



G R E S B[®]

Global Real Estate
Sustainability Benchmark

HCP, Inc.

GRESB Survey 2015

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ASPECT CHECKLIST

OUTLIERS

The following outliers need to be explained before this survey can be submitted.

Performance Indicators » Healthcare » Energy Consumption

Q24.1 Row 18: The 2014 consumption/coverage area (0.000163 MWh/ft²) is unusually low for Healthcare. Please explain in comment box for outlier validation.

ENTITY AND REPORTING CHARACTERISTICS

Entity Characteristics

EC2

Nature of ownership

Listed entity

Please specify ISIN

US40414L1098

Non-listed entity

EC3

The reporting period is

Calendar year

Fiscal year

EC4

Is the organization a member of a real estate association?

Yes (multiple answers possible)

Asian Association for Investors in Non-listed Real Estate Vehicles (ANREV)

Asia Pacific Real Estate Association (APREA)

British Property Federation (BPF)

European Public Real Estate Association (EPRA)

European Association for Investors in Non-Listed Real Estate Vehicles (INREV)

Vereniging van Institutionele Beleggers in Vastgoed, Nederland (IVBN)

National Association of Real Estate Investment Trusts (NAREIT)

Pension Real Estate Association (PREA)

Real Property Association of Canada (REALpac)

No

ENTITY AND REPORTING CHARACTERISTICS

Reporting Characteristics

RC1

Values are reported in

United States Dollar USD

RC2

What was the gross asset value (GAV) of the entity at the end of the reporting period?

24256

RC3

Metrics are reported in

m2

sq. ft.

RC4

Did the entity have operating buildings during the reporting period?

Yes

Management of standing investments only

Management of standing investments and new construction and major renovation projects

No, new construction and major renovation projects only

RC5.1 (continued)

Property Type	% of GAV	Number of Assets	Floor Area		Units	% Indirectly Managed Assets
			ft ²	Floor Area Type		
Totals:						

Note: The table above defines the scope of your 2015 GRESB submission and should include the total portfolio

RC5.2

Provide additional context for the reporting boundaries (maximum 250 words)

Ms. Isaiu at GRESB confirmed via telephone on June 23, 2014, and again in 2015, that because HCP is a healthcare REIT, we should report all of our properties under the Healthcare Property Type. Accordingly, for 2015 all 1196 facilities are being reported under the Healthcare Property Type which includes the 411 reported buildings within our reporting boundary.

» Word count: 0 out of 250 words

RC6

Which countries are included in the entity's portfolio?

Country	% of GAV
United States	100
Total % GAV	

ENTITY AND REPORTING CHARACTERISTICS

New Construction & Major Renovations

RC-NC1

Describe the composition of the entity’s new construction projects during the reporting period:

Property Type	In progress at the end of reporting period			Completed during reporting period		
	Number of Assets	Gross Floor Area	GAV* in millions	Number of Assets	Gross Floor Area	GAV* in millions
Retail, High Street	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Retail, Shopping Center	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Retail, Warehouse	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Office	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Industrial, Distribution Warehouse	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Industrial, Manufacturing	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Hotel	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Healthcare	<input type="text" value="4"/>	<input type="text" value="666978"/>	<input type="text" value="54.3"/>	<input type="text" value="1"/>	<input type="text" value="115000"/>	<input type="text" value="20.6"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

* GAV either according to fair value or based on construction costs

RC-NC1 (continued)

Property Type	In progress at the end of reporting period			Completed during reporting period		
	Number of Assets	Gross Floor Area	GAV* in millions	Number of Assets	Gross Floor Area	GAV* in millions
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

* GAV either according to fair value or based on construction costs

RC-NC2

Describe the composition of the entity's major renovation projects during the reporting period:

Property Type	In progress at the end of reporting period			Completed during reporting period		
	Number of Assets	Gross Floor Area	GAV* in millions	Number of Assets	Gross Floor Area	GAV* in millions
Retail, High Street	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Retail, Shopping Center	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Retail, Warehouse	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Office	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Industrial, Distribution Warehouse	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Industrial, Manufacturing	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

* GAV either according to fair value or based on construction costs

RC-NC2 (continued)

Property Type	In progress at the end of reporting period			Completed during reporting period		
	Number of Assets	Gross Floor Area	GAV* in millions	Number of Assets	Gross Floor Area	GAV* in millions
Residential	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Hotel	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Healthcare	<input type="text" value="3"/>	<input type="text" value="269000"/>	<input type="text" value="64.8"/>	<input type="text" value="5"/>	<input type="text" value="298000"/>	<input type="text" value="115.1"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

* GAV either according to fair value or based on construction costs

RC-NC3

Which countries are included in the entity's portfolio of new construction and major renovation projects?

Country	% of GAV
United States	<input type="text" value="100"/>
Total % GAV	

MANAGEMENT

Sustainability Objectives

1.1

Does the entity have specific sustainability objectives?

 Yes

The objectives are

 Publicly available OnlineHyperlink Offline - separate document

Communicate the objectives (maximum 250 words)

Our environmental and social sustainability objectives for the short- and medium-term (1-5 years) are reviewed and updated annually. We set quantifiable environmental goals including annual 1-2% reduction targets for energy, GHG, water and waste, as well as for the attainment of ENERGY STAR certifications. We also set environmental strategic development goals for our sustainability reporting efforts, best practice initiatives for our tenants and operators, and greening our portfolio. In connection with our short- and medium-term social sustainability objectives, we set strategic development goals including employee engagement, learning and development, and community involvement.

We have also established environmental and social sustainability objectives for the long-term (5+ years) in connection with our ability to deliver strategy and create long-term value for our stakeholders. We set strategic development goals with respect to environmental issues such as energy and water use, as well as social issues including diversity and equal opportunity.

For a detailed discussion regarding our sustainability objectives, please refer to our Combined Annual + Sustainability Report (PDF pgs. 190, 197, 208), which is attached to this submission and is publicly available on our website at www.hcpi.com.

» Word count: 0 out of 250 words

 Not publicly available No

1.2

Does the entity incorporate its sustainability objectives in the overall business strategy?

Yes

Describe how the objectives are incorporated (maximum 250 words)

Our short- and medium-term sustainability objectives such as energy reduction targets and best practices initiatives, as well as our long-term sustainability objectives including our ability to deliver strategy and create long-term value, are directly linked to our overall business strategy to deliver value to our stakeholders. Each of the elements of our sustainability objectives contribute to the greater mission of value creation for the long-term. Sustainable and efficient buildings are critical to our financial health, and this concept is the direct link between our sustainability and financial objectives.

We continuously assess the benefits of integrating our sustainability objectives with our financial objectives. In terms of further alignment, this year, we produced our first Combined Annual + Sustainability Report, as our first step toward implementing an integrated reporting strategy.

» Word count: 0 out of 250 words

No

Not applicable

2

Does the organization have one or more persons responsible for implementing the sustainability objectives at entity level? (multiple answers possible)

Yes

Dedicated employee(s) for whom sustainability is the core responsibility

Employee(s) for whom sustainability is among their responsibilities

Provide the details for the most senior of these employees

Name

Tom Klaritch

Job title

EVP - Medical Office Properties, and Chair of Sustainability Committee

E-mail (optional)

tklaritch@hcpi.com

LinkedIn profile (optional)

External consultants/manager

Other

No

MANAGEMENT

Sustainability Decision-Making

3

Does the organization have a sustainability taskforce or committee that is applicable to the entity?

Yes

Select the members of this taskforce or committee (multiple answers possible)

Board of Directors

Senior Management Team

Fund/portfolio managers

Asset managers

Property managers

External consultants

Name of the organization

Other

No

4

Does the entity have a senior decision-maker dedicated to sustainability?

Yes

The individual is part of

Board of Directors

Senior Management Team

Provide the details for the most senior decision-maker on sustainability issues

Name

Lauralee Martin

Job title

President and CEO

E-mail (optional)

LinkedIn profile (optional)

Investment Committee

Fund/portfolio managers

Asset managers

Property managers

Other

No

5

Does the entity have a formal process to inform the most senior decision-maker on sustainability performance of the entity?

Yes

Describe the process (maximum 250 words)

The processes we use to inform our CEO on sustainability performance include the following:
 Monthly Management Meetings – our CEO conducts monthly meetings with senior executive officers and the leaders of each of our healthcare segments. In addition to presenting a discussion regarding financial performance and operational information, each business leader (i.e., an executive vice president) reports on each sector’s sustainability initiatives (as applicable) and other practices that have occurred since the previous meeting.
 Board Meetings - Sustainability is a standing agenda item to update our Board, as well as our CEO as a member of our Board, each quarter regarding sustainability initiatives, environmental performance, and awards received.

» Word count: 0 out of 250 words

No

Not applicable

6

Does the organization include sustainability factors in the annual performance targets of the employees responsible for this entity?

Yes

Select the employees to whom these factors apply (multiple answers possible)

Board of Directors

Senior Management Team

Acquisitions team

Client services team

- Fund/portfolio managers
- Asset managers
- Property managers
- All employees
- Other

No

POLICY AND DISCLOSURE

Sustainability Disclosure

7.1

Does the organization disclose its sustainability performance?

Yes (multiple answers possible)

Section in Annual Report

Upload supporting evidence

[HCP 2014 Combined Annual + Sustainability Report.pdf](#)

Select the applicable reporting level

Entity

Investment manager

Group

Aligned with

Stand-alone sustainability report(s)

Upload supporting evidence

[HCP 2014 Combined Annual + Sustainability Report.pdf](#)

Select the applicable reporting level

Entity

Investment manager

Group

Aligned with

Integrated Report

Dedicated section on the corporate website

Provide the applicable hyperlink

Select the applicable reporting level

Entity

Investment manager

Group

Section in entity reporting to investors

Upload supporting evidence

[HCP 2014 and 4Q Supplemental Report.pdf](#)

OR

Document name AND

Supplemental Report

Publication date

12.31.14

Aligned with Other

Other selected. Please describe:

Best practices initiative

Other

Other selected. Please describe

Quarterly Earnings Releases

Upload supporting evidence

[HCP 2014 and 4Q Earnings Release.pdf](#)

Select the applicable reporting level

Entity

Investment manager

Group

Aligned with Other

Other selected. Please describe:

Best practices initiative

No

7.2

Is the organization's sustainability disclosure reviewed by an independent third party?

Yes

Select all applicable options (multiple answers possible, selections must match selections in Q7.1)

Section in Annual Report

Externally checked by

Deloitte & Touche

Externally verified by

Externally assured by

Stand-alone sustainability report

Externally checked by

Externally verified by

Externally assured by

PwC

using AA1000AS

Integrated Report

Section in entity reporting to investors

Other

No

Not applicable

POLICY AND DISCLOSURE

Sustainability Policies

8

Does the organization have a policy/policies in place, applicable to the entity level, that address(es) environmental issues?

Yes

Select all environmental issues included (multiple answers possible)

Energy consumption/management

GHG emissions/management

Water consumption/management

Waste management

Climate/climate change

Resilience

Other

Upload supporting evidence

[Q8 Supporting Documentation.pdf](#)

OR

Document name AND

Publication date

No

9

Does the organization have a policy/policies in place that address the entity's risks from exposure to bribery and corruption?

Yes

Upload supporting evidence

[Q9 Vendor Conduct Code \(PDF pg. 3\), Business Conduct Code \(PDF pg. 18\).pdf](#)

OR

Document name AND

Publication date

No

10

Does the organization have a stakeholder engagement policy in place that applies to the entity?

Yes

Select all stakeholders included (multiple answers possible)

Employees

Tenants/occupiers

Supply chain

Community

Investors/shareholders

Consumers

Government/local authorities

Investment partners

Other

Upload supporting evidence

[Q10 Stakeholder Engagement Policy \(pages from Combined Report and Proxy\).pdf](#)

OR

Document name AND

Publication date

No

11

Does the organization have an employee policy in place that applies to the employees responsible for this entity?

Yes

Select all issues included (multiple answers possible)

Diversity

Remuneration

Performance and career development

Health & safety

Cyber security

Other

Upload supporting evidence

[HCP Employee Handbook \(Revised Feb. 2013\).pdf](#)

OR

Document name AND

Publication date

No

RISKS AND OPPORTUNITIES

Bribery & Corruption

12

Does the organization assess the entity's risk of exposure to bribery and corruption?

Yes

Describe the process (maximum 250 words)

Our Internal Audit (IA) group, which reports its assessment findings to the Audit Committee of the Board of Directors, performs an annual fraud risk assessment at the entity level to prevent, identify, and detect types of fraud related to 1) corruption, bribery, kick-backs and self-dealings; 2) financial reporting; and 3) misappropriation of assets. Updates to the annual assessment may be performed periodically to address changes in operations and revisions to fraud risks identified during monitoring activities or anti-fraud programs. Our IA Group facilitates fraud risk discussions with management, and asks them to identify and evaluate risk factors or schemes that could enable fraud to occur. Management then assesses each identified scheme according to impact and likelihood, and also identifies mitigating controls and activities already in place to prevent or detect fraud. IA is then responsible for evaluating the potential for the occurrence of fraud, and also assessing how the organization manages fraud risk. As such, IA reviews management's identified fraud schemes and their related assessment of impact and likelihood. IA then assesses the adequacy of the identified anti-fraud controls and activities, and provides recommendations where additional mitigation activities could be added to strengthen the overall control environment.

» Word count: 0 out of 250 words

No

13

Does the organization have systems and procedures in place to facilitate effective implementation of the bribery and corruption policy in Q9 above? (refer to Q9 Policy & Disclosure Aspect)

Yes

Select all applicable options (multiple answers possible)

Whistle-blower mechanism

Investment due diligence process

Training related to bribery and corruption risks for employees (multiple answers possible)

When an employee joins the organization

Regular follow-ups

Other

Other selected. Please describe

Other systems in place include our Code of Conduct, our Vendor Code of Conduct and our Corporate Governance G

Upload supporting evidence

[Code of Business Conduct and Ethics Policy \(Amended 10.30.14\).pdf](#)

OR

Document name AND

Publication date

No

Not applicable

14

Is the organization involved in any legal cases regarding corrupt practices?

Yes

No

RISKS AND OPPORTUNITIES

Risk Assessments

15.1

Does the entity perform sustainability risk assessments as a standard part of its due diligence process for new acquisitions?

Yes

Select all issues included (multiple answers possible)

Energy efficiency

Water efficiency

GHG emissions

Building safety and materials

Transportation

Contamination

Natural hazards

Climate change

Socio-economic

Regulatory

Health, safety and well-being

Other

Upload supporting evidence

[Q15_1 Phase I Report Backup Doc1.pdf](#)

OR

Document name AND

Publication date

No

Not applicable

15.2

Has the entity performed sustainability risk assessments of its standing investments during the last three years?

Yes

Select all issues included (multiple answers possible)

GHG emissions

Building safety and materials

Transportation

Contamination

Natural hazards

Climate change

Socio-economic

Regulatory

Health, safety and well-being

Other

Describe how the outcomes of the sustainability risk assessments are used in order to mitigate the selected risks (maximum 250 words)

Risk Exposure. Our risk management procedures are integrated into multi-disciplinary company-wide risk management processes. Risks are identified and applied by the leaders of each of our business segments and our executive management, with findings presented to and reviewed by the Board quarterly. These assessments include a discussion of the potential impact, directional trend and likelihood of the risk, as well as a determination as to whether the risk is growing, stable or declining.

Mitigation. Regulatory changes are an identified risk driver requiring mitigation. For example, the enactment of more strict U.S. building efficiency codes and ratings similar to European building ratings would expose us to higher capital costs to purchase equipment that is more energy efficient. To mitigate such risks, we proactively retrofit our buildings to higher-than-required standards in advance of any newly mandated building codes. This enables us to schedule, implement and complete upgrades efficiently over an extended period of time, thus mitigating the risk of waiting to upgrade until new standards are enacted and having to complete those upgrades in the shorter period of time imposed by such new standards.

Monitoring. Our semi-annual Enterprise Risk Assessment survey assesses and monitors key business risks, including sustainability risks. As part of this process, our executive team reviews the top risks and potential risks and determines if any should be removed or added to the risk universe.

» Word count: 0 out of 250 words

No

Not applicable

RISKS AND OPPORTUNITIES

Energy Efficiency

16

Has the entity performed technical building assessments during the last four years to identify energy efficiency opportunities within the portfolio?

Yes

Select applicable options (multiple answers possible)

In-house assessment

>0%, <25% of the portfolio covered

≥25%, <50% of the portfolio covered

$\geq 50\%$, $< 75\%$ of the portfolio covered

$\geq 75\%$, $\leq 100\%$ of the portfolio covered

External assessment

Upload supporting evidence

[Green Budget Documentation GRESB Q 16.pdf](#)

OR

Document name AND

Publication date

No

Has the entity implemented measures during the last four years to improve the energy efficiency of the portfolio?

Yes

Describe the measures using the table below.

Measure	% portfolio covered during the last 4 years	% whole portfolio covered	Estimated savings (MWh)	Estimated ROI (%)	Scope
Lighting upgrades/replacements	0%, <25%	0%, <25%	4852	25	Whole building
Building energy management systems upgrades/replacements	0%, <25%	0%, <25%	7450	25	Whole building
Installation of high-efficiency equipment and appliances	0%, <25%	0%, <25%	4907	39	Whole building

No

Not applicable

RISKS AND OPPORTUNITIES

Water Efficiency

Has the entity implemented measures during the last four years to improve the water efficiency of the portfolio?

Yes

Describe the measures using the table below.

Measure	% portfolio covered during the last 4 years	% whole portfolio covered	Estimated savings (m ³)	Estimated ROI (%)	Scope
High-efficiency/dry fixtures	0%, <25%	0%, <25%	5657	27.9	Whole building
Drip/smart irrigation	0%, <25%	0%, <25%	22837	76.5	Whole building
Drought tolerant/low-water landscaping	0%, <25%	0%, <25%	5157	4.7	Whole building

No

Not applicable

RISKS AND OPPORTUNITIES

Environmental Fines & Penalties

19

Has the entity received any environmental fines and/or penalties?

Yes

No

MONITORING AND EMS

Environmental Management Systems

20.1

Does the organization have an Environmental Management System (EMS) that applies to the entity level?

Yes

Upload supporting evidence
[Q20.1 Supporting Documentation.pdf](#)

No

20.2

Is the Environmental Management System (EMS) in Q20.1 aligned with a standard and/or verified or certified by an independent third party?

Yes

No

Not applicable

MONITORING AND EMS

Data Management Systems

21.1

Does the organization have a data management system in place that applies to the entity level?

Yes

Percentage of whole portfolio covered by floor area

21.8

Select one of the following

Developed internally

Bespoke internal system developed by a third party

External system

Name of the system

ECOVA

Select the aspects included (multiple answers possible)

Energy consumption/management

GHG emissions/management

Water consumption/management

Waste streams/management

Refrigerants

Employee travel and transportation

Indoor environmental quality

Occupant comfort and satisfaction

Other

Upload supporting evidence

[ECOVA SSRS - Use-Cost Analysis \(Year over Year\) GRESB Q 21.1.pdf](#)

No

21.2

Is the data management system in Q21.1 aligned with a standard and/or verified or certified by an independent third party?

Yes

No

Not applicable

MONITORING AND EMS

Monitoring Consumption

22

Does the entity monitor the energy consumption of the portfolio?

Yes

Percentage of whole portfolio covered by floor area

37.2

Type of monitoring: (multiple answers possible)

Automatic meter readings

Percentage of the whole portfolio covered by floor area

14

Based on invoices

Percentage of the whole portfolio covered by floor area

Manual-visual readings

Provided by the tenant

Other

No

Not applicable

23

Does the entity monitor the water consumption of the portfolio?

Yes

Percentage of whole portfolio covered by floor area

Type of monitoring: (multiple answers possible)

Automatic meter readings

Percentage of the whole portfolio covered by floor area

Based on invoices

Percentage of the whole portfolio covered by floor area

Manual-visual readings

Provided by the tenant

Other

No

Not applicable

Healthcare > Energy Consumption

Q24.0

Does the entity collect energy consumption data for Healthcare?

Yes

No

Q24.1

Energy Consumption for Healthcare

Report absolute values and like-for-like consumption for 2013 and 2014. **All assets in the whole portfolio for Healthcare should be included.**

To make sure you insert data in the correct section of the table, check the definition of “Managed Assets” and “Indirectly Managed Assets”.

Only use Whole Building if no breakdown of data is possible between Base Building and Tenant Space. Additionally, if consumption cannot be separated between Common Areas and Shared Services/ Central Plant, provide both in Shared Services/Central Plant.

Managed Assets Base Building		Absolute Consumption					Like-for-Like Consumption		
		2013	2014			2013	2014	Like-for-Like Change	
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (MWh)	Consumption (MWh)	%
1	Common areas	Fuels							
2		District Heating & Cooling							
3		Electricity							
4	Shared services / central plant	Fuels							
5		District Heating & Cooling							
6		Electricity							
7	Outdoor/Exterior areas / Parking	Fuels		N/A	N/A	N/A			
8		Electricity		N/A	N/A	N/A			
9	Total energy consumption of Base Building			N/A	N/A	N/A			

Managed Assets Tenant space		Absolute Consumption					Like-for-Like Consumption		
		2013	2014			2013	2014	Like-for-Like Change	
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft ² / units)	Maximum coverage (ft ² / units)	Floor area type	Consumption (MWh)	Consumption (MWh)	%
10	Purchased by landlord	Fuels							
11		District Heating & Cooling							
12		Electricity							
13	Purchased by tenant	Fuels							
14		District Heating & Cooling							
15		Electricity							
16	Total energy consumption of Tenant Areas			N/A	N/A				

Managed Assets Whole building		Absolute Consumption					Like-for-Like Consumption			
		2013	2014			2013	2014	Like-for-Like Change		
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (MWh)	Consumption (MWh)	%	
17	Combined consumption common areas + tenant space	Fuels	141002	156810	33660346	40130341	Lettable floor area	141002	133614	

Q24.1 (continued)

Managed Assets Whole building		Absolute Consumption					Like-for-Like Consumption		
		2013	2014				2013	2014	Like-for-Like Change
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (MWh)	Consumption (MWh)	%
18	District Heating & Cooling	5081	5488	33660346	40130341	Lettable floor area	5081	4747	
19	Electricity	407590	457337	33660346	40130341	Lettable floor area	407590	407798	
20	Total energy consumption of Whole Building			N/A	N/A	N/A			
21	Total energy consumption of Managed Assets			N/A	N/A	N/A			

Indirectly Managed Assets Whole building		Absolute Consumption					Like-for-Like Consumption		
		2013	2014				2013	2014	Like-for-Like Change
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (MWh)	Consumption (MWh)	%
22	Fuels	0	0	0	48301879	Lettable floor area			
23	District Heating & Cooling	0	0	0	48301879	Lettable floor area			
24	Electricity	0	0	0	48301879	Lettable floor area			
25	Outdoor/Exterior areas / Parking			N/A	N/A	N/A			

Q24.1 (continued)

Indirectly Managed Assets Whole building		Absolute Consumption					Like-for-Like Consumption		
		2013	2014				2013	2014	Like-for-Like Change
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (MWh)	Consumption (MWh)	%
26	Electricity			N/A	N/A	N/A			
27	Total energy consumption of Indirectly Managed Assets			N/A	N/A	N/A			
28	Total energy consumption of Whole Portfolio			N/A	N/A	N/A			

Explain (a) assumptions made in reporting, (b) limitations in the ability to collect data and (c) exclusions from like-for-like portfolio (maximum 250 words)

(a) Assumptions. We report on 244 Medical Office Buildings, 84 Life Science Buildings and 83 Senior Housing communities that are under HCP operational control boundary (managed assets within HCP's healthcare portfolio). (b) Limitations. The remaining 785 buildings are indirectly managed and sustainability data is difficult to obtain due to the lease structures with tenants and operators being of a triple net or similar lease agreement. Our goal is to eventually be able to obtain this data from our indirectly managed assets. (c) Exclusions. The 2013 and 2014 absolute consumption data is assured, while the 2014 like for like data has been adjusted so it can be compared to the 2013 absolute data. The 2014 data was adjusted to account for any acquisitions, dispositions and changes in our boundary operational control conditions.

» Word count: 0 out of 250 words

The information above is correct and complete for all Healthcare assets

Q24.2

Energy use intensity rates Healthcare

Does the entity report energy use intensity?

Yes

If optional base-line year data is provided, specify year of the data

	Optional base-line year	2013	2014
Energy use intensity	<input type="text" value="27.411"/>	<input type="text" value="27.411"/>	<input type="text" value="27.02"/>
% of portfolio covered	<input type="text" value="25.7"/>	<input type="text" value="25.7"/>	<input type="text" value="25.8"/>

Select the elements for which intensities are normalized in your calculations.

Occupancy rate

Footfall

Operational hours

Weather conditions

Degree days

Air conditioning and/or natural ventilation

Building age

Other

None of the above

Explain (a) the Energy use intensity calculation method, (b) assumptions made in the calculation, and (c) how intensities are used by the entity in its operations (maximum 250 words)

We calculate the energy intensity of our managed building portfolio by taking the total energy usage in MWh and dividing by the building square feet in thousands of square feet which is under HCP's operational control. The energy use intensity is in units of Mwh per 1,000 square feet. The 2013 and 2014 absolute consumption data is assured, while the 2014 like for like data has been adjusted so it can be compared to the 2013 absolute data. The 2014 data was adjusted to account for any acquisitions, dispositions and changes in our boundary operational control conditions.

» Word count: 0 out of 250 words

No

Q24.3

Renewable energy generated Healthcare

Does the entity collect renewable energy consumption and generation data in the whole portfolio for this property type?

Yes

No

Q24.4

Review, verification and assurance of Energy Consumption data

Has the entity's Energy Consumption data reported above been reviewed by an independent third party?

Yes

Externally checked

Externally verified

Externally assured

Assured by

Using scheme

Upload supporting evidence

[PwC Assurance Report - HCP sustainability assurance opinion FY 2014 \(03.04.15\).pdf](#)

OR

Document name AND

Publication date

No

Not applicable

PERFORMANCE INDICATORS

Healthcare > GHG Emissions

Q25.0

Does the entity collect GHG emissions data for Healthcare?

Yes

No

Q25.1

GHG Emissions for Healthcare

Report absolute values and like-for-like consumption for 2013 and 2014. All assets in the whole portfolio for Healthcare should be included.

		Absolute GHG Emissions				Like-for-Like Consumption			
		2013	2014			2013	2014	Like-for-Like Change	
		Emissions (tonnes)	Emissions (tonnes)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Emissions (tonnes)	Emissions (tonnes)	%
1	Scope 1	29325	33152	33660346	88432220	Lettable floor area	29325	28200	
2	Scope 2	223136	254310	33660346	88432220	Lettable floor area	223136	223637	

Q25.1 (continued)

		Absolute GHG Emissions				Like-for-Like Consumption			
		2013	2014			2013	2014	Like-for-Like Change	
		Emissions (tonnes)	Emissions (tonnes)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Emissions (tonnes)	Emissions (tonnes)	%
3	Scope 3 (optional)	8873	10467	33660346	88432220	Lettable floor area	8873	8751	

Explain (a) the GHG emissions calculation standard/methodology/protocol, (b) emissions factors used, (c) level of uncertainty in data accuracy, (d) exclusions from like-for-like portfolio, and (e) Scope 3 emissions (maximum 250 words)

a) Methodology. The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), and US EPA Climate Leaders: Direct HFC and PFC Emissions from Use of Refrigeration and Air Conditioning Equipment; b) Emission Factors. Natural gas: 130.81 lb CO₂e per million BTU; Diesel/Gas oil: 22.40 lb CO₂e per gallon; Motor gasoline: 19.56 lb CO₂ per gallon; Liquefied petroleum gas (LPG): 12.643 lb CO₂e per gallon; Electricity (see CDP Supporting documentation) lb CO₂ per MWh; c) Uncertainty Level. Scope 1 and 2: more than 5% but less than 10%; d) Like-for-Like Exclusions. The 2013 and 2014 absolute consumption data is assured, while the 2014 like for like data has been adjusted so it can be compared to the 2013 absolute data. The 2014 data was adjusted to account for any acquisitions, dispositions and changes in our boundary operational control conditions. The 2013 absolute consumption was adjusted to reflect factors using the WARM waste reduction model; and e) Scope 3 emissions: Scope 3 includes employee commuting in vehicles and estimates for landfill waste using the WARM waste reduction model.

» Word count: 0 out of 250 words

The information above is correct and complete for all Healthcare assets

Q25.2

GHG emissions intensity rates Healthcare

Does the entity report GHG emissions intensity?

Yes

If optional base-line year data is provided, specify year of the data

	Optional base-line year	2013	2014
GHG emissions intensity	<input type="text" value="0.0124991"/>	<input type="text" value="0.0124991"/>	<input type="text" value="0.0110151"/>
% of portfolio covered	<input type="text" value="25.7"/>	<input type="text" value="25.7"/>	<input type="text" value="25.8"/>

Select the elements for which intensities are normalized in your calculations.

Occupancy rate

Footfall

Operational hours

Weather conditions

Degree days

Air conditioning and/or natural ventilation

Building age

Other

None of the above

Explain (a) the GHG emissions intensity calculation method, (b) assumptions made in the calculation, and (c) how intensities are used by the entity in its operations (maximum 250 words)

The GHG emissions intensity is calculated by taking the total CO2e of the buildings under operational control minus the CO2e of any transport fuel and any external lighting, and dividing the CO2e in metric tonnes by the area of buildings under operational control in square feet. The 2013 and 2014 absolute consumption data is assured, while the 2014 like for like data has been adjusted so it can be compared to the 2013 absolute data. The 2014 data was adjusted to account for any acquisitions, dispositions, and changes in our boundary operational control conditions.

» Word count: 0 out of 250 words

No

Q25.3

Review, verification and assurance of GHG Emissions data

Has the entity's GHG Emissions data reported above been reviewed by an independent third party?

Yes

Externally checked

Externally verified

Externally assured

Assured by

Using scheme

Upload supporting evidence

[PwC Assurance Report - HCP sustainability assurance opinion FY 2014 \(03.04.15\).pdf](#)

OR

Document name AND

Publication date

No

Not applicable

PERFORMANCE INDICATORS

Healthcare > Water Use

Q26.0

Does the entity collect water use data for Healthcare?

Yes

No

Q26.1

Water Use for Healthcare

Report absolute values and like-for-like consumption for 2013 and 2014. **All assets in the whole portfolio for Healthcare should be included.**

To make sure you insert data in the correct section of the table, check the definition of “Managed Assets” and “Indirectly Managed Assets”.

Only use Whole Building if no breakdown of data is possible between Base Building and Tenant Space. Additionally, if consumption cannot be separated between Common Areas and Shared Services/ Central Plant, provide both in Shared Services/Central Plant.

Managed Assets		Absolute Consumption					Like-for-Like Consumption			
		2013	2014				2013	2014	Like-for-Like Change	
		Consumption (m ³)	Consumption (m ³)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (m ³)	Consumption (m ³)	%	
1	Base building	Common areas	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
2		Outdoor / Exterior areas / Parking	<input type="text"/>	N/A	N/A	N/A	<input type="text"/>	<input type="text"/>	<input type="text"/>	
3	Total water usage Base Building			N/A	N/A	N/A				
4	Tenant space	Purchased by landlord	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
5		Purchased by tenant	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
6	Total water usage Tenant Areas			N/A	N/A	N/A				
7	Whole building	Combined consumption common areas + tenant space	<input type="text" value="2831029"/>	<input type="text" value="3427176"/>	<input type="text" value="33660346"/>	<input type="text" value="40130341"/>	<input type="text" value="Lettable floor area"/>	<input type="text" value="2831029"/>	<input type="text" value="2820164"/>	<input type="text"/>
8	Total water usage Whole Building			N/A	N/A	N/A				

Q26.1 (continued)

Managed Assets		Absolute Consumption				Like-for-Like Consumption		
		2013	2014			2013	2014	Like-for-Like Change
		Consumption (m ³)	Consumption (m ³)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (m ³)	Consumption (m ³)
9	Total water usage Managed Assets		N/A	N/A	N/A			

Indirectly Managed Assets		Absolute Consumption				Like-for-Like Consumption				
		2013	2014			2013	2014	Like-for-Like Change		
		Consumption (m ³)	Consumption (m ³)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (m ³)	Consumption (m ³)	%	
10	Whole building	Whole Building	0	0	0	48301879	Lettable floor area			
11		Outdoor / Exterior areas / Parking			N/A	N/A	N/A			
12	Total water usage Indirectly Managed Assets			N/A	N/A	N/A				
13	Total water usage Whole Portfolio			N/A	N/A	N/A				

Explain (a) assumptions made in reporting, (b) limitations in the ability to collect data and (c) exclusions from like-for-like portfolio (maximum 250 words)

We report on 244 Medical Office Buildings, 84 Life Science Buildings and 83 Senior Housing communities that are under HCP operational control boundary (Managed Assets within HCP's healthcare portfolio). The remaining 785 buildings are indirectly managed and sustainability data is difficult to obtain due to the lease structures with the tenants and operators being of a triple net or similar lease agreements. It is HCP's goal to eventually be able to obtain this data from our indirectly managed assets. The 2013 and 2014 absolute consumption data is assured, while the 2014 like for like data has been adjusted so it can be compared to the 2013 absolute data. The 2014 data was adjusted to account for any acquisitions, dispositions and changes in our boundary operational control conditions.

» Word count: 0 out of 250 words

The information above is correct and complete for all Healthcare assets

Q26.2

Water use intensity rates Healthcare

Does the entity report water use intensity?

Yes

No

Q26.3

Review, verification and assurance of Water Use data

Has the entity's Water Use data reported above been reviewed by an independent third party?

Yes

Externally checked

Externally verified

Externally assured

Assured by

Using scheme

Upload supporting evidence

[PwC Assurance Report - HCP sustainability assurance opinion FY 2014 \(03.04.15\).pdf](#)

OR

Document name AND

Publication date

No

Not applicable

PERFORMANCE INDICATORS

Healthcare > Waste Management

Q27.0

Does the entity collect waste management data for Healthcare?

Yes

No

Q27.1

Waste Management for Healthcare

Report absolute values for 2013 and 2014. All assets in the whole portfolio for Healthcare should be included.

		Absolute Measurement		
		2013	2014	
1	Managed Assets	Total weight of hazardous waste in metric tonnes	<input type="text"/>	<input type="text"/>
2		Total weight of non-hazardous waste in metric tonnes	<input type="text" value="17757"/>	<input type="text" value="20668"/>
3		% managed portfolio covered	<input type="text" value="77"/>	<input type="text" value="84"/>
4	Indirectly Managed Assets	Total weight of hazardous waste in metric tonnes	<input type="text"/>	<input type="text"/>

Q27.1 (continued)

		Absolute Measurement	
		2013	2014
5	Total weight of non-hazardous waste in metric tonnes	<input type="text"/>	<input type="text"/>
6	% indirectly managed portfolio covered	<input type="text"/>	<input type="text"/>
7	Recycling	6.1	9.5
8	Incineration	<input type="text"/>	<input type="text"/>
9	Landfill	93.9	90.5

Explain (a) assumptions made in reporting, and (b) limitations in the ability to collect data (maximum 250 words). (maximum 250 words)

We report on 244 Medical Office Buildings, 84 Life Science Buildings and 83 Senior Housing communities that are under HCP operational control boundary (Managed Assets within HCP's healthcare portfolio). The remaining 785 buildings are indirectly managed and sustainability data is difficult to obtain due to the lease structures with the tenants and operators being of a triple net or similar lease agreements. It is HCP's goal to eventually be able to obtain this data from our indirectly managed assets. The 2013 and 2014 absolute consumption data is assured, while the 2014 like for like data has been adjusted so it can be compared to the 2013 absolute data. The 2014 data was adjusted to account for any acquisitions, dispositions and changes in our boundary operational control conditions.

» Word count: 0 out of 250 words

The information above is correct and complete for all Healthcare assets

Q27.2

Review, verification and assurance of Waste Management data

Has the entity's Waste Management data reported above been reviewed by an independent third party?

Yes

Externally checked

Externally verified

Externally assured

Assured by

Using scheme

Upload supporting evidence

[PwC Assurance Report - HCP sustainability assurance opinion FY 2014 \(03.04.15\).pdf](#)

OR

Document name AND

Publication date

No

Not applicable

PERFORMANCE INDICATORS

Targets

Q28

Has your entity set long-term reduction targets?

Yes

Area	Target type	Long-term target	Baseline year	End year	2014 target	Are these targets communicated externally?
Energy consumption	Like-for-like	15	2011	2020	1	Yes
GHG emissions	Like-for-like	15	2011	2020	1	Yes
Water consumption	Like-for-like	15	2011	2020	1	Yes
Waste diverted from landfill	Like-for-like	15	2011	2020	1	Yes

No

BUILDING CERTIFICATIONS

Healthcare > Green Building Certificates

29.1

Does the entity’s portfolio include standing investments that obtained a green building certificate at the time of design and/or construction?

Yes

Specify the certification scheme(s) used and the percentage of the portfolio certified (multiple answers possible)

Scheme name/sub-scheme name	% portfolio covered by floor area
LEED 2009/Core and Shell Development	0.18
LEED version 2.0/Core and Shell Development	0.06
LEED version 2009 (NC and MR)/New Construction and Major Renovations	0.15
LEED version 2.0 (CI)/Commercial Interiors	0.51
LEED version 2009 (CI)/Commercial Interiors	0.07

No

Not applicable

29.2

Does the entity's portfolio include standing investments that obtained an operational green building certificate?

Yes

Specify the certification scheme(s) used and the percentage of the portfolio certified (multiple answers possible)

Scheme name/ sub-scheme name	% portfolio covered by floor area
LEED version 2009 (EBOM)/Existing Buildings Operations and Maintenance	0.27

No

Not applicable

BUILDING CERTIFICATIONS

Healthcare > Energy Ratings

30

Does the entity's portfolio include standing investments that obtained an energy rating?

Yes

Specify the rating scheme used and the percentage of the portfolio rated (multiple answers possible).

EU EPC (Energy Performance Certificate) for % of the portfolio based on floor area

NABERS Energy

ENERGY STAR

Percentage of portfolio covered by floor area

Floor area weighted score

Government energy efficiency benchmarking

Other

No

Not applicable

STAKEHOLDER ENGAGEMENT

Employees

31.1

Does the organization have a remuneration policy in place, applicable at the entity level?

Yes

Select all applicable options (multiple answers possible)

Policy includes performance-related long-term incentives

Policy includes performance-related incentives, but not long-term

Other

Other selected. Please describe

Upload supporting evidence

[Proxy Statement \(LT performance incentive policy on pgs. 13, 38-47\).pdf](#)

OR

Document name AND

Publication date

No

31.2

Does the organization monitor implementation of the remuneration plan using an independent oversight group or committee?

Yes

No

Not applicable

32

Do the employees responsible for the entity receive annual performance and career development reviews?

Yes

Percentage of employees covered

No

33

Do the employees responsible for the entity receive regular training?

Yes

Percentage of the employees who received professional training

100

Percentage of the employees who received sustainability-specific training

5

No

34.1

Has the organization undertaken an employee satisfaction survey during the last three years?

Yes

No

34.2

Does the organization have a program in place to improve its employee satisfaction based on the outcomes of the survey referred to in Q 34.1?

Yes

No

Not applicable

STAKEHOLDER ENGAGEMENT

Health and Safety

35.1

Has the organization undertaken employee health and safety checks during the last three years?

Yes

Select all applicable options (multiple answers possible)

Written surveys for

Physical health checks for

Work station checks for

Other

Other selected. Please describe

HCP offered flu shots to all of its employees

for percentage of employees

100

No

Not applicable

35.2

Does the organization monitor employee occupational health and safety indicators?

Yes

Select all applicable options (multiple answers possible)

Lost day rate

Absentee rate

1.24

Other metric

Explain the employee occupational health and safety indicators calculation method (maximum 250 words)

Total number of days of absenteeism (522) divided by the total number of workdays (42,160), based on number of employees in 2014 (170).

» Word count: 0 out of 250 words

No

STAKEHOLDER ENGAGEMENT

Tenants/Occupiers

36

Does the entity have a tenant engagement program in place that includes sustainability-specific issues?

Yes

Select all issues included (multiple answers possible)

Tenant sustainability guide

Percentage of portfolio covered

Tenant engagement meetings

Percentage of portfolio covered

Tenant sustainability training

Percentage of portfolio covered

Tenant events focused on increasing sustainability awareness

Percentage of portfolio covered

Provide tenants with feedback on energy/water consumption and waste

Percentage of portfolio covered

Building/asset communication

Percentage of portfolio covered

Social media / online platform

Percentage of portfolio covered

Other

No

37.1

Has the entity undertaken tenant satisfaction surveys during the last three years?

Yes

The survey is undertaken (multiple answers possible)

Internally

By an independent third party

Percentage of tenants covered

Name of the organization

Survey response rate

Upload supporting evidence

[HCP 2014 Tenant Satisfaction Assessment.pdf](#)

OR

Document name AND

Publication date

No

Not applicable

37.2

Does the entity have a program in place to improve its tenant satisfaction based on the outcomes of the survey referred to in Q 37.1?

Yes

Select all applicable options (multiple answers possible)

Feedback sessions with asset/property managers

Feedback sessions with individual tenants

Development of an asset-specific action plan

Other

Describe the tenant satisfaction improvement program (maximum 250 words)

In 2014, our tenant satisfaction survey was delivered via a web based methodology to 2,534 of our tenants and we achieved an industry leading response rate of 89.1%. The survey included 27 questions related to Green Initiatives including tenant satisfaction with our commitment to sustainability, their likelihood of participating in various programs, how various initiatives would influence their rental decision and the importance of sustainability to their employees and customers. Our satisfaction improvement program team reviews feedback received from our property managers and tenants and prepares an implementation plan to incorporate the feedback as well as other improvements.

» Word count: 0 out of 250 words

No

Not applicable

38

Does the entity have a fit-out and refurbishment program in place for tenants that includes sustainability-specific issues?

Yes

Select all topics included (multiple answers possible)

Tenant fit-out guides for

Minimum fit-out standards are prescribed for

Percentage of portfolio covered

Fit-out and refurbishment assistance for meeting the minimum fit-out standards for

Procurement assistance for tenants for

Other

No

Not applicable

39

Does the entity include sustainability-specific requirements in its standard lease contracts?

Yes

Select all topics included (multiple answers possible)

Obligations to do nothing to adversely affect the environmental performance of the building

Sharing of utility data

Cost-recovery clause for energy-efficiency-related capital improvements

Shared consumption targets/goals in place

Energy-efficient and/or environmentally responsible specifications for tenant works

Operational performance standards for the building

Information sharing relevant to green building certificates

Ability for the landlord to prioritize sustainability requirements over minimizing costs of improvements and adjustments

Legal obligations regarding the correctness of landlord/tenant information required for mandatory energy rating schemes

Other

Upload supporting evidence

[GREEN LEASE FORM.pdf](#)

OR

Document name AND

Publication date

No

Not applicable

STAKEHOLDER ENGAGEMENT

Supply chain

40

Does the organization include sustainability-specific requirements in its procurement process applicable to the entity level?

Yes

Select the parties to whom the requirements apply (multiple answers possible)

External property/asset managers

External contractors

External service providers

External suppliers

Other

Upload supporting evidence

[Vendor Code of Business Conduct and Ethics \(10.24.13\) FINAL.pdf](#)

OR

Document name AND

Publication date

No

Not applicable

41.1

Does the organization monitor external property/asset managers' compliance with the sustainability-specific requirements in place for this entity?

Yes

Select all methods used (multiple answers possible)

Receive update reports from external property/asset managers

Regular meetings with external property/asset managers

Checks performed by organization's employees

Checks performed by external consultants

Check external property/asset managers' alignment with applicable professional standards

Other

Other selected. Please describe

Signed acknowledgements we receive from our vendors (i.e., external property/asset managers), acknowledgements

No

No, all property/asset management is undertaken internally

41.2

Does the organization monitor other direct external suppliers' and/or service providers' compliance with the sustainability-specific requirements in place for this entity?

Yes

Select all methods used (multiple answers possible)

Receive update reports from suppliers

Regular meetings with suppliers

Checks performed by organization employees

Checks performed by external consultant

Checks performed by property/asset manager

Check external suppliers' and/or service providers' alignment with applicable professional standards

Supplier survey

Other

Other selected. Please describe

Signed acknowledgements of compliance

No

Not applicable

STAKEHOLDER ENGAGEMENT

Community

42.1

Does the organization have a community engagement program in place that includes sustainability-specific issues?

Yes

Select all topics included (multiple answers possible)

Sustainability education program

Health and well-being program

Sustainability enhancement programs for public spaces

- Employment creation in local communities
- Research and network activities
- Supporting charities and community groups
- Effective communication and process to address community concerns
- Resilience, including assistance or support in case of disaster
- Other

No

42.2

Does the organization monitor its impact on the community?

Yes

Select the areas of impact that are monitored (multiple answers possible)

- Impact on crime levels
- Local income generated
- Local residents' well-being
- Other

Other selected. Please describe

Elderly population news and research

No

Not applicable

42.3

Does the organization have a monitoring process for the community engagement program in place?

Yes

Describe the community engagement program and the monitoring process (maximum 250 words)

Our community engagement program is overseen by our Social Sustainability Subcommittee, a company wide initiative aimed at expanding the level of our philanthropic and community outreach projects. The committee established a charitable fund to support research, education, public policy and other activities focused on improving the health and well-being of HCP's core constituency, the elderly population. Funds are utilized for both direct grants and employee matching gifts mainly supporting organizations that support the advancement of healthcare in general, as well as organizations that address the key challenges for the elderly: isolation, proper nutrition and cognitive functioning. We monitor current news and research concerning the elderly population, as a factor considered in our charitable activities and contributions.

» Word count: 0 out of 250 words

No

Not applicable

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Sustainability Requirements

NC 1

Does the entity have a sustainability strategy in place for new construction and major renovation projects?

Yes

The Strategy is

Publicly available

Online

Hyperlink

Offline - separate document

Communicate the objectives (maximum 250 words)

Our sustainability strategy is outlined in detail in our Combined Annual + Sustainability Report which is publicly available via the link referenced above. We have developed proactive and long-term (5+ years) green strategies that include ambitious energy reduction goals and best practice sharing across our portfolio to make meaningful and lasting changes in the areas in which we operate. We work closely with our operating partners to ensure that all facilities run with excellence through sustainable business practices. We believe that building and operating in an environmentally conscious manner mitigates environmental impact, lowers costs, increases property value, is good for current and future generations, and provides a better living environment for our employees and tenants. This strategy is applicable to all of our projects, including new construction and major renovations (NCOMR). For NCOMR projects specifically, our additional objectives are aligned with and include LEED Standards for New Construction and Major Renovations, including the long-term (5+ years) evaluation and assessment of sustainable sites, water efficiency, energy and atmosphere, materials and resources and indoor environmental quality. Additionally, when requests for proposal are utilized, our minimum specifications include LEED certification, and once an architect is chosen, we request the architect to evaluate higher certification opportunities.

» Word count: 0 out of 250 words

Not publicly available

No

NC 2

Does the entity have sustainable site selection criteria in place for new construction projects?

Yes

No

Not applicable

NC 3

Does the entity have sustainable site development requirements for new construction and major renovation projects?

Yes

Select all applicable options (multiple answers possible)

Control and retain construction pollutants

Restore soils disturbed during construction and/or during previous development

Divert construction and demolition materials from disposal

Divert reusable vegetation, rocks, and soil from disposal

Protect air quality during construction

Communicate and verify sustainable construction practices

Other

No

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Community Engagement

NC 4.1

Does the organization have a policy in place for communication with the local community regarding the impact of new construction and major renovation projects?

Yes

No

NC 4.2

Does the entity monitor the impact of the project on the local community during different stages of the project?

Yes

No

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Materials and Certifications

NC 5

Does the organization have a policy in place on construction materials, that applies to the entity, including sustainability-specific requirements?

Yes

No

Not applicable

NC 6

Does the entity's portfolio include new construction and major renovation projects that obtained a green building certificate?

Yes

No

Not applicable

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Energy Efficiency

NC 7

Does the entity have minimum energy efficiency requirements for new construction and major renovation projects?

Yes

Select all applicable energy efficiency requirements (multiple answers possible)

Energy performance that exceeds applicable mandatory requirements by at least 10% for new construction projects and 5% for major renovations

Specification and purchase of high-efficiency equipment and appliances

Development and implementation of a commissioning plan

Commitment to operational energy monitoring for a specific period of time

Other

No

Not applicable

NC 8.1

Are the entity's new construction and major renovation projects designed to generate energy from on-site renewable sources?

Yes

No

NC 8.2

Are the entity's new construction and major renovation projects designed to meet net-zero energy codes and/or standards?

Yes

No

Not applicable

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Building Requirements

NC 9

Does the entity implement building measures specifically focused on occupant well-being for new construction and major renovation projects?

Yes

Select all measures implemented (multiple answers possible)

Daylight

Natural ventilation

Occupant controls

Indoor air quality monitoring

Provision of green spaces, non-built areas and social spaces

Other

No

Not applicable

NC 10

Does the entity have minimum water efficiency requirements for new construction and major renovation projects?

Yes

Select all applicable water efficiency requirements (multiple answers possible)

High-efficiency/dry fixtures

Occupant sensors

Re-use of storm water and grey water for non-potable applications

On-site waste water treatment

Leak detection system

Drip/smart irrigation

Drought tolerant/low-water landscaping

Other

No

Not applicable

NC 11

Does the entity have a waste policy in place for new construction and major renovation projects?

Yes

Select all topics included (multiple answers possible)

Waste management plans

Project-specific targets with regard to waste reduction, re-use or recycling

Incentives for contractors for recovering and recycling building materials

Education of relevant employees/contractors about waste management techniques

Other

Other selected. Please describe

Perform waste management according to LEED Standards

Upload supporting evidence

[Construction Recycling General Clause.pdf](#)

OR

Document name AND

Publication date

No

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Supply Chain Requirements

NC 12.1

Does the organization have sustainability-specific requirements in place for its contractors applicable to the entity level?

Yes

Percentage of portfolio covered

100

Upload supporting evidence

[Vendor Code of Business Conduct and Ethics \(10.24.13\) FINAL.pdf](#)

OR

Document name AND

Publication date

No

NC 12.2

Does the organization monitor its contractors' compliance with its sustainability-specific requirements in place for this entity?

Yes

Select all applicable options (multiple answers possible)

Contractor needs to be in compliance with a national/international environmental management standard

Contractor needs to have on-site sustainability resources/staff

Contractor provides update reports on environmental and social aspects during construction

Internal audits

External audits by third party

Weekly/monthly (on-site) meetings and/or ad hoc site visits

Require contractors to enforce sub-contractors' compliance with the entity's sustainability requirements and/or the construction management plan

Other

No

Not applicable

NC 13.1

Does the entity implement an on-site occupational health and safety management system?

Yes

Aligned with

OSHA standards

Externally checked by

Externally verified by

Externally certified by

Upload supporting evidence

[Life Safety Policy.pdf](#)

OR

Document name AND

Publication date

No

NC 13.2

Does the organization monitor occupational health and safety indicators at construction sites?

Yes

No

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Community Impact

NC 14

Does the entity assess the socio-economic impact on the community of its new construction and major renovation projects?

Yes

No

SUPPLEMENTAL

Leader in the Light

Q0

Do you want to participate in Leader in the Light?

Yes

No

Q1

Define the key financial performance indicators that your company uses for measuring the success of its sustainability strategy. In addition, you can also provide a link to your organization's website where a description may be available. (maximum 200 words)

HCP uses a variety of financial indicators and metrics to measure the success of our sustainability strategy. The financial performance indicators used for property and portfolio measurements include (i) percent reduction of both utility costs and energy consumption; (ii) annualized energy saving dollars on utilities; and (iii) utility cost per total rentable square foot. For project measurements, financial performance indicators include (i) the evaluation of return on investment (ROI); and (ii) payback in years (for project cost recovery). HCP's energy projects have paybacks ranging from two to five years. HCP measures ROI and payback differently with respect to elective projects (those implemented solely to generate energy efficiency) and replacement projects (those replacing current equipment with higher efficiency equipment). The ROI for elective projects is based upon the total investment cost, while replacement projects are calculated on the incremental cost of high efficiency equipment over the base investment of standard efficiency equipment. Another key financial indicator is the ratio of metric tonnes of CO₂e to total unit revenue which was 0.000394948 tonnes/\$ for 2014, and is reported in our recently submitted 2015 CDP report. Our strategy is discussed in our Combined Annual + Sustainability Report accessible via the link below.

» Word count: 0 out of 200 words

<http://www.hcpi.com/LiteratureRetrieve.aspx?ID=180186>

Energy efficiency

Enter information for the projects, that best describe the implementation of Energy efficiency measures in your portfolio

Project Type	Portfolio Coverage & Opportunity		Total Capital Investment (USD)	Savings		Description Max 100 words
	Portfolio Covered by this Project	Cumulative Area Covered by this Project		Total Annual Projected Savings	Total Annual Projected Savings	
	%	%		Kwh	USD	
1 Interior Lighting & Controls	4.9	8.5	806535	1766687	174391	69 lighting retrofit projects were implemented where a combination of 3,570 fixtures/lamps were installed. The % of portfolio covered is the ratio of area of buildings where projects were implemented in 2014 to the 1196 total buildings in the 2014 HCP portfolio. Note: The number of buildings in HCP's environmental reporting boundary for 2014 is 411 which the majority of these projects were implemented.
2 Energy Management System (enterprise-wide or building-level)	1.9	3.3	1244739	4086242	309489	22 Energy Management Systems (EMS) projects were implemented.
3 Unitary Systems (rooftop, package, DHW, etc.)	5	7.7	513481	2106816	194196	123 HVAC system replacement projects were implemented in which 199 HVAC units were replaced. Note: The Capital Investment required is the premium cost for a high efficiency over a standard efficiency unit.

Q3

Water efficiency

Enter information for the projects, that best describe the implementation of Water efficiency measures in your portfolio

Project Type	Portfolio Coverage & Opportunity		Total Capital Investment (USD)	Savings		Description
	Portfolio Covered by this Project	Cumulative Area Covered by this Project		Total Annual Projected Savings	Total Annual Projected Savings	
	%	%		m ³	USD	
1 Native (or drought tolerant) Landscaping or Xeriscaping	5.6	5.8	67125	1779	9556	2 Projects were implemented using drought tolerant landscaping and xeriscaping. Over 70 buildings in California obtained water reduction through these projects.
2 Low-flow Faucets	0.72	0.87	5225	225	1112	9 Projects were implemented using technologies such as aerators, low flow and motion sensor faucets. 94 devices were installed.
3 Low-flow or Dual-flow Flush Toilets	1.47	1.77	28450	1747	4490	19 Projects were implemented using technologies such as low-flow toilets. 147 toilets were installed.

Q4

Renewable energy

Enter information for the projects, that best describe the implementation of Renewable energy measures in your portfolio

Project Type	Portfolio Coverage & Opportunity		Total Capital Investment (USD)	Savings		Description
	Portfolio Covered by this Project	Cumulative Area Covered by this Project		Total Annual Projected Savings	Total Annual Projected Savings	
	%	%		Kwh	USD	
1 Solar Power System	0.07	0.07	274405	181840	43740	In 2014, we installed our first application of a solar photo-voltaic (PV) panel system at our medical office building in Encino, California. The project cost was \$274,405 with a payback of just over 6 years. This solar PV system will remove approximately 15% of the building electrical usage from the utility grid; accordingly, the projected kWh savings in the table represents the kWh usage that the PV system is providing annually. We are continuing to identify solar PV system projects for future applications.
2						
3						

Q5

Waste management

Enter information for the projects, that best describe the implementation of Waste management measures in your portfolio

Project Type	Portfolio Coverage & Opportunity		Total Capital Investment (USD)	Savings		Description
	Portfolio Covered by this Project	Cumulative Area Covered by this Project		Total Annual Projected Savings	Total Annual Projected Savings	
	%	%		tonnes	USD	
1 Recycling Program	26.66	26	180940	1960.4	26216	In 2014, we recycled 1,960.4 metric tonnes of waste. The investment is the cost of recycle services. The estimated savings is the difference between the rates of landfill and recycle waste (\$/tonne) times the annual recycled waste in metric tonnes.
2 Contract Waste Management	39.4	39	2002546	18708.4	189207	The contracted waste removal by landfill for 2014 is 18,708.4 metric tonnes. The contracted waste management company reviews our recycle and landfill programs and continually optimizes them which allows for more accurate estimates and measurement of waste.
3						

SUPPLEMENTAL

Innovation Case Study

Sustainability is a well-established topic in the global real estate sector. But in what is a dynamic and fast-moving environment, the development and integration of sustainability best practices into decision-making varies widely across regions and property sectors. With its global and multi-sector coverage, GRESB is well-placed to document innovation in the real estate sector. Our ambition is to promote and highlight innovative approaches and best practices in sustainability. GRESB's benchmark participants are a rich source of knowledge and practical experience, and we have therefore developed an innovation platform to start to map benchmark participants' innovative approaches to the integration of sustainability best practices into the management and development of their real estate portfolios. In addition to their Survey submission, we invite participants to submit examples of their innovations. These case studies will be added to participants' Scorecards and/or Benchmark Report. We also plan to include selected examples in GRESB's innovation platform which will be developed as part of the output materials for the 2014 benchmark results. We will inform you in advance whether your case study has been selected for inclusion in the platform.

Innovations should be (i) related to the topics covered by the 2014 Survey and (ii) specifically focused on the practical benefit of the measure. You can include information regarding the financial benefit of the measure, e.g. return on investment. However, we encourage participants to also include measures with other short and long-term benefits, e.g. socio-economic, resource-use efficiency, risk mitigation and operational benefits. GRESB also encourages participants to explain how they deal with issues that may currently not be priced, but which they consider will become more important over time.

Q1

Would you like to submit an innovation case study?

 Yes

Innovation Title

Implementation of a Solar Photovoltaic Panel (PV) System at Encino Medical Plaza

Topic

IS7 Renewable energy (Performance Indicators Q24, New Construction & Major Renovations NC8)

Purpose of the project (max. 100 words)

Encino Medical Plaza is a three story 66,114 ft² medical office building (MOB) located at 5400 Balboa Boulevard, Encino, California. The purpose of this project was (1) for HCP to identify a MOB that would be compatible with the installation of a solar PV system, (2) to launch our first corporate solar PV renewable energy project, (3) to reduce our greenhouse gas (GHG) emissions while simultaneously reducing the electrical usage from the utility grid and (4) to realize annual cost savings with a reasonable ROI for a renewable energy resource project.

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Approach (max. 250 words)

To determine the appropriate building and location for the implementation of a solar PV panel system required meeting several criteria. First, the system should be applied in a region of the country where electrical costs are typically higher. Second, the implementation of the system should be in a location where rebates for solar projects are available and easily obtained. Third, the MOB selected needs to have sufficient flat roof area that is not hindered by HVAC equipment, antennae systems or other equipment that could interfere with the servicing or operation of the PV system or needs to have sufficient surrounding ground area that allows the maximum contact with sunlight without shading concerns from trees or other building structures. Encino Medical Plaza MOB met all of these requirements and HCP worked with a solar PV system installer to develop the electrical specifications, scope of work and the PV system design. The project implementation began in December of 2014 and construction was completed in January of 2015.

» Word count: 0 out of 250 words

Results (actual and anticipated) (max. 250 words)

The total project cost was \$341,080. The solar PV panel arrays were installed on the Encino MOB flat roof system. The solar PV system covered the majority of the roof. We received a rebate of \$66,675 reducing the project cost to \$274,405. The PV system is expected to produce an annual usage amount of 181,840 kWh which is approximately 15% of the MOB's annual usage. Thus, approximately 15% of the building's usage will be taken off the utility grid therefore reducing HCP's GHG emissions and reducing the load on the utility grid system. With the decrease in the overall demand from the utility grid and the reduction of the overall usage is expected to provide an annualized cost reduction of \$43,740. The simple payback for this project is 6.27 years with the associated ROI of 15.9%. HCP is continuing to identify solar PV projects. Four sites are currently being evaluated in 2015 where bids will be received by mid-year and it is HCP's goal to implement two additional solar PV systems in 2015. This project is also discussed in our Combined Annual + Sustainability Report, accessible via the link below.

» Word count: 0 out of 250 words

Upload Picture/Scheme

[Encino MOB Solar Project Photo 1.JPG](#)

Provide hyperlink (if applicable)

 No

Q2

Would you like to submit a second innovation case study?

 Yes

Innovation Title

Topic

Purpose of the project (max. 100 words)

The purpose of the Smart Building Technology (SBT) project is to implement a monitoring system that gives HCP and the property management companies real time feedback on electric, gas and water usage for several medical office buildings (MOBs) as a pilot program. Smart Building Technology is an improvement over monthly data gathering allowing one to receive instantaneous utility usage data where anomalies can be detected earlier and resolved sooner. Real time monitoring (RTM) also provides immediate feedback on any utility reduction action items implemented.

» Word count: 0 out of 100 words

Approach (max. 250 words)

HCP utilizes a utility usage/invoice web based database service which allows HCP management and the property management companies to run detailed reports on cost, usage and other invoice data which is updated on a monthly basis. The approach HCP took for a SBT project was to select a vendor who could provide RTM and who could be flexible with HCP regarding the web-based interface and the various reports that would be available. HCP selected the vendor and met with their development group to finalize the following: (1) HCP to use cellular transmission of data, (2) HCP required weather normalization features for accurate historical comparisons and (3) HCP required the RTM system to be robust enough to handle up to 400 buildings. HCP then ran an analysis of our buildings based upon the kBtuh/ft² intensity to determine our highest energy usage MOBs. This data was further analyzed to determine if there was a valid reason for the higher energy intensities such as any buildings that included ambulatory service centers or 24 hour a day operating hours. HCP then selected 5 MOBS that had high usages per square foot and began the implementation process at these facilities to add electric, gas and water meters that took usage data every 15 minutes. The MOBs selected were as follows: Medical Plaza II, III and IV in Scottsdale, Arizona; 2201 Medical Plaza in Nashville, Tennessee and One Fannin in Houston, Texas. Project implementation began in October of 2014 and was completed in January 2015.

» Word count: 0 out of 250 words

Results (actual and anticipated) (max. 250 words)

The total project cost for the RTM implementation for the five MOBs was \$192,062. The RTM system enabled HCP to identify the peak usages during the day coupled with the building/equipment start up times and building/equipment shut down times. One of the areas that real time monitoring was helpful was in confirming the building/equipment start up and shut down times and whether or not an effective nighttime and weekend set back program was implemented. On the three Medical Plaza MOBs in Scottsdale and the One Fannin MOB in Houston, the following changes accounted for an estimated annualized savings of \$60,000 : (1) Building equipment start up and shut down times, (2) Upgrading or reprogramming to put equipment on schedules, (3) Upgrading or reprogramming equipment to zone control. On 2201 Medical Plaza in Nashville, the following changes accounted for an estimated annualized savings of (\$19,000): (1) Reprogramming for night set backs on the chiller when data was showing building was being controlled in a manual mode. The average annualized payback for these five facilities is 2.4 years (41% ROI). The benefit of the real time monitoring system is that additional annual savings potential is present when the system is used as part of the daily maintenance and monitoring of the facility. Continuous adjustment and improvement of the efficient usage of our energy resources will add the annualized payback of this system. HCP is in the process of selecting additional buildings to implement Smart Building Technology and Real Time Monitoring in 2015.

» Word count: 0 out of 250 words

Upload Picture/Scheme

[Innovation Case Study 2 - photos.pdf](#)

Provide hyperlink (if applicable)

No

Q3

Would you like to submit a third innovation case study?

 Yes

Innovation Title

 Topic

Purpose of the project (max. 100 words)

» Word count: 0 out of 100 words

Approach (max. 250 words)

» Word count: 0 out of 250 words

Results (actual and anticipated) (max. 250 words)

» Word count: 0 out of 250 words

Upload Picture/Scheme

 Provide hyperlink (if applicable)
 No