# AN INDUSTRY-LEADING

# APPROACH TO CORPORATE RESPONSIBILITY













Brandywine Realty Trust is steadfast in its commitment to the continual assessment of our Environmental, Social and Governance principles

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## Environmental Responsibility

Brandywine's best-in-class environmental practices span the entirety of our portfolio, from the properties we develop, to the ones we lease and manage. We prioritize efforts to minimize environmental impact through energy and resource-efficient buildings in transit-oriented locations, and deliver Class A office environments that emphasize the health and well-being of building occupants.



**WATER** 

Usage down by 11%



**ENERGY** 

Usage down by 0.06%



GREENHOUSE GAS

Emissions down by 1.98%



WASTE DIVERSION

38% diverted from landfills

#### **Energy Management**

Energy efficiency and global reductions are critical to mission success and the creation of sustainable value. By monitoring our energy consumption in real-time, our engineering staff is able to drive smart decision-making practices, along with technological investments at the building level, that enable Brandywine to exceed our YoY Intensity Based Reduction Targets.

#### WATER EFFICIENCY



11% decrease in water usage as reported in our annual GRESB filing for 2019, saving approximately 24.5 million gallons—enough to fill 37 Olympic sized swimming pools



Construction and design requirements for low-flow and water-efficient fixtures



Utilization of technology and process treatments for reduced water consumption and extension to the life of chillers, HVAC and other MEP capital investments

#### **ENERGY EFFICIENCY**



Enhancing building automation and controls equipment, yielding a 7.7% reduction in our energy consumption since 2014



257M kWh of Green Power procured in 2019 for buildings located in deregulated markets with 100% derived from wind generation



Routine performance reviews and energy audits enhanced by on-going commissioning

#### **WASTE REDUCTION**



From construction, through the ongoing operation of our office buildings, we are committed to reducing waste and maximizing landfill diversion



38% diversion as reported in our annual GRESB filing



Host electronic recycling events throughout the year at the majority of our properties



Active management of the waste streams from the conceptual design stage to the standardizing of daily operations, our building management teams are hyperfocused on achieving maximum landfill diversion







Clockwise: Schuylkill Yards, Philadelphia, PA; 405 Colorado, Austin, TX; and 1676 International Drive, Tysons, VA

#### Sustainable Development

Our portfolio reflects our commitment to sustainability and our focus on certified buildings that prioritize the health and wellbeing of employees, tenants, residents and visitors. From conception, we factor energy performance into each phase of the building's life-cycle, from energy modeling during design and development, to commissioning and smart operations and maintenance practices to ensure that results are achieved. We understand that our developments will have a lasting impact on their surrounding communities, so we focus on sustainable community development by taking advantage of existing transit infrastructure and proximity to vibrant nearby amenities.

"We understand that our developments will have a lasting impact on their surrounding communities..."



#### Recognitions





First WELL Core Certified project at the Bronze level, globally First WELL v2 certification in the United States





Brandywine has reported annually to the Global Real Estate Sustainability Benchmark (GRESB) since 2012 and in 2019, scored a perfect 100 points for our commitment to Social Engagement

Repeated GRESB Green Star leader





Named a 2018 Fitwel Champion with 5.4 million certified square feet —the most of any company worldwide





Since 2016, all new construction has been LEED Certified or, at a minimum, built to LEED standards (i.e. FMC Tower, Garza Ranch, 1676 International Drive, GSA Philadelphia Campus, etc.)





Energy Star certification has been achieved annually for nearly 70% of our portfolio since 2014

#### Office Building Operations

Our Operations Team continually evaluates the impact our properties have on the environment by utilizing building data to implement improvements, increase efficiencies, and create new standards to drive economies in system performance. To that end, Brandywine Realty Trust was named a Fitwel Champion in 2018 with 5.4M square feet of certified space—the most of any company worldwide.



#### **GREEN LEASING**

As a recognized "Green Lease Leader", Brandywine incorporates key sustainability language into our leases, covering issues such as chemical use, indoor air quality, energy efficiency, water efficiency, recycling, and other strategies to drive shared cost savings that benefit both tenant and landlord.

#### The Power of Partnerships



#### **GREEN BUILDING UNITED**

For nearly a decade, we have partnered with Green Building United to help foster transformative impact in Philadelphia through green building education and advocacy. Brandywine has chaired numerous committees, including the annual Philadelphia Sustainability Symposium and Green Building United's Annual Groundbreaker Awards. Brandywine was one of the first companies in the region to commit to Green Building United's 2030 District, which targets a 50% reduction in energy usage in the city of Philadelphia by 2030.

#### THE COMMON MARKET



Through our partnership with The Common Market, we have brought fresh fruits and vegetables directly to our office towers. In 2018, our tenants and employees purchased nearly 3,700 pounds of locally-sourced produce from our FMC Tower Farm Stand, which in turn, helped to create nearly 840 jobs at 19 local family-owned farms. All leftover produce was donated to our neighbors at the People's Emergency Center of West Philadelphia.



Farm Stand in FMC Tower Lobby

## Corporate Social Responsibility

At Brandywine, we believe the value in what we do, lies in the difference we can make. As such, we are committed to being good neighbors and corporate citizens in the communities in which we live and work.

#### Neighborhood Engagement Initiative

In collaboration with a wide range of partners, Brandywine introduced an unprecedented Neighborhood Engagement Initiative as part of Schuylkill Yards, totaling a \$16+ million commitment to the surrounding community. Programs include:

#### **Grow Philadelphia Capital Fund:**

through a partnership with The Enterprise Center, a non-profit lender and small business technical assistance provider, we created this fund to provide low cost capital with an interest rate of 1% directly to Philadelphia Minority Enterprises to accelerate growth, enhance employment opportunities, and drive economic development in the community.

#### **Construction Apprenticeship Preparatory Program:**

we sponsor the Construction Apprenticeship Preparatory Program (CAPP), a 15- week classroom-based curriculum designed to prepare candidates for the required entrance exams and interview process for

the skilled building trade unions. Participants who pass an apprentice exam are provided mentorship and offered employment on our projects. To date, 41 individuals have been placed in Union jobs.





Grow Philadelphia Fund and CAPP Program orientation

#### **Local Sourcing Initiative:**

to assist in creating new procurement channels for West Philadelphia businesses, we make introductions between local businesses and our tenants, and fund a 10% discount for all tenants on their first purchase of goods or services from a West Philadelphia vendor.

CDC Co-Development: we are hiring a Community Developmental Corporation (CDC) for each Schuylkill Yards project, allowing the CDCs to earn revenue and build capacity for their staff to better execute projects that enhance their community-serving mission.

Community Fund: we are contributing a \$9.3 million grant to a Community Fund managed by a consortium of local community groups, which will provide capital for affordable housing and preservation initiatives, additional small business and employment programs, community capacity building, and educational support for local public schools.











#### Philanthropy

Since our inception, Brandywine has partnered with an array of organizations to provide donations, funding and personnel to support the causes and advocacy that are important to both our company and our employees. Highlights of this focus include:

- Our company provides each employee with the opportunity to utilize 3-days of paid
   Volunteer Time Off each year to give back to nonprofit organizations of their choice
- Through our Employee Match Program, Brandywine will match a donation to any 503C non-profit that our employees contribute to, which has included organizations such as the American Heart Association, Alzheimer's Association, The Leukemia & Lymphoma Society, and Habitat for Humanity
- In our Philadelphia office buildings, our management teams have partnered with eWaste and PAR Recycling—companies that specifically employ formerly-incarcerated individuals as a true "second chance"







#### **Employee Engagement**

Our employees are our greatest assets. They make the day-to-day operation and management of our buildings look easy. Their commitment to excellence in their everyday encounters helps us to foster a collaborative atmosphere where internal partnerships belay creativity and inspiration. As a company, we seek to embody the best practices for team cohesiveness, and do so by promoting diversity and inclusion throughout every level of the organization.

- Named a 2019 Outstanding
   Employer by Korn Ferry, who publicly recognizes organizations that have built superior levels of engagement and enablement, as measured through recent employee surveys
- Our annual internal Employee
   Engagement Survey yielded an
   83% impact response, enabling the company to focus on bettering the areas deemed most important to our employees
- To facilitate important conversations and connections between employees, we have three Affinity Teams that

- focus on stewarding opportunities to build leadership, promote employee engagement, and increase career success: GROW (Growth in Relationships & Opportunity for Women), Young Professionals, and Diversity, Inclusion and Belonging
- To encourage a culture of open dialogue and provide employees with the tools to align their career development with their goals, we perform annual performance reviews that give employees an opportunity to garner formal feedback from their managers and set objectives for career growth.
- Through our Cristo Rey partnership,
   Brandywine sponsors high school
   student internships and summer
   work programs
- Brandywine was recently named to the State Street Global
   Advisors Gender Diversity Index which tracks US companies with the highest levels of gender diversity in leadership positions within their respective sectors
- To emphasize the importance of continuous learning, Brandywine offers a tuition reimbursement program to all employees

#### Healthy Fundamentals

As an industry leader recognized for advancing the best in building health, Brandywine recognizes that the way we define work has changed. As such, we are leading the way in infrastructure that supports physical, mental, and emotional health. Our buildings are designed around the theory of Biophilia, that people possess an evolutionary affinity for nature that is vital to human health and wellbeing. Some of our building features include green walls, terraces, bikeshare stations, and trails that promote healthy, active lifestyles.

The majority of our locations feature open green spaces with activation fostered through the incorporation of communal areas, outdoor seating and meeting spaces allowing for idea sharing and partnerships. Some sites include bocce ball courts and putting greens to promote healthy outdoor activity and work-life balance.

Our vertical neighborhood at FMC Tower at Cira Centre South is special to note, as the tower received designation from the International WELL Building Institute (IWBI) as the first WELL Core Certified project at the Bronze level, globally. It also earned the first WELL v2 certification in the US, and one of the first in the world.

"...we are leading the way in infrastructure that supports physical, mental, and emotional health."



#### **Our Wellness Program**

In 2019, we rolled out additional coverage for Accident and Critical Care Insurance based on feedback gathered from our internal Employee Engagement Survey

#### **Healthy Choices**

- Registered Dietician employees have the opportunity to meet with an on-site Registered Dietician at our corporate headquarters every other month
- Monthly communications are sent out to each region highlighting health and wellness news. Recent examples include:
  - » Allergy & Asthma Awareness
  - » Men's Health Month
  - » Ultraviolet Safety Awareness Month



#### **EMPLOYEE SAFETY**

Our Employee Safety Manual helps employees work through various crisis scenarios which could be encountered in our buildings. Brandywine has also installed AED's throughout our buildings with floor wardens equipped for emergencies.

As part of our commitment to providing a respectful and motivating work environment, free from discrimination and harassment, our workplace harassment prevention training is mandatory for all employees.







Clockwise: 25M, Washington, DC; Broadmoor, Austin, TX; and 155 Radnor, Radnor, PA

# Corporate Governance

Strong corporate governance encourages accountability and transparency, as it promotes the long-term interests of shareowners, strengthens Board and Management accountability, and helps build public trust in the company.

Our commitment to good corporate governance has led to an industry-leading **ISS Governance Quality Score** of 1 in 2019 – representing the lowest shareholder risk and highest score that can be received by ISS. In addition, Brandywine continues to maintain an **A Rating** from MSCI ESG Research LLC.



The below list of practices highlights our alignment with good corporate governance:

#### **Board Structure**

- All Trustees are independent other than our President and CEO
- Separate Chairman and Chief **Executive Officer**
- Robust role for Lead Independent Trustee, who chairs the Board
- Open communication and effective working relationships among Trustees with regular access to management
- Active year-round shareholder outreach and engagement

- Trustees are elected annually
- Majority voting in uncontested elections
- Resignation policy for any Trustee who does not receive majority support
- Robust trustee and officer share ownership requirements
- Anti-hedging policy and antipledging policy by trustees

- Regular executive sessions of independent Trustees
- Two Audit Committee members are "audit committee financial experts"
- Risk oversight by full Board and Committees
- Annual Board and Committee self-assessment
- Express Board diversity commitment in Corporate Governance Principles

#### Shareholder Rights

- Proxy access provisions in our Bylaws
- No poison pill
- Shareholders have the right to call a special meeting
- As a Maryland REIT, we have opted out of the Maryland Unsolicited Takeover Act (MUTA) and the Maryland Business Combination Act
- Simple majority vote requirement for mergers requiring a shareholder vote
- Our shareholders have the power to amend our Bylaws

We strive to be leaders in the communities in which we live and work, using our corporate philanthropy and resources to create a brighter future for our tenants, neighbors and employees









#### THE BRANDYWINE DIFFERENCE

Brandywine Realty Trust (NYSE: BDN) is one of the largest, publicly-traded, full-service, integrated real estate companies in the United States, with a core focus in the Philadelphia, PA, Washington, D.C., and Austin, TX markets. Organized as a real estate investment trust (REIT), we own, develop, lease and manage an urban, town center and transit-oriented portfolio.

Our purpose is to shape, connect and inspire the world around us through our expertise, the relationships we foster, the communities in which we live and work, and the history we build together. Our deep commitment to excellence was recognized by NAIOP when we were presented with the Developer of the Year Award—the highest honor in the commercial real estate industry.

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