

GREEN FINANCING FRAMEWORK

Introduction:

Our goal is to deliver high quality, adaptable and productive work environments for the wide range of industries attracted to the vibrant economic centers on the West Coast of the United States and in Austin, Texas. We believe that a high quality work environment is one that is sustainably built and operated and that our sustainability programs are critical in enabling us to deliver high quality work space to our rapidly evolving markets.

Our sustainability strategy is to construct and acquire properties that deliver high levels of performance in areas such as energy and water efficiency, waste management, sustainable building operations, green building certifications and materials selection. Our objectives in these areas are intended to align with certain UN Sustainable Development Goals.

We have a committee of the Board of Directors (Board) known as the “Corporate Social Responsibility & Sustainability Committee” comprising three directors who make recommendations to the full Board on social responsibility and sustainability priorities and policies. In 2018, this Committee endorsed the June 2017 report containing the recommendations of the Task Force on Climate-related Financial Disclosures because it believes these recommendations provide a robust climate change disclosure framework that will help us define the climate change impacts that will be material to our business.

Framework Overview:

This Green Financing Framework sets out how we propose to use the proceeds of a financing (Green Financing) for Eligible Green Projects (defined below) in a manner consistent with our sustainable values. This framework includes the four core components of the Green Financing principles:

- Use of Proceeds
- Selection and Evaluation of Eligible Green Projects
- Management of Proceeds
- Reporting

This Green Financing Framework is intended to align with the Climate Bonds Standard Version 3.0 promulgated by the Climate Bonds Initiative. This framework is also intended to align with the Green Bond Principles (2021) issued by the International Capital Markets Association (ICMA). This framework may, from time to time, be updated and will be applied to any Green Financing we undertake.

Use of Proceeds:

An amount equal to the net proceeds from a Green Financing will be allocated to one or more Eligible Green Projects, which may include the development or redevelopment of such projects. Such net proceeds will be managed and applied as described below under “Management of Proceeds.”

Selection and Evaluation of Eligible Green Projects:

Our green financing committee, which is comprised of members of our Sustainability department and members of our corporate finance team, will select projects based on the eligibility criteria set forth in the definition of “Eligible Green Projects” below.

We define “Eligible Green Projects” as:

- Class A development properties that have received LEED certification to the Gold or Platinum level during the two-year period prior to the original funding or issue date, as applicable, of the applicable Green Financing or will receive such certification during the term of such Green Financing;
- Class A redevelopment properties that have received LEED certification to the Gold or Platinum level during the two-year period prior to the original funding or issue date, as applicable, of the applicable Green Financing or will receive such certification during the term of such Green Financing; and
- tenant improvements that have received LEED certification to the Gold or Platinum level during the two-year period prior to the original funding or issue date, as applicable, of the applicable Green Financing or will receive such certification during the term of such Green Financing.

We believe that LEED certification is an appropriate standard because it is a widely used and recognized green building rating system.

Management of Proceeds:

As long as any Green Financing is outstanding, our internal records will show the portion of the amount equal to the net proceeds from such Green Financing that we have allocated to Eligible Green Projects.

Payment of principal of, and premium, if any, and interest on any Green Financing will be made from our general funds and will not be directly linked to the performance of any Eligible Green Projects.

Pending the allocation of an amount equal to the net proceeds from a Green Financing to Eligible Green Projects, all or a portion of the net proceeds may be used for general corporate purposes, which may include, among other things, funding development and redevelopment projects, acquiring land and properties and repaying, repurchasing and redeeming indebtedness, and we may also hold such

net proceeds in cash, cash equivalents and/or marketable securities.

Any portion of the amount equal to the net proceeds from a Green Financing allocated to Eligible Green Projects that have been disposed of or otherwise become ineligible under the criteria set forth in the definition of Eligible Green Projects above shall be reallocated to other Eligible Green Projects. Any portion of the net proceeds from a Green Financing that we have allocated to costs we have previously paid to fund Eligible Green Projects may be used by us for any of the purposes set forth in the immediately preceding paragraph.

Reporting:

During the term of any Green Financing, until such time as the net proceeds from such Green Financing have been fully allocated to Eligible Green Projects, we will publish annual updates in our Sustainability Report, which will be publicly available on our website, detailing the allocation of the net proceeds from each Green Financing to specific Eligible Green Projects. In addition, such Sustainability Reports will be accompanied by or include (i) an assertion by our management that the net proceeds from the Green Financings were allocated to Eligible Green Projects and (ii) a report from an independent assurance firm in respect of the independent assurance firm's examination of management's assertion.

Assurance:

Our Green Financing Framework has been reviewed and any material update will be reviewed by DNV or a comparable independent assurance firm, whose opinion will be made publicly available on the our website and will appear in our annual Sustainability Report that we make publicly available on our website.