

Hines



2018
Sustainability Report



CEO Letter



Achieving our vision of being the best real estate investor, partner, and manager in the world requires a focus on delivering long-term value for the planet and for the people we reach through our business, from our employees to our investors, clients, tenants, and local communities.

Our company has been successful for more than 60 years because we are dedicated to building a sustainable future: creating a built environment that uses fewer resources, produces less waste, and ensures healthy places for people to live and work. As an innovative, vertically integrated real estate company, we take every opportunity to embed this approach into all of our work.

The real estate industry today is dynamic. Technological advancements are changing the way we live and work, emerging industries are redefining markets, shifting demographics are creating new needs in communities, and planetary pressures are disrupting business. To remain the partner of choice for our investors, clients, and tenants, we must be both nimble and focused, empowering our local teams to respond to local needs while operating as One Hines, with an unparalleled dedication to quality, service, innovation, and sustainable value.

In 2018, we embarked on an evolution that will allow Hines to continue our leadership in this dynamic environment. We doubled down on our ongoing strategies that will position Hines for continued success, including programs that advance the leadership and diversity of our people and platforms and partnerships that place Hines at the cutting edge of developments in real estate technology.

Today, sustainable value encompasses more than environmental sustainability. It's about people. We aim to be the best partner by creating long-term value for everyone we reach. When Dad started this company in 1957, he firmly believed that Hines had a responsibility to the public for the future. I am proud that our company has continued Dad's legacy of building for the future — creating sustainable value today that fulfills the promise of tomorrow.

A handwritten signature in black ink that reads "Jeffrey C. Hines". The signature is written in a cursive, flowing style.

Jeffrey C. Hines

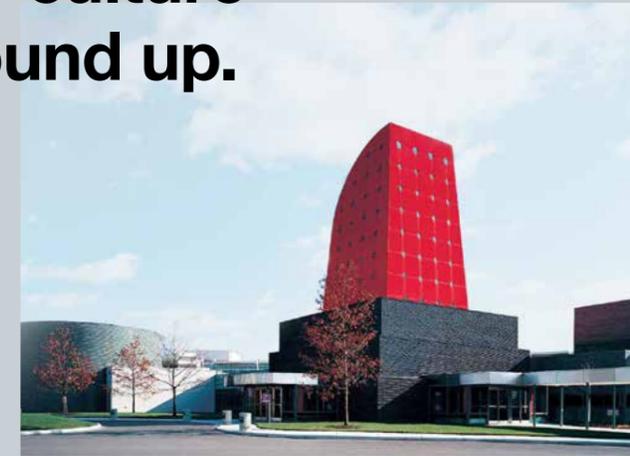
President

Chief Executive Officer





**Sustainability is
built into our culture
from the ground up.**



Our vision is to be the best real estate investor, partner, and manager in the world. We live that vision every day by pushing the boundaries to do things better.





Our Firm

With a global presence and \$120.6 billion of assets under management¹, Hines is among the largest, most respected real estate firms.

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Sustainability at Hines

We have worked to improve the quality of the built environment for people and planet since our beginning.

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Our People

Hines' focus on the human side of sustainability inspires us to create great living and working environments for our tenants and employees.

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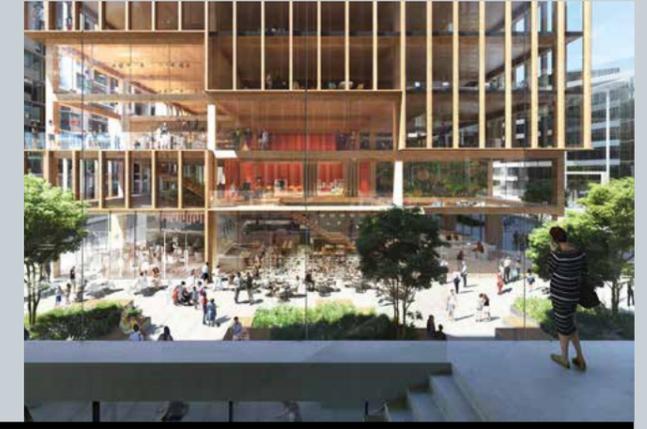
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Environmental Stewardship

Our sustainable approach to real estate is good for people and the environment — and makes good business sense.

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Innovation and Technology

Hines is at the forefront of new and better ways to build green and invest in the future of green building.

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Responsible Investment

We focus on resilience and evaluate the environmental, social, and governance factors of every Hines investment.

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Giving Back

Our legacy of corporate philanthropy and employee volunteering enhances lives and communities.

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GRI Index

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Contents



Texas Tower, the next-generation office development—and future global headquarters for Hines—under construction in downtown Houston



Our Firm

Hines is a privately owned global real estate investment, development, and management firm. With extensive experience in investments across the risk spectrum and all property types, and a pioneering commitment to sustainability, Hines is one of the largest and most respected real estate organizations in the world.

Founded in 1957, today we have a presence in 214 cities and 24 countries and \$120.6 billion of assets under management. Our 2018 property and asset management portfolio included 512 properties, representing over 223 million square feet.



OUR GUIDING PRINCIPLES

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

Lines of Business

Hines has been a developer and owner of core U.S. properties from the beginning. In the late 1980s and early 1990s, we expanded our business to include acquisition of existing properties, international development, and real estate investment management.

Today, these lines of business make up our integrated approach to real estate services and investment management. Hines combines innovation, sustainability, and local market knowledge with deep expertise in development, property management, and engineering — offering our global partners and clients lasting value. We are entrepreneurial by nature and pride ourselves on staying ahead of the trends that are reshaping the built environment.

Investment Management

As a vertically integrated investment management firm, we combine ground-up operating expertise and local knowledge with top-down research and investment management to optimize execution for our investors. We pursue a variety of investment strategies, including open and closed-end commingled funds, separate accounts, joint ventures, and non-traded REITs.

Since we launched our investment management platform in 1991, we have sponsored 57 strategic investment funds and numerous one-off investment vehicles, totaling more than \$51.2 billion of equity.

Development

Hines came to prominence as the developer of landmark office buildings in major cities across the United States. Since our global expansion in the 1970s, we have revolutionized the industry by introducing signature architecture for multi-tenant buildings and higher standards for all aspects of building design, operations,

and management. Today, Hines has completed, acquired, and/or redeveloped projects totaling more than 444 million square feet.

Property Management

Hines has managed properties since our inception, and operational excellence has always been a core value. We approach property and facility management from an owner's perspective, delivering unparalleled service, asset management, and engineering, and reducing risk.

Today, we manage more than 223 million square feet worldwide, including assets in Australia, Brazil, Canada, China, Denmark, Finland, France, Germany, Greece, India, Ireland, Italy, Mexico, the Netherlands, Norway, Panama, Poland, Russia, Spain, the United Kingdom, and the United States.

Business Governance

Hines' Executive Committee is composed of ownership representatives and leading regional and central senior executives across the globe. This group serves as our board of directors and is responsible for our company's overall governance and decision-making. Our Global Investment Committee, Steering Committee, Audit and Compliance Committee, and Personnel Committee also provide oversight. This decentralized, regional operating structure puts everyday decision-making closer to the real estate, and our regional CEOs (who are members of our Executive Committee) direct the activities of geographic organizations that source and execute investments and oversee regional development and operations.



T3, Minneapolis

“
We are passionate about applying our creativity, engineering, and commitment to excellence to create the best places for people to live and work.

JEFFREY C. HINES, PRESIDENT AND CEO



BOK Park Plaza at 499 Sheridan, Oklahoma City



1144 Fifteenth Street, Denver

Hines Global Presence

Locations and Workforce²



214 cities

462 cities with facilities management

24 countries

Australia, Brazil, Canada, China, Denmark, Finland, France, Germany, Greece, India, Ireland, Italy, Japan, Luxembourg, Mexico, Netherlands, Norway, Panama, Poland, Russia, South Korea, Spain, United Kingdom, United States

● Regional Headquarters

Total Assets Under Management

\$120.6 B



Listed as USD \$

Developments Worldwide

CURRENTLY UNDERWAY

128 
Projects
44.1 M sf

COMPLETED

874 
Projects
256.6 M sf

2018 Property and Asset Management

512 
Properties in asset management portfolio

223 M 
Square feet



Huntington Center in Columbus, OH—a circa 1984 Hines tower—is a model for strategic repositioning of vintage assets to make them not only still relevant, but marketing dominant.

Sustainability at Hines

As a company that has long valued and pioneered sustainability, we know that improving the built environment to minimize our footprint and contribute value to communities is critical to achieving our vision.

We have always viewed environmental sustainability as a measure of respect for communities. Our founder, Gerald Hines, helped pioneer sustainability in real estate, and as early as 1978, Hines engineers were tracking energy use in our buildings to identify ways to lower consumption. In 1992, even before government regulations were in place, we developed air-quality guidelines for our buildings.

Hines subsequently helped formalize these standards for the industry, working with the U.S. Green Building Council® (USGBC) in 1998 to create Leadership in Energy & Environmental Design™ (LEED®) certifications. We're pleased that Hines has helped usher in today's era of green building and continues to set a high bar for sustainable practices across the real estate industry.

Over the years, our definition of sustainability has expanded. Today, our mission is to improve the quality of the built environment, employ the highest ethical standards in all of our work, minimize our environmental footprint, be a responsible investor and partner, and enhance and contribute to communities.

Sustainability Focus Areas and Business Integration

We view our sustainability impacts and opportunities through the lens of what we believe matters most to our business and our stakeholders, especially our employees, investors and industry partners, tenants, and the communities where we operate.

Today, we focus on five main areas of sustainability, and we endeavor to address these topics across many parts of our business:

People: We recognize that sustainability in the built environment not only supports a resilient planet, it helps people live healthier, happier lives. That's why we focus on sustainability from the human dimension — from the experiences and opportunities we provide for our employees, to the developments we pursue, to creating the best environment for the people who live and work in our buildings.

Environment: We believe environmentally sustainable buildings, communities, and cities celebrate the vitality of the present and acknowledge our responsibility to the future. We take a multifaceted approach to improving

environmental sustainability, and we view the issues holistically, with an emphasis on green building, energy efficiency and climate resilience, and minimizing waste and water impacts. We manage impacts across our business and supply chain by integrating environmental sustainability into property development, property and facilities management, and our investment business.



Fenton, Cary, NC

Innovation and technology: We are committed to advancing innovative technology solutions that reduce the environmental impacts of buildings while improving the lives and experiences of the people who use them through applications that support health, wellness, flexibility, and human connection.

Responsible investment: We take a long-term view in our investment business, seeking to manage risk and generate sustainable returns. Our Responsible Investment Statement and the Hines Sustainability, Resilience, and Responsible Investment Framework help us integrate environmental, social, and governance (ESG) factors into our due diligence in evaluating investments.

Giving back: Our company has an enduring legacy of contributing to communities through our property developments. We also have a long-lasting commitment to giving back, which we do through corporate philanthropy and employee volunteering.

Looking ahead, we plan to refine our focus areas and further strengthen our sustainability strategy and systems, including by exploring formal goals.

Sustainability Governance

Hines' Global Sustainability Officer is accountable for all aspects of our worldwide sustainability efforts, including promoting sustainability and energy efficiency with investors, tenants, and clients. Hines' Sustainability group engages with our Executive Committee, as well as our regional and central business units, on our ongoing sustainability strategy.

Our ENERGY STAR® Management Group leads our ENERGY STAR strategy and all related initiatives. This team consists of engineering leaders from Hines' central headquarters and every Hines U.S. business region, which have developed special networks with their engineering colleagues to support our company's energy conservation goals. This team also collaborates with U.S. Environmental Protection Agency (EPA) representatives to learn about the latest EPA program initiatives, products, and services.

Sustainability Policies

The policies below support our commitment to sustainability. (The other chapters in this report provide more detail about our management approach and policies covering specific material areas.)

Responsible investment statement: Our investments are guided by the Hines Responsible Investment Statement, which we created in 2011 to formalize our ESG guidelines and practices. Read the full statement on page 47.

Sustainability policy: Hines recognizes that development, construction, management, and investment in real estate impacts our stakeholders and the communities in which we operate. In recognition of these impacts, Hines maintains sustainability policies and procedures to mitigate negative environmental effects, engage stakeholders, and enhance our investment performance.

Hines U.S. Code of Business Conduct

Our U.S. Code of Business Conduct provides an overview of the laws, regulations, and company policies that apply to the firm and its employees. It emphasizes the values we share. In line with the firm's Guiding Principles, we require our employees to comply with both the letter and spirit of the Code and make decisions that will preserve the firm's reputation and the trust that our stakeholders have placed in us. We also expect those who we do business with to share and observe these same values.



2330 Broadway, New York

The Code covers key areas, including:

Reporting violations: Hines has selected EthicsPoint to provide a simple way to anonymously and confidentially report actual or suspected activities that may involve accounting, internal accounting controls, auditing matters, criminal conduct, or violations of our Code.

Financial reporting: Employees must comply with generally accepted accounting principles, where applicable, and all regulatory requirements that apply.

Conflicts of interest: Employees should avoid any activity that might influence their ability to act in the interest of the company or that makes it difficult to perform their work impartially and effectively.

Equal employment opportunity: It is Hines' policy to ensure equal employment opportunity to everyone. Hines strives to provide an inclusive environment where differences are valued, embraced and celebrated, and where everyone can reach their full potential. Diverse perspectives advance new ideas and foster our entrepreneurial culture, creating successful outcomes for us as well as our partners, clients, investors and employees.

Discrimination and harassment prevention: Everyone deserves to be treated with dignity and respect and has a right to work free from harassment, abusive conduct and physical harm, and unlawful discrimination. Behavior that creates an offensive, hostile or intimidating environment, including pressure to donate money or purchase items, is not acceptable.

Workplace violence: Hines is committed to providing a safe workplace for its employees. Hines strictly prohibits retaliation for making a report of workplace violence under this policy in good faith.

Rules of conduct: Hines employees are expected to perform their responsibilities in a highly professional manner and conduct their business activities with the utmost of integrity and ethics.

Anti-Corruption policy: Hines policy prohibits the offer, promise, gift, or authorizing the giving of anything of value directly or indirectly to any Government Official in order to influence official action or secure an improper advantage, or to anyone (whether or not a Government Official) to induce him or her to act improperly.

International sanctions:

It is the policy of Hines to avoid dealing with prohibited countries, companies, groups or persons designated by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) and international authorities, such as the United Nations Security Council, and to comply with rules requiring asset freezing and reporting to OFAC in the event Hines controls assets owned by a designated party. In Europe, Hines complies with similar requirements of the European Commission and the laws of individual countries such as the UK, Luxembourg, and Italy.

It is a goal of the firm in 2019 to enhance the Code of Conduct for all of our global employees.

Sustainability Partnerships and Associations

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

ENERGY STAR

The EPA ENERGY STAR program is the leading energy benchmarking and tracking system in the United States for the commercial real estate sector. Hines became the first international and privately held real estate company to commit to ENERGY STAR in 1999, and, to date, we have earned labels for 1,863 buildings.

Urban Land Institute

The Urban Land Institute (ULI) is a nonprofit education and research institute formed to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. Several Hines leaders have helped shape ULI's sustainability programs, and the ULI/Gerald D. Hines Student Urban Design Competition has been held in North America since 2003. In 2018, we expanded our support by providing a three-year, \$90,000 gift to create the Women's Leadership Initiative (WLI) Hines Innovation Grants, aimed at increasing the visibility and number of women in real estate leadership roles.

U.S. Green Building Council

The U.S. Green Building Council (USGBC) is committed to a prosperous and sustainable future through cost-efficient and energy-saving green buildings. It created the Leadership in Energy and Environmental Design (LEED) certification program. Hines has been a member since 1998 and continues to be a leader with 100 projects representing more than 63.7 million square feet that have been certified, pre-certified, or registered under various LEED rating systems.

International Organizations

Internationally, Hines has been involved with the German Sustainable Building Council (DGNB), 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 Building Research Establishment Environmental Assessment Method (BREEAM) program, and the Haute Qualité Environnementale (HQE) program.



The new Conrad Washington, DC hotel, designed by Herzog & de Meuron

Stakeholder Engagement

Hines engages with internal and external stakeholders in a variety of settings.

Investors

- Investor Survey: Every three years
- Interviews (10–15 people): Ongoing
- Reporting: Quarterly
- Investor Conference: Every 18 months

Tenants

- Tenant Retention Survey: Annually
- Tenant Satisfaction Survey: Every two years
- GREEN OFFICE™ Program: One time

Employees

- Employee Survey: Every two to three years
- Performance Reviews: Annually, with regular check-ins
- Intranet Communications: Ongoing
- Webcast with CEO: Quarterly
- Management Orientation: Annually
- Internal Conferences: Ongoing

Industry

- Participation in Events: Ongoing

About this Report

This is Hines' eighth annual sustainability report, covering our sustainability impacts and performance in the calendar year 2018. To report on the topics that are material to our business operations, this report references the Global Reporting Initiative (GRI), specifically: GRI Foundation 101 2016, GRI 102 General Disclosures 2016, GRI 103 Management Approach 2016, GRI 302 Energy 2016, and GRI 306 Effluents and Waste 2016. Hines is committed to keeping our stakeholders informed on an annual basis about our sustainability efforts and performance worldwide. We invite your feedback, questions, and suggestions to help us continue improving our sustainability performance and reporting. You may contact us at sustainability@hines.com.

2018 Sustainability Highlights



People

- Led 10-month OneHines Diversity and Inclusion Listening Tour that spanned 11 cities, reached 284 employees, and gave our Executive Committee a chance to hear directly from Hines employees about our culture, their needs, and how to increase diversity and foster inclusion.
- Launched our revamped approach to performance management, Hines' Managing Performance and Cultivating Talent (MPACT) Program, to encourage two-way conversations and more frequent dialogue throughout the year.
- Supported 456 learning and development sessions, reaching 8,198 people. More than 600 of our employees in 10 countries participated in Hines' proprietary classes.

- Engaged 38 Vitality Champs in 15 U.S. cities to further promote a culture of wellness. 1,590 participants completed a Vitality Health Review and 966 participants completed a Vitality Check.

Environment

- Hines currently has 177 buildings with ENERGY STAR designation under ownership or management.
- Earned the EPA ENERGY STAR "Sustained Excellence" title for the 11th time.
- Participated in ENERGY STAR for Tenants Program pilot in two of our regional offices to help better understand how tenants can improve a building's energy performance.
- Hines currently has 313 buildings with a green building designation under ownership or management.³

- To date, 643 tenants have joined the Hines GREEN OFFICE™ Program.
- To date, 16 properties have registered for WELL.
- Completed the development of One Museum Place in Shanghai, a 60-story office building and retail pavilion designed and built to the highest specifications of quality and sustainability.
- Released new indoor air-quality standard requiring more frequent monitoring of indoor stressors like volatile organic chemical emissions and particle aerosols.
- Procured renewable energy for 13 out of the 19 buildings in the Hines Pan-European Core Fund (HECF).
- Piloted Stem's battery-storage system at 101 California in San Francisco to help efficiently regulate the energy flow from the grid, avoiding peak rates. This system

will allow our engineering team to further optimize the building's energy efficiency.

Innovation and Technology

- Since investing in the venture capital firm Fifth Wall's first fund as an anchor investor in 2017, Hines has engaged with 13 "proptech" companies, including Aurora Solar, which cuts the cost of installing solar, and Lime, a leading bicycle-, scooter-, and car-sharing company.
- Developed Hines Squared to provide coworking and a more flexible work platform that will eventually allow our tenants to access more of our global portfolio. The first location will open in Houston in 2019.

Responsible Investment

- For the second year in a row, the Hines Pan-European Core Fund (HECF) was named Global Real Estate Sustainability Benchmark (GRESB) Global Sector Leader and ranked first among European diversified office/retail portfolios. HECF also ranked first among 367 European non-listed vehicles and seventh globally among 874 vehicles that participated in GRESB in 2018.⁴

Giving Back

- Hines donated more than \$4.2 million* in 2018.⁵
- 196 employees contributed 1,154 myCommunity volunteer hours, benefiting nearly 100 organizations.

- A team of Hines Houston employees supported the restoration of 21 homes in the city's historic Third Ward, helping ensure long-term, safe, and affordable housing for its residents.
- The Hines Chicago office participated in the Scenic Shore 150 Bike Tour, raising \$500,000 from individual and corporate donors to benefit the Leukemia & Lymphoma Society.

1957

Mechanical Engineer Gerald D. Hines founds the company with an eye toward energy efficiency.



1978

Hines engineering begins firm-wide energy tracking and energy management focus.

1992

Hines develops indoor air guidelines before the EPA issues its standards.

1994

Hines implements environmental and engineering accountability protocols for its Engineering Standards program in the U.S.

1996

Hines develops the Cesar Pelli-designed Owens Corning World Headquarters in Ohio with the first raised-floor technology in North America.

1997

Hines hosts its first Modern Buildings Prototype Conference with experts in efficient design from the Rocky Mountain Institute and Gensler, among others.

The University of Houston names its School of Architecture in honor of Gerald Hines.

1999

Hines designs 560 Mission in San Francisco to use 100% outside air in its HVAC system, enhancing indoor air quality.

Hines develops 600 13th Street in Washington, D.C., with electronic air-cleaning technology, significantly improving indoor air quality.

Hines develops the 55-story Main Tower in Frankfurt, Germany, with operable windows.

Hines incorporates operable windows into Uptown München, one of the tallest towers in Bavaria.

2001

The EPA names Hines ENERGY STAR Partner of the Year.

Hines manages nearly a quarter of all non-government commercial office space that is ENERGY STAR labeled.

2002

Gerald Hines is awarded the ULI J.C. Nichols Prize for Visionaries in Urban Development.

Hines funds the ULI/ Gerald D. Hines Student Urban Design Competition.

2003

Hines completes multiple phases of the major, mixed-use brownfield redevelopment project Diagonal Mar in Barcelona.

Hines named ENERGY STAR Partner of the Year for the third consecutive year.

2004

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

2005

The Hines-developed Diagonal Mar in Barcelona receives the inaugural ULI Europe Award of Excellence.

The Hines-developed One South Dearborn in Chicago is the first high-rise office building in Illinois to be pre-certified LEED Silver.

2006

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

The Hines-developed Tower 333 in Bellevue, WA, is the first high-rise office building on the West Coast to be pre-certified LEED Silver.

2008

Gerald Hines receives the first-ever Visionary Leadership in Real Estate Development Award from the Harvard Graduate School of Design.

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

Global Green USA presents Hines with the Green Building Design Award at their Sustainable Design Awards program.

2011

Hines launches myCommunity to enable Hines employees to give back to their communities through volunteer activities.

2012

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

Hines receives the ENERGY STAR Sustained Excellence award for the fifth time.

2017

Hines becomes Founding Alliance Member of Well Living Lab.

Hines hires its first Director of Diversity & Inclusion.

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



1961

Gerald Hines addresses the Houston Chapter of ASHRAE about providing high-quality architecture and engineering to the public with a responsibility to the future.

1975

Pennzoil Place in Houston, designed by Johnson/Burgee Architects, sets a new standard for architectural excellence in speculative office buildings. New York Times architecture critic Ada Louise Huxtable dubs it the "Building of the Decade."



1998

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

1999

28 Hines buildings receive the EPA's ENERGY STAR label when it expands into commercial real estate.

2000

Hines reconvenes the Modern Buildings Prototype Conference in Denver and develops the Hines Best Practices program with industry experts.

Hines develops its CFC Management Guidelines, resulting in a 62% reduction in the release of harmful CFCs over the next four years.

Hines works with 3M Mexico to dramatically reduce energy consumption and receives an award from the Mexican government.



2002

Hines' participation represents 30% (by square footage) of the USGBC's LEED for Existing Buildings Pilot Study.

Hines named ENERGY STAR Partner of the Year for the second consecutive year.

2003

Hines develops Metropolitan in Warsaw, designing for more natural light than any other building in Poland.



2005

The Hines-developed 1180 Peachtree Tower is the first high-rise office building to be pre-certified Silver in LEED's Core & Shell Rating System. Later that year it achieves LEED Gold.

2006

The Hines-developed mixed-use mega-project Porta Nuova in Milan is the first in Italy to adopt the LEED standard.

Porta Nuova's Cesar Pelli-designed office towers are pre-certified LEED Gold.

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

2007

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

2008

Tripark August is the first LEED pre-certified office project in Barcelona.

Tripark August is distinguished as the Most Sustainable Development Project (Non-Residential) by Barcelona Meeting Point.

2009

Hines unveils the GREEN OFFICE™ Program for tenants to enhance the sustainable features and operations of its office space.

The Hines-developed 717 Texas is the first commercial office building in Houston's business district to receive LEED certification.

2013

Gerald Hines receives the President's Award from the USGBC.

2016

Hines appoints its first Innovation Officer.

Gerald D. Hines receives Asia Society Texas Center's Roy M. Huffington Award for Contributions to International Understanding.

2017

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

2018

Hines provides a three-year, \$90,000 gift to create the ULI Women's Leadership Initiative (WLI) Hines Innovation Grants

Hines receives the ENERGY STAR Sustained Excellence Award for the 11th time.

Northwestern Mutual Headquarters in Milwaukee, designed by Pickard Chilton, is an elegant, 32-story glass office tower and a two-block-long Commons that is meaningfully integrated with the company's grand, historic 1914 headquarters.



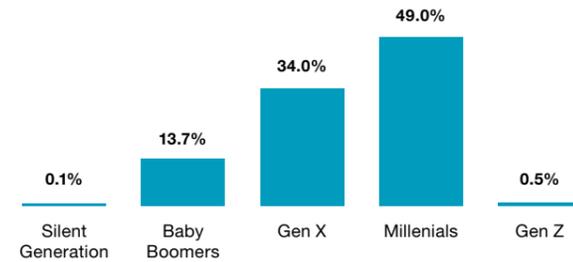
Our People

We believe sustainability in the built environment not only supports a resilient planet, it helps people live healthier, happier lives. That's why we focus on the human side of sustainability — from our investments in the experiences and opportunities we provide for our employees, to the developments we pursue, to creating the best environment for the people who live and work in our buildings.

Gender Diversity⁶



Generational Diversity⁷



PEOPLE AND PLACES

4,320 

Global employees

214 

Locations

Investing in Our Employees

All of our employees — from our engineers and project managers to our investors and innovators — bring Hines' vision of sustainable development to life through their work. In turn, our aim is to enhance the life, work, and well-being of the people in the communities and cities we reach through our sustainable developments.

Hines employees are our most valuable assets. They contribute diverse experiences and skill sets that catalyze innovation and propel our expansion across major property types and geographies. We empower them to do their best — to embed quality into everything, strive for excellence, and continuously improve — and they provide the power and passion behind all of our sustainability efforts.

We have built a strong people culture by investing in strategies to recruit diverse talent and promote an inclusive workplace, and by creating programs to support and develop our employees.

Diversity and Inclusion

With offices in 24 countries and a workforce of more than 4,000 professionals, Hines believes diverse skills and viewpoints make us stronger and better able to serve our investors, partners, clients, and communities.

Our OneHines initiative reinforces our commitment to excellence, integrity, and innovation by supporting an inclusive culture where all employees feel valued and have an equal opportunity to achieve their maximum potential.

The aim of OneHines is to establish and retain a diverse workforce that reflects the communities where we operate. We believe there are many aspects to diversity — including gender, generation/age, ethnicity, and geography, among many others — and we consciously create an inclusive experience by respecting, valuing, and leveraging diversity across the talent-management life cycle. We engage both leaders and employees in active leadership, coaching and mentoring, meaningful two-way dialogue, educational opportunities, and external partnerships.

As Hines has expanded internationally, we have focused on local hiring as a way to further our success as a business. Of more than 1,000 employees outside of the U.S., fewer than 1% are U.S. expatriates. In new markets, seasoned



“
A comprehensive effort is underway to create meaningful change in how we care for our most valuable assets, our people.”

DOUG METZLER, CO-CEO, WEST REGION



A traveling lobby exhibit celebrates LGBTQ pioneers



OPERATING WITH INTEGRITY

At Hines, we pride ourselves on conducting all of our business with uncompromising integrity. Every employee of Hines and its affiliates, including executives, managers, and all other employees, has a duty to comply with all applicable laws and regulations and adhere to the highest standards of business ethics. (Read our U.S. Code of Business Conduct, as well as our other workplace policies [online](#), and read about our approach to governance on page 15.)



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What is most encouraging to me as a 25-year Hines veteran is that I feel like people’s ears and eyes have never been more open than they are right now.

TORI KERR, MANAGING DIRECTOR

Hines leaders identify and train local talent, sharing Hines’ values and processes and empowering these new leaders to manage the business locally.

We partner with organizations that help promote women and other underrepresented groups in our industry. Many Hines employees are members of Commercial Real Estate Women (CREW) and the Urban Land Institute (ULI), and in 2018, Hines provided a \$90,000 gift to ULI to create the Women’s Leadership Initiative Hines Innovation Grants (read more on page 57). We also provide financial support to Forté, a consortium of companies, organizations, and business schools focused on advancing women in business. Hines employees regularly participate in Forté’s events, and we strive to recruit interns and full-time employees from this partnership.

We also support diversity and inclusion through updated policies and programs, enhanced benefits, increased leadership accountability, expanded communication efforts, and investments in education. OneHines Local Ambassadors, which operate in 36 areas worldwide, and the 2018 OneHines Listening Tour (read more on page 28) are examples of this work and our greater commitment to enhancing diversity and inclusion at Hines.

Learning and Career Development

Hines offers a variety of training courses and resources to educate employees about our best practices, processes, policies, and culture as well as subjects ranging from facility and property management to management acceleration and strengths discovery.

Hines Learning and Development supported 456 sessions in 2018, including both traditional and virtual classroom programs, which reached 8,198 people. More than 600 of our employees in 10 countries participated in Hines’ proprietary real estate classes.

We also reimburse U.S. employees up to \$4,000 per year for job-related courses and non-job-related courses that can be applied toward a degree. In 2018, approximately 50 employees participated, with a total reimbursement of \$125,000 in tuition, class fees, and books.

Employee Reimbursement and Benefits

Hines has a presence in 24 different countries and offers benefits tailored to local regions to support our employees through pay, retirement, health and wellness, time off, and more. Our benefits for U.S. employees are available [online](#).

Through the myWellness program, we also offer eligible U.S. Employees and their spouses or domestic partners the opportunity to engage with Vitality, a wellness platform that provides tools, motivation, and a personalized approach to achieve better health. Every year, we encourage Vitality participants to complete a health questionnaire (Vitality Health Review) and biometric screening (Vitality Check) to identify areas of concern before those concerns become serious.

In 2018, the myWellness program continued to increase participation at Hines by:

- Engaging 38 Vitality Champs in 15 U.S. cities to help promote a culture of wellness — 1,590 participants completed a Vitality Health Review and 966 participants completed a Vitality Check.
- Offering educational opportunities related to physical, emotional, and financial wellness.
- Continuing to offer challenges to foster regional, team, and individual competition.
- Expanding participation incentives to include spouses and domestic partners.

A Human Approach to Property Development

Sustainability isn’t just a template at Hines. It’s a unique blueprint created by people who have a deep understanding of the local community. We promote in-house expertise, coordinating all projects through local market leaders. Our goal with any development, redevelopment, or investment project is to collaborate with local stakeholders to deliver innovative, sustainable solutions that address real community needs.

We strive to incorporate amenities that allow occupants and guests to engage with each other, their communities, and the outdoors. These include walking paths, community centers with planned events, outdoor kitchens, greenhouses, and community gardens.

Highlights from 2018



The OneHines Diversity and Inclusion Listening Tour

In 2018, we embarked on a 10-month OneHines Diversity and Inclusion Listening Tour that spanned 11 cities and reached 284 employees. The tour, led by our Diversity and Inclusion Director Jerry Guerrero, gave nine of our Executive Committee members a chance to hear directly from Hines employees about our culture, their needs, and the actions we can take to increase diversity and foster a more inclusive environment.

OneHines representatives and participants, nominated by local office leaders, discussed a breadth of issues at each workshop. Although feedback varied by office, one main theme remained consistent: the need to improve communication across Hines.

Participants also expressed the need for Hines to take action in five key areas:

1. Increase diversity of senior leadership.

2. Improve visibility of leadership championing diversity and inclusion.
3. Facilitate networking and feedback opportunities.
4. Expand diversity and inclusion learning and development opportunities and participation.
5. Increase diversity through recruiting efforts.

MPACT: Managing Performance and Cultivating Talent

Managing Performance and Cultivating Talent (MPACT) is our revamped approach to performance management. Launched in October of 2018, the program works to enhance communication and feedback across Hines by encouraging two-way conversations between managers and employees, and frequent dialogue throughout the year.

We built MPACT around four main pillars:

1. Create a culture focused on continuous improvement and performance feedback

2. Deliver a consistent program with a flexible approach to maximize effectiveness at the individual employee level.
3. Focus primarily on the conversation between employee and manager and not the administrative process.
4. Empower employees to initiate conversations with managers to seek performance feedback.

MPACT gives employees and managers a chance to reflect on notable accomplishments over the year, identify top priorities for the year ahead, and define areas for career development. Through meetings and informal check-ins, MPACT aims to create meaningful dialogue, and help employees set and achieve goals and identify areas to develop skills or enhance experience.

Looking ahead, we will measure the progress of MPACT via our 2020 employee survey.



One of our first goals was to engage and listen to our employees around the globe, to understand how they view diversity and inclusion at Hines. The Executive Committee fully backed the launch of the listening tour to gain input and feedback from colleagues at all levels.

JERRY GUERRERO, DIRECTOR OF DIVERSITY AND INCLUSION



Laura Hines-Pierce leads a OneHines event focused on diversity



CIBC SQUARE in Toronto was designed to meet the highest standards for efficiency, connectivity and wellness.



Environmental Stewardship

Our commitment to environmental sustainability is driven by the belief that sustainable buildings, communities, and cities celebrate the vitality of the present and acknowledge our responsibility to the future.

Environmental sustainability is part of Hines' DNA. For more than 60 years, we've championed responsible practices and technologies, and we've demonstrated that a sustainable approach to real estate makes good business sense, helps the environment, and creates genuinely better places for people. In the early days of our company, Gerald Hines recognized that sustainability is a key ingredient in efficiency, quality, and value. Today, our commitment continues to support our business success and our long tradition of industry leadership.

At Hines, we take a multifaceted approach to improving environmental sustainability. We manage waste, water, and energy impacts across our business functions and supply chain, from property development to facilities management to our investment business, and we view the issues holistically, with a strong emphasis on energy efficiency and its impact on climate. This approach not only reduces the impact of the built environment, it lowers costs for tenants and enhances local communities. Our [Sustainability Policy](#), as well as our systems and procedures to mitigate environmental impacts, further guide and manage our commitment.

Looking ahead, we're exploring new ways to improve our environmental performance, by collaborating with building owners who are focused on reducing their impacts, exploring sustainable technologies, and working with industry leaders to promote and strengthen green building certification programs.

Sustainable Development

Hines properties are developed with sustainability in mind.

We pursue green building certifications and ratings as appropriate for our properties, including LEED, BREEAM (Europe), NABERS (Australia), EPCs (Europe), and others. More recently, we have registered multiple properties for WELL certification from The International WELL Building Institute™ — the premier building standard focused on enhancing occupant health and wellness in seven categories: air, water, nourishment, light, fitness, comfort, and mind. We achieved our first WELL certification in 2019.

Hines also pioneers sustainable development through our unique Conceptual Construction team, which provides a central repository of information, pre-construction

services, and best practices to support our regional development teams. Conceptual Construction promotes sustainability by sharing the knowledge we have accumulated from our development projects globally. Recently, for instance, Conceptual Construction has been exploring electrochromic glass. This "smart glass" allows building occupants to control the glass tint and regulate natural light throughout the day, which reduces energy costs and provides more design freedom.

We continue to explore ways to advance sustainable technologies, including renewable energy, photovoltaic systems, wind energy, and battery storage, as well as indoor and outdoor water reuse options and "intelligent" HVAC systems.

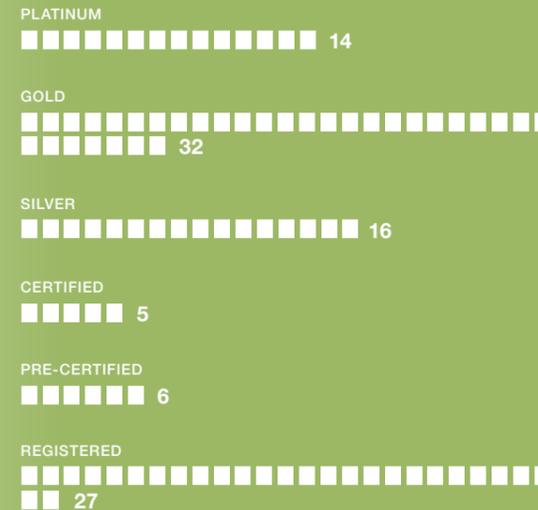
Property and Facilities Management

Our expert team of facilities management engineers strives for optimal environmental performance at every Hines property. They track and manage energy use and efficiency, water consumption, and waste diversion.

We also support energy conservation through our commitment to ENERGY STAR. Since 1999, when we became the first international and privately held real estate company to commit to ENERGY STAR, Hines has earned labels for 1,863 buildings. ENERGY STAR helps identify best operating practices and cutting-edge technologies, and it also helps to establish benchmarks for quality and performance.

In 2001, we established our ENERGY STAR Management Group (ESMG), a U.S.-based team of central and regional leaders who have developed special networks with their engineering colleagues to support energy conservation across our company. This management approach provides central leadership, while empowering regional teams to create innovative ENERGY STAR programs. For instance, the Hines East Region Green Team holds an annual challenge for each property to increase its overall ENERGY STAR score.

100 LEED Certified Buildings⁸



36 International Green Building Certifications



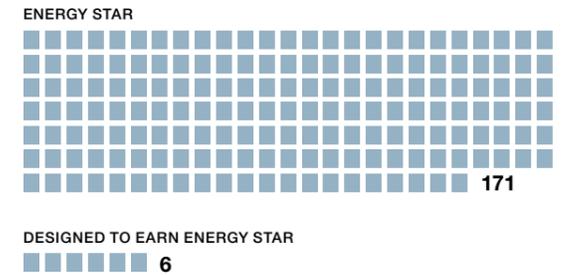
17 WELL Projects



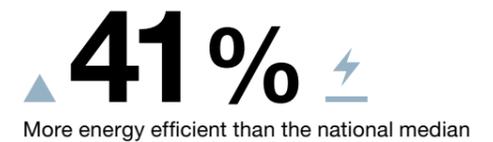
Hines GREEN OFFICE™



177 ENERGY STAR Buildings⁹



ENERGY STAR Impact¹⁰



ENERGY STAR Awards





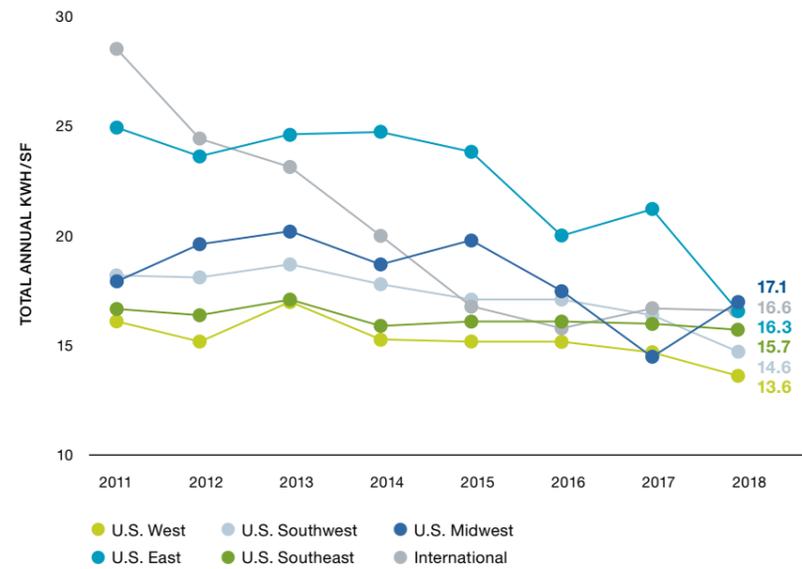
ENERGY STAR FOR TENANTS PROGRAM

Commercial tenants play a critical role in the energy performance of buildings, but certain barriers limit their incentive to engage with landlords in pursuit of efficiency initiatives. In 2017, the EPA invited Hines to participate in piloting the new ENERGY STAR for Tenants Program to address some of these barriers.

Through this 10-month pilot, which we completed in 2018, two of our regional offices — 345 Hudson Street in New York City and 444 W. Lake Street in Chicago — used the EPA’s online tool to estimate energy consumption and assess the efficiency of equipment and lighting. We also created an account in the EPA’s ENERGY STAR Portfolio Manager to share our data, which ENERGY STAR will analyze and use to improve energy-efficiency standards in the future. Hines is also supporting this program by encouraging our property teams to help tenants understand the benefits of registering their space in ENERGY STAR’s PortfolioManager.

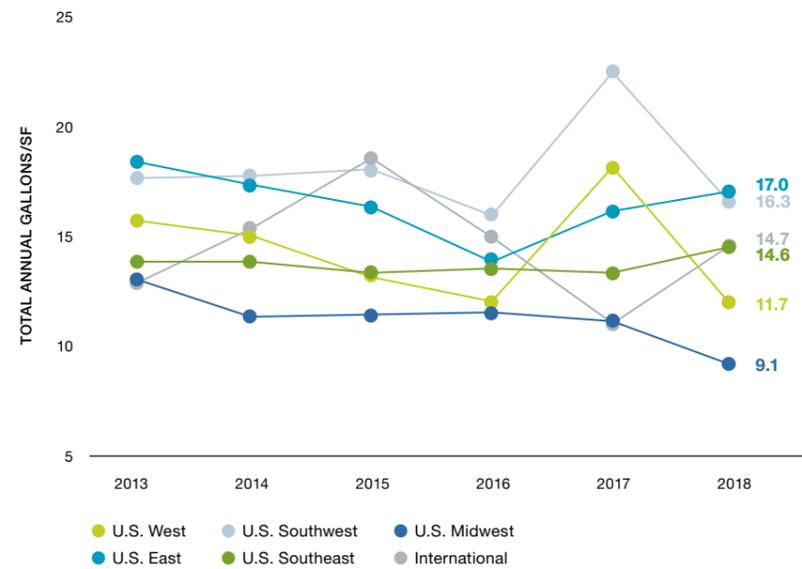
Building Energy Intensity¹¹

2011–2018



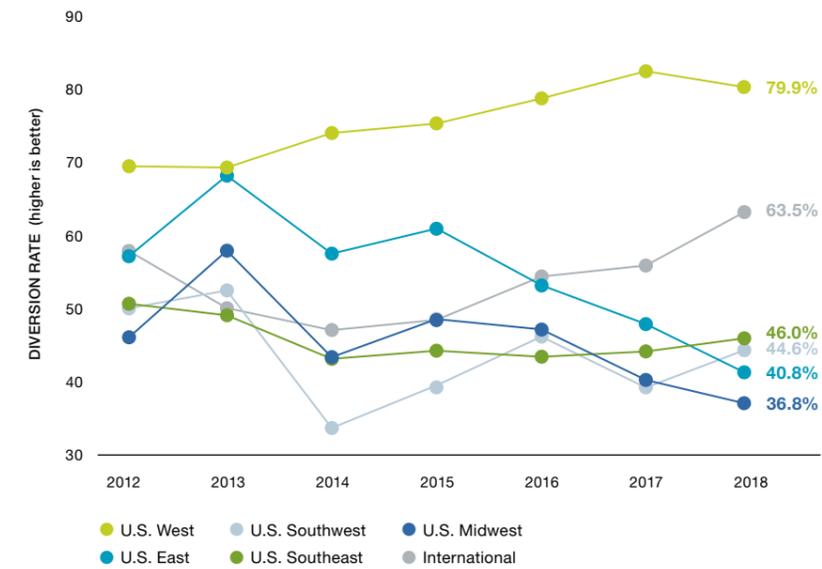
U.S. Building Water Intensity¹²

2013–2018



Landfill Waste Diversion¹³

2012–2018



In 2018, the winning team, from North Bethesda Place in Maryland, was able to increase its ENERGY STAR score by six points, reducing the base building load by 1.2 million kilowatt hours. As a result of our overall performance, Hines has earned ENERGY STAR’s, “Sustained Excellence” title for 11 years and “Partner of the Year” for three years.

We also support environmental performance at the properties we manage through Hines GREEN OFFICE™ Program, a voluntary program we launched to encourage sustainable practices among our employees and tenants. Through the program, we award “Leaf Credits” to tenants who implement strategies or improvements in six areas: energy efficiency; people and atmosphere; reduce, reuse, and recycle; LEED; travel and commuting; and remodeling and construction. If an office achieves 70 Leaf Credits, it is designated as a GREEN OFFICE™.

Beyond our operations, we are working to reduce environmental impacts across our supply chain. We incorporate sustainability requirements into contracts as appropriate and use green cleaning protocols aligned with LEED standards at many of our office buildings.

Highlights from 2018



One Museum Place in Shanghai sets new standards in air quality in China.

One Museum Place in Shanghai

In 2018, we completed the development of One Museum Place, a 60-story office building and retail pavilion designed and built to meet the highest standards in quality and sustainability.

Key Sustainability Features:

About the Site

- Site developed to maximize open space and park access through its location next to the dramatic new Shanghai Natural History Museum and Jing'an Sculpture Park
- Close to public transport, including a direct connection to the subway
- Storm-water management and rainwater capture for landscape irrigation and vegetative roofs

Optimize Energy Performance

- High-performance glazing systems with abundance of natural light
- High-efficiency LED lighting fixtures

Indoor Air Quality

- Increased ventilation
- Air system filtering (dual stage, with MERV 8 and 13 filters)
- Enhanced monitoring
- Germicidal UV light filter
- Non-smoking
- Low-VOC materials

RESET

RESET Air Pre-Certified: RESET is a building certification that encourages a high level of indoor air quality, supporting occupant health and well-being. To maintain certification, real-time air quality monitoring must track particulate matter 2.5, volatile organic compounds, carbon dioxide, temperature, and humidity.

Indoor air quality is compared to monitors that measure outdoor air quality, and the building must meet certain thresholds to obtain RESET certification. Air quality has become a serious health issue in many Chinese cities, and the RESET standard communicates air-quality performance to tenants on an ongoing basis.

WELL

WELL registered, with certification process underway

LEED

LEED Platinum Certified in May 2019

Design

Multiple locations on each office floor that promote filtered drinking water, which reduces reliance on bottled water.



AXA Generalitat

AXA Generalitat, a 630,624-square-foot office project designed by Batlle i Roig Arquitectes and located in Barcelona's Zona Franca district, has been awarded WELL Core & Shell Certification at the Silver level. AXA Generalitat also recently achieved LEED Platinum Certification under the USGBC's LEED BD+C: Core and Shell rating system.

New Indoor Air-Quality Standard

We proactively manage indoor air quality to support people's health, wellness, and productivity. In 2018, we released a new indoor air-quality standard and operations framework that will further enhance our buildings through proactive management of functions that impact the indoor environment.

In addition to incorporating new technologies, best practices, and industry trends, our new standard requires property teams to complete an indoor air-quality property profile every three years.

By design, our standard is broad enough to support our diverse property types and geographies, while providing the right guidance for property managers and engineers to manage the indoor environment in their buildings and respond effectively to occupants' concerns.

Procuring Renewable Energy in the Hines Pan-European Core Fund

The Hines Pan-European Core Fund is an open-ended, diversified core fund that has achieved the highest possible GRESB rating for the past two years.

In 2018, the fund's management team identified renewable energy as an opportunity to enhance its environmental performance. The fund embarked on a process to procure renewable energy, which led to transitioning 13 out of the 19 total buildings in the fund to procuring renewable energy. This represents 90% of the floor area in the fund.

Local asset managers worked closely with energy providers to determine if we could source renewable energy, the costs involved, and whether it was possible to create a new contract to procure renewable energy.

Through this transition, we learned to navigate unique challenges in different countries. In Germany, for instance, renewable energy costs slightly more, but we were able to make the change cost-neutral over time by signing a longer-term contract with the energy provider.

The transition proved cost-effective and efficient. It was completed in less than six months, and the cost difference in procuring renewable energy was negligible. Looking ahead, Hines Europe will continue to explore procuring renewable energy.



PILOTING A NEW BATTERY STORAGE SYSTEM AT 101 CALIFORNIA

At Hines, we are committed to exploring innovative technologies such as battery storage systems.

In 2018, we partnered with the battery-storage company Stem to pilot a system at 101 California in San Francisco. Using a financing plan that eliminates upfront costs, we were able to install a 100 kilowatt-hour system, which uses advanced software and data analysis to help Hines efficiently regulate the energy flow from the grid, avoiding peak rates.

To date, the system has provided cost savings to the property and the software interface has provided additional tools for our engineering team to further optimize the building's energy efficiency.



The soaring lobby of 609 Main at Texas in Houston doubles as a stunning public art piece and an Instagram staple facing Houston's Main Street Metro rail line.

Innovation and Technology

Like every industry, real estate is being disrupted by innovation, with new technologies transforming the way we live, work, and interact with the built environment. Today, our clients, tenants, partners, and investors are looking for solutions that reduce the environmental impacts of buildings, while improving experiences for people by supporting health, wellness, flexibility, and human connection.

At Hines, we are relentless in our quest for excellence. This has put our company at the forefront of innovative technology that delivers new and better ways to build green and invest in the future. In 2017, we formed Hines' Office of Innovation to explore and launch new products and services that better serve our clients and tenants. We also became an anchor investor in Fifth Wall, a new venture capital platform that enables us to strategically invest in new real estate classes, business models, services, marketplaces, and technology platforms, embedding innovation more deeply into our company.

Hines Office of Innovation

We created the Hines Office of Innovation to explore emerging real estate technology products and services that maximize efficiencies and experiences for our tenants, partners, and employees. One of the team's primary goals is to make our buildings better for people. We endeavor to enhance people's experiences, meet their needs, and make our buildings more productive places for people and companies to operate.

Since its creation, our innovation team has developed tools and forums for sharing ideas across Hines' regions, and it has built partnerships to incubate those new ideas into best practices and services that move us closer to our goals, faster. For instance, the Office of Innovation launched a joint research and development initiative with our Business Technology Group and Information Technology department to optimize products, processes, and technology. The team also led the process to identify partners and service providers for our new workplace-as-a-service offering, Hines Squared (Hines²).

Looking ahead, our Office of Innovation will continue to explore technologies that improve environmental sustainability as well as human health and wellness at our buildings.

Hines Venture Capital Platform: Fifth Wall

Hines invested in Fifth Wall's first fund. Fifth Wall is the largest venture capital firm focused on the built environment, and gives our company a platform to access emerging technologies and best practices.

Fifth Wall's first fund joins together eight strategic investors who each lead different real estate verticals. This unique partnership model allows Fifth Wall to inject capital into portfolio companies and accelerate their growth through real estate partners that create an open pipeline for distributing new products and services.

While Fifth Wall's broader mandate is to invest in "proptech" companies that innovate in the real estate, hospitality, and construction sectors, the platform is helping drive sustainability through investments in companies whose technologies focus on environmental efficiency, employee well-being and productivity, optimized supply chains, and more. To date, Fifth Wall has helped Hines engage 13 new companies, including Aurora Solar, which cuts the cost of installing solar, and Lime, the leading U.S. bikeshare company.

Following the success of the first fund, Hines is investing in Fifth Wall's second fund, which will comprise \$500 million and around 30 partners. We are also building a wider venture capital network with a number of other platforms.



Two Grand Parade in Dublin



HEKLA in Paris-La Défense



Highlights from 2018



Hines Squared

Future-of-work trends are transforming the workplace. Today, the freelance workforce is growing at three times the rate of the traditional workforce, and experts predict that 33% of the workforce will be working independently by 2020. These trends are affecting real estate: 80% of commercial real estate tenants plan to significantly increase their use of contingent labor¹⁴, and in 2018, 65% of real estate clients used coworking spaces¹⁵. In 2017, more than 55% of U.S. coworkers were employees of a larger company.¹⁶

In 2018, Hines developed our comprehensive tenant amenity, property management, and flexible workplace services platform, Hines Squared (Hines²), which will feature “The Square” — our flexible workplace and enterprise coworking product. The Square will provide our tenants access to our global portfolio through a broad range

of workplace locations across designated Hines buildings. Each location will include a variety of workspaces and access to common lounge spaces, collaborative meeting areas, dedicated private offices, and custom suites for larger clients. Hines² will offer different contract length options, giving organizations more flexibility to scale up and down. In addition, clients traveling and working remotely who seek to access a network of high-quality office spaces may utilize any Square location. Hines² will also provide high-touch meeting, event, and programming services to provide workers with a sense of community and foster a collaborative environment.

The Square is typically a full floor in a Hines² property, where both tenants and customers can gather and take advantage of coworking, meeting services, flexible offices, food and beverage amenities, collaborative spaces, and events. Designed by the architectural

firm A+I and operated by office hospitality partners, such as Industrious or Convene, The Square will carry the DNA of the cities and the buildings in which it is based, providing a unique, local flavor to the shared workspace experience.

We will open our first location in Houston in the fall of 2019, and we plan to open several more locations in 2020. Presently, we are actively evaluating additional locations from our pipeline of high-quality buildings worldwide. As we expand Hines² across our portfolio, we will use a connected network to collect data about building design, usage, and overall value. We will also collect sustainability data — including energy, water, waste/recycling, space optimization, air quality, and health and well-being data — which we will analyze to improve Hines² and Hines buildings in the future.

Hines created The Square as an elevated co-working space exclusive to Hines properties around the globe.



Hines, active in Chicago since 1986, partnered with the Kennedy family to create a stunning mixed-use neighborhood on the river at Wolf Point.



Responsible Investment

We take a long-term view in our investment business, seeking to manage risk, build resilience, and generate sustainable returns. By applying this approach since the start of our investment business in 1991, Hines has sponsored 57 strategic investment funds and numerous one-off investment vehicles, totaling more than \$51.2 billion of equity.

What differentiates Hines is our ability to implement investment strategies based on sound research complemented by local market knowledge and expertise. These strategies account for economic and environmental risks in the firm's overall investment management platform, individual acquisitions, and the delivery of outstanding experiences to investors, partners, and clients.

As a responsible investor, we know environmental, social, and governance (ESG) factors are critical indicators that can influence long-term performance. By maximizing ESG opportunities, we believe we're well-positioned to deliver value to our partners and our company, as well as local communities. Monitoring ESG factors also helps us manage risk and ensure that we are meeting or exceeding legislation, local policies, and community expectations related to myriad issues, including energy and climate, renewables and net zero, green building certifications, materials use and contamination, water, waste, labor, community impacts, and more.

Enhancing Our Investment Business

As a firm aspiring to be the best real estate investor, partner, and manager in the world, we launched a companywide evolution in October 2018 to ensure Hines stays on the leading edge of real estate.

Our goal is to build on our legacy of continuous innovation to catalyze and lead the disruption of the real estate industry at scale. We also want to lead the industry in collecting and applying data and analytics to inform investing decisions and predict partner and tenant needs. We strongly believe these capabilities will help us capture new opportunities in sustainability and mitigate challenges more quickly. Ultimately, this will solidify our position as the partner of choice for our investors, clients, and tenants, providing unparalleled quality, investment performance, and service.

As we continue to evolve our investment business, we are finding new ways to deepen our commitment to sustainability and further integrate ESG issues and opportunities into each real estate fund's activities. We believe this will serve our business, our investment partners, and communities around the world.

How Hines Adds Value

- Proven track record since 1957
- Global business as a fiduciary investment manager with a vertically integrated operating platform
- Fourth largest real estate investment manager worldwide by assets under management
- Unparalleled depth of local real estate teams and execution
- Proprietary in-house research framework
- Scalable organization designed to bring the best of Hines to every investment
- Experienced and trustworthy leadership and consistent culture
- Growth powered by performance and innovation

Integrating Sustainability into Investment Decisions

At Hines, we place a specific emphasis on environmental sustainability and improving the footprint of each asset under management. We recognize that we can make a tangible impact on improving energy efficiency and reducing greenhouse gas emissions. As an entrepreneurial firm, we always look to the future and consider emerging aspects of sustainability, including the resilience and adaptability of properties.

All of our investments are guided by the Hines Responsible Investment Statement, which we created in 2011 to formalize our ESG guidelines and practices. We regularly share this statement with our investors and partners as a standard part of our day-to-day business.

Our regional and investment management teams use the Hines Sustainability, Resilience, and Responsible Investment Framework to characterize any ESG risks and opportunities in proposals they submit to the Hines Global Investment Committee. This group, which includes our CEO as well as several other Hines executives, is charged with reviewing and approving all transactions. In doing so, the committee evaluates the risks and opportunities outlined in investment proposals, including all sustainability factors. This governance structure allows Hines to make sound investment decisions by applying our global resources, expertise, and experience.

Hines Investments at a Glance

57

57 Strategic Investment Funds

Since 1991, Hines has employed a range of investment strategies to pursue acquisition and development opportunities through 57 investment vehicles (54 privately offered and three publicly offered) totaling more than \$51.2 billion in equity.

200+

Institutions

600+

High-Net-Worth Individuals

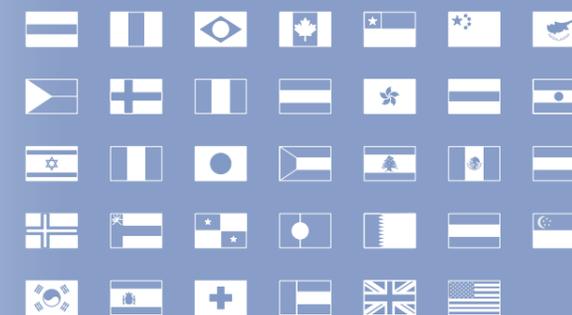
120,000+

Retail Investors

Assets Under Management

\$120.6 B

34 Countries Represented by Investors



Austria, Belgium, Brazil, Canada, Chile, China, Cyprus, Czech Republic, Finland, France, Germany, Hong Kong, Hungary, India, Israel, Italy, Japan, Kuwait, Lebanon, Mexico, Netherlands, Norway, Oman, Panama, Portugal, Qatar, Russia, Singapore, South Korea, Spain, Switzerland, United Arab Emirates, United Kingdom, United States



HINES RESPONSIBLE INVESTMENT STATEMENT

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.

Specifically, we:

- Operate with the highest level of ethical standards, with governance in place to ensure that these standards are followed.
- Operate as a fiduciary and diligently work to meet stakeholders' mutually agreed business objectives.
- Engage employees, clients, and partners to understand the needs of each and the contribution they make to Hines' business practices.
- Create a work environment that values a capable, diverse workforce, provides challenging opportunities for employees, rewards performance, and is respectful of work/life balance.
- Enhance and contribute to the communities in which we operate.
- Encourage respect for the environment, identify and implement ways to limit greenhouse gas emissions, reduce energy consumption, limit water use, and minimize waste.
- Encourage vendors and suppliers to engage in sustainable practices and consider those who do so when selecting contractors and vendors.



Elevate in Gurgaon, Haryana

“

We regard Hines as a thought leader on sustainability in real estate. Like our other city-specific ventures in London, Paris, and Berlin, our Milan partnership with Hines has a particular focus on substantially reducing the carbon footprint of the buildings we are acquiring — enhancing their resilience to cope with the transition risk the real estate market is facing. Based on the partnership’s track record, we trust Hines continues to be very well positioned to deliver on this strategy.

MATHIEU ELSHOUT MRE, SENIOR DIRECTOR,
PRIVATE REAL ESTATE EUROPE, PGGM

“

QuadReal actively seeks to partner with those who align on our values of responsibility, transparency, and integrity, and to us, Hines is a leader in integrating ESG into the management and value of the portfolio on which we work together.

LUCY FLETCHER MRICS, MANAGING DIRECTOR, INTERNATIONAL, QUADREAL PROPERTY GROUP

Corporativo Neuchatel in Mexico City



HINES SUSTAINABILITY, RESILIENCE, AND RESPONSIBLE FRAMEWORK

Our proprietary framework poses questions to identify opportunities in each potential acquisition or development that will further enhance the sustainability and resilience of a particular project. The questions look at a number of areas, including:

Clients/Partners

- Does the prospective client or partner have publicly disclosed or privately expressed sustainability policies and goals? If so, are they being adequately addressed when considering the investment?

Investment

- Is the sustainability objective for this investment to acquire a building with strong environmental performance, or to acquire an environmentally underperforming asset with an emphasis on improvement?
- If improvement is the objective, what environmental goals have been set for the investment? Does the investment hold period provide the necessary time to meet these goals?

Regulatory Compliance

- What ESG regulations apply to this property that may require disclosure of environmental performance, audits, or commissioning, expedited permitting, or other ESG compliance?
- Are there environmental regulations coming that may affect the operation or value of the asset, or its place in the market?

Operations

- What are the operational risks due to environmental, social, and governance issues?

ENVIRONMENTAL

- What are the opportunities to enhance the environmental performance of the property?
- Are there targets for performance or a specific green rating?
- Is this property a candidate for net zero (emissions, water, and waste)?
- Are there immediate environmental concerns, such as water scarcity or an unstable energy grid, which could impact the performance of this property?
- Is there environmental compliance set by the municipality, client, or a tenant that could impact the performance of this property?

SOCIAL

- Does Hines’ client/partner have labor union policies that apply to this investment that could impact asset performance or affect other Hines investments?
- Does the local market necessitate the use of labor unions?
- How have tenants expressed interest in the sustainability performance of the property?
- Are there public agency or neighborhood concerns that could affect the execution of the investment thesis on the building?
- How does this property currently impact the community?
- How will Hines’ investment in or development of this project enhance the community?

GOVERNANCE

- What regulatory frameworks, such as environmental performance or mandatory performance disclosure would apply to this investment?
- What legislation may be instituted regarding sustainability that could affect this property?
- What subsidies and incentives for renewable energy or other technologies would apply to this investment?

Tenant(s)

- Has the evolving tenant profile and space use of the building been included in the underwriting? Examples include consolidation by FIRE tenants and smaller size requirements due to a mobile workforce.
- How is the building able to be repurposed to respond to evolving tenant use?
- Does the budget integrate strategies to potentially repurpose the building?
- If Hines is not the manager, does the third-party management firm have environmental policies in place that are at least as stringent as Hines’ own policies and practices? Can Hines standards be incorporated into third-party contracts?

Resilience

- How resilient is the city and submarket of this investment?
- How vulnerable is the building to earthquakes, hurricanes/storm surge, river flood, tsunami, and wind?
- Is the investment subject to social unrest or unstable local or national governments?
- How prepared is the city to respond to the relevant natural events?
- How prepared is the property to respond to the relevant natural events?



ABC Westland logistics park in The Hague, Netherlands, encompasses 13 existing buildings totaling 117,000 square meters of warehouse and commercial office space, along with land for potential future development.

Highlights from 2018

Hines Pan-European Core Fund Performance

The Hines Pan-European Core Fund (HECF) — an investment fund Hines established in 2006 to pursue core acquisitions and manage a diverse portfolio across Europe — has a central focus on sustainability. We believe this not only differentiates HECF from competitors, it helps improve the fund's performance.

At the beginning of every year, the HECF management team and local asset-management teams develop a sustainability strategy that defines relevant opportunities for each asset in the fund. These might include capital expenditures initiatives focused on energy reduction, sustainability and energy audits, data management and metering optimization, conversion to 100% renewable energy sources, sustainability certificates and more. We assess progress on that strategy on a quarterly basis.

This sustainability focus has helped HECF achieve the highest possible rating of five out of five green stars in the Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment. For two consecutive years, HECF was named GRESB Global Sector Leader and ranked first among European diversified office/retail portfolios. HECF also ranked first among 367 European non-listed vehicles and seventh globally among 874 vehicles that participated in GRESB in 2018.⁴

(For a more detailed picture of HECF's 2018 performance, read the [2018 HECF Asset Sustainability Review](#).)

Partnering with CalPERS on ESG

The California Public Employees' Retirement System (CalPERS) has long been committed to sustainability and responsible investing. This includes Sustainable Investment Practice Guidelines that help CalPERS identify, measure, manage, and monitor ESG-related risks and opportunities.

For CalPERS, Hines manages an investment portfolio of international real estate in Brazil and Russia, as well as 609 Main (an office development in Houston that was completed in 2017).

In the past, we have also partnered with CalPERS to pilot various ESG initiatives, including its Responsible Contractor Policy and CalPERS' Neutrality Program on collective bargaining decisions. More recently, CalPERS approached Hines to submit to the GRESB, and we proactively took steps in 2018 to prepare for the 2019 GRESB submission. While results are not yet available, we have undertaken several initiatives to support our submission, including adopting the Hines CalPERS Long-Term Hold ESG Policy, implementing a sustainability due-diligence checklist for acquisitions, creating a Tenant Sustainability Guide, and providing ESG training for all Hines employees that work on a Hines CalPERS Long-Term Hold property.

A Conversation with Daniel Chang

Hines Managing Director, Investment and Asset Management



What are some of the trends across Europe when it comes to investor interest in sustainability?

More than ever, investors are focusing on sustainability. They recognize, as do we at Hines, that sustainability is a driver of long-term performance, and it's also a way to stay ahead of regulation.

This special focus on sustainability began among a certain subset of investors for whom participation in GRESB is important. It was actually two European investors who catalyzed our decision to participate in GRESB through HECF. These investors believe GRESB provides an indication of the underlying quality of the asset management of the portfolio.

But investor interest in sustainability is going to continue to grow more broadly—whether through

participation in GRESB or not. Many investors are looking to future-proof their returns through sustainability, and in particular, long-term institutional investors embrace the opportunity to align their CSR with a real estate investment proposition that is sustainable.

How is Hines Europe responding to the rising investor interest in sustainability?

We are continuing to prioritize sustainability in our investment and asset-management strategies, leveraging the many experiences and achievements we have gained in Europe and across the firm. We are also placing a greater focus at the portfolio level to coordinate initiatives holistically and cross-pollinate our projects across our portfolios.

There are several ways we have integrated sustainability into our work through the various stages of our assets' life cycle. With HECF, we've developed a sustainability due-diligence checklist, which we use to review each new acquisition. We have also ensured that our property managers have a sustainability focus, and we've worked with the Hines Central Operations and Engineering Services team to include more explicit sustainability requirements in our European property-management agreements. We have included a similar review of sustainability in the technical assessments of our buildings, which now include three sections on sustainability, resilience, and health and well-being. As part of our broader approach to sustainability at HECF, we have

worked with Hines Compliance to provide our team with new governance training material every year as well as with Hines Risk in order to include sustainability criteria in their assessment of the portfolio.

We are also engaging our tenants in a variety of ways. We're working with them to understand which sustainability features they value as most important, including green clauses in new leases within the HECF portfolio, and inviting our tenants to join Hines GREEN OFFICE, which we've adapted to meet European standards.

Tell us about the Hines Core Fund, which has a sustainability component.

We see our performance in sustainability as a way to differentiate this fund from its competitive set—and to increase the fund's performance.

Over the years, we have integrated sustainability even more deeply into our management of the fund. For instance, in 2009, we created a sustainability strategy to steer our efforts, and that same year we also obtained Energy Performance Certificates for each of the buildings in our portfolio — which we are proud to say we completed before these became mandatory across Europe. In 2013, our German asset manager, Beate Reinartz — a founding member of DGNB, the German sustainable building council — spearheaded our pilot of two new sustainability certificates pioneered by DGNB.

More recently, we've made our approach even more strategic by preparing the portfolio for GRESB. This focus helped us build on key initiatives, including a portfolio-wide energy-monitoring service to optimize energy consumption in our buildings, and an effort to transition the majority of our energy contracts into ones that use 100% renewable energy. (Read more about the HECF renewable energy transition on page 37.)

Looking to the future, how do you plan to further embed sustainability into your work in Europe?

I think the most exciting opportunities relate to the advances in building technology and innovation, whether through renewable energy, use of highly efficient materials, or technology platforms that can help to coordinate tenant well-being initiatives as well as the optimization of the building services and equipment.

More than ever, sustainability in buildings is becoming synonymous with innovation, efficiency, and tenant health and well-being. As a firm with an entrepreneurial spirit and a wealth of sustainability expertise and experience, we are well-positioned to integrate these emerging technologies and innovations. This gives Hines an edge and helps us continue to generate alpha in our investments in individual buildings and across entire portfolios.

Hines employees in Houston have banded together to provide a comprehensive real estate and urban regeneration strategy for this Third Ward neighborhood, with the goal of not displacing residents.



Giving Back

Hines has established deep roots within local communities in our hometown of Houston and beyond. We believe in the power of the built environment to support people's lives, work, and well-being, and our company has an enduring legacy of contributing to communities through our property developments. We also have a long-lasting commitment to giving back through corporate philanthropy and employee volunteering.



For the sixth year, more than 50 volunteers from Hines' New York/ New Jersey/Connecticut portfolio of properties joined together to participate in a food repacking effort spearheaded by City Harvest.



Beginning in the early days of our company, Gerald Hines gave back to his community, starting in Houston and expanding as the company grew. Today, we carry on our founder's legacy by donating money to civic causes that are meaningful to the future of our company, our industry, and the communities where we work, and we support the values and passion of Hines employees through our myCommunity program.

Corporate Giving

Hines' corporate philanthropy spans a range of causes, with a primary focus on education, health, and supporting our industry's future leaders. We provide ongoing funding for United Way and support the Baylor College of Medicine's education, research, and new patient care at the Cardiometabolic Disease and Prevention Center. We also provide ongoing funding for the Urban Land Institute (ULI), including the ULI/Gerald D. Hines Student Urban Design Competition and the new WLI Hines Innovation Grants, aimed at advancing women leaders in real estate (read more on page 57).



GERALD HINES: BUILDING A LEGACY OF PHILANTHROPY

From the time he established his business, Gerald Hines reinvested in his community through civic service and private philanthropy. Hines understood that even as parts of Houston were thriving, enabling him to develop signature new properties, some people were left behind.

Hines, who grew up during the Depression, wanted to help those in need. In 1957, he supported a project aimed at revitalizing a charity hospital in downtown Houston and, in subsequent years, he donated money and in-kind resources, including free office space, to causes and charitable organizations he felt were creating a better Houston. In 1967, he spearheaded the effort to create a Houston chapter of the Urban League, which provides social services to poor communities.

In later years, Hines dedicated his philanthropic investments to education, among other causes. He believed in the creative power of young people and gave money to schools and programs that teach students about the built environment. He provided funds for a real estate development fellowship at Rice University's Jesse H. Jones Graduate School of Management and, in 2017, he donated to the university's Baker Institute for Public Policy. At the University of Houston, he created a permanent endowment for the Gerald D. Hines College of Architecture and Design.

In 2003, Hines collaborated with the Urban Land Institute (ULI) to create the ULI/Gerald D. Hines Student Urban Design Competition, which provides cash prizes for graduate students in the United States and Canada to tackle real land-use challenges in U.S. cities. Hines has pledged an endowment and annual funding to support the competition, which has engaged more than 8,000 students to date.

Gerald Hines' dedication to supporting people and communities inspires our company to continue his legacy of giving back.

VOLUNTEER HOURS

8,419 

myCommunity hours since 2011

Employee Volunteering

We recognize the impact of supporting our employees and the causes they care about most. Through myCommunity, our internal, opt-in, volunteer program, Hines' U.S. employees have the opportunity to spend one paid day per year volunteering for a charity of their choice. More than 1,426 employees have dedicated 8,419 total hours to benefit 261 organizations since myCommunity launched in 2011.

Highlights from 2018



Restoring 21 Homes in Houston's Historic Third Ward

Houston's historic Third Ward is one of the city's oldest African-American neighborhoods. Its row houses, or "shotgun homes," were built between the 1930s and 1950s as affordable housing, but these homes have transitioned into rentals and little investment has been made in their upkeep over the years.

In 2018, the Kinder Foundation provided a \$2 million grant to Project Row Houses to establish PRH Preservation, Inc., a newly formed nonprofit whose mission is to maintain and enhance existing buildings in Houston's Northern Third Ward to ensure long-term, safe, and affordable housing for its residents.

Hines Vice Chairman Hasty Johnson, a member of the Kinder Institute for Urban Research Advisory Board and Chair of PRH Preservation, Inc., assembled a team of Houston employees to support this restoration project. Together with hundreds of other volunteers from across the community, these Hines employees spent a full year restoring 21 homes in the Third Ward.

The first objective of the project was to improve the homes' structural integrity. The Hines team met on a weekly basis to discuss residents' issues and needs and to organize the procurement of materials and the construction process. They hired contractors to restore or replace basic necessities like foundations, roofs, windows, HVAC systems, and even appliances and furniture. Hundreds of community volunteers then began restoring the homes.

Once the bulk of the structural work was done, Hines hosted a volunteer day, and 25 of our Houston employees helped with outdoor renovation, including picking up trash, painting, and landscaping. The project also hosted a "design charette" to hear from tenants about how they would like to reimagine the vacant common area inside the block.

With the home restorations complete, PRH Preservation is planning a second phase of work to restore an adjacent vacant area. The team is exploring the possibility of moving existing row houses to the land and restoring those, or building additional row houses to increase the amount of low-income housing in this historic neighborhood.



Riders of the Storm: Hines Chicago Office Raises \$500,000 for Cancer Research

For the past two decades, a team of cyclists from our Chicago office has rallied friends and family to participate in the Scenic Shore 150 Bike Tour, a two-day, 150- to 200-mile cycling event along Lake Michigan that raises money for the Leukemia & Lymphoma Society (LSS).

In 2018, the Hines team, called Riders of the Storm, raised \$500,000 from individual and corporate donors, besting their annual fundraising record by \$100,000. Over the years, Riders of the Storm has grown to almost two dozen people, who have raised a total of \$4 million to fund research and support individuals fighting cancer.

Hines Funds Urban Land Institute Grant for Women's Leadership in Real Estate

Since 2003, Hines has supported the Urban Land Institute (ULI), a nonprofit education and research organization dedicated to the responsible use of land as a way to build thriving, sustainable communities. ULI is the primary real estate membership organization leading the future of sustainable development globally.

We were pleased to expand our support in 2018 by providing a \$90,000 gift to create the Women's Leadership Initiative (WLI) Hines Innovation Grants, aimed at increasing the visibility and number of women in real estate leadership roles. The three-year gift will advance WLI's work to support women in ULI and the real estate industry more broadly.

WLI has a presence in 43 cities and eight countries, and leads a number of workstreams, including major research projects, scholarships

for women to attend ULI's annual meetings, and the promotion of women as speakers at ULI events.

A portion of the new grants will support WLI's activities in Houston, and the remainder will support activities by other District Councils, chosen through an annual competition. Five District Council WLI groups were awarded WLI Hines Innovation Grants at the 2018 fall meeting in Boston. The awards, totaling \$25,000, represent the first of three years of WLI Hines Innovation grants, which will run through 2020.

Supporting Our Hometown of Houston with United Way

For more than 30 years, Hines' Central and the Southwest Region offices have come together to support the United Way through a week-long employee campaign. We have donated more than \$11 million to the organization since 1988, and today, we rank in the top 4% among 650 Houston companies that support United Way.

In 2018, Hines employees raised \$667,691 — more than \$50,000 more than our team raised last year. All funds help United Way achieve its mission to transform individual lives and bring long-lasting, systemic change to tough issues like family financial stability and academic success.

Corporate Philanthropy

More than
\$4.2
 million¹⁷
 Donated in 2018

Employee Volunteering

196
 Employees contributed
 myCommunity hours in 2018

1,154
 myCommunity hours in
2018

91st Psalm
 Alameda County Community Food Bank
 Alex's Lemonade Stand Foundation (ALSF)
 Alzheimer's Association
 Alzheimer's Foundation of America
 American Heart Association
 Arden-Dimick Friends of the Sacramento
 Public Library
 Atlanta Women's Foundation (AWF)
 Austin Animal Center
 Austin Police Department
 Back-to-School Clothing Drive of Phoenix
 Baylor College of Medicine
 BEARing Gifts
 Bowel Cancer UK
 Boy Scouts of America
 Boys & Girls Club
 Calgary's Inn from the Cold shelter
 CancerCare
 Center City PCS – Capitol Hill
 Chrysalis
 City Harvest
 City of Boston Department of Conservation
 and Recreation
 Community First! Village
 Compass Mentoring Project
 Compassion International
 Cy-Fair Livestock Show
 Dress for Success
 Dublin Simon – Homeless Charity
 East Coast Forte Foundation
 El Centro de Capacitación ¡Supérate!
 Feed My Starving Children
 Fort Bend Independent School District – Pecan
 Grove Elementary
 Gazelle School
 Gerald D. Hines College of Architecture
 at the University of Houston
 Girl Scouts of San Jacinto Council Troop 123071
 Golden Gate National Parks
 Great Canadian Shoreline Clean Up
 Habitat for Humanity
 Houston Food Bank
 Houston Livestock Show & Rodeo
 Houston Zoo
 Huntington Beach Clean Up
 Indian Knoll Elementary School
 Interfaith Ministries for Greater Houston
 Irish Blood Transfusion Service
 Irish Heart Foundation
 Juanita B. Jones Elementary
 Junior Achievement
 KIPP
 La Parisienne
 Lands' End Lookout
 Lesbian and Gay Real Estate Group (LGREG)
 Loudoun County Adult Detention Center
 Meals on Wheels

National Multiple Sclerosis Society
 Next Gen James Ambassadors Society
 Ocean Conservancy's International Coastal Cleanup
 Operation Blue Santa
 OSUCCC Nicholas House
 Palo Alto Art Center
 Phoenix Children's Hospital (PCH)
 Phoenix Rescue Mission
 Planting Justice
 PRH Preservation
 Project 150
 Project Row Houses
 Rebuilding Together Houston
 Regina Caelli School
 Rice University
 Ridgepoint Elementary School
 Rise Against Hunger
 Ronald McDonald House Charities
 Royal Society for the Prevention of
 Cruelty to Animals
 San Diego Food Bank
 San Francisco Boys and Girls Club
 Save the Harbor/Save the Bay
 Seattle Community Farm
 Second Harvest
 Someone Cares Soup Kitchen
 Special Olympics USA
 St. Anthony's Padua Dining Room
 Stages Repertory Theater
 Stand Up to Cancer
 Susan G. Komen
 The Guild Shop
 The HUGE Partnership
 The Salvation Army
 The Veindre Hospital
 The Westview School
 Town of Belmar New Jersey Beach Clean Up
 Toys for Tots
 ULI / Gerald D. Hines Student Urban
 Design Competition
 United Way
 University of Texas M.D. Anderson Cancer Center
 ULI Women's Leadership Initiative
 Velocity Dance Center
 Voices Academy
 Volunteers of America – Operation Backpack
 YMCA

100+
 Organizations have benefited

GRI Content Index

For reporting, we reference the 2016 Global Reporting Initiative (GRI) Standards, specifically: GRI Foundation 101 2016, GRI 102 General Disclosures 2016, GRI 103 Management Approach 2016, GRI 302 Energy 2016, and GRI 306 Effluents and Waste 2016.

General Disclosures

Organizational Profile	
102-1	Name of the organization pg 7
102-2	Activities, brands, products, and services pg 7-8
102-3	Location of headquarters pg 10
102-4	Location of operations pg 10
102-5	Ownership and legal form pg 7-8, 62
102-6	Markets served pg 8-11
102-7	Scale of the organization pg 8, 11
102-8	Information on employees and other workers pg 23-29
102-9	Supply chain pg 14, 32, 40
102-10	Significant changes to the organization and its supply chain No significant changes were reported
102-11	Precautionary Principle or approach pg 8, 46-47, 49
102-12	External initiatives pg 8, 45-57
102-13	Membership of associations pg 16
Strategy	
102-14	Statement from senior decision-maker pg 1
102-15	Key impacts, risks, and opportunities pg 8, 46-47, 50-51
Ethics and Integrity	
102-16	Values, principles, standards, and norms of behavior pg 3, 8
102-17	Mechanisms for advice and concerns about ethics pg 15-16, 26-27
Governance	
102-18	Governance structure pg 62
102-20	Executive-level responsibility for economic, environmental, and social topics pg 46
102-22	Composition of the highest governance body and its committees pg 62
102-23	Chair of the highest governance body pg 62
102-26	Role of highest governance body in setting purpose, values, and strategy pg 1, 46-47, 62
102-27	Collective knowledge of highest governance body pg 1, 46-47, 62
102-32	Highest governance body's role in sustainability reporting pg 1
Stakeholder Engagement	
102-40	List of stakeholder groups pg 17
102-41	Collective bargaining agreements Hines does not identify how many employees are covered by collective bargaining agreements
102-42	Identifying and selecting stakeholders pg 17
102-43	Approach to stakeholder engagement pg 17
102-44	Key topics and concerns raised Hines does not disclose key topics and concerns raised by stakeholders

Reporting Practice

102-45	Entities included in the consolidated financial statements	pg 7
102-46	Defining report content and topic Boundaries	pg 17
102-47	List of material topics	Hines does not list its material topics
102-48	Restatements of information	No restatements of information were required in this report
102-49	Changes in reporting	Hines did not have significant changes from previous reporting periods
102-50	Reporting period	pg 17
102-51	Date of most recent report	pg 17
102-52	Reporting cycle	pg 17
102-53	Contact point for questions regarding the report	pg 17
102-54	Claims of reporting in accordance with the GRI Standards	pg 17
102-55	GRI content index	pg 60
102-56	External assurance	Hines does not utilize external assurance

Material Topics

200 series (Economic topics)**Economic Performance**

103-1	Explanation of the material topic and its Boundary	pg 8, 10
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Market Presence

103-1	Explanation of the material topic and its Boundary	pg 8, 10
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300 series (Environmental topics)**Materials**

103-1	Explanation of the material topic and its Boundary	pg 62
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Energy

103-1	Explanation of the material topic and its Boundary	pg 62
302-1	Energy consumption within the organization	pg 34, 62

Water

103-1	Explanation of the material topic and its Boundary	pg 34, 62
103-2	The management approach and its components	pg 62

Emissions

103-1	Explanation of the material topic and its Boundary	pg 34, 62
103-2	The management approach and its components	pg 34, 62
305-1	Direct (Scope 1) GHG emissions	Hines does not disclose Scope 1 GHG emissions

Emissions (continued)

305-2	Energy indirect (Scope 2) GHG emissions	Hines does not disclose Scope 2 GHG emissions
305-3	Other indirect (Scope 3) GHG emissions	Hines does not disclose Scope 3 GHG emissions
305-4	GHG emissions intensity	Hines does not disclose emissions intensity
305-5	Reduction of GHG emissions	Hines does not disclose reductions in GHG emissions

Effluents and Waste

103-1	Explanation of the material topic and its Boundary	pg 35, 62
306-2	Waste by type and disposal method	Hines does not disclose waste by type and disposal method

Environmental Compliance

103-1	Explanation of the material topic and its Boundary	pg 31-37
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400 series (Social topics)**Employment**

103-1	Explanation of the material topic and its Boundary	pg 23-29
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	pg 27

Labor/Management Relations

103-1	Explanation of the material topic and its Boundary	pg 23-29
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Training and Education

103-1	Explanation of the material topic and its Boundary	pg 27
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Diversity and Equal Opportunity

103-1	Explanation of the material topic and its Boundary	pg 24-27
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Non-discrimination

103-1	Explanation of the material topic and its Boundary	pg 16
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Local Communities

103-1	Explanation of the material topic and its Boundary	pg 24-27, 55-57
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Supplier Social Assessment

103-1	Explanation of the material topic and its Boundary	pg 46-47
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Customer Health and Safety

103-1	Explanation of the material topic and its Boundary	pg 27, 40
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Hines Executive Committee

OWNERSHIP

Gerald D. Hines

Chairman

Jeffrey C. Hines

President & CEO

Laura Hines-Pierce

Transformation Officer

INVESTMENT MANAGEMENT & CENTRAL LEADERSHIP

C. Hastings Johnson

Vice Chairman

Keith H. Montgomery

Chief Financial Officer

David L. Steinbach

Global Chief Investment Officer

Christopher D. Hughes

CEO, Capital Markets

Thomas D. Owens

Chief Risk Officer

Sherri W. Schugart

CEO, Core Fund, REIT & BDC Group

REGIONAL LEADERS

Asia Pacific

James C. Buie

Raymond M. Lawler

Western U.S.

James C. Buie

Douglas H. Metzler

Southwestern U.S.

Mark A. Cover

Midwestern & Southeastern U.S.

C. Kevin Shannahan

Eastern U.S.

Sarah B. Hawkins

Europe

Lars Huber

Eurasia

S. Lee Timmins

Endnotes

- 1 Includes \$66.5 billion in assets that Hines manages as a fiduciary, and \$54.1 billion for which Hines provides third-party property-level services.
- 2 As of December 31, 2018. Project Experience: Projects completed, acquired, under development or in design (1957–12/31/18). Property/Asset Management: Properties under management as of December 31, 2018.
- 3 This number includes 177 projects certified or designated ENERGY STAR; 100 projects certified, pre-certified, or registered under the various LEED rating systems; 19 projects certified by BREEAM; 11 projects certified by DGNB; and 6 projects certified by HQE.
- 4 The GRESB Benchmark Report 2018 for HECF portfolio dated 6 September 2018 is available on request. There can be no assurance that HECF will maintain these scores in future periods.
- 5 Includes HILP donation payments made by the domestic regions and central, inclusive of corporate pledges. This does not include personal donations or contributions.
- 6 2018 gender diversity data calculated on an aggregate number of 4341 employees globally. 1.5% of employees did not specify their gender 2017 and 2.4% did not specify in 2018.
- 7 2.7% of employees did not specify their birthdate in 2018.
- 8 All data are as of December 31, 2018, unless otherwise noted.
- 9 ENERGY STAR numbers are from the firm's 2019 ENERGY STAR Partner of the Year application, as evidenced by the Energy Performance Report from Portfolio Manager. The report covers data for properties with a score of 75 or greater. All data are as of December 31, 2018, unless otherwise noted.
- 10 Comparison of Hines ENERGY STAR-labeled buildings to the national median.
- 11 Energy intensity data in 2018 represents approximately 82.5 million square feet of predominantly office space in Hines' U.S. and international properties. Only properties with reliable complete building data (base building and tenant) have been included.
- 12 Water intensity data in 2018 represents approximately 72.1 million square feet of predominantly office space in Hines' U.S. and international properties. Only properties with reliable complete building data (base building and tenant) have been included.
- 13 Recycling and waste data represents approximately 67.1 million square feet of predominantly office space in Hines' U.S. and international locations.
- 14 Intuit 2020 Report
- 15 HOK Us Coworking, 2018
- 16 2017 Global Coworking Survey
- 17 Includes HILP donation payments made by the domestic regions and central, inclusive of corporate pledges. This does not include personal donations or contributions.



Hines



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Front cover: Jenna Marden, Construction Manager on Parcel F and 101 California, on a project site in San Francisco.

