



# CORPORATE RESPONSIBILITY REPORT 2020

 Highwoods®

MARS PETCARE  
US HEADQUARTERS  
FRANKLIN, TN



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# LETTER FROM THE CEO

As we issue our 2020 Corporate Responsibility Report, COVID-19 continues to present unprecedented challenges for our industry and global community. Our thoughts remain with those who have been directly impacted by COVID-19. The pandemic has stress tested the resilience, resolve and adaptability of organizations and heightened the importance of a robust environmental, social and governance (ESG) strategy. I am proud to say that our organization rose to the occasion by leveraging our existing business continuity planning, seamlessly executing our COVID-19 Response Plan, deepening relationships with our customers and supporting the communities in which we live, work and serve.

Our rapid response to the pandemic is a testament to the fortitude of our talented team of professionals. They rose to the challenge by championing our COVID-19 Response Plan, adapting to new protocols and work environments and supporting our customers and communities each step of the way. Thanks to the dedication, ingenuity and passion of our coworkers, we will emerge from this crisis stronger than ever.

Our top priority has always been the health, safety and well-being of our customers, coworkers and their families. In 2020, we implemented a variety of COVID-19 health and safety protocols based on local and state restrictions and guidance from government health organizations. We enhanced our Indoor Air Quality Policy and sanitation practices, facilitated extensive education and training, expanded coworker health and well-being benefits and promoted social distancing and the use of PPE. Through our commitment to public health guidance and science-based strategies, our properties have remained open for business.

During the pandemic, we expanded our Highwoods Helps program to support the most vulnerable within our communities. We organized food drives, prepared food for those in need, contributed to community organizations providing COVID-19 relief and utilized our properties for critical COVID-19 testing and vaccination sites. We understand the vital role our organization plays in the health and vibrancy of our communities, and we take great pride in our ability to respond when the need is the greatest.

Diversity and inclusion continue to be material concerns for our stakeholders, and they continue to be a priority for us. We developed the “Heart of Highwoods” program to



support diversity and inclusion (D&I) initiatives in our organization and communities. Guided by our D&I task force, we facilitated listening sessions and training, promoted supplier diversity, expanded our Highwoods Helps philanthropic program and provided more time off for our coworkers to improve the lives of others through community service.

In 2020, we continued to advance our environmental initiatives and drove performance improvements across our portfolio. We updated our long-term energy, emissions and water reduction goals and aligned with the United Nations (UN) Sustainable Development Goals (SDGs). We earned the prestigious GRESB Green Star rating in our inaugural submission. Furthering our long-term commitment to sustainability and operational excellence, we achieved the prestigious ENERGY STAR certification for 75 of our properties, which represents 57% of our eligible square footage, and LEED certification for all new developments. Capitalizing on low occupancy conditions during the pandemic, we used this opportunity to expedite the implementation of energy and water efficiency upgrades across our portfolio.

I am confident our organization will emerge from this pandemic more adaptable and better positioned to navigate future challenges. Our ability to thrive in this period of great uncertainty is a true testament to our talented team of professionals, exceptional customers and long-term strategic planning efforts. Looking forward, we will continue our mission to create value for our stakeholders by continuously advancing our ESG Strategy. We are up for the challenge and look forward to continued progress in 2021 and beyond.

**Ted Klinck** | President and Chief Executive Officer

# HIW AT-A-GLANCE



Highwoods Properties, Inc., headquartered in Raleigh, is a publicly-traded (NYSE: HIW) real estate investment trust (REIT) and a member of the S&P MidCap 400 index. Highwoods is a fully-integrated office REIT that owns, develops, acquires, leases and manages office properties primarily in the best business districts (BBDs) of Atlanta, Charlotte, Nashville, Orlando, Pittsburgh, Raleigh, Richmond and Tampa.



as of 12/31/2020

# COVID-19 RESPONSE

Our rapid response to the COVID-19 pandemic is a testament to the resilience and fortitude of our organization and, most importantly, our talented team of professionals. Faced with unprecedented challenges, our coworkers rose to the occasion by championing our COVID-19 Response Plan, adapting to new protocols and work environments and supporting our customers and communities each step of the way. This collaborative effort was fortified by years of risk management planning by our leadership team to position our organization to successfully navigate this pandemic and future challenges.

Our Business Continuity Plan, first created in 2011 and updated annually or more frequently as needed, gave us a head start in crafting a well thought-out COVID-19 response plan. We created a cross-functional COVID-19 Crisis Team and immediately implemented our Pandemic Response Plan, which we refined as public health guidance evolved. To keep our coworkers apprised of the latest public health guidance, we instituted daily briefings and facilitated a variety of virtual trainings. We maintained immediate and consistent customer communications through building signage, direct calls, text messages and emails using our ServiceLink (Building Engines) work order management system to report exposures and measures taken by Highwoods to mitigate risk within properties. As we operate a multi-state portfolio, we continuously monitored national, state and local guidance in each of our markets and updated our COVID-19 Response Plan and communications accordingly. At the property level, we focused on maintaining healthy indoor environments and keeping our customers and coworkers as safe as possible.

## HIGHWOODS COVID-19 RESPONSE PLAN

### EMPLOYEE ENGAGEMENT AND TRAINING

- Organization-wide engagement through Microsoft Teams
- Over 27 team updates on the latest development and COVID-19 risk mitigation efforts
- Company-wide town halls

### ENGINEERING CONTROLS

- HVAC fresh air adjustments
- Filter efficiency upgrades
- Improved air exchanges
- Temp and humidity monitoring
- Water management plan

### ADMINISTRATIVE CONTROLS

- Employee low-density occupancy (staggered workshifts)
- Building signage for social distancing and face coverings
- Enhanced cleaning protocols
- Physical separation in open desk environment
- Elimination of communal items in breakrooms
- Transitioning to “touchless” during renovations
- Paid leave policy (supports staying home when sick)

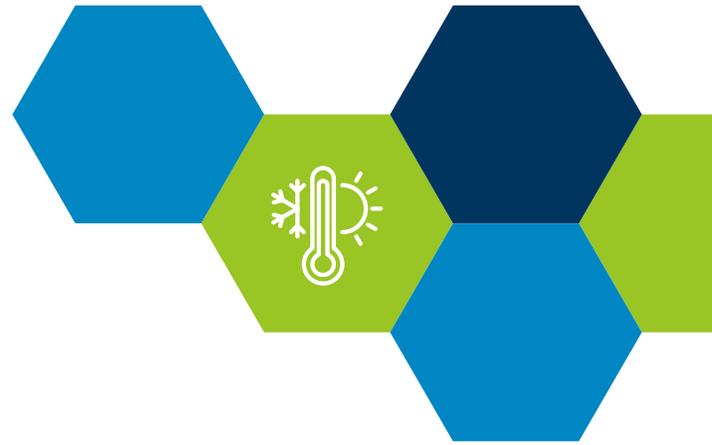
### PERSONAL PROTECTIVE EQUIPMENT (PPE)

- Employee training on proper use, fit and limitation of PPE
- Distribution of PPE



# CLIMATE RESILIENCE

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*Truist Place | Tampa*

Climate-related physical and financial risks are a material concern for our organization. Developing and operating resilient buildings is fundamental to our Strategic Plan and enables our organization to effectively respond to climate-related challenges. Through proactive planning and analysis, we manage these risks throughout the life cycle of our assets.

Our Corporate Risk and Asset Management teams regularly assess the potential impacts of extreme weather on new developments and existing assets, including flood, fire, loss of water, power outages and wind damage. For new developments, we incorporate climate risks into the site selection process, perform detailed site environmental studies and integrate design strategies that promote durable and resilient buildings.

We have implemented Emergency Response and Crisis Communication Plans at all properties that outline responses to specific emergency scenarios. We carry comprehensive insurance for all properties that covers natural disasters. To ensure continued operations in the case of extreme weather or other catastrophic events, we regularly perform business impact analyses, stress tests and other simulations to test the resiliency of our organization and our assets. These efforts have informed the development and implementation of the Highwoods Business Continuity Plan that establishes a Preparation, Response and Recovery Plan for the critical business functions at each property.

For assets with elevated climate-related risks, we develop Climate Resiliency Plans that evaluate short and long-term vulnerabilities and outline proactive measures to harden those assets against anticipated impacts. As climate risks change, we reexamine our organization and internal processes to ensure our climate resiliency planning incorporates proper risk profiles and is well aligned with our business objectives and Strategic Plan.

# CLIMATE RESILIENCE

## RISK

### ENERGY GRID RELIABILITY

## STRATEGIES

- Business Continuity Plan
- Energy conservation measures
- Investigation of on-site renewable energy options for new and existing developments
- Building life safety systems

### UTILITY AVAILABILITY AND COSTS

- Competitive energy procurement in deregulated markets
- Energy demand-side management
- Energy and water conservation measures
- Energy, carbon and water reduction goals

### INCREASED FREQUENCY OF INTENSE STORMS AND NATURAL DISASTERS

- Storm Impact Assessments
- Emergency Response Plans
- Business Continuity Plan
- Building life safety systems
- Strategic location of switchgear and critical equipment
- Temporary flood barriers
- Incorporating physical barriers around sensitive spaces and building spaces
- Floodable first floors
- Designing finished floor elevations to be above base flood standards
- Avoidance of floodplains for new developments
- Manual BAS override switches & off-site BAS controllability
- MEP system redundancy
- Comprehensive insurance coverage

### LIFE SAFETY

- Life safety plans
- Building life safety systems
- Flood emergency response plans
- Customer and coworker engagement and training

### INCREASINGLY STRINGENT ENERGY CODES AND CARBON REGULATIONS

- Development of high efficiency LEED certified properties
- Energy conservation measures
- Energy and carbon reduction goals



# BUSINESS CONTINUITY



The COVID-19 pandemic has heightened the importance of continuity planning and the need to anticipate, prepare for and respond to unprecedented challenges of all types. Through extensive planning and analysis, our Board of Directors and Executive Team continuously refine our enterprise risk management framework and strategy in response to changing market, environmental and financial conditions. This proactive approach, along with the commitment of our coworkers and a strong balance sheet, enabled our organization to successfully navigate the many challenges faced in 2020.

We strive to create resilient, healthy and adaptable workplaces that anticipate the changing needs of our stakeholders and promote health and well-being. In a time when our industry is quickly evolving, we believe that resilience planning is critical for market differentiation, responsible corporate citizenship and financial success. Looking towards the future, we will continue to plan for unforeseen events, reimagine what is possible and endeavor to emerge from each challenge a stronger, more resilient organization.



*The Highwoods Business Continuity plan was created in 2012 and gave us a head start in crafting a well thought-out COVID-19 response plan.*

# BUSINESS CONTINUITY



## RISK

### COVID-19

## STRATEGIES

- COVID-19 Response Plan
- COVID-19 Playbook
- Employee engagement
- Engineering controls
- Administrative controls
- Personal protective equipment

### BUSINESS CONTINUITY & EMERGENCY RESPONSE

- Business Continuity Plan
- Emergency Response Plans
- Crisis management and communication
- Building life safety systems
- MEP system redundancy

### GOVERNANCE & LEADERSHIP

- Corporate Governance Guidelines
- Board-level oversight of risk management
- Code of Business Conduct & Ethics
- Employee relations initiatives
- Diversity & inclusion initiatives

### INCREASING OPERATING COSTS

- Energy and water conservation measures
- Environmental regulation monitoring and planning
- Competitive utility, product and service procurement
- Green lease language
- Preventative maintenance activities

### RESOURCE MANAGEMENT

- Design of resilient and adaptable workspaces
- Energy and water conservation measures
- Protection of natural resources

### SUPPLY CHAIN

- Vendor Code of Conduct
- Material lifecycle analyses for all new developments

### CYBERSECURITY

- Cybersecurity policy
- Cyber risk insurance policy

### STAKEHOLDER ENGAGEMENT

- Investor relations
- Customer outreach
- Coworker training
- Vendor collaboration
- Materiality analysis
- Annual Corporate Responsibility Report
- SEC filings

# ESG STRATEGY

Highwoods is committed to continuously improving the environmental, social and financial outcomes of our operations. We strive to be stewards of our communities and environment and believe these efforts lay the groundwork for our continued responsible growth and success. Our ESG strategy is fundamental to our long-term Strategic Plan and is aligned with leading global standards, including the ISO 14001 framework for Environmental Management Systems (EMS), United Nations (UN) Sustainable Development Goals (SDGs), Global Reporting Initiative (GRI) and the Global Real Estate Sustainability Benchmark (GRESB). Leveraging these standards provides global context and ensures our ESG strategy is responsive to changing market conditions, global initiatives and the needs of our stakeholders.

In 2020, we revised our long-term energy, emissions and water reduction goals and aligned with the UN SDGs. We expanded our ESG policies and undertook a materiality analysis to identify what matters most to our stakeholders. Looking forward, we will continue to expand our ESG initiatives, set increasingly ambitious goals and seek new opportunities to innovate and create lasting value for our shareholders.

## ABOUT THIS REPORT

The 2020 Corporate Responsibility Report includes the ESG policies, initiatives and goals implemented by Highwoods that are considered material to our stakeholders and is organized by ESG category: Environmental, Social and Governance.

This report was developed to align with key disclosures of the Global Reporting Initiative (GRI) Sustainability Reporting Standards and reflects portfolio operations from our owned and managed assets comprising 28.9 million square feet for 2020. Same property performance reported from the 2016 baseline includes those that were in operation during both the baseline year and 2020, similarly for year-over-year changes from 2019. This report was developed in partnership with our consultant breca.



# U.N. SUSTAINABLE DEVELOPMENT GOALS



We believe the decisions we make today have long lasting impacts beyond the communities where we work, live and serve. To mitigate these impacts and establish global context, we have aligned our ESG goals with the United Nations (UN) Sustainable Development Goals (SDGs). Adopted by the global community in 2015, the UN SDGs are designed to be a “blueprint to achieve a better and more sustainable future for all.” They include a collection of 17 inter-related goals related to global poverty, peace, justice, inequality, climate change and environmental degradation. We are proud to be a part of this global movement and will continue to use UN SDG’s to define and revisit our ESG goals in the future.



## GOOD HEALTH AND WELL-BEING

### ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL

- ACHIEVED** • Implement a green cleaning program across 100% of managed portfolio
- ACHIEVED** • Implement an integrated pest management (IPM) program across 100% of managed portfolio
- ACHIEVED** • Provide health and well-being programming and resources available to all employees



## CLEAN WATER AND SANITATION

### ENSURE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL

- ACHIEVED** • Reduce water use by 10% by 2026 from a 2016 baseline



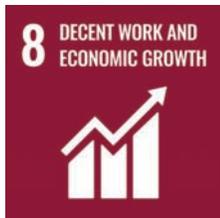
## AFFORDABLE AND CLEAN ENERGY

### ENSURE ACCESS TO AFFORDABLE, RELIABLE AND SUSTAINABLE ENERGY

- ON TRACK** • Reduce energy use by 20% by 2026 from a 2016 baseline
- ON TRACK** • Retrofit 100% of portfolio with high efficiency LED lighting by 2026

*\*United Nations (2017) Resolution adopted by the General Assembly on 6 July 2017, Work of the Statistical Commission pertaining to the 2030 Agenda for Sustainable Development (A/RES/71/313 Archived 28 November 2020 at the Wayback Machine)*

# U.N. SUSTAINABLE DEVELOPMENT GOALS



## DECENT WORK AND ECONOMIC GROWTH

PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

- ACHIEVED** • Require all vendors to adhere to the Vendor Code of Conduct
- ACHIEVED** • Provide robust employee safety and training programs



## SUSTAINABLE CITIES AND COMMUNITIES

MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE

- ON TRACK** • Evaluate health and well-being certifications for all new developments
- ACHIEVED** • Achieve LEED certification for 100% of new developments
- ACHIEVED** • Benchmark 100% of managed portfolio in ENERGY STAR Portfolio Manager
- ON TRACK** • Achieve ENERGY STAR certification for 75% of eligible existing building floor area by 2026



## RESPONSIBLE CONSUMPTION AND PRODUCTION

ENSURE SUSTAINABLE MANAGEMENT OF RESOURCES

- ACHIEVED** • Achieve a minimum 50% waste diversion rate and the generation of <10 pounds of waste per square foot for all new developments
- ON TRACK** • Benchmark waste performance for 100% of managed properties by 2026



## CLIMATE ACTION

TARGET URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

- ON TRACK** • Reduce greenhouse gas (GHG) emissions by 20% by 2026 from a 2016 baseline

# STAKEHOLDER ENGAGEMENT



We regularly engage our stakeholders to better understand their priorities, how they are affected by our operations and influence our ability to achieve our objectives. This ensures that we are targeting key performance indicators that are meaningful and aligned with our Strategic Plan. Our key stakeholder groups include our Board of Directors, investors, customers, coworkers, vendors, industry and the communities in which we work, live and serve.

We meet with key investors throughout the year and proactively report on our financial and environmental performance through quarterly and annual disclosures, including our annual Corporate Responsibility Report. Our property teams meet regularly with customers, organize events and trainings and seek feedback through annual surveys. We engage our coworkers through a variety of programs, trainings and civic engagement activities that support professional development, health and wellness and community stewardship. We participate in industry meetings and conferences to strengthen our partnerships and to contribute to the discourse that shapes our industry. At the community level, we participate in public forums, business improvement districts (BIDs) and support organizations that enrich our communities.

## BOARD OF DIRECTORS

- Investor engagement
- Board meetings & annual presentation
- Annual Corporate Responsibility Report

## INVESTORS

- Third-party ESG benchmarks
- SEC filings
- Investor relations team support
- Investor meetings and events
- Quarterly earnings calls
- Property tours
- Annual Corporate Responsibility Report

## CUSTOMERS

- Periodic customer satisfaction surveys
- Quarterly customer meetings
- Customer communications
- Health and wellness amenities and initiatives
- Customer appreciation events
- Active conversations through social media and website
- Annual Corporate Responsibility Report

## COWORKERS

- Quarterly performance update reports
- Trainings and professional development program
- Heart of Highwoods program & Wellness Committees
- Benefits package
- Intranet site
- Annual performance reviews
- Whistleblower hotline
- Annual Highwoods Huddle
- Open door policy
- Annual Corporate Responsibility Report
- Periodic Town Halls
- Diversity & inclusion task force

## INDUSTRY

- Participation at conferences and meetings
- Partnerships
- Participation in steering committees

## COMMUNITIES

- Heart of Highwoods program
- Hosting community events
- Public forums for new developments
- Participation in Business Improvement Districts
- Active conversations through social media
- Active participation in local community development organizations
- Internships

## VENDORS

- Vendor Code of Conduct
- Seek local, women and minority-owned suppliers
- Prompt payment for services

*The Pinnacle at  
Symphony Place  
Nashville*

# ENVIRONMENTAL

## ENVIRONMENTAL POLICIES

- Biodiversity & habitat
- Energy management
- Climate change
- GHG emissions
- Climate resiliency
- Material sourcing & procurement
- Indoor environmental quality
- Renewable energy
- Waste management
- Water management
- New developments

# ENERGY & CARBON

Highwoods is committed to energy management and transitioning to a lower carbon future to mitigate global climate change. This journey began decades ago with the hiring of engineers who were on the forefront of deploying microprocessors to closely monitor energy consumption. As technology advanced, we migrated our energy performance monitoring to ENERGY STAR Portfolio Manager and created the Highwoods Energy Command Center to monitor energy usage in real-time. To deploy innovative energy efficient technologies, we reinvest the utility savings to implement high value opportunities across our portfolio. Over the last decade, we have invested over \$50 million in energy efficiency projects, resulting in annual energy savings of approximately \$3 million.

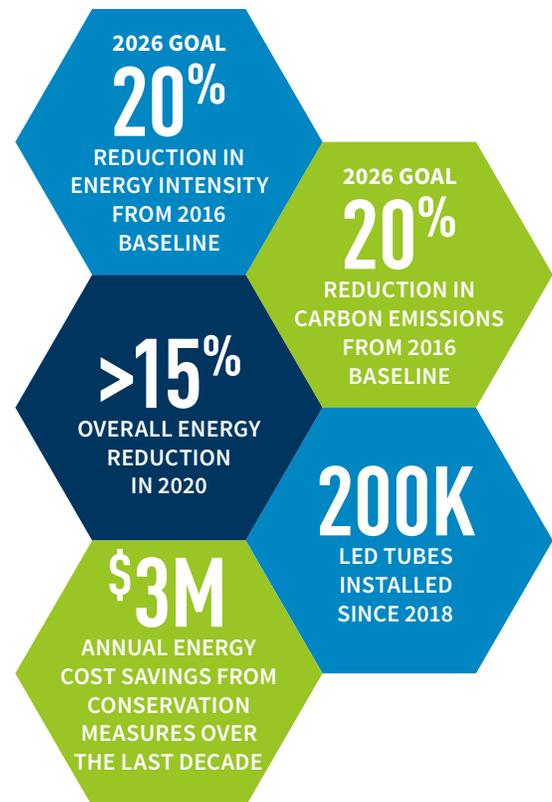
We measure our GHG emissions as Scope 1 or 2 Emissions. GHG sources include the on-site combustion of natural

gas and fuel oil for heating and back-up power generation (Scope 1) and the generation of electricity and district heating and cooling off-site by local utilities (Scope 2). We utilize the ENERGY STAR Portfolio Manager online platform to monitor GHGs from our ongoing operations and to track progress towards meeting our goals.

In support of DOE's Better Buildings Challenge, we established 20% portfolio-wide energy and GHG reduction goals by 2026 from 2016 baselines and are currently on track to achieve both goals. In 2020, we updated our Energy Management Policy and created new policies for Climate Change and GHG Emissions. We reduced portfolio-wide energy usage by an average of 17% by closely aligning building system operations with decreased occupancy due to COVID-19. Additionally, we achieved LEED certification on all new office developments to ensure high-performing, energy-efficient systems are in place.



Monarch Plaza | Atlanta



# ENERGY & CARBON

## ENERGY COMMAND CENTER

In 2011, we created the Highwoods Energy Command Center by investing in technologies to centrally monitor the energy performance of our portfolio and continuously commission each property. To ensure this valuable data is acted upon, dedicated corporate staff monitor building performance in real-time and collaborate with engineering teams across the portfolio to take corrective action and eliminate wasteful energy consumption. The Energy Command Center includes three data platforms; ENERGY STAR Portfolio Manager, LiveMeter and a Central BAS Monitoring Station. Since the creation of the Energy Command Center, we have identified measures that have reduced energy consumption by over 13% (approximately \$3.9 million annually) across the portfolio.

## REINVESTING THE SAVINGS

When investing in energy efficiency technologies, we act strategically and think big. Starting with pilot projects, we test technologies and measure performance to prove the savings. If a proposed project meets our ROI criteria, we leverage a capital investment fund to implement high value sustainable opportunities across the portfolio. In 2020, we implemented LED lighting upgrades at 10 parking facilities in Tampa, continued to expand our LED tube retrofit program across our portfolio, modernized the building automation system controls of seven Pittsburgh properties and continued with phased chiller replacements. In total, we completed over \$8 million in energy conservation projects in 2020 that are estimated to save over \$1 million annually.

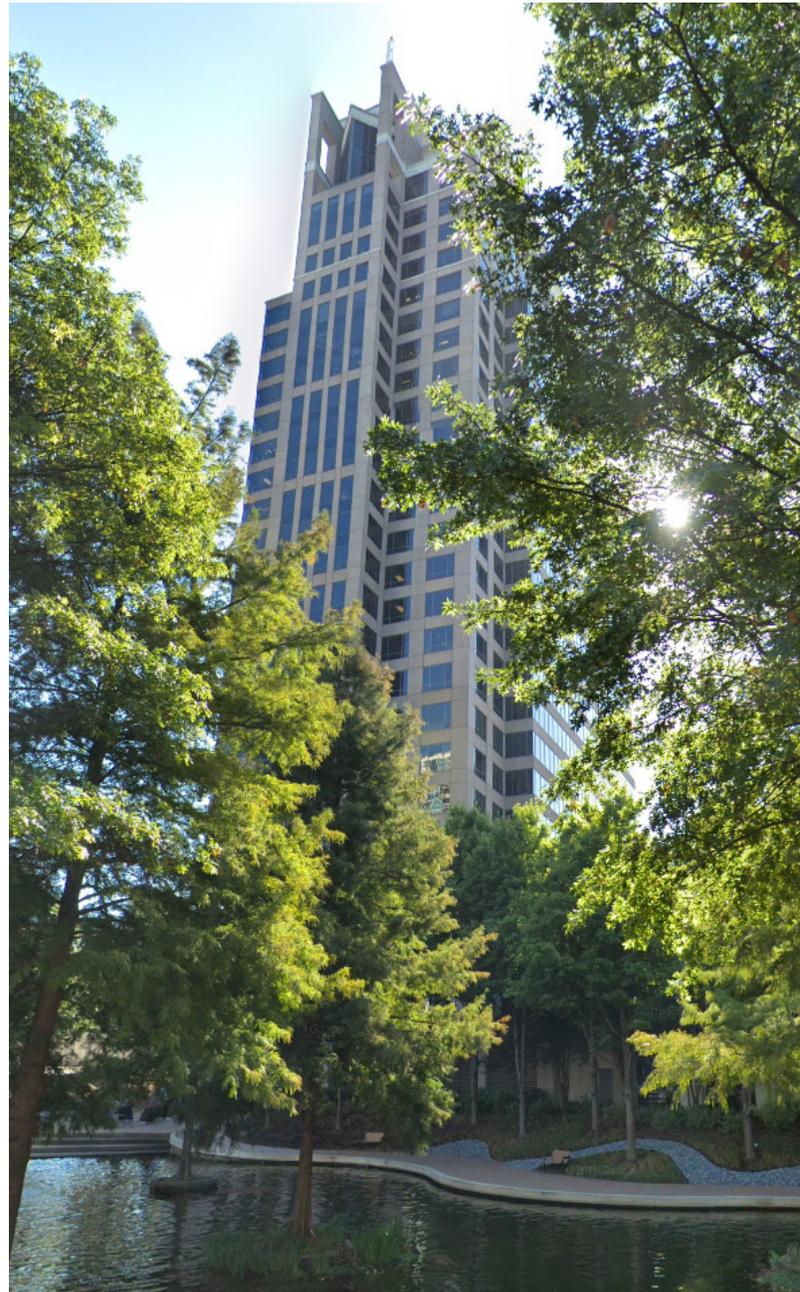


# WATER

Water costs continue to rise across the country due to water scarcity and the growing cost of upgrading aging utility infrastructure. We are actively managing these risks by closely monitoring the water performance of 100% of our managed portfolio in ENERGY STAR Portfolio Manager, monitoring interval water data for select assets, installing high efficiency equipment and technologies and providing guidance to our coworkers and customers on conservation practices.

To identify leaks and water conservation opportunities, we launched a pilot program in 2020 to monitor interval water data at select assets in Atlanta, Raleigh and Pittsburgh. We have installed high efficiency plumbing fixtures across approximately 90% of our managed portfolio and provide training to our engineering team on best practices, including cooling tower optimization, leak detection and condensate recovery. In 2020, we launched a smart irrigation controls pilot program in our Tampa portfolio to reduce unnecessary irrigation waste. In new developments, we target 30-40% water reduction over code requirements to meet our LEED certification goals.

Our water conservation efforts have contributed to the early achievement of our 10% water reduction goal by 2026. In 2021, we intend to establish a new water reduction goal, target new properties for water efficiency upgrades and evaluate new strategies and technologies that will help us continue to make progress on water conservation.



Monarch Tower | Atlanta

# MATERIALS & WASTE

Highwoods is committed to the use of sustainable materials and implementation of best practices in waste management. Through achieving LEED certification for all new developments, we utilize materials and products containing recycled content, low volatile organic compound (VOC) concentrations and those sourced regionally. We develop Waste Management Plans for all new developments and target a 50% waste diversion rate and <10 pounds/SF waste generation. During customer buildouts, we work closely with contractors to implement waste management and resource efficiency strategies that maximize diversion rates.

In our operating portfolio, we implement waste management best practices through partnerships with our customers and vendors. To increase customer

participation in our recycling efforts, we provide single-stream recycling options when available, organize e-waste recycling drives and provide education and guidance on best practices. We coordinate with waste management vendors to develop more efficient ways to access waste performance data and optimize hauls, which reduces carbon emissions and waste management costs. Additionally, we are currently investigating composting options in our markets.

We are actively monitoring waste performance in approximately 40% of our managed portfolio and are collaborating with our vendors to increase this coverage to 100%. In 2021, we intend to establish a goal for waste performance data coverage and continue to collaborate with our stakeholders to increase waste diversion rates.



# PROPERTY SPOTLIGHT

## PPG PLACE PITTSBURGH

PPG Place, a six-building, 1.6 million square foot Class A office complex in Pittsburgh, has been described by architectural pundits and the media as the crown jewel of Pittsburgh's skyline. Its iconic spires can be seen from vantage points throughout the city. Following the acquisition of PPG Place in 2011, our goal was to make significant performance improvements while retaining its iconic character and status as one of the most beloved gathering places in the city. This involved a nearly \$50 million multi-year upgrade plan for the PPG Place complex.

To improve energy and water performance at PPG Place, the following measures were implemented during the improvement process and are still ongoing:

- Installed high-efficiency fountain jets
- Installed high-efficiency refrigeration equipment for the 12,000 square foot ice rink and a heat pump system that captures waste heat from the ice rink chillers
- Reengineered building chilled water systems, installed 9 new high-efficiency chillers and reworked the pumping scheme for One PPG
- Replaced original pneumatic building controls with a modern direct digital control (DDC) system
- Installed high-efficiency LED lighting
- Replaced restroom fixtures with low-flow, touchless fixtures



- Upgraded elevator controls to an efficient destination dispatch system
- Installed variable speed drive (VSD) systems
- Replaced roofing with white reflective roofs
- Implemented green cleaning and recycling solutions

Since acquiring PPG Place, ice rink attendance has increased 25%, building occupancy increased from 81% to 95%, energy consumption decreased by 29%, water consumption decreased by 24% and overall utility costs decreased by approximately \$1 million annually. Additionally, the complex has achieved LEED Silver certification and the ENERGY STAR certification each year since 2014.

29%

ENERGY SAVINGS  
SINCE  
ACQUISITION

24%

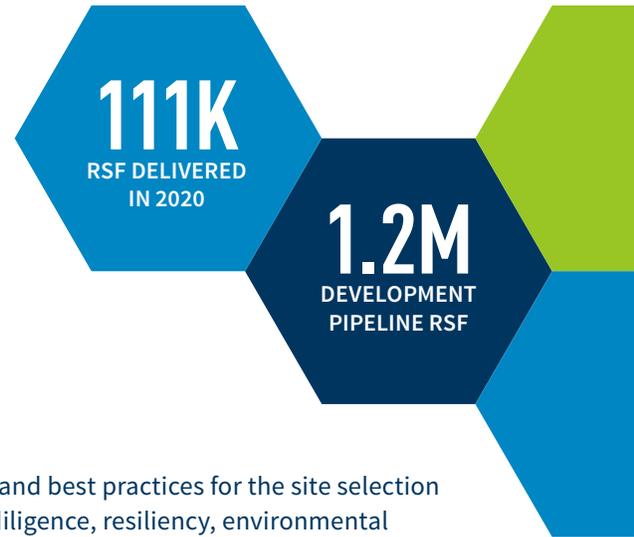
WATER SAVINGS  
SINCE  
ACQUISITION

~\$1M

ANNUAL UTILITY  
SAVINGS



# NEW DEVELOPMENTS



We integrate environmental sustainability and health and well-being strategies into the design and construction of all new office developments and renovation projects. Since 2013, all new office developments have achieved LEED certification. Designing spaces to promote health and well-being is also becoming increasingly important to our stakeholders due to the health benefits and the strong business case for increasing employee productivity and retention. In response, we are currently evaluating Fitwel certification for future development projects in the pipeline.

We have a company-wide ESG Policy for new developments that includes strategies to mitigate our environmental impacts and address the changing needs of our customers and community. The policy includes

requirements and best practices for the site selection process, due diligence, resiliency, environmental performance, building certifications, health and well-being outcomes and stakeholder engagement. Developing high quality, resilient and adaptable workplaces ensure the long-term financial sustainability of our properties as market conditions change.

At the community level, we participate in public forums and BIDs to gather valuable feedback from local constituents. Through an inclusive development process and responsive design, we strive to make our communities a better place to live and work.

In 2020, we delivered Virginia Springs II in Nashville, TN, targeting LEED certification.



Virginia Springs II | Nashville

# SOCIAL

*Since 2008, Highwoods has made annual donations to Homes For Our Troops. These donations are used to provide mortgage-free, specially-adapted, custom homes for injured veterans. Our latest donation helped build a home for Corporal Joseph Woodke (USMC) of Franklin, TN.*

## SOCIAL POLICIES

- Human rights
- Customer satisfaction
- Employee engagement
- Employee health & well-being
- Health & safety
- Diversity & inclusion
- Labor standards & working conditions
- Vendor code of conduct
- Employee volunteer program



# PRIORITIZING HEALTHY WORKPLACES



Our customers and coworkers are at the center of everything we do. We are committed to prioritizing their health and well-being by deploying science-based design and operational strategies and proactively planning for unprecedented events, like the COVID-19 pandemic.

In the early stages of the pandemic, we implemented a robust COVID-19 Response Plan (see Page 5 for additional detail) that incorporated local and state restrictions, CDC and WHO guidance and extensive stakeholder engagement and training. We expanded our Indoor Air Quality Policy to maximize the introduction of fresh outside air, utilize higher efficiency filtration, maintain optimal humidity levels and increase air exchanges. To promote physical distancing and sanitation best practices, we implemented occupancy restrictions, enhanced green cleaning protocols, an educational signage program and restricted access to common areas. We are very proud of

our coworkers for rising to the occasion and prioritizing the safety and well-being of our customers and each other.

To promote health and well-being in new development and renovation projects, we incorporate amenities and design elements that encourage activity and connections with the outdoors, healthy eating and collaboration. Many of our properties include *Velocity by Highwoods Properties* fitness centers and *Take 5 by Highwoods Properties* cafés that provide healthy food options. *The Verve by Highwoods Properties*, our on-site shared workplaces, offers the opportunity for people to connect, collaborate and refresh in a creative setting outside of traditional office space. To encourage activity throughout the day, we connect our properties with outdoor trail systems and other natural amenities whenever possible. Additionally, many of our properties are located in BBDs with rich amenities and strong connections to our local communities.



# SUPPORTING HEALTHY LIFESTYLES

When our coworkers thrive, Highwoods thrives. Providing the resources we need to lead healthy and productive lives is essential to our personal and professional success, and the success of our organization. We have established Wellness Committees in each division and continue to expand our HIW Wellbeing (Healthy, Happy, Prosperous) program to promote physical, emotional and financial well-being. Program initiatives include yoga classes, massages, fitness challenges, mobile wellness exams, blood drives and lunch and learn classes on topics like cardiac health, mental health and healthy cooking.

We are proud to offer a competitive benefits package to support the health and well-being of our coworkers and their families. The benefits were designed to promote work-life balance, enhance quality of life and support our coworkers in achieving their personal and professional goals.

## SELECT COWORKER BENEFITS

- Employee Assistance Program
- Paid vacations, holidays and sick days
- Maternity and paternity leave
- Family, medical, personal, bereavement and military leave
- Paid time off for volunteering
- 401(k) plan
- Employee Stock Purchase Plan (ESPP)
- Comprehensive medical coverage
- Health Savings Accounts (HSAs)
- Flexible Spending Accounts (FSAs)
- Short- and long-term disability insurance
- Employee referral rewards
- Lactation support
- Annual flu shot program
- Educational assistance
- Computer equipment purchase program
- Service awards

**HIW WELLBEING**  
HAPPY PROSPEROUS HEALTHY

## Feel Good Fall Challenge

READY FOR SOME HEALTHY COMPETITION WITH YOUR COWORKERS?



We're excited to present the *Feel Good Fall Challenge*, a company-wide team-based program that promotes fun competition among participants.

Connect with your coworkers by joining a team and logging your activities to earn points. Prizes will be awarded based on total team points.

*Six-week Challenge*  
October 12<sup>th</sup> – November 20<sup>th</sup>

**HERE'S WHY YOU SHOULD JOIN**

- Increased physical activity has been shown to reduce stress and improve overall health
- Friendly competition means you're more likely to get and stay active
- Participating on a team with coworkers can bring a sense of community and connectedness even while we are physically apart from each other

**HERE'S HOW IT WORKS**

- Log your activity minutes on the challenge app or website, or sync your wearable device to track your minutes automatically
- Chat with and cheer on your teammates through the interactive message board
- Earn prizes based on the points you and your team accumulate from activity minutes

**PLEASE REPLY TO THIS EMAIL BY WEDNESDAY, SEPTEMBER 23<sup>rd</sup> TO LET ME KNOW YOU'RE INTERESTED IN PARTICIPATING.**



*The six-week Feel Good Fall Challenge resulted in 134 coworkers competing, 294,738 minutes logged and 6,505 activities logged.*

# DIVERSITY & INCLUSION

Our people are our most important trophy asset. Every coworker plays a fundamental role in achieving our organizational goals and the value we create for our customers, investors and communities. We strive to foster a diverse culture and inclusiveness, creating workplaces where all can succeed and thrive regardless of race, color, religion, sex, sexual orientation, gender identity, national origin, disability or protected veteran status. This commitment extends beyond our walls where we support initiatives that promote vibrant communities where all are welcome.

In 2020, we launched the Heart of Highwoods program to support diversity and inclusion (D&I) initiatives within our organization and communities. Organized into three focus areas – industry, community and workforce – the program is led by our Diversity and Inclusion Group (DIG) comprised of coworkers from across our organization. Through monthly group meetings and quarterly advisory sessions with our executive team, the DIG is tasked with researching and recommending initiatives that promote diversity and inclusion within our workforce, community and industry.

## THE HEART OF HIGHWOODS

Supporting Diversity and Inclusion in our Communities

### HEART OF HIGHWOODS RECENT D&I INITIATIVES



#### INDUSTRY

- Supplier Diversity Program
- University of North Carolina Real Estate Diversity Initiative (REDI) program



#### COMMUNITY

- Highwoods Helps community service program
- Volunteer time off (VTO) program
- Designating Martin Luther King (MLK) Day a paid holiday



#### WORKFORCE

- Listening sessions
- Unconscious bias and anti-harassment training
- Diversity and Inclusion group

# COWORKER EMPOWERMENT

The success of our business is directly tied to the well-being, talent, drive and entrepreneurial spirit of our coworkers. We strive to foster a safe and supportive workplace where our coworkers take ownership of their contributions and feel empowered to achieve their professional goals. To encourage coworker growth and innovation, we maintain a performance-based compensation program, an open-door policy and a transparent decision-making process for promotions. We reimburse our coworkers for professional development opportunities, consider individual requests for tuition reimbursement and support internships and mentorships that provide the opportunity to learn, grow and build valuable relationships. Further, we provide leadership and management training to support long-term career growth.

Our comprehensive benefits package includes a variety of health, well-being and financial resources designed to promote a healthy work-life balance and enhance quality of life.

## EMPLOYEE BENEFITS

### HEALTH & WELL-BEING

- Medical, dental and vision coverage
- Accident insurance
- Health savings and flexible spending accounts
- Short- and long-term disability insurance
- Paid vacations, holidays and volunteer time
- Paid parental, personal, family and military leave
- Workers' compensation
- Employee Assistance Program

### FINANCIAL

- Financial planning assistance
- 401(k) and employer match
- Employee Stock Purchase Program (ESPP)
- Educational assistance
- Salary continuation
- Employee referral rewards



# COMMITMENT TO OUR CUSTOMERS

As a fully-integrated REIT that provides in-house leasing, management, maintenance and customer service, we are well positioned to anticipate and respond to the changing needs of our customers. We view customer service as a team sport and take great pride in our responsiveness and best-in-class service. Our property teams establish and maintain long-term relationships with our customers by meeting with customers regularly, organizing customer appreciation events and facilitating a variety of educational and training events focused on health, well-being and emergency response. Through the distribution of annual customer satisfaction surveys, we gather valuable feedback to ensure we are continuously improving the customer experience.

To promote customer health & well-being, we incorporate amenities and design elements that encourage activity and connections with the outdoors, healthy eating and collaboration. Many of our properties include Highwoods

Properties branded *Velocity* fitness centers, *Take 5* cafés, and *Verve* collaborative workspaces. We regularly organize customer health and well-being events including yoga, health fairs and walking challenges. Whenever possible, we connect our properties with outdoor trail systems and other natural amenities to encourage activity throughout the day.

We invest strategically in our properties to reduce environmental impacts and enhance the customer experience. In many of our properties, we have installed high-efficiency LED lighting and controls, touchless low-flow faucets, water bottle filling stations, bike storage facilities and electric car charging stations. In partnership with our customers, we utilize green lease language to promote sustainability initiatives, encourage behavioral change and reduce operating costs, ultimately creating healthier and more productive workspaces for our customers.



*Customers in Nashville's 100 Winner Circle were treated to a customer appreciation event to inform them of the upcoming renovations being made to the lobby.*

# HEART OF HIGHWOODS



While commercial real estate development and operations is our primary business, we take great pride in being good stewards of the communities where we live, work and serve. We are guided by a strong value system steeped in the spirit of service, extending well beyond the walls of our buildings to strengthen and enrich our communities. If the communities in which we operate flourish, so will we.

As part of the Heart of Highwoods program, we expanded our Highwoods Helps community service initiative to provide our coworkers additional opportunities to make a difference in the lives of others. In 2020, we supported numerous community organizations focused on COVID-19 relief, job creation, veterans and basic essential needs. We instituted a volunteer time off (VTO) program that provides

all full-time coworkers eight hours of paid time off annually for volunteering in their community. Martin Luther King (MLK) day is a paid holiday to encourage our coworkers to improve the lives of others through community service.

Our support for charitable and community activities is done with the sole intention of making our communities better places to live and work. As a REIT, Highwoods generally does not receive tax benefits from charitable giving.

## THE HEART OF HIGHWOODS



Oak City Cares donation | Raleigh



Keep Tampa Bay Beautiful Initiative | Tampa

# SUPPORTING OUR COMMUNITIES

## SOME OF THE ORGANIZATIONS HIGHWOODS SUPPORTED IN 2020 INCLUDE:

American Red Cross  
Animal Friends  
Autism Society of Central VA  
Boy Scouts of America  
Blue Ridge Alliance  
Carolina Small Business Development Fund  
Community Food Bank (various locations)  
CREW  
Cristo Rey High School  
Cystic Fibrosis Foundation  
Diabetes Sisters  
Discovery Place  
Dix Park Conservancy  
Dress For Success  
First Tee – Triangle  
Franklin Tomorrow  
GRACRE  
Habitat for Humanity  
Hands on Nashville  
Harvest Food Bank  
Haven House  
Healing Transitions  
Henrico Christmas Mother  
Homes for Our Troops  
Kiwanis Club  
Leukemia & Lymphoma Society  
Marbles Museum  
Meals On Wheels  
Metropolitan Ministries  
Murrell School for Metro Nashville  
NAIOP Sponsored Charitable Events (various locations)  
NC Museum of Art  
NC Museum of History  
NC Symphony  
NC Theatre  
Neighbor to Neighbor  
Oak City Cares  
One Tampa  
Raleigh Parks and Rec  
Safe Haven  
Salvation Army  
Saving Grace  
Southeastern Guide Dogs  
St. Andrews School

St. Baldrick's Foundation  
St. Joseph's Villa  
St. Jude Children's Research Hospital  
Step Up Ministry  
Transformation Life Center  
Transitions Life Care  
Triangle Family Services  
Wake County Women's Center  
WakeMed  
The Wide Open Charitable Foundation  
Wreaths Across America  
YMCA



NAIOP GA Food and Fund Drive | Atlanta

# GOVERNANCE

## GOVERNANCE HIGHLIGHTS

- Experienced and diverse Board of Directors
- Commitment to transparency
- Stakeholder-aligned compensation philosophy
- Focus on simplicity
- Favorable stockholder rights
- Strong ethical practices
- Long-term strategic planning

# LEADERSHIP

Highwoods Properties is led by Ted Klinck, President and Chief Executive Officer. The Company is governed by a Board of Directors that currently consists of nine directors, eight of whom meet the independent requirements of the New York Stock Exchange (NYSE). The CEO routinely updates our Board on our business operations and ESG initiatives and leads our Corporate Responsibility Committee. The Board oversees our management team's overall processes to identify and mitigate enterprise risks and capitalize on strategic opportunities. These objectives are supported by several committees overseen by the Board, including the Compensation and Governance, Audit, Investment and Executive Committees.

The principal responsibility of our Board is to exercise their business judgment to act in what they reasonably believe to be in the best interests of our Company and our stockholders. They believe that establishing an appropriate "tone at the top" and candid and constructive conversation between management and the Board are essential for effective risk management and oversight. The Board oversees our Company's overall strategic planning process, including the implementation and effectiveness of our Strategic Plan and ESG initiatives. As part of this process, the Board regularly evaluates internal and external risks that could impact the achievement of our strategic goals and adversely affect the long-term outlook for our stockholders.



# GOVERNANCE AT-A-GLANCE

## HIGHWOODS IS COMMITTED TO FOLLOWING BEST PRACTICES IN ITS CORPORATE GOVERNANCE

- Directors serve one-year terms
- Majority vote director resignation policy
- Vigorous cash and equity clawback policy
- No employment contracts
- Double trigger change-in-control contracts
- No poison pill
- 88% independent directors, 50% female or person of color
- Shareholders can amend bylaws
- Two financial experts on audit committee
- Shareholder-aligned compensation philosophy
- Anti-hedging and anti-pledging policy
- No related party transactions
- Simple corporate structure



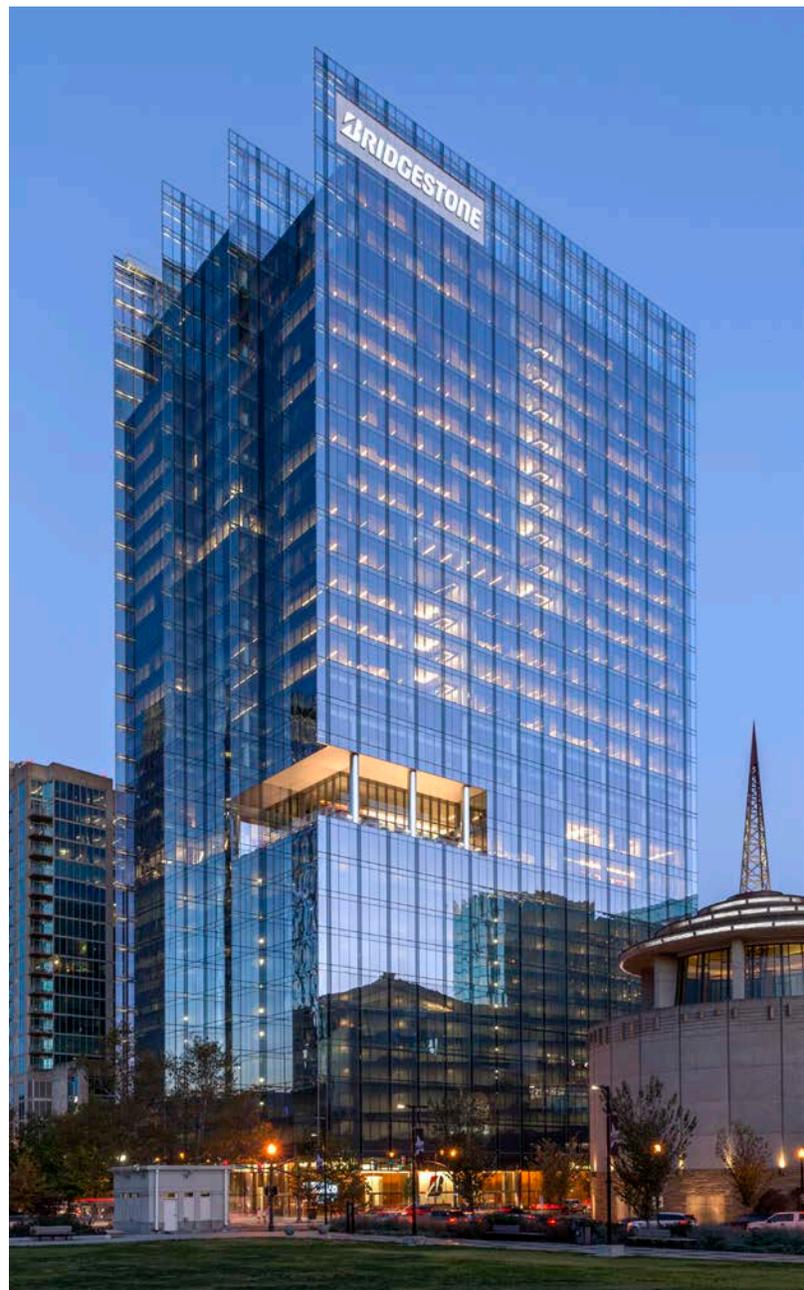
# STRATEGIC PLAN



From owning and caring for 28.4 million square feet of space and the 1450+ customers served by our 360 customer-focused coworkers – everything we do is guided by the tenets of our Strategic Plan. First established in 2005, our Strategic Plan is designed to maximize long-term shareholder value by focusing on four core tenets: people, portfolio, balance sheet and communication. Over the past 10 years, we have completed over \$6 billion of capital recycling and new developments and have delivered an annualized total return to our shareholders of approximately 6.9%.

## OUR OVERALL STRATEGY:

- We are in the work-placemaking business.
- We will own, operate, create and develop the most talent-supportive environments in the Best Business Districts of our markets.
- We will have a resilient portfolio positioned to outperform throughout all business cycles.
- We will conduct our business in a manner that contributes to positive economic, social and environmental outcomes for our stockholders, our employees, our customers and the communities in which we work.
- Our goal is to create long-term value for all of our stakeholders.
- We believe our people, our portfolio and our balance sheet are the means by which we can achieve our goal and are core to our ability to communicate our company's value proposition.



*Bridgestone Tower | Nashville, TN*

# CORPORATE RESPONSIBILITY COMMITTEE



Fully supported by our Executive Team and Board of Directors, our Corporate Responsibility Committee (CRC) is charged with implementing our ESG strategy, driving performance improvements across our portfolio and reporting progress and results to our stakeholders. Comprised of a diverse group of disciplines, our CRC organizes periodic internal meetings and presentations to communicate our ESG objectives and engage our coworkers, our Board, our customers, our vendors and our stakeholders. The CRC continues to push the envelope on sustainable building design and operations through partnerships with our architects, engineers, customers, coworkers, local utilities and vendors. To leverage their broad experience and market knowledge, our CRC meets with our Executive Team monthly and reports to our Board quarterly. This ensures top-down support and that we are advancing ESG initiatives that are material to our stakeholders and our long-term success.

## CORPORATE RESPONSIBILITY COMMITTEE GOALS

1

Continuously refine Highwoods ESG strategy with input from the Executive Team

2

Set and track progress towards achieving goals

3

Closely monitor environmental performance across the portfolio and provide internal updates and feedback

4

Increase awareness of Highwoods ESG initiatives both internally and externally

6

Assess and execute new technologies and strategies that improve the environmental and financial performance of Highwoods

8

Verify company information is disclosed in ESG frameworks and pursue new reporting opportunities that are material to investors

5

Promote sustainability best practices across the portfolio

7

Develop the annual Corporate Responsibility Report and support ESG benchmarks and other investor disclosures

# ETHICS & INTEGRITY

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We are committed to corporate governance practices that promote honesty, accountability, transparency, integrity and an ethical work environment. Our board believes that setting the tone at the top with a strong governance structure is critical to our long-term success. We are guided by Corporate Governance Guidelines and a Code of Business Conduct and Ethics applicable to all directors, officers and coworkers. Similarly, all vendors are required to comply with our Vendor Code of Conduct. To ensure greater transparency and preserve the trust of our stakeholders, our governance guidelines and codes are disclosed in the “Governance” section of our website.

As a condition of employment, we require all coworkers to understand and comply with our Code of Business Conduct and Ethics and complete an annual conflict of interest questionnaire, which is then reviewed by our Compensation and Governance Committee. All coworkers receive regular training on numerous topics to ensure that our Company adheres to high ethical standards. We have an open-door policy to encourage our coworkers to disclose any issues concerning regulatory compliance, accounting, audit or internal control issues, and we maintain an ethics hotline via [ethicspoint.com](http://ethicspoint.com) for anonymous disclosures. All reported ethical concerns are promptly reviewed and addressed by our legal team and, if applicable, a committee of our Board.



*Bank of America Tower at Legacy Union | Charlotte, NC*

# INVESTOR ENGAGEMENT

We maintain an ongoing dialogue with our investors through a variety of engagement strategies to better understand their priorities and what drives their investment decisions. Throughout the year, members of our Executive Team participate in investor events, conferences, property tours, meetings and calls. We invite key investors and industry analysts to participate in informal sessions with our Executive Team and Board to discuss our performance and strategic initiatives. In 2020, our Executive Team participated in over 200 calls and meetings with investors and attended nine investor conferences.

In support of our ESG planning process, we seek valuable feedback from our investors through our Materiality and Investor Perception Surveys. We report our financial performance through quarterly and annual SEC filings and host regular quarterly earnings calls with our investors and other interested stakeholders. Furthering our efforts to promote transparency, we participate in various third-party ESG reporting frameworks, including GRESB, MSCI, ISS Quality Score and Sustainalytics.



G R E S B<sup>®</sup>



ISS QualityScore



Brian Leary presenting at the Raleigh Chamber Launch 2020 annual event.



Dan Woodward presenting at the 2020 Westshore Alliance annual meeting in Tampa.

# PARTNERSHIPS

We leverage our strategic partnerships and involvement in industry organizations to advance our ESG initiatives and thought leadership. Our Executive Team engages with key industry organizations through conference presentations, committee participation and industry roundtables. We encourage our coworkers to actively participate in industry organizations and take advantage of their valuable professional development opportunities, including the pursuit of industry accreditations. To validate the environmental performance of our assets, we partner with ENERGY STAR and LEED to obtain asset-level green building certifications for eligible properties.



# ENERGY STAR CERTIFICATIONS



## BUILDING NAME

## CERTIFICATION YEAR

10 GLENLAKE SOUTH	2012, 2014, 2016, 2017, 2018, 2019, 2020
11800 WESTON PKWY	2019, 2020
1825 CENTURY CENTER	2009, 2010, 2011, 2012, 2013, 2014, 2016, 2017, 2018, 2019, 2020
2400 CENTURY CENTER	2009, 2010, 2011, 2013, 2014, 2016, 2017, 2018, 2019, 2020
2500 CENTURY CENTER (CDC)	2009, 2010, 2011, 2012, 2014, 2016, 2017, 2018, 2019, 2020
2635 CENTURY PARKWAY	2009, 2010, 2011, 2012, 2020
2800 CENTURY PARKWAY	2014, 2016, 2017, 2018, 2019, 2020
300 SOUTH ORANGE	2009, 2016, 2017, 2018, 2019, 2020
3322 WEST END	2008, 2009, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020
3401 WEST END	2008, 2009, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020
3600 GLENWOOD AVENUE	2008, 2012, 2014, 2015, 2017, 2018, 2019, 2020
3737 GLENWOOD AVENUE	2014, 2017, 2018, 2019, 2020
4800 NORTH PARK	2008, 2009, 2011, 2012, 2013, 2014, 2015, 2017, 2018, 2019, 2020
50 GLENLAKE	2010, 2011, 2012, 2013, 2014, 2017, 2018, 2019, 2020
5000 NORTH PARK	2008, 2009, 2011, 2012, 2013, 2014, 2015, 2017, 2018, 2019, 2020
5310 MARYLAND WAY	2010, 2017, 2018, 2019, 2020
701 CORPORATE CENTER	2017, 2018, 2020
7029 ALBERT PICK ROAD	2010, 2011, 2012, 2013, 2014, 2017, 2018, 2019, 2020
751 CORPORATE CENTER	2019, 2020
801 CORPORATE CENTER	2011, 2012, 2014, 2017, 2018, 2019, 2020
BLUE RIDGE I	2018, 2019, 2020
CAPITAL PLAZA I	2010, 2011, 2012, 2014, 2016, 2017, 2018, 2019, 2020
CENTREGREEN FIVE	2011, 2012, 2014, 2017, 2018, 2019, 2020
CENTREGREEN FOUR	2019, 2020
CENTREGREEN ONE	2011, 2012, 2018, 2019, 2020
CENTREGREEN THREE	2018, 2019, 2020
CENTREGREEN TWO	2009, 2010, 2011, 2012, 2014, 2018, 2020
CENTURY PLAZA I	2011, 2012, 2018, 2019, 2020
CHARTER SQUARE	2018, 2019, 2020
COOL SPRINGS IV	2011, 2014, 2017, 2018, 2019, 2020
EQT PLAZA	2014, 2016, 2017, 2018, 2019, 2020
FAA	2012, 2013, 2014, 2017, 2018, 2019, 2020
FIVE PPG	2013, 2014, 2016, 2017, 2018, 2019, 2020
FORUM I	2011, 2012, 2014, 2015, 2017, 2018, 2019, 2020
FORUM II	2011, 2012, 2014, 2015, 2018, 2019, 2020
FORUM III	2017, 2018, 2019, 2020
FORUM IV	2020
GLENLAKE FIVE	2016, 2017, 2018, 2019, 2020
GLENLAKE FOUR	2008, 2009, 2010, 2012, 2013, 2014, 2016, 2017, 2018, 2019, 2020

# ENERGY STAR CERTIFICATIONS

BUILDING NAME	CERTIFICATION YEAR
GLENLAKE ONE	2009, 2010, 2011, 2012, 2014, 2015, 2016, 2017, 2018, 2019, 2020
GLENLAKE SIX	2011, 2012, 2014, 2015, 2016, 2017, 2018, 2019, 2020
HIGHWOODS BAY CENTER I	2010, 2011, 2012, 2013, 2014, 2016, 2017, 2018, 2019, 2020
HIGHWOODS FIVE	2017, 2018, 2020
HIGHWOODS ONE	2020
HIGHWOODS PLAZA I	2020
HIGHWOODS THREE	2018, 2019, 2020
HORIZON	2014, 2017, 2018, 2019, 2020
LAKEPOINTE ONE	2011, 2012, 2013, 2015, 2016, 2017, 2018, 2019, 2020
LAKEPOINTE TWO	2011, 2012, 2016, 2017, 2018, 2019, 2020
LANDMARK CENTER ONE	2010, 2011, 2012, 2013, 2014, 2017, 2018, 2019, 2020
LANDMARK CENTER TWO	2010, 2011, 2012, 2017, 2018, 2020
MONARCH TOWER	2002, 2009, 2014, 2015, 2016, 2017, 2018, 2020
NORTH SHORE COMMONS I	2014, 2017, 2020
ONE CITY PLAZA	2016, 2017, 2018, 2019, 2020
ONE HARBOUR PLACE	2014, 2016, 2017, 2018, 2019, 2020
ONE PPG	2014, 2016, 2017, 2018, 2020
RIVERWOOD 100	2008, 2009, 2010, 2011, 2016, 2017, 2018, 2019, 2020
RIVERWOOD 200	2018, 2019, 2020
SEASIDE PLAZA	2009, 2014, 2015, 2016, 2017, 2018, 2019, 2020
SEVEN SPRINGS I	2009, 2010, 2012, 2013, 2014, 2016, 2017, 2018, 2019, 2020
SEVEN SPRINGS II	2020
SIX FORKS CENTER II	2013, 2014, 2016, 2017, 2018, 2019, 2020
SIX FORKS CENTER III	2013, 2014, 2015, 2017, 2018, 2019, 2020
SIX PPG	2014, 2016, 2017, 2018, 2019, 2020
SMOKETREE TOWER	2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020
SOUTHPOINTE	2010, 2012, 2013, 2014, 2016, 2017, 2018, 2019, 2020
SPECTRUM	2020
STONY POINT I	2012, 2013, 2014, 2017, 2018, 2019, 2020
STONY POINT II	2011, 2012, 2013, 2014, 2017, 2018, 2019, 2020
SYCAMORE	2011, 2012, 2013, 2014, 2017, 2018, 2019, 2020
TOWER PLACE	2012, 2013, 2014, 2016, 2017, 2018, 2019, 2020
TRUIST PLACE	2010, 2011, 2014, 2015, 2017, 2018, 2020
TWO ALLIANCE CENTER	2012, 2014, 2016, 2017, 2018, 2019, 2020
VIRGINIA SPRINGS I	2020
WESTWOOD SOUTH	2018, 2019, 2020



# 2020 ENVIRONMENTAL PERFORMANCE

## LIKE-FOR-LIKE

DIRECTLY MANAGED ASSETS	vs 2019			vs 2016		
	Year Ending Dec 2018	Year Ending Dec 2019	1-Year % Change	Year Ending Dec 2016	Year Ending Dec 2020	1-Year % Change
Number of Properties	151	151	----	145	145	----
Property RSF	23,264,794		----	22,123,098		
<b>ENERGY</b>						
Site Energy Use (kWh)	405,482,813	344,008,471	-15.2%	437,482,224	329,753,364	-24.6%
Average Site EUI (kWh/RSF)	17.4	14.8		19.8	14.9	
<b>GHG EMISSIONS</b>						
Scope 1 Direct (tonnes)	2,440	2,024	-17.0%	2,272	2,024	-10.9%
Scope 2 Indirect (tonnes)	166,346	139,468	-16.2%	179,694	133,401	-25.8%
<b>WATER</b>						
Water Consumption (kgal)	406,233	290,208	-28.6%	457,623	282,447	-38.3%
Average WUI (gal/RSF)	17.5	12.5		20.7	12.8	

\*Scope 1 emissions: All direct GHG emissions from owned and controlled sources that physically occur on-site (e.g., natural gas consumption of a boiler).

\*Scope 2 emissions: Indirect GHG emissions from purchased electricity, heat, steam or cooling that occur off-site (e.g., electric utility).

\*Portfolio performance reported from the 2016 and 2019 baselines for like-for-like properties includes those that were in operation during both the baseline and current periods.

\*Property groups adjusted annually due to acquisitions and dispositions.

\*Due to temporary reductions in energy and water usage resulting from reduced occupancy during the COVID-19 pandemic, 2026 goals achieved during 2020 will not be recognized, and 2026 targets will not be adjusted.

# GRI CONTENT INDEX

This report references the Global Reporting Initiative's (GRI) Sustainability Reporting Standards 2016. GRI is an independent global organization that provides a framework for businesses, governments and other organizations to communicate and report on material sustainability issues. Since the late 1990's, the GRI has transformed sustainability reporting from a niche strategy to global adoption. The following index references report content that corresponds to specific Disclosures of the GRI Standards 2016.

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<b>102: ORGANIZATIONAL PROFILE</b>		
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102-3	Location of headquarters	4
102-4	Location of operations	4
102-5	Ownership and legal form	4
102-6	Markets served	4
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<b>102: STRATEGY</b>		
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# CORPORATE RESPONSIBILITY REPORT 2020

 Highwoods®

METLIFE GLOBAL  
TECHNOLOGY CAMPUS  
CARY, NC