SUSTAINABILITY AT SHORENSTEIN

A REFERENCE GUIDE FOR TENANT ACTION





WELCOME

At Shorenstein, we have long embraced the notion that efficient resource management is smart business practice and good corporate citizenship. Please join us in our ongoing effort to enhance the environmental performance of our buildings.

> It is incumbent on those of us who operate and occupy buildings to be mindful of the broader societal impacts of our business activities.

> > ~ Douglas W. Shorenstein



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ENVIRONMENTAL PERFORMANCE

ENVIRONMENTAL PERFORMANCE STRATEGY

Shorenstein's sustainability efforts are guided by a three-pronged environmental performance strategy:

• Investment in Efficiency

Cost-effective efficiency projects are the backbone of our environmental performance strategy. A continuous focus on identifying and implementing proven efficiency technologies permits Shorenstein to raise the bar on building energy management.

• Smart Operation

We continually seek new ways to manage buildings better. We reference industry-recognized standards in our operating policies and procedures, enabling our property management teams throughout the country to deliver environmental savings and improvements in operational excellence.

• Tenant Engagement

We make sustainability a priority from the beginning of our relationship with your organization, empowering you to make environmentally-friendly choices. Shorenstein consistently receives positive tenant feedback on our sustainability program. We look forward to working with you.

BUILDING PERFORMANCE STANDARDS

• ENERGY STAR

We benchmark building energy performance using the Environmental Protection Agency's ENERGY STAR for buildings program. Shorenstein began voluntarily benchmarking building energy performance using the ENERGY STAR Portfolio Manager tool in 2008 and benchmarks all eligible buildings. Visit your property's tenant handbook website or ask your Property Manager for information about your building's ENERGY STAR rating.

• LEED

Shorenstein is a platinum member of the U.S. Green Building Council. Shorenstein operates all properties to the LEED for Existing Buildings standard, including green cleaning practices, integrated pest management, waste and e-waste recycling, and energy and water efficiency standards across the entire portfolio. Our Green Building Construction Standards specify indoor environmental quality, energy and water efficiency, sustainable materials procurement, and construction waste management for all construction projects. Visit your property's tenant handbook website or ask your Property Manager for information about your building's LEED rating.

SUSTAINABILITY FOR TENANTS

Your organization's sustainability program can have a big impact. Did you know that up to 70% of building energy use is determined by building occupants? Environmental performance achievements, and certifications such as ENERGY STAR and LEED, are due in large part to your efforts. Thank you!

We seek to make building sustainability a collaborative effort with tenants. Our Sustainability Resources Website contains educational materials, user-friendly tools, and external references to help you develop and enhance your organization's own sustainability program. Visit FlipTheSwitch.info to learn more.

SUSTAINABILITY STRATEGIES: WHAT YOU CAN DO

- 1. Energy Efficiency: Office Equipment
 - Purchase ENERGY STAR when choosing office equipment.
 - Turn off office equipment, including computers, at the end of each day.
 - Enable power management features such as "sleep" or "hibernate" on computers and other office equipment.
 - Share equipment such as printers among multiple employees.

• Unplug devices and install timers on equipment such as water coolers, vending machines, and coffee pots.

Fast Fact:

The U.S. Environmental Protection Agency estimates that, if every monitor and printer were shut off at night, the U.S. could shut down 8 large power plants and save 7 million tons of CO2 annually.

2. Energy Efficiency: Lighting

- Turn off the lights at the end of the day.
- Use natural light and task-lighting to reduce the need for overhead lighting.
- Install occupancy sensors in private offices, conference rooms, break rooms, restrooms, and other frequently unoccupied spaces.
- Install a lighting control system with automatic dimming, occupancy sensing, and/or daylight harvesting.
- Reduce the wattage of light bulbs to save lighting energy usage.

Fast Fact:

A study by McKinsey, a consultancy, estimates that 120 trillion kilowatt hours of cost-effective commercial lighting opportunities are present in U.S. buildngs. That's enough energy to power ten million homes for one year.





3. Energy Efficiency: HVAC

- Limit overtime HVAC.
- Set a flexible thermostat range to allow space to be a few degrees warmer in the summer and cooler in the winter.

Fast Fact:
The U.S. Environmental Protection Agency estimates that adjusting
the thermostat by one degree can reduce building energy use by
about 4%.

A complete list of energy efficiency strategies and rationales can be found in the Flip the Switch: Consumption Reduction Strategies Flip-Chart. Visit FlipTheSwitch.info or ask your Property Manager for a copy.

4. Water Conservation: Restrooms and Kitchens

- Install low-flow aerators on restroom and kitchen faucets.
- Install low-flow fixtures in restrooms.
- Fill dishwashers before operation.
- Look for the EPA Water Sense label when purchasing fixtures and appliances.
- Installing on-demand water heating.

Fast Fact:

Less than 1% of the Earth's water is available for human consumption. The U.S. Geological Survey indicates that the average American is responsible for 150 gallons of domestic water use daily, most of which flows down the drain.

CORPORATE SUSTAINABILTY PROGRAM

5. Recycling

- Implement a Recycling Program and ask your Property Manager for instructions and guidance materials for implementing sorting and recycling in your space.
- Provide training to your employees on what materials are recyclable in your building.
- Recycle e-waste through your building's e-waste recycling program. Ask your Property Manager for details.
- Conduct a waste audit to evaluate your recycling program. Your Property Manager can help arrange for a waste audit.

Fast Fact:

The U.S. represents only 5% of the world's population, but it uses 20% of the world's resources. According to the U.S. Environmental Protection Agency, the average American generates over four pounds of waste per day, but only recycles one third of it.

6. Commuting

- Encourage carpooling to reduce travel costs as well as environmental impact.
- Encourage public transportation if it is available at your building.
- Encourage walking or biking to improve health and morale as well as sustainability.

Fast Fact:

Data from the U.S. Department of Transportation shows that a carpool of three people will save seven tons of CO2 per year over single-occupant commuting. That's the equivalent CO2 absorbed by about 300 trees.





7. Employment Engagement

- Create a Sustainability Committee with diverse representation across your organization.
- Use competitions and challenges to tap the natural competitive spirit of individuals and encourage teamwork.
- Create communication channels that allow sustainability information to flow within your organization.

F	ast Fact:		
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ted Nations survey revealed that 93% of global CEOs believe sustainability will be critical to their company's success.

8. Sustainable Purchasing

- Eliminate unnecessary purchases.
- Establish a sustainable purchasing policy. An example is available at FlipTheSwitch.info.
- Purchase ENERGY STAR labeled equipment for all computers and office electronics.
- Procure office supplies with recycled content.
- Look for products with third party certifications, such as Forest Stewardship Council, Green Seal, and EcoLogo.

Fast Fact:

According to the U.S. Environmental Protection Agency, if all computers sold in the U.S. met ENERGY STAR, the greenhouse gas emission savings would be equivalent to taking 2 million cars off the road.



ORGANIZATION & OPERATIONS

THE SHORENSTEIN SUSTAINABILITY COMMITTEE

The Shorenstein Sustainability Committee oversees the Shorenstein Sustainability Program. Led by the Sustainability Program Manager, the Committee reports to senior management and is composed of employees from across the company who work to enhance the environmental performance of Shorenstein's corporate and operational activities.

SUSTAINABILITY INITIATIVES

Shorenstein has implemented more than 35 Sustainability Initiatives mandating a wide range of environmental conservation actions. The initiatives constitute the body of Shorenstein's sustainability policy. Below is a sample of Sustainability Initiatives that have been implemented to date.

- 1. **ENERGY STAR:** We benchmark the energy performance of all buildings using the EPA's ENERGY STAR tool. All Property Managers and Chief Engineers complete ENERGY STAR training.
- 2. **Green Cleaning:** We mandate green cleaning (chemicals, dilution control, cleaning equipment and training) for all janitorial contractors.
- 3. **Waste Recycling:** We recycle paper, plastic, metal, glass and cardboard at all our buildings. We also recycle

other materials and offer composting where available by jurisdiction.

- 4. **Green Tips for Tenants:** We frequently post informative green tips on the Tenant Handbook website for each of our buildings.
- 5. **Green Scorecard:** The Green Scorecard promotes the sustainability features at each of our properties.
- 6. **Landscaping:** We follow U.S. Green Building Council guidelines for landscaping, including the use of native species, reduced irrigation, and landscape waste diversion.
- 7. **Water Efficiency:** Our properties employ water efficient technologies such as low-flow restroom fixtures and faucet aerators wherever possible.
- 8. **Earth Hour and Earth Day:** We participate in Earth Hour and Earth Day events each year.

SUSTAINABILITY PROGRAM MANAGER

In 2012, Shorenstein hired a full-time Sustainability Program Manager to lead the company's sustainability efforts and execute the environmental objectives of the Sustainability Committee. The addition of an employee solely dedicated to sustainability strengthens the environmental and financial performance of Shorenstein's portfolio, permitting the company to more actively engage tenants and industry partners and to implement an even more robust sustainability platform.



TENANT ENGAGEMENT

Shorenstein is committed to collaborating with tenants to further improve the sustainability of its office properties. Shorenstein aims to provide our tenants with the knowledge, tools, and incentives to drive environmental performance in their own workplace. Some examples include:

- Flip the Switch Program: An energy efficiency awareness presentation given for all tenants in 2011. As part of the Tour, Shorenstein produced the Consumption Reduction Strategies informational packet to provide tenants with a wide range of energy-saving strategies.
- Sustainability Site for Tenants: The FlipTheSwitch.info website provides tenants with a library of sustainability related educational resources, case studies, and external references. The site makes tools, ideas and resources easily accessible to tenants. Shorenstein is excited to partner with tenants to support their sustainability efforts.
- I Will If You Will: As part of Shorenstein's on-going tenant • engagement program, we launched an office place energy savings challenge for tenants in 2013. Tenants were asked to commit to an energy efficiency measure, such as turning off computers at night, with a fun incentive provided by Shorenstein as a reward.

THE ENERGY SAVINGS TOUR

In 2010, Shorenstein launched its nationwide Energy Savings Tour, an energy efficiency review of all properties under management. More than 300 efficiency projects were identified and prioritized for implementation.

After completing the Energy Savings Tour, Shorenstein Properties wanted independent verification of the program's actual savings and environmental impact. Through its Climate Corps program, the Environmental Defense Fund confirmed impressive results. With annual cost savings of \$1.7 million and return on investment exceeding 100 percent, Shorenstein's program serves as a model for companies seeking to improve environmental performance and achieve operational efficiencies. Energy Savings Tour outcomes are shown in the table below:

RESULTS	METRIC	RESULT
ENERGY	Annual Energy Savings	12.3 million KWh
	Percent Energy Savings	5.1%
	Average Demand Savings	1,400 KW
ENVIRONMENTAL	Annual CO2 Emissions Reduction	4,800 metric tons
FINANCIAL Annual Cost Savings		\$1.7 million
	Total Program and Retrofit Cost	\$800,000
	Payback Period	6 months
	3-Year Savings NPV	\$3.4 million



CONSTRUCTION & DEVELOPMENT

COMMITMENT TO LEED GOLD

Shorenstein is committed to meeting or exceeding the Leadership in Energy and Environmental Design (LEED) Gold standard for all new construction and development projects. Meeting the LEED Gold standard requires diligence and innovation from Shorenstein's development team. It will also ensure that Shorenstein's development projects lead the building industry in creating indoor environments that promote human well-being and foster a sustainable future.

GREEN CONSTRUCTION STANDARDS

Shorenstein has incorporated green construction standards into the conditions for construction and tenant construction standards at all its managed properties. These standards are based on the U.S. Green Building Council's green building principals. Green construction optimizes the environmental and financial performance of buildings, providing owners and occupants with many benefits. Ask your Property Manager for a copy of these standards prior to construction or renovations.



PARTNERSHIPS & COMMITMENTS



BETTER BUILDINGS CHALLENGE

As part of the U.S. Department of Energy's Better Buildings Challenge, Shorenstein has committed to reducing energy use 20% by 2020 over 2008 levels. Shorenstein has already reduced energy use by more than 10%. Achieving the remaining reduction will require continuous monitoring of building systems and collaboration with building occupants.



GREEN LEASE LEADERS™

Shorenstein has been recognized as a Green Lease Leader[™] by the U.S. Department of Energy's (DOE). The designation recognizes property owners, tenants, and brokers who are effectively using the lease to drive energy and water savings in commercial buildings—offering substantial business and environmental benefits.



EDF CLIMATE CORPS

Shorenstein partners closely with the Environmental Defense Fund's Corporate Initiative. The company has been a Climate Corps host organization since 2009. Each summer, Shorenstein welcomes a specially trained MBA fellow to identify energy efficiency and sustainability opportunities.



ENERGY STAR

Shorenstein is an Environmental Protection Agency ENERGY STAR partner and benchmarks all properties using ENERGY STAR Portfolio Manager. Shorenstein's corporate sustainable purchasing policy requires the purchase of ENERGY STAR office equipment and appliances.



USGBC

Shorenstein has been a member of the U.S. Green Building Council (USGBC) since 2008. The company is committed to the Leadership in Energy and Environmental Design (LEED) standard for the design, construction, and operation of our properties. Shorenstein recognizes the superior performance of green buildings and strives to manage all its properties to the LEED standard.







Please visit Shorenstein's Sustainability Site for Tenants FlipTheSwitch.info