



Green Bond Framework

for

Piedmont Office Realty Trust, Inc.

Piedmont Operating Partnership, LP

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1. Introduction

Piedmont Office Realty Trust, Inc. (also referred to herein as "Piedmont" or the "Company") (NYSE: PDM) is an owner, manager, developer, redeveloper and operator of high-quality, Class A office properties in select submarkets located primarily within seven major Eastern U.S. office markets, with approximately half of its revenue generated from the Sunbelt. Its geographically diversified, approximately \$5 billion portfolio is comprised of approximately 17 million square feet (as of June 30, 2020). The Company is a fully-integrated, self-managed real estate investment trust ("REIT") with local management offices in each of its markets. Piedmont is headquartered in Atlanta, GA.

Piedmont is dedicated to environmentally sustainable practices that enhance our commitment to provide highest quality office properties while responsibly managing our impact on the environment. We consider sustainability to be a commitment which we proudly undertake on behalf of all our stakeholders. Our shareholders and employees expect that their financial and human capital supports the preservation of the global environment. Our tenants and local communities entrust us to implement green initiatives that reduce consumption and landfill waste.

Further information about the company is available at www.piedmontreit.com/about/sustainability-and-recognition/.

2. Approach to Sustainability

We strive to own and manage workplaces that are environmentally conscious, productive and healthy for our tenants and employees by empowering our property teams with the data and tools they need to sustainably manage their buildings. We leverage industry partnerships with BOMA, ENERGY STAR, and U.S. Green Building Council to confirm and advance the energy and sustainability performance of our assets, and we implement processes that continually improve our environmental performance.

As of June 30, 2020, approximately 63% of Piedmont's office portfolio is ENERGY STAR® certified (based on square footage) and approximately 41% of Piedmont's office portfolio is LEED® Certified (based on square footage).

As recognition for our commitment to sustainability, Piedmont ranks in the top 1% among program participants based on the number of buildings owned and managed with Building Owners and Managers Association ("BOMA") 360 designations.

3. Rationale for Issuance

Through the issuance of green bonds and in conformance with our strategic objectives, Piedmont Office Realty Trust will enhance its ability to:

- Acquire, develop, redevelop and renovate energy-efficient buildings that reduce operating costs;
- Meet recognized sustainable development standards; and
- Reduce the company's environmental impact.

4. Alignment with the Green Bond Principles

The Green Bond Principles, 2018 (“GBP”) as administered by the International Capital Market Association (“ICMA”), are voluntary process guidelines for best practices when issuing green bonds. The GBP recommend transparency and disclosure and promote integrity in the green bond market. The Piedmont Office Realty Trust Green Bond Framework is aligned with the GBP, which provides guidelines in four key areas:

- 1) Use of proceeds;
- 2) Process for project evaluation and selection;
- 3) Management of proceeds; and
- 4) Reporting

4.1 Use of Proceeds

We intend to allocate an amount equal to the net proceeds from the issuance of green bonds to finance or refinance, in whole or in part, recently completed, existing or future Eligible Green Projects.

Eligible Green Projects include projects that meet the Eligibility Criteria listed in the table below with the expenditures and/or certification occurring during the three years prior to the issue date of the notes or during the term of the notes.

GBP Eligible Project Category	Eligibility Criteria
Green Buildings	Investments in acquisitions of buildings; building developments or redevelopments; renovations in existing buildings; and tenant improvement projects, in each case, that have received, or are expected to receive: <ul style="list-style-type: none"> • LEED: Certified, Silver, Gold or Platinum • BREEAM: Good, Very Good, Excellent or Outstanding
Energy Efficiency	High efficiency HVAC systems, LED, cool roofs and other energy efficient roof systems and construction materials, smart meters, chiller replacements and other energy efficient lighting that have targeted energy efficiency gains of 20% or greater
Sustainable Water and Wastewater Management	Improvements in irrigation water use, xeriscaping (drought-tolerant landscaping) and installation of low flow fixtures that have targeted water efficiency gains of 20% or greater
Renewable Energy	Investments in renewable energy production units and storage systems, including but not limited to solar panel installations

4.2 Process for Project Evaluation and Selection

The Piedmont Office Realty Trust real estate operations team will select Eligible Green Projects for the review and approval of our corporate finance team. The corporate finance team will be responsible for tracking the allocation to Eligible Green Projects.

4.3 Management of Proceeds

The net proceeds from issued green bonds will be used for Eligible Green Projects. We may also allocate or re-allocate net proceeds from any offering to other Eligible Green Projects. As long as the notes are outstanding, our internal records will show the allocation of the amount equal to the net proceeds of each offering to Eligible Green Projects.

Pending use for Eligible Green Projects, net proceeds from any green bond offering may be used to repay borrowings outstanding on our revolving credit facility or under one of our term loans or for other business purposes. Payment of principal and interest on the notes will be made from our general funds and will not be directly linked to the performance of any Eligible Green Projects.

Any portion of the amount equal to the net proceeds from this offering allocated to Eligible Green Projects that have been sold, prepaid or otherwise become ineligible shall be reallocated to other Eligible Green Projects.

4.4 Reporting

Until such time as an amount equal to the net proceeds for each green bond has been fully allocated to Eligible Green Projects, we will publish annual updates in a Green Bond Allocation Report on our website. The report will detail, at a minimum, the allocation of an amount equal to the net proceeds from this offering to Eligible Green Projects together with the achieved or expected level of LEED or BREEAM certification and relevant expected environmental impact metrics, where feasible.

5. External Review

5.1 Assurance

Our updates will be accompanied by (i) an assertion by management that an amount equal to the net proceeds from each offering were invested in Eligible Green Projects, and (ii) a report from an independent accountant in respect of the independent accountant's examination of management's assertion conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants

Disclaimer

The information and opinions contained in the Piedmont Office Realty Trust Green Bond Framework (the "Framework") are provided as at the date of this Framework and are subject to change without notice. None of Piedmont Office Realty Trust or any of its affiliates assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Framework represents current Piedmont Office Realty Trust policy and intent, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights or obligations. This Framework is intended to provide non-exhaustive, general information. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Piedmont Office Realty Trust and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Piedmont Office Realty Trust as to the fairness, accuracy, reasonableness or completeness of such information. This Framework may contain statements about future events and expectations that are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified through the inclusion of words such as "aim," "anticipate," "believe," "drive," "estimate," "expect," "goal," "intend," "may," "plan," "project," "strategy," "target" and "will" or similar statements or variations of such terms and other similar expressions. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the Framework. No representation is made as to the suitability of any bonds to fulfill environmental and sustainability criteria required by prospective investors. Each potential purchaser of bonds should determine for itself the relevance of the information contained or referred to in this Framework or the relevant bond documentation for such bonds regarding the use of proceeds and its purchase of bonds should be based upon such investigation as it deems necessary. Piedmont Office Realty Trust has set out its intended policy and actions in this Framework in respect of use of proceeds, project evaluation and selection, management of proceeds and reporting, in connection with Piedmont Office Realty Trust green bonds. However, nothing in this Framework is intended to modify or add to any covenant or other contractual obligation undertaken by Piedmont Office Realty Trust in any green bonds that may be issued in accordance with this Framework. This Framework does not create any legally enforceable obligations against Piedmont Office Realty Trust; any such legally enforceable obligations relating to any green bonds are limited to those expressly set forth in the indenture and notes governing such green bonds. Therefore, unless expressly set forth in the indenture and the notes governing such green bonds, it will not be an event of default or breach of contractual obligations under the terms and conditions of any such bonds if Piedmont Office Realty Trust fails to adhere to this Framework, whether by failing to fund or complete Eligible Projects or by failing to ensure that proceeds do not contribute directly or indirectly to the financing of the excluded activities as specified in this Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on uses of proceeds and environmental impacts as anticipated by this Framework, or otherwise. In addition, it should be noted that all of the expected benefits of the Eligible Projects as described in this Framework may not be achieved. Factors including (but not limited to) market, political and economic conditions, changes in government policy (whether with a continuity of the government or on a change in the composition of the government), changes in laws, rules or regulations, the lack of available Eligible Projects being initiated, failure to complete or implement projects and other challenges, could limit the ability to achieve some or all of the expected benefits of these initiatives, including the funding and completion of Eligible Projects. Each environmentally focused potential investor should be aware that Eligible Project may not deliver the environmental or sustainability benefits anticipated, and may result in adverse impacts. This Framework does not constitute a recommendation regarding any securities of Piedmont Office Realty Trust or any member of Piedmont Office Realty Trust. This Framework is not, does not contain and may not be intended as an offer to sell or a solicitation of any offer to buy any securities issued by Piedmont Office Realty Trust or any member of Piedmont Office Realty Trust. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution. Any decision to purchase any bonds should be made solely on the basis of the information to be contained in any offering document provided in connection with the offering of such bonds. Prospective investors are required to make their own independent investment decisions.