

Hines

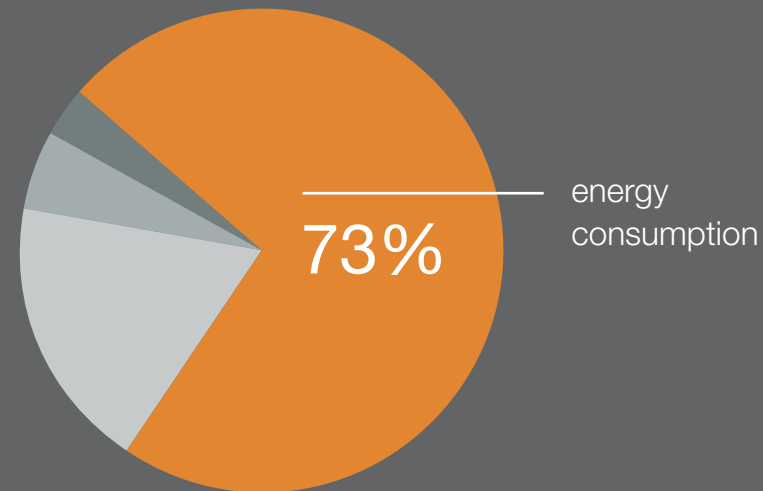


A plan for our planet

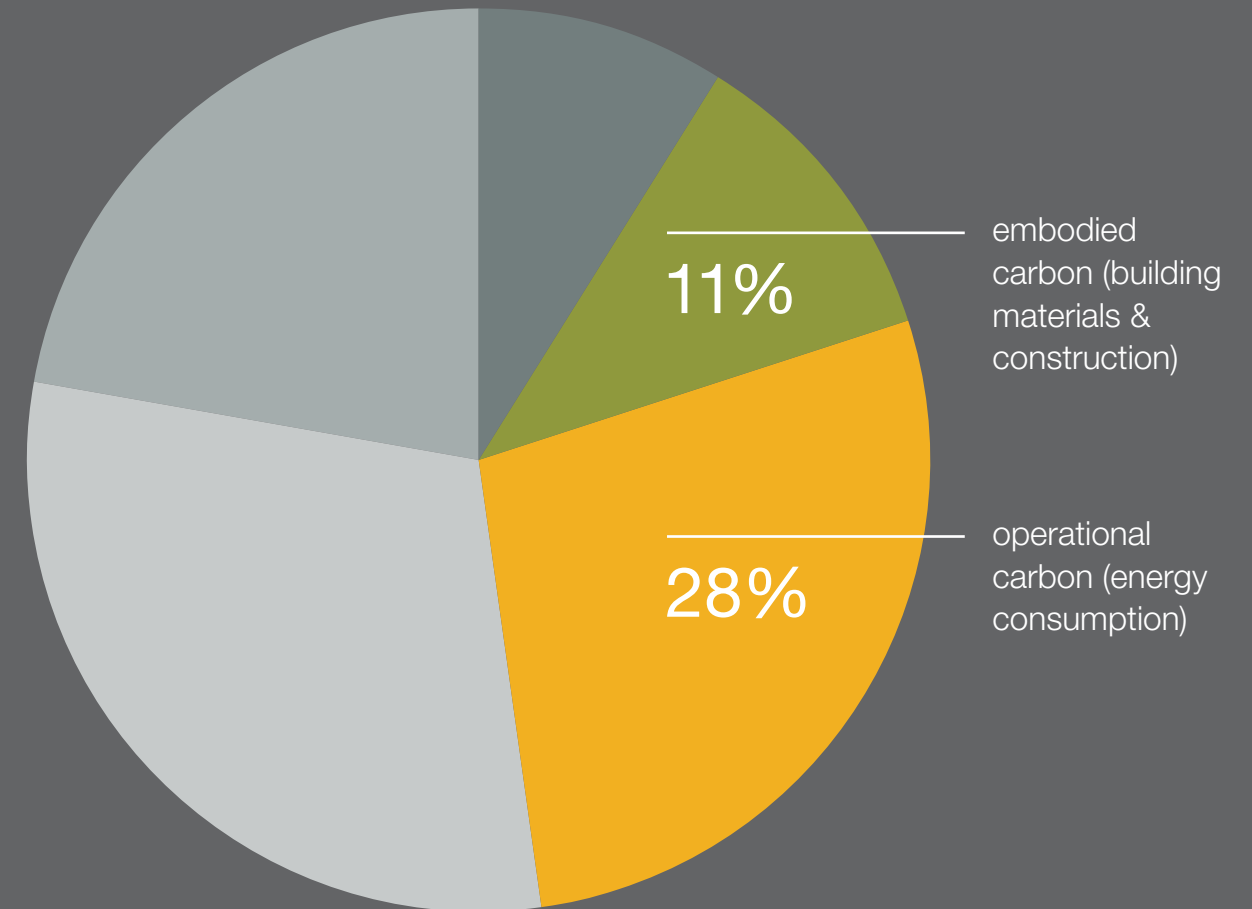
Net zero operational carbon by 2040

Carbon's impact on climate – and the social and environmental cost of that impact – is one of the biggest challenges facing our industry.

73% of global carbon emissions are derived from energy consumption.



Buildings contribute 39% of those energy-related emissions.





As an industry and as a firm, we need to take immediate, ambitious steps to reduce the built environment's carbon footprint and slow the warming trend that threatens people, communities and ecosystems around the world.

Our target: Net zero operational carbon by 2040

Targeting Operational Carbon

Our independently audited, science-based carbon goal is a step in the right direction – and we are as dedicated to learning and leading on our journey as we are to reaching the destination.

To hit our target, we are building and implementing a plan that aligns with our business strategy, supports firm-wide ESG goals and includes our entire portfolio.

- It will create a pathway to net zero for each project and property.

- It will focus on immediate benefits for the people in our buildings and the communities around them.
- It will help us strive to succeed investor expectations and stay ahead of regulations and requirements across our global markets.

Most importantly, **our plan will be public**, so investors, developers, engineers and building managers across our industry can use it to guide their own carbon-reduction efforts.

Our plan in action: Utilizing circular energy infrastructure at 555 Greenwich, New York City

Air circulation is key to reducing carbon emissions and keeping building occupants comfortable. By integrating geothermal piles, thermally active radiant slabs, a dedicated outdoor air system, and a fully electrified heating system, Hines' engineers will be able to deliver thermal comfort and optimize efficiency. What's more, a continuous air-monitoring system will constantly sample the air to identify airborne particulates and maintain exceptional air quality.



Our plan in action:

Investing in carbon reduction and community at aer, Munich, Germany

The team at aer is addressing operational and embodied carbon through refurbishment at aer. We are transforming an existing structure into an efficient, high-quality building by using timber and hybrid construction to reduce embodied carbon, utilizing geothermal energy and ecological electricity to optimize operations, and implementing interior greenery to improve air quality and occupant well-being. The new building will be “smart ready” so tenants can measure and manage their energy consumption.



A multi-pronged approach to net zero

To reach net zero at our properties, we will implement custom plans that include the following tactics:



Tackling Embodied Carbon

While it isn't included in our net zero target today, we are also focusing on reducing embodied carbon across our new developments and retrofits. We see embodied carbon as one of the biggest climate risks faced by our industry and a critical factor in determining whether the world meets key climate goals or falls farther behind.

We have created an open-source [Embodied Carbon Reduction Guide](#) to support this effort industry wide and set a standard for quantifying, tracking and reducing embodied carbon in real estate.

Our plan in action: Reducing embodied carbon at Salesforce Tower Chicago

The Embodied Carbon Reduction Guide, recommends using Environmental Product Declarations (EPDs) to quantify embodied carbon emissions of concrete, steel and other various construction materials. Using the guide helped the team reduce concrete production by 27% and use 9% less steel, resulting in a 19% overall reduction in carbon emissions for steel and concrete compared to the industry average. This equates to a savings of more than 7 million KG of CO₂ – which is more than 1,500 cars off the road for a year or saving roughly 800,000 gallons of gas.



Laying the foundation

Over the past two years, we have made significant investments in foundational elements necessary for setting and reaching our carbon goals.



Implemented a new firm-wide framework to guide our ESG efforts



Hired our first VP of Carbon Strategy to be the dedicated lead for these initiatives



Conducted a robust internal audit of our current carbon footprint and aligned on our biggest levers for change



Grew our global ESG team employees with plans for continued expansion



Began upskilling our employees across the firm in ESG principles and practices



Became a UN PRI signatory

Setting and reaching our carbon target is one of the most complex endeavors our firm has undertaken. We are confident that it will yield long-term value for our firm and challenge us to find innovative ways to positively impact people and the planet while staying true to our legacy of quality.



About Hines

Hines is a privately owned global real estate investment firm founded in 1957 with a presence in 285 cities in 28 countries. Hines oversees investment assets under management totaling approximately \$90.3 billion¹. In addition, Hines provides third-party property-level services to 373 properties totaling 114.2 million square feet. Historically, Hines has developed, redeveloped or acquired approximately 1,530 properties, totaling over 511 million square feet. The firm currently has more than 198 developments underway around the world. With extensive experience in investments across the risk spectrum and all property types, and a foundational commitment to ESG, Hines is one of the largest and most-respected real estate organizations in the world.

Visit www.aplanforourplanet.com for more information.

1. Includes both the global Hines organization as well as RIA AUM as of December 31, 2021.

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