



2019  
ESG Report

PIEDMONT®  
OFFICE REALTY TRUST



60 Broad Street  
New York City

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## Letter to the Stakeholders



C. Brent Smith

**ESG is a very important topic to me personally; so much so that, upon becoming CEO in July 2019, I made achieving best-in-class ESG ratings one of my three top strategic priorities for the company.** I am very pleased to share Piedmont's 2019 ESG Report, which updates our performance against our goals and outlines steps we are taking to build upon our ESG programs.

### 2019 Accomplishments

We have made significant progress on numerous fronts, which are further detailed in the report.

#### Highlights include:

- Formed an Environmental & Social Steering Committee which leads our on-going commitment to environmental, health and safety, corporate social responsibility, and other relevant public policy matters. The Committee regularly reports to the Nominating and Corporate Governance Committee of the Board of Directors.
- Created a Board-sponsored Diversity and Inclusion initiative, targeting ways to increase minority recruiting and training throughout the company.
- Expanded our involvement in the communities we serve; increasing employee non-profit volunteerism, engaging in social justice and awareness activities, and enlarging our corporate and employee financial support of these causes.
- Reduced total energy consumption by 5.0%.
- Reduced total water consumption by 7.4%.
- Reduced Scope 1 and Scope 2 greenhouse gas emissions by 7.8%.
- Where measurable, we recorded a landfill diversion rate of 30%
- We were honored to receive the following certifications for our portfolio:
  - 34% LEED
  - 68% Energy Star
  - 78% BOMA 360 (#3 among REITs with 46 buildings certified)
- Four of our assets were nominated for BOMA International's 2019 The Outstanding Building of the Year (TOBY®) Award, the most of any office REIT.

Most recently, Piedmont completed its first green bond issuance on August 12, 2020, demonstrating our continued commitment to investing in the highest quality office properties while responsibly managing our impact on the environment.

On behalf of all the men and women of Piedmont, I want to personally thank all our stakeholders...our investors, customers and vendors for entrusting us with your most precious assets. We are committed to leading the positive change that enhances the social and environmental impact Piedmont has on our communities. We will remain intensely focused on delivering against this pledge and I look forward to sharing our progress.

### C. Brent Smith

**President, Chief Executive Officer and Director**

### Update

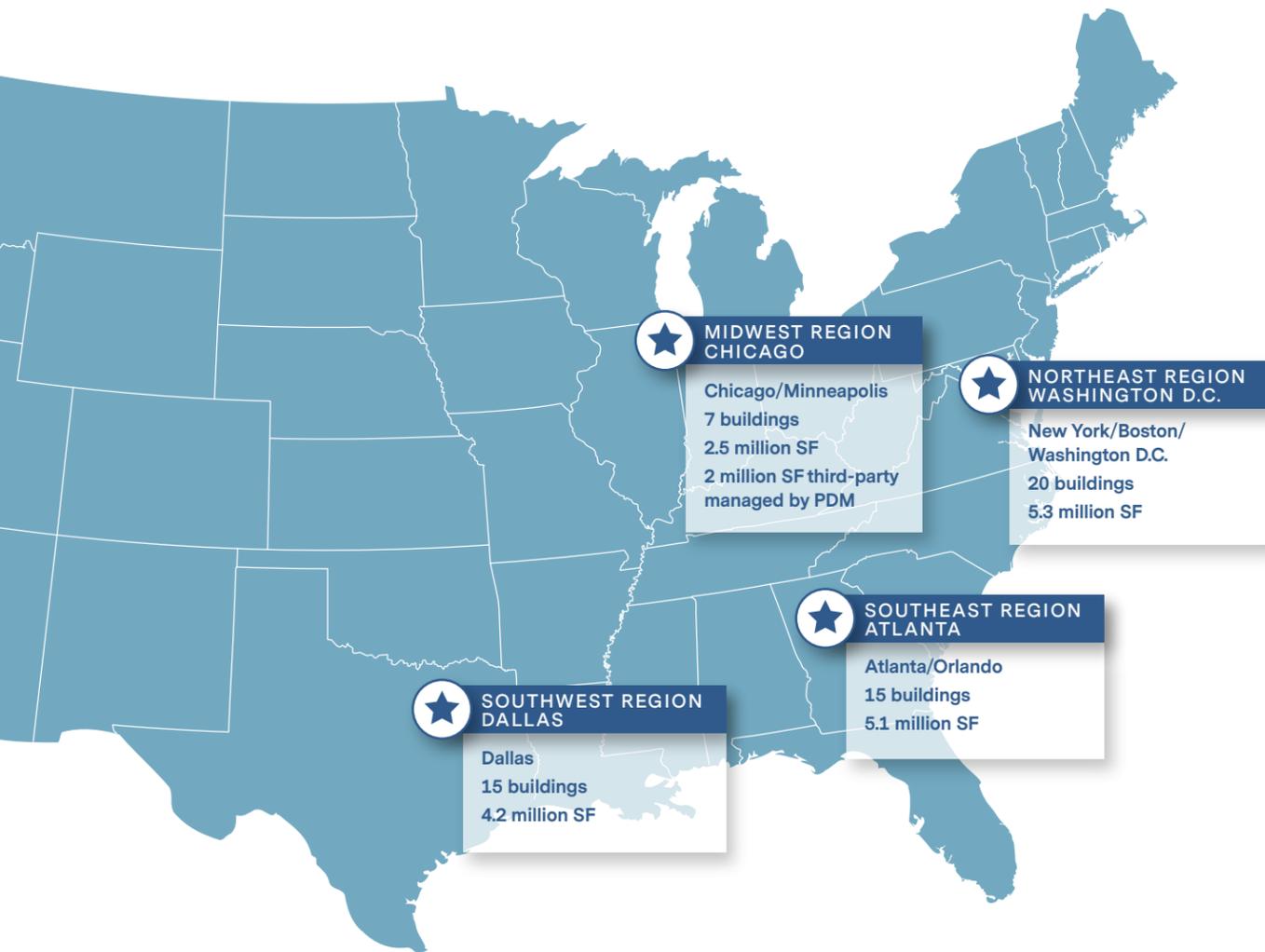
*The last several months have been extraordinarily challenging. Our country has been confronted with the devastating COVID-19 virus and our thoughts remain with so many who have been affected. Our top priority has been, and will continue to be, to protect the safety of our tenants, employees and visitors at our properties.*

*Social and economic unrest has engulfed many of the nation's cities, prompting reflection and discussion. Piedmont will continue to support the non-violent efforts to eliminate prejudice and discrimination, wherever it exists. In 2020, we proudly joined other employers in urging Georgia's legislature to pass a new Hate Crimes Bill. Piedmont is committed to demonstrating to each other and our communities the compassion, kindness and strength required to bring about positive and lasting change.*

*It is during these times when principles, empathy and action matter most. At Piedmont, we are steadfast in our commitment to be a leader among the real estate industry for environmental, social and governance initiatives. We are proud of the significant progress we have made on each of these fronts, but we also recognize that we can, and must, continue to excel, making our buildings more efficient and the communities in which we operate better places to live and work.*

## Corporate Profile

Piedmont Office Realty Trust, Inc. (NYSE: PDM), a self-administered and self-managed real estate investment trust (REIT), is one of the nation's largest publicly-traded owners of Class A office properties. Piedmont is focused on creating value for its shareholders through the acquisition, development, ownership and progressive management of premier properties in each of its target markets: Atlanta, Boston, Dallas, Minneapolis, New York Metro, Orlando, and Washington D.C.



## About This Report



We have a long history of owning and operating Class A sustainable office buildings. In 2018 we solidified our approach to energy management through the release of our inaugural Sustainability Policy and commitment to energy and water savings goals.

In 2019, we released our first public Sustainability Report where we reported the Energy Management metrics of SASB for Real Estate. Also, we published policy information and metrics on our website that provided transparency into our corporate social responsibility practices.

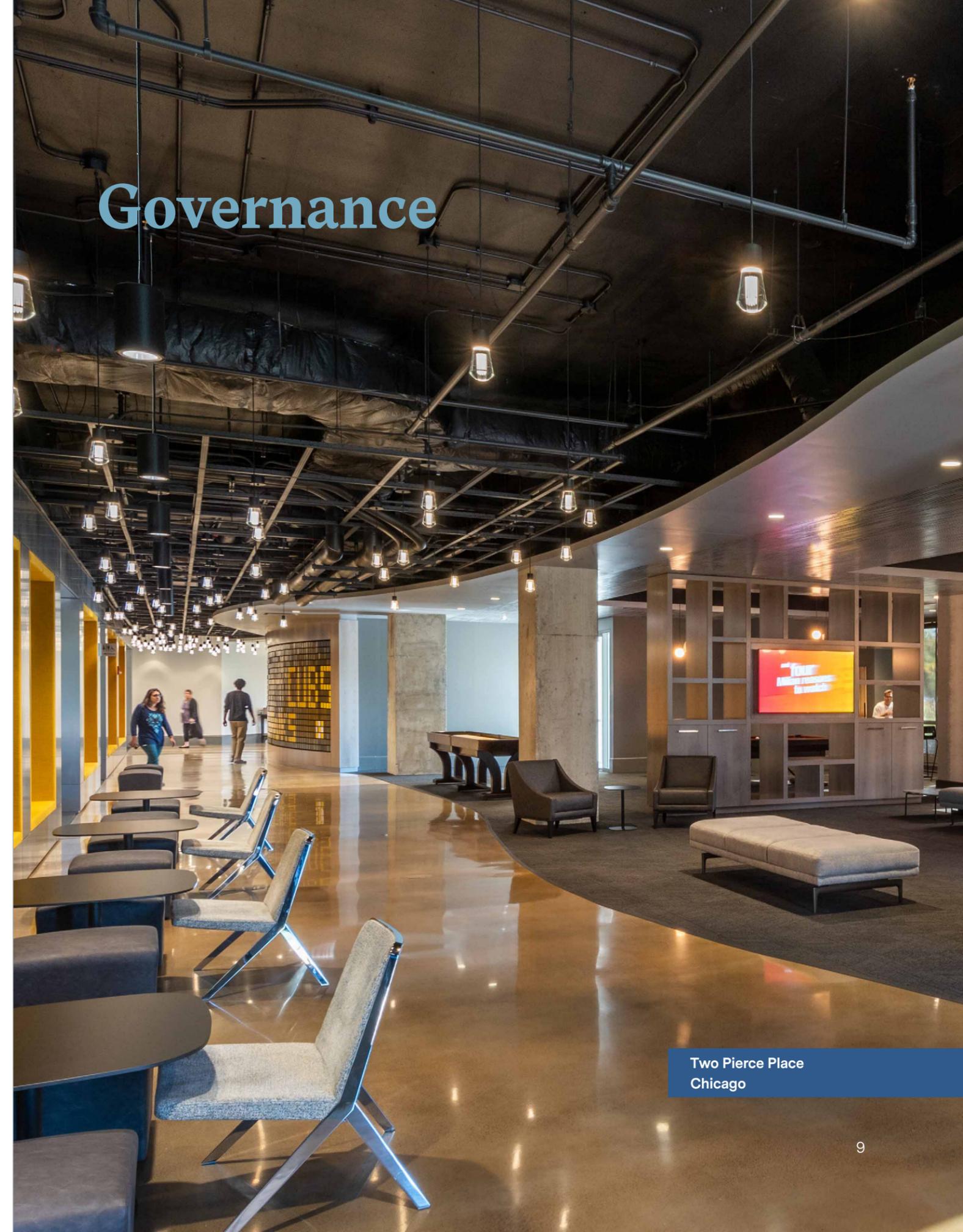
This year, we have combined our 2019 environmental, social, and governance information and metrics into one report. In addition, we have expanded our environmental reporting to include all SASB for Real Estate qualitative and quantitative metrics and we have incorporated information that aligns with the Task Force on Climate-related Financial Disclosure (TCFD).

## About This Report

Please refer for the following tables to find specific TCFD and SASB responses. Our SASB quantitative data is available on pages 50–55.

TCFD Index	Description	Jump to
<b>Governance</b>	Board’s oversight of climate-related risks and opportunities	<b>Governance</b>
	Management role in assessing and managing climate-related risks and opportunities	
<b>Strategy</b>	Climate-related risks and opportunities we have identified over the short, medium, and long-term	<b>Climate-Related Risk Management</b>
<b>Risk Management</b>	Organizational processes for identifying, assessing and managing climate-related risks	<b>Environmental Management Strategy</b>
<b>Metrics and Targets</b>	Metrics and targets used to manage climate-related risks, opportunities, and performance	<b>Performance Metrics &amp; Targets</b>

SASB Topic	Code	Description	Jump to
<b>Energy Management</b>	IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	<b>Environment</b>
<b>Water Management</b>	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	<b>Performance Targets &amp; Metrics</b>
<b>Management of Tenant Sustainability Impacts</b>	IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	<b>Tenant Engagement</b>
<b>Climate Change Adaptation</b>	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	<b>Climate-Related Risk Management</b>



# Governance

## Board of Directors and Charters

Our Board of Directors has established four standing committees: the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, and the Capital Committee. Each of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee complies with the listing requirements and other rules and regulations of the NYSE, as amended or modified from time to time. All members of these committees are independent as such term is defined in the NYSE's listing standards and as affirmatively determined by our Board of Directors. Further, our Chairman of the Board, Frank C. McDowell, presides at regularly scheduled executive sessions of the independent directors.

→ [Audit Committee Charter](#)

→ [Compensation Committee Charter](#)

→ [Nominating & Corporate Governance Charter](#)

## ESG Committees

Our Environmental & Social Steering Committee supports our on-going commitment to environmental, health and safety, corporate social responsibility, and other relevant public policy matters. The committee regularly reports to the Nominating and Corporate Governance Committee of the Board of Directors and includes the:

- Chief Financial Officer
- Chief Accounting Officer
- Vice President of Human Resources
- Executive Vice President of Real Estate Operations
- Senior Vice President of Property Management
- Director of Sustainability, and consultants as needed

The cross-functional team meets quarterly and assists Piedmont's executive leadership team to:

- Set general strategy relating to environmental and social matters
- Develop, implement, and monitor initiatives and policies based on that strategy
- Oversee communications with employees, investors, and stakeholders with respect to environmental and social matters
- Monitor and assess developments relating to, and improving the Company's understanding of environmental and social matters
- Efficient and timely disclosure of environmental and social matters to internal and external stakeholders
- Identify and create processes to manage risks and opportunities associated with climate change

The Human Resources and Compliance departments, along with the support of the Regional Management team facilitates and implements our social and governance programs. The Energy & Sustainability Committee is responsible for our environmental programs. The Energy & Sustainability Committee meets bi-weekly to determine how to effectively achieve our corporate environmental management targets.

The Energy & Sustainability Committee is comprised of:

- Senior Vice President of Property Management
- Vice President of Property Management Operations
- Regional Managers
- Director of Sustainability, and consultants as needed

Metrics and information reported by the committees is reviewed and approved by our Internal Audit department for consistency and accuracy before it is published.

## Corporate Governance Guidelines

Our Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, has adopted corporate governance guidelines establishing a common set of expectations to assist the Board of Directors in performing their responsibilities. The corporate governance policies and guidelines, which meet the requirements of the NYSE's listing standards, address a number of topics, including, among other things, director qualification standards, director responsibilities, the responsibilities and composition of the board committees, director access to management and independent advisers, director compensation, and evaluations of the performance of the board.

Our Governance Best Practices include, but are not limited to:

- Opted out of MUTA
- Non-classified Board
- Seven of our eight Board members are considered NYSE-independent
- Independent Chairman of the Board
- Shareholder-aligned executive compensation structure
- Majority voting standard for uncontested elections
- Shareholder approval is required for all Bylaws amendments
- Board oversight of ESG activities is conducted at least quarterly

[Go to Corporate Governance Guidelines](#)

### Code of Conduct and Ethics

Our Board of Directors has also adopted a code of ethics, including a conflicts of interest policy that applies to all of our directors and executive officers including our principal executive officer, principal financial officer, principal accounting officer and persons performing similar functions. The Code of Ethics meets the requirements of a "code of ethics" as defined by the rules and regulations of the SEC. Any amendments to, or waivers of, the Code of Ethics will be disclosed promptly following the date of such amendment or waivers.

[Go to Code of Conduct and Ethics](#)

# Social



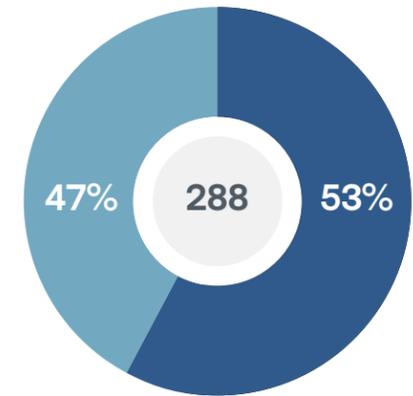
Atlanta Galleria Office Park  
Atlanta

## Our Employees

We are an equal opportunity employer. It is our policy from recruitment through employment and promotion, to provide equal opportunity at all times without regard to race, color, religion, sex, national origin, age, disability, veteran's status, genetic information, or any other characteristic protected by federal, state, or local anti-discrimination laws. Physical or mental disabilities will be considered only as they may relate to essential functions of each particular job, and only in accordance with applicable law. This policy of Equal Employment Opportunity applies to all of Piedmont's policies relating to recruitment and hiring, promotion, compensation, benefits, training, working conditions, termination and all other terms and conditions of employment.

As of December 31, 2019, we had 134 full-time employees, 46 of whom work in our corporate office located in Atlanta, Georgia. Our remaining employees work in regional and local management offices located primarily in seven major U.S. markets. These employees are involved in acquiring, developing, leasing, and managing our portfolio of properties. Approximately 65% of our workforce is salaried, with the remaining 35% compensated on an hourly basis.

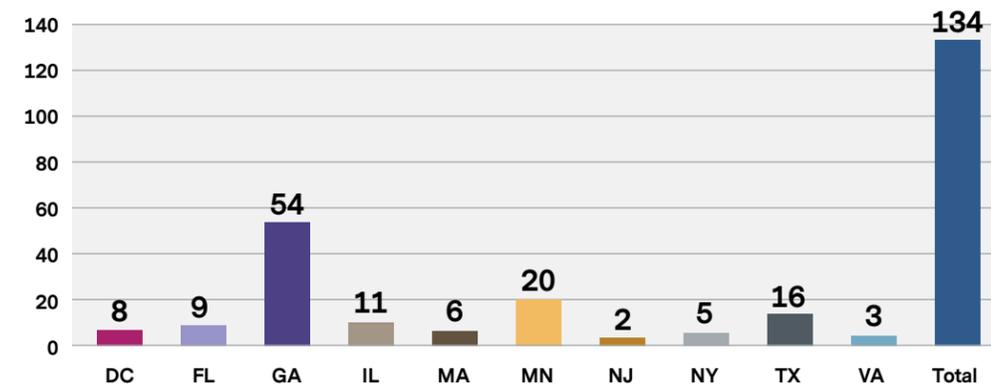
Employee/Contractor Ratio  
As of 12/31/19



- Full-time Employees
- Contractors/Consultants

## Total Employment

As of 12/31/19



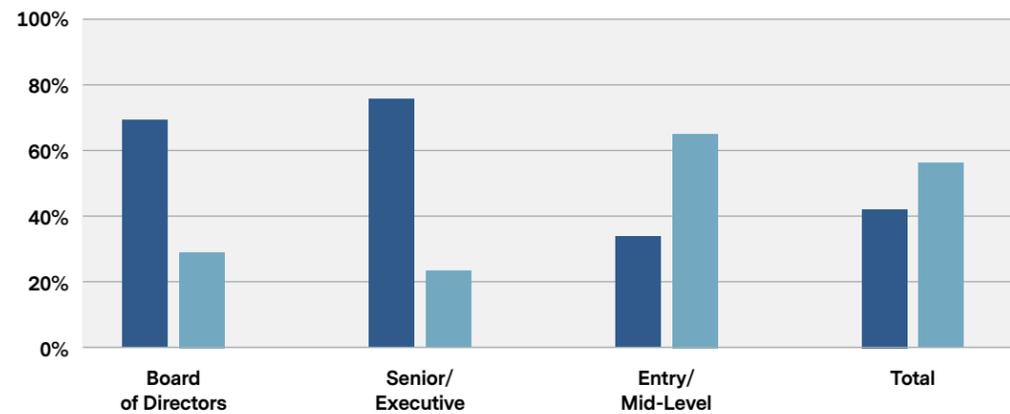
## Diversity and Inclusion

At Piedmont, we strive and are committed to hiring and supporting a diverse workforce that fosters skilled and motivated people working together to deliver results in support of our core business values. We encourage all employees, tenants, and vendors to mutually respect one another's diversity in order to maintain a cohesive work environment that values fairness and equal treatment. Statistical information regarding our workforce diversity for the year ended December 31, 2019 was as follows:

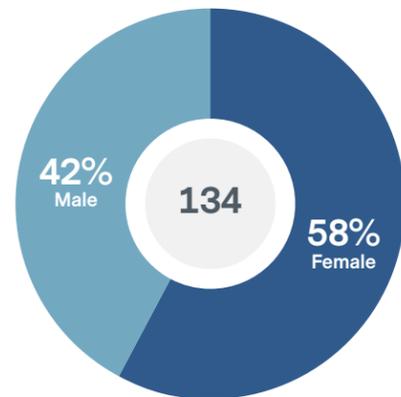
### Gender Diversity

As of 12/31/19

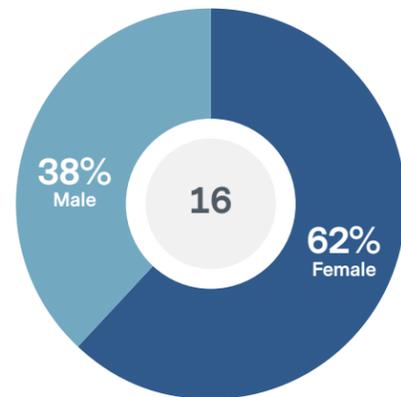
Male Female



### Total Employment



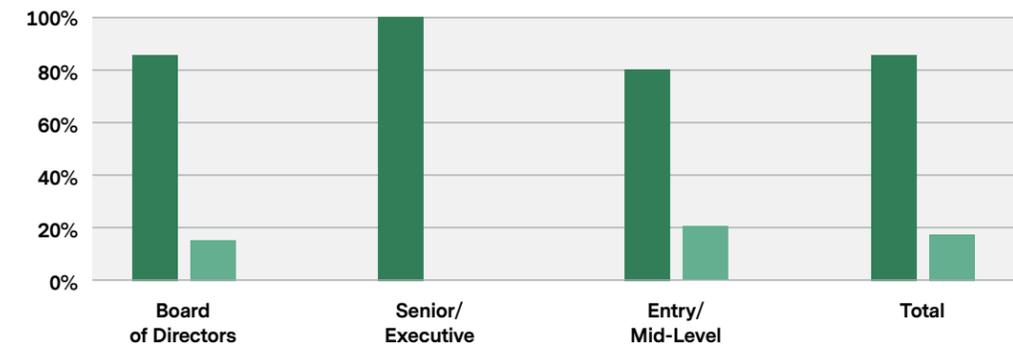
### New Hires



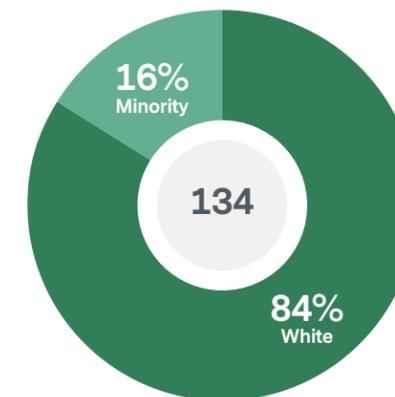
### Ethnic Diversity

As of 12/31/19

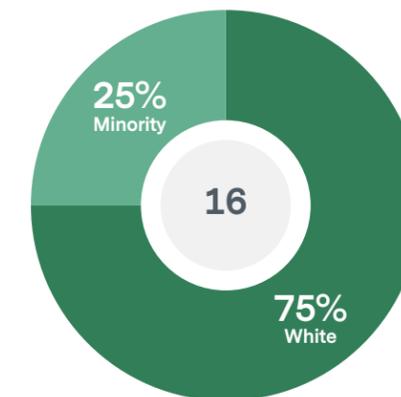
White Minority



### Total Employment



### New Hires



Piedmont uses diversity and inclusion initiatives for both compliance obligations and to increase the overall bottom line with a more diverse workforce. Developing a diversity and inclusion initiative involves four main phases:

1. Data collection and analysis to determine the need for change.
2. Strategy design to match business objectives.
3. Implementation of the initiative.
4. Evaluation and continuing assessment of the plan effectiveness.

By this initiative we desire to provide employees with the opportunity to make their maximum contribution to Piedmont and to their own career development. The intention is to provide an equal employment opportunity program that will simultaneously serve the requirements of society, the law, sound business practices and individual dignity.

[Go to Piedmont's Diversity & Inclusion Initiative](#)

## Performance and Career Development

The results that we achieve are determined in large part by how we perform—as individuals, as teams, and as a company. The means by which we focus our efforts, use our talents, manage our time, and work together will also impact the degree of our success. Performance management is the organized method of monitoring results of work activities, collecting and evaluating performance results to determine achievement of goals, and using performance information to make decisions, allocate resources and communicate whether objectives are met.

Employees receive an annual performance review. These evaluations are done in the same time frame as the review of annual incentive compensation.

## Training and Education

In 2019, Piedmont employees, managers, and the majority of our contractors received professional training in:

- Workplace Harassment
- Diversity & Inclusion
- Online Management Development Program
- Cyber Security
- Leadership and Development Training

### Environmental Training

Our training with regards to environmental management and sustainability issues has been informal to date. Our property management teams and engineers interact regularly with our Director of Sustainability, consultant, and relevant vendors who provide ongoing training via phone calls and webinars. In 2020, we are creating a formal sustainability training to include in our training library that covers topics such as:

- Climate change science
- Green building basics
- Energy and water efficiency strategies
- Waste diversion strategies

## Human Rights

All individuals should be treated with dignity and respect. We intend to provide an environment that is pleasant; healthful; comfortable; and free from intimidation, hostilities, or other offenses that might interfere with

work performance. Discriminatory conduct of any sort—verbal, physical, or visual—will not be tolerated, whether it is sexual or racial in nature or related to national origin, age, religion, citizenship status, disability, genetic predisposition, or any other characteristic protected by law. Piedmont applies this policy to all its employees, suppliers, and vendors, regardless of their geographic location. Further, the use of child or forced labor is specifically prohibited, either by the Company or, indirectly, through the Company's vendors.

[Go to Piedmont's Human Rights Policy](#)

## Health and Safety

We intend to maintain a safe and secure workplace for all its employees. The Company has had no reportable incidents per OSHA requirements. The Company does not tolerate fighting, threats or other acts of violence against employees, co-workers, job applicants, clients, or vendors. The Company's Employee Handbook prohibits workplace harassment and harassment of our employees by third parties, such as contractors, suppliers, vendors, and clients in conjunction with their work. Further, the Company provides medical, dental, vision, disability, and life insurance for each of its employees and their families.

## Political Advocacy

Piedmont does not contribute to or make expenditures on behalf of any federal, state or local candidates for election, referenda, or initiatives; contribute to or make expenditures on behalf of political parties; contribute to or make expenditures on behalf of political committees or other political entities organized and operating under 26 U.S.C. Sec. 527 of the Internal Revenue Code; contribute to any charity or non-profit organization at the request of any federal, state or local governmental office holder or any candidate for such an office; donate Company time, resources, products or services to any of the foregoing; or pay for advertisements, printing or other campaign expenses.

[Go to Piedmont's Political Spending Policy](#)



## External Stakeholder Engagement

It is important that our stakeholders influence our ESG goals and programs. We have various ways to regularly collect feedback from and communicate information to each stakeholder group, which are outlined in this section. In addition, we have established means for stakeholders to communicate their concerns to the Board of Directors. If the concern relates to our governance practices, business ethics or corporate conduct, the concern may be submitted in writing to the Chairman of our Nominating and Corporate Governance Committee in care of our Secretary at our headquarters address.

### Investors

Our commitment to understanding the interests and perspectives of our stockholders is a key component of our corporate governance strategy. Throughout the year, we meet with our investors to share our perspective and to solicit their feedback on our strategy and performance. During 2019, our executive management team participated in several investor conferences and held over 200 individual meetings with our investors and analysts. Periodically, we also hold investor days where our management team meets with stockholders and industry research analysts to discuss our strategy and performance and respond to questions, as well as to tour certain properties in our portfolio. Further, our board has periodically invited significant investors to meet with them directly and our management team has periodically engaged third parties to conduct perception surveys so that we can hear our stockholders' perspectives as we believe the insights provided by our stockholders provide valuable information to be considered in our strategic decisions.

### Green Finance

Piedmont completed its inaugural issuance of \$300 million of green bonds in August 2020. Green bonds restrict the use of proceeds to Eligible Green Projects ("EGPs"). EGPs are defined as investments: (a) in buildings, developments, redevelopments, existing building renovations, and tenant improvements, in each case, that have received, or are expected to receive, a LEED Certified, Silver, Gold or Platinum certification (or similar BREEAM standards); (b) that increase energy efficiency; (c) in sustainable water and wastewater management systems; and (d) in renewable energy. The allocation of the net proceeds of the green bond offering must be to projects completed in the three years prior to the issuance of the notes or during the term of the notes. The definition of EGPs includes the acquisition of Galleria Office Towers in Dallas, TX, which has received LEED Existing Building Operations & Maintenance Certification, and was the project to which we allocated the full net proceeds from its first green bond offering.

### Tenants

We engage with our Tenants to develop strong relationships to provide best-in-class service and highest possible Tenant retention. We partner with Kingsley Associates to perform comprehensive tenant surveys every two years to identify our strengths and deficiencies. This survey process continually improves our services and addresses our Tenants' evolving needs. 55 specific service and performance areas are rated against the Kingsley Index, which is widely regarded as the most comprehensive commercial

real estate performance benchmarking platform. Piedmont's Overall Satisfaction has outperformed the Kingsley Index every year since 2014.

Piedmont's Tenant Engagement Committee is active across our portfolio and provides a distinguished, robust program aimed at "Raising the Tenant Experience." The Committee includes leadership from Asset Management and Property Management and intends to create highly amenitized and enriched environments for our tenants and communities. Programming is specifically designed to create community and provide meaningful experiences. Various programming at our properties include themes of Social Connectivity, Wellness, Charitable Activities, Productivity in the Workplace, and Seasonal Events.

### Vendors

Our Vendor Code of Conduct ("the Code") describes our expectations of how our vendors conduct business. All vendors engaged in providing products and services to Piedmont are expected to embrace this commitment to integrity by complying with the Code and communicating and enforcing the Code provisions throughout their organization and across their supply chain, including to sub-vendors and subcontractors.

We require that our vendors understand the requirements of the Code, operate in accordance with the expectations outlined in the Code and comply, at a minimum, with all applicable laws, rules, regulations and standards within the geographies in which they operate. The Code includes our expectations on their:

- Ethical Business Practices
- Labor and Human Rights
- Diversity and Inclusion
- Environmental Stewardship
- Management Systems and Governance

[Go to Piedmont's Code of Vendor Conduct](#)

### Industry

We have continual strong leadership and participation within the real estate industry's trade organizations. All levels of Piedmont staff participate in events throughout each year with BOMA International (Building Owners and Managers Association), NAREIT (National Association of Real Estate Investment Trusts), NAREIM (National Association of Real Estate Investment Management), and NAIOP (Commercial Real Estate Development Association). Through this participation, our employees develop relationships and gain knowledge that ensures we are closely oriented to the most pertinent real estate and community issues.

## Our Communities

In 2015, Piedmont created the Piedmont W. Wayne Woody Foundation in honor of our late Chairman of the Board, W. Wayne Woody through which charitable contributors are distributed to various nonprofit organizations. Recipient organizations are 501(c)(3) entities that fit our charitable giving categories and demonstrate fiscal/administrative stability, including being non-discriminatory and non-political.

In addition to financial contributions through the PWW Foundation, Piedmont recognizes the value and benefit of employee volunteerism and fully appreciates its positive impact on the community, the employees, and ultimately, the Company by promoting team building, collaboration, and unity. To promote volunteerism among Piedmont employees, the Company provides a matching program whereby an employee may request time away from work to support a community service project or activity. Preference is given to those organizations that are tied to real estate industry programs or that have a major tenant sponsorship. Our employees have partnered with Piedmont to donate thousands of dollars and hours annually to numerous organizations. Here is just a sampling of the many organizations we have supported (below).



## Social Justice

As the public discussion surrounding equality in our country continues, so do Piedmont's efforts to end prejudice and discrimination in our world today. Piedmont is committed to demonstrating fairness, equality, and respect to all individuals to bring about positive change. Our commitment includes regularly monitoring and making any necessary changes to our own policies, conduct, and actions, as well as promoting anti-prejudice causes in our communities. In an effort to underscore and promote these values, Piedmont has made financial commitments to the Anti-defamation League, the NAACP, The National Association of Criminal Defense Lawyers, and the Brennan Center for Justice. We encourage all Americans to reflect upon what they can do to promote equality in their everyday lives.

## Covid-19 Response

Our highest priority has been, and always will be, protecting the well-being of our tenants, contractors, and employees. We are committed to promoting a safe and healthy environment.

Each of our assets remained open for business and to serve the needs of our tenants. We continue to follow all government guidelines and strictly adhere to all recommended Centers for Disease Control health and wellness protocols.

We have adjusted our operations in several categories:

### Communication and Collaboration

- Published *Returning to Work* tenant guide, outlining building-specific information on operational changes such as elevator spacing, common area regulations, janitorial schedules and security protocols, among others. Facilitated tenant town halls across the markets.
- Implemented comprehensive signage program providing wayfinding assistance and emphasizing preventative measures as recommended by the Center for Disease Control (hand washing, distancing, no gathering, etc.)
- Sharing best practices for workplace modifications and common area protections such as staggered working hours, assigned seating and conference room attendance levels
- Assisting tenants in programming staff rotation and staggered working hours to minimize occupancy peak times

### Health and Wellness

- All vendors and Piedmont personnel are required to wear masks throughout all common areas
- Requesting all tenants and guests wear masks throughout all common areas
- Hand sanitizing dispensers installed throughout our properties, parking garages and amenity areas
- Janitorial staffs applying EPA-registered disinfectants to avoid the spread of pathogens; increase in cleaning for common areas and paths of travel to a level that is consistent with standards for a clinical waiting room/common area
- Substantially all Piedmont restrooms utilize touchless features/equipment; those which do not are in the process of replacement
- Increased fresh air ventilation

## COVID-19 Relief

In honor of our first responders, the Piedmont W. Wayne Woody Foundation has made donations to the following charitable organizations that are directly assisting in the battle against COVID-19 in each of our markets.

### Atlanta

- Giving Kitchen
- Ronald McDonald House
- Community Foundation for Greater Atlanta
- Operation Meal Plan for COVID-19
- Emory COVID-19 Impact Fund
- Our House

### Boston

- Lahey Hospital
- Cradles to Crayons
- The Hale Outdoor Learning Adventures Program and Intrepid Academy at Hale

### Dallas/Houston

- North Texas Food Bank
- Houston Food Bank

### Minneapolis/Chicago

- Second Harvest Heartland
- Itasca Cares /Greater Itasca Food Pantry

### NYC/NJ

- NYU Langone Hospital

### Orlando

- United Against Poverty
- Healthcare for the Homeless “H.O.P.E.”
- Hope Helps
- Seniors First
- Pet Alliance of Greater Orlando, Inc.

### Washington, D.C

- Arlington Food Assistance Center
- Capital Area Food Bank
- So Others Might Eat
- DC Kitchen
- Meals on Wheels of Northern Virginia Serving Arlington



# Environment



5 & 15 Wayside Road  
Burlington, MA

## Climate-Related Risk Management

At Piedmont, we consider sustainability to be a long-term commitment which we proudly undertake on behalf of all our stakeholders. Our shareholders and employees expect that their financial and human capital supports conserving our global environment and our tenants and local communities entrust us to reduce our dependence on finite resources and land-fill waste.

The Task Force on Climate-related Financial Disclosure (TCFD) divides climate-related risks into two major categories: (1) risks related to the transition to a lower-carbon economy and (2) risks related to the physical impacts of climate change. The Environmental & Social Steering Committee completed a risk assessment to identify the key Physical and Transitional risks that are most likely to impact our business.

Since our buildings are currently in low-risk areas for the physical effects of climate change, we see more risk in the transition to a lower-carbon economy. The following table lists the most pertinent risks that resulted from our risk analysis.

Physical	Transitional
Changes to resource quality or availability <i>Resources including, but not limited to natural resources and building supplies and materials</i>	Increased pricing of electricity, natural gas, other off-site energy sources, water rates, and insurance rates that could increase the operating costs of our properties
Energy grid reliability	Increasingly stringent building and energy codes that could increase construction, capital, and maintenance costs
More frequent/intense natural disasters	Future implementation of GHG emissions caps or pricing
	Changes to building labels/ratings/certifications that make it harder to achieve
	Reduced investor or tenant demand for assets that have low-scoring energy labels/ratings
	Reduced building value due to low energy labels/ratings

Several of the identified risks align with programs and policies we had in place and others are being studied and developed. Our Energy Management System is a continuous improvement model, so we are constantly updating, expanding, and improving our programs. Along with the risks that we have identified, we recognize these risks also allow for opportunities to drive down operating costs for Piedmont and our tenants, provide additional amenities for our tenants such as electric vehicle charging stations and expanded access to recycling and organics composting, and provide healthier work environments and communities for our tenants and employees.

## Physical Risks

### Changes to resource quality or availability (resources including, but not limited to natural resources and building supplies and materials)

We recognize that resources such as building supplies and materials that are needed to construct and operate buildings may be impacted by future climate change effects. Over the past five years, we have constructed two new buildings and completed a major renovation of one building. All three of these buildings received LEED Silver certifications (Enclave Place in 2016, 500 TownPark in 2017, 3100 Clarendon in 2018). We intend to follow LEED standards for any future construction or major renovation projects.

Our operating portfolio also needs to be mindful of the supplies that are used and the natural resources that are consumed. We strive to have as many properties as possible certify to BOMA 360 standards and qualify for ENERGY STAR certification. In 2019, we ranked #3 among REITs with 46 buildings certified to BOMA 360. In 2019, 68% of our eligible owned buildings were ENERGY STAR certified.

Adhering to industry best practices and third-party certifications has been an ongoing effort of ours for many years and provides us the opportunity to ensure we stay current and meet the needs of our tenants and overall market expectations.

Identified Risks	Strategy	Status	Metrics and Targets
Changes to resource quality or availability  <i>Resources including, but not limited to natural resources and building supplies and materials</i>	Use LEED guidelines as minimum standards for construction and operate according to BOMA 360 and ENERGY STAR standards. Continually seek ways to improve the sustainability of our building supply chain.	Existing practice	New Construction LEED Certifications  % BOMA 360 and % ENERGY STAR certifications

### Energy grid reliability

Energy grid reliability is essential to our business operations. We have generators on-site that provide emergency power for equipment such as: elevators, emergency lighting, security and fire, and other life-safety systems. We have one on-site solar array at 400 Bridgewater Crossing that provided 22% of the building's electricity use in 2019. In 2018 and 2019, we engaged with [Black Bear Energy](#) to explore options for installing solar arrays at our buildings. We hope to break ground on select solar arrays in 2020. We will continue to monitor the portfolio for further developments for solar and other on-site or locally distributed options.

Identified Risks	Strategy	Status	Metrics and Targets
Energy grid reliability	Explore and invest in on-site and/or locally distributed power.	In process	SASB IF-RE-130a.2 % of grid electricity

### More frequent/intense natural disasters

Our properties are in low-risk drought and flood areas (see SASB metrics IF-RE-140a.1 and IF-RE-410a.3). Although our portfolio currently faces low risk of natural disasters, climate change may cause natural disasters to occur in areas in which they have not occurred in the past. We intend to monitor these types of changes and consider including building resilience measures in capital plans where applicable. Additionally, if we consider expanding our portfolio into other regions of the country, we will consider these risks in the decision-making process. Regardless of risk-profile, each of our properties has a Business Continuity and Disaster Recovery Plan that is routinely updated and tested annually.

Identified Risks	Strategy	Status	Metrics and Targets
More frequent/intense natural disasters	Invest in building resilience. Include in the due diligence of new market expansions.	In process	SASB IF-RE-140a.1 Percentage of SF in regions with High or Extremely High Baseline Water Stress & IF-RE-410a.3 Area of properties in 100-year flood zones

## Transitional Risks

### Increasing operating costs

The transition to a low-carbon economy may cause an increase in operating costs such as: energy, water, waste disposal, and/or insurance rates. One of our largest operating costs is our building utilities; therefore, we place high importance on reducing our energy and water consumption and the amount of waste we are sending to landfills.

Identified Risks	Strategy	Status	Metrics and Targets
Increased pricing of electricity, natural gas, other off-site energy sources, water rates, and insurance rates that could increase the operating costs of our properties	Set a target to reduce property energy and water consumption and improve landfill diversion rates	Existing practice	Reduce energy intensity (kBtu/SF) by 20% by 2026 Reduce water intensity (gal/SF) by 20% by 2026 Track 100% of our waste data by 2025 Improve landfill diversion to 50% by 2030

### Increasingly stringent building and energy codes

Similar to the risk of increasing operating costs, we can manage the risk of stringent building codes through continuous improvement of our energy, water, and waste performance. We will diligently invest in high efficiency equipment and technologies. Representatives from our Energy & Sustainability Committee meet with each property team every six months to discuss needed and planned capital improvements and their potential impact on building efficiency—these discussions enable property teams to advocate for needed projects and provide support and recommendations for how to best plan for these upgrades.

Identified Risks	Strategy	Status	Metrics and Targets
Increasingly stringent building and energy codes that could increase construction, capital, and maintenance costs	Continue to update our buildings with energy efficient equipment to stay ahead of future code changes.	Existing practice	Energy Intensity (kBtu/SF) ENERGY STAR Score

**GHG emissions caps or pricing**

We recognize that there has been a global warming trend observed since the mid-20th century which has been caused by human activity, including the burning of fossil fuels to generate electricity to run buildings. This fact puts our business at risk of potential future emissions caps or pricing programs. We are already seeing this risk come to fruition in New York City where emissions caps go into effect in 2024 and become increasingly stringent every five years thereafter with significant fines for non-compliance. Tracking and managing our GHG emissions enables us to consider investments in energy efficiency and renewable energy in a new way because we can consider the emissions reduction in combination with energy cost savings. For example, one unit of electricity consumed in Texas emits almost double the CO<sub>2</sub> as one unit of electricity in Boston, while the cost of electricity in Texas is 60% lower than Boston. Factoring in GHG emissions could change the way we prioritize investment.

Identified Risks	Strategy	Status	Metrics and Targets
Future implementation of GHG emissions caps or pricing	Set a target to reduce property GHG emissions	In process	20% Reduction in Scope 1 and 2 GHG emissions by 2028

**Building labels, ratings, and certifications**

Based on our stakeholder engagement, we know that our investors, tenants, and cities value third-party certification such as ENERGY STAR, BOMA 360 and LEED. We place especially high importance on our ENERGY STAR scores and utilization of Environmental Protection Agency’s (EPA) Portfolio Manager because cities with Building Energy Benchmarking programs utilize the Portfolio Manager platform and ENERGY STAR scores as their benchmark. In 2020, New York City began assigning grades to buildings based on their ENERGY STAR scores and requiring those grades to be publicly posted on the front of each building.

We have been focused on these certifications for many years, but we are at risk of standards/scoring changes that can impact our ability to continue to achieve them each year. For example, in late 2018 the ENERGY STAR program updated their baseline which made it harder to qualify for certification. Due to this change, 68% of our properties achieved certification in 2019 compared to 86% in 2018.

We will continue to strive for the highest scores possible. Additionally, we explore other third-party certifications that enter the market.

Identified Risks	Strategy	Status	Metrics and Targets
Changes to building labels/ratings/certifications that make it harder to achieve	Place high importance on industry-accepted third-party labels including: ENERGY STAR, BOMA 360, and LEED.	Existing practice	Number and percentage LEED, ENERGY STAR, and BOMA 360  Average ENERGY STAR Score
Reduced investor or tenant demand for assets that have low-scoring energy labels/ratings	Strive to score as well as possible.		
Reduced building value due to low energy labels/ratings	Continually review other industry-accepted third-party labels to determine best fit for portfolio, markets, and buildings.		



## Environmental Management Strategy

We are dedicated to sustainable practices that enhance our commitment to provide highest quality office properties while responsibly managing our impact on the environment. We have developed and continue to refine our Energy Management Strategy in line with our climate change risks. We strive to own and manage workplaces that are environmentally conscious, productive, and healthy for our tenants and employees.

Empowering our property teams with **data and tools** to sustainably manage our buildings

Leveraging **industry partnerships** to verify and advance the environmental performance of our assets

Implementing programs that continually improve our environmental performance and **manage our climate change risk**

Setting **performance targets** that demonstrate our commitment

## Data and Tools

A key part of our environmental management strategy is to identify tools and empower our property teams to utilize those tools to make an impact.

### Environmental Management System Software

In 2017 we completed an RFP process to select an Environmental Management System Software that would serve as the single source of our environmental data. This system enables us to continually track and manage our environmental data, metrics, and targets. We partnered with Schneider Electric and utilize their Resource Advisor software. Our utility (energy, water, waste) data is uploaded monthly according to our invoices. Each of our property, regional, and corporate management teams use Resource Advisor for ongoing energy and water project tracking and performance monitoring. We began benchmarking our properties against one another in 2019 based on: ENERGY STAR score, site energy use intensity (kBtu/SF), and water use intensity (gallons/SF). These benchmarks are available on Resource Advisor dashboards where property managers and engineers have on-demand access.

In 2020, we deployed the GHG Emissions module in Resource Advisor, where we can now benchmark and track GHG emissions at the site, regional, and corporate levels.

### Real-time Energy Monitoring

We recognize that monthly energy data only provides a high-level understanding of how energy is used in a building. Access to near real-time energy use provides deeper insight of how a building uses energy throughout the day and night to building engineers. This software also allows for a level of support and review at the regional and corporate level. We have partnered with MACH Energy since 2012 to provide this service and all managed buildings utilize the platform, as well as receive quarterly training and sharing of best practices.

This deeper level of data has been especially valuable during the COVID-19 pandemic as we have been able to track our energy usage on a daily and weekly basis to understand the energy impact of having fewer people in our buildings. We strived to reduce operating costs for our benefit and the benefit of our tenants, while maintaining a healthy environment for anyone remaining in the building.

### Technology Pilots

To stay up to date on technology, we adopted a Technology Review process that helps us test new opportunities and leverage them when and where appropriate. In 2019, we deployed pilots with Schneider Electric's Building Advisor platform and the InSite Intelligence Platform. These platforms go beyond the traditional building control system and can be considered Fault Detection and Diagnostics software, which identify anomalies in the performance of critical equipment such as boilers, chillers, air handling units, pumps, exhaust fans, etc. We have been analyzing the results from these pilots and working with the site teams to determine if these platforms are a good fit for their buildings and/or other buildings in the portfolio. We are currently exploring the value of real-time water monitoring technology that can provide leak detection and water conservation benefits.

### Industry Partnerships

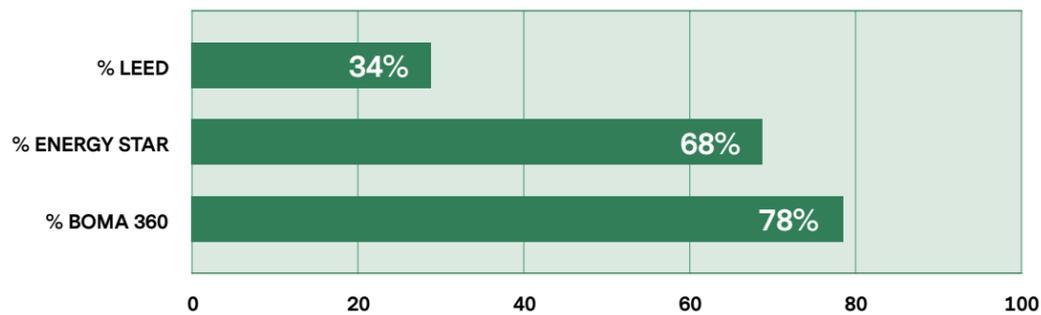
We leverage industry partnerships including BOMA, ENERGY STAR, and US Green Building Council, to confirm and advance the environmental performance of our assets. We certify all eligible properties to ENERGY STAR every year, all eligible properties to BOMA 360 every three years, and our LEED O&M buildings are recertified every five years.

In 2019, 93% of our eligible portfolio obtained an Energy Rating through ENERGY STAR (SASB IF-RE-130a.4). Of those eligible properties, 68% of them received a rating of 75 or higher and were approved for an ENERGY STAR label. We continually strive to improve our performance and improve our scores each year. In 2019, 78% of our eligible portfolio was BOMA360 certified and 34% was LEED certified.

It should be noted that we include indirectly managed assets in our eligible portfolio, but we do not have the ability to control building certifications in these assets. Refer to the Property Recognition table in the Reference Tables section of this report for a detailed list of certifications by property.

#### 2019 Industry Recognition

% by SF of Eligible Portfolio



In 2019, four of our assets received BOMA's The Outstanding Building of the Year Awards (TOBY®). 500 TownPark and CNL II won at the regional level in March 2019 and 200 and 400 Bridgewater each won at the local level in October 2019.

We will explore other third-party certification opportunities that further demonstrate our commitment to providing healthy, environmentally, and socially conscious work-places as they arise.

### Ongoing Initiatives

#### Sustainability Action Plans and Best Practice Sharing

Beginning in 2018, representatives from the Energy & Sustainability Committee hold individual meetings with each property team one to two times per year to discuss items such as:

- Current ENERGY STAR score and recent energy performance trend
- Internal energy and water benchmark
- Demand profile from real-time energy management system
- Recent and future operational and capital projects or operational changes that may impact energy or water consumption
- Recommendations and wish list energy or water efficiency projects
- Best practice control strategies and relevant ENERGY STAR resources

Energy & Sustainability Action Plans are maintained by each property team. These action plans are used to track progress on identified action items and ultimately ensure progress towards our ESG goals.

Our teams have made tremendous progress with their energy efficiency plans. To spread those best practices across our other properties, we summarize the most impactful strategies into a list of Best Practices. This list includes recommended actions for improving the building envelope, lighting, and building control system.



Galleria Office Towers  
Dallas

**Quarterly Energy Competition**

In late 2018, we began an energy-savings competition among our engineering teams. The winners of the competition are based on energy-saving analysis from our real-time energy platform in combination with property engineering team engagement with our data tools. Every quarter, our Director of Sustainability and consultant, in partnership with a representative from MACH Energy, hosts a meeting for all property managers and engineers to offer training, share best practices, and announce the winning team. The winning team is celebrated on the call and on-site at their property with a catered lunch.

**Our 2019 winners included:**



**Tenant Engagement**

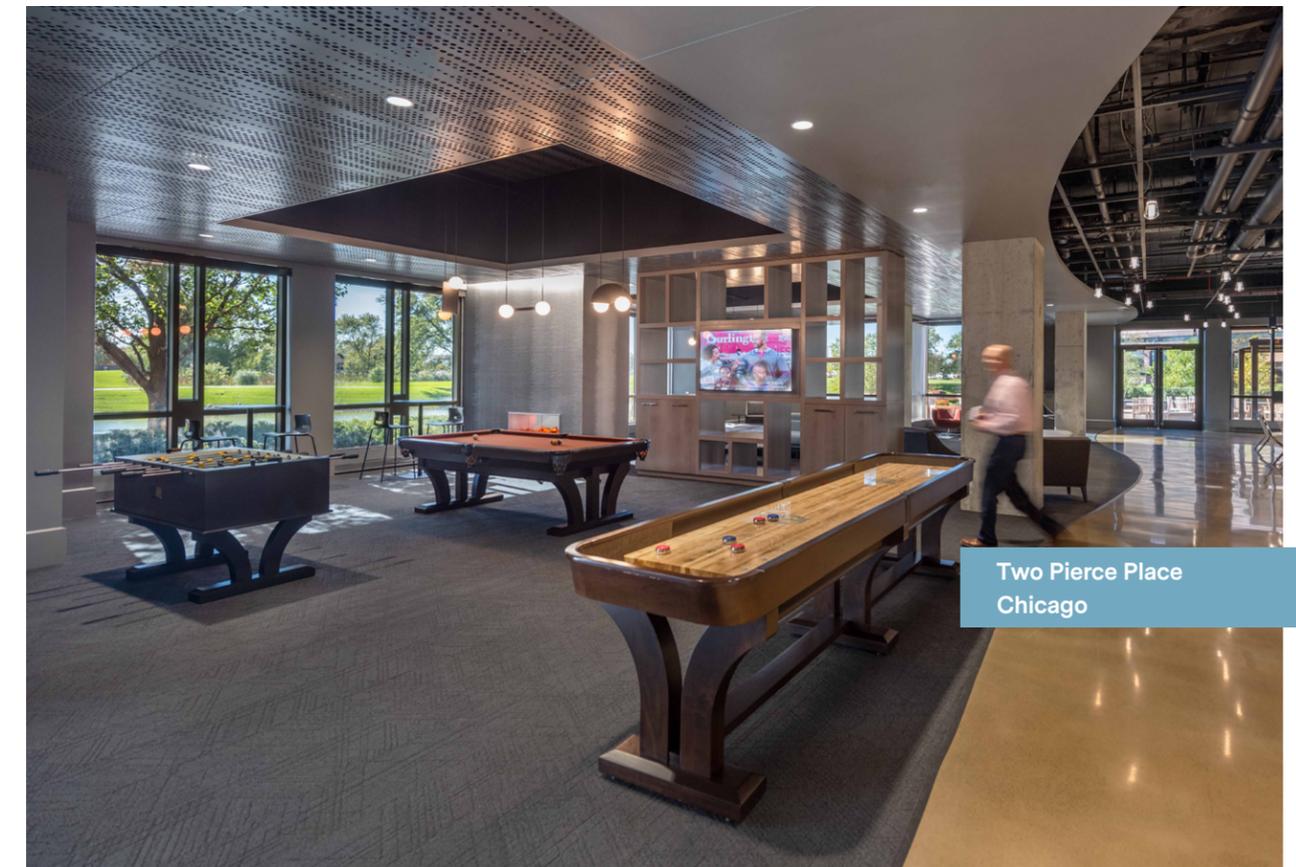
Tenants are critical to helping us achieve our environmental goals. Tenant activities can contribute to or hinder our success and it is our responsibility to engage with them to ensure they can help us be successful.

Our property teams engage with our tenants in many ways. They collect and analyze feedback via our Kingsley Survey that is conducted every two years. In our most recent survey conducted in 2018, 86% of our tenants were satisfied with our commitment to sustainable building operations, compared to the Kingsley Index of 71%. Additionally, our teams share information with tenants via email communications and newsletters. Contents may include information about community events such as bike-to-work day, resources provided by the local utility company with energy-saving recommendations, or on-site e-waste collection events.

Tenants in some of our markets have expressed interest in on-site Electric Vehicle (EV) charging stations. As of Q1 2020, we have EV charging stations at over 20% of our properties.

In accordance with the SASB disclosure IF-RE-410a.1, we began tracking our portion of tenants with green leases in early 2020. In 2018, 93% of our leases included green lease language (as defined by The 2018 GRESB Real Estate Assessment Reference Guide: “Cost recovery clause for energy efficiency-related capital improvements: Allows the landlord to implement energy-efficiency measures during the lease and to recover a proportion or all of those costs from the tenant”). In 2019, our percentage with green lease language dropped to 79%. Once we discovered this data, we were able to determine that the green lease clause was not included in one of our standard leases; we were able to immediately resolve this with our legal and leasing teams and expect that all further leases will include green lease language.

In accordance with SASB Disclosure IF-RE-410a.2, we began tracking our portion of tenants with separate electricity and water meters in 2019. We concluded that 39% of our tenants are metered for electricity and 12% are metered for water. Tenants who are submetered typically include retail, single tenant, and triple net tenants. Some tenants are submetered because the building’s electrical layout allows for it; but we have many cases where submetering and/or existing lease language makes submetering infeasible. We will continue to work with our tenants to submeter where it is feasible.



Two Pierce Place Chicago

### Retrocommissioning

We understand the value of periodic commissioning to ensure our buildings are operating within optimal designed parameters to meet the needs of our tenants. Every year, the Energy & Sustainability Committee reviews performance metrics of all buildings and takes any operational changes into consideration, then identifies the properties that should undergo commissioning the following year. This process enables us to keep our buildings running efficiently.

In 2018 and 2019 we completed retrocommissioning studies at 500 West Monroe, 200 Bridgewater Crossing, Meridian Crossings, 1430 Enclave Parkway, Glenridge Highlands, and 5 & 15 Wayside. Low and no-cost measures identified in these studies are estimated to save \$420,000 annually. We implemented many of the findings throughout 2019, which contributed to our overall improved energy performance.

### LED Upgrade Program

Our property teams have proactively pursued LED upgrades throughout common areas, back-of-house spaces, parking lots and garages, and anything under our control. In addition, we have begun working with tenants to upgrade their spaces where possible. Lighting projects are reviewed by the Director of Sustainability and our consultant to ensure we are making quality choices with the best long-term results. In 2018 and 2019, we invested over \$1.1 million in LED lighting upgrades that resulted in estimated savings of \$460,000 per year.

## Performance Metrics and Targets

In 2018, we committed to performance targets of a 20% reduction in energy and water intensity over 10 years to align with the U.S. Department of Energy Better Buildings Challenge.

Properties excluded from our 2019 performance metrics include:

- **Buildings that are managed by tenants where we have no access to utility data**  
1901 Market Street, 225 and 235 Presidential Way, 501 West Church Street, 600 Corporate Drive, 9320 Excelsior Boulevard, and One Wayside Road
- **Buildings that are managed by Piedmont, but are owned by a third party**  
500 West Monroe (sold in October 2019), 35 West Wacker, and 1200 Enclave Parkway
- **Buildings that were sold in 2019**  
One Independence Square and The Dupree
- **Buildings whose 12-month average occupancy in 2019 was < 50%**  
1201 Eye Street, 6031 Connection Drive, Two Pierce Place, and Enclave Parkway

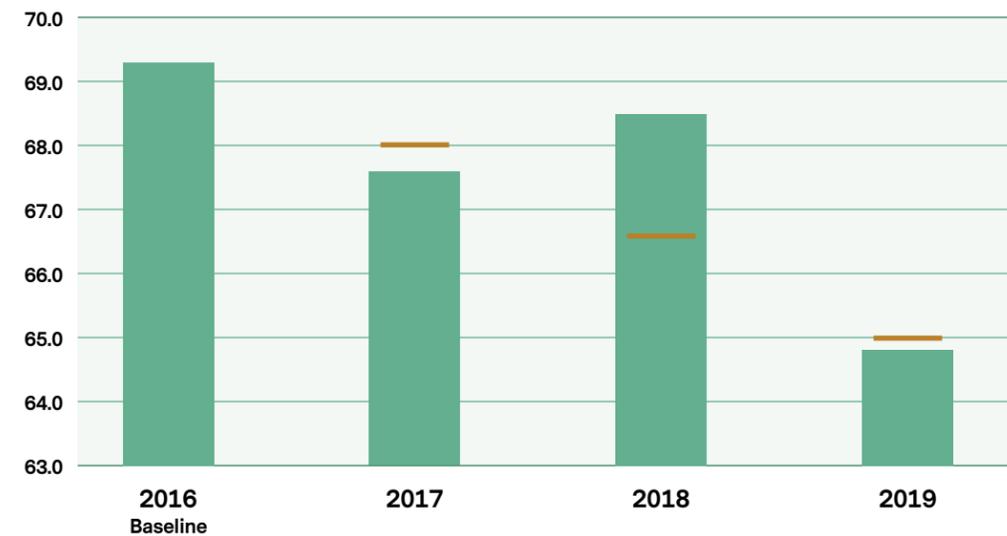
### Energy Intensity

In 2019 we exceeded our target of 6% savings compared to baseline. We achieved 6.5% savings in energy intensity, reducing from a 2016 intensity of 69.1 kBtu/SF to a 2019 intensity of 64.6 kBtu/SF. It should be noted that our building energy intensity represents whole-building data.

According to the [2012 Commercial Buildings Energy Consumption Survey](#) (the most recent data available) the average US office building consumes 77.8 kBtu/SF per year. In 2019, our average ENERGY STAR score for our eligible portfolio was 73, which indicates that our buildings are in the top 30% of energy performers.

### Annual Energy Use Intensity

kBtu/SF



kBtu/SF	69.1	67.4	68.2	64.6
Target		67.7	66.3	64.9
Savings to Baseline		2.4%	1.3%	6.5%

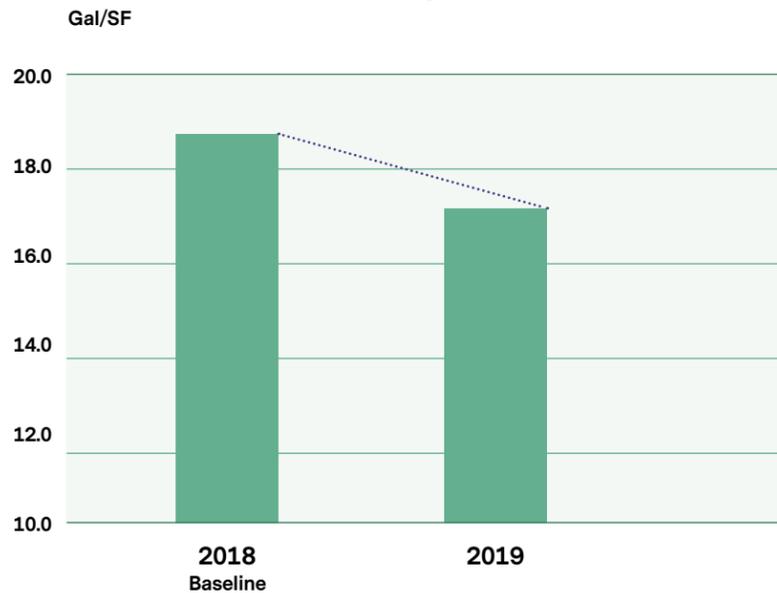
### Water Consumption Intensity

Our buildings are in relatively low water risk areas; however, we acknowledge that water is a resource we need to conserve as much as possible. In 2019 we exceeded our 2% savings target. We achieved 7.4% savings in water intensity, reducing from a 2018 intensity of 17.5 gal/SF to a 2019 intensity of 16.2 gal/SF.

According to the [2012 Commercial Buildings Energy Consumption Survey](#) (the most recent data available) the average US office building consumes 14.6 gal/SF of water per year. In 2019, our buildings averaged 16.2 gal/SF of use; therefore, we know we have further best practice approaches to implement and should be able to continue our substantial savings trend.

Our portfolio's total water withdrawal and wastewater discharge can be found in the SASB for Real Estate Disclosure section of this report.

### Annual Water Use Intensity

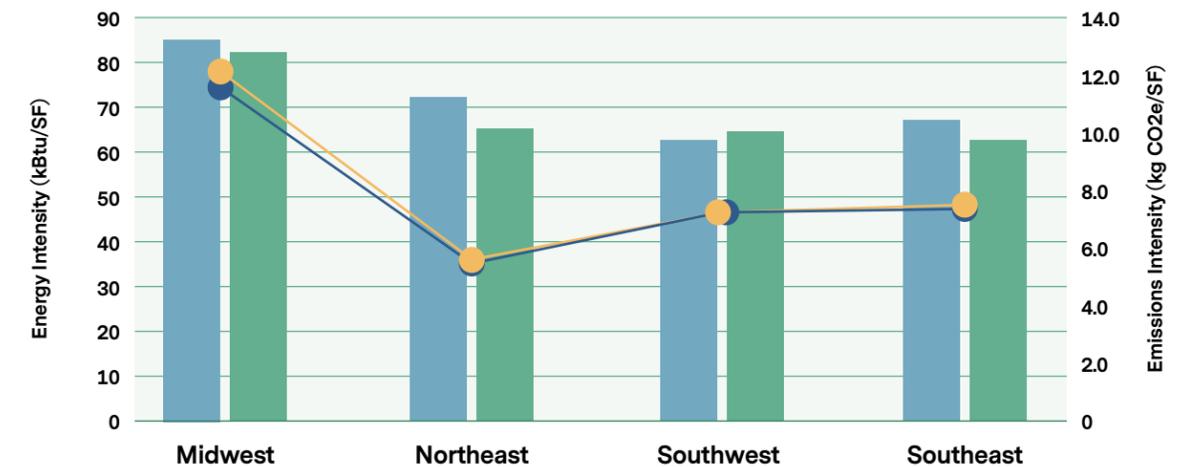


Gal/SF	17.5	16.2
Savings to Baseline		7.4%

### GHG Emissions

In 2019 we set a GHG emissions target of reducing Scope 1 and 2 emissions by 20% by 2028 with a 2018 baseline. Tracking our GHG emissions enables us to consider the climate impact of our buildings by region. Our Midwest buildings, primarily our Minneapolis-area portfolio, has energy intensive buildings that are served by an electricity grid that emits the most CO<sub>2</sub>e compared to our other regions. Conversely, our Northeast portfolio has our second highest energy intensity, but those buildings emit the least amount of CO<sub>2</sub>e because their electricity grid is the cleanest. The following graph shows each region's average energy intensity (kBtu/SF) and average emissions intensity (kg CO<sub>2</sub>e/SF) inclusive of both Scope 1 and 2 emissions.

### Energy and Emissions Intensity by Region



2018 kBtu/SF	85	71	62	67
2019 kBtu/SF	83	65	63	62
2018 kg CO <sub>2</sub> e/SF	12.2	5.6	7.7	7.8
2019 kg CO <sub>2</sub> e/SF	11.7	5.2	7.7	7.2

Excluding buildings that were bought and sold in 2019, our Scope 1 emissions increased by 7.8% in 2019 while our Scope 2 emissions reduced by 8%. Our total emissions, including both Scope 1 and 2, reduced by 7.8%. It should be noted that our tenants' energy usage is included in our metrics even though tenant energy use is considered Scope 3; therefore, our Scope 2 emissions may be higher than peers who do not include tenant energy in Scope 2 emissions.

### Waste Generation and Landfill Diversion

Our properties have six primary waste streams outlined in the table below.

Waste Stream	Detail	Relevant for
<b>Trash</b>	General non-hazardous, non-recyclable waste that is sent to the landfill	All properties
<b>Mixed Recyclables</b>	General recyclables including paper, cardboard, glass, plastics that is sent to a recycling facility	All properties
<b>Hazardous Waste</b>	Waste such as HVAC system chemicals and lightbulbs that are disposed of according to special protocols	All properties
<b>Organic Compost</b>	Organic waste collected from retail vendors or tenant kitchens that is composted	Some properties
<b>Shredded paper</b>	Confidential paper waste that is shredded and serviced by a company that ensures privacy and security	Some properties
<b>E-waste</b>	Computers, printers, and other office electronics that are recycled	Most properties hold E-waste events at least once per year, some properties have E-waste containers available along with trash and recycling

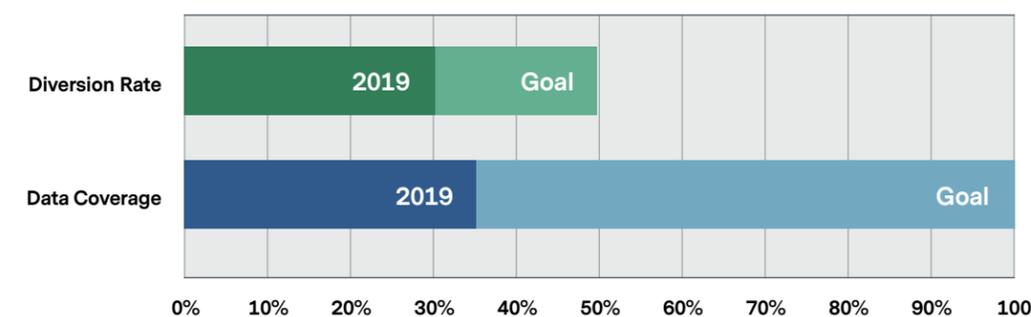
Our properties provide on-site trash and recycling receptacles and are contracted with vendors to properly dispose of trash and mixed recyclables regularly, and hazardous waste as needed. We began tracking detailed waste data on a portfolio level in 2019. We have a diverse set of vendors, not all of whom are equipped to provide weights for our various waste streams that enable us to calculate how much of our waste is diverted from the landfill.

As of 2019, we can calculate the diversion rate for 19 of our 55 properties. We will work to improve the number of properties where we can measure landfill diversion through discussions with vendors, including more detailed data tracking in future RFPs, and/or conducting regular waste audits. In the meantime, we will utilize EPA's Portfolio Manager waste tool to estimate the diversion rate at the remainder of our properties.

In 2019, our measurable average landfill diversion rate was 30%. Our primary means of diverting waste from the landfill is single-stream recycling; we also have composting programs at properties including: US Bancorp, One Meridian Crossings, Two Meridian Crossings, Crescent Ridge II, 5 Wall Street, and we're exploring it at several others.

By 2025, we strive to be able to calculate the diversion rate of 100% of our properties. By 2030, we strive to divert at least 50% of our waste from the landfill.

### Landfill Diversion Targets



Our targets do not include reducing hazardous waste, but our hazardous waste stream is minimal and primarily includes the disposal of fluorescent lamps. As we convert more spaces from fluorescent to LED lighting, we expect our hazardous waste stream to be significantly reduced.

## Property Highlights

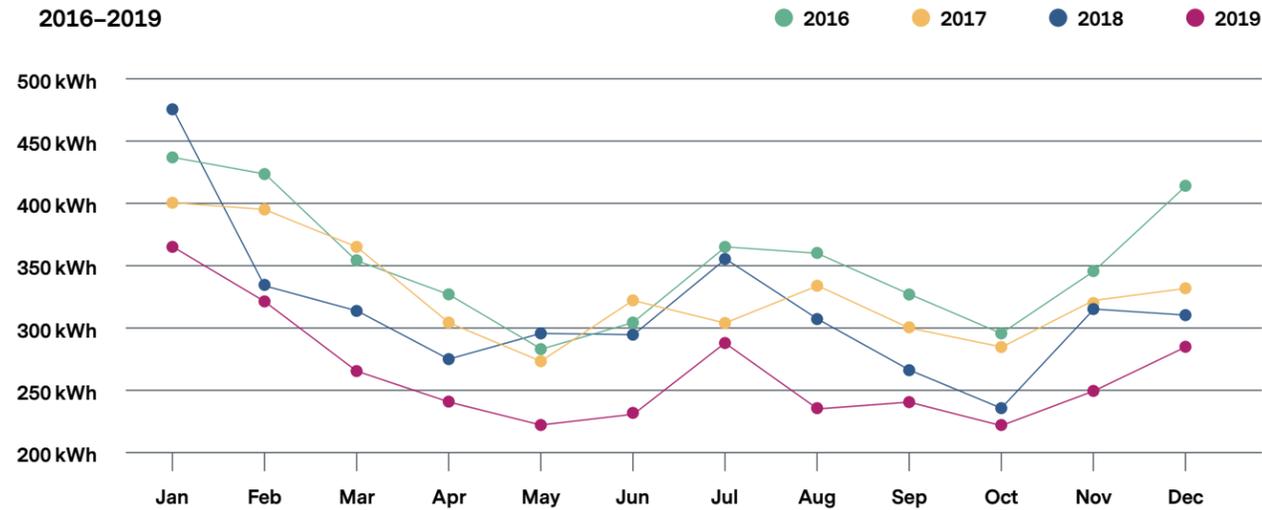
Our Boston area buildings have been a focus for energy performance improvement over the past several years. These buildings became a top priority due to their high cost of electricity and their low ENERGY STAR scores. Since 2016, the region's average energy intensity (kBtu/SF) dropped 14% from 80.8 kBtu/SF to 69.3 kBtu/SF. Some of our buildings in that region experienced a 20-30% energy reduction due to commissioning, improved building controls, and LED upgrades.

### 5 Wall Street | Boston

5 Wall Street saw a 23% energy intensity improvement in 2019 compared to 2016 and has already met its 20% energy-savings target. The team at 5 Wall Street in Boston won our 2019 overall energy savings competition. The engineering team has made numerous low or no cost changes to the building's control system and has worked together with the management team to engage with our energy management tools and achieve savings. In addition, the building's sole tenant, Salesforce, has been undergoing renovations which include new LED lighting in their spaces. Salesforce and Piedmont worked together to deploy a successful composting program that diverted 28,013 pounds of waste from the landfill in 2019.



5 Wall Street Electricity Use 2016-2019

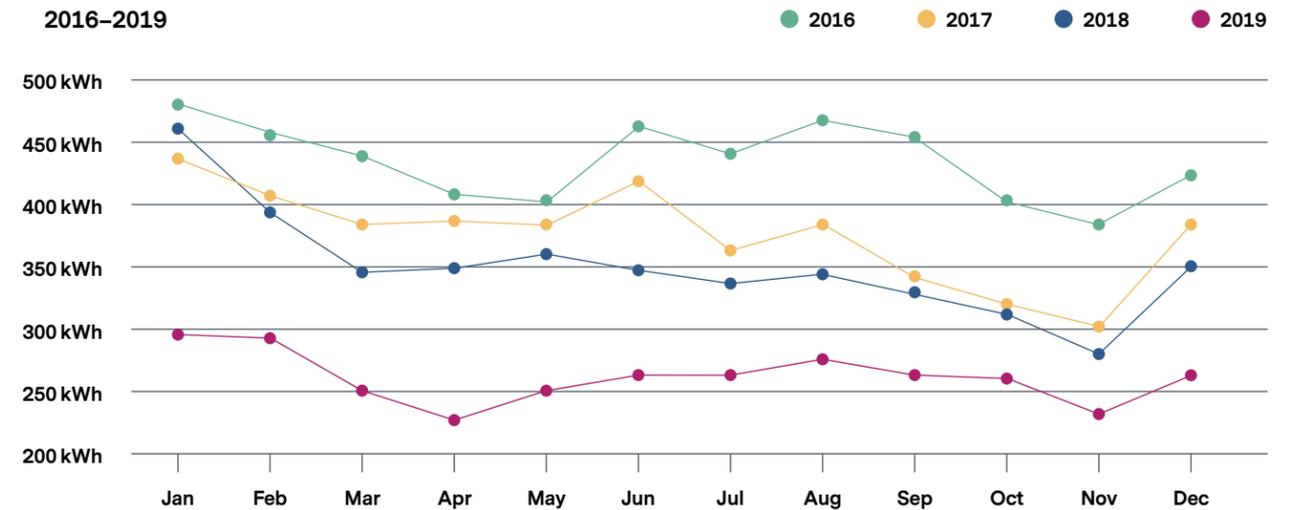


### The Medici | Atlanta

The Medici in Atlanta, GA has several sustainable attributes. The building uses only 10 gallons/SF of water, which is 32% better than the US office average water intensity. The Medici uses artificial turf to reduce its irrigation demand and uses a water cistern in lieu of potable water for the irrigation it does use. In addition to water efficiency, The Medici team was the winner of our Q3 2019 energy competition. The team reduced the building's energy intensity by 42% in 2019 compared to its 2016 baseline, far exceeding its 20% reduction target. Projects that contributed to this savings include: using our real-time energy platform beginning in 2017, better management of electric heaters in the parking garage, building-wide air balancing, and a substantial parking garage LED upgrade that alone saved about 13% of its energy.



The Medici Electricity Use 2016-2019

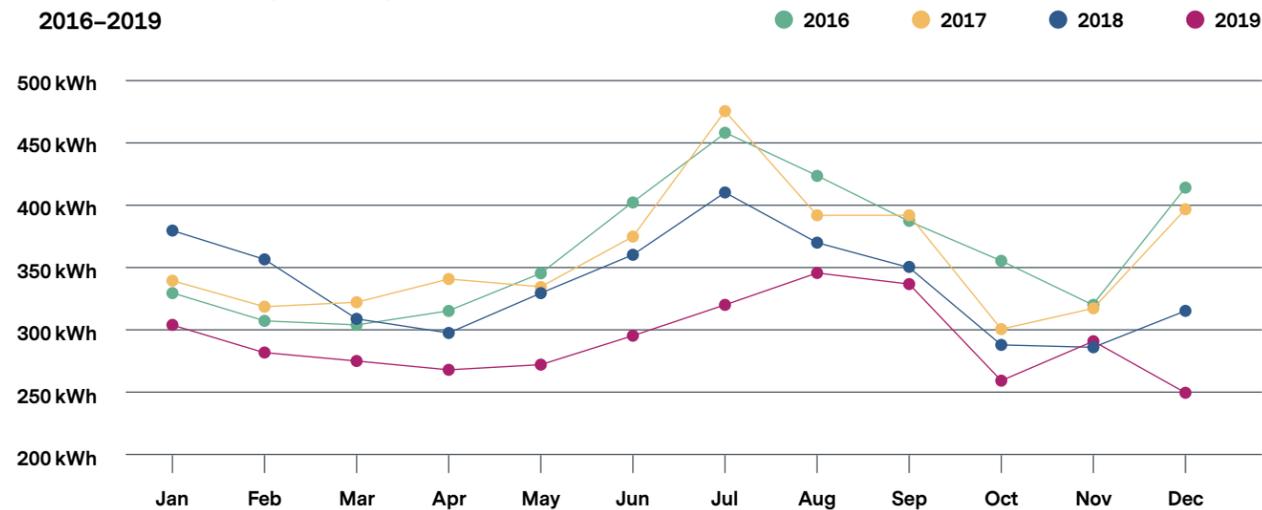


### 1430 Enclave Parkway | Houston

1430 Enclave Parkway in Houston, Texas has targeted low or no cost efficiency improvements over the past several years. The team completed retrocommissioning in 2018 and implemented many of the recommendations in 2018 and 2019. They have also converted a substantial amount of the interior and exterior lighting to LED, resulting in a 12% reduction in energy intensity in 2019 compared to its 2016 baseline.

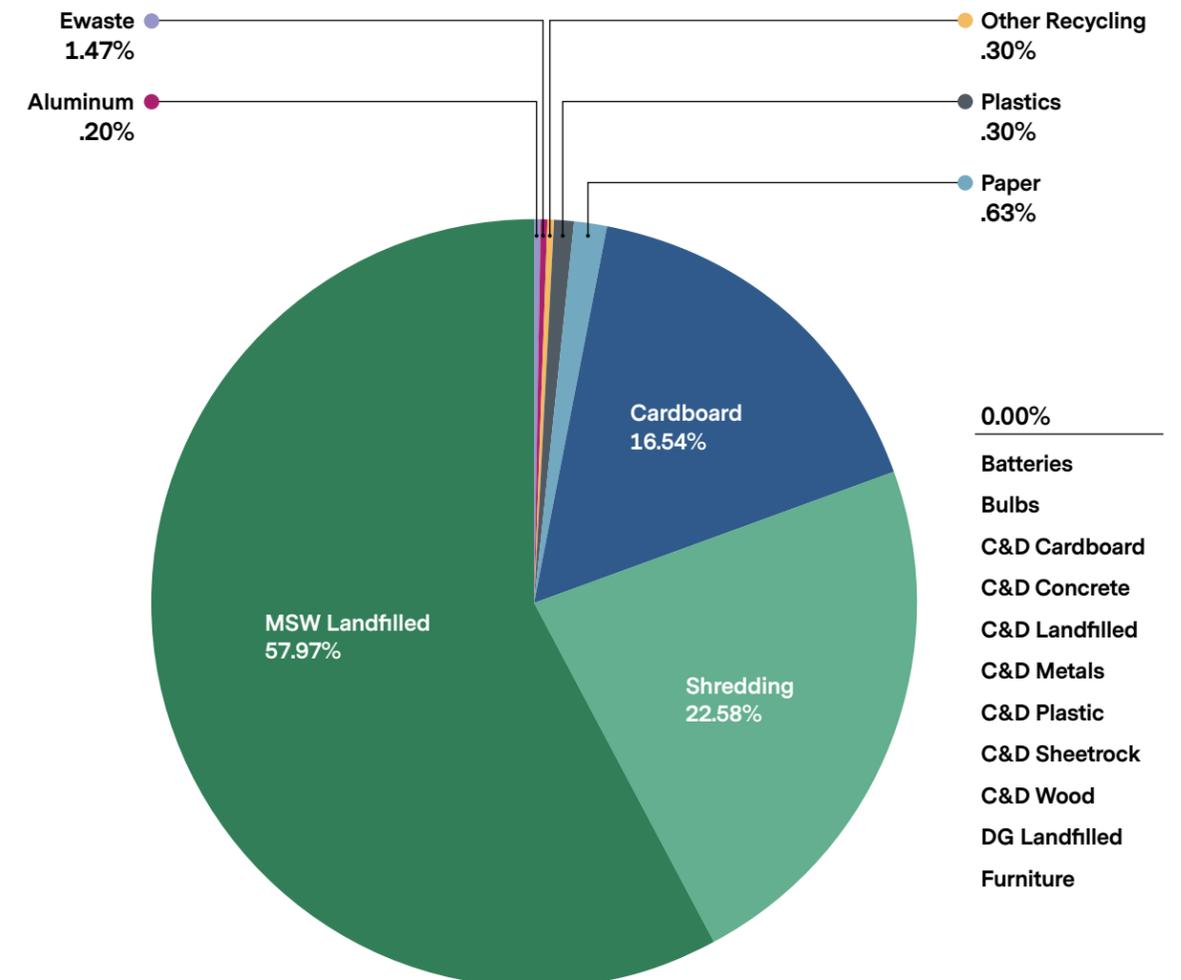
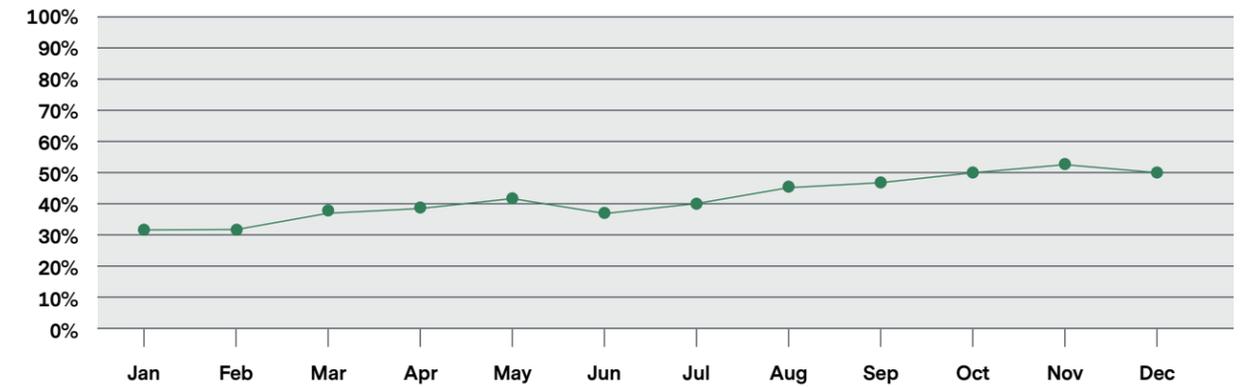


### 1430 Enclave Parkway Electricity Use 2016–2019



To further promote sustainability at the property, the team engaged a waste consultant to provide detailed waste reporting and make recommendations to improve diversion rates. The property's diversion rate improved throughout the year and in 2019 averaged 42%, which is 12% higher than the average diversion rate of our other measured properties.

### Diversion Rate





Atlanta Galleria Office Park  
Atlanta

# Reference Tables

## Property Recognition

PROPERTY	REGION	GLA	ENERGY STAR	LEED	BOMA 360
1155 Perimeter Center West	Southeast	376,694	Certified	LEED EB 2009 Gold in 2019	Yes
1201 Eye Street	Northeast	271,494	Certified	LEED EB 2009 Gold in 2018	Yes
1225 Eye Street	Northeast	224,538	Certified	—	Yes
1414 Massachusetts Avenue	Northeast	78,220	No (Low Score)	—	Yes
1430 Enclave Parkway	Southwest	312,564	Certified	LEED EB 2009 Gold in 2019	Yes
161 Corporate Center	Southwest	104,578	Certified	—	Yes
1901 Market Street	Northeast	800,695	Certified	—	--
200 Bridgewater Crossing	Northeast	309,250	Certified	—	Yes
200 South Orange Avenue	Southeast	645,787	No (Low Score)	LEED EB 2009 Silver in 2017	Yes
225 Presidential Way	Northeast	201,704	No rating (NNN)	—	--
235 Presidential Way	Northeast	238,426	No rating (NNN)	—	--
25 Burlington Mall Road	Northeast	287,776	Certified	—	Yes
3100 Clarendon Boulevard	Northeast	260,958	Certified	LEED CS 2009 Silver in 2018	Yes
400 Bridgewater Crossing	Northeast	304,873	Certified	No	Yes
400 TownPark	Southeast	174,742	No (Low Score)	LEED CS 2.0 Silver in 2008	Yes
400 Virginia Avenue	Northeast	224,615	Certified	No	Yes
4250 North Fairfax Drive	Northeast	308,149	Certified	LEED v4.1 Platinum in 2020	Yes
5 & 15 Wayside Road	Northeast	272,013	No (Low Score)	No	Yes
5 Wall Street	Northeast	181,680	Certified	LEED CS 2.0 Gold in 2009	Yes
500 TownPark	Southeast	134,419	Certified	LEED CS 2009 Silver in 2017	Yes
501 West Church Street	Southeast	182,461	No rating (NNN)	—	—
60 Broad Street	Northeast	1,029,850	No (Low Score)	—	Yes
600 Corporate Drive	Northeast	125,239	Not eligible (occupancy)	—	—
6011 Connection Drive	Southwest	152,086	No (Low Score)	—	Yes
6021 Connection Drive	Southwest	221,898	No (Low Score)	—	Yes
6031 Connection Drive	Southwest	233,071	Not eligible (occupancy)	—	Yes
6565 North MacArthur Boulevard	Southwest	259,822	Certified	LEED v4.1 Gold in 2020	Yes

PROPERTY	REGION	GLA	ENERGY STAR	LEED	BOMA 360
750 West John Carpenter Freeway	Southwest	315,880	No (Low Score)	LEED EB 2009 Gold in 2018	Yes
80 Central Street	Northeast	149,661	No (Low Score)	—	Yes
90 Central Street	Northeast	174,646	No (Low Score)	—	Yes
9320 Excelsior Boulevard	Midwest	267,724	No rating (NNN)	—	—
Arlington Gateway	Northeast	329,307	No (Low Score)	LEED EB 2009 Gold in 2018	Yes
CNL Center I	Southeast	347,242	Certified	—	Yes
CNL Center II	Southeast	269,744	Certified	—	Yes
Crescent Ridge II	Midwest	300,692	Certified	LEED EB 2009 Gold in 2019	Yes
Enclave Place	Southwest	300,906	Not eligible (occupancy)	LEED CS 2009 in 2016	—
Galleria 100	Southeast	414,426	Certified	—	—
Galleria 200	Southeast	432,140	Certified	—	Yes
Galleria 300	Southeast	432,045	Certified	--	Yes
Galleria 400	Southeast	429,797	Certified	--	--
Galleria 600	Southeast	433,826	Certified	--	--
Glenridge Highlands One	Southeast	287,748	No (Low Score)	LEED EB 2009 Silver in 2018	Yes
Glenridge Highlands Two	Southeast	424,237	Certified	--	Yes
Las Colinas Corporate Center I	Southwest	159,132	Certified	--	Yes
Las Colinas Corporate Center II	Southwest	227,841	Certified	--	Yes
Norman Pointe I	Midwest	213,851	Certified	--	Yes
One Brattle Square	Northeast	95,937	No rating (NNN)	--	Yes
One Lincoln Park	Southwest	261,864	No (Low Score)	LEED EB 2009 Gold in 2015	Yes
One Meridian Crossings	Midwest	194,624	Certified	--	Yes
One Wayside Road	Northeast	200,605	No rating (NNN)	--	--
Park Place on Turtle Creek	Southwest	177,845	Certified	--	Yes
The Medici	Southeast	156,060	Certified	--	Yes
Two Meridian Crossings	Midwest	189,258	Certified	--	Yes
Two Pierce Place	Midwest	484,203	Not eligible (occupancy)	--	Yes
US Bancorp Center	Midwest	936,803	Certified	LEED EB 2009 Gold in 2018	Yes
<b>Total</b>	<b>55</b>	<b>16,525,646</b>	<b>32</b>	<b>17</b>	<b>44</b>

SASB for Real Estate Disclosure Table

SASB DISCLOSURE FOR REAL ESTATE				TOTALS		MIDWEST		SOUTHWEST		NORTHEAST		SOUTHEAST		NOTES
TOTALS	CODE	ACCOUNTING METRIC	UNIT	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
Activity Metric	IF-RE-000.A	Number of assets	Number	55	58	8	8	12	12	22	22	13	16	(3) Assets acquired in 2019: 100, 400 and 600 Galleria (3) Assets sold in 2019: The Dupree, One Independence Place, and 500 W Monroe
	IF-RE-000.B	Leasable floor area	SF	16,687,074	17,965,123	3,553,800	3,553,800	2,727,487	2,727,487	6,404,035	6,404,035	4,001,752	5,279,801	
	IF-RE-000.C	Percentage of indirectly managed (by SF)	% by SF	12%	11%	8%	8%	0%	0%	24%	24%	5%	3%	The (3) new assets are fully managed and located in the Southeast, which caused the portion of indirectly managed in that region to go down.
	IF-RE-000.D	Average occupancy rate	%	88%	89%	88%	86%	79%	87%	88%	90%	95%	92%	
Energy Metric	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area	% by SF	88%	89%	92%	92%	100%	100%	76%	76%	95%	97%	We have access to data at the (3) new assets in the Southeast, which caused the portion of buildings with data coverage to go up in 2019.
	IF-RE-130a.2	Total energy consumed by portfolio area with data coverage	GJ	1,127,858	1,063,132	232,592	227,710	159,560	159,931	349,879	314,760	385,826	360,731	Although our data coverage went up, our energy consumption went down because of energy savings.
		Total energy produced by on-site solar array	GJ	0	0	0	0	0	0	0	0	0	0	On-site solar array at 400 Bridgewater Crossing produced 1,187 GJ of electricity in 2019, but SRECs are not retained
		Percentage grid electricity	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
		Percentage renewable	%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
	IF-RE-130a.3	Like-for-like change in energy consumption of portfolio area with data coverage	GJ	975,546	935,722	182,677	181,241	159,560	159,931	335,109	313,269	298,200	281,280	Excludes: Properties sold in 2019 (500 West Monroe, One Independence and The Dupree) and Properties acquired in 2019 (Galleria 100, 400 and 600)
			% by GJ	-4.1%		-0.8%		0.2%		-6.5%		-5.7%		
			GJ	921,024	874,975	162,895	160,504	155,595	151,359	310,212	288,151	292,322	274,961	Excludes: Properties sold in 2019, Properties acquired in 2019, and Properties with occupancy less than 50% in 2018 or 2019 (1201 Eye Street, 1414 Enclave, 3100 Clarendon, 500 TownPark, and Two Pierce Place).
			% by GJ	-5.0%		-1.5%		-2.7%		-7.1%		-5.9%		
	IF-RE-130a.4	Percentage of eligible portfolio that has obtained an energy rating	% by SF	92%	93%	91%	91%	100%	100%	88%	88%	95%	96%	
Percentage of eligible portfolio that is certified to ENERGY STAR®		% by SF	86%	68%	91%	91%	85%	57%	78%	53%	95%	75%	Decrease in 2019 due to score baseline change for ENERGY STAR. 2019 recertifications not possible at (8) properties. Certifications gained in 2019 at Galleria 100, 400 and 600 and 3100 Clarendon.	

## SASB for Real Estate Disclosure Table

SASB DISCLOSURE FOR REAL ESTATE				TOTALS		MIDWEST		SOUTHWEST		NORTHEAST		SOUTHEAST		NOTES
TOTALS	CODE	ACCOUNTING METRIC	UNIT	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
Water Management	IF-RE-140a.1	Water withdrawal data coverage as a percentage of total floor area	% by SF	88%	89%	92%	92%	100%	100%	76%	76%	95%	97%	Same as energy data coverage
		Percentage in regions with High or Extremely High Baseline Water Stress	% by SF	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
	IF-RE-140a.2	Total water withdrawn by portfolio area with data coverage	Cubic Meters (m <sup>3</sup> )	956,458	877,748	140,770	125,873	286,521	253,741	256,729	225,488	272,436	272,647	Although our data coverage went up, our water consumption went down because of water savings.
	IF-RE-140a.3	Like-for-like change in water withdrawn for portfolio area with data coverage	m <sup>3</sup>	828,974	776,836	97,572	92,005	286,521	253,741	245,802	224,438	199,078	206,652	Excludes: Properties sold in 2019 (500 West Monroe, One Independence and The Dupree) and Properties acquired in 2019 (Galleria 100, 400 and 600)
			% by m <sup>3</sup>	-6.3%		-5.7%		-11.4%		-8.7%		3.8%		
			m <sup>3</sup>	780,827	722,809	93,781	87,758	276,813	235,175	215,829	198,087	194,404	201,789	Excludes: Properties sold in 2019, Properties acquired in 2019, and Properties with occupancy less than 50% in 2018 or 2019 (1201 Eye Street, 1414 Enclave, 3100 Clarendon, 500 TownPark, and Two Pierce Place).
			% by m <sup>3</sup>	-7.4%		-6.4%		-15.0%		-8.2%		3.8%		
	Wastewater	Total wastewater discharged for portfolio area with data coverage	m <sup>3</sup>	770,899	702,861	120,667	97,695	168,932	155,533	243,991	218,790	237,309	230,843	
			Like-for-like change in wastewater discharged for portfolio area with data coverage	m <sup>3</sup>	666,463	610,447	77,468	63,827	168,932	155,533	243,991	218,790	176,071	172,296
		% by m <sup>3</sup>		-8.4%		-17.6%		-7.9%		-10.3%		-2.1		
		m <sup>3</sup>	623,464	563,668	73,677	59,580	159,223	138,145	219,166	198,167	171,398	167,777	Excludes: Properties sold in 2019, Properties acquired in 2019, and Properties with occupancy less than 50% in 2018 or 2019 (1201 Eye Street, 1414 Enclave, 3100 Clarendon, 500 TownPark, and Two Pierce Place).	
	% by m <sup>3</sup>	-9.6%		-19.1%		-13.2%		-9.6%		-2.1%				

SASB for Real Estate Disclosure Table

SASB DISCLOSURE FOR REAL ESTATE				TOTALS		MIDWEST		SOUTHWEST		NORTHEAST		SOUTHEAST		NOTES
TOTALS	CODE	ACCOUNTING METRIC	UNIT	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
Management of Tenant Sustainability Impacts	IF-RE-410a.1	Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and associated leased floor area	% by SF	93%	79%	92%	95%	99%	97%	91%	75%	52%	70%	We first began measuring this metric in 2020 but were able to calculate it for 2018 and 2019. Upon seeing the decrease in 2019, we were able to identify an area for improvement and expect the portion to go back up in 2020.
	IF-RE-410a.2	Percentage of tenants that are separately metered or submetered for grid electricity consumption	% by SF	N/A	39%	N/A	57.8%	N/A	16.5%	N/A	60.1%	N/A	10.9%	Started tracking in 2019. Primarily NNN buildings where tenants have their own meters.
		Percentage of tenants that are separately metered or submetered for water withdrawals	% by SF	N/A	12%	N/A	11.4%	N/A	0.0%	N/A	24.7%	N/A	3.5%	Started tracking in 2019. Primarily NNN buildings and retail tenants have their own water meters.
Climate Change Adaptation	IF-RE-140a.3	Area of properties located in 100-year flood zones	SF	0	0	0	0	0	0	0	0	0	0	
GHG Emissions	Like-for-like change in GHG Emissions of portfolio area with data coverage	Scope 1	MtCO2e	1,908	2,061	788	890	188	285	764	669	168	216	Note: Indirectly managed properties not included. Tenant energy use for fully managed properties included in Scope 2 emissions.
		Scope 2	MtCO2e	109,976	104,331	31,268	28,744	18,635	18,511	25,197	23,634	34,875	33,442	
	Like-for-like change in GHG Emissions of buildings owned for full year of 2018 and 2019, and occupancy ≥ 50% for both years	Scope 1	MtCO2e	1,702	1,835	713	795	175	268	652	563	162	209	Excludes: Properties sold in 2019, Properties acquired in 2019, and Properties with occupancy less than 50% in 2018 or 2019 (1201 Eye Street, 1414 Enclave, 3100 Clarendon, 500 TownPark, and Two Pierce Place).
		Scope 2	MtCO2e	96,383	88,636	20,959	20,158	18,167	17,500	23,074	21,473	34,182	29,505	

**Piedmont Office Realty Trust, Inc.**  
5565 Glenridge Connector, Suite 450  
Atlanta, GA 30342

*[piedmontreit.com](http://piedmontreit.com)*

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