



June 1, 2022

## External Assurance of 2021 Environmental Performance Data for Paramount Group Inc.

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### Introduction

**Sustainable Investment Group (SIG)** has conducted a third-party verification and external assurance of Paramount Group Inc. (PGRE) portfolio for the 2021 reporting year.

### Assurance Team

Role	Name
Project Manager	Amy D'Angelo
Lead Verifier	Tiana Nguyen
Support Verifier	Scott Baker

### Scope of Assurance

The scope of our review includes:

- Collection of data to assess energy, water, waste and emissions for the following period – January 1<sup>st</sup> to December 31<sup>st</sup>, 2021 (the reporting year).
- Emissions data verified includes Scope 1 and Scope 2.
- A review to determine whether the process followed the methodology described in ISO 14064-3: 2019, and
- A review to determine whether any measurement of the energy, emissions, water, and waste data is faulty.
- Organizational boundaries for the environmental data inventory are as follows:
  1. Aggregate whole building energy data for each building
  2. Aggregate water data for each building
  3. Waste haul data from the waste and recycling haulers serving the properties



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### Assurance Opinion and Summary

Based on the process and procedures conducted, SIG asserts there is no evidence that the environmental data disclosure, including energy, water, waste, and emissions data are not materially correct or are not a fair representation of consumption details. The report has been prepared in accordance with ISO 14064-3: 2019 for quantification, monitoring, and reporting.

Upon the completion of SIG's review of Paramount Group's Environmental Performance data for the 2021 calendar year, we have externally assured the data for environmental data disclosure. Our additional findings regarding the data and supplementary comments are as follows:

- The boundaries of the scope were clearly defined and included as part of the sustainability reporting
- Assumptions and estimations made are appropriate

SIG asserts an unmodified opinion for Paramount Group's portfolio which includes the following properties:

New York Assets	San Francisco Assets
1633 Broadway 1301 Avenue of the Americas 1325 Avenue of the Americas 31 West 52nd 900 Third 712 Fifth	One Market Plaza 300 Mission 111 Sutter 55 Second One Front Street Market Center (555 & 575)

Sincerely,

Nick Kassanis, PE, CBCP, LEED AP BD+C  
President  
(415) 823-3442



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## Methodology

As part of the review and data assurance process, PGRE provided the following data for 2021:

1. Aggregate whole building energy data for each building
2. Aggregate water data for each building
3. Waste haul data from the waste and recycling haulers serving the properties

Our verification strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to:

- Inspect the completeness of the inventory.
- Coordinate with and perform access controls to data management controls utilized by the entity: ENERGY STAR Portfolio Manager (ESPM) and Measurabl.
- Analyze, electricity, fuel, water, and waste records to confirm accuracy of consumption data and emissions calculations.
  - We set an allowance threshold of 3.5% difference to account for differences in conversion methods between each platform as well as to capture deviations from source data.
  - For data points that fall within the set threshold, we assert an “Unmodified Opinion” for assurance.
    - In accordance with ISO 14064-3:2019, in order to draft an “Unmodified Opinion”, the verifier shall ensure that:
      - a. there is sufficient and appropriate evidence to support material emissions, removals or storage;
      - b. the criteria are applied appropriately for material emissions, removals or storage;
      - c. the effectiveness of controls has been evaluated when the verifier intends to rely on those controls.

The data and information supporting the assertion were actual values for energy and water consumption.

### *Energy Data Collection*

New York:

- Aggregate energy data is provided by the Utility Provider and uploaded directly into ENERGY STAR Portfolio Manager. This data is then loaded to Measurabl to be used for calculating energy consumption and emissions for the portfolio.
  - Where the utility provider did not provide automatic data loads, usage data was extracted from invoices.

San Francisco:

- Aggregate energy data is provided by the Utility Provide and uploaded directly into ENERGY STAR Portfolio Manager. This data is then loaded to Measurabl to be used for calculating energy consumption and emissions for the portfolio.
  - Where the utility provider did not provide automatic data loads, usage data was extracted from invoices.



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### ***Water Data Collection***

#### **New York:**

- Aggregate water data is provided by the New York City Department of Environmental Protection (DEP) and loaded directly into ENERGY STAR Portfolio Manager. This data is then ported to Measurabl to be used to calculate water consumption for the portfolio.
  - Where the utility provider did not provide automatic data loads, usage data was extracted directly from invoices.

#### **San Francisco:**

- Aggregate water data was loaded manually into ENERGY STAR Portfolio Manager using usage data extracted directly from invoices.

### ***Waste Data Collection and Assumptions***

#### **New York:**

- Landfill and recycling data is provided by Waste Connections of New York. Assumptions used in reports are as follows:
  - Material collected in a compactor are actual values
  - Material collected in a container or loose bag are estimates – Waste Connections sends someone to each property quarterly to count and weight these bags to inform the reports
- E-Waste reports were provided by ProTek Recycling Inc.

#### **San Francisco:**

- Landfill and recycling data is provided by Recology. Assumptions used in reports are as follows:
  - Material collected in a compactor are actual values
  - Material collected in a container or loose bag are estimates
  - Materials collected in front load containers are estimated
  - Compost Weight: 400 lbs/cu yd
  - Trash Weight: 225 lbs/cu yd
  - Recyclables Weight: 260 lbs/cu yd
  - Collection Estimated at 80% Full
  - Collection Estimated Weeks per Month: 4.33
  - Collection Compaction Ratio at 3:1