

# Hudson Square Properties

2022 ESG REPORT

Hines





Welcome to our inaugural ESG report for the Hudson Square Properties (HSP) portfolio, a joint venture of Trinity Church Wall Street, Norges Bank Investment Management, and Hines. In this and future annual reports, we will share our responsible investing strategy, performance, successes, and challenges during the year.

Trinity Church Wall Street is an active Episcopal parish that has been an integral part of New York City's history for more than 300 years. During this time, Trinity has given away hundreds of acres of land to aid other churches and uses what remains to support its ministries and philanthropic efforts.

Today, these include emergency and

ongoing support of our neighborhood and community and grants spanning housing and homelessness, leadership development, mission real estate development, and racial justice.

Trinity Church Wall Street has a three-pronged approach of screening new investments and tenants for sustainability and inclusion, strengthening and supporting the transitions of the managers and buildings in its portfolio toward sustainability and inclusion, and direct action in support of diversity and inclusion and racial justice.

2022 was also a pivotal year for climate action, with the International Financial Reporting Standards (IFRS) Foundation, which governs financial reporting in more than 140 countries, releasing draft climate-related disclosure requirements. The New York State Energy Research and Development Authority (NYSERDA) Empire State Building Challenge recognized 345 Hudson Street's transition to a low-carbon future. Hudson Square Properties is collaborating closely with NYSERDA and Consolidated

Edison on its significant investment to fully decarbonize 345 Hudson Street by 2032. Hudson Square Properties is formulating a roadmap for long-term capital improvements and lease-generated improvements for decarbonizing our 12-building portfolio.

We remain committed to fostering our portfolio's transition to sustainability and inclusion in alignment with our core value of stewardship and with the goal of enhancing value for tenants, communities, individuals, investors, and other stakeholders in the future.

**Sujohn Sarkar**  
 Chief Executive Officer  
 Hudson Square Properties  
 Managing Director, Asset Management  
 Trinity Church Wall Street



We are pleased to share our first ESG Report for Hudson Square Properties, a joint venture comprised of Trinity Church, Norges, and Hines.

As an operator of buildings, Hines has been a leader in energy efficiency and sustainable practices since early in the firm's history. The Firm has a foundational commitment to ESG and the efficient use of environmental resources in both the development and operation of our properties. Over the last few years, we have broadened our commitment to social and governance practices in part by reaching out to MWBE companies and ensuring they have fair opportunities to earn Hines' business and by sponsoring diverse students for internships and entry-level positions.

Hines focuses on ESG to both do good for the communities we operate in and also to create long-term value for all stakeholders. Tenants are seeking landlords that share their ESG values, and investors are beginning to pay more attention to carbon and ESG strategies in assets they acquire. We believe a strong ESG program attracts new

tenants and retains existing tenants. Eleven of our twelve Hudson Square Properties buildings are certified LEED Gold, and six are ENERGY STAR® certified. All buildings have achieved the WELL Health and Safety rating. Added to the portfolio in early 2023, our 13th building rises at 555 Greenwich Street, an all-electric building that is intended to be one of the most efficient in Manhattan, featuring geothermal heating and cooling coupled with radiant floor slabs.

We hope you enjoy reading this report and learning about our ESG vision and approach.

**Jason Alderman**  
 Senior Managing Director  
 City Head, New York Office

Norges Bank Investment Management (NBIM) is proud to take part in the first ESG report for the Hudson Square Properties portfolio in collaboration with its joint venture partners Trinity Church Wall Street and Hines.

NBIM is responsible for the management of the Norwegian Government Pension Fund Global assets, worth over 14,000 billion Norwegian kroner, or about 1.4 trillion dollars. The Government Pension Fund Global is invested in international equity markets, fixed-income markets, unlisted renewable infrastructure, and real estate. The real estate platform invests in direct ownership of real estate ('unlisted') and publicly traded REITs ('listed'). The U.S. unlisted team currently manages a portfolio totaling over \$22 billion in gross asset value and over 24 million square feet.

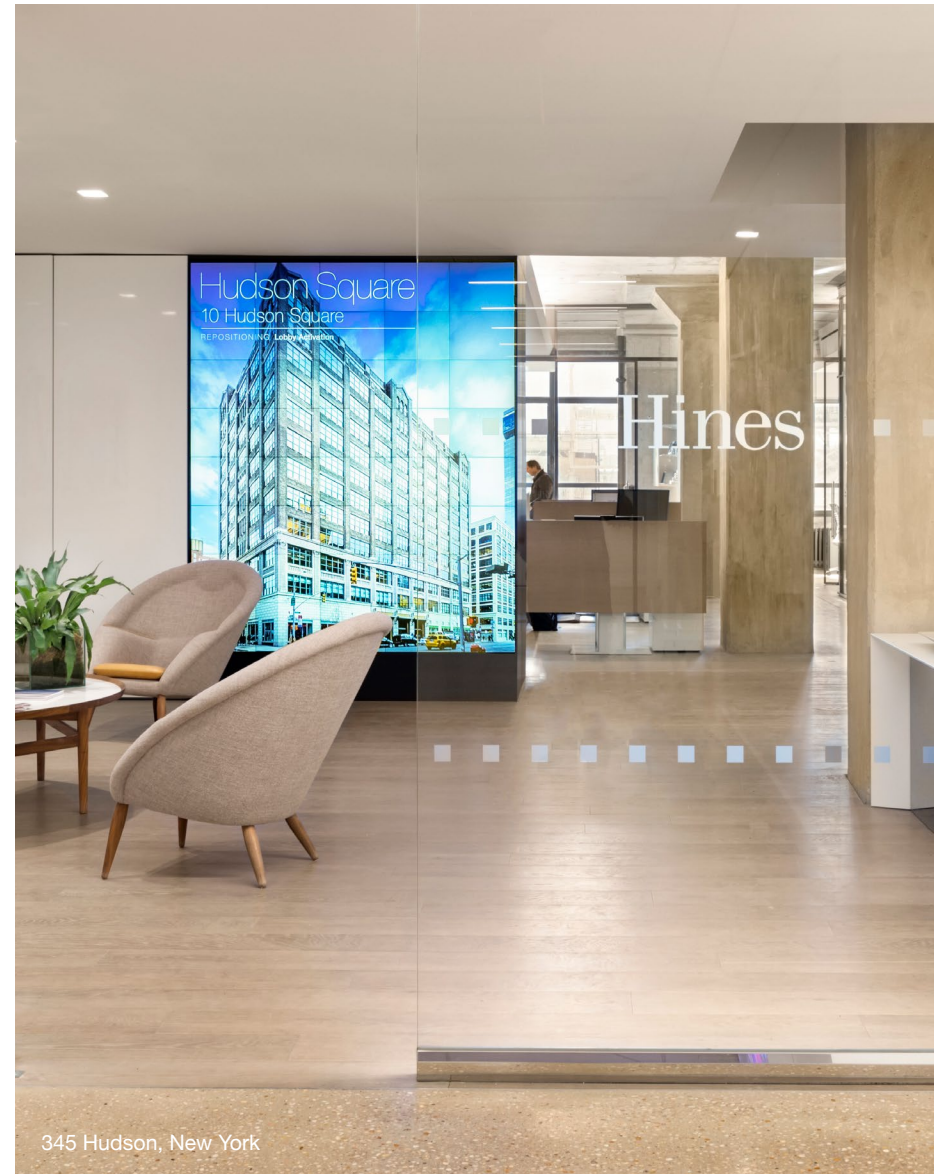
Our investment mandate and strategy as a long-term, global, and diversified financial investor allows NBIM to take a holistic view on promoting ESG initiatives across its real estate portfolio. NBIM's long-term return is dependent on sustainable economic, environmental, and social development, as well as on well-functioning, legitimate

and efficient markets. Our approach is based on internationally recognized principles such as the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the G20/OECD Principles of Corporate Governance, the OECD Guidelines for Multinational Enterprises, and other global standards. In 2022, NBIM published a net zero 2050 target for our unlisted real estate portfolio, as well as an intermediate target to reduce scope 1 and scope 2 greenhouse gas emissions by 40 percent by 2030.

The Hudson Square Properties portfolio is one of NBIM's largest and most concentrated investments within its global unlisted real estate portfolio.

We believe that the shared core values within our joint venture of transparency, integrity, and innovation, coupled with the portfolio's scale and integration within the local community, afford our JV the unique opportunity to lead by example in sustainable practices and ESG initiatives.

**Norges Bank Investment Management Team**



345 Hudson, New York

“We believe that the shared core values within our joint venture of transparency, integrity, and innovation, coupled with the portfolio’s scale and integration within the local community, afford our JV the unique opportunity to lead by example in sustainable practices and ESG initiatives.”

# 1



## Introduction

# 2



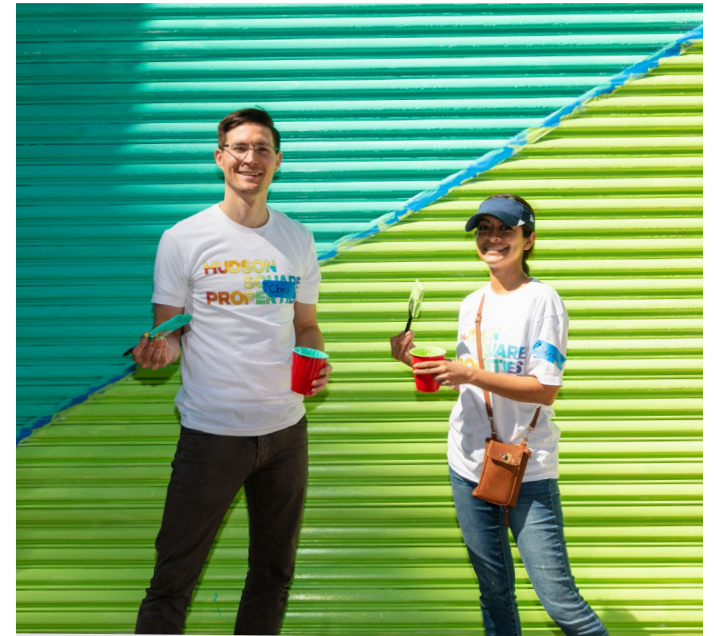
## ESG at HSP

# 3



## Environment and Climate

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## People and Communities

# Firm Overview

Creating value across the real estate spectrum since 1957

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.

We strive to create value and resilience in the built environment through spaces that set industry standards for quality and efficiency, and enable people and the planet to flourish.

ESG is central to our business strategy. We believe prioritizing

ESG factors helps us leverage our expertise and differentiates us as a company. Our ESG Framework supports decision-making, goal-setting, and continuous improvement across the firm and inspires us to tackle pressing climate and industry challenges through innovation. It also supports our company vision: to be the best real estate investor, partner, and manager in the world.

You can learn more about our firm-wide focus on ESG [here](#).





155 Avenue of the Americas, New York City

# Hudson Square Properties Overview

Financial performance with a sustainable focus

Chartered in 1697, Trinity Church received a 215 acre land grant from Queen Anne in 1705. Hudson Square Properties sits on what remains of the land grant. In December 2015, Trinity and Norges Bank formed a joint venture partnership comprising 11 office buildings with 4.9 million square feet of commercial space in Hudson Square. In April 2016, the joint venture selected Hines as the operating partner for the portfolio.

Today, Hudson Square Properties is a 12-building portfolio with approximately 6-million rentable square feet. The office buildings are being redeveloped into a hub for creative industries and businesses that are drawn by the energy of this vibrant neighborhood and the flexibility of the space.

HUDSON SQUARE PROPERTIES AT A GLANCE\*

Total Assets Under Management

\$5.0 B

6.0M sf

Number of Properties

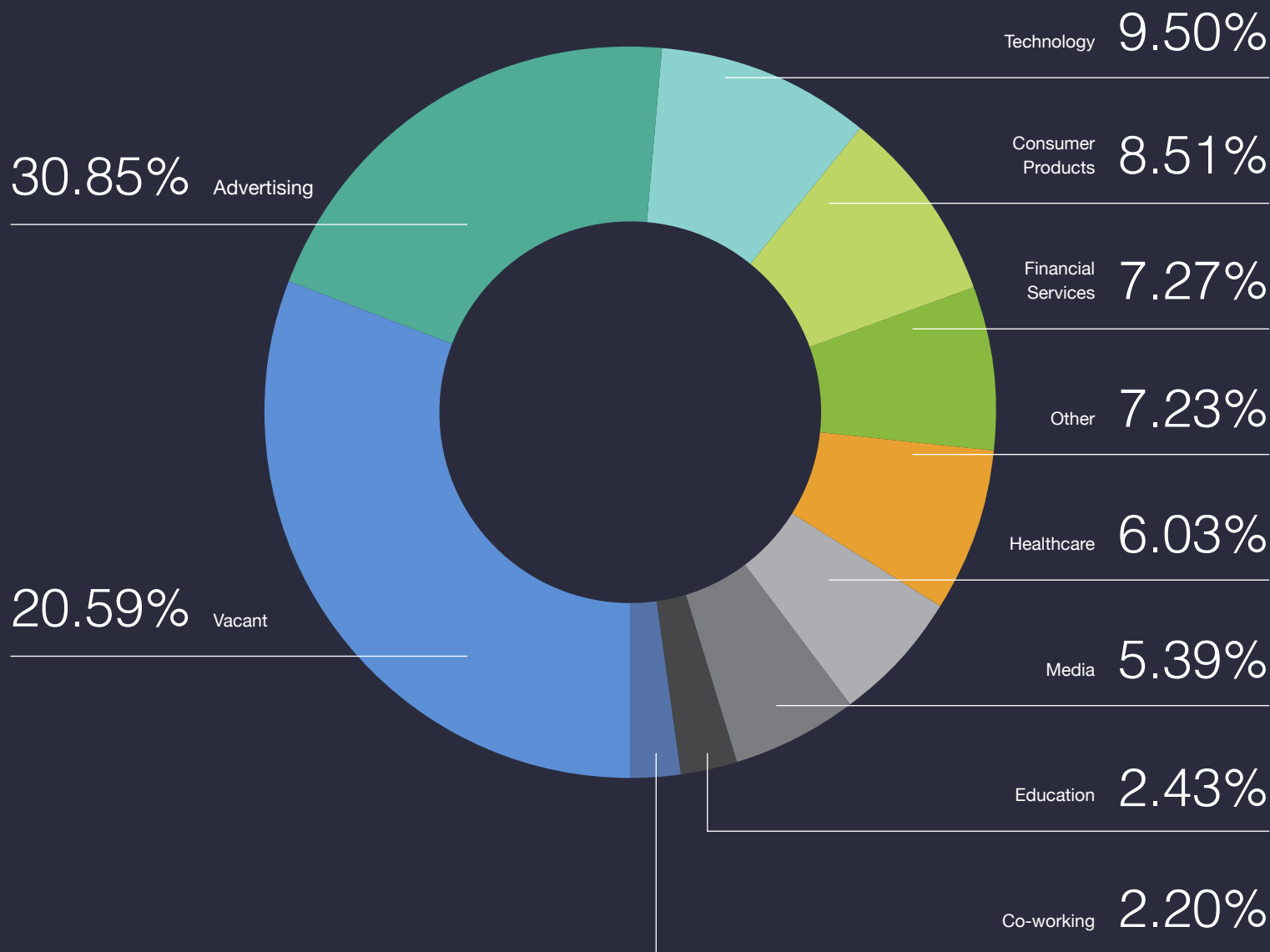
12

555 Greenwich Street, added in 2023, is the 13th property

Occupancy

79%

Office Tenants by Industry



\* As of December 31, 2022

# ESG at HSP





## HSP ESG HIGHLIGHTS

# 2017

JV purchases 375 Hudson Street.

HSP eliminates use of fuel oil for heating purposes.

Team begins replacing back-of-house fluorescent lighting with LED lighting.



# 2019

Backwater valves are installed to prevent sewage backup from potentially overwhelmed sewer system.



# 2021

HSP submits to GRESB for the first time.

HSP is awarded a \$5M grant to move forward with energy retrofits to make 345 Hudson carbon neutral by 2032.

HSP breaks ground on 555 Greenwich, which is slated to be one of the most sustainable, efficient buildings in New York City.

# 2016

Hudson Square Properties (HSP) is formed by the joint venture of Trinity Church Wall Street, Norges Bank, and Hines Interests LP.

# 2018

Team begins to remove legacy oil tanks.

Green roof construction is implemented at several portfolio buildings.



HSP partners with The Clean Fight New York to “decarbonize New York’s buildings in a New York Minute”.

HSP partners with New York State Energy Research and Development Authority (NYSERDA) to help create a playbook for sustainable energy retrofits.

HSP submits 345 Hudson to NYSERDA’s Empire Building Challenge, an initiative designed to support replicable, scalable approaches to achieving carbon neutrality in retrofits.

HSP forms Green Team incorporating JV members to meet quarterly and develop new initiatives.

# 2020

# 2022

HSP completes CRREM analysis to develop initial net zero carbon roadmaps for all 12 assets.

# Our ESG Strategy

## Raising the bar for resilience

ESG is a critical part of HSP's strategy. We are making significant investments in energy and sustainability improvements, including switching from fuel oil (and removing fuel oil storage tanks) as a heating source to cleaner burning natural gas, with a long-term goal of electrification. We are installing modern HVAC control systems and automatic water and energy meters. We are also working with both the city and state of New York to establish best practices for meeting bold net zero commitments.

Our strategy goes beyond legal compliance seeking to minimize

negative environmental and social impacts across the portfolio and maximize the value we create for stakeholders. We prioritize ESG-related actions that meet tenant needs, maximize efficiency, and future-proof our assets. Our transparent reporting keeps us accountable for our ESG targets.

HSP has an ESG policy and an ISO 1400-aligned environmental management system (EMS), both of which are periodically updated and serve as the foundation for our ESG strategy.



155 Avenue of the Americas, New York City

# ESG Reporting Frameworks and Achievements

Hudson Square Properties utilizes ESG governance frameworks and benchmarks to hold ourselves accountable, disclose our objectives, report our progress, and evaluate continual improvement. We communicate our ESG targets and achievements to stakeholders through several channels, including tenant and investor meetings, outreach, and events; and our employee reviews incorporate ESG-related KPIs.

HSP submits to the Global Real Estate Sustainability Benchmark (GRESB). We also strive to support the United Nations Sustainable Development Goals (SDGs) and implement Task Force on Climate-related Financial Disclosures (TCFD) recommendations.



75 Varick, New York City

## MEASURING PROGRESS WITH GRESB

In 2021, Hudson Square Properties submitted to the GRESB for the first time to assess our ESG performance, receive comparative business intelligence on where we stand against our peers, and support our efforts to create net zero carbon roadmaps for HSP assets.



## 2022 GRESB Performance



83 out of 100, 4 out of 5 stars



**21st in peer group**



**Global Non-listed Sector Leader,**  
Diversified Portfolios  
(out of 259)



**Regional Sector Leader – Europe,**  
Diversified Portfolios  
(out of 216)

## 2022 ESG OBJECTIVES AND TARGETS

## Environment

FOCUS AREA	2022 COMMITMENTS	2022 PROGRESS / OUTCOMES	2023 OBJECTIVES / TARGETS
<b>Environmental Performance</b>	Obtain, manage and monitor utility data (including energy, water, and waste) on a quarterly basis.	<ul style="list-style-type: none"> <li>Achieved – 100% of portfolio wide utility data tracked and uploaded to Energy Star Portfolio Manager.</li> <li>Third-party waste audit performed and carting company provides waste data reports.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to obtain, manage and monitor utility data (including energy, water, and waste) on a quarterly basis.</li> <li>Continue to roll out automatic utilities monitoring technology across the portfolio including award of new sub-metering contract and upgrade of existing sub-metering infrastructure.</li> </ul>
<b>Net Zero Carbon</b>	Develop a comprehensive strategy and timeline to work towards portfolio level goal of net zero operational carbon emissions.	<ul style="list-style-type: none"> <li>Commissioned preliminary study using CRREM analysis as the basis for portfolio wide strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Enhance study and finalize timeline for portfolio-wide net zero target goals.</li> </ul>
<b>Renewable Energy</b>	Perform due diligence on renewable energy opportunities within the portfolio.	<ul style="list-style-type: none"> <li>Purchased Renewable Energy Credits at two properties as onsite renewables are not currently feasible.</li> </ul>	<ul style="list-style-type: none"> <li>Continued due diligence and monitor state or local incentives, programs, or initiatives that support on-site renewable energy generation.</li> </ul>
<b>Building Certification</b>	Maintain current certifications portfolio wide: LEED GOLD, WELL H&S.	<ul style="list-style-type: none"> <li>11 Buildings LEED Gold Certified, 1 LEED Silver Certified. Entire portfolio received WELL H&amp;S rating.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain existing LEED certifications.</li> </ul>

## 2022 ESG OBJECTIVES AND TARGETS

## Social

FOCUS AREA	2022 COMMITMENTS	2022 PROGRESS / OUTCOMES	2023 OBJECTIVES / TARGETS
<b>Tenants</b>	Engage tenants on ESG matters.	<ul style="list-style-type: none"> <li>• In development.</li> </ul>	<ul style="list-style-type: none"> <li>• Engage third-party fitness provider.</li> <li>• Host Health Fair.</li> </ul>
<b>Employees</b>	Embed ESG objectives within performance reviews for Asset, Construction, and Property Management teams as well as Engineering Management and staff.	<ul style="list-style-type: none"> <li>• In development.</li> </ul>	<ul style="list-style-type: none"> <li>• Achieve objectives identified in performance reviews.</li> <li>• Expand on and create new objectives for 2024.</li> </ul>
<b>Community</b>	Participate in and track community engagement initiatives within the neighborhood of the HSP portfolio.	<ul style="list-style-type: none"> <li>• Participated in Hudson River Park cleanup.</li> <li>• Participated in Greenwich Street Corridor Mural.</li> </ul>	Continue to participate in and track community engagement initiatives within the neighborhood of the HSP portfolio.

## 2022 ESG OBJECTIVES AND TARGETS

## Governance

FOCUS AREA	2022 COMMITMENTS	2022 PROGRESS / OUTCOMES	2023 OBJECTIVES / TARGETS
<b>GRESB</b>	Participate in the GRESB Survey.	<ul style="list-style-type: none"> <li>Achieved- 4 stars with a score of 83.</li> </ul>	<ul style="list-style-type: none"> <li>Continued participation in the GRESB Survey and strive to improve upon score among peer group.</li> </ul>
<b>Climate Risk and Resilience</b>	Identify asset exposure to climate change impacts and implement adaptation strategies.	<ul style="list-style-type: none"> <li>Performed a flood zone analysis of the HSP portfolio and identified 4 properties within the 100 year flood zone. Designed and installed flood barriers at each location.</li> </ul>	<ul style="list-style-type: none"> <li>Annual practice installation of the flood protection in advance of storm season and continued risk analysis.</li> </ul>
<b>Asset-level Plans</b>	Implement newly defined and published ESG policies.	<ul style="list-style-type: none"> <li>Achieved- published ESG policies on HSP website and incorporated into new leases.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to maintain ESG Policies and identify opportunities for improving ESG performance within portfolio.</li> </ul>

# Environment and Climate





75 Varick, New York City

# Measuring Our Environmental Performance

Addressing climate impacts and risks across our portfolio

HSP tracks and reports on environmental performance where we have operational control and where we act as the landlord and are responsible for procuring utilities and/or waste management services. We continue to improve

data quality and monitoring capabilities by rolling out automatic meter reading (AMR) technology across our assets, and we strive to significantly reduce consumption and waste across our portfolio.



## HUDSON SQUARE PROPERTIES 2022 PERFORMANCE

We have engaged a third-party consultant to monitor building performance and identify key areas for improvement.

Energy consumption (kWh) **86,785,026.9**

Greenhouse gas emissions<sup>1</sup> (metric tons of CO2 equivalent (CO2e) emissions) **22,314.8**

Water (m<sup>3</sup>) **222,300.6**

Waste (metric tons—28.5% diversion rate) **1,294.3**  
Landfilled: 925.6  
 Recycled: 368.7

100% data coverage for the portfolio tracking energy, water, materials and waste.

## Managing Climate Risk

Hudson Square Properties aims to reduce risks posed by climate change by assessing physical, regulatory, and financial risks. HSP has a robust Climate Change and Resilience Policy that includes a climate change risk assessment checklist. This facilitates evaluating our properties on a wide range of potential climate change risks, including earthquakes, energy supply, flooding, heatwaves, hurricanes, landslides, policy changes, tornados, water supply/drought, wildfires, and winter storms. Risks are identified using exposure, historical, and scenario analysis and addressed through goal-oriented action plans at each asset.



## Setting Climate Targets

At Hudson Square Properties, we are raising the bar for resilience by aiming to drastically reduce emissions at our refurbishment projects – 45% beyond NYC’s 2030 climate targets – and become functionally carbon neutral by 2032. This push aligns with the Paris Agreement’s 1.5-degree climate goals, supports Hines’s firm-wide operational carbon target of net zero by 2040, and competitively positions our assets for the future of office space.

# Committed to Net Zero

In 2022, we commissioned net zero carbon roadmaps for each asset in our portfolio and an overall net zero carbon pathway for HSP. The three-stage process, conducted by a third party, included a portfolio level Carbon Risk Real Estate Monitor (CRREM) analysis to evaluate stranding risks, a net zero carbon study of all 12 assets, and a final report outlining strategies, actions, and targets for each asset.

With continued investments in energy efficiency and carbon reduction projects at all buildings, the portfolio can reach net zero and remain below the science-based target by the early 2040s.



100 Avenue of the Americas, New York City

## ASSET LEVEL ESG CERTIFICATIONS<sup>2</sup>

HSP uses building certifications like LEED, WELL, and ENERGY STAR to help measure progress, support transparent reporting, and align with the Hines ESG Strategy.

### LEED

Our entire portfolio is LEED certified, and we work to ensure that each asset is prepared for recertification.

12

6M sf  
100% of portfolio  
11 Gold, 1 Silver

### WELL Health and Safety Rating

12

6M sf  
100% of portfolio

### ENERGY STAR

6

4.2M sf  
71% of portfolio





CASE STUDY

# ESG Leadership at 555 Greenwich and 345 Hudson

Added to the HSP portfolio in early 2023, our new development at 555 Greenwich is a catalyst for New York City. Currently completing construction, this 270,000-square-foot, 16-story office tower represents the next level of high-performing buildings and a benchmark for sustainable, responsible development in New York City and beyond.

The new office tower at 555 Greenwich will seamlessly connect to the existing building at 345 Hudson Street. Built in 1931, 345 Hudson is a 17-story structure that will undergo deep refurbishment to transform it from a “brown” to a “green” asset. Our teams are prioritizing ESG at both projects, with significant focus on

carbon, comfort, and community to ensure a balanced approach.

## Carbon Reduction

Our operational carbon footprint is a key metric at Hudson Square Properties. In order to meet New York City’s bold climate targets and those Hines has set as a firm, we aim to align with the 1.5-degree C pathway for 555 Greenwich and create a path to carbon neutrality for 345 Hudson by 2030.



345 Hudson, New York City



45%	Exceeding NYC’s 2030 climate targets
100% Outside Air Delivery	Quiet, sensible heating/cooling system
1.5°C Benchmark	Set by CRREM in alignment with the Paris Climate Goals
Official NYSERDA Partner	in the Empire Building Challenge to design and implement a replicable system that drastically reduces carbon emissions
 LEED Platinum*	1 of only 10 new LEED Platinum projects in NYS 1 of only 5 Core & Shell LEED Platinum projects in NYC

\* 555 Greenwich received LEED Platinum certification in 2023.

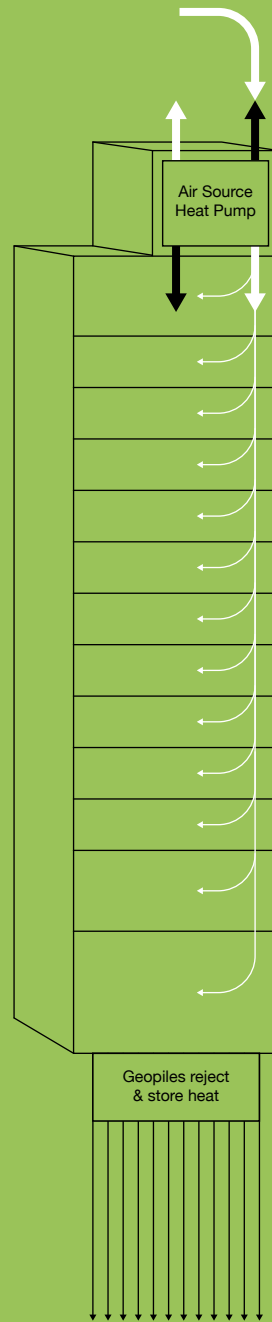


## A Circular Energy System

In order to meet our carbon goals, the Hudson Square team is leveraging circularity to maximize efficiency and decrease energy waste. This will also reduce operating costs.

By integrating geothermal piles, thermally active radiant slabs, a dedicated outdoor air system, and a fully electrified heating system; we aim to significantly reduce the building’s operational carbon emissions while providing exceptional tenant comfort. When complete, 555 Greenwich will be one of the first buildings in NYC to utilize a circular energy infrastructure.

The same circular strategy is outlined in our carbon neutrality roadmap for 345 Hudson. Onsite gas boilers will be replaced with an electric heat pump and deep retrofits by floor to build and operate a circular system that reduces emissions and energy intake from the grid.



### Tenant Experience

It is our strong belief that the central focus of any built environment is how it inspires and engages with the day-to-day users. Thought leaders across the tech and creative sectors come to rely on engaging spaces that are as healthy and efficient as they are beautifully appointed.

### Circular Energy

While cutting carbon, our circular energy systems are intended to improve indoor environmental quality. Tenants may enjoy more consistent, comfortable temperatures year round and breathe fresh, filtered outdoor air rather than stuffy, recirculated air.

### Flexible Floorplans

Floorplans will be flexible to allow for customization, and a mix of private and collaborative spaces are expected to meet a variety of workplace needs. With shared spaces ranging from a Town Hall to expansive rooftop spaces, approximately 43,000 square feet has been allocated to amenities at 555 Greenwich and 345 Hudson.

### Connection to Nature

Biophilic elements that promote health and happiness – such as live plants and natural materials – will be integrated into both buildings. The façade at 555 Greenwich will also feature outdoor terraces to connect occupants to nature, and floor-to-ceiling windows for abundant natural light. With over 33,000 square feet of combined outdoor space across both 555 Greenwich and 345 Hudson, these properties will offer ample opportunities for people to spend time outside, engaging with each other and the natural world.

### Community Connection

Hudson Square Properties has partnered with community leaders, elected officials, and organizations in and around Hudson Square to ensure that 555 Greenwich and 345 Hudson are fully integrated into the community, adding value to all stakeholders, and addressing unmet needs – during construction and in the future.

## Arts and Culture

We have created opportunities for New York-based artists from underrepresented communities by making several of the building façades into dedicated canvases. Artists have transformed the ground-level experience at Hudson Square with their art, and their work is now visible to a broad, vibrant audience.

## Education and Mentorship

We also work with the ACE Mentorship Program, Exalt, REBNY Fellows, and Project Destined to create valuable internship opportunities that provide minority and under-represented communities with meaningful work experience in the real estate and architecture, engineering, and construction (AEC) industries.

## Partnership

Through our corporate partnership with Hudson River Park, we are helping to provide funding for the design, upkeep, and programming of NYC's largest open space.



# People and Communities



# Supporting Our Employees

## Investing in our most important asset

As part of Hines, Hudson Square Properties employees receive support to feel and do their best at work and in life. Our firm provides excellent health and wellness benefits, opportunities for career growth, and initiatives that foster employee well-being and belonging. Extensive employee satisfaction surveys are conducted

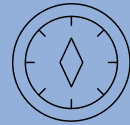
every three years, and shorter, more frequent “pulse” surveys gauge engagement around timely topics.

For more information about gender diversity at Hines, as well as a snapshot of the programs and policies that support Hines employees, please click [here](#).



HSP joined forces with Hudson River Park Friends to commemorate Earth Day and National Volunteer Month with a day of gardening and landscape maintenance.





## The Hudson Square Properties Guiding Principles

HSP is committed to bringing value and quality to the people and communities that we touch. In everything we do, we strive to adhere to our guiding principles, which set our standard and prioritize our stakeholders.

- The Hudson Square Properties standard represents the global real estate benchmark for value creation, integrity, service, and quality for all clients.
- All Hudson Square Properties products and services are of the highest standard appropriate for the mission.
- Each Hudson Square Properties employee is the greatest example of our standard and our most valuable asset.
- Hudson Square Properties is committed to fostering an inclusive culture where diversity is respected and valued.

- Hudson Square Properties is committed to operating with integrity, conducting business in accordance with the highest ethical standards, and 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 that they believe to be unethical or in violation of the law, our code of conduct, or Hudson Square Properties policies and principles.



Our tour group pauses for a photo at the edge of Chinatown and Little Italy

## Learning About New York City’s Chinese Heritage

In honor of Asian American and Pacific Islander Heritage Month, HSP team members took a walking tour of Manhattan’s historic Chinatown. One of nine such neighborhoods in New York, it is also one of the oldest ethnic Chinese enclaves. The neighborhood is rich in history, with some of the earliest documented arrivals of Chinese immigrants in New York City, dating back to the 1830s.

We learned that, with a Chinese American population approaching one million, New York City contains the largest and most prominent metropolitan Asian national diaspora outside of Asia. New York City also has the highest ethnic Chinese population of any individual city outside of China.

## ESG Training and Education

In 2022, HSP employees regularly reviewed our Fund’s GRESB performance, including actions for the year ahead, key emerging topics, and a summary of available tools to prioritize ESG at the asset level. Our team’s investment and asset managers participated in a four-session ESG training series that focused on trends, strategy development, key considerations for investors in the built environment, and legislation as well as group exercises to put theory into practice in hypothetical scenarios.

All Hines employees receive ESG training to help them understand the global goals outlined in our firm’s ESG Strategy and gain the knowledge to support the strategy through their work. Hines’ investment management employees have ESG targets tied in their annual objectives and reflected in performance reviews.



555 Greenwich, New York City

# Collaborating with Our Tenants

Providing exceptional experiences for the people in our buildings

Hudson Square Properties is committed to creating prime experiences in prime real estate. Hines builds strong partnerships

with our tenants and curate relationships based on the specific needs and goals of each tenant.



# Tenant Satisfaction

Tenant satisfaction is a key measure of success for HSP. Our teams develop action plans when more than 20% of tenants express dissatisfaction with a metric that we have the ability to improve. Action plans include specific tasks for how building management will inspect and address the complaint, as well as a timeline to rectify the issue.

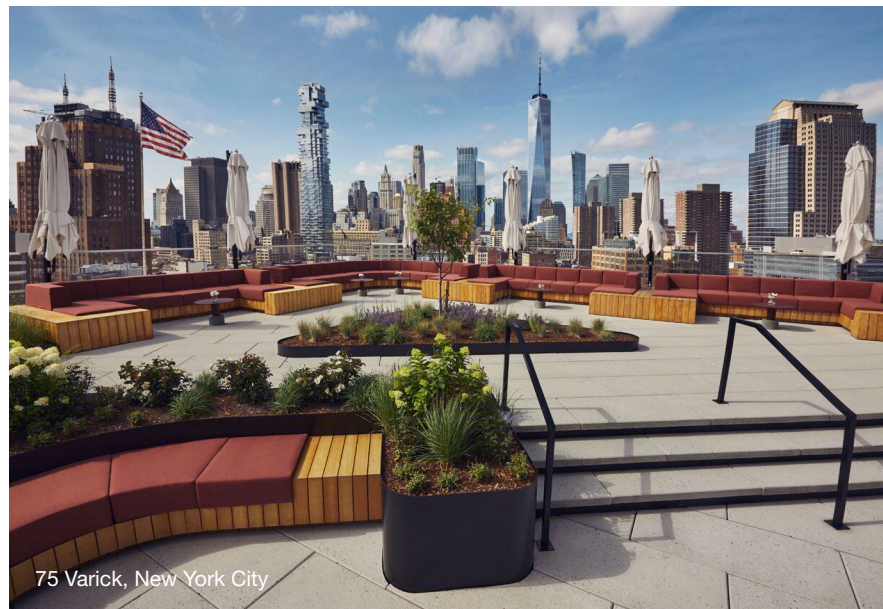
For instance, if several tenants experience discomfort from “stuffy” or “stale” air, building engineers inspect air handling units to ensure sufficient outdoor air is ventilated to the spaces.

# Tenant ESG Engagement

ESG is a critical element of every tenant partnership. We provide ESG support and guidance and work with our tenants to reach their own ESG goals while prioritizing HSP and firm-wide goals. We screen our portfolio, including our tenants, for sustainability and inclusion. By engaging with prospective tenants on ESG during lease negotiations, we underscore to the market the importance that our venture places on these values.

Our program includes:

- Regular ESG communication, including as a standing agenda item in tenant meetings
- ESG questions on tenant satisfaction surveys, which are carried out every two years
- ESG presentations outlining key focus areas for collaboration and improvement
- Green leases
- Automatic meter reading (AMR) technology that supports data sharing



75 Varick, New York City

# Green Leases

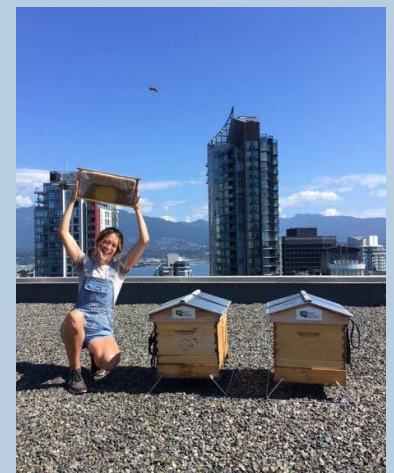
At HSP, we have found that incorporating green clauses into standard lease agreements is one of the best ways to engage tenants on our sustainability goals and theirs. We have created sample green lease language for consideration across our properties, with examples and best practices for integrating it into new leases.

The green lease clauses include data sharing, tenant best efforts, waste reduction, and fit-out requirements as well as, purchasing agreements and other accommodations for tenants with more stringent sustainability goals or requirements. Our property management teams provide guidance and infrastructure support to help tenants reduce their environmental impact, and tenants share data on energy, water, and waste that helps HSP complete accurate compliance and corporate reporting.



# The Buzz at 200 Hudson

Urban beehives support honey bee populations – which are vital to our agriculture and food systems – and connect people in cities with the natural world. The operations team at 200 Hudson has partnered with Alovéole, an urban beekeeping organization, to bring beehives to the building’s roof. Tenants can witness the fascinating world of bees, enjoy ultra-local honey, and follow 200 Hudson’s beekeeper updates to learn how to maintain and grow a healthy hive.



# Investing in Community

## Engaging with the people and places HSP touches

Hudson Square Properties has an enduring commitment to investing in our communities and our industry. We are active members in the Hudson Business Improvement Districts, support local charities, and participate in relevant community events.

Our institutional philanthropy and partnerships and structured volunteer program for employees enable us to reach beyond the built environment and help people and places thrive.

The full scope of the HSP joint venture's contributions to the community also include the ongoing and emergency support that Trinity Church Wall Street's community center, Trinity Commons, provides to families, seniors, students, and others in need, as well as Trinity Philanthropies' grantmaking programs.



Hudson Square Properties embarked on a portfolio-wide placemaking initiative in partnership with Publicolor, UPS and the Hudson Square Business Improvement District. Over the course of four days, 280 volunteers from 57 companies dedicated their time to beautifying and revitalizing the Greenwich Street corridor alongside 80 Publicolor students providing informal mentorship from industry leaders. This project transformed 4 city blocks — from the muted dreary streetscape, into a vibrant 11,000 sf art installation titled: #FracturedSpectrum.



# Compliance and Methodology

The HSP sustainability strategy and key environmental performance data (e.g. energy and water consumption) in this report have been compiled in line with GRESB Reporting Guidelines. HSP has reported environmental data for 'directly managed' assets, where HSP has the authority to introduce and implement operating policies.

This report is a snapshot of the Hudson Square Properties portfolio as of 31 December 2022.

Hudson Square Properties complies with all local laws that specify energy and GHG reductions goals. We use these local laws to guide our portfolio-wide emissions reduction target. We work towards our GHG emissions reductions target by monitoring our energy use and quarterly reporting contracts. This enables us to understand and reduce energy use through energy conservation measures and renewable energy credits.

# Data Verification

CodeGreen Solutions conducted a third-party, limited-assurance review of energy, water, waste, and greenhouse gas emissions calculations. Greenhouse gas verification followed the methodology of ISO 14064-3, and a parallel methodology was used for energy and water data. Under this methodology, CodeGreen Solutions found nothing causing it to believe that the values reported are not presented fairly, and in accordance with the relevant criteria.

# Endnotes

- 1 Hudson Square Properties complies with all local laws that specify energy and GHG reductions goals. We use these local laws to guide our portfolio-wide emissions reduction target. We work towards our GHG emissions reductions target by monitoring our energy use and quarterly reporting contracts. This enables us to understand and reduce energy use through energy conservation measures and renewable energy credits.
- 2 As of December 31, 2022

# Definitions

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.

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.

ENERGY STAR,<sup>®</sup> 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.

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.

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.

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This report is a snapshot of Hudson Square Properties as of December 31, 2022. Unless otherwise noted, all data is as of this date.

Click [here](#) to learn more about Hines' firm-wide ESG efforts.

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