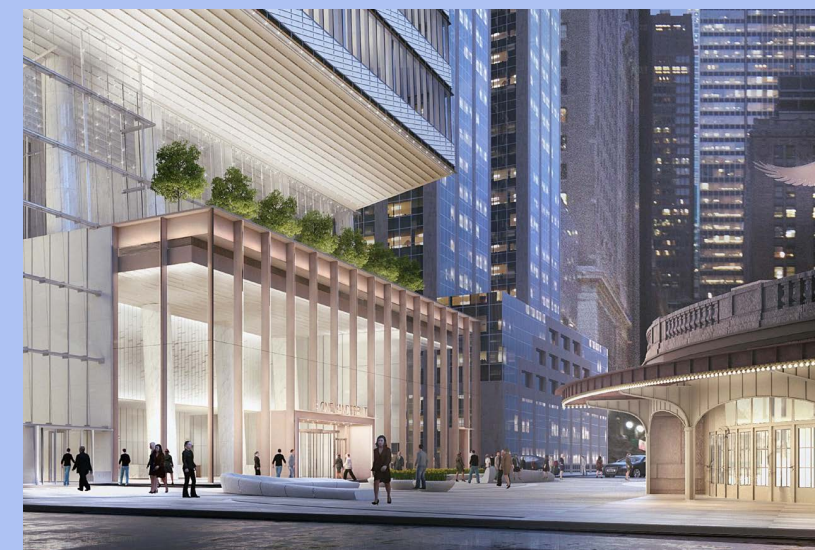
### Green Bonds

In 2021, Hines established a green bond framework to align with the core components of the Green Bond Principles administered by the International Capital Market Association. Eligible projects are defined as “investments related to the construction, development, acquisition, re-development, operations, and maintenance of real estate projects that have received or are expected to receive

applicable third-party green building certification(s).”

In July of 2022, to maintain transparency, we published our inaugural Green Bond Report detailing the \$164.3 million net proceeds allocated and invested during our first reporting period. The report was verified by independent accountants and available to all green bond investors.

One Vanderbilt, New York





CASE STUDY

# Leaning Into ESG at 600 Collins

In 2022, Hines won approval from the Victorian Government for 600 Collins in Melbourne, a premium-grade office tower in the heart of the city’s business district. Slated to be Australia’s first all-electric office tower and run on 100% renewable energy, 600 Collins is also poised to offer market-leading amenities focused on employee health and well-being.

Our bid had a strong ESG focus with significant environmental and social commitments and ambitious certification targets that aligned with the community’s needs and vision for the building.

## Environmental focus

In addition to the net zero operational carbon commitment, which we will reach through solar

## CERTIFICATION TARGETS AT 600 COLLINS

Greenstar	6 star
NABERS Energy	6 star
NABERS Water	4.5 star
WELL	Platinum
WiredScore	Platinum

integration and hyper-efficient energy systems, we will also measure and manage embodied carbon. We created an embodied carbon reduction plan that covers each stage of the building’s lifecycle, leveraging material choices, design decisions, and construction, maintenance, refurbishment, and end-of-life practices that minimize carbon emissions and reduce impacts.

Other environmental strategies to be implemented include:

- EV charging for cars and bikes to encourage carbon-free commuting for those unable to use adjacent public transport
- Strategies to reduce the heat island effect
- Landscaping with climate-resistant and indigenous plants to enhance biodiversity with



- minimal water consumption
- Sponsoring a native vegetation restoration and protection area the size of the building’s square footage
- Conducting a climate-change risk and adaptation assessment of the plan to address any resilience or operational concerns at the design phase

## Stages of the Building Lifecycle





Social focus

We are also implementing social initiatives – with an emphasis on diversity and inclusion – that will help 600 Collins bring value to occupants, visitors, and the surrounding community. The building’s design and construction procurement process is aligned with ISO 204000 Sustainable Procurement Guidance, and at least 4% of the building’s total contract value has been directed to generate opportunities and training for disadvantaged and underrepresented groups. Our construction practices will include high-quality, on-staff support to reduce physical and mental health impacts faced by construction workers.

We are in the process of registering with Reconciliation Australia, so that we can begin to develop a Reconciliation Action Plan (RAP) for Hines. Designed to increase economic equity for First Nations, the RAP will help our team embed the principles and purpose of reconciliation into the project through core pillars of relationships, respect

and opportunities. We will also engage the Indigenous community in our design and development process, to ensure cultural values are embedded in the project and operations. We will work with the community at large to reflect local identity through artwork and in public spaces.

The building will be designed to be navigated and enjoyed by people of all ages, genders, and abilities and will include a range of inclusive spaces. It will offer wellness-focused amenities including terraces, social spaces, co-working areas and quiet zones. And Biophilic design principles including green walls and internal plantings will connect people to nature.





# Indoor Environmental Quality

Advancing human health and well-being in buildings

We are deeply invested in creating indoor environments that promote health, well-being, and productivity. Our focus on indoor environmental quality (IEQ) touches every aspect of our business, from developing spaces that feel welcoming, uplifting, and inspiring, to ensuring the operational and technical systems on our buildings prioritize comfort, connectivity, and wellness.



## Measuring and Monitoring Air Quality

As part of our ESG strategy, we are working to develop formal IAQ standards for our firm and a consistent process for monitoring and managing IAQ across Hines assets. While our current program is already market-leading, we believe formalizing our standards and pairing them with new technology improvements will help us maintain industry leadership and communicate the value of our IAQ approach to Hines tenants.

In 2022, we worked with a third-party expert to conduct a market analysis of IAQ best practices and better understand steps we can take to remain at the forefront and ensure continual improvement.





T3 Bayside, Toronto

# Resource Management

Planetary stewardship through energy and operational efficiency

As a mechanical engineer, Gerald D. Hines understood that managing resources with efficient systems increased the value of buildings, lowered operating costs, and made good business sense. We uphold his commitment to efficiency by utilizing systems and programs that help our management teams provide comfortable, customizable IEQ for tenants while prioritizing planetary stewardship.

emissions across Hines properties and implement tailored solutions that increase efficiency and minimize waste, emissions, and costs. We see our commitment to resource management as a way to add value and synergy to client relationships by supporting our collective ESG goals, and we are constantly innovating toward more efficient, effective ways to develop and operate buildings sustainably.

Where possible, we measure and monitor our energy and water use, waste and recycling, and carbon



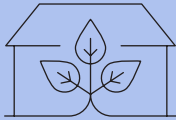
# The Hines Management Standards

Our Corporate Operations and Engineering Services (COES) group has established formal measurement and management standards for operations and engineering at Hines-managed properties. Many of these standards are ESG-driven and help us comply with local, state, and federal regulations as well as tenant goals. We execute these standards on a property, regional, and corporate level to ensure we have the flexibility to meet local needs while maintaining firm-wide consistency.

➤ Hines Property Management teams participate in a real estate focused operations and engineering training program that aligns with the Hines Management Standards. Building on

these standards, teams are encouraged to tailor their approaches to each site, guided by local regulations and tenant goals.

- Hines’ regional offices lead their teams in implementing the standards and monitoring performance to optimize efficiency.
- Tenured corporate teams perform periodic assessments of Hines assets on an established cadence and monitor performance towards Hines’ firm-wide ESG goals and achievements. They also share best practices and programs from across the Hines portfolio to increase efficiency, prioritize ESG, and mitigate risk.



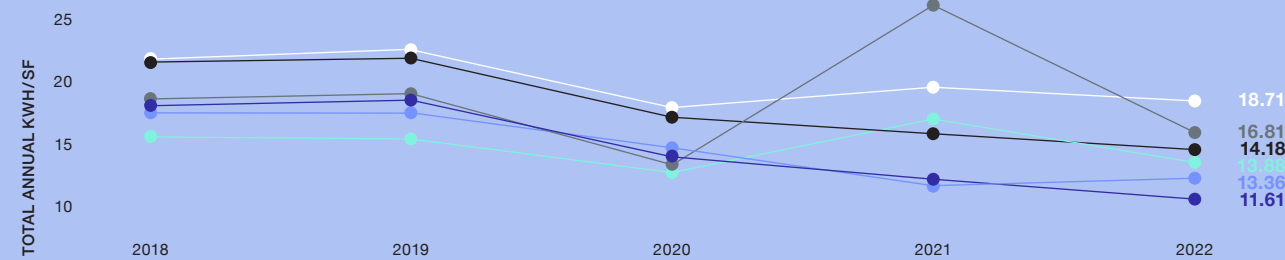
## Hines GREEN OFFICE Program

Hines created the GREEN OFFICE (HinesGO) program in 2008 to encourage sustainability within our own offices and across tenant spaces worldwide. This voluntary, opt-in program prioritizes environmental stewardship and human health and wellness initiatives in the office environment. It also includes a comprehensive HinesGO Tenant Guide to help tenants determine which policies and plans they will implement, set goals to improve performance, and track their progress on a “Leaf Credit” scorecard. Tenants that earn 70 or more Leaf Credits receive a distinctive award to display in their office.

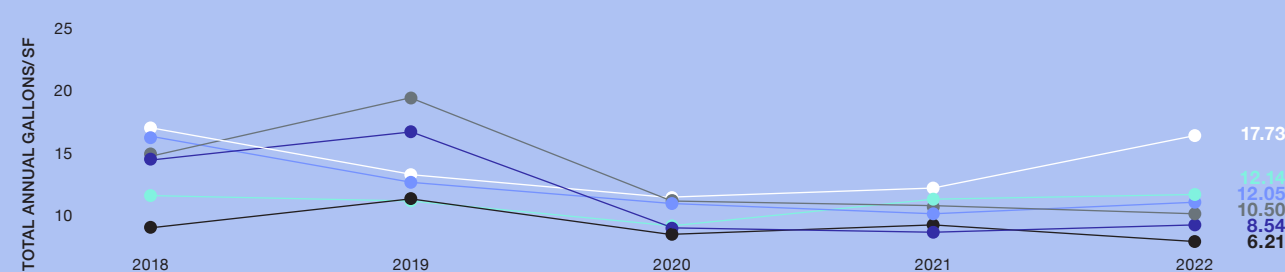


## MANAGING ENERGY, WATER, AND WASTE

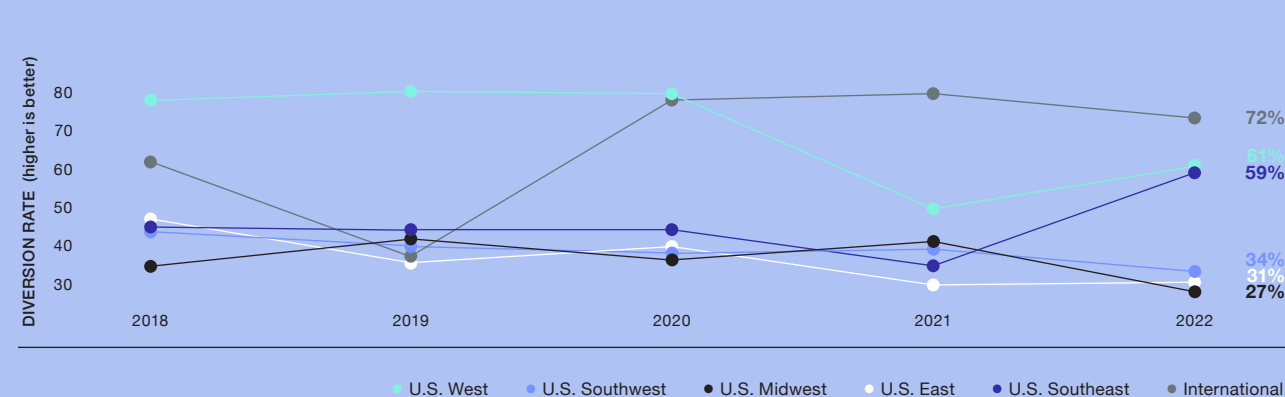
### Building Energy Intensity<sup>11</sup>



### Building Water Intensity<sup>12</sup>



### Landfill Waste Diversion<sup>13</sup>



## Supply Chain Management

Hines' commitment to ESG – and to supporting our clients' ESG efforts – doesn't stop with our direct resource use. We work with vendors across our facility management (FM) supply chain to address environmental sustainability and encourage them to adopt ESG initiatives and strategies of their own. We also encourage our contractors and their subcontractors to monitor and manage energy use to help support carbon goals and to minimize water consumption and negative environmental externalities whenever possible.

On large facility management contracts we negotiate sustainable purchasing agreements that span everything from supplies to cleaning products. We are

in the process of creating a sustainable purchasing policy for all management contracts and hope to have it in place for new contracts in 2023. We will also be launching a robust, comprehensive supplier screening and reporting tool in 2023 that includes metrics for ESG performance. This technology will help us monitor and manage our broader supply chain and closely track environmental and social sustainability as well as supplier diversity, sourcing, and risk.

## FM Community of Practice

In 2022, we formed an FM ESG Community of Practice to promote ESG knowledge-sharing across our facilities management business and refine our approach to communicating Hines' ESG offerings to our clients.

Members of the Hines Global ESG team and COES helped to shape the initial focus of this forum and continue to serve as advisors and participants.

The group meets monthly to discuss relevant ESG topics including:

- The Hines net zero roadmap
- Energy and carbon reduction support for FM clients
- Employee Resource Groups (ERGs)
- Utilizing HinesGO Tenant Guides
- Hines Green Leases
- The Hines Supplier Diversity Program
- Waste Management Programs
- Solar Logistics



# GRI Content Index

To issue this report, we’ve referenced the 2021 Global Reporting Initiative (GRI) Universal Standards, specifically: GRI 1 (Foundation 2021), GRI 2 (General Disclosures), GRI 3 (Material Topics), consisting of GRI 201 Economic Performance, GRI 203 Indirect Economic Impacts, GRI 204 Procurement Practices, GRI 205 Anti-Corruption, GRI 206 Anti-Competitive Behavior, GRI 302 Energy, GRI 303 Water and Effluents, GRI 305 Emissions, GRI 306 Waste, GRI 308 Supplier Environmental Assessment, GRI 401 Employment, GRI 403 Occupational Health and Safety, GRI 404 Training and Education, GRI 405 Diversity and Equal Opportunity, GRI 413 Local Communities, and GRI 414 Supplier Social Assessment.

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION AND ADDITIONAL DETAIL
GRI 2: General Disclosures 2021	2-1 Organizational details	Hines at a Glance Content Index	
	2-2 Entities included in the organization’s sustainability reporting		
	2-3 Reporting period, frequency, and contact point		This annual report covers our CY2022 business activities. We are committed to keeping stakeholders informed on an annual basis about our ESG efforts and performance worldwide. We invite you to contact us at sustainability@hines.com with feedback, questions, and suggestions to help us continue improving our performance and reporting.
	2-4 Restatements of information	Content Index	There are no restatements of information in this report based on what was reported last year.
	2-5 External assurance	Content Index	No external assurance was sought out for the purpose of validating quantitative measures disclosed in this year’s report.
	2-6 Activities, value chain, and other business relationships	Content Index	As acknowledged by our industry association Nareit, a REIT’s supply chain consists of products and services delivered by suppliers and manufacturers to distributors and retailers anywhere from assisting us with the financing for our properties, to advising on business management efforts, to providing construction materials and fixtures for retrofits. We then have a diverse group of suppliers and vendors based on our business activities at hand. For instance, our facility management vendors primarily include design, engineering, construction, and janitorial services.
	2-7 Employees	Hines at a Glance Employee Diversity	
	2-8 Workers who are not employees	Guiding Principles Addressing Employee Concerns	Though we only account for employees in our performance data and progress updates, we do execute strategy and underlying policies in a way that sets standards and expectations for other stakeholders who are critical to our business, so that we may reduce potential risks and ensure operational excellence across our value chain.
	2-9 Governance structure and composition	Our Governance The Hines Executive Committee Content Index	As a privately-held company, governance is structured by our executive leadership team who all contribute to our objectives and larger business strategy that is increasingly aligned to ESG. All are nominated based on their diverse backgrounds, skills and expertise. For more about our governance structure and how ESG fits in, refer to <a href="https://www.hines.com/esg/governance">https://www.hines.com/esg/governance</a> .
	2-10 Nomination and selection of the highest governance body		
	2-11 Chair of the highest governance body		
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG Governance Structure and Team Structure	
	2-13 Delegation of responsibility for managing impacts	ESG Regional Leagues Investment, Governance and ESG Content Index	Employees with ESG objectives tied to their core responsibilities at work, are assessed for performance toward those ESG objectives that support our larger organizational goals. In this case, compensation and other incentives may be a component of benefits packages.
	2-14 Role of the highest governance body in sustainability reporting		

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION AND ADDITIONAL DETAIL
	2-15 Conflicts of interest	Our Guiding Principles	EthicsPoint enables individuals to anonymously and confidentially report actual or suspected violations by phone 1-866-384-4277 or online at ethicspoint.com. Employees may also report concerns to our employee relations group via email. In 2021 we created a new Employee Relations Coverage Model so that employees in each region would have a specific contact to help them navigate human resources issues.
	2-16 Communication of critical concerns	Content Index	
	2-17 Collective knowledge of the highest governance body	Content Index	Leadership bios detailing extensive backgrounds of each member, can be found at <a href="https://www.hines.com/about/staff-leadership">https://www.hines.com/about/staff-leadership</a> .
	2-22 Statement on sustainable development strategy	EXP by Hines Our ESG Strategy	
	2-23 Policy commitments	The Global Code of Conduct and Business Ethics Our ESG Strategy	We recognize that development, construction, management and investment in real estate impact our stakeholders and the communities in which we operate. In recognition of these impacts, we maintain policies and procedures to mitigate negative environmental effects, engage stakeholders, and enhance our investment performance.
	2-24 Embedding policy commitments		You can review the complete policy, including our commitment, objectives, and implementation refer to <a href="https://s3.us-east-1.amazonaws.com/hines-assets/documents/Hines-Sustainability-Policy.pdf">https://s3.us-east-1.amazonaws.com/hines-assets/documents/Hines-Sustainability-Policy.pdf</a>
	2-25 Processes to remediate negative impacts		
	2-26 Mechanisms for seeking advice and raising concerns	Content Index	We expect our employees, shareholders, and business partners to report conduct they believe to be unethical or in violation of the law, our Global Code of Business Conduct, or other Hines policies.
	2-27 Compliance with laws and regulations	Content Index	Hines is dedicated to conducting business in accordance with the highest ethical standards and to following the letter and spirit of the laws and regulations applicable to our business. We encourage and expect our employees, shareholders, and business partners to report conduct they believe to be unethical or in violation of the law, our code of conduct, or Hines policies and principles.
	2-28 Membership associations	Reporting and Accountability	
	2-29 Approach to stakeholder engagement	Our Stakeholders	
	2-30 Collective bargaining agreements	Content Index	Collective bargaining agreements are applicable to our U.S.-based employees. For all other operations outside the U.S., we follow and comply with all local regulations.

MATERIAL TOPICS

GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Governance	The Hines Executive Committee is composed of ownership representatives and leading regional and central senior executives. This global group serves as our board of directors and is responsible for the firm's overall governance.
	3-2 List of material topics	ESG Framework Progress	Our focus has evolved from our formal materiality assessment conducted in 2020 by a third party. The material topics that are most important for our stakeholders and our business are the Focus Areas within the Hines ESG Framework.
Economic performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Firm Hines at a Glance Investing Responsibly ESG Framework Progress	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our Firm Hines at a Glance Investing Responsibly	



GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION AND ADDITIONAL DETAIL
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	ESG in Investment Committee EXP by Hines Investing Responsibly Our Focus on Carbon	In 2022, Hines began to use the Carbon Risk in Real Estate Monitor (CRREM) tool to standardize carbon risk assessments across its assets.
	201-3 Defined benefit plan obligations and other retirement plans	Supporting financial well-being	
	201-4 Financial assistance received from government	Content Index	As a privately-held company, we do not disclose a full accounting breakdown for business performance. However, we invite stakeholders to refer to our website for more information on the financial impact of assets under management at <a href="https://www.hines.com/investment-management">https://www.hines.com/investment-management</a> .
Indirect economic impacts			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Firm Hines at a Glance Investing Responsibly	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Content Index	As a privately-held company, we do not disclose a full accounting breakdown for business performance. However, we invite stakeholders to refer to our website for more information on the financial impact of assets under management at <a href="https://www.hines.com/investment-management">https://www.hines.com/investment-management</a> .
	203-2 Significant indirect economic impacts	Our Community	
Procurement practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply Chain Management	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Expanding Supplier Diversity Hines Diverse Supplier Spend	
Anti-corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Governance	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Our Guiding Principles	
	205-2 Communication and training about anti-corruption policies and procedures		
	205-3 Confirmed incidents of corruption and actions taken	Content Index	We expect our employees, shareholders, and business partners to report conduct they believe to be unethical or in violation of the law, our Global Code of Business Conduct, or other Hines policies. EthicsPoint enables individuals to anonymously and confidentially report actual or suspected violations by phone 1-866-384-4277 or online at <a href="https://ethicspoint.com">ethicspoint.com</a> . Employees may also report concerns to our employee relations group via email. In 2021 we created a new Employee Relations Coverage Model so that employees in each region would have a specific contact to help them navigate HR issues.
Anti-competitive behavior			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Governance	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Our Guiding Principles	

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION AND ADDITIONAL DETAIL
Tax			
GRI 3: Material Topics 2021	3-3 Management of material topics	Content Index	As a privately-held company, we do not disclose a full accounting breakdown for business performance. However, we invite stakeholders to refer to our website for more information on the financial impact of assets under management at <a href="https://www.hines.com/investment-management">https://www.hines.com/investment-management</a> .
GRI 207: Tax 2019	207-1 Approach to tax		
	207-2 Tax governance, control, and risk management		
	207-3 Stakeholder engagement and management of concerns related to tax		
	207-4 Country-by-country reporting		
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Focus on Carbon Operational Carbon: Our Path Toward Net Zero Resource Management	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	References endnote #11	All properties, both corporate and facilities where we are the landlord and have control over the utilities, are tracked.
	302-2 Energy consumption outside of the organization	FM Community of Practice Supply Chain Management	
	302-3 Energy intensity	Managing Energy, Water and Waste	Building Energy Intensity
	302-4 Reduction of energy consumption	The Hines Management Standards FM Community of Practice	
	302-5 Reductions in energy requirements of products and services	Global Building Certifications	Hines partnered with the EPA in 1999 to develop the ENERGY STAR certification program for commercial buildings and became the first international and privately held real estate company to commit to the standards.
Water and effluents			
GRI 3: Material Topics 2021	3-3 Management of material topics	Resource Management	
GRI 303: Water and Effluents (2018)	303-5 Water consumption	Managing Energy, Water and Waste	
Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Focus on Carbon Operational Carbon: Our Path Toward Net-Zero	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		Capturing the building performance data needed for credible carbon emissions reporting by a global real estate company is a formidable task. wHines is exploring tools and resources to overcome our global data capture and reporting obstacles with the intent to report on emissions when we have the accurate data needed to do so.
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	Resource Management	



GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION AND ADDITIONAL DETAIL
GRI 306: Waste 2020	306-3 Waste generated	Content Index	27,618 metric tons total waste
GRI 306: Waste 2020	306-4 Waste diverted from disposal	Managing Energy, Water, and Waste	12,086 metric tons of total waste diverted from landfill 44% diversion globally across 70,952,942 SF reported
	306-5 Waste directed to disposal	Content Index	15,532 metric tons of waste directed to disposal
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply Chain Management	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Content Index	We are currently in the process of creating a supplier environmental assessment that we hope to roll out towards the end of 2023. After that point in time, we intend to start reporting on progres.
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our People	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Content Index	2022 new hires: 1,350 2022 employee turnover: 1,311
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Prioritizing employee health and well-being	
	401-3 Parental leave	Content Index	As a family-owned firm, we believe in the value of being present for our families. Paid family and caretaker are among several Hines benefits implemented to provide work-life balance for employees and enable them to prioritize family and caregiving.
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Guiding Principles Prioritizing Employee Health and Well-Being	
	403-3 Occupational health services	Prioritizing Employee Health and Well-Being	In 2022, Hines brought on a new specilist charged with overseeing health, safety, and security across our operations.
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-6 Promotion of worker health		
Training and education			
GRI 3: Material Topics 2021	3-3 Management of material topics	Encouraging Learning and Career Development	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		
	404-2 Programs for upgrading employee skills and transition assistance programs		Real Estate Education Program (REEP) Management Acceleration Program (MAP)
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews		Managing Performance and Cultivating Talent (MPACT)

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION AND ADDITIONAL DETAIL
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Promoting Diversity, Equity and Inclusion	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Firm-wide Diversity Officer Level Diversity Generational Diversity	
Local communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Communities	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs		
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Expanding Supplier Diversity Hines Diverse Supplier Spend	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		



# Endnotes

- 1

All information and data as of December 31, 2022, unless otherwise noted.
- 2

Includes both the global Hines organization and RIA AUM as of December 31, 2022.
- 3

Mixed-Use is defined as a project, building, or campus that contains the planned integration of at least two primary uses but usually more of the following: office, residential, retail, hospitality, or entertainment. Additional uses do not include ancillary uses (for example, convenience retail in the ground floor or lobby area of an office building). Mixed-use projects are typically either i) pedestrian-oriented with features associated with historical town centers or a ii) single building designed to integrate multiple uses within the same building envelope.
- 4

Includes Hines Investment Management properties as well as Third-Party Property-Level Services.
- 5

All information and data as of December 31, 2022, unless otherwise noted.
- 6

All information and data as of December 31, 2022, unless otherwise noted.
- 7

2% of employees did not specify their birthdate in 2022.
- 8

CoStar, Hines Research, at Q2 2022
- 9

CoStar, Hines Research, at Q2 2022
- 10

ENERGY STAR numbers are from the firm’s 2023 ENERGY STAR Partner of the Year application, as evidenced by the Energy Performance Report from Portfolio Manager. The report covers data for properties with a score of 75 or greater.
- 11

Includes 198 properties totaling more than 257 million square feet as of December 31, 2022.
- 12

Includes 178 properties totaling more than 251 million square feet as of December 31, 2022.
- 13

Includes 252 properties totaling more than 151 million square feet as of December 31, 2022.

# Definitions

**CRREM** (Carbon Risk Real Estate Monitor) aims to provide the European commercial real estate industry with appropriate science-based carbon reduction pathways at building, portfolio and company level and with financial risk assessment tools to cost-effectively manage carbon mitigation strategies. CRREM resources are free to market participants; though companies are charged to refer to CRREM in reports and register their compliance with CRREM pathways officially.

The Pension Real Estate Association (**PREA**) established the annual PREA Real Estate Investment ESG Awards to recognize PREA members at the forefront of ESG within real estate investing, and to provide the industry with examples of best practices in ESG.

**GRESB** is a mission-driven and investor-led organization that provides actionable and transparent Environmental, Social and Governance (ESG) data to financial markets. GRESB collects, validates, scores and benchmarks ESG data to provide business intelligence, engagement tools, and regulatory reporting solutions. Hines pays to participate in GRESB.

**ENERGY STAR®**, a joint program of the U.S. Environmental Protection

Agency (EPA) and the U.S. Department of Energy, recognizes excellence in energy performance, reduced operating costs and environmental leadership. Organizations who have consistently earned Partner of the Year for several years in a row may be awarded Sustained Excellence. Annual achievements must continue to surpass those in previous years. Sustained Excellence is presented to a partner at EPA’s discretion. Hines does not pay to participate in ENERGY STAR.

**LEED** (Leadership in Energy and Environmental Design) is the most widely used green building rating system in the world. LEED is for all building types and all building phases including new construction, interior fit outs, operations and maintenance and core and shell. To earn LEED certification, a project team must demonstrate compliance with all mandatory prerequisites and select a number of optional credits to pursue. Hines pays registration and certification fees.

Offered by the German Sustainable Building Council, **DGNB** is a holistic certification process by the German Green Building Council that measures environmental quality, economic quality, sociocultural and functional quality of new buildings, existing buildings, refurbishments and buildings in use. Hines pays to submit projects for certification.

The **BiodiverCity®** label assess and rates the performance of construction projects that take biodiversity into account. Drawing on an innovative approach that combines organic features and construction, it aims to promote the design and construction of a new kind of building system that reserves an important place for nature in the city. The BiodiverCity® label adds value to the certified property. It complements international certifications (BREEAM, LEED and HQE), which consider biodiversity features without necessarily adopting an in-depth assessment of the same.

**BREEAM** is the world’s leading science-based suite of validation and certification systems for a sustainable built environment. It provides independent third-party certification of the assessment of the sustainability performance of individual buildings, communities and infrastructure projects. Participants pay for the certification process.

**BOMA 360** Performance Program evaluates six major areas of building operations and management and benchmarks a building’s performance against industry standards. Applicants must achieve the required number of points to be recognized as a BOMA 360 Performance Building. Only occupied commercial office buildings and industrial buildings are eligible for the BOMA 360 Performance Program designation.

The **HQE** certification is a voluntary process for construction, renovation and maintenance of all building types. It shows balance between respect of the environment (energy, carbon, water, waste, biodiversity, etc.), quality of life and economic performance through a comprehensive approach. Fees are based on the scale and scope of a project.

The **Nordic Swan Ecolabel** was established in 1989 by the Nordic Council of Ministers as a voluntary ecolabelling scheme for the Nordic countries Denmark, Finland, Iceland, Norway and Sweden.

International Well Building Institute sponsors **WELL**. The WELL certification program is a global building standard aimed at enhancing occupant health and wellness. Projects pursuing WELL Certification can earn points based on performance outcomes for various policy, design and operational strategies and can achieve one of four certification levels: Bronze, Silver, Gold, or Platinum. Hines pays to submit a project for certification.

**Fitwel**, developed by public health professionals, evaluates a project’s certification documentation using a double-blind process. Two independent reviewers assess each project and then confirm a numerical score. Hines pays for a project to submit a project for certification.

**WiredScore** is the global digital connectivity rating system, working with landlords to assess, improve, benchmark and promote their buildings. A WiredScore Certified building proves that it is of satisfactory levels of digital connectivity. To achieve WiredScore Certified status, a building must be digitally capable to meet the majority of tenants’ technological demands. SmartScore identifies best in class smart buildings that deliver an exceptional user experience, drive cost efficiency, meet high standards of sustainability and are fully future-proof. Hines pays to undergo the process to achieve the score.

# Photos

Cover

T3 Rino in Denver (p.27, 54) is one of the most environmentally friendly and sustainable developments in Denver. The building’s timber design is not only 100% renewable, recyclable, and non-toxic, it also supports innovation, connection and well-being, placing the tenant experience at the forefront.

Pg. 8, 29, 30, 31

Texas Tower in Houston became the firm’s new global headquarters in 2022. The intentional design of Texas Tower promotes connectivity and collaboration, both within the building and its surroundings.

Pg. 17

Portland Towers in Copenhagen set new standards for sustainable building design, construction, and operation during its BREEAM certification.

Pg. 35

Site visits provided the Skyline Scholars with a chance to see some of our key properties up close while meeting with Hines leaders and employees.

Pg. 42

Transbay Block 4 will be the largest affordable housing project in downtown San Francisco.

Pg. 43

Employees gathered to plant a total of 33 new trees, honoring the amount of timber used to construct millwork on the six floors we occupy at our new headquarters at Texas Tower.

Pg. 47

555 Greenwich in New York City will exceed NYC’s 2030 climate targets for office buildings by over 45% and align with the state’s 2050 carbon neutral targets.

Pg 48, 51

aer in Munich was a comprehensive refurbishment project undertaken by Hines to transform the building into a high-quality and sustainable mixed-use scheme.

Pg. 50

345 Hudson in New York is a carefully phased building retrofit that deploys thermal networking—novel to the U.S. market but vetted across decades in other regions—to drastically reduce energy demand and eliminate carbon emissions.

Pg. 52

Tiel in Netherlands shows the potential across the logistics asset class, where roof space can accommodate robust solar arrays that meet – or exceed – an asset’s power needs.

Pg. 53, 62

Salesforce Tower Chicago is the first building in Chicago to require and measure EPDs to quantify embodied carbon emissions of concrete, steel, and other various construction materials.

Pg. 55

CIBC SQUARE in Toronto is designed to provide an elevated environment for the people who live and work there. Located next to Toronto’s bustling Union Station, the project is LEED Platinum and WiredScore and WELL Building certified.

Pg. 56

Huntington Center in Columbus, Ohio underwent a \$18 million renovation in 2019 that included a two-story indoor green wall in the lobby, which is the largest in the country; updated the common areas.

Pg. 57

One Vanderbilt in New York features a crown that is visible from across the five boroughs and beyond with a spire that extends the official height to 1,401 feet above street level.

Pg. 60

T3 Mount Pleasant in Vancouver will be a new mass-timber, transit-connected, technology and amenity-rich, mixed-use office building that aims to provide a

superior work environment for businesses seeking to attract and retain the highest quality talent in the market.

Pg. 61

T3 Bayside in Toronto is a pair of pioneering timber office buildings in Toronto’s new mixed-use community, Bayside, on the shore of Lake Ontario.



Hines

[hines.com/esg](https://hines.com/esg)

