



G R E S B<sup>®</sup>  
REAL ESTATE

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## HCP, Inc.

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GRESB GRESB Real Estate Assessment 2017

DATE: 30 Jun 2017 4:23:29pm Fri UTC

STATUS: 100% Completed.

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## ASPECT CHECKLIST

There are no checklist items.

## ENTITY AND REPORTING CHARACTERISTICS

## Entity Characteristics

## EC2

Nature of ownership:

 Listed entity

Please specify ISIN:

Year of commencement:

Legal status:

 Property company Real Estate Investment Trust (REIT) Non-listed entity Government 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) 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?

17.488

RC3

Metrics are reported in:

m2

sq. ft.

RC4

What is the entity's core business?

Management of standing investments only (continue with RC5.1, RC5.2, RC6)

Management of standing investments and development of new construction and major renovation projects (continue with RC5.1, RC5.2, RC6, RC-NC1, RC-NC2, RC-NC3)

Development of new construction and major renovation projects (continue with [GRESB Developer Assessment](#))

RC5.1

Describe the composition of the entity's standing investments during the reporting period:

Property Type	% of GAV	Number of Assets	Floor Area		Units	% Indirectly Managed Assets
			ft <sup>2</sup>	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"/>
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	<input type="text" value="100"/>	<input type="text" value="802"/>	<input type="text" value="71661568"/>	<input type="text" value="Floor Area"/>	<input type="text"/>	<input type="text" value="36.5"/>
Medical Office	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>
Lodging, Leisure & Recreation	<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"/>
<b>Totals:</b>	<b>100</b>	<b>802</b>	<b>71,661,568</b>			

Note: The table above defines the scope of your 2017 GRESB submission and should include the total portfolio.

Note: Use the table above to define the structure of the standing investments portion of your portfolio. Any development projects (New Constructions and/or Major Renovations) should be defined in [RC-NC1.1](#) and [RC-NC2.1](#).

**RC5.2**

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

To establish our boundary we use the operational control approach, in conformance with the GHG Protocol, to report direct and indirect energy consumption as well as GHG emissions. Our complete portfolio was analyzed to determine whether HCP has operational control based on the building (or portion of the building) that we maintain, provide service to, and/or have the authority to implement operating policies with respect to energy usage, water usage and/or waste disposal. As a result, 434 properties out of the 802 properties in the HCP portfolio (assets under management) were identified as being controlled by HCP for 2016.

**RC6**

Which countries are included in the entity's portfolio?

Country	% of GAV
United States	98.1
United Kingdom	1.9
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"/>
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="12"/>	<input type="text" value="1546361"/>	<input type="text" value="430.7"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Medical Office	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Lodging, Leisure & Recreation	<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

**RC-NC1.2**

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"/>
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"/>
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="7"/>	<input type="text" value="891498"/>	<input type="text" value="14.4"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>
Medical Office	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Lodging, Leisure & Recreation	<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

**RC-NC2.2**

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 - hyperlink

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

We identify our relevant Sustainability (ESG) priorities and issues (i.e., identified material aspects) through our annual materiality assessment: Environmental Responsibility: Efficient buildings; Effective Management of Resources (Energy, GHG, Water, Waste & Recycling); and Climate Change Awareness (pg. 5; pg. 10, 2nd paragraph).

Social Responsibility: Community Improvement; Employee and Tenant Satisfaction; Improved Diversity and Equal Opportunity Disclosure and Efforts (pg. 5; pg. 14, 1st paragraph).

Governance Initiatives: Improved Best Practices, Transparency, and Risk Management (pg. 5; pg. 16, 1st paragraph).

Stakeholder engagement is an integral component of our materiality process, and is key to facilitating the alignment of our sustainability strategy with our business objectives. Our identified stakeholders include employees, stockholders, tenants/operators, and local communities (pg. 6).

Our ESG objectives are fully integrated into our overall business strategy, and we identify risks and the business-related impacts as well as the sustainability-related impacts (pg. 7).

Additionally, integrating sustainability into our strategic business objectives is critical to our long-term success. By capitalizing on our identified value drivers, we are able to create value for our stakeholders. (pg. 8-9)

As a self-administered REIT, our sustainability objectives apply at the entity level (pg. 33, GRI 102-2).

Our proactive green strategies include energy, greenhouse gas ("GHG") emissions, water, and waste reduction goals of 15% by 2020 (from our 2011 baseline) for the long-term, and of 1-2% annually for the short-term. (pg. 10, 2nd paragraph).

We plan enhance our focus on our value drivers to foster further alignment of our business objectives with our sustainability objectives.

 Offline - separate document

Communicate the objectives (maximum 250 words)

We identify our relevant Sustainability (ESG) priorities and issues (i.e., identified material aspects) through our annual materiality assessment: Environmental Responsibility: Efficient buildings; Effective Management of Resources (Energy, GHG, Water, Waste & Recycling); and Climate Change Awareness (pg. 5; pg. 10, 2nd paragraph).

Social Responsibility: Community Improvement; Employee and Tenant Satisfaction; Improved Diversity and Equal Opportunity Disclosure and Efforts (pg. 5; pg. 14, 1st paragraph).

Governance Initiatives: Improved Best Practices, Transparency, and Risk Management (pg. 5; pg. 16, 1st paragraph).

Stakeholder engagement is an integral component of our materiality process, and is key to facilitating the alignment of our sustainability strategy with our business objectives. Our identified stakeholders include: employees, stockholders, tenants/operators, and local communities (pg. 6).

Our ESG objectives are fully integrated into our overall business strategy, and we identify risks and the business-related impacts as well as the sustainability-related impacts (pg. 7).

Additionally, integrating sustainability into our strategic business objectives is critical to our long-term success. By capitalizing on our identified value drivers, we are

able to create value for our stakeholders. (pg. 8-9)

As a self-administered REIT, our sustainability objectives apply at the entity level (pg. 33, GRI 102-2).

Our proactive green strategies include energy, greenhouse gas ("GHG") emissions, water, and waste reduction goals of 15% by 2020 (from our 2011 baseline) for the long-term, and of 1-2% annually for the short-term. (pg. 10, 2nd paragraph).

We plan enhance our focus on our value drivers to foster further alignment of our business objectives with our sustainability objectives.

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

Select the persons responsible (multiple answers possible)

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

SMD - Medical Office Properties, and Chair of Sustainability Committee

E-mail

tklaritch@hcpi.com

LinkedIn profile (optional)

External consultants/manager

Other

No

Not applicable

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

Fund/portfolio managers

Property managers

Senior Management Team

Other

Other selected. Please describe

Vice Presidents, Sr. Directors and Directors

No

4

Does the entity have a senior decision-maker accountable for sustainability?

 Yes

The individual is part of

 Board of Directors Senior Management Team Fund/portfolio managers Investment Committee Other

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

Name

Job title

E-mail

LinkedIn profile (optional)

 No

5

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

 Yes

Describe the process (maximum 250 words)

The process to inform our most senior level decision maker, Mr. Mike McKee, Executive Chairman of HCP, of sustainability performance and efforts include the following: Monthly Management Meetings – Our Executive Chairman and our CEO conduct 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. a senior managing director) 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 Executive Chairman and our CEO as members 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 Executive Chairman and our CEO and our Board.

 No

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

[HCP 2016 Annual Report \[10-K\].pdf](#)

Indicate where in the evidence the relevant information can be found

The evidence can be found on page 11, in the Sustainability Highlights section.

Show investors

Select the applicable reporting level

Entity

Investment manager

Group

Aligned with

Stand-alone sustainability report(s)

[HCP 2016 Sustainability Report.pdf](#)

Indicate where in the evidence the relevant information can be found

The evidence can be found in the entire document.

Show investors

Select the applicable reporting level

Entity

Investment manager

Group

Aligned with

Integrated Report

Dedicated section on corporate website

Provide hyperlink

Indicate where the relevant information can be found

The evidence can be found throughout the Sustainability Section, and also within our Sustainability Report posted on the menu page.

Select the applicable reporting level

Entity

Investment manager

Group

Section in entity reporting to investors

[HCP 2017 Proxy Statement.pdf](#)

Indicate where in the evidence the relevant information can be found

The evidence can be found on page 9, in the Sustainability Highlights section.

Show investors

Aligned with

Other selected. Please describe:

Other

No

7.2

Does the organization have an independent third party review of its sustainability disclosure?

Yes

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

Section in Annual Report

Externally checked by

Deloitte

Externally verified by

Externally assured by

Stand-alone sustainability report

Externally checked by

Externally verified by

Externally assured by

Ernst & Young

using

Integrated Report

Section in entity reporting to investors

Other

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

[GRESB Q8 Cover Page and Supporting Evidence \(2017\).pdf](#)

Indicate where in the evidence the relevant information can be found

Building Safety: PDF pgs. 2-9  
Energy, GHG, Waste and Water management: PDF pgs. 10-21  
The Cover Page of the attached supporting evidence reflects a more detailed account of the page numbers and areas in which the relevant information can be found.

Show investors

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

[GRESB Q9 Cover Page and Supporting Evidence \(2017\).pdf](#)

Indicate where in the evidence the relevant information can be found

Note to GRESB: the question states "...applicable to the entity level...", while the guidance for this question states "Answers should be applicable at the organizational level." That being said, our 188 employees are all office workers governed by our company Code of Conduct. Our property managers, tenants, operators, etc. ("Vendors") are all third-parties and therefore governed by our Vendor Code of Conduct. As an example, while child labor issues do not apply to our small amount of office workers, child labor is an issue that is applicable and needs to be addressed by our Vendors, as well as the contractors or laborers hired by our Vendors. Accordingly, we have attached the applicable documentation for the issues selected.

The Cover Page of the supporting evidence reflects the page numbers and areas in which the relevant information can be found.

Show investors

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

[Q10 Stakeholder Engagement \(2017\).pdf](#)

Indicate where in the evidence the relevant information can be found

Stakeholder engagement is an integral component of our materiality assessment process, and is key to facilitating the alignment of our sustainability strategy with our business objectives. We concentrate our stakeholder engagement efforts in four core groups: our employees, our stockholders, our tenants and operators (or "partners"), and our local communities. (all pages)

Show investors

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 and well-being

Performance and career development

Remuneration

Other

[GRESB Q11 Cover Page and Supporting Evidence \(2017\).pdf](#)

Indicate where in the evidence the relevant information can be found

The Cover Page of the supporting evidence reflects the page numbers and areas in which the relevant information can be found.

Show investors

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?

 Yes

Select all applicable options (multiple answers possible)

 Investment due diligence process

 Training related to governance risks for employees (multiple answers possible)

 Regular follow-ups

 When an employee joins the organization

 Whistle-blower mechanism

 Other

[GRESB Q12 Cover Page and Supporting Evidence \(2017\).pdf](#)

Indicate where in the evidence the relevant information can be found

The Cover Page of the supporting evidence reflects the page numbers and areas in which the relevant information can be found.

 Show investors

 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

[GRESB Q13 Cover Page and Supporting Evidence \[2017\].pdf](#)

Indicate where in the evidence the relevant information can be found

 Show investors

 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 2016:

Specify the number of cases when contracts with business partners were not renewed due to violations related to corruption in 2016:

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. As of 12.31.16, HCP was a party in two pending civil lawsuits asserting fraud claims:

On May 9, 2016, a purported stockholder of the Company filed a putative class action complaint, Boynton Beach Firefighters' Pension Fund v. HCP, Inc., et al., against the Company, certain of its officers, HCRMC, and certain of its officers, asserting violations of the federal securities laws. The suit alleges that the Company made certain false or misleading statements relating to the value of and risks concerning its investment in HCRMC by allegedly failing to disclose that HCRMC had engaged in billing fraud, as alleged by the U.S. Department of Justice in a pending suit against HCRMC arising from the False Claims Act. The defendants have not yet responded to the complaint. The Company believes the suit to be without merit and intends to vigorously defend against it.

On June 16, 2016 and July 5, 2016, purported stockholders of the Company filed two derivative actions against certain of the Company's current and former directors and officers and HCRMC. The Company is named as a nominal defendant. They have been consolidated into a single action. The consolidated action alleges that the defendants engaged in various acts of wrongdoing, including, among other things, breaching fiduciary duties. Defendants have not yet responded to the complaint.

 No

## RISKS AND OPPORTUNITIES

### Environmental & Social

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

[GRESB Q15.1 Cover Page and Supporting Evidence.pdf](#)

Indicate where in the evidence the relevant information can be found

Please see cover page of supporting evidence

Show investors

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.

- No
- Not applicable

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
 

Percentage of portfolio covered
  - External assessment

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

Indicate where in the evidence the relevant information can be found

Show investors

Water Efficiency

In-house assessment

Percentage of portfolio covered

External assessment

[GRESB Q16 \(water\) Cover Page and Supporting Evidence.pdf](#)  
Indicate where in the evidence the relevant information can be found

See cover sheet to attachment.

Show investors

Waste Management

In-house assessment

Percentage of portfolio covered

External assessment

[GRESB Q16 \(waste\) Cover Page and Supporting Evidence.pdf](#)  
Indicate where in the evidence the relevant information can be found

See cover sheet to attachment.

Show investors

Health & Well-being

No

Not applicable

17

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 rej	≥25%, <50%	0%, <25%	10163	21	The installation of the high efficiency lighting retrofit measures yielded less than a 5 year p	<a href="#">Submitted Review</a>
Installation of high-efficiency equipment and appliances	HVAC equipment replacé	0%, <25%	0%, <25%	9488	37	The installation of high efficiency HVAC units such as water source heat pumps, package s	<a href="#">Submitted Review</a>
Building energy management systems upgrades/replacements	EMSs and building autom	0%, <25%	0%, <25%	12512	24	The installation of the energy management system and building automation control measu	<a href="#">Add</a>

No

Not applicable

18

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

Yes

Category	Measure	% portfolio covered during the last 4 years	% whole portfolio covered	Estimated savings (m³) (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 and toi	0%, <25%	0%, <25%	16384	19	The installation of the low flow toilet and low flow faucet equipment measures yielded a 5	<a href="#">Add</a>
Drip/smart irrigation	Smart irrigation data sys	0%, <25%	0%, <25%	20234	68	The installation of smart irrigation control measures yielded approximately a 1.5 year payt	<a href="#">Add</a>
Drought tolerant/native landscaping	Xeriscaping implementa	0%, <25%	0%, <25%	6646	5.2	The installation of low water content landscaping (Xeriscaping) measures yielded just abov	<a href="#">Add</a>

No

Not applicable

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

Yes

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 recycling effort	≥50%, <75%	≥25%, <50%	6461	100	In 2016, HCP recycled 6,461 metric tonnes of waste. The investment is the cost of recycling	<a href="#">Add</a>

No

Not applicable

20

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

[Q21.1 EMS \(Goby\).pdf](#)

Indicate where in the evidence the relevant information can be found

- 1. A high level outline or diagram of the implemented EMS (PDF pg. 4\*)
  - 2. The applicability of the EMS at the entity level (PDF pgs. 5-6 and 13\*)
  - 3. The stages, elements and or processes currently covered by the EMS (PDF pg. 7 and 13\*)
  - 4. Evidence of implementation of the EMS into the entity or organization's operations (PDF pgs. 8-12\*)
- \*See also highlighted areas on those pages

Show investors

No

21.2

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

Yes

Aligned with

SO 14001, ENERGY STAR, LEED EB O&M

Externally certified by

[HCP Goby EMS and DMS.pdf](#)

Indicate where in the evidence the relevant information can be found

Pgs. 21-23

Show investors

No

Not applicable

MONITORING AND EMS

Data Management Systems

22

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 (custom) internal system developed by a third party

External system

Name of the system

Sea Suite by Goby

Name of the organization

Goby LLC

Select the performance indicators included (multiple answers possible)

Energy consumption

Percentage of portfolio covered

54.7

GHG emissions/management

Percentage of portfolio covered

54.7

Health and well-being

Indoor environmental quality

Resilience

Waste streams/management

Percentage of portfolio covered

54.7

Water

Percentage of portfolio covered

54.7

Other

[Q22 DMS \(Goby\).pdf](#)

Indicate where in the evidence the relevant information can be found

1. The existence of the DMS (PDF pgs. 1-11 (all))
2. The scope of the DMS and KPIs (PDF pgs. 7-11\*)
3. The type of system (PDF pgs. 4-6\*)

\*See also highlighted areas on those pages

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No

**MONITORING AND EMS**

**Monitoring Consumption**

23

Does the entity monitor the energy consumption of the portfolio?

Yes

Percentage of whole portfolio covered by floor area

53.8

Type of monitoring (multiple answers possible)

Automatic meter readings

Percentage of the whole portfolio covered by floor area

6.5

Based on invoices

Percentage of the whole portfolio covered by floor area

47.3

Manual-visual readings

Provided by the tenant

Other

No

Not applicable

24

Does the entity monitor the water consumption of the portfolio?

Yes

Percentage of whole portfolio covered by floor area

53.8

Type of monitoring (multiple answers possible)

Automatic meter readings

Percentage of the whole portfolio covered by floor area

2.1

Based on invoices

Percentage of the whole portfolio covered by floor area

51.7

Manual-visual readings

Provided by the tenant

Other

No

Not applicable

NEW

Does the entity monitor the waste production of the portfolio? (optional)

Yes

Percentage of whole portfolio covered by floor area

54.7

Type of monitoring (multiple answers possible)

Internal tracking

Provided by haulers

Percentage of the whole portfolio covered by floor area

54.7

Provided by the tenant

Other

Explain (a) the calculation methodology for percentage of whole portfolio covered, and (b) limitations and assumptions made in the calculation (maximum 250 words)

The percentage is based upon our boundary sqft of 39.2 million ft2 divided by our total portfolio sqft of 76.1 million ft2. The tracking of the waste is part of our sustainability reporting metrics. We utilize waste consultants who work directly with the haulers to obtain the data and we obtain reports directly from the haulers.

No

Not applicable

PERFORMANCE INDICATORS

Healthcare > Energy Consumption

Q25.0

Does the entity collect energy consumption data for Healthcare?

Yes

Please provide the TOTAL floor area of your portfolio for this property type, regardless of energy supply and energy data availability and complete Q25.1 - Q25.3 for this property type.

Managed Assets	Floor area (ft <sup>2</sup> )
Common Areas	<input type="text"/>
Tenant Space, Energy Purchased by Landlord	<input type="text"/>
Tenant Space, Energy Purchased by Tenant	<input type="text"/>
Whole Building	45476573
Shared Services	<input type="text"/>
Indirectly Managed Assets	Floor area (ft <sup>2</sup> )
Whole Building	26184995

No

Q25.1

Energy consumption for Healthcare

Report absolute values and like-for-like consumption for 2015 and 2016. All assets in the whole portfolio for Healthcare should be included.

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

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

Managed Assets	Base Building	Absolute Consumption					Like-for-like Consumption			
		2015	2016			2015	2016	Like-for-like Change		
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft <sup>2</sup> )	Maximum coverage (ft <sup>2</sup> )	Floor area type	Consumption (MWh)	Consumption (MWh)	%	
1	Common areas	Fuels	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	

Q25.1 (continued)

Managed Assets Base Building		Absolute Consumption					Like-for-like Consumption			
		2015	2016			2015	2016	Like-for-like Change		
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft <sup>2</sup> )	Maximum coverage (ft <sup>2</sup> )	Floor area type	Consumption (MWh)	Consumption (MWh)	%	
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"/>		
5		District Heating & Cooling	<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"/>	N/A	N/A	N/A	<input type="text"/>	<input type="text"/>		
8		Electricity	<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 Tenant space		Absolute Consumption					Like-for-like Consumption			
		2015	2016			2015	2016	Like-for-like Change		
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft <sup>2</sup> / units)	Maximum coverage (ft <sup>2</sup> / units)	Floor area type	Consumption (MWh)	Consumption (MWh)	%	
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"/>	
15		Electricity	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	
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			
		2015	2016			2015	2016	Like-for-like Change		
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft <sup>2</sup> )	Maximum coverage (ft <sup>2</sup> )	Floor area type	Consumption (MWh)	Consumption (MWh)	%	
17	Combined consumption common areas + tenant space	Fuels	<input type="text" value="228443"/>	<input type="text" value="242164"/>	<input type="text" value="39228010"/>	<input type="text" value="45476573"/>	<input type="text" value="Floor area"/>	<input type="text" value="212744.52"/>	<input type="text" value="203221.74"/>	<input type="text" value="-4.48%"/>

Q25.1 (continued)

Managed Assets Whole building		Absolute Consumption					Like-for-like Consumption			
		2015	2016			2015	2016	Like-for-like Change		
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft <sup>2</sup> )	Maximum coverage (ft <sup>2</sup> )	Floor area type	Consumption (MWh)	Consumption (MWh)	%	
18	District Heating & Cooling	20968	10366	39228010	45476573	Floor area	20163.1	10338.19	-48.73%	
19	Electricity	619433	610002	39228010	45476573	Floor area	514574.23	511670.4	-0.56%	
20	Total energy consumption of Whole Building		868,844	862,532	N/A	N/A	N/A	747,482	725,230	-2.98%
21	Total energy consumption of Managed Assets		868,844	862,532	N/A	N/A	N/A	747,482	725,230	-2.98%

Indirectly Managed Assets Whole building		Absolute Consumption					Like-for-like Consumption			
		2015	2016			2015	2016	Like-for-like Change		
		Consumption (MWh)	Consumption (MWh)	Data coverage (ft <sup>2</sup> )	Maximum coverage (ft <sup>2</sup> )	Floor area type	Consumption (MWh)	Consumption (MWh)	%	
22	Tenant space	Fuels	0	0	0	26184995	Floor area			
23		District Heating & Cooling	0	0	0	26184995	Floor area			
24		Electricity	0	0	0	26184995	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		868,844	862,532	N/A	N/A	N/A	747,482	725,230	-2.98%

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) HCP Inc. assumes that data provided by utility providers on invoices is the most accurate representation of a property's consumption.
- b) Properties in regions without utility aggregation services were more limited in their ability to collect data, especially properties with more tenant-controlled data.
- c) Properties bought or sold within the reporting period (2015-2016) and properties with new construction or major renovation activities were excluded from like-for-like reporting.

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 intensities in the whole portfolio for this property type?

Yes

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

	Optional base-line year (include year)	2014	2015	2016
Energy use intensity	<input type="text"/>	<input type="text" value="22.48"/>	<input type="text" value="22.32"/>	<input type="text" value="21.9876"/>
% of portfolio covered	<input type="text"/>	<input type="text" value="44.4"/>	<input type="text" value="39.9"/>	<input type="text" value="54.7"/>

Select the elements for which intensities are normalized in your calculations

Air conditioning and/or natural ventilation

Building age

Degree days

Footfall

Occupancy rate

Operational hours

Weather conditions

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)

Our energy intensity ratio is calculated per thousand square feet of space in all our properties under our operational control. It includes all fuel, electricity, heating, cooling, steam as indicated.

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	
	2015	2016
On-site renewable energy (MWh generated and consumed on-site)	30.2	476
Off-site renewable energy (MWh generated off-site or purchased from third party)		
On-site renewable energy (MWh generated on-site and exported)		
<b>Total renewable energy</b>	<b>30</b>	<b>476</b>
Percentage renewable energy	0.003	0.08

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 2015 and 2016. All assets in the whole portfolio for Healthcare should be included.

		Absolute GHG Emissions				Like-for-like Consumption			
		2015	2016			2015	2016	Like-for-like Change	
		Emissions (tonnes)	Emissions (tonnes)	Data coverage (ft <sup>2</sup> )	Maximum potential coverage (ft <sup>2</sup> )	Floor area type	Emissions (tonnes)	Emissions (tonnes)	%
1	Scope 1	49333	52257	39228010	71661568	Floor area	47496.15	45307.86	-4.61%
2	Scope 2	324503	307890	39228010	71661568	Floor area	268510.15	257709.64	-4.02%
3	Scope 3 (optional)								
4	GHG Offsets purchased			N/A	N/A	N/A			
5	Net GHG Emissions after offsets			N/A	N/A	N/A			

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) HCP Inc. uses a calculator based on the EPA E-grid and IEA Emission factors. For Scope 1 HCP Inc. normalizes all usage from to kbtu to get a emission breakdown of CO2 CH4 and N2O with the IPCC 5th Assessment global warming potentials to normalize to Metric tons of CO2 equivalent emissions and sum up the 3 values to get a total CO2e emission. For Scope 2, we use the regional emission factors based on zip code to use the correct emission factors for each region of the United States in the EPA 2014 E-Grid emission factors and normalized the same way as Scope 1.
- b) To calculate regionally based United States GHG emissions, HCP Inc. uses the EPA 2014 E-Grid. Global warming potential factors are sourced from the most current metrics from IPCC 5th Assessment.
- c) While regional factors are used to calculate GHG emissions as accurately as possible, some inaccuracy exists within the market-based grid factors. The EPA's most recent factors were also calculated in 2014 so some of the factors may have changed.
- d) Properties bought or sold within the reporting period (2015-2016) and properties with new construction or major renovation activities were excluded from like-for-like reporting.
- e) We do not track Scope 3 emissions.
- f) Not applicable.

The information above is correct and complete for all Healthcare assets

## Q26.2

GHG emissions intensity rates Healthcare

Does the entity report GHG emissions intensities?

Yes

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

	Optional base-line year (include year)	2014	2015	2016
GHG emissions intensity	<input type="text"/>	0.01	0.0095	0.0091
% of portfolio covered	<input type="text"/>	44.4	39.9	63.5

Select the elements for which intensities are normalized in your calculations

Air conditioning and/or natural ventilation

Building age

Degree days

Footfall

Occupancy rate

Operational hours

Weather conditions

Other

None of the above

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

(a) 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.

(b) The 2015 and 2016 absolute consumption data is assured, while the 2016 like for like data has been adjusted so it can be compared to the 2015 absolute data. The 2016 data was adjusted to account for any acquisitions, dispositions, and changes in our boundary operational control conditions.

(c) We use the intensity (emissions divided by square footage) to determine how efficient our buildings are operating.

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 2015 and 2016. 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			
		2015	2016			2015	2016	Like-for-like Change		
		Consumption (m <sup>3</sup> )	Consumption (m <sup>3</sup> )	Data coverage (ft <sup>2</sup> )	Maximum coverage (ft <sup>2</sup> )	Floor area type	Consumption (m <sup>3</sup> )	Consumption (m <sup>3</sup> )	%	
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	5605426	6219555.50	39228010	45476573	Floor area	4767792.96	5130328.49	7.60%
9	Total water usage Whole Building		5,605,426	6,219,556	N/A	N/A	N/A	4,767,793	5,130,328	7.60%
10	Total water usage Managed Assets		5,605,426	6,219,556	N/A	N/A	N/A	4,767,793	5,130,328	7.60%

Indirectly Managed Assets		Absolute Consumption					Like-for-like Consumption			
		2015	2016			2015	2016	Like-for-like Change		
		Consumption (m <sup>3</sup> )	Consumption (m <sup>3</sup> )	Data coverage (ft <sup>2</sup> )	Maximum coverage (ft <sup>2</sup> )	Floor area type	Consumption (m <sup>3</sup> )	Consumption (m <sup>3</sup> )	%	
11	Whole building	Tenant space	0	0	0	26184995	Floor area			
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		5,605,426	6,219,556	N/A	N/A	N/A	4,767,793	5,130,328	7.60%

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) HCP Inc. assumes that data provided by utility providers on invoices is the most accurate representation of a property's consumption.  
b) Properties in regions without utility aggregation services were more limited in their ability to collect data, especially properties with more tenant-controlled data.  
c) Properties bought or sold within the reporting period (2015-2016) and properties with new construction or major renovation activities were excluded from like-for-like reporting.

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 intensities?

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 data for Healthcare?

Yes

No

#### Q28.1

Waste management for Healthcare

Report absolute values for 2015 and 2016. All assets in the whole portfolio for Healthcare should be included.

			Absolute Measurement	
			2015	2016
1	Managed Assets	Total weight of hazardous waste in metric tonnes	<input type="text"/>	<input type="text"/>
2		Total weight of non-hazardous waste in metric tonnes	<input type="text" value="34350"/>	<input type="text" value="42021"/>
3		% managed portfolio covered	<input type="text" value="90.7"/>	<input type="text" value="99"/>
4	Indirectly Managed Assets	Total weight of hazardous waste in metric tonnes	<input type="text"/>	<input type="text"/>
5		Total weight of non-hazardous waste in metric tonnes	<input type="text"/>	<input type="text"/>
6		% indirectly managed portfolio covered	<input type="text"/>	<input type="text"/>
<b>Proportion of waste by disposal route (% of total by weight)</b>			<b>2015</b>	<b>2016</b>
7	Whole Portfolio (HEC)	Landfill	<input type="text" value="88.5"/>	<input type="text" value="84.6"/>
8		Incineration	<input type="text"/>	<input type="text"/>
9		Diverted (total)	<input type="text" value="11.5"/>	<input type="text" value="15.4"/>
10		Diverted - waste to energy (optional)	<input type="text"/>	<input type="text"/>
11		Diverted - recycling (optional)	<input type="text" value="11.5"/>	<input type="text" value="15.4"/>
12		Diverted - other (optional)	<input type="text"/>	<input type="text"/>
13		Other	<input type="text"/>	<input type="text"/>

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

- a) HCP Inc. assumes that data provided by waste vendors, either in volume or weight, is an accurate representation of the waste produced by a property. HCP Inc. also assumes that waste measurements taken from the portfolio are representative of the portfolio's waste production, independent of any external sources of waste (pedestrians, neighbors, etc) who may co-opt the portfolio's waste collection services.
- b) Properties whose tenants have their own waste contracts had a limited ability to collect waste data from their tenants, due to the diversity of waste vendors and tenant confidentiality.
- c) No properties were excluded from reporting, though some properties were unable to provide waste data due to difficulty contacting tenants or waste vendors.

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

Ernst & Young

Using scheme

[HCP 2016 Sustainability Report \(FINAL\) \(EY Letter only\).pdf](#)

Indicate where in the evidence the relevant information can be found

Show investors

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  
Ernst & Young

Using scheme

[HCP 2016 Sustainability Report \(FINAL\) \(EY Letter only\).pdf](#)

Indicate where in the evidence the relevant information can be found

Show investors

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  
Ernst & Young

Using scheme

[HCP 2016 Sustainability Report \(FINAL\) \(EY Letter only\).pdf](#)

Indicate where in the evidence the relevant information can be found

Show investors

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  
Ernst & Young

Using scheme

[HCP 2016 Sustainability Report \(FINAL\) \(EY Letter only\).pdf](#)

Indicate where in the evidence the relevant information can be found

Show investors

No

Not applicable

PERFORMANCE INDICATORS

Targets

Q29

Has the entity set long-term reduction targets?

Yes

Area	Target type	Long-term target	Baseline year	End year	2016 target	Portfolio coverage	Are these targets communicated externally?
Energy consumption	<input type="text" value="Like-for-like"/>	<input type="text" value="15"/>	<input type="text" value="2011"/>	<input type="text" value="2020"/>	<input type="text" value="1"/>	<input type="text" value="≥50%, &lt;75%"/>	<input type="text" value="Yes"/>
GHG emissions	<input type="text" value="Like-for-like"/>	<input type="text" value="15"/>	<input type="text" value="2011"/>	<input type="text" value="2020"/>	<input type="text" value="1"/>	<input type="text" value="≥50%, &lt;75%"/>	<input type="text" value="Yes"/>
Water consumption	<input type="text" value="Like-for-like"/>	<input type="text" value="15"/>	<input type="text" value="2011"/>	<input type="text" value="2020"/>	<input type="text" value="1"/>	<input type="text" value="≥50%, &lt;75%"/>	<input type="text" value="Yes"/>
Waste diverted from landfill	<input type="text" value="Like-for-like"/>	<input type="text" value="15"/>	<input type="text" value="2011"/>	<input type="text" value="2020"/>	<input type="text" value="1"/>	<input type="text" value="≥50%, &lt;75%"/>	<input type="text" value="Yes"/>
<input type="text" value=""/>	<input type="text" value="."/>	<input type="text" value=""/>	<input type="text" value="."/>	<input type="text" value="."/>	<input type="text" value=""/>	<input type="text" value="."/>	<input type="text" value="."/>

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) reduction targets for energy, GHG, water and waste, as well as a 15% reduction rate for each by 2020 (long-term) from our 2011 baseline.  
 (See pg.10 of our annual Sustainability Report publicly available on our website and appended elsewhere to this submission)

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 for this property type (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="0.07"/>	<input type="text" value="1"/>
LEED/New Construction	<input type="text" value="0.23"/>	<input type="text" value="3"/>
LEED/2009 Core and Shell Development	<input type="text" value="0.53"/>	<input type="text" value="4"/>
LEED/Commercial Interiors 2.0	<input type="text" value="0.63"/>	<input type="text" value="3"/>
LEED/Commercial Interiors v2009	<input type="text" value="0.21"/>	<input type="text" value="2"/>

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 for this property type (multiple answers possible)

Scheme name/sub-scheme name	% portfolio covered by floor area baseline year 2015 (optional in 2017)	% portfolio covered by floor area 2015 (optional in 2017)	% portfolio covered by floor area 2016	Number of certified assets 2016
LEED Building Operations and Maintenance	<input type="text" value="0.25"/>	<input type="text" value="0.25"/>	<input type="text" value="0.33"/>	<input type="text" value="1"/>

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 energy efficiency rating scheme used and the percentage of the portfolio rated for this property type (multiple answers possible)

EU EPC (Energy Performance Certificate)

NABERS Energy

ENERGY STAR

Year	% portfolio covered	Floor area weighted score
2015	2.4	83.6
2016	3.94	83.44

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

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

Indicate where in the evidence the relevant information can be found

The cover page of the supporting evidence reflects the page numbers and areas in which the relevant information can be found.

Show investors

No

33

Does the organization provide regular trainings for the employees responsible for the entity?

Yes

Percentage of employees who received professional training in 2016

Percentage of employees who received sustainability-specific training in 2016

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

Community health, safety and well-being

Community social and economic impacts

Customer/tenant health, safety and well-being

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

100

Name of the organization

Kingsley Associates

Survey response rate

75

[Q34.1 HCP Employee Satisfaction Survey excerpts \(2017\).pdf](#)

Indicate where in the evidence the relevant information can be found

See pg. 2 for response rate summary.

Show investors

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 Q34.1?

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

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/or mental health checks

% of employees

100

Work station and/or workplace checks

Other

No

Not applicable

35.2

Does the organization monitor employee health and safety indicators?

Yes

Select all applicable options (multiple answers possible)

Absentee rate

1.09

Lost day rate

Other metrics

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

Total number of days of absenteeism (511) divided by the total number of workdays (47,000), based on number of employees in 2016 (188).

No

STAKEHOLDER ENGAGEMENT

Tenants/Occupiers

36

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

Yes

Select all approaches to engage tenants (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

Survey response rate

89

[Q37.1 HCP Tenants Results Summary \(Kingsley\) \[2017\].pdf](#)

Indicate where in the evidence the relevant information can be found

See pg. 2 for response summary.

Show investors

No

Not applicable

37.2

Does the entity have a program in place to improve tenant satisfaction based on the outcomes of the survey referred to in Q37.1?

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)

Our 2016 tenant satisfaction survey was delivered via a web based methodology to 2,327 of our tenants and we achieved a response rate of 89%. The survey included 18 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

Tenant fit-out guides

Minimum fit-out standards are prescribed

Percentage of portfolio covered

Procurement assistance for tenants

Other

No

39.1

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

Yes

Select all topics included (multiple answers possible)

Cooperation and works:

Environmental initiatives

Enabling upgrade works

Sustainability management collaboration

Premises design for performance

Managing waste from works

Social initiatives

Other

Management and consumption:

Energy management

Water management

Waste management

Indoor environmental quality management

Sustainable procurement

Sustainable utilities

Sustainable transport

Sustainable cleaning

Other

Reporting and standards:

Information sharing

Performance rating

Design/development rating

Performance standards

Metering

Comfort

Other

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

Indicate where in the evidence the relevant information can be found

The cover page of the supporting evidence reflects the page numbers and areas in which the relevant information can be found.

Show investors

No

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 entity include sustainability-specific requirements in the procurement processes applicable to the entity level?

Yes

Select the external 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

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

Indicate where in the evidence the relevant information can be found

The cover page of the supporting evidence reflects the page numbers and areas in which the relevant information can be found.

Show investors

No

Not applicable

41.1

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

Yes

The organization monitors compliance of:

Internal property/asset managers

External property/asset managers

Both internal and external property/asset managers

Select all methods used (multiple answers possible)

Checks performed by independent third party

Property/asset manager sustainability training

Property/asset manager self-assessments

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

Require external property/asset managers' alignment with a professional standard

Other

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

Indicate where in the evidence the relevant information can be found

The cover page of the supporting evidence reflects the page numbers and areas in which the relevant information can be found.

Show investors

No

Not applicable

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 an independent third party

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

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

 Require supplier/service providers' alignment with a professional standard

 Supplier/service provider sustainability training

 Supplier/service provider self-assessments

 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

 Enhancement programs for public spaces

 Employment creation in local communities

 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

 Other

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

Our Social Responsibility Committee drives our engagement related to our support of charities and local community groups. [GH adding language]

- No
- Not applicable

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

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

Indicate where in the evidence the relevant information can be found

Please see cover page of attached documentation

Show investors

Communicate the strategy (maximum 250 words)

We work closely with our partners to ensure that all of our new construction and major renovations (“NCRM”) projects incorporate sustainable business practices. Our NCRM 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 NCRM 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 2017.

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 aquatic ecosystems

Protect, restore, and conserve farmland

Protect, restore, and conserve floodplain functions

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

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

Indicate where in the evidence the relevant information can be found

Please see cover page of attached documentation

Show investors

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

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

Indicate where in the evidence the relevant information can be found

Please see cover page of attached documentation

Show investors

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 on health attributes of building materials

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

Requirement for information (disclosure) about the environmental and/or health attributes of building materials (multiple answers possible)

Material characteristics specification, including (multiple answers possible)

Preference for materials that disclose environmental impacts

Preference for 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

Locally extracted or recovered materials

Rapidly renewable materials, low embodied carbon materials, and recycled content materials

Materials that can easily be recycled

Third-party certified wood-based materials and products

Low-emitting materials

Other

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

Indicate where in the evidence the relevant information can be found

Please see cover page of attached documentation

Show investors

No

Not applicable

**NC 5.1**

Does the entity use green building standards?

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

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

The entity requires projects to achieve a specific level of certification

Percentage of portfolio covered

Level of certification: include all that apply

Levels adopted as a standard by the entity

No

Not applicable

**NC 5.2**

Does the entity's projects 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/EB O+M	Certified	0.53	4

**Projects completed during the reporting period**

Scheme name/sub-scheme name	Level of certification	% portfolio covered by floor area	Number of certified projects
LEED Building Design and Construction	Silver	0.31	2
LEED Interior Design and Construction	Gold	0.13	1
LEED/New Construction	Certified	0.04	1

No

Not applicable

**NEW CONSTRUCTION AND MAJOR RENOVATIONS**

**Energy Efficiency**

**NC 6**

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

Yes

Requirements for planning and design include (multiple answers possible)

Common energy efficiency measures include (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 for on

Average years

Sub-meter

Other

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

Water Conservation and Waste Management

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)

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

Indicate where in the evidence the relevant information can be found

Please see cover page of attached documentation

Show investors

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)

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

Indicate where in the evidence the relevant information can be found

Please see cover page of attached documentation

Show investors

No

NEW CONSTRUCTION AND MAJOR RENOVATIONS

Supply Chain

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 projects covered

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

Indicate where in the evidence the relevant information can be found

Show investors

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 and 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)

Communicating safety information

Continuously improving safety performance

Demonstrating safety leadership

Entrenching safety practices

Managing safety risks

Promoting design for safety

Other

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

### Leader in the Light

Q0

Do you want to participate in Leader in the Light?

Yes

Please describe your organization and the nature of your business.

HCP, an S&P 500 company, invests primarily in real estate serving the healthcare industry in the United States. We are a Maryland corporation organized in 1985 and qualify as a self-administered real estate investment trust ("REIT"). We are headquartered in Irvine, California, with offices in Nashville and San Francisco. Our diverse portfolio is comprised of investments in the following healthcare segments: (i) senior housing triple-net ("SH NNN"), (ii) senior housing operating portfolio ("SHOP"), (iii) life science and (iv) medical office.

No

Q1

Describe your organization's ESG goals for 2016 and how it performed against these goals.

We identify our Sustainability ("Environmental, Social and Governance", collectively "ESG") material aspects through our annual materiality assessment. We use these identified material aspects to determine our ESG goals for the year, and report our goals and related performance in our annual Sustainability Report which is publicly available on our website.

**Environment.** We identified efficient buildings, effective management of resources (energy, GHG, water, waste, and recycling) and climate change awareness as our most important environmental aspects this year, with 2016 goals to reduce each of energy, GHG, water and waste consumption by 1-2%, and to improve our recycling by 1-2%. We reduced our energy usage and GHG emissions by 3.1% and 4.1% respectively, and increased our recycling by 12.5%. While we achieved our goals for energy, GHG and recycling this year, we did not quite reach our goals for waste and water. However, we were able to identify the areas of concern and develop reconciliation plans with our property managers for improvements. Additionally, we are still on target to achieve and exceed our long-term goal of reduce resource consumption by 15% by 2020 (from our 2011 baseline).

**Social.** We identified community improvement, improved employee and tenant satisfaction, and improved diversity and equal opportunity disclosure as our most important social aspects this year. We increased our volunteering, and improved our diversity and equality disclosure, and improved our tenant satisfaction as well. Our employee satisfaction was slightly down this year compared to last year, but we have developed action plans and engaged in feedback sessions with departmental and senior management teams to better engage our employees.

**Governance.** We identified improved best practices, better transparency and ESG risk management disclosure as our most important governance aspects this year. We heightened best practices by electing a lead independent director, expanding proxy access, and eliminating new executive employment agreements. We implemented better transparency improving the clarity of our supplemental financial disclosures, and expanding our ESG risk management disclosure in our sustainability report.

While we reached most of our 2016 ESG goals, it is important to be transparent regarding the areas in which we did not meet our expectations and to note plans for improvement. Accordingly, our annual Sustainability Report does more than boast of our ESG achievements and awards, it provides transparent disclosure on performance related to our goals. We are thoroughly engaged in our ESG strategy for 2017, and determined to achieve our goals.

Q2

Describe the innovative ESG strategies and technologies implemented in the last 12 months by your organization. Include relevant metrics when describing results.

We implemented several sustainability technologies in 2016 that were aligned with our ESG reduction strategies. One of these projects was to replace outdated HVAC equipment with new higher efficient HVACs at properties we identified as candidates for upgrades. We have determined that is more beneficial to replace outdated HVAC units with high efficiency units, than to repair or replace outdated HVACs with cheaper and low efficient units. The cost differential between a high efficiency unit and repairing an old system or replacing with a low efficiency unit is an estimated 15% premium. We replaced 379 outdated HVAC units with high efficiency units resulting in annual savings of approximately \$124,000 with an estimated payback of 2.4 Years. We also reduced annual energy by 2,969 MWh GHG emissions by 1,522 metric tons CO2e.

Another project was to identify properties for high efficiency LED lighting technology retrofits and replacements. Not only does LED lighting provide better quality lighting for our tenants, but results in notable reductions in energy usage. We implemented 118 lighting projects in 2016, resulting in an estimated \$414,000 annual cost savings and a return on investment of 14%. We achieved an approximate annual savings in electrical usage of 4,029 MWh, and reduced annual GHG emissions by 2,124 metric tons CO2e. We know that as the LED technology grows, so does the opportunity to implement these types of projects for the benefit of our tenants.

We also implemented upgrades to energy management systems (building automation systems), which is another beneficial sustainability initiative. These systems reduce energy usage as well as provide better control of the comfort

level of our tenants. We installed our upgraded 20 building automation systems, resulting in an estimated \$294,450 annual cost savings and an estimated payback of 5.1 years. We achieved an estimated annual savings in electrical usage of 3,500 MWh, and reduced annual GHG emissions by 1,277 metric tons CO2e.

These ESG technologies are only a few of the major projects we executed in 2016. Not only do such implementations align with our reduction strategies, they provide meaningful benefits for our tenants.

### Q3

Explain why your company is deserving of recognition as a 2017 Leader in the Light Award winner.

HCP is deserving of recognition as the 2017 Healthcare Leader in the Light Award winner for many reasons, but primarily because we continuously demonstrate superior and sustained sustainability practices. We are the current co-recipient of the 2016 Healthcare Leader in the Light Award, and have been recognized with this prestigious sector award four of the past five years. We are also proud to have been recognized with a Leader in the Light Award in 2010 (Innovator Award), 2009 (Silver), 2008 (Bronze) and an honorable mention in 2007.

We have made great strides over the past several years to transform our portfolio to ensure our buildings our resource efficient, and currently own 183 ENERGY STAR and 16 LEED certified properties. By implementing water, energy, waste and greenhouse gas emissions reduction activities and technologies at our properties, we continue to reduce our carbon footprint. This year we completed 363 emissions reduction projects with an estimated savings of 5,782 metric tonnes of CO2e, resulting in energy consumption and GHG emissions reductions of 3.1% and 4.1%, respectively, as compared to last year. Additionally, we achieved a 12.5% increase in total recycled waste this year, and our Medical Office Building portfolio achieved a tremendous milestone with a 36.3% increase in recycled waste.

“Smart building” technology, solar panels, drought resistant landscaping, LED lighting, high-efficiency HVACs and other efficient equipment are just a few of the projects we implement each year across our portfolio that help to make our buildings resource efficient. These important projects and measures produce meaningful cost savings, but that is not our primary reason for implementing them. These sustainability projects and measures benefit our tenants by providing an eco-friendly work environment, while also reducing our impact on the environment as a whole, which benefits everyone.

HCP would be truly honored to receive recognition as the 2017 Healthcare Leader in the Light Award winner.

### Q4

For the “Leadership Personified” award, nominate individual leaders in Sustainability/ESG within the REIT industry. The nominated individual must be employed by a NAREIT corporate member organization.

1st nomination

Jack Garrett, Vice President, HCP, Inc.

2nd nomination

-

3rd nomination

-

## SUPPLEMENTS

## Health &amp; Well-being

H0

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

 Yes No

## SUPPLEMENTS

## Public Disclosure &gt; Disclosure Methods

D1

Does the entity publicly disclose its sustainability performance via a stand-alone Sustainability Report?

 Yes

Please disclose where the information can be found

Provide hyperlink

Indicate where the relevant information can be found

Reporting year:

Select the applicable reporting level

 Entity Group No

D2.1

Does the entity publicly disclose its sustainability performance via a section in the Annual Report?

 Yes

Please disclose where the information can be found

Provide hyperlink

Indicate where the relevant information can be found

Reporting year:

Select the applicable reporting level

 Entity Group No

D2.2

Does the entity publicly disclose its sustainability performance via an Integrated Report?

Yes

No

D3

Does the entity publicly disclose its sustainability performance via a dedicated section on the corporate website?

Yes

Please disclose where the information can be found

Provide hyperlink

Indicate where the relevant information can be found

Select the applicable reporting level

Entity

Group

No

SUPPLEMENTS

Public Disclosure > Governance of Sustainability

D4

Does the entity publicly disclose specific environmental objectives?

Yes

Please disclose where the information can be found

Provide hyperlink

Indicate where the relevant information can be found

No

D5

Does the entity publicly disclose specific social objectives?

 Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pg. 14 (1st paragraph)

 No

D6

Does the entity publicly disclose specific governance objectives?

 Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pg. 16

 No

D7

Does the entity publicly disclose information on a dedicated sustainability taskforce or team member that is responsible for the entity?

 Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pg. 17 (Sustainability Committee section)

 No

D8

Does the entity publicly disclose a policy/policies that address(es) environmental issues?

 Yes

Please disclose where the information can be found

Provide hyperlink

<http://ir.hcpi.com/codeofconduct>

Indicate where the relevant information can be found

Code of Business Conduct and Ethics: Sustainability section

Provide hyperlink

<http://ir.hcpi.com/vendorcode>

Indicate where the relevant information can be found

Vendor Code of Business Conduct and Ethics: Environmental Sustainability section

No

**D9**

Does the entity publicly disclose a policy/policies that address(es) social issues?

Yes

Please disclose where the information can be found

Provide hyperlink

<http://ir.hcpi.com/codeofconduct>

Indicate where the relevant information can be found

Code of Business Conduct and Ethics: Employment Practices section; Harassment and Discrimination section

Provide hyperlink

<http://ir.hcpi.com/vendorcode>

Indicate where the relevant information can be found

Vendor Code of Business Conduct and Ethics: Business Practices and Ethics section; Labor Practices and Human Rights section

No

**D10**

Does the entity publicly disclose policy/policies that address(es) governance issues?

Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pg. 17 (Corporate Governance Policies section)

Provide hyperlink

<http://ir.hcpi.com/cgguidelines>

Indicate where the relevant information can be found

Corporate Governance Guidelines (entire document)

No

**D11**

Does the entity publicly disclose long-term reduction targets of environmental resources?

Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pg. 10 (2nd paragraph)

No

SUPPLEMENTS

Public Disclosure > Implementation

D12

Does the entity publicly disclose ESG initiatives and/or case studies that relate to the entity?

Yes

Please disclose where the information can be found

Provide hyperlink

<http://www.hcpi.com/sustainable-growth/report-history>

Indicate where the relevant information can be found

Published annual GRESB Survey Responses

No

D13

Does the entity publicly disclose information on investments that obtained a Green building certification or energy rating?

Yes

Please disclose where the information can be found

Provide hyperlink

<http://www.hcpi.com/sustainable-growth/environmental-responsibility>

Indicate where the relevant information can be found

ENERGY STAR and LEED (click icons)

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pgs. 12-13

Provide hyperlink

<http://www.hcpi.com/sustainable-growth/report-history>

Indicate where the relevant information can be found

Published annual GRESB Survey Responses

No

Not applicable

SUPPLEMENTS

Public Disclosure > Operational Performance

D14

Does the entity publicly disclose energy consumption data of its portfolio?

Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pgs. 19-21

No

D15

Does the entity publicly disclose renewable energy data of its portfolio?

Yes

No

D16

Does the entity publicly disclose GHG emissions data of its portfolio?

Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/2015\\_Annual\\_and\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/2015_Annual_and_Sustainability_Report.pdf)

Indicate where the relevant information can be found

p45

No

D17

Does the entity publicly disclose water consumption data of its portfolio?

Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pgs. 19-21

No

D18

Does the entity publicly disclose waste data of its portfolio?

 Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/2015\\_Annual\\_and\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/2015_Annual_and_Sustainability_Report.pdf)

Indicate where the relevant information can be found

p46

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pgs. 19-21

 No

## SUPPLEMENTS

## Public Disclosure &gt; Stakeholder Engagement

D19

Does the entity publicly disclose if it has undertaken an employee satisfaction survey during the last three years?

 Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pg. 14

 No

D20

Does entity publicly disclose if it is involved in tenant engagement programs/initiatives?

 Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pg. 6

 No

D21

Does the entity publicly disclose if it has undertaken a tenant satisfaction survey during the last three years?

Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pg. 14

No

D22

Does the entity publicly disclose if it has undertaken actions part of a community engagement program?

Yes

Please disclose where the information can be found

Provide hyperlink

[http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP\\_2016\\_Sustainability\\_Report.pdf](http://s3-us-west-1.amazonaws.com/hcp-inc/report/HCP_2016_Sustainability_Report.pdf)

Indicate where the relevant information can be found

Pg. 6

No

Thank you for reviewing the Public Disclosure information. By ticking this box you submit your GRESB Public Disclosure information and confirm that the data included is correct and complete. All listed property companies and REITs are encouraged to participate in the annual GRESB Real Estate Assessment, in addition to GRESB Public Disclosure.