



**2011 Sustainability Report**

**Hines**

My father founded Gerald D. Hines Interests in 1957 with the belief that building and running real estate efficiently was good for investors. A dollar saved was a dollar earned. This quickly grew into an understanding that when we entered a community and developed a building, we were leaving a legacy, and he wanted that to be the best that it could be.

How people lived, worked, earned a living and consumed was different 55 years ago than it is today. In 1957, 30 percent of the world's population lived in urban centers; it is expected that by 2050, 70 percent of the world's population will be urban. Today, more than 400 cities worldwide have reached populations of one million or more. With the global population reaching seven billion in 2011, we see tremendous opportunity for continued investment in the efficient, high-density business, residential and cultural centers that cities afford.

With this opportunity come constraints. We know that conventional materials, energy and water, are not unlimited. We are part of a global community of architects, engineers and scientists working to solve these challenges. Over the past five and a half decades, Hines has engaged the earliest and best thought leaders and innovators. Together, we have made tremendous advancements in putting new building strategies and technologies into practice, using our experience to raise standards across the industry. These methods allow us to use fewer resources and produce less waste, while enhancing returns and preserving value for our investors and clients.

Integrating the best sustainability ideas and practices from the U.S. and international markets remains a priority at Hines. Each region of the world has special needs, yet we are all joined in a global community. Where financial, environmental and labor regulations differ, we seek the right balance in our management approach in an effort to be both relevant and responsible.

Three important areas of sustainability are part of the Hines culture: environment, social responsibility and governance. On the following pages, we will describe for you the ways we pursue sustainability in each of these areas. We also include areas for growth so that we can continue to adapt to changes in our business. This report is one channel for communication in our ongoing journey to deliver enduring value.

In April 2011, we created the position of Global Sustainability Officer to lead the firm in leveraging sustainability opportunities, and promote sustainability and energy efficiency among our investors, tenants and clients. We have also formed a standing Risk Management and Sustainability subcommittee of the firm's Executive Committee in recognition of the importance of this area.

In closing, I must acknowledge all 3,224 Hines employees who uphold the high standards of excellence and commitment to sustainability for which Hines is known. It is their passion that will enable us to remain a leader in shaping the built environment globally for decades to come.



**Jeffrey C. Hines**  
President  
Chief Executive Officer

In the end, efficiency may not be the exclusive domain of engineering. It seems it may be the key to a sustainable human existence, as well.

*Gerald D. Hines*



**Porta Nuova, Milan, Italy**  
Garibaldi Tower is part of a 1.1 million-square-foot mixed-use development incorporating offices, retail, a hotel and an exhibition center. It is adjacent to two other Hines projects, Varesine and Isola, also in the Porta Nuova development. The iconic Garibaldi Tower is the tallest building in Italy, rising to 754 feet, and is pre-certified LEED Gold.

Hines is committed to performing its role as an owner and operator of real estate, and as a fiduciary to our clients and partners, with the highest ethical standards. We strive to create value through real estate investments that improve the quality of the built environment and enhance the communities in which we operate. While doing so, we engage our tenants, partners, suppliers and employees in sustainable practices to improve asset performance, conserve energy and reduce greenhouse gas emissions.

[Hines' Responsible Investment Statement](#)

## About this Report

We are pleased to present the first Hines sustainability report. This report presents information about the many programs, policies and standards that have shaped our business over more than five decades and guide us today.

Fundamental in this undertaking is the definition of sustainability at Hines, which encompasses not only our physical assets, but the people and places impacted by the built environment. We do not consider sustainability to be a single program or initiative, rather the outcome of efforts across the organization. We have accounted for the primary areas of sustainability, generally referred to as environmental, social and governance (ESG) factors, in the report.

In 2011, our sustainability programs at Hines continued to evolve in response to the requirements of our stakeholders, which include investors, clients, tenants, employees, communities in which we operate, professional organizations in which we participate and industry peers. Numbering in the hundreds of thousands, these individuals put their trust in our ability to manage investments; deliver high-performing developments; and maintain healthy and productive workplaces

across diverse business, regulatory, cultural and climate contexts around the world. Their success is our success.

Engagement of our stakeholders in 2011 took several forms, including one-on-one meetings with representatives of investors and clients worldwide and employee roundtable discussions on sustainability internationally. Additionally, we conducted investor, tenant and employee surveys to better understand the needs of each constituent group and their perception of Hines as an investor, manager, landlord and employer. These channels can illuminate concerns and expectations that help us improve our performance and communication. Further, our participation in industry organizations helps us learn from and contribute to shaping industry standards and best practices.

For reporting, we have utilized the Global Reporting Initiative (GRI) G3.1 guidelines and the new Construction and Real Estate Sector Supplement (CRESS) released in September 2011. This framework offers a broad range of topics and principles that we believe have strengthened our reporting, present clear opportunities for future expansion, and serve the greater industry by enhancing consistency and

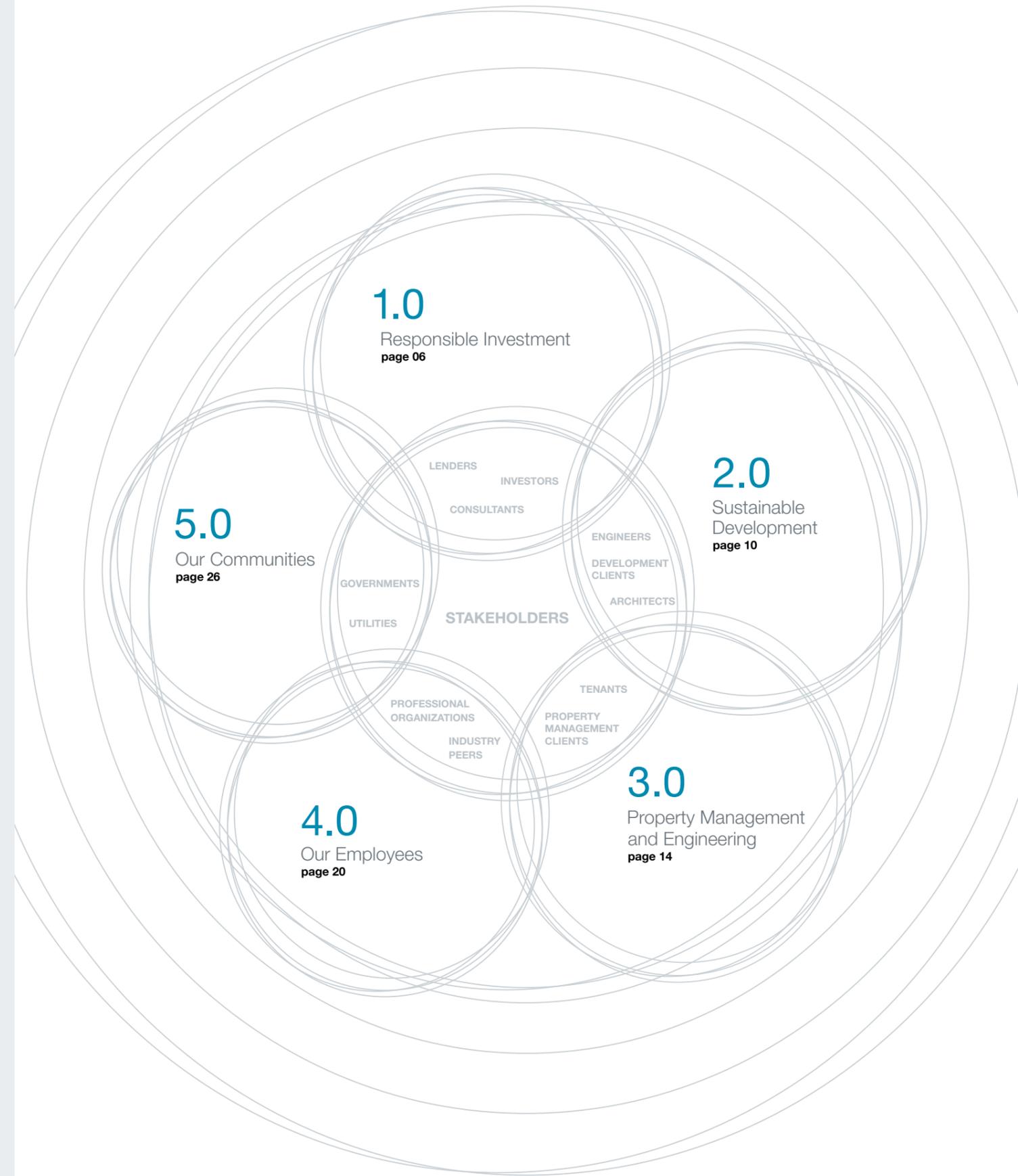
comparability. Please refer to the index at the back of this report for a complete list of GRI indicators covered. Results are as of December 31, 2011, and cover property operations in the U.S. and internationally, unless otherwise noted.

The report is organized in alignment with the key operations of our business: investment; sustainable development; and property management and engineering. In addition, we have included sections on our employees and our communities.

It is through our rigorous pursuit of the highest standards of service to our investors, clients and tenants; expertise in the design and efficient operation of our properties; cultivation of our people; and service to our communities that we remain relevant and competitive in the 21st century and beyond.

We hope this report gives you a greater understanding of the Hines organization, including the significant efforts and achievements we have made and a glimpse of the way forward.

*Gary M. Holtzer*  
Global Sustainability Officer



# Company Profile

Among Hines' greatest strengths is the integration of competencies from investment management, development, operations and engineering, acquisition, leasing and construction. We are better investors because we understand how buildings operate, and we are better operators because we understand development and investment management.

*Hasty Johnson, Chief Investment Officer, Vice Chairman*

Hines was founded by Gerald D. Hines in 1957 as a sole proprietorship. The firm is now Hines Interests Limited Partnership (HILP), 100 percent owned by Gerald D. Hines and Jeffrey C. Hines. Other members of the firm, including officers, may purchase equity shares in the investments for which they are responsible or on which they work. In addition to HILP, the organizational structure has affiliates to enhance Hines' risk management, succession planning, financing and tax planning. Generally speaking, HILP and its affiliates are referred to as "Hines."

### Core Competencies

Hines was primarily a developer and owner of core U.S. office properties up until the 1980s. But in the late 1980s and early 1990s, the company proactively expanded the firm's core competencies to include acquisitions of existing properties, international development and real estate investment management services.

### Investment Management

Since 1991, Hines has sponsored 30 investment vehicles with over \$18 billion in equity for global acquisition and development. In addition, \$4.2 billion of partner capital has been committed to one-off investments.

### Development

Since its founding in 1957, Hines has developed, or currently have under development, more than 154 million square feet of office space and more than 104 million square feet of non-office space. The firm came to prominence as the developer of landmark office buildings in major cities across the U.S., revolutionizing the industry by introducing signature architecture for multi-tenant office buildings, and setting higher standards for all aspects of building design, operations and management. Today, the firm's development competencies include office, multifamily, retail, warehouse, sports and cultural facilities and large mixed-use projects. In 2011, Hines expanded its multifamily development activities throughout the U.S., working with Hines U.S. regions on for-rent development projects.

In addition to its development experience, Hines has closed approximately 200 acquisitions since 1992 totaling more than 88 million square feet and more than \$19 billion in value.

### Property Management

Hines has managed properties since its inception, establishing operational excellence as a core value. While the firm operates a majority of the properties in which it has an ownership stake, some

properties—particularly those in Europe—are managed by third parties. In those cases, standards for service quality and sustainability performance are prescribed in management agreements. Additionally, Hines provides third-party management services for properties owned by others. Today, the firm manages more than 135 million square feet.

### 2011 YEAR-END SNAPSHOT

<b>110</b>	CITIES
<b>18</b>	COUNTRIES
<b>63</b>	OFFICES IN THE U.S.
<b>47</b>	OFFICES OUTSIDE THE U.S.
<b>1,192</b>	TOTAL PROPERTIES <sup>1</sup>
<b>44.7M sf</b>	UNDER DEVELOPMENT IN 2011
<b>3,224</b>	EMPLOYEES
<b>\$22.9</b>	BILLION IN CONTROLLED ASSETS

### Memberships and Affiliations

Hines has long been a leader in sustainable design and in promoting sustainability programs around the world. The firm partners with multiple institutions to identify best-operating practices and cutting-edge technologies in order to stay in the forefront of building operations, including:

#### ENERGY STAR®

The U.S. Environmental Protection Agency's (EPA) ENERGY STAR program is the leading energy benchmarking and tracking system in the United States for the commercial real estate sector. ENERGY STAR was introduced by the EPA in 1992 as a voluntary, market-based partnership to reduce greenhouse gas emissions and other pollutants associated with energy use.

#### Greenprint Foundation

Greenprint Foundation is a worldwide alliance of real estate owners, investors, financial institutions and other industry stakeholders committed to reducing carbon emissions across the global property industry. In January 2012, Greenprint Foundation joined the Urban Land Institute (ULI) to create the ULI Greenprint Center for Building Performance.

#### Urban Land Institute

The Urban Land Institute (ULI) is a nonprofit education and research institute supported by its members. Its mission is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

#### U.S. Green Building Council

The Washington, D.C.-based U.S. Green Building Council (USGBC) is a 501(c)(3) nonprofit organization committed to a prosperous and sustainable future through cost-efficient and energy-saving green buildings.

#### International Organizations

Internationally, Hines has been involved with the German Sustainable Building Council, the Russian Green Building Council, the Green Building Council Brasil, the Green Building Council España, the Green Building Council Italia, the Indian Green Building Council, the BRE Environmental Assessment Method program and the Haute Qualité Environnementale program.

### Sustainability Awards Received in 2011

- Hines' long-term leadership and commitment to energy efficiency is recognized in 2011 with the following:
  - Jeff Hines receives the Sustainability Executive of the Year award from *Commercial Property Executive*
  - Hines receives top honors in *Commercial Property Executive's* ranking of "Greenest Companies." Of the 35 real estate companies ranked, Hines comes in first, 16 percentage points higher than its nearest competitor
  - 300 North LaSalle, Chicago, is named the winner of the 2011 ULI Award for Excellence: The Americas Competition
  - 101 California, San Francisco, earns the highest score ever awarded in the world in the LEED® Existing Building (EB) category
  - Hines receives the 2011 ENERGY STAR Sustained Excellence Award for the fourth time in a row in recognition of continued leadership in protecting the environment through energy efficiency

### COMPANY EVOLUTION<sup>2</sup>



### SIGNIFICANT SUSTAINABILITY ACHIEVEMENTS

- 1961** Gerald Hines addresses the Houston Chapter of ASHRAE and advises that developers must provide high-quality architecture and engineering to the public they serve with a responsibility to the future
- 1978** Hines engineering begins firm-wide energy tracking and energy management focus
- 1992** Hines develops its own indoor air guidelines
- 1996** Hines develops Owens Corning World Headquarters in Ohio using the first application of raised-floor technology in North America
- 1997** The University of Houston names its School of Architecture in honor of Gerald Hines
- 1998** Hines joins USGBC to guide and grow the global market for high-performance buildings
- 1999** 28 Hines buildings receive the ENERGY STAR label in the rating system's first year of existence
- 2000** Hines collaborates with William McDonough to develop a sustainable benchmarking tool for commercial buildings
- 2001** The EPA names Hines an ENERGY STAR Partner of the Year
- 2001** The 30-year collaboration between Gerald Hines and architect Philip Johnson is celebrated at the Guggenheim Museum
- 2002** Gerald Hines is awarded the ULI J.C. Nichols Prize for Visionaries in Urban Development and uses his honorarium to fund a portion of the ULI/Gerald D. Hines Student Urban Design Competition
- 2004** Hines becomes the first real estate firm to win ENERGY STAR's Sustained Excellence Award
- 2005** The Hines-developed 1180 Peachtree Tower is the first high-rise office building in the world to be pre-certified Silver in the LEED Core & Shell rating system
- 2006** The Hines-developed mixed-use project, Porta Nuova, is the first in Italy to adopt the LEED standard, and the office towers are pre-certified Gold in the LEED Core & Shell rating system
- 2007** Hines founds the German Sustainable Building Council with other partner organizations
- 2008** Gerald Hines receives the first-ever Visionary Leadership in Real Estate Development Award from the Harvard Graduate School of Design
- 2009** Hines unveils HinesGO (GREEN OFFICE) for Tenants Program
- 2010** Hines takes an active role in the start-up of the Greenprint Foundation
- 2011** Hines appoints a Global Sustainability Officer
- 2011** 101 California in San Francisco earns LEED Platinum certification as well as the highest score ever awarded in the Existing Building (EB) category throughout the world

# Global Organization

With a presence in more than 100 cities around the globe, the Hines portfolio consists of 1,192 properties including skyscrapers, corporate headquarters, mixed-use centers, industrial parks, medical facilities, sports stadiums, and master-planned resort and residential communities. The company has offices in 18 countries, with regional offices in Atlanta, Chicago, Houston (headquarters), London, New York and San Francisco. Currently, the firm controls assets valued at approximately \$22.9 billion.

## Regional Chief Executive Officers

**Christopher D. Hughes**  
U.S. EAST REGION

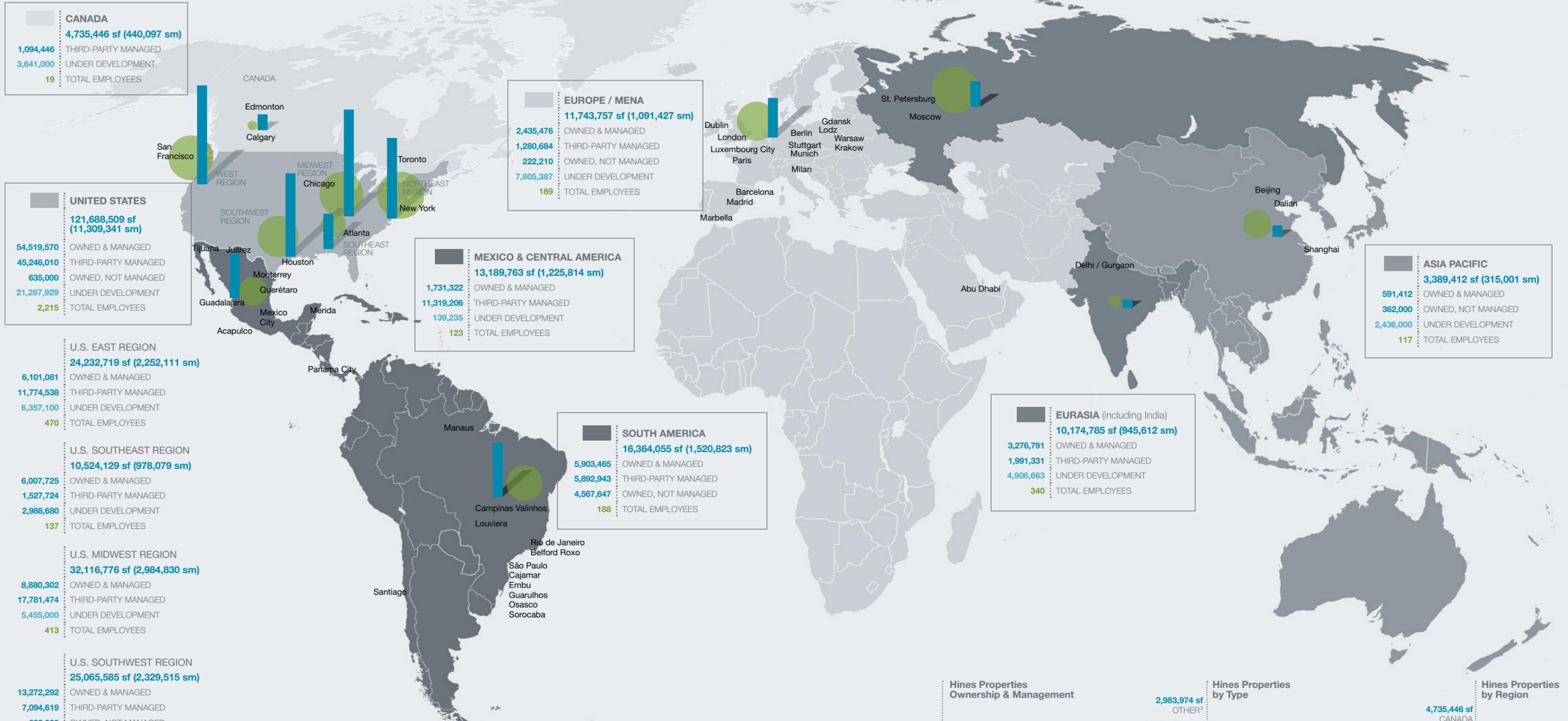
**C. Kevin Shannahan**  
U.S. MIDWEST & SOUTHEAST REGIONS  
& SOUTH AMERICA

**Mark A. Cover**  
U.S. SOUTHWEST REGION, MEXICO  
& CENTRAL AMERICA

**James C. Buie, Jr.**  
U.S. WEST REGION, ASIA PACIFIC  
& AUSTRALIA

**Michael J. G. Topham**  
EUROPE & MIDDLE EAST/NORTH AFRICA  
(MENA) REGION

**E. Staman Ogilvie**  
EURASIA REGION (including India)



**Legend**  
● EMPLOYEES  
■ PROPERTIES  
All areas reported in square feet unless otherwise noted (1 sm = 10.76 sf)



See endnotes inside back cover

# 1.0

## Responsible Investment

We perform our role as an owner and operator of real estate—and as a fiduciary to our clients and partners—with the highest ethical standards and governance in place to be sure these standards are followed.

Among our responsibilities as an investor is to identify and mitigate risk. The ideals of sustainability reinforce this objective. Disciplined governance, rigorous pursuit of efficient technologies and practices, and provision of safe, healthy and productive workplaces all help to produce superior returns and increase investor and client confidence.

**Tom Owens**  
Senior Managing Director  
Chief Risk Officer

Events of recent years have again brought to the forefront the tremendous financial risks within the finance and real estate sectors, and the critical need for due diligence, accountability and transparency in the conduct of investment management. Hines seeks to demonstrate the chain of accountability and embedded mechanisms, for responsible investment and business conduct by Hines employees and affiliates.

### 1.1 Governance Structure

In the 1980s, Hines decentralized the organization to put decision-making closer to the real estate. Geographic regions were formed, each headed by an Executive Vice President (now Regional CEO) who became a member of the firm's Executive Committee.

These geographic heads direct the activities of regional organizations that source and execute investments and oversee regional development and operations. They work in strong collaboration with central resources and investment fund management teams. Investment decisions for properties within a fund are made at the fund level.

For each property, a senior regional staff member is appointed to serve as a "single point of responsibility" in the execution of the business. Experience has shown that this structure maximizes accountability and streamlines decision making.

At the highest level, primary bodies for governance and decision making at Hines are the Executive Committee, Audit Committee and Investment Committee. Other committees that oversee critical aspects of the firm's business include the Personnel Committee and the Sustainability Advisory Committee.

#### Executive Committee

The Hines Executive Committee sets policy for the firm. It is comprised of ownership, regional and central leadership, and the firm's Chief Risk Officer.

#### Management Committees

The purpose of these committees is to serve as vehicles for change and communication. They complement the work of existing departments and committees that

#### Governance Structure



are responsible for day-to-day operations at Hines. The Management Committees are: Strategy; Investments & Performance; Finance, Operations & Tenant Relations; Capital Markets; Compensation, HR & Morale; Risk, Sustainability & Corporate Citizenship; and Steering.

#### Audit Committee

The primary function of the Audit Committee is to serve as an objective and independent party in ensuring compliance with policies and systems of internal control in the areas of finance, accounting, operations, legal compliance and business ethics. Current membership consists of the Central Finance and Ownership Representative, Chief Administrative Officer and a Financial Representative (Senior Vice President). The committee meets at least four times annually, more frequently as circumstances dictate.

#### Investment Committee

The Investment Committee has final authority over all investment decisions. Members are the Chief Executive Officer, Chief Investment Officer, Chief Financial Officer, CEO Capital Markets, CEO Investment Management and Chief Risk Officer. The fund manager for the asset being considered also has a vote on the Investment Committee for that specific decision. Voting is blind. Any two "no" votes or a single "no" vote from the Chief Risk Officer stops any approval.

Where investment approval guidelines specific to an individual fund exist, those guidelines prevail and take precedence over approval authority stated above.

#### Personnel Committee

Responsible for setting and maintaining the Code of Conduct and other employee policies, the Personnel Committee also sets guidelines for employee compensation.

#### Sustainability Advisory Committee

Formed in 2008 (initially called the Sustainability Task Force), this committee provides guidance in the form of strategic sustainability goals, recommendations and policies for approval by the Executive Committee and subsequent adoption across the firm. It is comprised of Hines' Global Sustainability Officer and representatives of various Hines business units and regions.

#### Investment Review Group (IRG)

The purpose of the Investment Review Group is to bring more discipline and organization to Hines' relationship with investors. Before presentation to investors, the IRG will review and approve all funds, strategic offerings and programmatic joint ventures. The IRG is the final decision-making body and resolves disagreements involving what is presented to investors; works closely with the CEO of Capital Markets on terms and structuring; and is the deciding body for performance-related compensation issues.

#### 1585 Broadway, New York City, New York, U.S.

1585 Broadway is a 41-story, 1.3 million-square-foot office tower, located in New York City's Times Square. In 1992, Hines managed approximately \$100 million in improvements to the building to prepare it for initial Morgan Stanley occupancy. Hines serves as property and facility manager.

1.0 Responsible Investment

**1.2 Risk Management**

The Central Resources Risk Management team supports regions by overseeing these functions: risk exposure identification and analysis; insurance procurement and administration; contractual risk transfer review and negotiating; litigation management; claims management; and loss prevention and control coordination.

The successful implementation of policies and environmental and operational standards by Hines employees and contractors is fundamental to a risk management program that efficiently eliminates or minimizes risk in order to protect ownership, investors and related entities from financial and physical loss.

**1.3 Hines Policies**

Hines policies are divided into three categories: 1) Hines U.S. Policies coordinated through the Personnel Committee and issued by Human Resources; 2) Regional and International Policies issued by the appropriate Regional CEO; and 3) Department Policies issued by the respective department heads. Department and regional policies may not conflict with or contradict company policies.

The following are key foundational policies:

*Code of Business Conduct*

The Hines Code of Business Conduct sets forth fundamental principles of law and ethics governing the way that Hines does business. Hines employees at every level must comply with the Code and associated policies and guidelines. In particular, employees contributing to financial record-keeping must comply strictly with Hines' finance and accounting standards. Managers are expected to review the Code with their teams on at least an annual basis and whenever there is a significant change.

Hines requires its suppliers, consultants, contractors and partners to conduct their businesses in a legal and ethical manner.

*Conflicts of Interest Policy*

This policy states that employees should actively avoid any activity that might influence their ability to act in the interest

of the company or perform their work objectively. Specifically, it addresses procedures relating to: business gifts and entertaining; gifts to staff of public pension funds; ownership of competitive real estate; service on the board of banks, financial institutions or for-profit enterprises; and seeking political office in jurisdictions in which Hines owns or manages real estate.

*Political Contributions Policy*

In order to ensure that there is no violation of applicable federal, state or local election laws, no political contributions in cash or in kind may be made by any member of the firm on behalf of the firm or any of its legal entities.

*Corruption Policy*

It is the policy of Hines that all employees, including employees of all U.S. and international affiliates, comply with both the letter and the spirit of the Foreign Corrupt Practices Act (FCPA) as well as local anti-bribery laws in the conduct of international business.

Under the FCPA, it is unlawful for a U.S. person or U.S. business to pay or offer a bribe of any kind to a foreign official. Accordingly, the company's policy prohibits the payment of money, gifts, services, entertainment or any other thing of value to such officials. Hines provides FCPA training to employees.

*OFAC Compliance Policy*

It is the policy of Hines to avoid transactions with any party confirmed by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) to be on the Specially Designated Nationals (SDN) List, and to comply and report to OFAC in the event Hines controls assets required to be frozen. In Europe, Hines complies with similar regulatory requirements existing in the UK, Luxembourg and Italy, where Hines operates regulated activities.

*Environmental Policy*

Hines updated the environmental policy in January 2004. The policy states that employees should use reasonable efforts to accomplish the following:

- o Conduct business in accordance with applicable environmental laws and governmental directives

- o Minimize potential environmental liability arising from the ownership, development and management of land and property
- o Address the environment responsibly
- o Create and manage guidelines in appropriate environmental areas, including but not limited to the following: asbestos, hazardous materials, indoor air quality, refrigerant management and underground storage tanks
- o Strive to reduce the volume of commercial solid waste at Hines facilities, while promoting cost-effective waste recycling and reuse
- o Communicate the organizational commitment to environmental stewardship throughout the company

The policy further defines roles and responsibilities of regional management, employees and corporate risk management to ensure development, communication and implementation of controls, standards and procedures necessary to achieve compliance with Hines environmental guidelines. Hines' international regions have adapted the environmental policy to best address local contexts.

**1.4 Investment Management**

Hines' investment partners and clients include major public and private pension funds, government investment authorities, insurance companies, financial institutions, endowments and individual investors.

Hines-managed investments generally fit in the following classifications:

- o "Separate accounts" consist of one investor plus Hines. These funds can be either open ended or have a clear end date
- o "Comingled funds" include multiple investors, an investment strategy or mandate, and can be open or closed ended
- o One-off investments typically target a property or project with a primary investment partner, where Hines has identified a strategic opportunity

- o Hines also pursues independent investment projects financed by the company, provided this strategy creates no conflict with existing funds

Within each type of fund, Hines is typically designated as the managing general partner, and all other investors are limited partners, reserving certain decision-making and approval rights as established in each fund's partnership agreement.

Hines manages regulated funds in Luxembourg and has a regulated fund management company in Italy. Both of these initiatives are regulated by the respective national regulator. Currently, Hines is evaluating the introduction of the Alternative Investment Fund Managers Directive and has formed a steering committee and project team to ensure compliance with it upon its adoption into law in 2013.

*Hines REIT / Global REIT*

Hines sponsors two publicly offered investment programs. Classified as "real estate investment trusts" for U.S. federal income tax purposes, the Hines REIT and Hines Global REIT are separate legal entities, and are subject to regulation by the U.S. Securities and Exchange Commission.

*Financial Reporting*

Hines, as an investment manager, seeks to achieve superior rates of return on its investments, providing complete, timely and accurate financial and operational information. For each fund or investment project, Hines and its clients agree in the documents that govern the relationship to reporting standards and requirements. Fund managers deliver the appropriately detailed level of information, financial reporting and performance measurement to clients using the firm's accounting and operational systems and infrastructure, with checks and balances at the property, region and fund levels.

As a private investment firm, Hines continues to evaluate the benefits of voluntary adoption of standardized financial and non-financial reporting frameworks for efficiency, comparability and transparency. Such frameworks include INREV (the European Association for Investors in Non-listed Real Estate Vehicles) and the Global Reporting Initiative. Hines seeks ongoing feedback from its stakeholders to help inform the completeness and effectiveness of its reporting.



**1.5 Investor Survey**

Hines engages a third party to conduct an Investor Perception Study, consisting of a telephone interview questionnaire designed with input from Hines. The most recent 2010 survey was conducted with 41 current Hines investors plus six prospective investors; 16 of the participants requested confidentiality.

Responding to survey results, Hines identified the need to modify some of its processes relative to how and when investors are notified of news or circumstances relating to their fund, particularly between scheduled reporting periods. With one particular fund, Hines initiated a significant realignment of its reporting protocols and systems in collaboration with the fund's investors.

**1.6 Continuous Improvement in 2012 and Beyond**

Starting in 2012, the capital raising and investment management parts of Hines' business will fall under the Office of Investments. This group will continually seek feedback from investors on ways to improve investor reporting and relations, seek feedback on new investment strategies and work to create seamless relationships among investment management, capital transactions and property operations.

**A Foundation for Sustainability**

We see a strong alignment of business strategy with our efforts to lighten the environmental impact of our assets and to enrich communities. These efforts are natural expressions of the standards of quality, efficiency and service that are so deeply ingrained in the Hines culture and that have enabled the company to become what it is today.

*Kenneth Hubbard*  
Senior Managing Director

Sustainability Advisory Committee Chair

# 2.0

## Sustainable Development

We create value through real estate investments that improve the quality of the built environment.

Our global experience and research has positioned us to be on the leading edge of developing and renovating some of the most innovative real estate in the world today. Materials are advancing. Regulations are changing. Client needs are evolving. We continue to look forward, so that what we build today will stay efficient, relevant and competitive for many decades.

**Jerry Lea**  
Executive Vice President, Conceptual Construction

**BG Group Place, Houston, Texas, U.S.**  
Designed by the nationally recognized architectural firm of Pickard Chilton, a signature feature of BG Group Place is a dramatic 39th-floor sky garden recessed into the building's form that reveals planted terraces and a five-story crystalline atrium. BG Group Place was completed in 2011 and is certified LEED Platinum.

Hines has developed more than 250 million square feet of space since 1957. As one of the world's largest private real estate developers, Hines has had the opportunity to pioneer many sustainable building practices. Today, the company continues to redefine the "high-performance building" of tomorrow. Going beyond certifications, Hines is focusing steadfastly on new technologies, using its experience to reduce or eliminate cost premiums of "green" construction, and operating equipment at maximum efficiency to achieve payback on capital expenditures.

### 2.1 Conceptual Construction Group

Based in Houston, the Conceptual Construction group coordinates and directs all aspects of the design process, contractor and subcontractor bidding and negotiations. Developing protocols to monitor and test a variety of new technologies, this team ensures that Hines stays at the cutting edge of building design and operations. Today, where supported by client, tenant and investor needs and requirements, a new building design incorporating Hines-standard best practices can typically achieve a LEED Gold certification.

### 2.2 Partnering with Leading Architects and Engineers

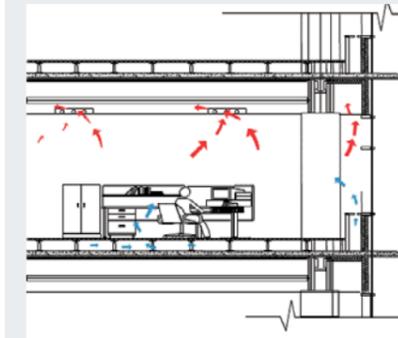
Hines leverages its international platform and long-standing relationships with the world's finest architects, engineers and designers, providing the highest level of sustainable design and partnering to develop technology prototypes for the next generation of high-performance buildings. Collaborators have included: Sir Norman Foster, Philip Johnson, Richard Meier, Jean Nouvel, I.M. Pei, Cesar Pelli and Robert A.M. Stern.

### 2.3 Expectations for Contractors

In selecting contractors, Hines requires candidates to provide staffing, management, site logistics and construction plans that will uphold the quality and environmental goals of the project and comply with all applicable laws, codes and environmental regulations. This includes all materials, procedures and documentation required to achieve the desired level of LEED certification, or the equivalent local certification.

### Highlight Hines Research and Development Projects

*The Hines Conceptual Construction group finds new ways to improve its buildings by investigating, testing, and sometimes even inventing, the latest technologies for incorporation into its projects as appropriate.*



#### Underfloor Air Distribution

Underfloor air systems deliver energy savings by targeting occupied workspace zones rather than whole rooms for greater individual control of thermal comfort. A Hines-designed pressurized air channeling system eliminates fans, and therefore the disruptive need for maintenance and access to these fans. This allows for even greater cost savings in materials and energy.



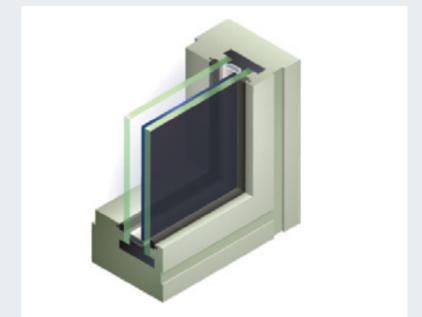
#### LED Lighting Retrofits

Hines tests prototypical light fixtures from a variety of manufacturers in its offices. LED benefits have a ripple effect on other building costs. Less heat output lowers air cooling costs; extended lamp life means less maintenance; and significantly thinner fixtures permit reduced floor-to-floor heights.



#### On Site Electricity Generation

Near-term on site generation potential exists in these technologies: photovoltaics, including nanotechnology, where arrays are embedded in spandrel and vision glass; fuel cells powered by natural gas or biofuels; and cogeneration, where waste heat from gas-fired micro-turbines is used for heating and cooling.



#### Light-Sensitive Glass Technology

Hines evaluates and specifies new glass technologies that allow greater thermal control while maintaining daylight and views. Triple-glazed windows employ multiple panes separated by heat-diffusing gas pockets and films. Electrochromic glass, or smart glass, changes opacity to filter heat and light.

**Case Study**

International Development

**Porta Nuova, Garibaldi** Milan, Italy

Garibaldi Tower, designed by Cesar Pelli, is part of Porta Nuova, a 71-acre master plan that features a trio of mixed-use developments amid an array of green areas, walkways and bicycle paths. Development highlights of Porta Nuova include: a new transportation center to serve as Milan's primary intermodal hub; stormwater collection; high-efficiency lighting systems; local, regional and recycled materials; and "green guidelines" to assist tenants in implementing sustainable strategies.

**Projected Results**

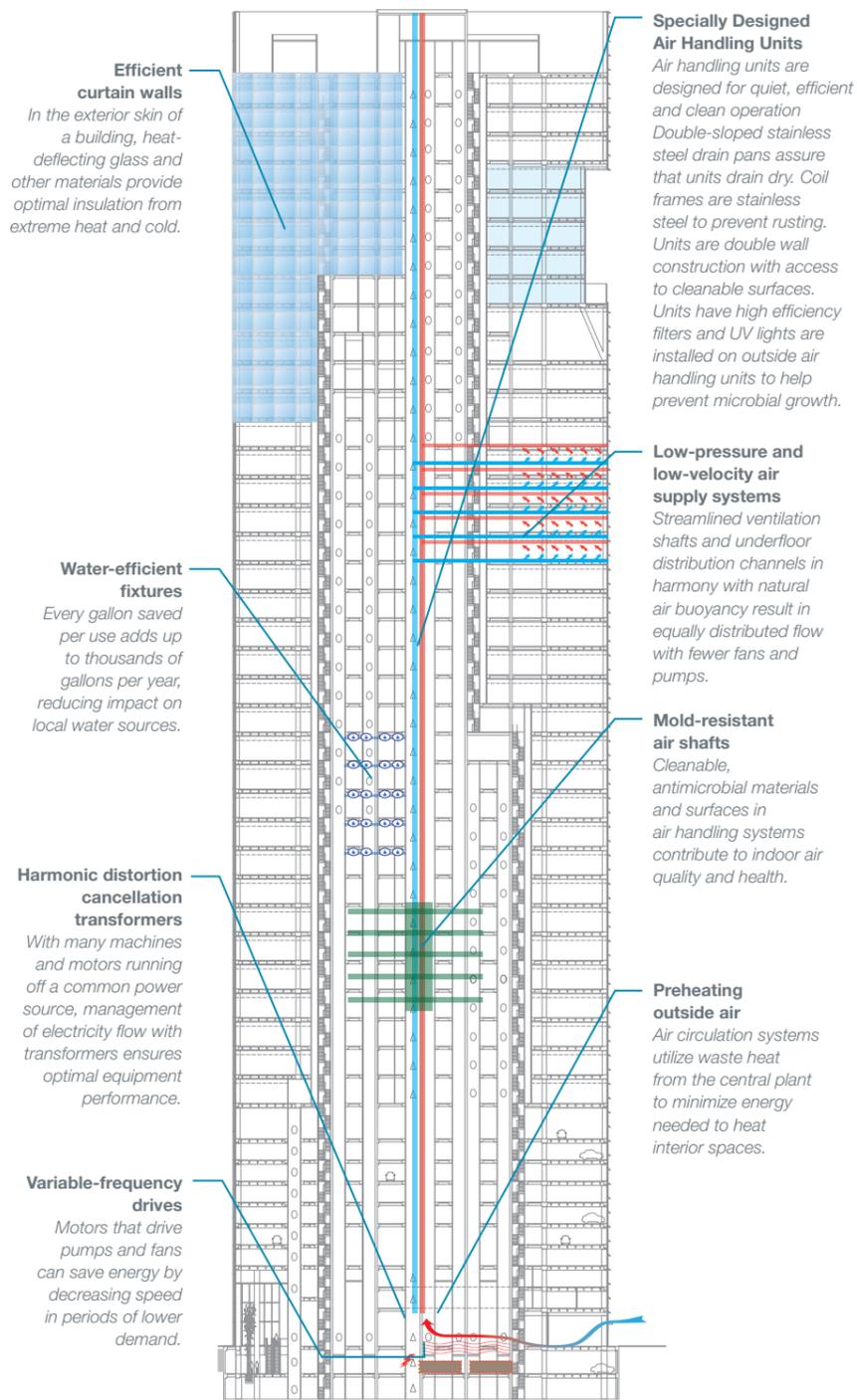
- 37%** improvement in energy efficiency\*
- \$0.60** PSF in mean energy cost savings\*
- 30%** potable water reduction\*
- 90%** spaces with a direct line of sight to the outdoors
- 50%** construction waste diverted from landfill

\* Compared to LEED baseline consumptions



**Highlight** Technologies and Strategies in a Typical Building

This diagram illustrates typical features and systems being implemented in the next generation of high-performing buildings under development by Hines.



**2.4 Green Rated Buildings**

As green building standards have emerged and gained prominence internationally, Hines actively pursues certifications that are locally recognized, appropriate for the project type and in line with investor interests.

**LEED**

Hines' involvement with the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) program began in 2001 with a chairperson role on the Core & Shell Committee. Hines currently has 19 LEED New Construction (NC) projects and 179 other LEED projects in the Core & Shell (CS), Existing Buildings (EB), Commercial Interiors (CI), and Neighborhood Development (ND) categories.

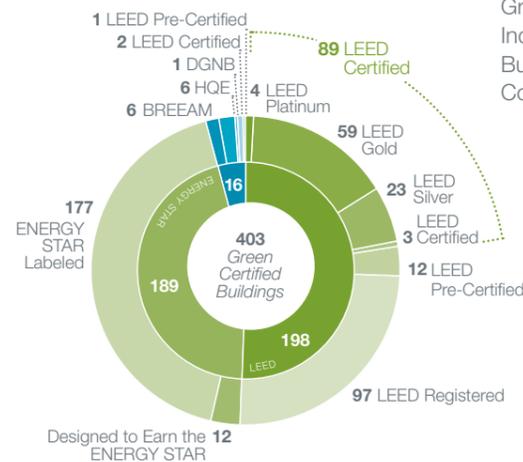
Hines' experience with LEED has included many "firsts," including 1180 Peachtree Tower in Atlanta, the first high-rise office building in the world to be pre-certified LEED Silver in 2005. In 2011, 101 California in San Francisco achieved Platinum certification as well as the highest score ever awarded in the Existing Building (EB) category throughout the world.



**Green Building Certifications**  
International and U.S.

The following diagram presents green certifications for all properties owned and/or managed

- International • U.S.



**ENERGY STAR**

Twelve Hines buildings, comprising more than six million square feet of new construction, have qualified as "Designed to Earn the ENERGY STAR." With a weighted average design rating of 95, these buildings use 53 percent less energy than the national average. For more on ENERGY STAR, see page 16.



**BREEAM**

UK-based BREEAM (Building Research Establishment Environmental Assessment Method) aligns closely with UK policies and has been adapted for international applications. 13 Hines buildings in the UK, France, Germany and Russia have been, or are being evaluated with the BREEAM standard.



**HQE**

HQE (Haute Qualité Environnementale) is a standard for green building in France. Ten Hines buildings in France have been, or are being certified with the HQE standard.



**Other International Building Councils**  
Hines participates in national building councils in key markets. Hines was a founding member of the German Sustainable Building Council and the Russian Green Building Council, and is active in the Green Building Council Brasil, the Green Building Council España, the Green Building Council Italia and the Indian Green Building Council.



**New Sustainability Certifications in 2011**

**LEED Platinum**

- o 101 California, San Francisco, CA
- o 717 Texas, Houston, TX
- o BG Group Place, Houston, TX

**LEED Gold**

- o 21301 Burbank at Warner Center, Woodland Hills, CA
- o 2525 Ponce de Leon, Coral Gables, FL
- o 321 North Clark, Chicago, IL
- o 5820 Canoga at Warner Center, Los Angeles, CA
- o 5th & Bell, Seattle, WA
- o Citigroup Center, Los Angeles, CA
- o Gateway Oaks I and IV, Sacramento, CA
- o One Franklin Square, Washington, DC
- o Owens Corning World Headquarters, Toledo, OH
- o Phoenix Tower, Houston, TX
- o Shell Woodcreek Phase 2, Houston, TX
- o Wells Fargo Center, Sacramento, CA

**LEED Silver**

- o 24th at Camelback II, Phoenix, AZ
- o 2555 Ponce de Leon, Coral Gables, FL
- o 333 West Wacker, Chicago, IL
- o Citadel Center, Chicago, IL
- o Mountain View Corporate Center I and IV, Broomfield, CO

**BREEAM**

- o Sterlinga Business Center, Lodz, Poland
- o Ducat Place III, Moscow, Russia

**2.5 Continuous Improvement in 2012 and Beyond**

Research to support the creation of a commercially viable net zero energy project that can be broadly implemented at market rents remains a priority at Hines. In 2012, Hines will continue to make available significant resources in the pursuit of this opportunity.

# 3.0

## Property Management and Engineering

We identify and implement ways to minimize energy consumption, greenhouse gas emissions, water use and waste. We encourage vendors, suppliers and tenants to engage in sustainable practices.

Efficiency is more a professional commitment by our property managers and engineers than a specific short-duration program. Our operations teams are constantly adjusting building systems to match evolving tenant requirements, technologies and regulations. Our goal is to create an environment that supports our tenants' business objectives while minimizing the environmental impact and operating costs of our properties.

*Clayton Ulrich*  
Senior Vice President, Corporate Engineering

Hines manages 362 properties totaling 135.3 million square feet in 18 countries. Herein lies the greatest potential for efficiencies that minimize environmental impact and resource consumption. Hines approaches property and facility management from an owner's perspective, recognizing that investment in efficiency, superior service and operational excellence are long-term endeavors which deliver long-term returns. Ultimately, Hines' responsibility to its tenants is to provide an efficient, comfortable and productive workplace for their employees and businesses.

### 3.1 Managing at the Property Level

Every building is unique. A multitude of factors contribute to its performance: local climate and culture; regulatory context; building history; and tenant requirements. Accordingly, Hines property managers and engineers are charged with the greatest responsibility at the property level. Property Managers are responsible for the daily operation of the property including tenant relations, lease administration, on-site accounting, security, cleaning and other contract services. Engineers are responsible for management and maintenance of all building systems and infrastructure.

Properties are supported by the Hines Central Operations and Engineering Services department and the Operations Management Committee.

#### Central Operations and Engineering Services (COES)

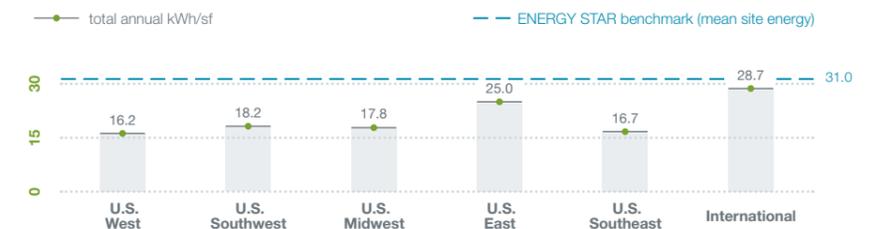
COES supports Hines' on-site management teams by providing standards guidelines and periodic assessments of property administration; risk administration; personnel management; contract services; mechanical physical facilities, preventive maintenance; energy management; equipment efficiency; water treatment and personnel development.

Operations and Engineering assessments are performed every two-to-five years based on a property-specific risk matrix. An assessment report is provided by the review team following the assessment, which includes an executive summary, a listing of all areas reviewed, any findings and suggested remedies. Each item

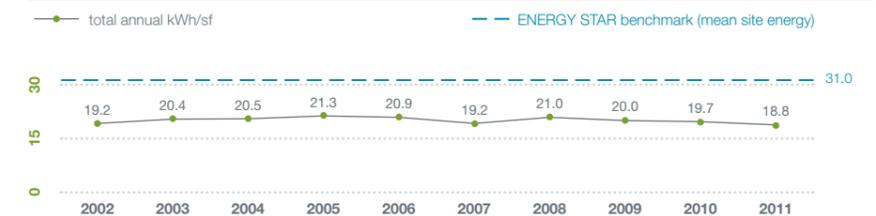
### ENERGY AND WATER TRACKING<sup>4</sup>

Tracking energy and water intensity allows Hines to benchmark performance by building, by region, or over time. The intensity metric divides total consumption by total area in square feet for a normalized figure that is useful for comparisons. Many factors influence energy and water intensity including weather, technology, tenant activity and economic trends.

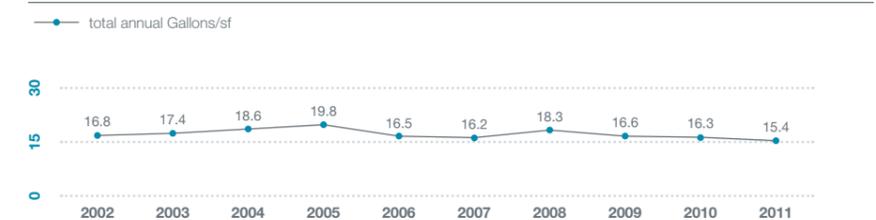
#### 2011 Building Energy Intensity by Region



#### U.S. Building Energy Intensity 2002 - 2011



#### U.S. Building Water Intensity 2002 - 2011



reviewed either "Meets," "Meets with Few Exceptions" or "Does Not Meet" the Hines standards for either operations or engineering. Specific action plans are developed for areas that do not meet expectations.

#### Operations Management Committee (OMC)

The OMC serves as an interface with property level management and executive leadership, providing problem-solving and guidance on issues, standards and best practices that can benefit multiple properties or regions.

### 3.2 Energy Management

Hines engineers track energy consumption at Hines-managed properties. Energy management and conservation practices occur daily, as engineers balance equipment to demand loads based on weather, time of day and tenant activity. Utility meter tracking and reporting serves as a benchmarking tool for month-to-month, year-to-year and property-to-property comparisons. Hines does not set blanket reduction mandates; optimum efficiency is continually achieved by rigorous assessment and identification of strategic infrastructure improvements.

#### Union Pacific Center, Omaha, Nebraska, U.S.

The design of Union Pacific Center is the result of collaborative planning by Union Pacific, Hines and Gensler Architects, whose focus was on delivering both workplace efficiency and a supportive experience for employees. The property features several progressive, efficiency-driven design innovations and is certified LEED Silver.

## 3.0 Property Management and Engineering



### Hines and ENERGY STAR

The U.S. Environmental Protection Agency's ENERGY STAR program includes an energy performance rating system for commercial buildings. An online "Portfolio Manager" calculates a rating on a scale of 1-100. Buildings that score a 75 or greater may qualify for the ENERGY STAR label. Hines benchmarks 227 buildings—representing 81,880,691 million square feet—using Portfolio Manager. 26 new properties earned the ENERGY STAR label in 2011, which brings Hines' total to more than 177 properties that have earned the ENERGY STAR label.

Hines' ENERGY STAR strategy and initiatives are led by the ENERGY STAR Management Group (ESMG) consisting of engineering leaders from Hines' central headquarters and every U.S. Hines business region. The ESGM team collaborates with EPA representatives regularly (in person and via conference calls) to learn about the latest EPA program initiatives. On multiple occasions, Hines' ESGM representatives have partnered with the EPA on new initiatives by providing review and feedback.

Hines continues to find tremendous value in aligning itself with the ENERGY STAR brand. More and more investors, tenants and owners ask about ENERGY STAR and the firm's track record in the program. Some state and municipal governments are now requiring energy performance disclosure, and ENERGY STAR is one of the most market-ready and convenient compliance tools available.

Hines' ENERGY STAR buildings performance compared to the national average:

**36.1%** more energy efficient  
**\$1.47/sf** energy cost savings per year  
**\$102M** total portfolio savings per year  
**763,183** metric tons annual reduction in CO<sub>2</sub>e

### Energy Control and Optimization System (ECOS)

The energy consumption of Hines-managed buildings has been tracked since the beginning—from handwritten ledgers in the '70s, to spreadsheets in the '80s and '90s, and now a proprietary web-based application, ECOS. In ECOS, engineers input property information, certifications, monthly utilities cost and consumption totals, degree days and average occupancy. Automated analytics tools permit evaluation of data integrity and trends by property, region or company-wide.

### 3.3 Water Tracking and Initiatives

Water consumption and costs, derived from utility bills, are tracked in ECOS by building engineers. Globally, water is an increasing cost, tied to more stringent regulation. As Hines has leveraged green building standards, water consumption from occupant use has decreased. Hines continues to evaluate lifecycle water savings and costs of restroom retrofits in existing buildings.

### 3.4 Engineering Audits

As a routine part of the annual planning process, Hines-managed properties are required to outline steps to achieve energy performance improvements. Corporate engineering employees perform engineering assessments, evaluating energy-use profiles, operating practices and energy reduction programs. Results are captured in a report that is presented to the property team, the regional operations executive and the asset manager. Each audit report also specifies responsible parties and target dates for completing improvements.

### 3.5 COES Core Standards

COES has developed and updates core standards that detail processes and expectations of property management and engineering teams at all U.S. properties. These are also provided as a resource for international properties, where local technologies and resources require adaptation of standards.

### Utility Management Operations

This standard is in keeping with the Hines engineering philosophy to constantly

strive for greater energy efficiency without sacrificing Class-A service. It provides guidance on effective management of building control systems, understanding of usage patterns and participation in energy rating programs.

### Utility Reduction Programs

The Hines portfolio contains older buildings, recently acquired buildings and new buildings. This standard ensures that new technologies, programs and cost-effective energy-saving retrofits are actively being evaluated, presented to management and ownership for approval, and implemented.

### Chiller Performance Test

Chillers are estimated to consume up to 20% of total electrical consumption. This standard defines procedures for: chiller performance testing at regular intervals with quality field instrumentation; rating targets; and organized, accurate record keeping.

### Refrigerant Management Program (RMP)

Implementation of the RMP helps ensure that the requirements of Section 608 of the Environmental Protection Agency's 1990 Clean Air Act are met. In meeting these requirements, Hines complies with federal law, limits refrigerant losses, conscientiously manages refrigerant supplies, reduces costs, and minimizes risk to the environment, personnel and the company.

### International Energy Performance Certificates

To aid in benchmarking performance and transparency for investors, since 2009, management of the Hines Pan-European Core Fund (HECF) has attained Energy Performance Certificates (EPCs) for all of the portfolio's nine buildings in the UK, Germany and France. EPCs are part of a European directive to benchmark assets that will trade or be leased, and HECF has gone beyond this requirement and obtained EPCs for all its assets. While EPC's ratings and methodologies differ country by country, the certifications have provided Hines with insights for most effective utilization of ratings for self-evaluation, reporting and improvement.

### Indoor Air Quality (IAQ)

Buildings require proactive management to prevent health concerns. Hines has developed comprehensive guidelines, in conjunction with industry standards, for prevention, investigation and correction of IAQ issues including thermal comfort, ventilation and airborne irritants such as bioaerosols, vapors and toxins. Key to implementation is the appointment of an IAQ manager for each property.

### ECOS Standard

This standard guides effective use of the ECOS application in setup; monthly and annual updates, including documentation of significant year-over-year variances; energy improvement measures; and operational changes.

### 3.6 Greenhouse Gas (GHG) Emissions

Hines mitigates greenhouse gas emissions in direct and indirect ways. Hines recognizes that as property owners and managers in over one hundred cities worldwide, it can contribute to the carbon reduction goals of municipalities and tenants.

Directly, Hines focuses on energy-efficient operation of its buildings. By rigorously tracking energy consumption and refrigerants, Hines can account for GHG emissions.

At present, Hines does not find that conversion of energy consumption into carbon equivalents adds meaning to help the company manage buildings more effectively. Hines properties do not utilize electricity from renewable sources, except where provided in the standard grid power mix from local utilities.

Indirectly, adherence to the LEED, ENERGY STAR and other international sustainability certificates inherently reduces the carbon impact of new developments and building lifecycles. Additionally, the HinesGO (GREEN OFFICE) for Tenants program provides practical GHG reduction-yielding tools for tenants.

### Refrigerants

Unavoidable leakage of refrigerant GHG emissions from cooling systems is tracked and reported monthly by building engineers at all U.S. properties. By testing and maintaining systems in peak condition, engineers work to avoid these emissions to the greatest extent possible in existing buildings.

### Greenprint Foundation Membership

Hines is a founding member of the Greenprint Foundation, a worldwide alliance of real estate owners and investors committed to reducing carbon emissions. The organization's Greenhouse Carbon Index allows members to measure and benchmark their portfolio's carbon emissions and energy performance. Hines currently submits property data to Greenprint and plans to significantly increase participation in 2012. In 2011, Hines coordinated a meeting between Greenprint and ENERGY STAR to explore mutually beneficial objectives and opportunities to share and link data.

### 3.7 Solid Waste and Recycling

Waste and recycling services differ by municipality. In 2012, Hines is adding tracking of waste and recycling to ECOS and establishing standards for this tracking. Hines has seen tremendous successes in waste diversion where comprehensive recycling services are locally available and tenants are actively engaged through HinesGO and other tenant programs.

### 3.8 Benchmarking of Acquisitions

When Hines acquires a property, internal operations and engineering experts are consulted to reinforce the accuracy of underwriting assumptions and establish a baseline from which to gauge future performance. Following a building's acquisition, Hines engineering teams in Hines-managed buildings initiate the continual benchmarking process of the property's energy. The resultant cost savings represent an essential part of Hines' acquisition business strategy.

### Case Study

Unlocking Value through Efficiency

### Harris Bank Buildings

Chicago, Illinois, U.S., 1.2 million square feet

The Harris Bank buildings showcase the opportunities found in transforming existing buildings. With the pending loss of a 230,000-square-foot tenant, Hines acquired the property in 2005 and, in just two years, repositioned the asset for potential resale, unlocking a significant increase in value. Hines' "ownership mentality" and understanding of tenant needs guided physical improvements to rebrand the property for both banking and non-bank tenants, resulting in an occupancy increase from 72% to 91%.

### Highlights:

- 56% reduction in base building energy consumption
- \$2.00 per square foot reduction in operating expenses
- Transition from 24/7 run time operation to typical lease hours
- Interconnected steam between buildings to run off newer (1974) equipment in the west building versus the 1910 boiler in the east building
- Interconnected chiller plants and installed more efficient chillers with variable-frequency drives for better adaptability to seasons
- Improvements allowed for redundancy in HVAC systems, critical for a national bank headquarters



We have developed a culture of continuous improvement centered around sharing best practices across the firm. Expanding the Hines GREEN OFFICE program to our tenants was a win-win for our buildings and the environment.

*David LeVrier, Senior Vice President, Chief Administrative Officer*



**3.9 Hines GREEN OFFICE Program**  
 In 2008, Hines initiated HinesGO (Hines GREEN OFFICE) as an internal program to measure and reward sustainable practices within all Hines offices worldwide. On Earth Day 2009, the program (HinesGO GREEN OFFICE for Tenants) was presented to Hines tenants around the world as an opportunity to voluntarily participate. HinesGO materials have been translated from English to Spanish, Portuguese and Russian. The response has been overwhelmingly positive with 916 tenants, in four countries, achieving the designation to date. They represent almost 41.7 million square feet of occupied space, which is almost half of the total area of properties in those countries; 100 percent of Hines offices are certified in the program.

**3.10 Department of Energy (DOE) Initiatives**  
 Hines is active in the DOE's Commercial Buildings Initiative and the alliances it sponsors. The Senior Vice President of Corporate Engineering served on the Commercial Real Estate Energy Alliance (CREEA) Steering Committee. He participates on the Existing Buildings subcommittee and also serves on the DOE's Pacific Northwest National Laboratory team to evaluate the development of "Self-Configuring and Self-Correcting Controls."

**3.11 Green Parking Initiatives**  
 In 2011, Hines took a leadership role in developing sustainable programs for garages through its involvement with the Green Parking Council. Hines has been

working on guidelines for sustainability in garage construction and management as well as certification programs for garages and personnel.

Throughout the regions:

- Electric Vehicle (EV) charging stations are being installed
- Hines has implemented automated cashiers in some building lobbies to remove visitor transactions from drive lanes, eliminating vehicle idle times at the cashier booth

Hines is represented on the International Parking Institute's Sustainability Committee and participated in writing and reviewing the first Garage Sustainability Handbook, to be released in 2012.

**3.12 Contractor and Vendor Policies**  
 Security and cleaning services are provided by third-party contractors in Hines-operated properties. Hines expects all of its service contractors to comply with applicable laws relating to payment of wages and benefits, worker health and safety, interacting with labor organizations and other workplace laws. U.S. security and cleaning contracts include clauses for insurance, liability, non-discrimination, confidentiality and OFAC. Respecting labor union relations, Hines is committed to a position of neutrality, guided by the interests of its partners, investors, clients and tenants.

**3.13 Tenant Manuals**  
 Hines communicates property-specific procedures in tenant manuals, distributed in print and, increasingly, in digital formats. In addition to basic property management resources, security and emergency response instructions are included for medical, fire, earthquake, terrorism and other emergencies where applicable. Tenants are also oriented to heating, cooling and ventilation systems, and other automated systems, to ensure a balance of comfort and efficiency.

**3.14 Tenant Surveys**  
 Hines commissions a third party to conduct tenant surveys to gauge tenant satisfaction. The 2011 survey, administered as a Web survey by email invitation, had 2,609 respondents, a 90.4% response rate.

In addition, the 2011 survey introduced questions on "green" initiatives. In response, 62% felt "green" building operation was important, or very important to their company. When asked which practices they were most interested in seeing, top responses were: 71% recycling, 51% energy conservation, 45% indoor air quality, 34% "green" cleaning, 34% water conservation.



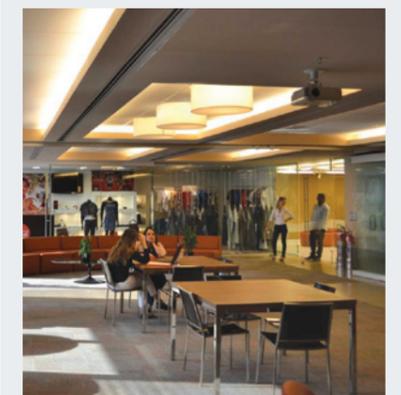
**3.15 Continuous Improvement in 2012 and Beyond**  
 Hines will continue to engage tenants to find the intersection of their needs and the most sustainable properties Hines can offer. In 2012, the firm plans to initiate bimonthly communications to tenants highlighting sustainability programs and best practices that tenants can implement at the office and at home. Further, Hines operations teams will be implementing company-wide waste tracking tools and standards, which will help establish a baseline for waste reduction and waste diversion performance. In 2012, COES will also host a global conference for Hines engineers to share challenges and successes.

**Case Study**  
 HinesGO (GREEN OFFICE) for Tenants Program Participant

**Coca-Cola** Rio de Janeiro, Brazil

Hines provides facility management services for Coca-Cola's 91,000-square-foot Brazilian headquarters and 50,000-square-foot laboratory space in Rio de Janeiro. Coca-Cola is working closely with Hines' facility managers to improve performance through a combination of the HinesGO and LEED for Existing Buildings (LEED-EB) programs. Both facilities have achieved the GREEN OFFICE Award.

- Highlights:**
- Shifted to an open floor plan to improve flexibility and efficiency of the office space
  - Implemented e-waste program to recycle and donate end-of-life electronics
  - Installed occupancy light sensors and energy-efficient, low-mercury lighting
  - Enacted a green-meeting policy to use videoconferencing and teleconferencing whenever possible



# 4.0

## Our Employees

We create a work environment that values a capable, diverse work force, provides challenging opportunities for employees, rewards performance and is respectful of work/life balance.

Hines has been able to achieve a tremendous degree of loyalty in its employees. At a time when individuals frequently change employers and careers, a great many of Hines employees make long-term careers with us. This loyalty translates into enduring relationships with investors, clients and tenants, foundational for sustained value and future opportunity.

**Stephanie Fore**  
Senior Vice President, Human Resources

The Hines employee is the greatest example of the Hines standard. The firm focuses on nurturing the expertise of employees, so that they can best utilize their strengths to make meaningful contributions both inside and outside the organization.

### 4.1 Tenure in Leadership

Hines is an entrepreneurial organization with an excellent record of attracting, motivating and rewarding its employees, resulting in remarkable personnel stability. The 13 most senior leaders at Hines have an average tenure of 33 years, 52 senior vice presidents and senior managing directors have an average tenure of 22 years and 135 vice president and managing directors and international officers have an average tenure of 16 years.

### 4.2 Local Hiring

As Hines has expanded internationally, local hiring has been paramount to its success; of more than 1,000 international employees, fewer than two percent are expatriates. And of 12 international country heads in areas of significant operations, nine (75 percent) are native to the country they represent.

In new markets, seasoned Hines leaders work to identify and train local talent, embedding the essence of Hines values and processes, then entrusting these new leaders to manage the business locally. As a result, Hines is a diverse, international team with deep local knowledge and a management structure that allows for global cooperation and sharing.

### 4.3 Equal Employment Opportunity

It is Hines' policy to ensure equal employment opportunity to everyone. Hines does not discriminate against any employee or applicant for employment because of race, color, religion, gender, national origin, age or sexual orientation, or any other status protected by state or federal laws. Hines also does not discriminate in employment against qualified individuals with disabilities.

Hines' policy prohibits workplace harassment of any sort. Hines is committed to maintaining a work environment free of inappropriate and disrespectful behavior that might interfere with an employee's work performance or the professional environment at Hines.

### 4.5 Whistleblower Policy

Employees are encouraged to contact EthicsPoint, a third-party vendor, to report matters such as questionable accounting, falsification of company records, fraud, privacy, theft or any other unethical behavior. Reporting individuals remain anonymous and reports submitted via EthicsPoint are confidential.

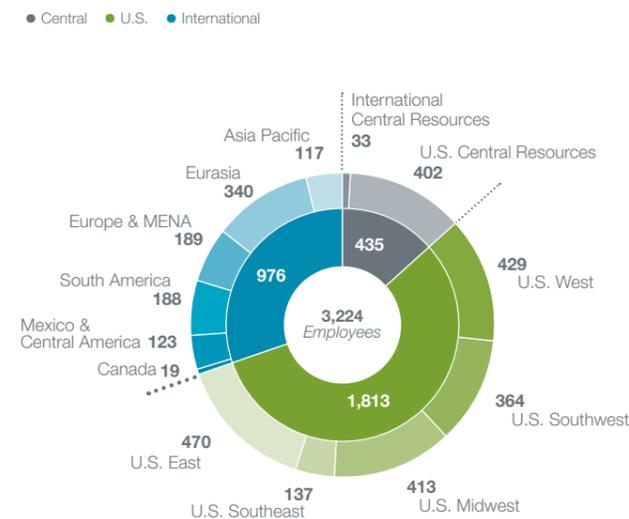
### Non-Retaliation Policy

This program is intended to enable employees to raise serious concerns within the company. Therefore, no employee will be terminated or otherwise retaliated against for submitting a complaint if the employee acts lawfully and believes that the complaint involves a violation of applicable law or company policy.

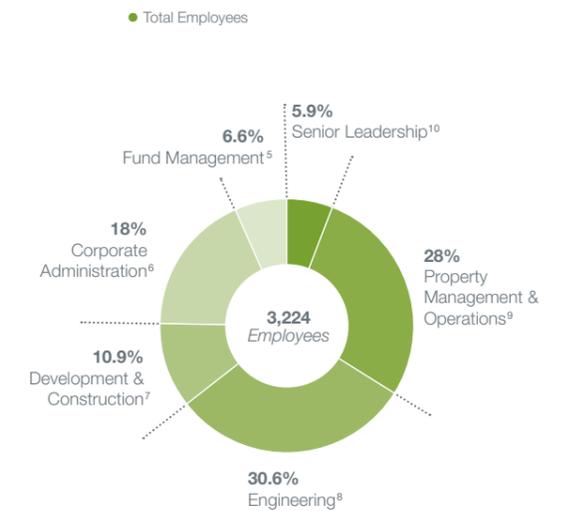
### 4.6 Employee Evaluations

Most employee evaluations and compensation reviews occur annually. Employees typically receive a written evaluation that indicates the employee's performance during the preceding calendar year.

Hines Employees by Location



Hines Employees by Function



**101 California, San Francisco, California, U.S.**  
101 California was certified LEED Platinum due to sound environmental practices including a compost irrigation solution produced on-site by the in-house horticulture team led by Shirley Vaughan (pictured). With a score of 94 LEED credits, 101 California earned the highest score ever awarded in the Existing Building (EB) category throughout the world, an extraordinary milestone for a 30-year-old building.

See endnotes inside back cover

**4.7 myWellness Program**

In 2011, Hines initiated the myWellness program in the U.S., with goals to increase personal health awareness, encourage healthy behaviors and increase preventive care. The program offers free screenings and consultations, rebate incentives and medical coverage discounts for healthy behaviors.

**2011 myWellness Program Results**

**725** employees participated  
**\$70k** wellness incentives paid  
**93%** satisfaction among screening participants  
**62%** learned something new about their health  
**58%** made a lifestyle change as a result of participation

**4.8 Tobacco Cessation Program**

Employees and covered dependents are eligible to receive tobacco cessation benefits offered through their medical health carrier. Members enrolled in one of the Hines Medical, Behavioral & Vision Plans are eligible for prescribed tobacco cessation medications.

**4.9 WageWorks Commuter Benefit**

This benefit gives employees the option of purchasing transit passes and pre-paid parking with pre-tax dollars by payroll deduction.

**4.10 Training and Career Advancement**

Hines develops training based on specific job functions to educate employees about Hines' properties, processes and policies, as well as its unique and valued culture.

In 2011, 79 training events were conducted via webinars or in-person sessions, including courses in Munich, Milan, London, China and each U.S. region.

Training programs include:

- o Property Management Training
- o Engineering Training
- o Accountant Required Training
- o Real Estate Education
- o Management/Leadership Development

Hines also has an Energy Management Training (EMT) program. The learning objectives of the EMT course require operating professionals of all levels to demonstrate understanding and ability in seven areas of core competency: 1) energy fundamentals; 2) analyzing utility bills and rate structures; 3) measuring energy consumption; 4) managing building operations; 5) conserving energy; 6) developing an energy management plan; and 7) taking advantage of energy-efficient technology and initiatives.

Hines partners with the EPA to help develop and test external training. In early 2011, approximately 50 Hines engineers participated in ENERGY STAR's "Best Practices to Improve Energy Performance" training program, providing comments, review and real-world case studies.

**4.11 Education Reimbursement Program**

Hines is committed to investing in the future of its employees as its most valuable asset. The Hines Education Reimbursement Program reimburses employees up to a maximum of \$4,000 per year for courses that apply toward a degree. In 2011, 44 employees participated with a total reimbursement of \$100,308 in tuition, class fees and books.

**4.12 Harris Award for Sustainable Innovation**

This employee incentive program, named after John Harris, the late Executive Vice President of Conceptual Construction, was designed to promote and recognize innovative ideas, tools and processes. In 2011, more than 55 applications were received from administrative assistants, accountants, project managers and engineers. Winners were announced internally and rewarded with cash prizes as well as other recognition.

The Hines standard represents the global real estate benchmark for value creation, integrity, services and quality for all clients • All Hines products and services are of the highest standard as appropriate for the mission • The Hines employee is the greatest example of the Hines standard and the company's most valuable asset • We will continually strive to be the industry leader in sustainability and the premier real estate company in the world.

*Hines' Guiding Principles*

**Case Study** Employee Recognition Program

**Best Practices in Operations & Engineering**

**IDEA** Garage Occupancy Sensors

Submitted by: Adam Rose  
 Property: 717 Texas, Houston, TX, U.S.

**20 sensors** that turn on lights when floors are occupied  
**\$4,875** investment in pilot project  
**7-15 mos** payback time for investment  
**604.5 hrs** of lighting saved over test period

Since 2001, Hines has administered a best practices program to promote innovation by operations professionals. It currently represents 268 best practices submitted by 69 teams and 199 individuals. Ideas are evaluated for efficiency, value, applicability, creativity and quality.

717 Texas has a 12-floor garage with 1,920 32-watt bulbs. The lights were operating 24 hours a day. To save electricity, the building engineers experimented with occupancy sensors for each floor. They found that a combination of 20 sensors effectively covered an entire garage level. Safety was a top concern, so emergency lights were not connected to this system. Each garage level was divided into two zones, causing half of the floor to light whenever an occupancy sensor is activated. Meters were installed on each zone, and data was recorded for two months.

For the first 30-day period after the installation, the team found the lights were only on for 115.5 hours, versus 720 hours during each prior month. Based on this data, the payback for the initial \$4,875 invested per floor was calculated to be approximately seven months. The team has since installed sensors on five other floors. The payback calculations are longer for lower garage levels due to increased traffic, but none have exceeded 15 months. Based on this design, Conceptual Construction has adopted a similar system in new buildings.



**4.13 Employee Survey Methodology and Results**

Hines commissions a third party to conduct periodic employee surveys. The most recent April 2011 survey, administered as a Web survey by email invitation, had a 93% response rate. Results are benchmarked to the most recent previous survey and to the survey provider's normative database of global research. Survey results guide managers at all levels in improving work environments and expectations for members of their teams.

**Statistics from Employee Survey**

**92%** "I am proud to work for Hines" (22% higher than the global norm)  
**93%** "I have trust in the long-term business success of Hines" (17% higher than the global norm)  
**94%** "Hines conducts its business with honesty and integrity" (23% higher than the global norm)

**4.14 Continuous Improvement in 2012 and Beyond**

Starting in the first quarter of 2012, the seven newly formed management committees that report to the Executive Committee will provide opportunities for younger employees to participate and be more connected to the management of the firm. This will allow the senior staff to get even more direct and real-time feedback from all levels of the organization.

**Highlight** Employee Highlights for Sustainability Achievements

Behind the success of each property are committed leaders across the firm who carry the vision for sustainability and expertly implement the highest standards for efficiency. Here are just a few of the faces of sustainability within Hines.



**1. ALAN CRANFILL**

Manager, Corporate Services, Central  
Alan implemented the Hines GREEN OFFICE sustainability program for the firm worldwide and also teamed with colleagues to create a similar, voluntary program—GREEN OFFICE for Tenants. Alan headed the movement away from bottled water, Styrofoam and standard copy paper to fully recyclable materials, saving money and the environment.

**2. ALESSANDRO LIMA**

Operations Manager, South America  
Alessandro created a best practices tool in order to help property managers achieve professional maintenance practices; supported and coordinated Brazil's Best Practice Award program; participated on the Brazil sustainability committee with the main responsibility of assessing properties and tenants in order to validate the HinesGO office and tenant practices; and searched for the best sustainable practices in order to involve property management.

**3. DON EMERSON**

General Property Manager, Southwest Region  
Through Don and John Curlee's (see #11) efforts, Phoenix Tower has been awarded the ENERGY STAR for 13 consecutive years and remains the only office building in the entire world to have earned this distinction. In addition, the Phoenix Tower team achieved LEED EB Gold certification, was among the first offices to be registered under the Hines GREEN OFFICE program, and continues to be among the regional leaders in gaining tenant participation in HinesGO.

**4. ELENA SLESAREVA**

Property Manager, Eurasia  
Elena and her operations team executed ongoing equipment retrofit/upgrades associated with BREEAM building compliance certification aimed at reducing the power consumption in the building, leading to reduced utility costs and increased energy efficiency. Elena's involvement and input were crucial for the success of the building's BREEAM certification program.

**5. ERIN KUHN**

Senior Property Manager, LEED AP, East Region  
Erin has successfully worked on the LEED designation at two buildings including Columbia Square (LEED-EBOM Silver) and 1001 Pennsylvania Avenue (LEED-EBOM Silver). Erin serves on the East Region Sustainable Task Force and has assisted with the certification efforts at other Washington, D.C. buildings.

**6. FRANK CLARK**

Property Manager, LEED AP, Midwest Region  
Frank is an important part of a team in the Midwest that has accomplished the following: Wells Fargo Center in Minneapolis—LEED Gold certification and; implementing Midwest/Southeast portfolio-wide certification, which included securing the services of a professional engineering consulting firm, coordinating priority scheduling, and serving as one of the key informational conduits for property managers and engineering managers. Frank also assisted in creating a reporting process to keep regional leadership apprised of portfolio progress.

**7. GILBERTO TORAL**

Property Manager, LEED AP, Mexico & Central America  
With Gilberto's commitment, Edificio Coca-Cola received Gold certification under the U.S. Green Building Council's LEED for Existing Buildings (EB) rating system. It was the first property in Mexico to attain the Gold level and the first existing office building in the country to achieve any level of LEED certification.

**8. HOLLY HUBER**

Management Assistant, Central  
As a member of Hines' Corporate Engineering Team for the past 13 years, Holly has been a key resource supporting many of the firm's engineering operations and energy efficiency activities. Holly supports the ENERGY STAR Management Group, is the program administrator for the firm's Energy Control and Optimization System and is the key resource compiling information on the firm's sustainability statistics.

**9. HUANG SHUYI**

Regional Engineering Manager, Asia Pacific  
Huang has worked on numerous energy efficiency initiatives during his 10 plus years at Hines. He has taken part in obtaining a government environment program certificate for Embassy House in Beijing, China, and is now working with the team to obtain LEED Gold certification for Hyundai Motor Tower, also in Beijing.

**10. JAVIER MACIAS**

Construction Manager, LEED AP, Mexico & Central America  
With Javier's dedication, EcoLogistics 1 achieved certification under the U.S. Green Building Council's LEED rating system for Core & Shell projects. The EcoLogistics 1 team used the integration of environmental sensitivity and sound design principles to make the building a happier and healthier working environment for logistics and light manufacturing companies.

**11. JOHN CURLEE**

Engineering Manager, Southwest Region  
Through John and Don Emerson's (see #3) efforts, Phoenix Tower has been awarded the ENERGY STAR for 13 consecutive years and remains the only office building in the entire world to have earned this distinction. In addition, the Phoenix Tower team achieved LEED EB Gold certification, was among the first offices to be registered under the Hines GREEN OFFICE program, and has continued to be among the regional leaders in gaining tenant participation in HinesGO.

**12. JOHN KIM**

Property Manager, Midwest Region  
John led the process to obtain LEED Silver certification at 131 S. Dearborn in Chicago, Illinois, U.S. and worked with Three First National Plaza, also located in Chicago, on its pending LEED submittal. John worked with the building's engineering team at 131 S. Dearborn to recommission the HVAC system to optimize equipment run times and reduce electrical consumption, and he creatively identified other ways to accrue LEED points to overcome the nature of the operations by the building's anchor tenants.

**13. KAREN BRADLEY**

Property Manager, LEED AP, West Region  
Karen's sustainability work for Hines extends not only its domestic portfolio, but also its international one. She's personally invested her skill sets to LEED certify almost 30 different properties in the United States, and is now leading an effort to certify one of the first LEED EB properties ever in Asia.

**14. KARI AYCOCK**

General Property Manager, LEED AP, West Region  
Kari became one of the firm's first LEED AP designates, leading one of Hines' first LEED EB certification projects at PG&E's headquarters building in San Francisco. His knowledge and passion for sustainability has now expanded to other downtown San Francisco properties, including the LEED EB Platinum certification effort at 50 Fremont Center.

**15. LYNN LEWIS**

Property Manager, LEED AP, Southeast Region  
Lynn led the process to obtain LEED Silver certification at two separate assets in Atlanta—One Atlantic Center and Atlanta Financial Center. Both properties were developed in the 1980s, and Lynn systematically and creatively addressed challenges that resulted in improving the sustainable protocols for the properties. Lynn has been a resource for multiple properties in the Midwest/Southeast portfolio that have achieved, or are pursuing, LEED certification.

**16. MICHAEL PUREFOY**

Senior Director, Sales & Marketing, Asia Pacific  
Michael is leading Hines' LEED-EB initiative at Hyundai Motor Tower, a 24-story, 600,000-square-foot tower in Beijing, China. The entire certification process is likely to take at least 18 months, after which Hyundai Motor Tower will be one of just a handful of buildings in China to achieve LEED EB certification.

**17. NIKOLAY SHVYRKOV**

Engineering Manager, Eurasia  
Nikolay has largely been involved in an office building's BREEAM compliance certification program as a part of the overall Hines Russia sustainability effort. Ducat Place III was the first BREEAM-certified property in Moscow's portfolio and has set the standard for other company properties' involvement in similar sustainability/energy efficiency programs.

**18. ROB THOMPSON**

Assistant Director of Engineering, East Region  
Rob co-leads the East Region Sustainability Committee—the Green Team. For the past 15 years of his tenure with Hines, he has consistently exhibited the passion and zeal for sustainable and efficient operations that has come to embody the Hines organization. Rob is a role model for newer engineers in the business who strive to be more innovative and embrace care for the environment.

**19. SANDRA COSTA**

Management Director, South America  
Sandra created the Brazilian Hines Sustainability committee; created the Brazilian Best Practice Award program; coordinated the HinesGO (GREEN OFFICE) for Tenants program, which resulted in two Brazilian awards and one international award; and is supporting the Hines team that is in the process of achieving two LEED certifications of Coca-Cola properties.

**20. SIMON JENNER**

Director, UK Design and Construction, Europe/MENA  
Simon has created the sustainability framework for Hines' UK business, establishing a series of specific targets for energy reduction and sustainability within the UK operational process. Having involvement in all UK development projects, Simon focuses on sustainability throughout the design and delivery phases.

**21. STEVE MURPHY**

Senior Engineering Manager, LEED AP, Europe/MENA  
Steve is primarily focused on effective testing, commissioning and startup of the mixed-use Porta Nuova Project in Milan, Italy. Steve also supports regional asset management teams to ensure sustainable operating strategies are implemented.

**22. TONY NAPIER**

General Property Manager, LEED AP, Southeast Region  
Tony helped steer One Atlantic Center to LEED Silver certification. Tony also assisted in implementing the Midwest/Southeast portfolio-wide certification. He plays a key role as part of the ESMG, which has successfully coordinated the gathering of information from across the country, enabling Hines to submit timely information to ENERGY STAR and resulting in multiple Sustained Excellence awards.

# 5.0

## Our Communities

We enhance and contribute to the communities in which we operate.

Even though Hines is a global firm, our offices are extremely local in their emphasis. Hines people are often leaders in their communities, giving back in ways that enrich cities and promote sustainability. We support better education, greener, healthier places and enhanced quality of life.

*George Lancaster*  
Senior Vice President, Corporate Communications

Hines supports a number of worthwhile initiatives designed to help set a higher standard in a variety of areas. These include education, environmental protection, the cultural arts and community beautification. Through generous charitable giving and by leveraging its considerable expertise in real estate planning, design and engineering, Hines makes meaningful contributions on several fronts. Employees are encouraged to respond to the needs of their communities and to act upon relevant issues of local interest and concern.

### 5.1 myCommunity Program

This internal, voluntary program provides Hines employees an opportunity to give back to their communities through a variety of philanthropic activities. Each employee may spend one day per year without loss of pay or vacation time while performing volunteer work for a charity of their choice. Hines tracks the firm's total community service contribution annually so that it may celebrate the accomplishments and the sense of personal fulfillment that come from helping others.

Since the start of this program in March of 2011, 108 employees have participated, for a total of 707 volunteer hours.

### 5.2 Community Spirit in Action

#### Waves to Wine Ride

Hines fielded a team of 24 riders for the 28th Annual Bike MS: Waves to Wine Ride, which benefits the Northern California Chapter of the National Multiple Sclerosis Society. The two-day, 150-mile ride garnered more than \$2 million to support the goal of eliminating MS. The Hines team raised more than \$28,000, making it one of the top 15 fundraisers out of 195 teams.

#### Beach Cleanup

Pleasanton Corporate Commons joined the Berkeley Marina Shoreline cleanup crew for the 27th Annual California Coastal Cleanup Day. More than 62,000 volunteers statewide scoured shorelines and inland locations, picking up more



1. Brindleyplace Dragonboat Festival benefiting Birmingham Children's Hospital
2. California Coastal Commission's 27th Annual California Coastal Cleanup Day
3. "Rise and Shine" 5k run/walk benefiting the Rise School in Houston, Texas, U.S.
4. The Annual Hope for Firefighters fundraiser

than 600,000 pounds of trash and debris up and down the California coast, from Mexico to the Oregon border.

#### United Way

Hines' Central and Southwest regional offices rallied for another successful campaign for the United Way of the Texas Gulf Coast. Donations from the firm resulted in \$564,000 that go toward filling the needs of the community. Employee participation in the campaign this year rose to 74 percent, which is a 15 percent increase over last year.

#### Rise School

Yearly, Hines sponsors the 5k "Rise and Shine" run/walk benefiting the Rise School in Houston, a nationally recognized school for children with Down syndrome and other disabilities. Hines employees, family and friends participated in the run/walk, which brought in more than \$100,000 for scholarships.

#### Birmingham Children's Hospital

Hines employees entered a rowing team in the Brindleyplace Dragonboat Festival in Birmingham, England, to aid Birmingham Children's Hospital. In its 12th year, the annual event provides a friendly yet fierce competition among businesses across the city. Organizers expect this year's total will top last year, which garnered £43,000 for the hospital.

#### Hope for Firefighters Event

Hines joined the Los Angeles Fire Department (LAFD) and several local businesses to sponsor the 14th Annual Hope for Firefighters fundraiser in downtown Los Angeles. The event benefits the Widows, Orphans & Disabled Firemen's Fund, a 105-year-old charity dedicated to helping the families of LAFD firefighters injured or killed in the line of duty. Hines volunteers served food to more than 5,000 Angelinos that crowded the streets, and the event raised more than \$120,000.

**Uptown München, Munich, Germany**  
Uptown München is located in the Olympic Park office area, a major, growing submarket of Munich close to the historic city center, with access to transportation links and amenities. The 38-story tower is a landmark building, the tallest and one of the most attractive office buildings in the Bavarian capital.

5. Hines team at the 24th Annual Bike MS: Waves to Wine Ride
6. The Houston team at the Susan G. Komen Race for the Cure
7. Hines volunteers at the Sacramento Children's Home
8. Employees, friends and family at Rebuilding Together Houston
9. Hines shows support for Go Red Day supporting the American Heart Association
10. Building Industry Association's 19th Annual Community Improvement Day



healthy information and snacks, and by illuminating their properties with red lighting.

**Rebuilding Together Houston**

During the spring of 2011, approximately 30 Hines volunteers and family members gathered for a workday in conjunction with the national Rebuilding Together initiative during which they completed exterior repairs for an elderly, disabled, low-income Houstonian. This community outreach organization preserves affordable homeownership and revitalizes neighborhoods by providing home repair and renovation services at no cost to low-income homeowners in need.

**On a Mission**

The Hines Cares team in Seattle pitched in to prepare and serve meals at the Union Gospel Mission (UGM), a private organization helping the city's hurting and homeless since 1932. The team served approximately 300 meals and visited with residents and staff.

**Capital Improvements**

More than 30 Hines employees participated in the D.C. Building Industry Association's 19th Annual Community Improvement Day and helped to renovate the Marvin Gaye Recreation Center. Activities included: redesigning the center's interior and creating a space for a computer lab and meeting area; improving signage and fencing; adding terraced seating, picnic tables and benches; improving the sports fields; creating a mural; and adding landscaping.

**Atlanta "can-do"**

The Hines management team at Atlanta Financial Center participated in the Construction food drive benefiting the Atlanta Community Food Bank. The AFC team gained support from tenants by holding a can drive and soliciting monetary donations. As a result, the team purchased more than 1,860 cans of food.

**Project Bread's Walk for Hunger**

Hines participated in Project Bread's Walk for Hunger, a 20-mile walk through greater Boston that raises money for local food pantries and families in need. The team broke its previous fundraising record this year by raising \$3,050. Project Bread is the state's leading anti-hunger organization, providing millions of dollars each year to more than 400 emergency food programs in 130 communities.

**American Heart Association Go Red for Women**

Every year, Hines' U.S. offices show their support for the American Heart Association's fight against heart disease by participating in the nationwide Go Red for Women campaign. Many Hines employees participate by wearing red to work on that day, by distributing heart-

**Susan G. Komen Race for the Cure**

A variety of Hines employees in multiple locations participated in the Susan G. Komen Race for the Cure. In 2011, Hines teams raised more than \$12,300 to support the fight against breast cancer and to fund education, screening, treatment support and scientific research.

**Sacramento Children's Home**

A team of 18 Hines volunteers in Sacramento served their community by sprucing up the main campus of the Sacramento Children's Home, the city's oldest active charity. The Sacramento Children's Home provides care to the most vulnerable children and families in Sacramento through community-based, residential and educational programs. The organization serves approximately 4,200 children and 3,700 families.

**5.3 Investing in Education**

Hines' commitment to educational institutions and organizations runs deep. The growth of urban areas will be shaped by the next generation of urban designers architects, planners, developers, engineers and other land use experts. Hines is setting the standard in sustainability by investing in tomorrow's leaders in the built environment.

The primary educational institutions and programs Hines currently supports include:

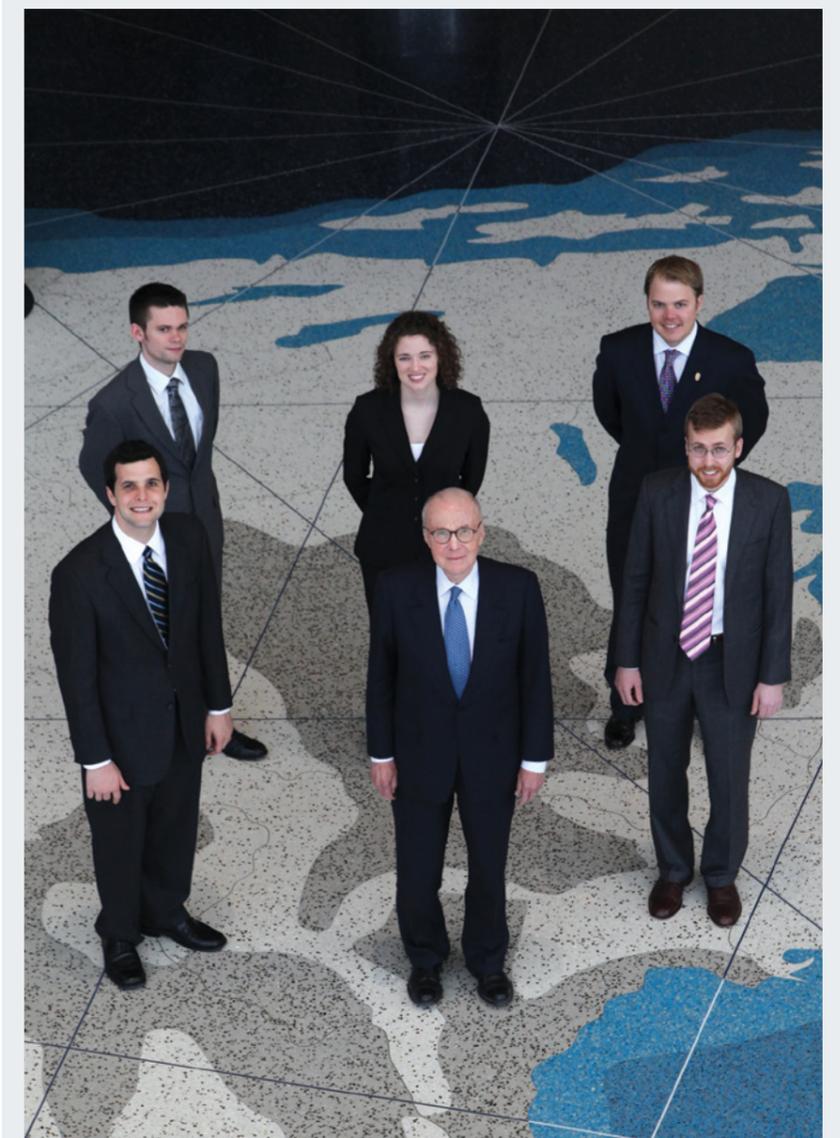
- o Endowment of the Gerald D. Hines College of Architecture at the University of Houston, which offers professional, post-professional and secondary professional degree programs in architectural, interior, space and industrial design
- o Contribution to Purdue University's Sustainable Buildings Technology Lab, which focuses on new building technologies and their impact on human behavior and productivity
- o Ongoing sponsorship of the annual ULI/Gerald D. Hines Student Urban Design Competition, which challenges multidisciplinary student teams to devise a comprehensive development program for a real, large-scale site
- o Funding for the establishment of the Gerald D. Hines Visiting Fellowship in Development at the School of Real Estate and Planning, Henley Business School, University of Reading in London
- o Funding to KIPP, an alternative primary and secondary school program for underserved students in Houston, Texas

**5.4 Continuous Improvement in 2012 and Beyond**

In mid-2011, Hines created the myCommunity program that allows for any Hines employee to contribute back to their community for one day per year with compensation. In 2012, Hines will significantly promote the program so as to maximize participation.

**ULI/Gerald D. Hines Student Urban Design Competition**

Successful real estate development and design in the 21st century requires intensive collaboration across disciplines and sectors. In this competition, students have the chance to form multidisciplinary teams with other graduate students in the United States or Canada and tackle a real land-use challenge in a U.S. city. Since the first competition in 2003, nearly 4,000 students on 800 teams have participated, representing 92 schools in the U.S. and Canada.



Gerald Hines and a winning team of the annual Urban Land Institute (ULI) Gerald D. Hines Student Urban Design Competition representing the Massachusetts Institute of Technology School of Architecture and Planning, and the University of Wisconsin School of Business.

## Global Reporting Initiative (GRI)

Hines presents this as a self-declared "C" level report, having met the basic requirements of the GRI framework.

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Hines is committed to keeping its stakeholders informed on a regular basis about the firm's sustainability efforts and performance worldwide. We invite your feedback, questions and suggestions to help us continue improving our sustainability performance and reporting.

[sustainability@hines.com](mailto:sustainability@hines.com)

### Map Notes

- "Under Development" includes projects that are in the design phase and projects on which Hines has broken ground
- Managed means either property managed, asset managed, or both
- Owned properties are properties where a Hines entity has some portion of ownership

### Endnotes

1. The firm's historical and current portfolio of projects that are underway, completed, and acquired and managed for third parties
2. *ibid.*
3. Includes flex tech, land & data centers
4. Energy and water intensity data represents approximately 84 million square feet of predominantly office space in Hines' U.S. and international locations. Only properties with reliable complete building data (base building and tenant) have been included. This information is being presented in comparison to the U.S. EPA's ENERGY STAR mean site energy which is based off of the U.S. Department of Energy's currently published Commercial Building Energy Consumption Survey (CBECS).  
In a dynamic real estate portfolio, energy and water intensities will vary dependent on many factors including, but not limited to weather, occupancy, tenant consumption patterns, and occupant densities. Additionally, acquisitions and dispositions, characteristic of an active real estate company, may cause intensity factors to fluctuate until proper energy and water management controls are implemented on site.
5. Includes all fund management employees, fund accountants and support employees
6. Includes all Central employees (excluding fund and fund accounting), corporate accounting, other corporate administration, and support employees
7. Includes all project manager, construction, marketing/leasing, and support employees
8. Includes all engineering and engineering management employees
9. Includes all property management employees, property accountants, and property support employees
10. Includes company officers



Each day, more people  
are coming to terms with  
the lifecycle impact of their  
decisions, and they are  
striking a balance between  
today's needs and the ability  
to meet tomorrow's.

*Gerald D. Hines*

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