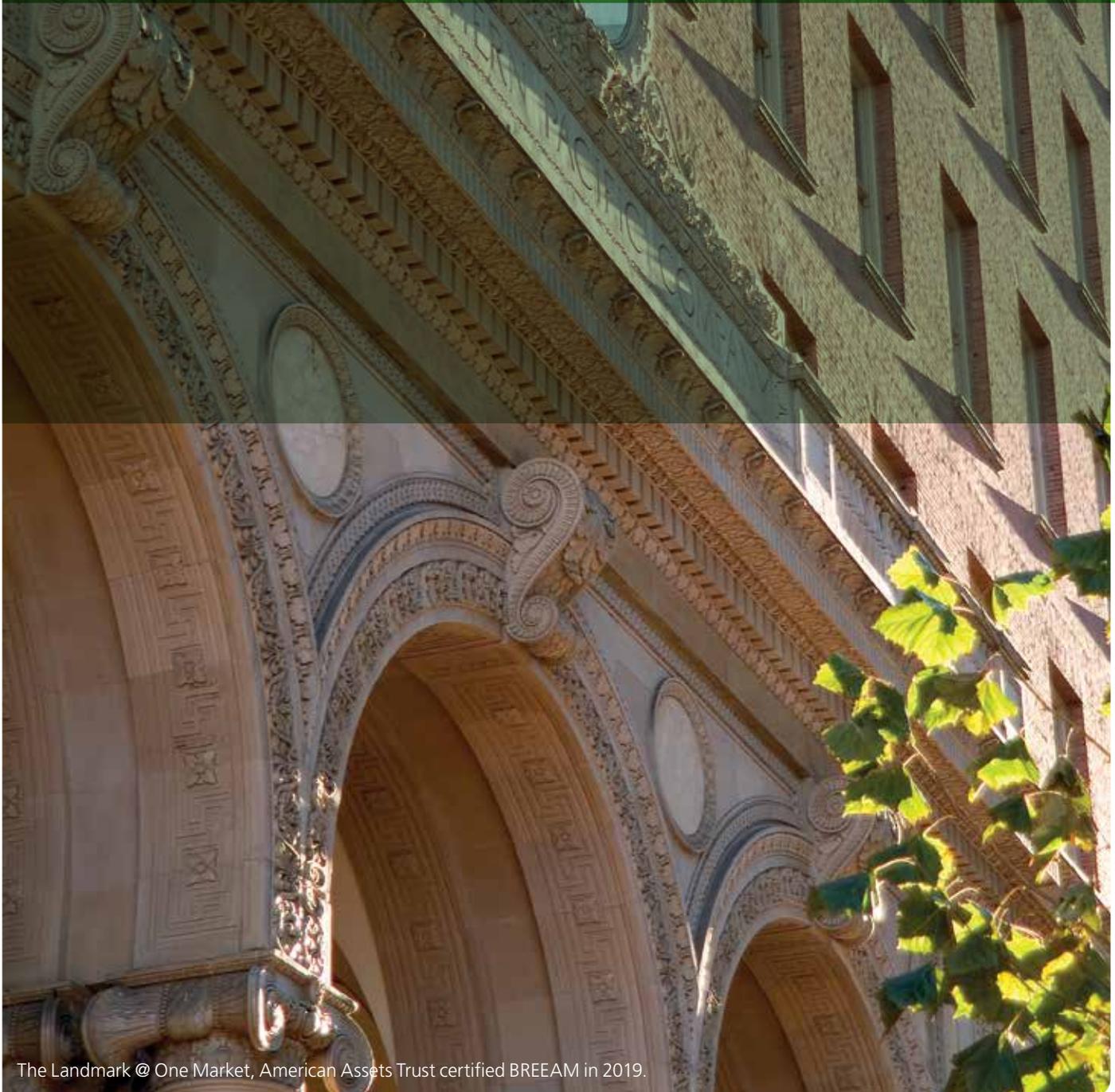


BREEAM USA In-Use

Benchmarking and assurance for existing Commercial and Residential assets



The Landmark @ One Market, American Assets Trust certified BREEAM in 2019.

Driving operational excellence in building performance

BREEAM In-Use is an online, international, environmental assessment methodology for independent, third-party assessment and certification of the operational performance of residential and commercial buildings. BREEAM In-Use enables property investors, owners, managers and occupiers to drive sustainable improvements through operational efficiency and effective management.

BREEAM In-Use is developed and operated by the Building Research Establishment (BRE), a world leading building science center. It has been used to certify thousands of assets in over 30 countries since its creation in 2009.

Value of BREEAM In-Use

Lower running costs

BREEAM In-Use identifies ways to continuously improve efficiencies through monitoring, evaluation and setting performance targets that are assessed against tangible benchmarks.

Increased asset value and recognition

Improved asset performance mean that BREEAM-certified buildings support lower vacancy rates, higher rental premiums¹ and provide a reputable and meaningful route to Environmental Social Governance (ESG)².

Improved health and wellbeing

High standards of internal environments, such as air quality and lighting, and the promotion of active, healthy lifestyles are recognized to improve well-being, productivity and satisfaction of people living or working in the asset.



Phipps Conservatory and Botanical Gardens, Pittsburgh PA, certified BREEAM Outstanding in 2020. Photo credit: Paul G. Wiegman



2840 Junction Avenue, one of 5 buildings at Montague Pointe in San Jose, CA, all of which certified with BREEAM in 2019.

Recognizing resilience

BREEAM In-Use considers an asset's exposure to a range of risks from climate change and other drivers including flooding, pollution, natural hazards and security.

Supporting a circular economy

BREEAM In-Use adopts circular economy concepts to rethink how resources are considered, from a linear 'take-make-waste' approach to a more efficient and circular approach towards waste and materials.

Leading the way to Net-Zero Carbon

Buildings today account for nearly 40% of annual global greenhouse gas emissions. Investors, governments and consumers are increasingly demanding assets demonstrate how they are reducing their energy consumption and transitioning to low-carbon/carbon-neutral operations.

BREEAM In-Use provides a pathway towards achieving operational Net-Zero Carbon and beyond, using an integrated energy tool to measure stepped performance that is based on robust research, development and many years of experience as a world-leading environmental assessment methodology.

Bridging the performance gap

Measuring and understanding the performance of buildings helps achieve designed levels of performance. BREEAM In-Use users can start planning improvements and encouraging positive change based on actual performance data, transforming modelled performance into actual performance.

1. JLL (2020) 'The impact of sustainability on value' research suggests an average premium of all BREEAM rated buildings above non-rated buildings is around 8%

2. GRESB (2018) 'GRESB and BREEAM partner to recognise responsible real estate investment': <https://gresb.com/gresb-breeam-partner-recognise-responsible-real-estate-investment/>

Sustainability benchmarking and assurance for all building types

BREEAM In-Use can be used to assess both commercial and residential buildings of many types from offices, retail, hospitals, entertainment, distribution, logistics and industrial to apartment blocks and housing.

This enables clients to assess the performance of their assets using a single standard no matter what property types they have, allowing for easy comparability of performance.

| | | | |
|---|---|---|---|
|  <p>Office</p> | <ul style="list-style-type: none"> - Open plan - Private offices - With amenities like cafeterias |  <p>Sports & leisure</p> | <ul style="list-style-type: none"> - Fitness clubs - Gyms - Ice rinks - Indoor swimming pools - Indoor water parks - Movie theaters |
|  <p>Education</p> | <ul style="list-style-type: none"> - Preschool - K-12 - University buildings - University labs |  <p>Hospitality</p> | <ul style="list-style-type: none"> - All types |
|  <p>Retail</p> | <ul style="list-style-type: none"> - Shopping malls - Supermarkets - Retail branches of financial institutions - Convenience stores |  <p>Airports</p> | <ul style="list-style-type: none"> - All space uses |
|  <p>Healthcare</p> | <ul style="list-style-type: none"> - Hospitals - Medical offices |  <p>Government buildings</p> | <ul style="list-style-type: none"> - Courts - Libraries - Police stations - Fire stations |
|  <p>Food sales & service</p> | <ul style="list-style-type: none"> - Bars - Restaurants |  <p>Supportive housing</p> | <ul style="list-style-type: none"> - Student housing - Transitional housing - Senior living |
|  <p>Industrial</p> | <ul style="list-style-type: none"> - Warehouse – distribution center - Factory office - General manufacturing - Light manufacturing |  <p>Residential</p> | <ul style="list-style-type: none"> - Multifamily - Single homes |
|  <p>Life sciences</p> | <ul style="list-style-type: none"> - Commercial laboratories – chemical, biological, etc. | | |



The Landmark @ One Market, San Francisco, CA, certified BREEAM in 2019.



Lord Green Strategies HQ, Dallas, TX, certified BREEAM in 2019.

Why BREEAM In-Use

Client flexibility balanced with rigor and credibility

The flexibility of the methodology allows for almost any building to be assessed regardless of age, type or industry sector.

Clients choose which aspects of performance they would like to measure and decide whether certification is appropriate for the asset.

Certification requires the submission of evidence to demonstrate performance and an on-site verification visit by a licensed Assessor.

Works at scale

Clients with large portfolios under management can implement and maintain assessments across their portfolios at scale using new volume strategies.

Focuses on performance outcomes

Progressive improvement of an asset's performance using tangible benchmarks to deliver improved asset value, occupant health and well-being and sustainable use of resources over time.



The Oaks, Thousand Oaks, CA, first certified BREEAM USA In-Use.



LORD Green Real Estate Strategies, Dallas TX, certified BREEAM in 2019.

Integrates health, wellbeing, environmental performance and financial value

BREEAM In-Use is the only environmental assessment method in the world to connect environmental performance, occupant health and well-being, resilience and financial value within one holistic methodology and online platform.

This integration allows for assets to understand how they are performing today while preparing to protect and grow asset value for tomorrow.

Cost-effective process that gives confidence

Low cost benchmarking allows asset owners and managers to understand performance and act to improve asset/portfolio value while reducing risk.

Accessible and transparent

The BREEAM USA In-Use standards are provided in full and at no cost to download from the BREEAM website, providing accessibility and transparency to all stakeholders and interested parties. The assessment questions are clear and concise and backed up with detailed technical guidance.

Trusted and world-leading

Active since 1990, BREEAM is the world's leading sustainability assessment method for buildings and communities, with more than 570,000 certificates issued and a global reach encompassing over 86 countries.

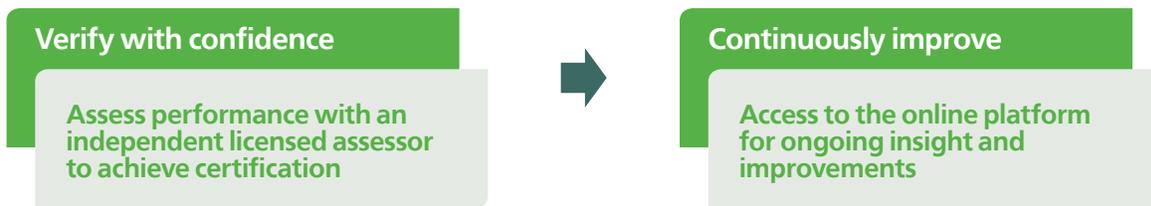
How it works

User-friendly and reliable process to understand performance and support continuous improvement

The BREEM In-Use assessment process operates through a simple online platform that is used to measure and evaluate the performance of assets and their management against the global leading standard for sustainability in a cost-effective and rigorous way:



Clients can then choose to verify their performance through certification to get the most value from the process. Independent verification provides confidence in the building's performance and ongoing online platform access supports continuous improvement.



A certified rating reflects the performance achieved by an asset measured against high standards of operational and environmental performance.

BREEM USA In-Use Certificate Summary

Asset Performance: 43% (Good)
Management Performance: 52% (Good)

Asset Performance Breakdown:

| Category | Score |
|--------------------|-------|
| Health & Wellbeing | 75 |
| Energy | 25 |
| Transport | 100 |
| Water | 63 |
| Resources | 27 |
| Resilience | 60 |
| Land Use & Ecology | 38 |
| Pollution | 35 |
| Exemplary | 35 |

Management Performance Breakdown:

| Category | Score |
|--------------------|-------|
| Management | 30 |
| Health & Wellbeing | 40 |
| Energy | 50 |
| Water | 50 |
| Resources | 70 |
| Resilience | 80 |
| Land Use & Ecology | 35 |
| Pollution | 70 |
| Exemplary | 75 |

The rating and overall performance can be monitored and updated over time to support continuous improvement for assets that consist of one building to whole portfolios.

Measure what matters

The BREEAM In-Use process assesses environmental performance in two Parts:

Part 1: Asset Performance

The performance of the physical building.

Part 2: Management Performance

The management practices in place to optimize the building's performance.

Each Part is independently assessed and scored against performance benchmarks to produce a BREEAM rating and outline areas for potential improvement against best practice. This allows clients to choose which aspect to measure depending on what they would find most valuable.

BREEAM In-Use assessment ratings

| Rating | Star Rating |
|-------------|-------------|
| Outstanding | ★★★★★★ |
| Excellent | ★★★★★ |
| Very Good | ★★★★ |
| Good | ★★★ |
| Pass | ★★ |
| Acceptable | ★ |

Certify performance

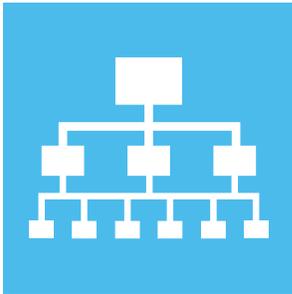
Certification is an assurance activity for asset performance. BREEAM In-Use certification requires evidence of performance as well as an on-site visit by a licensed BREEAM USA In-Use Assessor to verify performance. This gives stakeholders – investors, owners, managers, tenants – confidence in the asset's performance.



Energy Conservation Office @ The Rifle Range, UC Davis, Davis, CA, certified with BREEAM in 2019.

Leading the way across key performance indicators

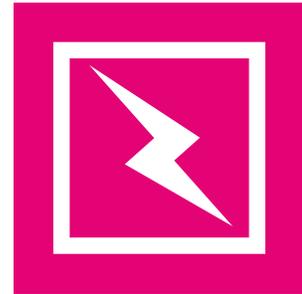
BREEAM ratings are scored against key environmental categories that provide a comprehensive assessment of what makes a high performing asset.



MANAGEMENT



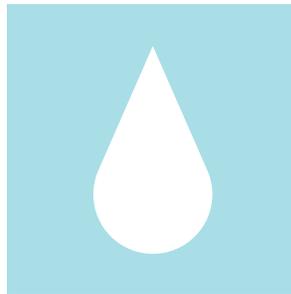
**HEALTH &
WELL-BEING**



ENERGY



TRANSPORT



WATER



RESOURCES



RESILIENCE



**LAND USE &
ECOLOGY**



POLLUTION

Each of these categories contains questions that address the most influential factors of the asset's impacts. The categories and weightings for each Part, along with the asset criteria, are published in the BREEAM USA In-Use Technical Manuals. A short summary of what BREEAM In-Use assesses and access to the full Technical Manuals are available to download for free from the BREEAM website:

www.breem.com/usa

Getting started

Visit our website to learn more about the processes and fees involved as well as useful resources to help you recognize and improve your buildings with BREEAM In-Use: www.breeam.com/usa

Register your project at breeaminuse.breeam.com to start measuring your building's performance and start working towards certification.

If you have any further questions, please contact us and we will be happy to help: breeaminuse@bregroup.com.

About BRE

BRE is an international, multi-disciplinary, building science organization with a mission to improve buildings and infrastructure through research and knowledge generation and their application.

BRE has been raising the standards of the built environment since 1921. Our multi-disciplinary teams include leading experts – working in world-class facilities – in virtually every element of the built environment. Our long heritage of putting progressive thinking into practice means that our customers and partners, wherever they are in the world, trust us to deliver. BRE is part of the BRE Trust, which uses the profits we make from our services to fund new research and education programs.

BRE Global

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