



G R E S B[®]

HCP, Inc.

GRESB Real Estate Assessment 2016

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SUPPLEMENTS

NAREIT Leader in the Light 67
Health & Well-being 70

ASPECT CHECKLIST OUTLIERS

The following outliers have been explained.

Performance Indicators » Healthcare » Energy Consumption

- Q25.1 Row 18: The 2015 consumption/coverage area (0.000539 MWh/ft²) is unusually low for Healthcare. Please explain in comment box for outlier validation. This consumption/coverage area ratio is similar to last year and the previous year's values. District heating & cooling is shared across many buildings in a campus, which results in a low consumption per coverage metric.

ENTITY AND REPORTING CHARACTERISTICS

Entity Characteristics

EC2

Nature of ownership

Listed entity

Please specify ISIN

US40414L1098

Year of commencement

1985

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?

23456

RC3

Metrics are reported in

m2

sq. ft.

RC4

What is the entity's core business?

- Management of standing investments
- Management of standing investments only
- Management of standing investments and new construction and major renovation projects
- Development of new construction and major renovation projects

ENTITY AND REPORTING CHARACTERISTICS

Standing Investments

RC5.1

Describe the composition of the entity's portfolio during the reporting period:

Property Type	% of GAV	Number of Assets	Floor Area		Units	% Indirectly Managed Assets
			ft ²	Floor Area Type		
Retail, High Street	<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"/>
Retail, Warehouse	<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"/>
Industrial, Distribution Warehouse	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Industrial, Business Parks	<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"/>
Residential, Multi-family	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Residential, Family Homes	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Residential, Senior Homes	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Residential, Student Housing	<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"/>
Healthcare	100	1325	98531000	Floor Area	<input type="text"/>	60.5
Medical Office	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Leisure	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Data Centers	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Self-storage	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Parking (indoors)	<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"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Totals:	100	1,325	98,531,000			

Note: The table above defines the scope of your 2016 GRESB submission and should include the total portfolio

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 and 2016 via email, that because HCP is a healthcare REIT, we could report all of our properties under the Healthcare Property Type. Accordingly, for 2016 all 1325 facilities are being reported under the Healthcare Property Type which includes the 463 reported buildings within our reporting boundary. We are considering separating and reporting our data for medical office, senior homes, and healthcare properties for the next reporting season for GRESB, and will discuss with our assurance provider, PwC.

RC6

Which countries are included in the entity's portfolio?

Country	% of GAV
United States	98.6
United Kingdom	1.4
Total % GAV	100

ENTITY AND REPORTING CHARACTERISTICS

New Construction & Major Renovations

RC-NC1.1

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, Business Parks	<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, Multi-family	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential, Family Homes	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential, Senior Homes	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential, Student Housing	<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="8"/>	<input type="text" value="1120978"/>	<input type="text" value="358.2"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Medical Office	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Leisure	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Data Centers	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Self-storage	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Parking (indoors)	<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"/>	<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

Provide additional context for the reporting boundaries on new construction projects (maximum 250 words)

RC-NC2.1

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"/>

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

RC-NC2.1 (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
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, Business Parks	<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, Multi-family	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential, Family Homes	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential, Senior Homes	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Residential, Student Housing	<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="2"/>	<input type="text" value="209000"/>	<input type="text" value="83.9"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Medical Office	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Leisure	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Data Centers	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Self-storage	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Parking (indoors)	<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"/>	<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

Provide additional context for the reporting boundaries on major renovation projects (maximum 250 words)

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	100

MANAGEMENT

Sustainability Objectives

1

Does the entity have specific sustainability objectives?

 Yes

The objectives relate to (multiple answers possible)

 General sustainability Environment Social Governance

The objectives are (select one)

 Fully integrated into the overall business strategy Partially integrated into the overall business strategy Not integrated into the overall business strategy

The objectives are

 Publicly available Online - hyperlinkHyperlink Offline - separate document

Communicate the objectives (maximum 250 words)

Our general and specific sustainability objectives are produced through our annual materiality process, where we identify and prioritize the material environmental, social, and governance aspects for our company and our stakeholders. Stakeholder engagement is an integral component for the implementation of our sustainability strategy and initiatives, providing vital feedback used in determining our short-, medium-, and long-term sustainability goals. By creating a focused dialogue supported with streamlined input, we can systematically incorporate the results of our stakeholder engagement mechanisms into our overall decision-making processes (pgs. 14-16; 28; 36).

Our environmental objectives comprise quantifiable priorities and goals including annual (short-term) 1-2% reduction targets for energy, GHG, water and waste, as well as a 15% reduction rate for each by 2020 (long-term; reflected in 2012 Sustainability Report pg. 5, also publicly available on our website) from our 2011 baseline. Our annual general sustainability objectives include performance goals for our annual reporting initiatives (pg. 29). Our annual social objectives relate to quantifiable goals and priorities as well as strategic developments including employee engagement and community involvement (pg. 37). Our governance objectives relate to strategic developments, including the annual assessment of our governance policies and required Code of Conduct training (pgs. 22-24).

The integration of our sustainability and financial objectives (pgs. 17-19) is further solidified by the combining of our Annual and Sustainability Reports, which reflects the advances we have made to align sustainability with our business objectives, and represents a stride towards further future alignment in the form of an integrated report.

 Not publicly available No

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

Provide the details for the most senior of these employees

Name

Gillian Hughes

Job title

Director, Sustainability

E-mail

ghughes@hcpi.com

LinkedIn profile (optional)

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

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)

Asset managers

Board of Directors

External consultants

Name of the organization

ISOS Group

Add a service provider

Fund/portfolio managers

Property managers

Senior Management Team

Other

No

4

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

Yes

The individual is part of

Board of Directors

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

Name

Lauralee Martin

Job title

President and CEO

E-mail

lmartin@hcpu.com

LinkedIn profile (optional)

Fund/portfolio managers

Investment Committee

Senior Management Team

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 means of communication that we use to inform our most senior level decision maker, Ms. Lauralee E. Martin, President and CEO of HCP, of sustainability performance and efforts 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 and asset performance and operational information, each business leader (i.e. an executive vice president) reports on each sector’s sustainability initiatives and performance against our short-, medium- and long-term sustainability objectives (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. Our Sustainability Committee, comprised of executive and senior officers, corporate officers, and other management level employees meets quarterly to discuss updates on strategy and implementation of our sustainability objectives, and actively reviews opportunities, and identifies risks and mitigating options in conveying directives to our CEO and Board.

- 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)

- Acquisitions team
- All employees
- Asset managers
- Board of Directors
- Client services team
- Fund/portfolio managers
- Property managers
- Senior Management Team
- Other

Other selected. Please describe

Members of Green Team, Director of Sustainability

- 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 2015 Combined Annual and Sustainability Report.pdf](#)

Indicate where the relevant information can be found

Annual Report: Sustainability Section, pg. 12 (PDF pg. 76)

Select the applicable reporting level

- Entity
- Investment manager

Group

Aligned with

Stand-alone sustainability report(s)

Upload supporting evidence

[HCP 2015 Combined Annual and Sustainability Report.pdf](#)

Indicate where the relevant information can be found

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 SupplementalReport for the quarter and year-ended December 31, 2015.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

Aligned with

Other selected. Please describe:

Other

Other selected. Please describe

Upload supporting evidence

[HCP Earnings Release for quarter and year-ended December 31, 2015.pdf](#)

Indicate where the relevant information can be found

Select the applicable reporting level

Entity

Investment manager

Group

Aligned with

Other selected. Please describe:

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

Add a service provider

Externally verified by

Externally assured by

Stand-alone sustainability report

Externally checked by

Externally verified by

Externally assured by

PricewaterhouseCoopers

Add a service provider

using

Integrated Report

Section in entity reporting to investors

Externally checked by

Deloitte

Add a service provider

Externally verified by

Externally assured by

Other

Other selected. Please describe

Quarterly Earnings Release

Externally checked by

Deloitte

Add a service provider

Externally verified by

Externally assured by

No

Not applicable

POLICY AND DISCLOSURE

ESG 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)

Biodiversity and habitat

Building safety

Climate/climate change adaptation

Energy consumption/management

Environmental attributes of building materials

GHG emissions/management

Resilience

Waste management

Water consumption/management

Other

Upload supporting evidence

[GRESB Q8 Cover Page and Supporting Evidence.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

No

9

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

Yes

Select all governance issues included (multiple answers possible)

Bribery and corruption

Child labor

Diversity and equal opportunity

Executive compensation

Forced or compulsory labor

Labor-management relationships

Shareholder rights

Worker rights

Other

Upload supporting evidence

[GRESB Q9 Cover Page and Supporting Evidence.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

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)

- Asset/Property Managers (external)
- Consumers
- Community
- Employees
- Government/local authorities
- Investment partners
- Investors/shareholders
- Supply chain
- Tenants/occupiers
- Other

Upload supporting evidence
[GRESB Q10 Stakeholder Engagement.pdf](#)

OR
 Document name AND

Publication date

Indicate where the relevant information can be found

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)

- Cyber security
- Diversity and equal opportunity
- Health, safety & well-being
- Performance and career development
- Remuneration
- Other

Upload supporting evidence

[GRESB Q11 Cover Page and Supporting Evidence.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

No

RISKS AND OPPORTUNITIES

Governance

12

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

Yes

Select all applicable options (multiple answers possible)

Investment due diligence process

Training on governance-related risks for employees (multiple answers possible)

Regular follow-ups

When an employee joins the organization

Whistle-blower mechanism

Other

Upload supporting evidence

[GRESB Q12 Cover Page and Supporting Evidence.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found in the evidence

No

Not applicable

13

Did the entity perform entity-level governance risk assessments within the last three years?

Yes

Select all issues included (multiple answers possible)

Bribery and corruption

Child labor

Diversity and equal opportunity

Executive compensation

Forced or compulsory labor

Labor-management relationships

Shareholder rights

Worker rights

Other

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

Risk Exposure and Level of Implementation. Our semi-annual Enterprise Risk Assessment survey is conducted by our Internal Audit ("IA") department to assess and monitor key business risks, including governance risks. Risks are identified by the leaders of each of our business segments, executive management, employees, vendors and others. This process is overseen and monitored by IA who presents its findings and recommendations to the Board of Directors twice a year.

Assessment Methods Employed. These risk assessments include an overview of each identified risk, and risk assessment criteria is applied including 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. The risks are ranked and management's response and mitigation plans are reported, along with IA's recommendations.

Follow-up Procedure. IA monitors the risks, and follows up on the mitigation procedures at the subsequent risk assessment (occurs every 6 months). 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 twice a year or more often if required.

Provide a document which explains the governance risk assessments as well as the response to mitigate the outcomes of the assessments

Upload supporting evidence

[GRESB Q13 Cover Page and Supporting Evidence.docx](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

No

14

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

Yes

Complete the following:

Specify the number of cases in which employees were dismissed or disciplined for corruption in 2015

Number

Specify the number of cases when contracts with business partners were not renewed due to violations related to corruption in 2015

Number

Provide additional context for the response (maximum 250 words)

HCP has never been convicted of a felony or pled nolo contendere to a felony charge or held liable or enjoined in a civil action by final judgment. HCP is presently a party in two pending civil lawsuits asserting fraud claims:

First, on May 9, 2016, an HCP shareholder filed a putative class action complaint, Boynton Beach Firefighters' Pension Fund v. HCP, Inc., Case No. 3:16-cv-01106-JJH, in the US District Court for the Northern District of Ohio, against HCP, certain of its officers, HCR ManorCare ("HCRMC"), and certain of its officers, asserting violations of Sections 10(b) and 20(a) of the Securities Exchange Act. The shareholder alleges that the defendants made false or misleading statements or omissions concerning HCRMC's financial condition, which purportedly was overstated as a result of alleged billing and reimbursement fraud by HCRMC. The action is in early stages, and defendants have not yet responded to the complaint.

Second, on June 16, 2016, an HCP shareholder filed a shareholder derivative complaint, Subodh v. HCR ManorCare, Inc., Case No. 30-2016-00858497-CU-PT-CXC, in the Superior Court of California Orange County, against HCP's officers and directors asserting claims for breaches of fiduciary duties, abuse of control, gross mismanagement, and waste of corporate assets, and against HCRMC asserting claims for aiding and abetting such alleged conduct, in connection with HCP's investments in HCRMC and HCRMC's alleged billing and reimbursement fraud. HCP is a nominal defendant in the action. The action is in early stages and defendants have not yet responded to the complaint.

 No

RISKS AND OPPORTUNITIES

Risk Assessments

15.1

Does the entity perform environmental and/or social risk assessments as a standard part of its due diligence process for new acquisitions?

 Yes

Select all issues included (multiple answers possible)

 Building safety and materials

 Climate change adaptation

 Contamination

 Energy efficiency

 Energy supply

 Flooding

 GHG emissions

 Health, safety and well-being

 Indoor environmental quality

 Natural hazards

 Regulatory

 Resilience

 Socio-economic

 Transportation

 Water efficiency

 Waste management

 Water supply

Other

Upload supporting evidence
[GRESB Q15.1 Cover Page and Supporting Evidence.pdf](#)
Indicate where the relevant information can be found

Please see cover page of supporting evidence

No

Not applicable

15.2

Has the entity performed environmental and/or social risk assessments of its standing investments during the last three years?

Yes

Select all issues included (multiple answers possible)

Building safety and materials

Climate change adaptation

Contamination

Energy efficiency

Energy supply

Flooding

GHG emissions

Health, safety and well-being

Indoor environmental quality

Natural hazards

Regulatory

Resilience

Socio-economic

Transportation

Water efficiency

Waste management

Water supply

Other

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

Risk Exposure. Methodology. Risks are identified by the leaders of our business segments and our executive management through facilitated discussions with our Internal Audit team. The main environmental risks to which we are exposed are defined as those that could adversely affect strategic, operational, reporting and compliance objectives. These identified risks, among others, are then watched for in the Property Condition Assessment ("PCA").
Level of Implementation. Parties included in the PCA: HCP staff engineers and property operator and engineers.
Risk Mitigation. Data is collected during the PCA from facility tours, interviews with property operators and local engineering staff, and evaluations of the environmental systems. The data is then input into our PCA Report System database for monitoring and used as a basis for determining risk mitigation activities. For example if inadequate flood insurance is an identified risk, we will endeavor to mitigate the cause of the risk (i.e., failure to reassess and supplement insurance policy regularly despite the reoccurrence of extreme weather events such as El Nino) through change in internal policy (i.e., mandatory annual insurance reassessments in the context of extreme weather predictions), as well as to mitigate the effects of the risk (i.e., monetary damage to property exceeds insurance coverage) through viable meaningful actions (i.e., purchasing more robust insurance in consideration of El Nino research and statistics).
Follow-up Procedure. If an identified risk occurs, it will be reassessed and reviewed by our business leaders and IA for additional mitigation steps, and prioritized in ranking within the risk universe.

Upload supporting evidence
[GRESB Q15.2 Cover Page and Supporting Evidence.pdf](#)
 Indicate where the relevant information can be found
 Please see cover page to supporting documentation

- No
- Not applicable

RISKS AND OPPORTUNITIES

Technical Building Assessments

16

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

- Yes

Select applicable options (multiple answers possible)

- Energy Efficiency
 - In-house assessment
 - >0%, <25% of the portfolio covered
 - ≥25%, <50% of the portfolio covered
 - ≥50%, <75% of the portfolio covered
 - ≥75%, ≤100% of the portfolio covered
 - External assessment

Upload supporting evidence
[GRESB Q16 \(energy\) Cover Page and Supporting Evidence.pdf](#)
 Indicate where the relevant information can be found
 See cover sheet to attachment

- Water Efficiency
 - In-house assessment
 - >0%, <25% of the portfolio covered
 - ≥25%, <50% of the portfolio covered

≥50%, <75% of the portfolio covered

≥75%, ≤100% of the portfolio covered

External assessment

Upload supporting evidence

[GRESB Q16 \(water\) Cover Page and Supporting Evidence.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

See cover sheet to attachment

Waste Management

In-house assessment

>0%, <25% of the portfolio covered

≥25%, <50% of the portfolio covered

≥50%, <75% of the portfolio covered

≥75%, ≤100% of the portfolio covered

External assessment

Upload supporting evidence

[GRESB Q16 \(waste\) Cover Page and Supporting Evidence.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

Health and Wellness

No

RISKS AND OPPORTUNITIES

Efficiency Measures

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.

Category	Measure	% portfolio covered during the last 4 years	% whole portfolio covered	Estimated savings (MWh) (optional)	Target ROI (%) (optional)	Describe implemented measure (measure, payback period, property type, scope, link to Q1 objectives and Q28 targets) (maximum 150 words)	Innovation Case Study
Installation of high-efficiency equipment and appliances	Lighting retrofits and	0%, <25%	0%, <25%	6949	29	The installation of high-efficiency equipment and appliance measur	Add
Building energy management systems upgrades/replacements	EMSs and building	0%, <25%	0%, <25%	9836	26	The installation of building EMSs upgrades/replacements such as E	Add
Installation of high-efficiency equipment and appliances	HVAC equipment r	0%, <25%	0%, <25%	6061	36	The installation of high-efficiency equipment and appliance measur	Add

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.

Category	Measure	% portfolio covered during the last 4 years	% whole portfolio covered	Estimated savings (m ³) (optional)	Target ROI (%) (optional)	Describe implemented measure (measure, payback period, property type, scope, link to Q1 objectives and Q28 targets) (maximum 150 words)	Innovation Case Study
High-efficiency/dry fixtures	Low flow faucets	0%, <25%	0%, <25%	13112	45	The installation of high-efficiency/dry fixtures such as low flow faucets	Add
Drip/smart irrigation	Irrigation data systems	0%, <25%	0%, <25%	27125	76	The installation of drip/smart irrigation equipment such as HydroPac	Add
Drought tolerant/native landscaping	Low-water plants	0%, <25%	0%, <25%	6149	5.2	The installation of drought tolerant/native landscaping projects such as	Add

No

Not applicable

RISKS AND OPPORTUNITIES

Waste management

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

Yes

Describe the measures using the table below.

Category	Measure	% portfolio covered during the last 4 years	% whole portfolio covered	Estimated savings (tonnes) (optional)	Target ROI (%) (optional)	Describe implemented measure (measure, payback period, property type, scope, link to Q1 objectives and Q28 targets) (maximum 150 words)	Innovation Case Study
Recycling program	Increased recyclin	≥50%, <75%	≥25%, <50%	3940	11.8	In 2015, we recycled 3,940 metric tonnes of waste. The investment	Add

No

Not applicable

RISKS AND OPPORTUNITIES

Environmental Fines & Penalties

20.0

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

Yes

No

MONITORING AND EMS

Environmental Management Systems

21.1

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

Yes

Upload supporting evidence
[HCP Goby EMS and DMS.pdf](#)
Indicate where the relevant information can be found

No

21.2

Is the Environmental Management System (EMS) in Q21.1 aligned with a standard and/or verified or certified by an independent third party?

Yes

Aligned with

Externally certified by

Upload supporting evidence
[HCP Goby EMS and DMS.pdf](#)
Indicate where the relevant information can be found

No

Not applicable

MONITORING AND EMS

Data Management Systems

22.0

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

Yes

Select one of the following

Developed internally

Bespoke internal system developed by a third party

External system

Name of the system
Sea Suite by Goby
Name of the organization
Goby LLC

Add a service provider

Select the aspects included (multiple answers possible)

Energy consumption

Percentage of portfolio covered

GHG emissions/management

Percentage of portfolio covered

Health and well-being

Indoor environmental quality

Resilience

Waste streams/management

Percentage of portfolio covered

Water

Percentage of portfolio covered

Other

Upload supporting evidence
[HCP Goby EMS and DMS.pdf](#)
Indicate where the relevant information can be found

No

MONITORING AND EMS

Monitoring Consumption

23.0

Does the entity monitor the energy 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

24.0

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

PERFORMANCE INDICATORS

Healthcare > Energy Consumption

Q25.0

Does the entity collect energy consumption data for Healthcare?

Yes

No

Q25.1

Energy Consumption for Healthcare

Report absolute values and like-for-like consumption for 2014 and 2015. 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			
		2014	2015			2014	2015	Like-for-Like Change		
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (MWh)		Consumption (MWh)	%
Base Building										
1	Common areas	Fuels	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
2		District Heating & Cooling	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
3		Electricity	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
4	Shared services / central plant	Fuels	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
5		District Heating & Cooling	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
6		Electricity	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
7	Outdoor/Exterior areas / Parking	Fuels	<input type="text"/>	<input type="text"/>	N/A	N/A	N/A	<input type="text"/>	<input type="text"/>	
8		Electricity	<input type="text"/>	<input type="text"/>	N/A	N/A	N/A	<input type="text"/>	<input type="text"/>	
9 Total energy consumption of Base Building			0	0	N/A	N/A	N/A	0	0	

Managed Assets		Absolute Consumption					Like-for-Like Consumption			
		2014	2015			2014	2015	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)	%
Tenant space										
10	Purchased by landlord	Fuels	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
11		District Heating & Cooling	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
12		Electricity	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
13	Purchased by tenant	Fuels	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
14		District Heating & Cooling	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	

Q25.1 (continued)

Managed Assets Tenant space		Absolute Consumption					Like-for-Like Consumption		
		2014	2015			2014	2015	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)	%
15	Electricity								
16	Total energy consumption of Tenant Areas	0	0	N/A	N/A	N/A	0	0	

Managed Assets Whole building		Absolute Consumption					Like-for-Like Consumption			
		2014	2015			2014	2015	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	234423	228443	38926952	45797331	Floor area	124854	127621	2.22%
18		District Heating & Cooling	19169	20968	38926952	45797331	Floor area	5509	5301	-3.78%
19		Electricity	628867	619433	38926952	45797331	Floor area	348435	344930	-1.01%
20	Total energy consumption of Whole Building	882,459	868,844	N/A	N/A	N/A	478,798	477,852	-0.20%	
21	Total energy consumption of Managed Assets	882,459	868,844	N/A	N/A	N/A	478,798	477,852	-0.20%	

Indirectly Managed Assets Whole building		Absolute Consumption					Like-for-Like Consumption			
		2014	2015			2014	2015	Like-for-Like Change		
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft ²)	Maximum coverage (ft ²)	Floor area type	Consumption (MWh)	Consumption (MWh)	%	
22	Tenant space	Fuels	0	0	0	52733669	Floor area			
23		District Heating & Cooling	0	0	0	52733669	Floor area			
24		Electricity	0	0	0	52733669	Floor area			
25	Outdoor/Exterior areas / Parking	Fuels			N/A	N/A	N/A			
26		Electricity			N/A	N/A	N/A			
27	Total energy consumption of Indirectly Managed Assets	0	0	N/A	N/A	N/A	0	0		
28	Total energy consumption of Whole Portfolio	882,459	868,844	N/A	N/A	N/A	478,798	477,852	-0.20%	

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 251 Medical Office Buildings, 94 Life Science Buildings and 118 Senior Housing communities that are under HCP operational control boundary (managed assets within HCP's healthcare portfolio). (b) Limitations. The remaining 862 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 2014 and 2015 absolute consumption data is assured, while the 2015 like for like data has been adjusted so it can be compared to the 2014 absolute data. The 2015 data was adjusted to account for any acquisitions, dispositions and changes in our boundary operational control conditions. Our like-for-like numbers are affected by changes in boundary control from year to year. If we were to exclude all properties affected by these changes, our like-for-like change in energy consumption would be -2.1%.

Does the entity report the average annual vacancy rate in the like-for-like portfolio for this property type?

Yes

No

The information above is correct and complete for all Healthcare assets

Q25.2

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 (include year)	2013	2014	2015
Energy use intensity	<input type="text"/>	<input type="text"/>	<input type="text" value="22.48"/>	<input type="text" value="22.32"/>
% of portfolio covered	<input type="text"/>	<input type="text"/>	<input type="text" value="44.4"/>	<input type="text" value="39.9"/>

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 2015 and 2014 absolute consumption data is assured, while the 2015 like for like data has been adjusted so it can be compared to the 2014 absolute data. The 2015 data was adjusted to account for any acquisitions, dispositions and changes in our boundary operational control conditions.

No

Q25.3

Renewable energy generated Healthcare

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

Yes

Report absolute renewable energy generation and consumption. All assets in the portfolio for this property type should be included.

	Absolute measurement	
	2014	2015
On-site renewable energy (MWh generated and consumed on-site)	<input type="text" value="0"/>	<input type="text" value="30.2"/>
Off-site renewable energy (MWh generated off-site or purchased from third party)	<input type="text"/>	<input type="text"/>
On-site renewable energy (MWh generated on-site and exported)	<input type="text"/>	<input type="text"/>
Total renewable energy	0	30
Percentage renewable energy	<input type="text" value="0"/>	<input type="text" value="0.003"/>

No

PERFORMANCE INDICATORS

Healthcare > GHG Emissions

Q26.0

Does the entity collect GHG emissions data for Healthcare?

Yes

No

Q26.1

GHG Emissions for Healthcare

Report absolute values and like-for-like consumption for 2014 and 2015. All assets in the whole portfolio for Healthcare should be included.

	Absolute GHG Emissions					Like-for-Like Consumption		
	2014	2015			Floor area type	2014	2015	Like-for-Like Change
	Emissions (tonnes)	Emissions (tonnes)	Data coverage (ft ²)	Maximum coverage (ft ²)		Emissions (tonnes)	Emissions (tonnes)	%
1 Scope 1	<input type="text" value="49369"/>	<input type="text" value="49333"/>	<input type="text" value="32455632.5"/>	<input type="text" value="98531000"/>	<input type="text" value="Floor area"/>	<input type="text" value="28428.87"/>	<input type="text" value="27961.82"/>	-1.64%
2 Scope 2	<input type="text" value="348749"/>	<input type="text" value="324503"/>	<input type="text" value="38356921.7"/>	<input type="text" value="98531000"/>	<input type="text" value="Floor area"/>	<input type="text" value="204476.33"/>	<input type="text" value="180580.48"/>	-11.69%
3 Scope 3 (optional)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
4 GHG Offsets purchased	<input type="text" value="0"/>	<input type="text" value="0"/>	N/A	N/A	N/A	<input type="text" value="0"/>	<input type="text" value="0"/>	
5 Net GHG Emissions after offsets	<input type="text"/>	<input type="text"/>	N/A	N/A	N/A	<input type="text"/>	<input type="text"/>	

Explain (a) the GHG emissions calculation standard/methodology/protocol, (b) used emission factors, (c) level of uncertainty in data accuracy, (d) exclusions from like-for-like portfolio, and (e) Scope 3 emissions, (f) source and characteristics of GHG emissions offsets (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 (using eGRID 2012, USEPA eGRID 2012, October 2015, eGRID Subregion Emissions - Greenhouse Gases) lb CO2 per MWh; c) Uncertainty Level. Scope 1 and 2: more than 5% but less than 10%; d) Like-for-Like Exclusions. The 2014 and 2015 absolute consumption data is assured, while the 2015 like for like data has been adjusted so it can be compared to the 2014 absolute data. The 2015 data was adjusted to account for any acquisitions, dispositions and changes in our boundary operational control conditions. The 2014 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. The increase in consumption can be accounted for by the increase in boundary control in our assets. Our like-for-like numbers are affected by changes in boundary control from year to year. If we were to exclude all properties affected by these changes, our like-for-like change in Scope 1 emission would be -2.3%, and our like-for-like change in Scope 2 emission would be -12.4%.

The information above is correct and complete for all Healthcare assets

Q26.2

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 (include year)	2013	2014	2015
GHG emissions intensity	<input type="text"/>	<input type="text"/>	<input type="text" value="0.01"/>	<input type="text" value="0.0095"/>
% of portfolio covered	<input type="text"/>	<input type="text"/>	<input type="text" value="44.4"/>	<input type="text" value="39.9"/>

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

Other selected. Please describe:

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 2014 and 2015 absolute consumption data is assured, while the 2015 like for like data has been adjusted so it can be compared to the 2014 absolute data. The 2015 data was adjusted to account for any acquisitions, dispositions, and changes in our boundary operational control conditions.

No

PERFORMANCE INDICATORS

Healthcare > Water Use

Q27.0

Does the entity collect water use data for Healthcare?

Yes

No

Q27.1

Water Use for Healthcare

Report absolute values and like-for-like consumption for 2014 and 2015. 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				
		2014	2015			Floor area type	2014	2015	Like-for-Like Change %		
		Consumption (m ³)	Consumption (m ³)	Data coverage (ft ²)	Maximum coverage (ft ²)		Consumption (m ³)	Consumption (m ³)			
1	Base building	Common areas									
2		Shared Services / Central Plant									
3		Outdoor / Exterior areas / Parking				N/A	N/A	N/A			
4	Total water usage Base Building		0	0	N/A	N/A	N/A	0	0		
5	Tenant space	Purchased by landlord									
6		Purchased by tenant									
7	Total water usage Tenant Areas		0	0	N/A	N/A	N/A	0	0		
8	Whole building	Combined consumption common areas + tenant space		5636731.56	5605425.56	39160745	45797331	Floor area	2502016.71	2512987	0.44%
9	Total water usage Whole Building		5,636,732	5,605,426	N/A	N/A	N/A	2,502,017	2,512,987	0.44%	
10	Total water usage Managed Assets		5,636,732	5,605,426	N/A	N/A	N/A	2,502,017	2,512,987	0.44%	

Indirectly Managed Assets		Absolute Consumption					Like-for-Like Consumption				
		2014	2015			Floor area type	2014	2015	Like-for-Like Change %		
		Consumption (m ³)	Consumption (m ³)	Data coverage (ft ²)	Maximum coverage (ft ²)		Consumption (m ³)	Consumption (m ³)			
11	Whole building	Tenant space		0	0	0	52733669	Floor area	0	0	
12		Outdoor / Exterior areas / Parking				N/A	N/A	N/A			
13	Total water usage Indirectly Managed Assets		0	0	N/A	N/A	N/A	0	0		
14	Total water usage Whole Portfolio		5,636,732	5,605,426	N/A	N/A	N/A	2,502,017	2,512,987	0.44%	

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 251 Medical Office Buildings, 94 Life Science Buildings and 118 Senior Housing communities that are under HCP operational control boundary (Managed Assets within HCP's healthcare portfolio). The remaining 862 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 2014 and 2015 absolute consumption data is assured, while the 2015 like for like data has been adjusted so it can be compared to the 2014 absolute data. The 2015 data was adjusted to account for any acquisitions, dispositions and changes in our boundary operational control conditions. Our like-for-like numbers are affected by changes in boundary control from year to year. If we were to exclude all properties affected by these changes, our like-for-like change in water consumption would be -0.7%.

Does the entity report the average annual vacancy rate in the like-for-like portfolio for this property type?

Yes

No

The information above is correct and complete for all Healthcare assets

Q27.2

Water use intensity rates Healthcare

Does the entity report water use intensity?

Yes

No

Q27.3

Water reuse and recycling Healthcare

Does the entity collect reuse, recycling and consumption data?

Yes

No

PERFORMANCE INDICATORS

Healthcare > Waste Management

Q28.0

Does the entity collect waste management data for Healthcare?

Yes

No

Q28.1

Waste Management for Healthcare

Report absolute values for 2014 and 2015. All assets in the whole portfolio for Healthcare should be included.

		Absolute Measurement		
		2014	2015	
1	Managed Assets	Total weight of hazardous waste in metric tonnes	0	0
2		Total weight of non-hazardous waste in metric tonnes	20669	34350
3		% managed portfolio covered	84	90.7
4	Indirectly Managed Assets	Total weight of hazardous waste in metric tonnes	0	0
5		Total weight of non-hazardous waste in metric tonnes	0	0
6		% indirectly managed portfolio covered	0.00000000	0.00000000
Proportion of waste by disposal route (% of total by weight)		2014	2015	
7	Whole Portfolio (HEC)	Landfill	90.5	88.5
8		Incineration		0
9		Diverted (total)	9.5	11.5
10		Diverted - waste to energy (optional)		
11		Diverted - recycling (optional)	9.5	11.5
12		Diverted - other (optional)		
13		Other		

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

We report on 251 Medical Office Buildings, 94 Life Science Buildings and 118 Senior Housing communities that are under HCP operational control boundary (Managed Assets within HCP's healthcare portfolio). The remaining 862 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 2014 and 2015 absolute consumption data is assured.

The information above is correct and complete for all Healthcare assets

PERFORMANCE INDICATORS

Data Review

Q25.4

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

PwC

Add a service provider

Using scheme AA1000AS

Upload supporting evidence

[PwC Assurance Letter \(HCP 2015 Sustainability Data\).pdf](#)

Indicate where the relevant information can be found

Highlighted in document

No

Not applicable

Q26.3

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

PwC

Add a service provider

Using scheme AA1000AS

Upload supporting evidence

[PwC Assurance Letter \(HCP 2015 Sustainability Data\) 2.pdf](#)

Indicate where the relevant information can be found

Highlighted in document

No

Not applicable

Q27.4

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

PwC

Add a service provider

Using scheme AA1000AS

Upload supporting evidence

[PwC Assurance Letter \(HCP 2015 Sustainability Data\) 3.pdf](#)

Indicate where the relevant information can be found

Highlighted in document

No

Not applicable

Q28.2

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

PwC

Add a service provider

Using scheme

Upload supporting evidence

[PwC Assurance Letter \(HCP 2015 Sustainability Data\) 4.pdf](#)

Indicate where the relevant information can be found

No

Not applicable

Targets

Q29

Has your entity set long-term reduction targets?

Yes

Area	Target type	Long-term target	Baseline year	End year	2015 target	Portfolio coverage	Are these targets communicated externally?
Energy consumption	Like-for-like	15	2011	2020	1	≥25%, <50%	<input type="checkbox"/> Yes
GHG emissions	Like-for-like	15	2011	2020	1	≥25%, <50%	<input type="checkbox"/> Yes
Water consumption	Like-for-like	15	2011	2020	1	≥25%, <50%	<input type="checkbox"/> Yes
Waste diverted from landfill	Like-for-like	15	2011	2020	1	≥25%, <50%	<input type="checkbox"/> Yes

Clarify if and how these targets relate to the objectives reported in Q1 (maximum 250 words)

Our environmental objectives comprise quantifiable priorities and goals including annual 1-2% (short-term; pg. 29 of 2015 Sustainability Report publicly available on our website) reduction targets for energy, GHG, water and waste, as well as a 15% reduction rate for each by 2020 (long-term; pg. 5 of 2012 Sustainability Report publicly available on our website) from our 2011 baseline.

No

BUILDING CERTIFICATIONS

Healthcare > Green Building Certificates

30.1

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	Number of certified assets
LEED/Core and Shell	<input type="text" value="0.05"/>	<input type="text" value="1"/>
LEED New Construction	<input type="text" value="0.14"/>	<input type="text" value="2"/>
LEED 2009/Core and Shell Development	<input type="text" value="0.16"/>	<input type="text" value="2"/>
LEED/Commercial Interiors v2.0	<input type="text" value="0.46"/>	<input type="text" value="3"/>
LEED/Commercial Interiors v 2009	<input type="text" value="0.06"/>	<input type="text" value="1"/>

Add a certification

No

Not applicable

30.2

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 baseline year 2014 (optional in 2016)	% portfolio covered by floor area 2014 (optional in 2016)	% portfolio covered by floor area 2015	Number of certified assets 2015
LEED Building Operations and Maintenance	<input type="text" value="0.27"/>	<input type="text" value="0.27"/>	<input type="text" value="0.25"/>	<input type="text" value="1"/>

Add a certification

No

Not applicable

BUILDING CERTIFICATIONS

Healthcare > Energy Ratings

31

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)

NABERS Energy

ENERGY STAR

Year	% portfolio covered	Floor area weighted score
2014	<input type="text" value="3"/>	<input type="text" value="83.5"/>
2015	<input type="text" value="2.4"/>	<input type="text" value="83.6"/>

Government energy efficiency benchmarking

Other

No

Not applicable

STAKEHOLDER ENGAGEMENT

Employees

32

Does the organization have systems and procedures in place to facilitate effective implementation of the employee policy/policies in Q11?

Yes

Select all applicable options (multiple answers possible)

Annual performance and career review

Anonymous web forum/hotlines

Availability of a compliance officer

Regular updates/training

Other

Upload supporting evidence

[GRESB Q32 Cover Page and Supporting Evidence.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

No

33

Do the employees responsible for the entity receive regular training?

Yes

Percentage of employees who received professional training in 2015

Percentage of employees who received sustainability-specific training in 2015

Sustainability-specific training focuses on the following elements (multiple answers possible)

Training topics on environmental issues

- Contamination
- Greenhouse gas emissions
- Energy
- Natural hazards
- Regulatory standards
- Supply chain environmental impacts
- Waste
- Water
- Other

Training on social issues

- Customer/tenant health, safety and well-being
- Community health, safety and well-being
- Community social and economic impacts
- Supply chain health, safety and well-being
- Workplace health, safety and well-being
- Other

No

34.1

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

Yes

The survey is undertaken (multiple answers possible)

Internally

By an independent third party

Percentage of employees covered

Name of the organization

Kingsley Associates

Add a service provider

Survey response rate

Upload supporting evidence

[HCP 2015 Employee Satisfaction Survey excerpts.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

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

Select all applicable options (multiple answers possible)

Development of action plan

Feedback sessions with Senior Management Team

Feedback sessions with separate teams/departments

Focus groups

Other

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)

Employee surveys on health and well-being

Physical and mental health checks

percentage of employees

Work station and/or workplace checks

Other

- No
- Not applicable

35.2

Does the organization monitor employee occupational health and safety indicators?

- Yes

Select all applicable options (multiple answers possible)

- Absentee rate

1.33
- Lost day rate
- Other metric

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

Total number of days of absenteeism (617) divided by the total number of workdays (46,376), based on number of employees in 2015 (187).

- 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)

- Building/asset communication

Percentage of portfolio covered
- Provide tenants with feedback on energy/water consumption and waste

Percentage of portfolio covered
- Social media/online platform

Percentage of portfolio covered
- Tenant engagement meetings

Percentage of portfolio covered
- Tenant events focused on increasing sustainability awareness

Percentage of portfolio covered

Tenant sustainability guide

Percentage of portfolio covered

Tenant sustainability training

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
Kingsley Associates

Add a service provider

Survey response rate

Upload supporting evidence

[Executive Brief - HCP Tenant Satisfaction Assessment.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

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)

Development of an asset-specific action plan

Feedback sessions with asset/property managers

Feedback sessions with individual tenants

Other

Describe the tenant satisfaction improvement program (maximum 250 words)

In 2014 (the 2015 results were not received at the time of publication of our annual Sustainability Report), our tenant satisfaction survey was delivered via a web based methodology to 2,571 of our tenants and we achieved a response rate of 84%. 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.

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)

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

Minimum fit-out standards are prescribed

Percentage of portfolio covered

Procurement assistance for tenants

Tenant fit-out guides

Other

No

Not applicable

39.1

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

Yes

Select all topics included (multiple answers possible)

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

Access to the premises to monitor compliance with best practice lease clauses

Cooperation on procurement of sustainable goods and services

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

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

Information sharing relevant to green building certificates

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

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

Operational performance standards for the building

Shared consumption targets/goals in place

Sharing of utility data

Other

Upload supporting evidence

[GRESB Q39.1 Cover Page and Supporting Evidence.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

No

Not applicable

39.2

Does the entity monitor compliance with the sustainability-specific requirements in its lease contracts?

Yes

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 contractors

External property/asset managers

External service providers

External suppliers

Other

Select all topics included (multiple answers possible)

- Business ethics
- Environmental process standards
- Environmental product standards
- Human rights
- Human health-based product standards
- Occupational health and safety
- Sustainability-specific requirements for sub-contractors
- Other

Upload supporting evidence

[Vendor Code of Business Conduct and Ethics - supply chain.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

- 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)

- Checks performed by independent third party
- Property/asset manager self-assessments
- Property/asset manager sustainability training
- Regular meetings and/or checks performed by the organization's employees
- Require external property/asset managers' alignment with a professional standard
- Other

- 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)

Checks performed by independent third party

Regular meetings and/or checks performed by external property/asset managers

Regular meetings and/or checks performed by the organization's employees

Require supplier/service providers' alignment with a professional standard

Supplier/service provider self-assessments

Supplier/service provider sustainability training

Other

No

Not applicable

STAKEHOLDER ENGAGEMENT

Community

42.1

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

Yes

Select all topics included (multiple answers possible)

Effective communication and process to address community concerns

Employment creation in local communities

Enhancement programs for public spaces

Health and well-being program

Research and network activities

Resilience, including assistance or support in case of disaster

Supporting charities and community groups

Sustainability education program

Sustainability enhancement programs for public spaces

Other

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.

No

42.2

Does the entity monitor its impact on the community?

Yes

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

Elements addressed in the strategy (multiple answers possible)

Biodiversity and habitat

Climate/climate change adaptation

Energy consumption/management

Environmental attributes of building materials

GHG emissions/management

Human health, safety and well-being

Location and transportation

Resilience

Supply chain

Water consumption/management

Waste management

Other

Communication of the strategy

Publicly available

Not publicly available

Upload supporting evidence

[GRESB QNC1 Cover Page and Supporting Evidence.pdf](#)

Indicate where the relevant information can be found

Please see cover page of attached documentation

Communicate the strategy (maximum 250 words)

We work closely with our partners to ensure that all of our new construction and major renovations (“NCMR”) projects incorporate sustainable business practices. Our NCMR objectives are aligned with and include LEED Standards for New Construction, 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, we carefully select those vendors in our supply chain that engage in green construction practices and consider the environmental attributes of the building materials they utilize for our projects. Such vendors must use FSC certified wood and adhere to our waste diversion goal of at least 75% at each of our development sites. We also support the biodiversity and endeavor to preserve the natural habitat at all of our NCMR development sites, and incorporate well-being benefits and healthful attributes including outdoor green space for our tenants. We consider proximity to public transit networks when determining site locations, and require bicycle racks and electric vehicle charging stations at all of our new developments. Energy and water consumption and management as well as waste and GHG emissions management are priorities during construction, and we require our vendors to provide us with reports summarizing their efforts in these areas. While we follow and implement the above sustainability strategy for our new construction and major renovation projects, we are currently memorializing it into a formal doctrine with a goal to have it completed in 2016.

No

NC 2

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

Yes

Select all criteria included (multiple answers possible)

Connect to multi-modal transit networks

Locate projects within existing developed areas

Protect, restore, and conserve farmland

Protect, restore, and conserve floodplain functions

Protect, restore, and conserve aquatic ecosystems

Protect, restore, and conserve habitats for threatened and endangered species

Redevelop brownfield sites

Other

The entity’s sustainable site selection criteria are aligned with

Third-party guidelines

Third-party rating system(s)

Other

Not aligned

The entity's sustainable site selection criteria are required to

- Meet local requirements
- Meet above-code standards for some projects
- Meet above-code standards for all projects
- Meet national or global leadership standards for some projects
- Meet national or global leadership standards for all projects

Upload supporting evidence

[GRESB QNC2 Cover Page and Supporting Evidence.pdf](#)

OR

Document name AND

Publication date

Indicate where the relevant information can be found

Please see cover page of attached documentation

- No
- Not applicable

NC 3

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

- Yes

Select all applicable options (multiple answers possible)

- Manage waste by diverting construction and demolition materials from disposal
- Manage waste by diverting reusable vegetation, rocks, and soil from disposal
- Protect air quality during construction
- Protect surface water and aquatic ecosystems by controlling and retaining construction pollutants
- Protect and restore habitat and soils disturbed during construction and/or during previous development
- Other

The entity's sustainable site design/development criteria are aligned with

- Third-party guidelines
- Third-party rating system(s)
- Other
- Not aligned

The entity's sustainable site design/development criteria are required to

- Meet local requirements

Meet above-code standards for some projects

Meet above-code standards for all projects

Meet national or global leadership standards for some projects

Meet national or global leadership standards for all projects

Upload supporting evidence

[GRESB QNC3 Cover Page and Supporting Evidence.pdf](#)

Indicate where the relevant information can be found

Please see cover page of attached documentation

No

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Materials and Certifications

NC 4

Does the entity require that the environmental and health attributes of building materials be considered for new construction and major renovation projects?

Yes

Select all issues addressed (multiple answers possible)

Formal adoption of a policy regarding health attributes and performance of building materials

Formal adoption of a policy regarding the environmental attributes and performance of building materials

Requirement for information (disclosure) about building product environmental and health attributes, including requirements for (multiple answers possible)

Building product specification, including (multiple answers possible)

Preferential specification and purchasing of materials that disclose environmental impacts

Preferential specification and purchasing of materials that disclose potential health hazards

"Red list" of prohibited materials or ingredients that should not be used on the basis of their human and/or environmental impacts

Specification of locally extracted or recovered materials

Specification and purchasing of rapidly renewable materials, low embodied carbon materials, and recycled content materials

Specification and purchasing materials that can easily be recycled

Specification and purchasing of third-party certified wood-based materials and products

Specification and purchasing of low-emitting materials

Other

Compliance with specifications

Describe practices and processes to ensure consistency and compliance with specification requirements and preferences (maximum 250 words)

While we require that our contractors consider environmental and health attributes of building materials for new construction and major renovation projects, we are currently in the process of memorializing the issues into a formal doctrine with a goal to have it completed in 2016.

Upload supporting evidence

[GRESB QNC4 Cover Page and Supporting Evidence.pdf](#)

Indicate where the relevant information can be found

Please see cover page of attached documentation

No

Not applicable

NC 5.1

Does the entity incorporate green building standards in new construction and major renovation projects?

Yes

Select all applicable options (multiple answers possible)

The entity requires projects to align with requirements of a third-party green building rating system but does not require certification

Percentage of portfolio covered

Level of certification: green building rating systems: include all that apply

The entity requires projects to achieve certification with a green building rating system

The entity requires projects to achieve a specific level of certification

No

Not applicable

NC 5.2

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

Yes

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

Projects in progress at the end of reporting period

Scheme name/sub-scheme name	Level of certification	% portfolio covered by floor area	Number of certified projects
LEED Building Design and Construction	<input type="text" value="Silver"/>	<input type="text" value="0.01"/>	<input type="text" value="1"/>

Add a certification

Projects completed during the reporting period

Scheme name/sub-scheme name	Level of certification	% portfolio covered by floor area	Number of certified projects
-----------------------------	------------------------	-----------------------------------	------------------------------

Add a certification

No

Not applicable

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Energy and Water Efficiency

NC 6

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

Yes

The entity promotes energy efficiency through (multiple answers possible)

Requirements for planning and design (multiple answers possible)

Common energy efficiency measures (multiple answers possible)

Air conditioning

Commissioning

Energy modeling

Lighting

Occupant controls

Space heating

Ventilation

Water heating

Other

Operational energy efficiency monitoring (multiple answers possible)

Energy use analytics

Post-construction energy monitoring

Sub-meter

Other

The entity's energy efficiency measures are required to:

Meet local requirements

Meet above-code standards for some projects

Meet above-code standards for all projects

Meet national or global leadership standards for some projects

Meet national or global leadership standards for all projects

Upload supporting evidence

[GRESB QNC6 Cover Page and Supporting Evidence.pdf](#)

Indicate where the relevant information can be found

Please see cover page of attached documentation

No

NC 7.1

Does the entity incorporate on-site renewable energy in the design of new construction and major renovation projects?

Yes

No

Not applicable

NC 7.2

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

Yes

No

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Building Requirements

NC 8

Does the entity promote water conservation in its new construction and major renovation projects?

Yes

The entity promotes water conservation through (multiple answers possible)

Requirements for planning and design include (multiple answers possible)

Common water efficiency measures include (multiple answers possible)

- Commissioning of water systems
- Drip/smart irrigation
- Drought tolerant/low-water landscaping
- High-efficiency/dry fixtures
- Leak detection system
- Occupant sensors
- On-site wastewater treatment
- Re-use of stormwater and grey water for non-potable applications
- Other

Operational water efficiency monitoring (multiple answers possible)

The entity's water efficiency measures are required to

- Meet local requirements
- Meet above-code standards for some projects
- Meet above-code standards for all projects
- Meet national or global leadership standards for some projects
- Meet national or global leadership standards for all projects

Upload supporting evidence

[GRESB QNC8 Cover Page and Supporting Evidence.pdf](#)

Indicate where the relevant information can be found

Please see cover page of attached documentation

- No
- Not applicable

NC 9

Does the entity promote efficient on-site solid waste management during the construction phase of its new construction and major renovation projects?

- Yes

The entity promotes efficient solid waste management through (multiple answers possible)

- Management and construction practices (multiple answers possible)
 - Construction waste signage
 - Education of employees/contractors on waste management
 - Incentives for contractors for recovering, reusing and recycling building materials
 - Targets for waste stream recovery, reuse and recycling
 - Waste management plans
 - Waste separation facilities
 - Other

- On-site waste monitoring (multiple answers possible)

The entity's solid waste management approach is required to

- Meet local requirements
- Meet above-code standards for some projects
- Meet above-code standards for all projects
- Meet national or global leadership standards for some projects
- Meet national or global leadership standards for all projects

Upload supporting evidence

[GRESB QNC9 Cover Page and Supporting Evidence.pdf](#)

Indicate where the relevant information can be found

Please see cover page of attached documentation

No

NC 10.1

Does the entity have environmental and social requirements in place for its contractors?

Yes

Select all topics included (multiple answers possible)

Business ethics

Community engagement

Environmental process standards

Environmental product standards

Fundamental human rights

Human health-based product standards

On-site health and safety

Sustainability-specific requirements for sub-contractors

Other

Percentage of portfolio covered

100

Upload supporting evidence

[GRESB QNC10.1 Cover Page and Supporting Evidence.pdf](#)

Indicate where the relevant information can be found

Please see cover page of attached documentation

No

NC 10.2

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)

Contractors provide update reports on environmental and social aspects during construction

External audits by third party

Internal audits

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

Other

No

Not applicable

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Health, Safety & Well-being

NC 11

Does the entity promote occupant health and well-being in its new construction and major renovation projects?

Yes

No

Not applicable

NC 12.1

Does the entity promote on-site health and safety during the construction phase of its new construction and major renovation projects?

Yes

The entity promotes on-site health and safety through (multiple answers possible)

Communicate safety information

Continuously improve safety performance

Demonstrate safety leadership

Entrench safety practices

Manage safety risks

Promote design for safety

Other

The entity's on-site health and safety measures are required to

Meet local requirements

Meet above-code standards for some projects

Meet above-code standards for all projects

Meet national or global leadership standards for some projects

Meet national or global leadership standards for all projects

Upload supporting evidence

[GRESB QNC12.1 Cover Page and Supporting Evidence.pdf](#)

Indicate where the relevant information can be found

Please see cover page of attached documentation

No

Not applicable

NC 12.2

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

Yes

No

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Community Impact and Engagement

NC 13

Does the entity assess the potential socio-economic impact of its new construction and major renovation projects on the community as part of planning and pre-construction?

Yes

No

NC 14

Does the entity have a systematic process to monitor the impact of new construction and major renovation projects on the local community during different stages of the project?

Yes

No

SUPPLEMENTS

NAREIT 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 0.000293618 tonnes/\$ for 2015, 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.

http://s3-us-west-1.amazonaws.com/hcp-inc/report/2015_Annual_and_Sustainability_Report.pdf

Q2

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
	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	4.6	10.6	929646	2627380	372860	96 lighting retrofit projects were implemented where a combination of 3,568 fixtures/lamps were installed. The % of portfolio covered is the ratio of area of buildings where projects were implemented in 2015 to the 1325 total buildings in the 2015 HCP portfolio. Note: The number of buildings in HCP's environmental reporting boundary for 2015 is 463 which the majority of these projects were implemented.
2 Energy Management System (enterprise-wide or building-level)	1.4	4.1	1006859	3156216	279585	20 Energy Management Systems (EMS) projects were implemented.
3 Unitary Systems (rooftop, package, DHW, etc.)	5.1	9	492775	1580399	164648	127 HVAC system replacement projects were implemented in which 181 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 Max 100 words
	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	1.2	12.9	132275	2506	6878	4 Projects were implemented using drought tolerant landscaping and xeriscaping. Over 18 buildings in California obtained water reduction through these projects.
2 Low-flow Faucets	0.33	1.49	16926	3642	19500	3 Projects were implemented using technologies such as aerators, low flow and motion sensor faucets. 30 devices were installed.
3 Low-flow or Dual-flow Flush Toilets	0.26	1.17	37750	3813	5238	2 Projects were implemented using technologies such as low-flow toilets. 23 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 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 Solar Power System	0.07	0.07	300798	174654	26480	In 2015, we installed our second application of a solar photo-voltaic (PV) panel system at our medical office building in Woodland Hills, California. The project cost was \$300,798 . This solar PV system will remove approximately 18% 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	26.19	26.19	275248	3940	32365	In 2015, we recycled 3,940 metric tonnes of waste, with an investment of \$275,248. The payback period is 8.5 years. The scope includes our Life Science, Senior Housing and Medical Office Buildings in which recycling has been implemented. In 2015, we increased our recycling by 7.5%, which contributed to achieving objectives and targets, specifically our annual (short-term) waste reduction of 1-2%, and (long-term) 15% reduction by 2020.
2	Contract Waste Management	8.35	8.35	121780	2443.9	226067	The contracted waste removal by landfill for 2015 is 30,410 metric tonnes. The investment is the cost of contracted waste management company reviewing our recycle and landfill programs for MOB's and continually optimizes them which allows for more accurate estimates and measurement of waste.
3							

Max 100 words

SUPPLEMENTS

Health & Well-being

H0

Would you like to participate in the Health and Well-being Module?

Yes

No