

# Company Overview

BXP is the largest publicly traded developer, owner, and manager of Class A office properties in the United States, concentrated in six markets - Boston, Los Angeles, New York, San Francisco, Seattle, and Washington, DC. BXP is a fully integrated real estate company, organized as a real estate investment trust (REIT), that develops, manages, operates, acquires, and owns a diverse portfolio of primarily Class A office space.

The Company is listed on the New York Stock Exchange under the symbol "BXP." Founded in 1970, as of December 31, 2021, BXP's portfolio totaled 52.8 million square feet, with 201 properties and a \$2.5 billion active development pipeline (our share) including redevelopment and new construction totaling 3.4 million square feet. BXP's consolidated market capitalization was \$33.0 billion, including \$20.1 billion in equity value and \$12.9 billion of consolidated debt.

BXP's investment philosophy is shaped by our core strategy of long-term ownership and our commitment to our communities and the centers of commerce and civic life that make them thrive.

## PORTFOLIO<sup>1,2</sup>

- Primarily Class A office
- 52.8M net rentable square feet
- 182 office properties (including nine under construction/redevelopment)
- 12 retail properties
- 6 residential properties
- 1 hotel

## NYSE: BXP<sup>1,2</sup>

- \$2.9B total revenue
- \$496.2M net income attributable to Boston Properties, Inc.
- \$33.0B consolidated market capitalization - \$20.1B equity, \$12.9B consolidated debt





Boston Properties, Inc. (BXP) teamed up with Norges Bank Investment Management (NBIM), and Jaros, Baum & Bolles (JB&B) for the Empire Building Challenge (EBC). The team has extensive experience designing, building, and operating energy efficient Class A commercial office buildings. Key members of the team also play a leading role in industry and market outreach, engaging and educating peers on effective solutions for transition to a sustainable built environment through Nareit, [ULI](#), [RER](#), [IMT](#), BOMA, DOE, REBNY, and other commercial real estate working groups. The team has worked collaboratively through an integrative design process on energy optimization and decarbonization projects.



BXP has taken a leading role in advancing the transition to a low carbon economy. Prior to the occupancy-related impacts of the COVID-19 pandemic, the company had reduced site energy use intensity (EUI) 27% and GHG emissions intensity 70% through investments in energy conservation, active management using real-time energy consumption data, electrification, and renewable energy procurement across a portfolio of commercial office properties approximately 40 million square feet.

BXP intends to continue demonstrating leadership by increasing energy efficiency, eliminating on-site fossil fuel combustion and electrifying thermal energy systems. BXP will scale the learnings from low carbon pilot projects to others by sharing lessons with large audiences and by advancing electrification of more than 15 million square feet of large buildings within its portfolio that have gas and steam services.



NBIM manages the Norwegian Government Pension Fund Global, totaling \$1,300 billion of assets across equity, fixed income, real estate, and renewable energy infrastructure. The aim of the fund is to ensure responsible and long-term management of revenue from Norway's natural resources, so that this wealth benefits both current and future generations. The fund owns direct real estate investments totaling nearly 800 assets across 13 countries. In the US, the fund owns direct real estate investments across 22 million square feet of office and retail properties in New York City, Boston, Washington DC and San Francisco.

NBIM is taking a leading role in responsible investments and have committed to a Net Zero target for their unlisted real estate portfolio by 2050. As part of their net zero commitment, they have also set an interim reduction target for scope 1 and 2 greenhouse gas emissions intensity by 40% compared to 2019 by 2030. NBIM integrate these targets into their acquisition and asset management practices and will publish the share of the portfolio that is aligned with a 1.5°C decarbonisation pathway developed by the Carbon Risk Real Estate Monitor (CRREM).



JB&B is a 300-person consulting engineering practice headquartered in New York City with offices in Boston and Philadelphia with projects nationally and worldwide. With a legacy of over 100 years, the firm has been the lead MEP designer on some of the most sustainable buildings in New York, including the first LEED Platinum building and the first all-electric high-rise building.

JB&B is a thought leader in the building decarbonization space, with unique experience with design of decarbonization projects, commissioning and retro-commissioning, energy modeling and deep carbon reduction planning for existing buildings and new construction. JB&B is a signatory of the MEP 2040 Commitment and members of JB&B leadership are involved in the EPD working group. JB&B is eager to contribute to the development of scalable decarbonization strategies that will help NYC achieve its affordable electrification and decarbonization goals.



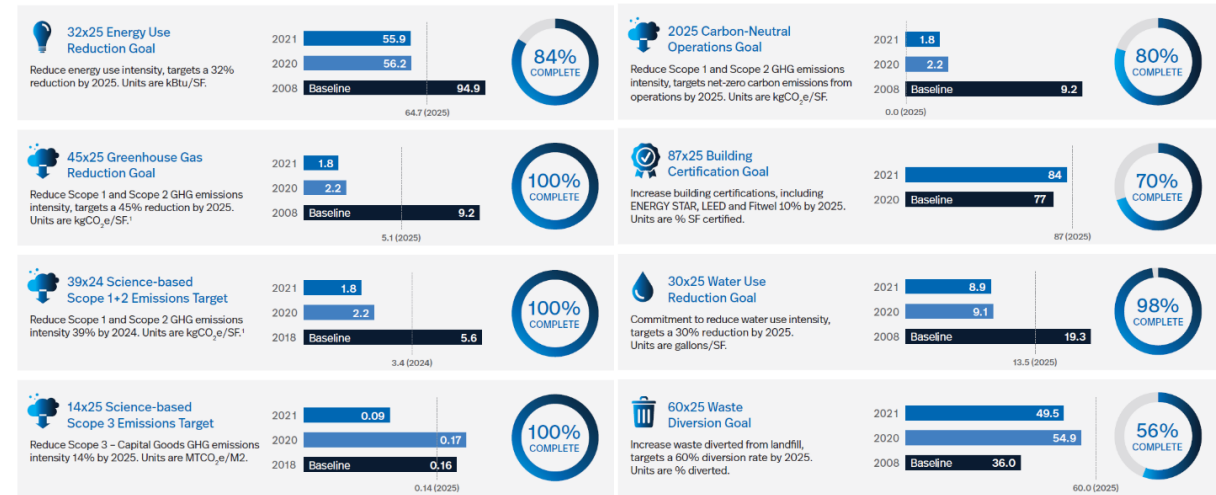
# Environmental, Social, Governance (ESG) Strategy

- Conduct our business in a manner that contributes to **positive economic, social and environmental outcomes** for our customers, shareholders, employees and the communities we serve.
- Develop and maintain **healthy, high-performance buildings**, while simultaneously **mitigating operational costs** and the potential external impacts of **energy, water, waste, greenhouse gas emissions and climate change**.
- Promote **positive social impact** -- exhibited by our commitments to **charitable giving, volunteerism, public realm investments and promoting diversity and inclusion** in the workplace and our communities.

CLIMATE ACTION	Energy & Water Efficiency Green Building Renewable Energy Carbon-Neutrality	<b>7</b> AFFORDABLE AND CLEAN ENERGY	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION	<b>13</b> CLIMATE ACTION		
	RESILIENCE	Climate Risk Awareness Asset-Level Preparedness Scenario Analysis Management & Planning	<b>6</b> CLEAN WATER AND SANITATION	<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE	<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES	
		SOCIAL GOOD	Healthy Buildings Community Involvement Employee Programs Diversity & Inclusion	<b>3</b> GOOD HEALTH AND WELL-BEING	<b>5</b> GENDER EQUALITY	<b>8</b> DECENT WORK AND ECONOMIC GROWTH

# Environmental Goal Tracking

- Actively managed property area certified under the U.S. Green Building Council® Leadership in Energy and Environmental Design™ (LEED) rating system totals a 26.1 million square feet, of which 98% is certified at the highest Gold and Platinum levels.
- BXP has been named a Green Lease Leader at the highest Platinum level by the Institute for Market Transformation and the U.S. Department of Energy for exhibiting a strong commitment to high performance and sustainability in buildings and best practices in leasing.



# Carbon Neutrality

BXP became a proud signatory of the We Are Still In pledge after the U.S. withdrawal from the Paris Agreement and aligned emissions reduction targets with the climate science. In 2020, the company was the first North American office company to set a science-based target ambition in line with a 1.5°C trajectory and has made a commitment to achieve carbon-neutral operations for emissions scopes 1 and 2 by 2025, including over 9 million square feet in New York.

## BXP's Approach to Decarbonization

- Increasing Energy Efficiency & On-site Energy Recovery
- Minimizing On-site Fossil Fuels / District Steam
- Electrifying Thermal Systems
- Greening of the Grid
- Renewable Energy Procurement/RECs/Offsets



# Committed Building

BXP's involvement in the EBC will advance the development and implementation of a decarbonization roadmap for 601 Lexington Avenue (formerly Citigroup Center), a 1.52 million square foot, 59-story office tower constructed in the late 1970s.

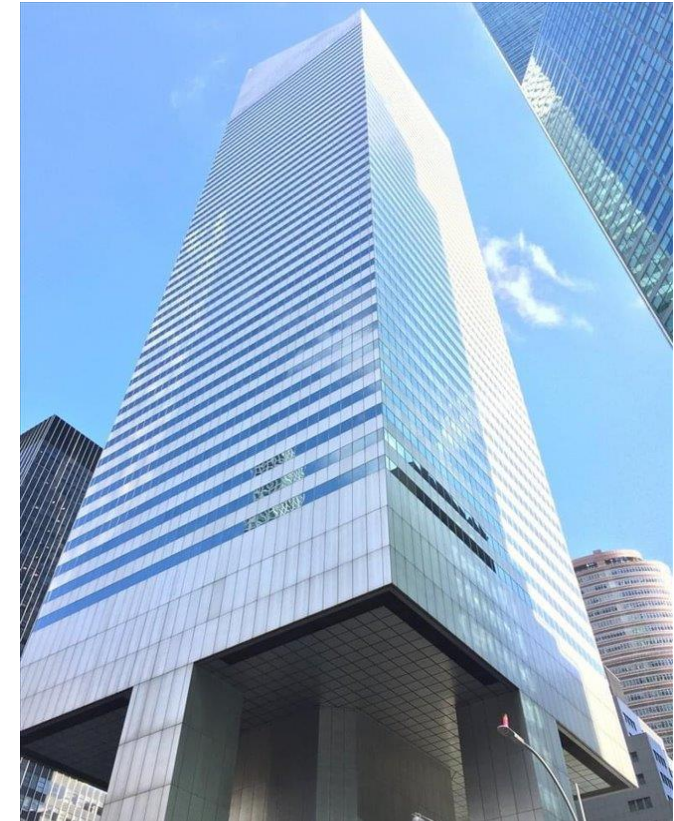
601 Lexington Avenue, a Landmark status modern era building was constructed in 1977, with 59 above ground floors and retail concourse

The building has double-pane windows and a unique south facing roof profile. The infrastructure systems are typical to nearly all high-rise commercial office buildings constructed in New York City in the 70s and 80s:

- Con-Ed district steam serves heating and DHW;
- Cooling Plant: central electric centrifugal water-cooled chillers connected to rooftop cooling towers;
- Ventilation: centralized air-handling units equipped with steam heating coils and chilled water-cooling coils;
- Tenant perimeter areas: floor mounted induction units with a 2-pipe change-over loop;
- Tenant interior spaces: VAV air-handling units;
- Dedicated condenser water loop for tenant's supplemental cooling needs.
- Pre-pandemic Energy Use Intensity of 70 kBtu/SF and Greenhouse Gas intensity of 4.5 kgCO<sub>2</sub>e/SF.

The project aims to achieve:

- net zero carbon operations by 2025;
- a site energy use intensity of 50 kBtu/SF by 2035 (over 60% reduction from 2010 baseline);
- electrification of the primary heating systems by 2035.



# Testimonial

Climate action is collective action. Knowledge gained from this effort will be shared and used to replicate similar solutions in other commercial buildings, including BXP properties in NYC amounting to approximately 6 million square feet. This pilot project will establish a proof-of-concept for the decarbonization roadmap for existing buildings, providing a scalable and replicable model that can be executed to eliminate the fossil fuel footprint in the New York existing building market.

Partnering with NYSERDA provides a unique opportunity to engage with other thought leaders in the real estate industry who are advancing their climate actions through creative solutions. BXP, NBIM and JB&B intend to continue working closely with the broader real estate community and stakeholders to advance the transition to a low carbon economy.

