



PARAMOUNT GROUP

2022 SASB Index

Sustainability Accounting Standards Board (SASB)

The Sustainability Accounting Standards Board (SASB) Standards, created in 2011, provide industry-specific criteria to assist companies in disclosing financially material sustainability information to investors. SASB Standards identify the subset of Environmental, Social, and Governance (ESG) issues most relevant to financial performance in each industry. By following the guidelines set forth by SASB, Paramount demonstrates a commitment to providing accurate, timely, and standardized data. Based on SASB’s Sustainable Industry Classification System (SICS), Paramount follows the “Infrastructure–Real Estate” standards to disclose sustainability information. Properties included in this report are those in which the company has 25% or larger ownership and maintains direct operational control, including those in New York City and San Francisco listed below. Data from subsidiaries, leased facilities, outsourced operations, and other entities have not been included in this report. The 2022 SASB Report has been prepared in congruency with the Annual Sustainability Report to reflect the 2022 reporting year. Third-party assurance was provided by Sustainable Investment Group (SIG), a sustainability consulting firm unaffiliated with Paramount.

Reporting Boundary

1. 1633 Broadway
2. 1301 Avenue of the Americas
3. 1325 Avenue of the Americas
4. 31 West 52nd Street
5. 900 Third Avenue
6. 712 Fifth Avenue
7. One Market Plaza
8. Market Center
9. 300 Mission Street
10. One Front Street
11. 55 Second Street
12. 111 Sutter Street



Energy Management

| Code | Accounting Metric | Unit of Measure | Total | SF | NY |
|--------------|---|--------------------------------------|---------|---------|---------|
| IF-RE-130a.1 | Energy consumption data coverage as a percentage of total floor area, by property subsector | Percentage (%) by floor area (sq ft) | 100% | 100% | 100% |
| IF-RE-130a.2 | Total energy consumed by portfolio area with data coverage | Gigajoules (GJ) | 798,678 | 213,030 | 585,648 |
| | Percentage of total energy that is grid electricity, by property subsector | Percentage (%) | 54% | 58% | 52% |
| | Percentage of total energy that is renewable, by property subsector | Percentage (%) | 49% | 58% | 46% |
| IF-RE-130a.3 | Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector | Percentage (%) | 15% | 6% | 19% |
| IF-RE-130a.4 | Percentage of eligible portfolio that has an energy rating, by property subsector | Percentage (%) by floor area (sq ft) | 100% | 100% | 100% |
| | Percentage of eligible portfolio that is certified to ENERGY STAR, by property subsector | Percentage (%) by floor area (sq ft) | 100% | 100% | 100% |
| IF-RE-130a.5 | <p><u>Description of how building energy management considerations are integrated into property investment analysis and operational strategy.</u></p> <p>Managing the energy use of Paramount’s assets is integral to our ESG program as we prioritize initiatives that yield both environmental and economic benefits. Lower energy consumption translates to a smaller carbon footprint and reduced operating costs. Our team developed a comprehensive strategy to achieve a 35% portfolio wide reduction in energy consumption by 2025 from a 2015 baseline. 100% of the REIT portfolio utilizes iES Mach, a real-time energy management platform, which empowers our Engineering and Property Management Teams to respond quickly and effectively to building conditions by monitoring energy use in 5-minute intervals. We also leverage the ENERGY STAR Portfolio Manager platform to benchmark energy, emissions, water, and waste data across 100% of the portfolio and track our progress towards corporate-wide reduction targets. Paramount partners with third-party subject matter experts to conduct energy audits and identify energy conservation measures (ECMs) to optimize building performance. ECMs include system replacements, HVAC upgrades, lighting retrofits, and BMS programming and controls. Our energy management strategies include:</p> | | | | |



- Capital Planning
 - Climate-related risks have encouraged our team to prioritize building upgrades and operational efficiency. We develop thorough 5- and 10-year capital plans that are tied to local laws, end of useful life, tenant rollover, and lease renewals. Our team has a due diligence plan in place which ensures we optimize efficiencies on an economically feasible basis.
- Commissioning
 - Building commissioning ensures that all systems perform to specifications and provides a foundation for correctly benchmarking the baseline energy consumption of an asset. This process typically also leads to fewer mechanical issues and lower maintenance costs.
- Technology
 - Piloting new technologies assists with the transition to a lower-carbon economy. The availability of utility incentive programs shortens the payback period to incentivize the installation of updated building systems over the continued operation of outdated equipment.
- Training
 - Increasing employee awareness of sustainability matters through ongoing training and education is key to responsible operations and growth. On the operational side, Engineering and Property Management Teams are continuously trained on energy management, building systems, and new technologies. Companywide education on existing sustainability programs and emerging trends is also facilitated, and Executive Management, who receive monthly briefings on these topics, reinforce this education.
- Underwriting
 - When evaluating both the existing portfolio and new acquisitions, the intersections of climate-related issues with strategy, annual budgets, capital expenditures, acquisitions, and divestitures are taken into account initially by the Executive Management Team and then reviewed, as needed, by the Investment & Finance Committee or Board of Directors.



Water Management

| Code | | | | | |
|------------------------------|---|---|---------|--------|---------|
| IF-RE-140a.1 | Accounting Metric | Unit of Measure | Total | SF | NY |
| IF-RE-140a.1 IF-RE-140a.2 | Water withdrawal data coverage as a percentage of total floor area, by property subsector | Percentage (%) by floor area (sq ft) | 100% | 100% | 100% |
| | Percentage of floor area in regions with High or Extremely High Baseline Water Stress, each by property Subsector | Percentage (%) by floor area (sq ft) | 0% | 0% | 0% |
| IF-RE-140a.2 IF-RE-140a.3 | Total water withdrawn by portfolio area with data coverage, by property subsector | Thousand cubic meters (m ³) | 457,131 | 78,511 | 378,620 |
| | Percentage in regions with High or Extremely High Baseline Water Stress, by property subsector | Percentage (%) | 0% | 0% | 0% |
| IF-RE-140a.4 | Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector | Percentage (%) | 37% | 32% | 38% |



Management of Tenant Sustainability Impacts

| Code | Accounting Metric | Unit of Measure | Total | SF | NY |
|--------------|---|--------------------------------------|--------|--------|--------|
| IF-RE-410a.1 | Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements by property subsector | Percentage (%) by floor area (sq ft) | 69% | 100% | 57% |
| | Associated leased floor area | Percentage (%) by floor area (sq ft) | 1.62% | 1.84% | 1.50% |
| IF-RE-410a.2 | Percentage of tenants that are separately metered or sub-metered for grid electricity consumption, by property subsector. (Ranges of values) | Percentage (%) by floor area (sq ft) | 80.01% | 59.86% | 92.40% |
| | Percentage of tenants that are separately metered or sub-metered for water withdrawals, by property subsector | Percentage (%) by floor area (sq ft) | 5.63% | 0% | 9.10% |
| IF-RE-410a.3 | <p><u>Discussion of approach to measuring, incentivizing, and improving sustainability impact of tenants.</u></p> <p>Understanding a majority of building emissions are tenant derived, Paramount is committed to working with our tenants to both monitor and reduce their energy use, carbon emissions, and overall environmental impact. Our team also shares environmental performance data to support the independent targets our tenants set corporately. Paramount primarily collaborates with tenants to improve their sustainability impact through three areas:</p> <ol style="list-style-type: none"> 1. Tenant Engagement Efforts <ul style="list-style-type: none"> • Engaging tenants in energy efficiency initiatives is key to unlocking the full energy savings potential of a building. We are in constant communication with our tenants by sharing best practices, hosting events and meetings, and distributing educational material to achieve reductions. 2. Green Leases <ul style="list-style-type: none"> • Developing green lease provisions is an assurance that landlord-tenant objectives are aligned from the outset of the relationship. By utilizing the lease as a tool to improve energy efficiency, we create high-performing assets in partnership with our tenants. 3. Tenant Build Out Guidelines <ul style="list-style-type: none"> • Our Construction Team developed build-out specifications to ensure new and existing tenants design and execute office spaces that advance Paramount’s sustainability objectives. These specifications are aligned with LEED, ENERGY STAR, and building codes, lower operating expenses, and improve overall building energy performance. | | | | |



Climate Change Adaption

| Code | Accounting Metric | Unit of Measure | Total | SF | NY |
|--------------|---|---------------------|-------|----|----|
| IF-RE-450a.1 | Area of properties located in 100-year flood zones, by property subsector | Square Feet (sq ft) | 0 | 0 | 0 |
| IF-RE-450a.2 | <p><u>Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risk.</u></p> <p>We recognize climate change as a long-term risk to our business that requires effective management. Developing proactive strategies to mitigate the potential impacts of climate change on Paramount’s assets has become increasingly important to our stakeholders and is essential to the future sustainability of our operations. Climate change is integrated into Paramount’s overall risk management framework, which is administered by Senior Management under the supervision of the Audit Committee of our Board of Directors.</p> <ul style="list-style-type: none"> • Third-party Risk Assessments <ul style="list-style-type: none"> ○ Paramount partners with FM Global, a third-party property risk management company, to evaluate all assets on a biannual basis. This service provides us with a quantified assessment of risks and recommendations to enhance the resiliency of our assets. Our Property Managers and Engineers use these quantified assessments to inform and prioritize capital investments and building upgrades. ○ Beginning in 2022, physical risk reports produced by FM Global were shared with our team and will be revised quarterly. These reports project exposure to near-term, event-driven climate risks including wildfire, freeze, wind, collapse, flood, hail, and lightning, and are key to informing our mitigation strategy. • GRESB Transition Risk Report <ul style="list-style-type: none"> ○ In 2022, Paramount utilized the GRESB Transition Risk Report to provide insights into the assets that are most exposed to climate-related transition risk. This report is founded on the Carbon Risk Real Estate Monitor (CRREM) pathways, which are science-based regional trajectories following the Paris Climate goals. Both the portfolio and our assets are benchmarked against these CRREM decarbonization pathways. • Climate Change Scenario Analysis <ul style="list-style-type: none"> ○ As part of Paramount’s 2022 climate change scenario analysis, we reviewed the potential impacts of sea level rise associated with 1.5° and 3° Celsius warming scenarios on our New York and San Francisco portfolios. The findings of this analysis show that our properties are likely to remain above sea level through 2100. In the absence of mitigating actions, our San Francisco properties have greater exposure to risks related to sea level rise in a 3° Celsius warming scenario. | | | | |

- This exercise equips our team with the information needed to proactively assess climate risk, identify resilience measures, and guide decision-making processes. We are committed to refreshing this analysis annually to protect both the value and the condition of our assets.
- Physical Risk Mitigation Strategies
 - Climate
 - Climate change scenario analysis updated annually
 - Third-party risk assessments performed on all assets biannually
 - Tenant emergency response communication and training
 - Development of high-performance, resilient buildings
 - Plans and Procedures: Business Continuity, Emergency Response, Life Safety, Emergency Evacuation
 - 5- and 10-year capital plans developed to implement efficiency and emissions reduction technologies
 - Demand Response participation to mitigate risk associated with grid failures
 - Weather
 - Third-party physical risk assessments refreshed quarterly
 - Backup generation, emergency lighting, and fire pumps installed on-site
 - Adverse weather protocols communicated to building operators
 - Insurance coverage to protect against damage from natural hazards
 - Water
 - Flood zone identification
 - Critical building equipment and switchgears elevated to higher floors
 - Proximity to flood zones incorporated in underwrites
 - Smart-meter irrigation systems
 - Landscaping strategy includes native plants requiring less water for irrigation
 - Fire
 - Bay Area Air Quality Management-aligned operations during wildfire and high air pollution events
 - Carbon pre-filters installed across select San Francisco assets to protect against wildfire smoke