



Piedmont Office Realty Trust Diversity & Inclusion Initiative

PIEDMONT DIVERSITY & INCLUSION INITIATIVE

Commitment to Diversity

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; brings together people with varied and broad work experience; and exposes a talented workforce to a breath of opinions.

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.

The following nine steps break down these main phases into action steps Piedmont will take to develop a diversity and inclusion initiative.

Initiative Steps

Step 1: Compile Data

Piedmont will review its workforce and compare with the labor market and industry specific data (company-wide and regionally). By capturing data on employee demographics, Piedmont is better able to understand the diversity of its employees and identify any areas of concern or trends. Demographic data may include the following (including EEO-1 required reporting categories):

- Age.
- Disability.
- Ethnicity/national origin.
- Family status.

- Gender.
- Gender identity or expression.
- Generation.
- Language.
- Life experiences.
- Organization function and level.
- Personality type.
- Physical characteristics.
- Race.
- Religion, belief and spirituality.
- Sexual orientation.
- Thinking/learning styles.
- Veteran status.

Step 2: Identify Needs and/or Areas of Concern

Piedmont will begin with a high-level review of demographics such as age, gender and race representation, and then continue to drill down by location, department, position, etc.

Identification of underrepresented areas can include questions such as:

- Are specific position levels of more concern than others?
- Are there specific departments that tend to hire only females, males or other?
- Are employees in the one market more ethnically diverse than another market?

Additional information gained from employee feedback via informal discussions, exit interviews, and industry survey data may identify other areas of concern. If needed for additional feedback Piedmont could collect additional data from employees through surveys to help identify other areas of concern. Employee attitudes on culture may or may not match the demographic survey results. If they do match, then we may have a clearer path to what change is needed; if not, the organization may wish to conduct employee focus groups to better understand the disconnect. In addition, if results indicate little to no diversity in sexual orientation or religion, for example, it is possible that individuals don't have trust in the organization to divulge such personal information. As suggested in the previous step, we may need to outsource the data collection or use other means to collect data anonymously.

Step 3: Address Policies or Practices Affecting Diversity

Piedmont must determine if there are barriers impeding the employment of individuals from different demographic groups. Organizations should consider if any policies or practices need to be eliminated or adjusted. Some examples to start with include:

- **Employee referral programs:** Although our employee referral programs can be an excellent sourcing solution, they often result in "like me" referrals. Employees refer candidates of the same race, religion, national origin or other class. This may prevent diversity initiatives. Employee training may be helpful to encourage employees to consider Piedmont's initiative to be more diverse and broadening their consideration of referrals. We could consider other sourcing options to supplement the referral program.
- **Unconscious biases:** Are there certain departments that are underrepresented in relation to the labor market? Is it possible that the hiring manager is selecting individuals based on biases against certain groups or hires those that look, talk, like them? If a particular manager's department is significantly less diverse than other departments, a review of the selection procedures of that particular manager may be warranted and/or training needed.
- **Company culture:** In an effort to respect all beliefs and lifestyles the company can review the holiday schedule, employee events (such as Christmas Party), or other specific aspects often associated with religious beliefs and/or lifestyles. As an example, an annual Christmas party recognizing only Christian holidays in a workplace can unintentionally send a message that only Christian employees are welcome. For this reason, Piedmont holds a holiday party instead; add/or remove a designated holiday and add an additional Floating Holiday that provides time off to employees for the multitude of religious observances. Other considerations may need to be assessed and considered.
- **Political preferences:** Piedmont should consider how, if any, political preferences may be creating a disadvantage for applicants as well as current employees and remove those barriers by training the workforce about respecting differing opinions.

Step 4: Identify Business Objectives

Identifying how a diverse and inclusive workforce can aid in achieving business objectives aligned with the company's strategy is the next step in the process. The organization must set specific goals related to diversity and inclusion based on the company's strategic objectives. Having a more diverse workforce in both staff and leadership positions allows for more creative and innovative approaches to setting and achieving business goals and can serve as an attractive draw to other potential employees. Providing for better decision making and problem solving can improve the company's overall bottom line, such as requiring minority vendors and contractors.

Step 5: Procure Buy-in and Support

For the diversity initiative to succeed, senior level buy-in and support are vital. Senior management must understand the business case for diversity and inclusion initiatives, with direct links to the company's strategic goals. It is helpful to identify a senior-level champion who can

be tasked with visible support of the initiative and ultimately responsible for keeping the program "alive".

Another task is to identify how management will be held accountable for supporting and engaging in the diversity and inclusion initiatives. Examples of manager expectations include ongoing dialogue with staff regarding diversity and inclusion, training for team members, and holding direct reports accountable for their individual actions related to fostering a diverse and inclusive workplace.

Senior Management and HR can support the following:

- Promoting training and events to bring awareness to diversity and inclusion in the workplace.
- Engaging co-workers in diversity and inclusion conversation and training.
- Reviewing and developing policies and procedures that will promote workplace diversity and inclusion.
- Adding more diversity in Senior Leadership.

Step 6: Implement Initiatives

Examples of diversity and inclusion initiatives are changes in policies and practices, staff training, and targeted recruiting. Piedmont must develop an action plan to implement these initiatives by setting realistic goals and starting with the elements that have the greatest business value or that are readily achievable to build momentum for the initiative.

Below is one example of an action plan:

Initiative: All Staff Meeting provides both employee and manager diversity and inclusion training.

Responsibly: CFO & Human Resources

Action items: Identify an external trainer, develop training and implement. Recruit from more diverse sources such as, but not limited to, job boards, job fairs, schools, etc.

Timeframes: Action items to be completed as specified in the attached Appendix A.

Step 7: Communicate the Initiatives

Piedmont can identify different stakeholders and design messages for each stakeholder to inform, educate, engage or empower as appropriate. People vary in how they understand messages, and it is important for each person to receive an ongoing stream of communications about the initiatives in various formats. The communication plan should incorporate executive presentations and all available media, including social media. Newsletters, intranet and e-mail can also be successful communication tools. The organization should use metrics and success stories to connect the diversity and inclusion efforts to its own goals and strategic plan.

Step 8: Measure and Disseminate Outcomes

It is imperative to measure the results of the diversity initiatives that have been implemented. Outcomes such as increased representation of identified groups and improved employee survey scores should be captured. Other measurements, such as improved employee retention, and public recognition, such as employer awards or social media accolades, can also indicate how an employer is performing in its diversity and inclusion initiatives. Although some efforts may seem intangible, there are measures that can indicate the success levels of such action items. If diversity training is implemented to increase retention, participant retention can be tracked over time, and participants can be surveyed to determine if training was a factor, and how much so, in their continued employment.

The results of the initiatives should be communicated at all levels to demonstrate the return on investment and value-add to the organization. Communication tools can include infographics for senior leadership meetings, memos to staff, and company website videos for potential candidates.

Step 9: Review and Adjust

Diversity and inclusion initiatives are not static, and an ongoing review of the workforce and a response to changing needs are necessary. Piedmont should establish procedures for periodic review of the diversity and inclusion initiatives and goals. After a diversity initiative has been implemented for a period of time, the company should review measures in place to report the progress of the company's efforts. Periodically, Piedmont may need to start at step 1 again and collect data to refocus its diversity and inclusion program.

Piedmont Office Realty Trust 2023-2024 Diversity Action Plan Appendix A

Piedmont Office Realty Trust Action Plan – 2023-24

Our Definition of Diversity

Piedmont is committed to fostering, cultivating and preserving a culture of diversity, equity and inclusion.

Our human capital is the most valuable asset we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities, and talent that our employees invest in their work represents a significant part of not only our culture, but our company’s achievement as well.

We respect and encourage our employees’ differences in age, color, disability, ethnicity, family or marital status, gender identity, language, national origin, medical condition, political affiliation, race, religion, sexual orientation, veteran status, and other characteristics that make our employees unique.

Piedmont’s diversity initiatives are applicable—but not limited—to our practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; layoffs; terminations; tenants, vendors and the ongoing development of a work environment built on the premise of gender and diversity equity that encourages:

- Respectful communication and cooperation between all employees.
- Teamwork and employee participation, permitting the representation of all groups and employee perspectives.
- Employer and employee contributions to the communities we serve to support a greater understanding and respect for diversity.

All employees of Piedmont have a responsibility to treat others with dignity and respect at all times. All employees are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site, and at all other company-sponsored and participative events. All employees are also required to attend and complete periodic diversity awareness training to enhance their knowledge to fulfill this responsibility.

Any employee found to have exhibited any inappropriate conduct or behavior against others may be subject to disciplinary action.

Employees who believe they have been subjected to any kind of discrimination that conflicts with the company’s diversity policy and initiatives should seek assistance from a supervisor or an HR representative.

Our Plan

Vision

Piedmont believes all individuals (employees, vendors, tenants and guests) are unique and different and that not everyone has to always agree with what others think or do, but regardless of these differences, all individuals should be treated equally, fairly and respectfully. Piedmont believes the incorporation and collaboration of these differences in backgrounds, cultures and experiences aid and improve our capacity to deliver exceptional real estate services within our communities. To be engaged, you must feel included and valued. Piedmont strives to build and nurture a culture that supports a diverse and inclusive environment where employees feel empowered to share their experiences and ideas. Where there is a shared deep sense of pride, passion and a commitment to excellence, innovation and respect.

Strategic Objectives

- **Diversity** - Improve the representation of women and minorities at all levels of the organization and integrate people with disabilities and Veterans by driving talent acquisition and management practices to achieve results.
- **Inclusion** - Create a welcoming, inclusive and collaborative work environment that fosters creativity and innovation and promotes colleague engagement through awareness and inclusive leadership skills training.
- **Communications** - Ensure that Diversity & Inclusion initiatives, actions, and results are transparent to all key stakeholders.
- **External Relations** - Engage various external stakeholder groups that support and serve Piedmont's values and interests including our contractors and vendors. Piedmont desires its employee base and vendors to be reflective of the communities in which it operates.
- **Accountability** - Hold leadership accountable for Diversity & Inclusion goals and objectives. For example, add at least one female or minority to the Senior Management Team; defined as SVP or above.

Overall Goal(s) for the Year – 2023-24

1. Increase employee diversity throughout Piedmont.
 - Continued comprehensive diversity review of employee demographics throughout all areas of Piedmont to determine underrepresented areas.

- Upon determination of underrepresented areas and consideration of business needs in staff, determine a plan of action to improve the search and hiring process to enhance the potential for increasing the diversity of the underrepresented area(s). Including, but not limited to, researching methods to diversify staff including internship possibilities, Real Estate Associate Program and other minority-focused placement firms, CREW, etc.
 - Continue Piedmont’s scholarships and internships program granted by two Historically Black Colleges and Universities (HBCU) including hosting commercial real estate career panel events featuring executives from peers among the industry across multiple disciplines.
 - Target university relations by establishing/re-establishing dialogue with career services from select local universities with a specific emphasis on diverse students.
2. Enhance diversity-related educational opportunities and experiences to ensure that employees have the knowledge and skills necessary for working effectively as members of a diverse and inclusive workforce.
 - Identify and apply learning opportunities which develop and apply employee’s diversity and inclusion competencies.
 3. Identify and incorporate changes in communications which promote a diverse and inclusive environment.
 - Continue to review policies, benefits, website, recruiting materials, and other company communications to ensure use of diverse and inclusive language and images.
 - Determine, communicate, and act upon a business strategic goal aligned with our core values that include a focus on continued development of our diversity and inclusion initiative.

Tracking/Evaluation

Goal	Task	Owner	Due
Training	Identify Applied	Human Resources	2nd Quarter 2023
Communications	Develop & Implement Employee Engagement	Human Resources/ Senior Management	3 rd Quarter 2023
Staff	Identify staffing needs and Internships offered to HBCU scholarship	Human Resources/ Senior Management/Managers	2023-2024

	candidates and other diverse resources		
Metric Review*	Continue to increase Metric Reporting Quarterly review & update of metric reporting Analyze & Report Employee Engagement Survey Results to Senior Management & determine next steps	Human Resources	2023-2024 Quarterly 2023-2024

Note: Metrics

- Percentage of minorities
- Increase in minority representation
- Increased representation of minorities at different levels of firm and different departments
- Employee satisfaction surveys
- More diverse hiring
- More career development over time for underrepresented group members.
- Better retention
- More positive responses on exit interviews
- Inclusion of diversity in corporate social responsibility efforts
- Gender pay analysis
- Performance Metrics