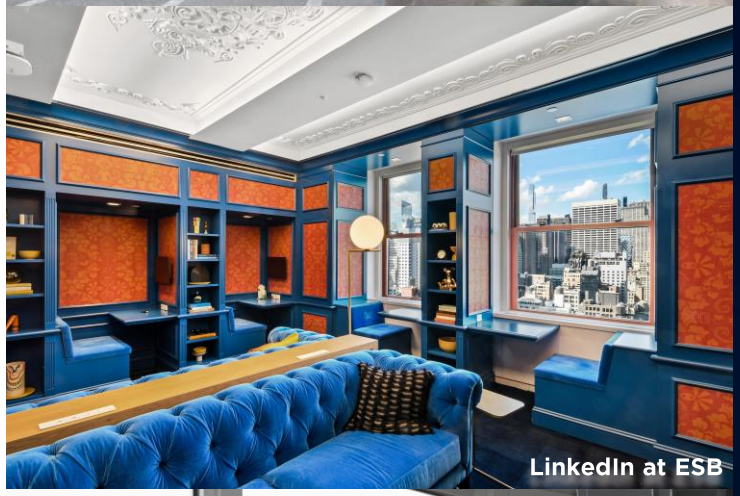
EMPIRE STATE
REALTY TRUST

Investor Presentation

December 2022

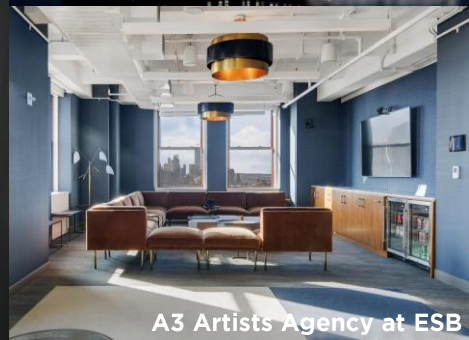
One Grand Central Place

250 W 57th


LinkedIn at ESB

Empire Building Playbook Launch with President Clinton, Governor Hochul, Mayor Adams

Empire State Building Observatory


A3 Artists Agency at ESB

Contents

Company Priorities
Competitive Advantages
- Flight To Quality
- Attractive Value Proposition
- Contracted Rents and Tenant Expansions
- Strong & Flexible Balance Sheet
- Focus on ESG Initiatives
- Sustainability Leadership & Scorecard

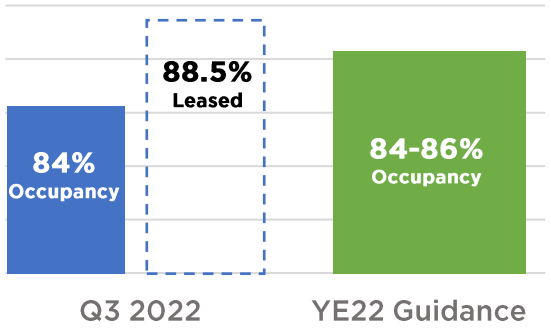
ESRT Property Sector Highlights
- Office
- ESB Observatory
- Retail
- Multifamily

Meet the Team: ESRT Management
Appendix

COMPANY PRIORITIES

Laser Focused on Shareholder Value

Lease Space



Sell Observatory Tickets

- ESB Observatory ranked #1 Tripadvisor Attraction in the US and #3 in the world[1]
- Best-in-class experience
- Manage and enhance iconic brand
- Maximize per capita revenue
- Manage expenses

Enhance Shareholder Value

- Execute on capital allocation goals
  - ✓ Buybacks
  - ✓ Selective Value-Enhancing Acquisitions
  - ✓ Recycle capital opportunistically
- Maintain balance sheet flexibility
- Enhance transparency and disclosure
  - ✓ Introduced earnings guidance

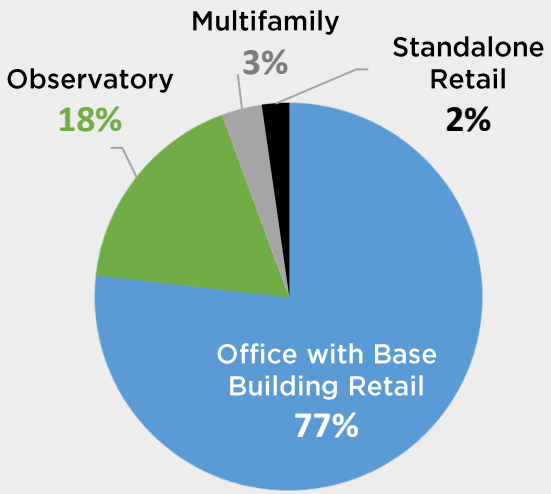
Achieve Sustainability Goals

- Commercial portfolio carbon neutral as of 2022
  - ✓ Reduced emissions 43% in commercial portfolio and 54% at Empire State Building since 2009
  - ✓ Purchased wind RECs for 100% of the commercial portfolio's electrical usage since 2021, and for Empire State Building since 2011[2]
  - ✓ Offset 100% of fossil fuel usage with preservation of biodiverse ecosystem forest[2]

[1] Per Tripadvisor report titled: Travelers' Choice 2022 Best of the Best. Click here for more information.
[2] This is just one step in our commitment to our operational carbon neutrality target of 80% emissions reduction at ESB by 2030 and for 100% of the commercial portfolio by 2035. As we reduce emissions through our ESRT 2.0 work, we will offset our fossil fuel emissions through accredited sources until we reach our reduction goals.

NYC-Focused Portfolio with Multiple Sources of Upside

Tourism, residential, retail and office demand



3Q22 TTM NOI

Portfolio		Upside
Office	▪ 9.2M SF, predominantly in Manhattan, some GNYMA ▪ Modernized, amenitized, energy efficient, healthy buildings with central locations near mass transit ▪ "Flight to Quality" destination, accessible price points	▪ Office leasing momentum for quality space with excellent transportation access ▪ Rising leased percentage ▪ $71M contracted initial cash revenues ($57M incremental) from signed leases not commenced and free rent burn-off
ESB Observatory Experience	▪ Iconic, authentic NYC experience ▪ $165M redevelopment completed ▪ Dynamic pricing, all reservations model; inflation hedge	▪ NYC tourism recovery drives improved visitation ▪ Quality experience with high customer satisfaction ▪ #1 Tripadvisor attraction in the U.S. and #3 in the world[1]
Retail	▪ 0.7M SF, predominantly in Manhattan ▪ Resilient everyday shopping tenant base - 95% national retailers ▪ High foot traffic locations on or near mass transit	▪ Rebound in foot traffic in neighborhoods surrounding ESRT properties and ground level everyday retail assets
Multifamily	▪ 625 units across two well-located, well-amenitized properties in Manhattan ▪ Annual rent resets; inflation hedge ▪ Modest capital expenditure requirements	▪ Strong occupancy and rent growth at multifamily assets

[1] Per Tripadvisor report titled: Travelers' Choice 2022 Best of the Best. Click here for more information.

COMPETITIVE ADVANTAGES

Flight to Quality

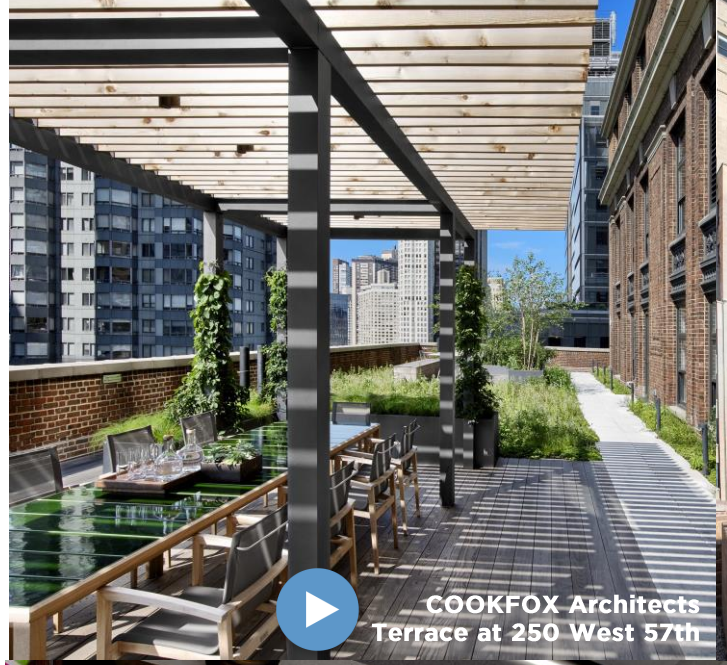
Upgraded tenant spaces, amenities, and HVAC and energy systems in our modernized, pre-war buildings at accessible rents

- ✓ Amenities
- ✓ Competitive price point for quality assets
- ✓ Centrally located to mass transit
- ✓ Energy efficient and healthy buildings
- ✓ Turnkey-suite offerings and office space
- ✓ Cater to a wide range of tenant sizes

Tip: Click the 'Play Arrow' for videos

A few recently signed ESRT leases:

ARGO GROUP · CLARINS · LinkedIn · CROWN CASTLE · iCapital NETWORK · PLAYFLY SPORTS PROPERTIES · progyny Smarter Fertility Benefits · BBG · Signature Bank · FRANKLIN TEMPLETON



COOKFOX Architects Terrace at 250 West 57th

Planned 3.5K SF Rooftop at 1333 Broadway Overlooking ESB

Planned 10K SF Multi-Purpose Space at Empire State Building

COMPETITIVE ADVANTAGES

Attractive Value Proposition

ESRT offers Flight to Quality destinations at accessible price points.

Class A NYC Office	EMPIRE STATE REALTY TRUST	Class B NYC Office
$80 – $200 PSF	$50 – $82 PSF	$40 – $60 PSF
New construction; steel and glass	Modernized buildings	Pre-war, not modernized
Submarket dependent	Excellent transportation access	Submarket dependent
Fully amenitized	Amenities leader	Limited amenities
High indoor environmental quality	High indoor environmental quality	Average indoor environmental quality
Varying degrees of energy efficiency	High energy efficiency; 100% renewable wind powered	Below average energy efficiency
Less flexibility	Flexible space offerings (includes pre-built)	Less flexibility

Tenant Testimonial on Flight to Quality at the Empire State Building

"The reaction of our own employees, candidates, prospects and customers that we bring to the facilities is awe and a sense of wonder when you walk through these walls."

–Dan Hoyle, Sr. Brand Marketing Manager, Talent Attraction, LinkedIn

Tip: Click the 'Play Arrow' for video

COMPETITIVE ADVANTAGES

Attractive Value Proposition

ESRT's offerings sit at the deepest part of the market with pre-built suites that accommodate smaller leases.

✓ Attractive price point with high quality offerings

All Deals With Publicly Disclosed Terms 2019 - 2021			
Starting Rent Range	# of Market Leases	% of Total Market Leases	% of ESRT Leases
<$50 PSF	556	19.5%	6.6%
$50 - $70 PSF	**1,154**	**40.4%**	**83.4%**
>$70 PSF	1,147	40.1%	9.9%
Total	2,857	100.0%	100.0%

✓ Captures significant market share with smaller tenants

All Deals 2019 - 2021			
Size Range	# of Market Leases	% of Total Market Leases	% of ESRT Leases
Below 30,000 SF	**8,060**	**93.0%**	**91.4%**
Above 30,000 SF	607	7.0%	8.6%
Total	8,667	100.0%	100.0

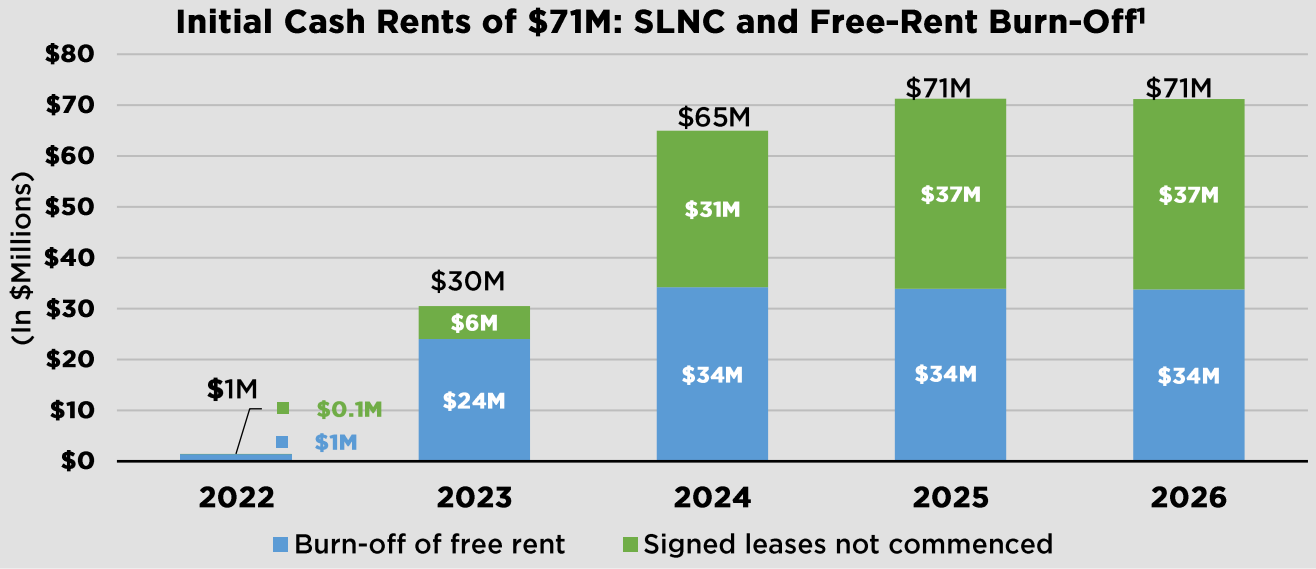
Source: Newmark

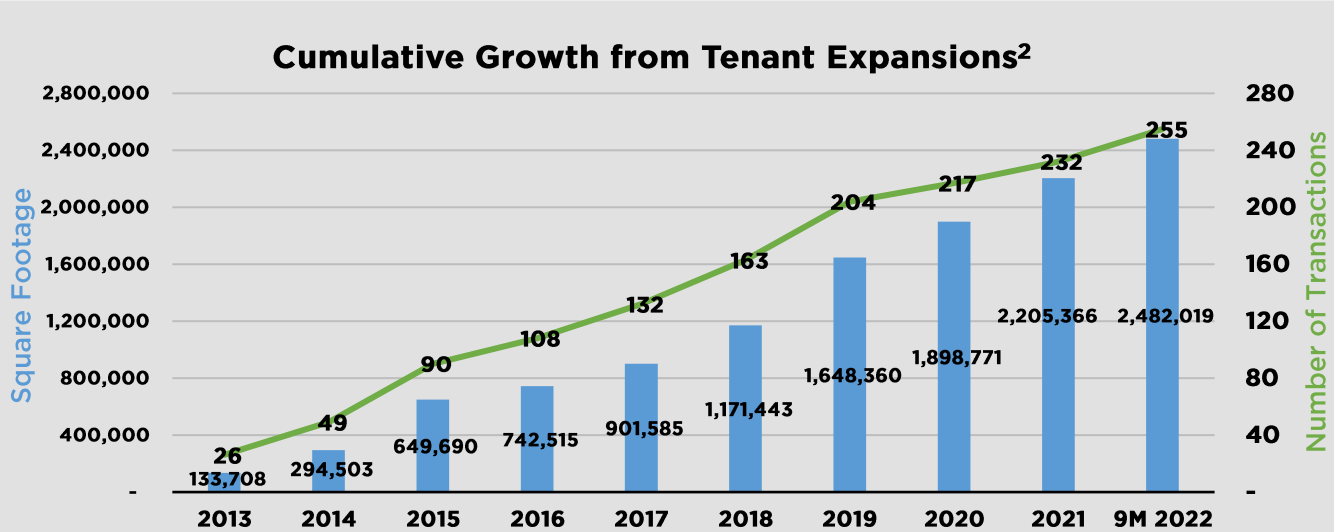
COMPETITIVE ADVANTAGES

Contracted Rents & Tenant Expansions

- Signed Leases Not Commenced ("SLNC")
- Free Rent Burn-Off
- Existing Tenant Expansion

Select SLNC	Building	SF/Term	Cash Commencement Start Date
Institutional Capital Network (expansion)	One Grand Central Place	▪ 106K SF / 16 yrs	▪ 2023
Signature Bank (expansion)	1400 Broadway	▪ 96K SF/ 17 yrs	▪ 2024
LinkedIn (expansion)	ESB	▪ 30K SF/ 14 yrs	▪ 2024
Progyny (expansion)	1359 Broadway	▪ 71K SF/ 10 yrs	▪ 2023
Burlington (expansion)	1400 Broadway	▪ 35K SF / 15 yrs	▪ 2024
Universal Services (expansion)	501 Seventh Avenue	▪ 30k SF / 10 yrs	▪ 2023





[1] Table reflects total initial cash rents totaling $71M in comparison to $57M of incremental annual contribution.
[2] Since 2013, the year in which we went public, through September 30, 2022.
Company data and filings include office and retail tenants as of September 30, 2022.

COMPETITIVE ADVANTAGES

Strong & Flexible Balance Sheet

Flexibility to allocate capital for long term shareholder value.

Liquidity

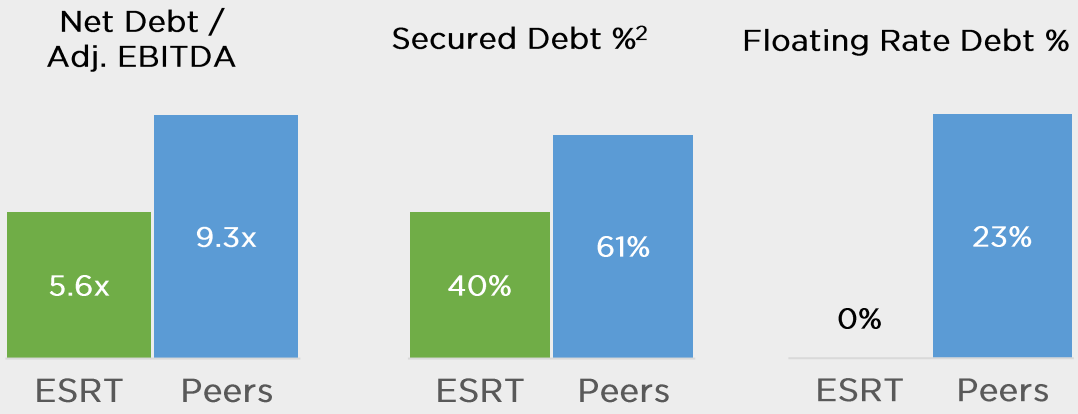
- Cash: $387M
- Undrawn Credit Facility: $850M
- Unencumbered Office + Retail Portfolio: 76% of SF

Optionality

- Share repurchases
- External growth
- Capital recycling
- Office portfolio 100% owned

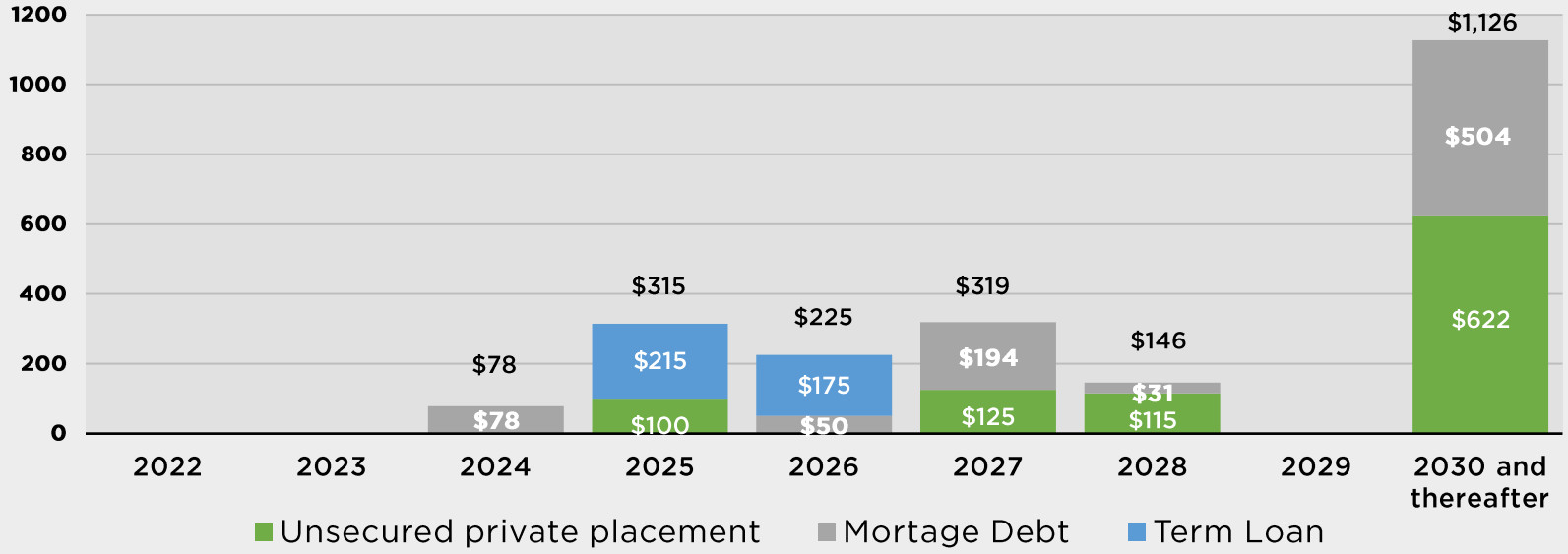
[1] Adjusted EBITDA is calculated on a trailing twelve-month basis. Peer group includes BXP, PGRE, SLG and VNO as of June 30, 2022.
[2] Reflects the Company's secured debt, at share.
[3] Debt maturity reflects the Company's debt, at share, and excludes regularly scheduled amortization and revolving credit facility which is currently undrawn.
Company data and filings as of September 30, 2022.

Low Leverage Relative to Peers[1] and No Floating Rate Debt Exposure



Well-Laddered Debt Maturity Schedule (in $M's)[3]

Weighted Avg. Maturity: 6.7 years
Weighted Avg. Interest Rate: 3.9%



COMPANY PRIORITIES

Q3 2022 ESG Highlights

CARBON NEUTRAL AS OF 2022

REDUCED EMISSIONS

43% in our entire **portfolio** since 2009

54% at the Empire State Building since 2009

PURCHASED WIND RECs

for **100%** of the commercial portfolio's electrical usage since 2021, and for the Empire State Building since 2011[1]

SUPPORT PRESERVATION OF FORESTS

Offset **100%** of fossil fuel usage[1]

2022 GRESB 5 STAR RATING

Highest possible
GRESB 5 Star Rating and Green Star recognition
for the third consecutive year with a score of

95

Public Disclosure Sore: 96

- **1st in peer group**

Achieved highest possible scores in:

- Leadership, Policies, Reporting, Stakeholder engagement, Targets, Tenants & Community, Data Monitoring & Review, Building certifications

IMPROVED LOCAL BIODIVERSITY THROUGH HONEYBEE APIARIES

- 50,000 worker bees in each hive
- 2,000 flowers visited each day by the average honeybee
- 1 colony workers bees are exclusively loyal to their colony and will never leave it
- $15 billion contributed annually to the US economy by honeybees
- 1/3 of food we eat is because of these pollinators
- 90% of plants depend on pollinators to reproduce

First commercial office REIT in the U.S. to join both the UN Global Compact & the Women's Empowerment Principles

[1] This is just one step in our commitment to our net zero target of 80% emissions reduction at ESB by 2030 and for 100% of the commercial portfolio by 2035. As we reduce emissions through our ESRT 2.0 work, we will offset our fossil fuel emissions through accredited sources until we reach our reduction goals.

Focus on ESG Initiatives

Environmental

Awarded as a Leader

GREEN LEASE LEADER – PLATINUM

WELL HEALTH-SAFETY RATED 2022 – INTERNATIONAL WELL BUILDING INSTITUTE

#1 LOWEST EMISSIONS OF ALL NYC-BASED REITS

Per Green Street November 24, 2021 research reports (documenting 2020 data) [1]

On Track with Sector Leading Targets

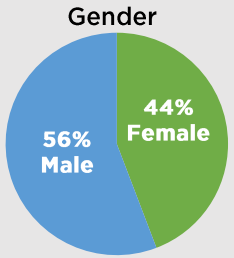
- **100% renewable wind energy** powered portfolio
- **Net-zero commitment** for carbon emissions at ESB by 2030 and the entire commercial portfolio by 2035

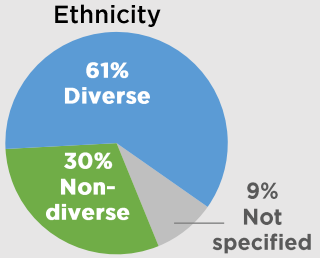
Prepared for Future Regulation and Reduced Risk of Fines

- **Local Law 97 Compliant** based on current assumptions
- **Alignment with Science Based Targets initiative** (SBTi) 1.5-degree scenario
- **Scope 3** - Voluntarily disclose scope 3 emissions for downstream leased assets (tenant sub metered usage)
- **Sustainability reporting in alignment** with TCFD, SASB, GRI

Social

Increased Gender and Ethnic Diversity of our Workforce and Leadership[2]





Diversity, Equity and Inclusion (DE&I)

UN Global Compact

Bloomberg Gender-Equality Index

In support of WOMEN'S EMPOWERMENT PRINCIPLES – Established by UN Women and the UN Global Compact Office

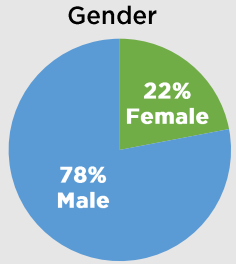
- **Employee-led Inclusion Committee** with measurable goals and transparency to colleagues and board

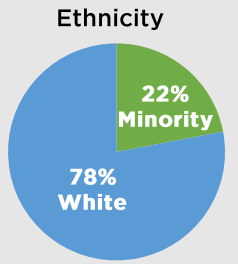
Investment in Our People

- **Employee programs and benefits:** adoption assistance, fertility benefits, learning and development
- **Tenant Engagement:** Quarterly Town Halls, custom tenant sustainability programs and walkthroughs
- **Community engagement and volunteerism:** paid volunteer time off and sponsored programs with local community groups

Governance

Focus on Board Diversity





Board Independence

- **89% Independent Directors** (4 new appointed since 2017)

Accountability

- **Board oversight of ESG initiatives** with specific committee responsibilities in charters
- **Adopted ESG metric** as a component of NEO's annual bonus and performance-based equity

Stock Ownership / Compensation

- 13% of shares / OP units held by directors and executives
- **Claw back policy** in place
- Double-trigger change **in control** benefits

[1] Per Green Street research report: Office Insights: NYC Local Emissions Regulation Update, dated November 24, 2021.
[2] Percentages based on entire employee population as of December 31, 2021.

COMPETITIVE ADVANTAGES

Sustainability Scorecard

Our Progress vs. Our Targets

Energy Efficiency

ESRT TARGET (ENERGY STAR Certified)	75%
EMPIRE STATE REALTY TRUST	76%

Air Quality and HVAC

ESRT TARGET (WELL Health-Safety Rating)	100%
EMPIRE STATE REALTY TRUST	100%

Natural Light and Well-Being

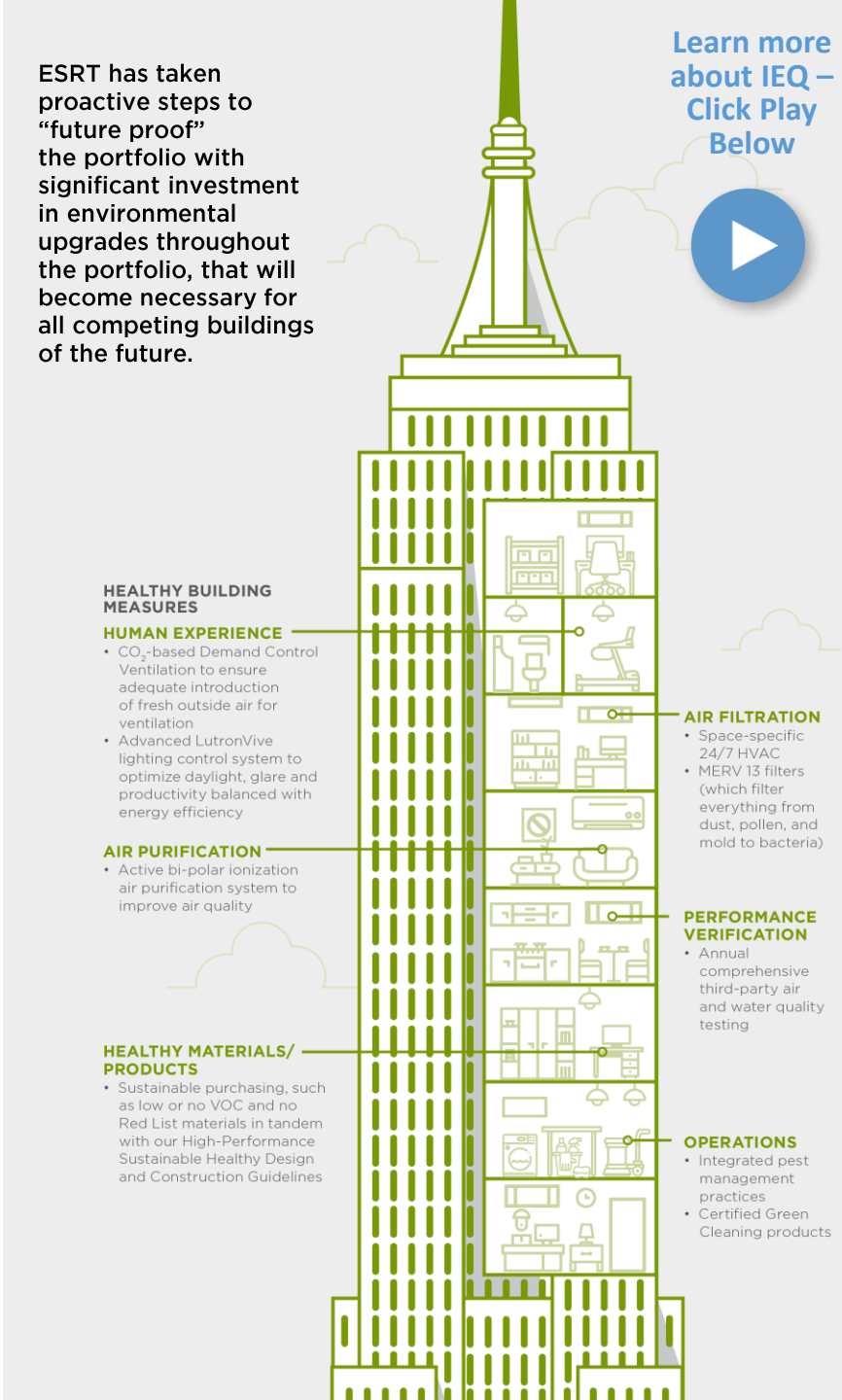
EMPIRE STATE REALTY TRUST (Fitwel Certified)	83%

Alignment with Sustainability Reporting Standards

Framework	GRI	GRESB	MSCI	ISS ESG	SASB	SUSTAINALYTICS
Scoring	Y/N	0-100, 1-5 Stars	AAA-CCC	0-10 (lower = better)	Y/N	Negligible – Severe
2020	Y	88, 5 Stars	BBB	E:3, S:4, G:7	Y	Low Risk
2021[1]	Y	94, 5 Stars	BBB	E:2, S:2, G:7	Y	Low Risk

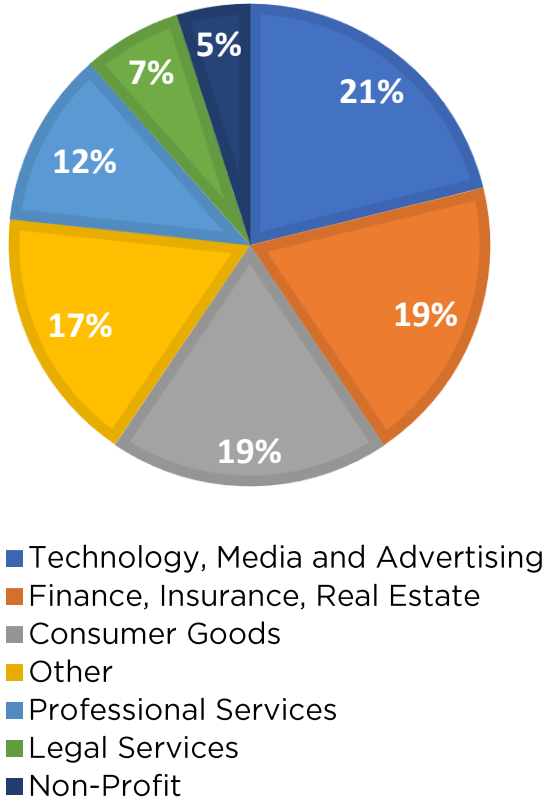
ESRT has taken proactive steps to "future proof" the portfolio with significant investment in environmental upgrades throughout the portfolio, that will become necessary for all competing buildings of the future.

Learn more about IEQ – Click Play Below



OFFICE

Strong and Diverse Tenant Mix



Select Tenants

ascap · Berkley · Burlington · CITIZEN · CLARINS PARIS · Cookie Fox · Diligent · EY · FDIC · FRAGOMEN · FRANKLIN TEMPLETON INVESTMENTS · HNTB · iCapital NETWORK · IPG · JCDecaux · LinkedIn · L'OCCITANE EN PROVENCE · NESPRESSO · OdysseyRe · PartnerRe · shutterstock · Signature · United Rentals · Allianz · UNIVERSAL MUSIC GROUP · workday · 3i

Industry diversification by annualized fully escalated rent.
Company data and filings as of September 30, 2022.

OFFICE

Prime Locations Near Mass Transit

The majority of our portfolio is located within a 9 minute walk to the primary transportation hubs of the most valuable U.S. office market.

Walk score
93

Transit score
95

Bike score
83

ESB OBSERVATORY

Proven Performer

New $165M Interactive Experience

Iconic and Authentic

- #1 Tripadvisor Attraction in the US and #3 in the world[5]
- Top Uber tourist attraction in the world[6]
- Top 10 searched 'Bucket List' travel experiences[7]

Institutional Asset Class with Affirmed Valuation

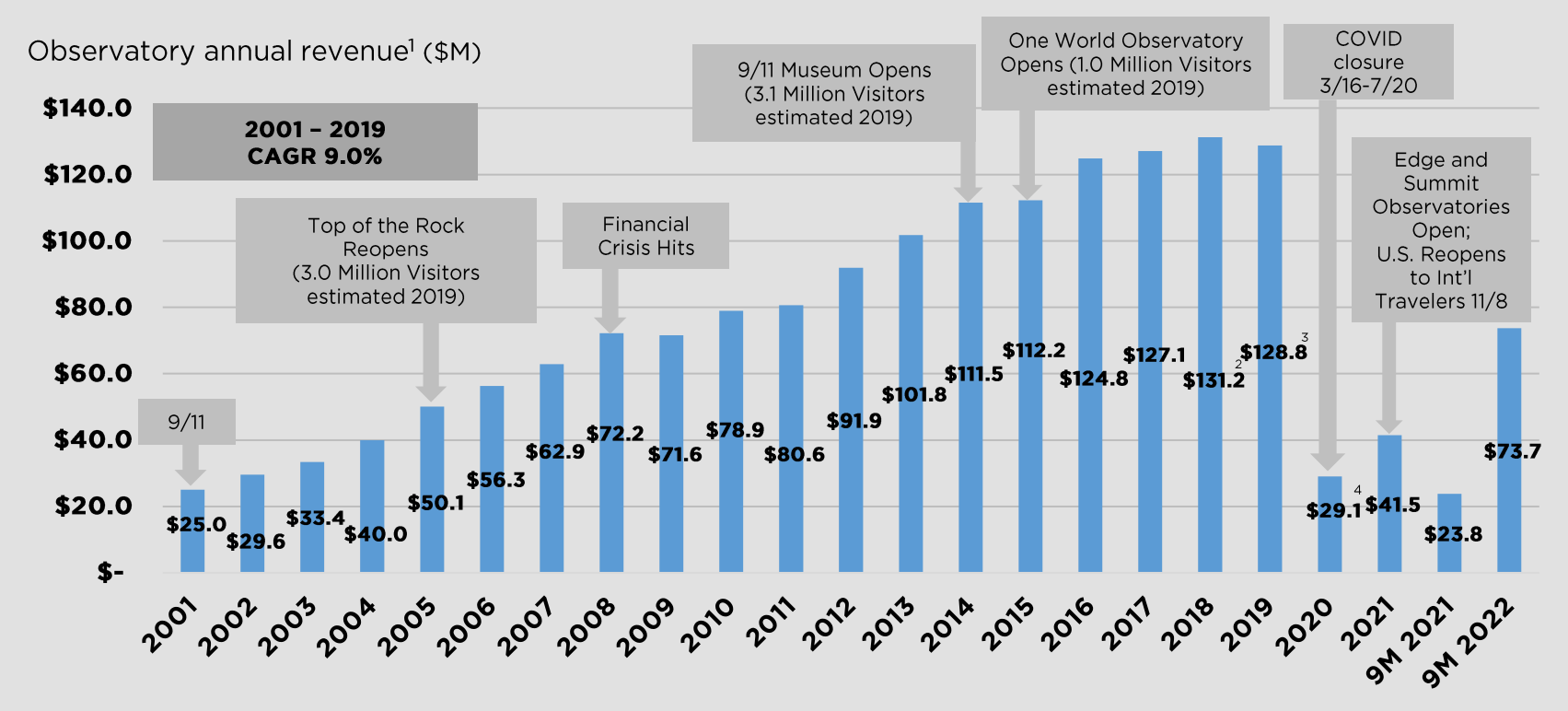
- In 2021, KKR bought majority stake in The Edge and One Vanderbilt financing attributed a high valuation to The Summit

Timed Ticketing

- July 2020: converted to a timed-entry attraction model. Reservations required:
  - Reduced surges in volume, enhanced guest experience
  - Better customer reviews

Significant Upside to NYC Tourism Recovery

Consistent performance amid economic cycles and new attractions



[1] Observatory revenues include the fixed license fee received from WDFG North America, the Observatory gift shop operator.
[2] The 102nd floor was closed for 1Q 2018 to replace elevator. The revenue impact was approximately $3 million dollars.
[3] The 102nd floor was closed for ~9 months in 2019 for redevelopment. The revenue impact was approximately $9 million dollars for those 9 months.
[4] The Observatory experienced a significant decline in visitors from the 2nd week of March and was closed on March 16, 2020 through July 20, 2020.
[5] Per Tripadvisor report titled: Travelers' Choice 2022 Best of the Best. Click here for more information.
[6] Per Uber Newsroom report titled: A look back at 2021, dated December 9th, 2021. Click here for more information.
[7] Per CNBC article titled: These are the most-searched 'bucket list' travel experiences in the world, dated July 5th 2021. More information here.

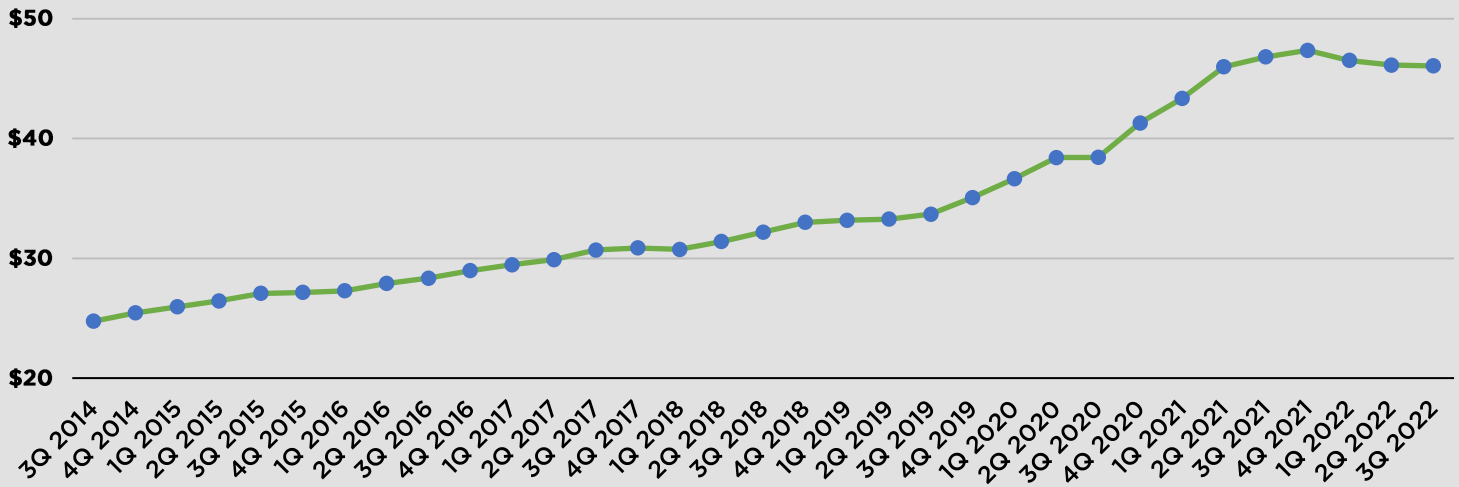
ESB OBSERVATORY

World's Most Famous Building

Observatory has delivered **consistent, long-term growth** through economic cycles and new attractions

Increased visitorship has yielded **more pass program and tour and travel customers**, and revenue per caps remain materially higher relative to prior periods with the same customer mix

Growth in Observatory Revenue Per Capita[1]



Hypothetical Weighted Average Admissions as % of 2019 Levels[2]

1Q 2021 (actual)	2Q 2021 (actual)	3Q 2021 (actual)	4Q 2021 (actual)	1Q 2022 (actual)	2Q 2022 (actual)	3Q 2022 (actual)	4Q 2022 (actual)
9%	17%	24%	40%	45%	59%	66%	• Oct: 66% • Nov: 66% • Dec MTD: 95%

[1] Revenue per Capita equals: a) Observatory revenue less the fixed license fee received from WDFG North America, the Observatory gift shop operator, divided by b) number of visitors. LTM Revenue calculation includes recognition of deferred revenues for all periods except from 3Q20 and 4Q20 to avoid distortion in the per cap data amidst ramp-up of visitor volume. In 3Q 2020 - 1Q 2021, the calculation is based on company data and filings on a trailing fifteen months excluding 2Q 2020 when the Observatory was closed. Company Data and filings as of September 30, 2022.

[2] Assumptions are subject to pandemic developments, the actions of the authorities, and rebuild of tourism volumes both domestically and internationally.

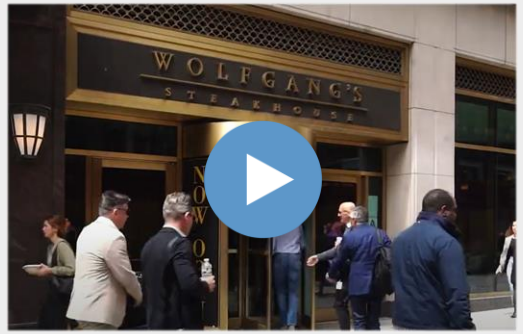
RETAIL

Portfolio Highlights

- 729K SF portfolio of **irreplaceable street retail** assets
- 95% of retail FER comprised of **national retailers**[1]
- **High density** and foot traffic
- On or near **mass transit**
- Weighted average lease term of **7.8 years**
- **Tip:** Click the 'Play Arrow' for video

Top 15 Retail Tenants[2]	% of Annual FER	Square Feet Occupied
1. SEPHORA	12.4%	11,334
2. TARGET	10.4%	81,340
3. URBAN OUTFITTERS	9.2%	56,730
4. Foot Locker	8.3%	34,192
5. Walgreens	5.7%	39,142
6. T.J.maxx	5.4%	46,644
7.	3.7%	33,415
8. JPMorganChase	3.2%	21,683
9. AT&T	2.9%	6,122
10. Santander	2.8%	4,000
11. CHIPOTLE MEXICAN GRILL	2.7%	12,923
12. FedEx Federal Express	2.6%	7,607
13. BANK OF AMERICA	2.6%	5,742
14. First Republic Bank It's a privilege to serve you™	2.4%	14,430
15. CVS	2.4%	11,000

Quality Foot Traffic around ESRT's Retail Portfolio



[1] Based on percentage of total fully escalated rent (FER) of the Company's retail portfolio in the aggregate.
[2] Based on percentage of total fully escalated rent of the Company's retail portfolio in the aggregate. Does not include signed leases that have not yet commenced.
Company data and filings as of September 30, 2022.

Asset Highlights

In December 2021, we acquired 90% ownership and control of 625 units in two high quality Manhattan multifamily assets.

- Initial yield on cost ~4%; mid-5% stabilized cap rate by 2025
- Annual price adjustment provides inflation protection
- Total price: $307M ($435K per unit[1])
- Transaction immediately accretive to FFO

The Victory at 561 10th Ave

- Just north of Hudson Yards and Manhattan West, 41st Street and 10th Avenue
- 417 Units
- Studio, 1BR, 2BR
- 24-Hour concierge, fitness center with half-court basketball, resident lounge, outdoor terraces, rooftop deck, parking

345 E 94th Street

- 94th Street and 1st Avenue
- 2nd Avenue Subway Q Line
- 208 Units
- Studio, 1BR, 2BR
- 24-Hour concierge, fitness center, resident lounge, outdoor terrace, parking

[1] Based on 625 total units and $307M total purchase price less assumed value of $35M ($1.58M annual NOI at 4.5% cap rate per Newmark) for the 11,000 square foot retail space at The Victory leased to CVS through 2040.

Recent Acquisition – 298 Mulberry Street

- **$115M**
  - Off-market transaction
  - 100% Free-market
    - 96 Units, $940K per unit[1]
  - Funded by proceeds from recent and future dispositions and cash
    - Unencumbered
    - 1031 exchange defers taxes and avoids any tax protection payment
  - Initial cash yield on cost ~4%

- **Upside**
  - Highly desirable submarket with limited supply of market rate, full-service product
  - New competitive supply minimal due to zoning limitations and cost
  - Target NYU students and young professionals with co-signers who desire full-service building in fantastic location
  - Property improvements to include new lobby, resident lounge, and upgraded corridors and fitness center

[1] Retail space leased to CVS valued at $24.7M @ 5.5% cap rate.

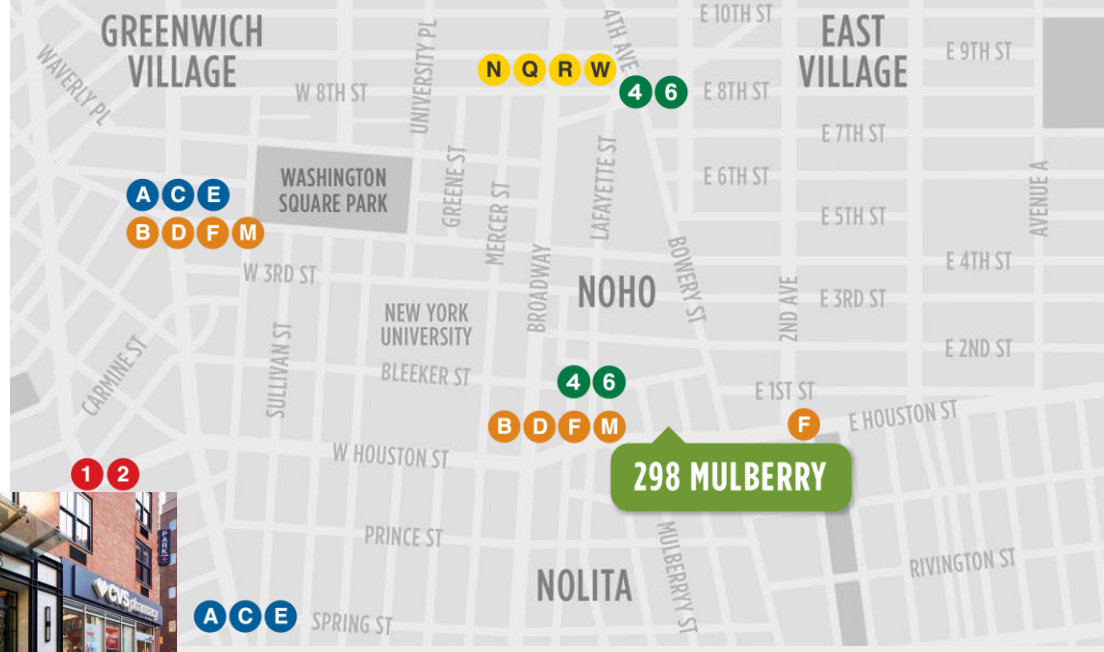
MULTIFAMILY

298 Mulberry Street

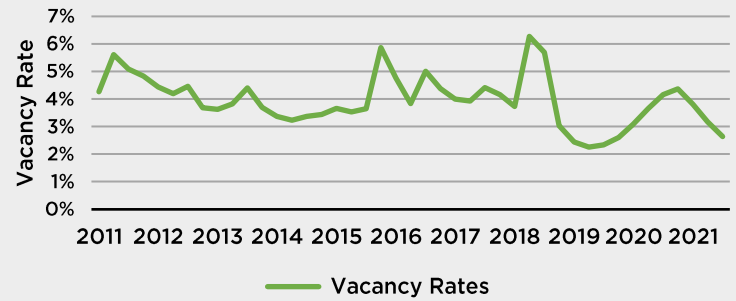
Doorman Building in a Highly Desirable Neighborhood

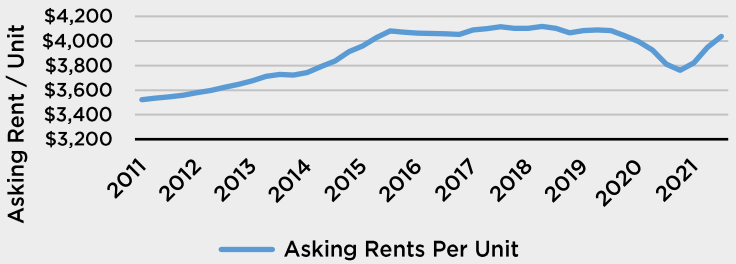
At A Glance

- Located at the corner of Mulberry Street and East Houston Street
- Walking distance to New York University
- Adjacent to Broadway-Lafayette Street Subway Station (B,D,F & M trains)
- At the confluence of NoHo, SoHo, NoLita, East Village
- 96 Units, 100% market rate
- Retail leased to CVS
- Unit Mix: Studio, 1BR, 2BR
- 24-hour Doorman, Fitness Center, Laundry room, Parking



NoHo Submarket Fundamentals[1]





[1] Source: CoStar.

Recent Dispositions

- The proceeds from each of these sale transactions will be used to fund the acquisition of the multifamily asset at 298 Mulberry Street through a 1031 exchange

Asset	Transaction Value	Comments
10 Bank Street, White Plains, NY	• $42M	• Tax-efficient sale which did not trigger any payments under tax protection agreement • $30.1M of debt assumed by the buyer • Transaction closed on December 8th, 2022
500 Mamaroneck Avenue, Harrison, NY	• $53M	• Unencumbered asset • Transaction expected to close in 1Q 2023

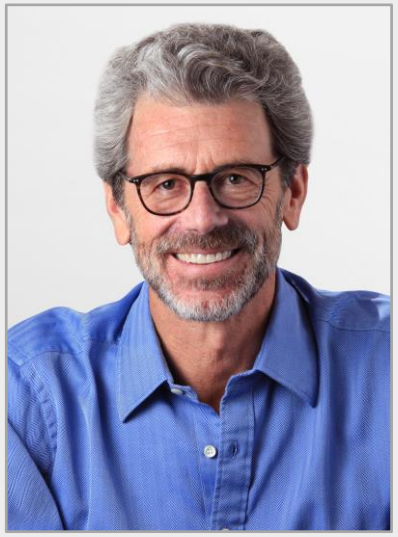
Conclusion

NYC-focused portfolio with multiple sources of NYC upside, including tourism, residential, retail and office demand.

- Unique NYC-focused portfolio comprised of **modernized office assets;** everyday **retail in high foot traffic locations**; well-located, well-amenitized **multifamily assets**; iconic Empire State Building **Observatory Experience**
- **Well-positioned balance sheet** affords flexibility to pursue capital allocation initiatives that align with ESRT's focus on **long term shareholder value creation**
- Long standing **sustainability leadership**; 100% of commercial portfolio WELL Health-Safety rated and fully powered by **renewable wind energy; carbon neutral** as of 2022
- **Aligned management team** with extensive experience in NYC real estate and **meaningful shareholder ownership**

Experienced and Aligned Management

Our management team has a long track record at ESRT and within NYC real estate more broadly, which drives our deep understanding and expertise of the markets in which we operate.



Anthony E. Malkin

Chairman, President & Chief Executive Officer

34 years with ESRT
34 years in industry
A.B. from Harvard College

Christina Chiu

Executive Vice President, Chief Operating Officer & Chief Financial Officer

2 years with ESRT
20 years in industry
B.S. from NYU Stern School of Business

Thomas P. Durels

Executive Vice President, Real Estate

32 years with ESRT
39 years in industry
B.S. from Lehigh University

Thomas N. Keltner, Jr.

Executive Vice President, General Counsel

44 years with ESRT
44 years in industry
A.B. from Harvard College and J.D. from Columbia Law School

Appendix

Overview
- Sustainability
- Achievements and Leadership

Environmental Goals
- Energy & Emissions
- Waste & Water
- Indoor Environmental Quality & ESG Certification

Social Responsibility

Governance

Reconciliation of Non-GAAP Measures

Disclaimer

OVERVIEW

Sustainability

Energy Efficiency & Emissions Reductions

- Alignment with Science Based Targets initiative (SBTi) 1.5-degree scenario
- Commitment to net-zero carbon emissions at the Empire State Building by 2030 and the commercial portfolio by 2035
- 100% of portfolio electricity fully powered by renewable wind energy

Indoor Environmental Quality (IEQ)

- MERV 13 filters and increased ventilation
- Active bi-polar ionization, in select spaces, neutralizes 99.92% of coronaviruses[1]
- Portfolio-wide low/no VOC materials, no Red List materials
- ASHRAE 62.1 ventilation or better
- Annual air and water testing

Transparency

- Sustainability Reporting in alignment with TCFD, SASB, GRI Reporting Standard
- ESRT's 2021 Sustainability Report is available on our website
  Read our Sustainability Report HERE
- ESRT & NYSERDA's Empire Building Playbook is available online for free
  Read our Empire Building Playbook HERE

Tenant Engagement

- Selected as a 2022 Platinum Green Lease Leader
- Custom sustainable and efficient design support
- Utility and ESG data available
- Green Lease Provisions across 100% of portfolio

[1] Click here for more information.
[2] Per Green Street research report: Office Insights: NYC Local Emissions Regulation Update, dated November 24, 2021.

SUSTAINABILITY

Achievements & Leadership

Achievements

2022 5-Star GRESB Rating:	**95** 2nd in peer group	**Public Disclosure:**	**96** 1st in peer group	**#1** Lowest Emissions of all NYC-based REITs per Green Street[1]

Policy Leadership at National State and City Levels

Our Chairman, President and CEO, Anthony E. Malkin is a recognized leader on sustainability initiatives for our local and national community

- Chairman of the Real Estate Roundtable Sustainability Policy Advisory Committee
- Sole NYC owner member of NYC Climate Mobilization Local Law 97 Advisory Board
- Co-Chair of LL97 Technical Pathways for Commercial Buildings Working Group

Our Director of Energy, Sustainability and ESG, SVP Dana Schneider, serves on the Real Estate Round Table Sustainability Policy Advisory Committee and LL97 Commercial Buildings Working Group in addition to:

- Urban Green Board of Directors
- USGBC LEED Steering Committee
- LEED Fellow
- REBNY Sustainability Committee
- The Clean Fight and REBNY PropTech Judge

Industry Leadership & Engagement

- ✓ WELL Living Lab/Mayo Clinic
- ✓ REBNY Sustainability Committee
- ✓ NAREIT Real Estate Sustainability Committee
- ✓ Urban Green Board of Directors
- ✓ ULI Tenant Energy Optimization Program
- ✓ NYC Mayor's Carbon Challenge
- ✓ The Clean Fight (Final Round Judge)
- ✓ LEED Steering Committee

[1] Per Green Street research report: Office Insights: NYC Local Emissions Regulation Update, dated November 24, 2021.

ENVIRONMENTAL GOALS

Energy & Emissions

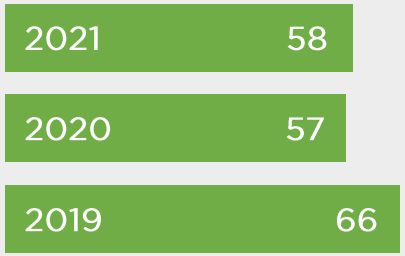
Goal[1]:

50%

site energy
Reduction by 2035

2021 Progress: On Target

Energy Use Intensity
(kBtu/ft²)



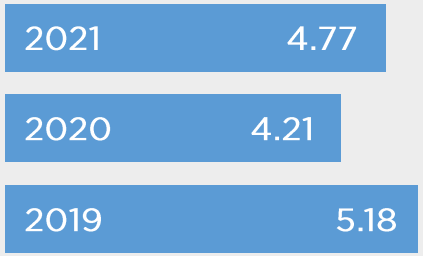
Goal[1]:

Carbon Neutrality

By 2030 for Empire State Building,
and by 2035 for the office portfolio

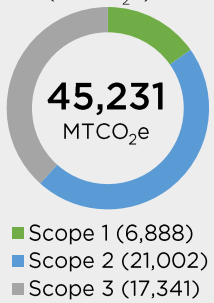
2021 Progress: On Target

Greenhouse Gas Emissions Intensity
($kgCO_2e/ft^2$)



Greenhouse Gas Emissions Performance

2021 Greenhouse Gas Emissions[2]
($MTCO_2e$)

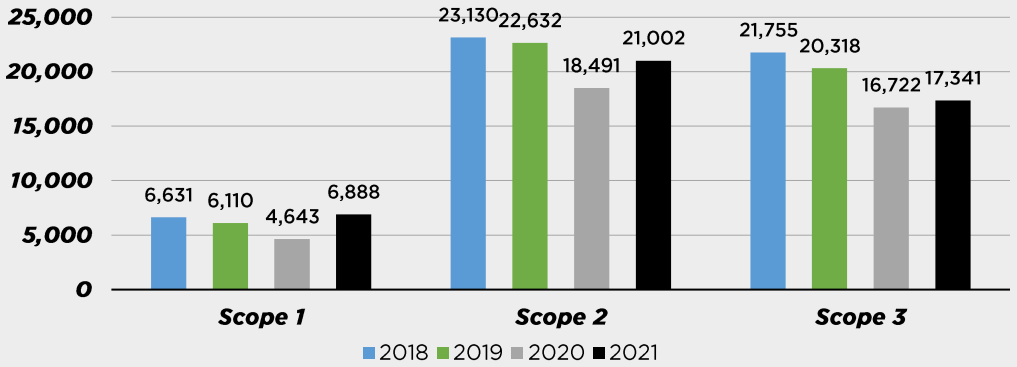


Scope 1 (6,888)
Scope 2 (21,002)
Scope 3 (17,341)

⇩ 13%

reduction in emissions
compared to 2020

Like-For-Like Greenhouse Gas Emissions[2]
($MTCO_2e$)



[1] All goals and targets represent like-for-like comparisons for assets owned for 24 consecutive months across the current and previous reporting year. 2020 and 2021 energy use outcomes were impacted by low building utilization rates during the COVID-19 pandemic, and thus are not representative of consumption at full occupancy.
[2] GHG emissions are calculated on a like-for-like basis each year. 2020 and 2021 emissions outcomes were impacted by low building utilization rates during the COVID-19 pandemic, and thus are not representative of consumption at full occupancy.

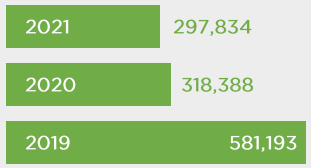
ENVIRONMENTAL GOALS

Waste & Water

Goal:
30%
reduction in water intensity by 2035

2021 Progress: On Target

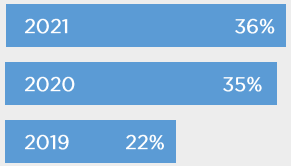
Water (m^3)



Goal:
75%
waste diversion rate by 2030

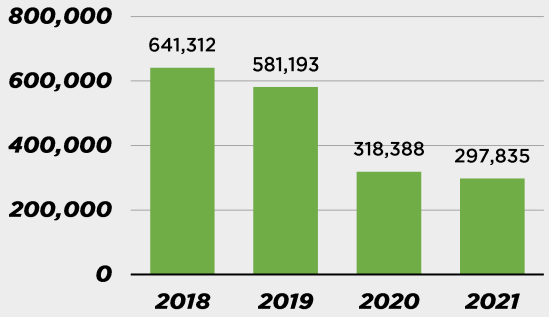
2021 Progress: On Target

Water Diversion

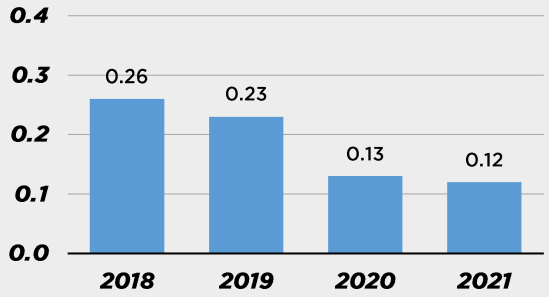


Water Performance

2021 Water Consumption[1] (m^3)



Like-For-Like Water Use Intensity[1] (kgal/ft)



⇩ **6%**
reduction in water consumption compared to 2020

0.12 kgal/ft²
2021 water use intensity

Waste Performance

2021 Waste Performance[2] (tons)

36%
waste diversion rate in 2021

We recycle tenant waste and construction debris throughout our entire portfolio. Our goal is to increase recycling diversion rates and the types of materials recycled, both in daily waste and in renovation and new construction.

[1] Water usage is calculated on a like-for-like basis each year. 2020 and 2021 water usage outcomes were impacted by low building utilization rates during the COVID-19 pandemic, and thus are not representative of consumption at full occupancy.
[2] Waste generation is calculated on a like-for-like basis each year. 2020 and 2021 waste generation outcomes were impacted by low building utilization rates during the COVID-19 pandemic, and thus are not representative of consumption at full occupancy.

ENVIRONMENTAL GOALS

Indoor Environmental Quality & ESG Certification

Environmental Performance

Goal:

100%

of eligible buildings are green-certified across LEED, Fitwel, and WELL Health-Safety rating by 2025

✓ Achieved goal for green building certifications

Goal:

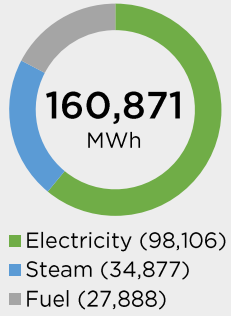
75%

of eligible buildings are ENERGY STAR-certified by 2025

✓ Exceeded goal for achieving ENERGY STAR certifications

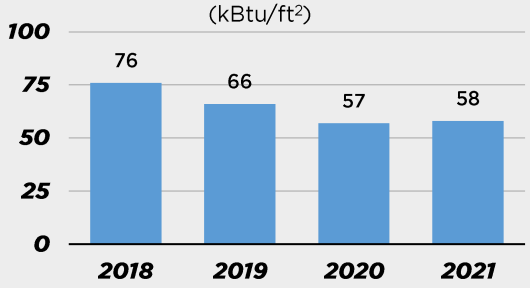
2021 Energy Consumption Distribution[1]

(MWh)



Like-For-Like Energy Use Intensity[1]

(kBtu/ft²)



⇩ **13%**

reduction in energy consumption compared to 2020

100%

of portfolio electricity has been offset through the purchase of Green E Certified Wind Power Renewable Energy Credits

[1] Energy usage is calculated on a like-for-like basis each year. 2020 and 2021 energy use outcomes were impacted by low building utilization rates during the COVID-19 pandemic, and thus are not representative of consumption at full occupancy.

Social Responsibility

Diversity, Equity and Inclusion (DE&I)

- Included in the 2022 Bloomberg Gender-Equality Index
- 1st commercial office REIT in the U.S. to join both the UN Global Compact & the Women's Empowerment Principles.
- Transparent public reporting of EEOC diversity for all levels (Board, leadership, all employees)
- Employee-led Inclusion Committee in place
- All executives and employees participate in training on inclusion and communication led by DE&I consultant
- Implemented new hiring process to mandate diversity in candidate pools

Investment in Human Capital

- Actively engage with our employees on policy and company culture
- Health and wellness benefits and programs
- Implemented formal work from home policy
- Employee-led Employee Manual Committee achieved significant benefit enhancements, such as enhanced parental leave and increased paid time off
- Overhaul of 401(k) plan with increased company match and financial wellness training
- Focus on increasing employee training and education opportunities and participation
- Focus on increasing the gender and ethnic diversity of our workforce and leadership

Gender[1]:

All Employees: ***44.2%*** female / **55.8%** male

VP & higher: **27.6%** female / **72.4%** male

Ethnic[1]:

All Employees: **60.5%** diverse

VP & higher: **17.2%** diverse

Supplier Diversity Initiatives Implemented

Vendor Code of Conduct

Human Rights Policy

Tenant Partnership and Engagement

Healthy Buildings

Community Engagement and Volunteerism

- Company-sponsored volunteer events
- Provide employees with paid time off for volunteerism efforts

[1] Based on company-wide employees, corporate and union, as of December 31, 2021.

Governance

Board Diversity

- 22% female / 78% male
- 22% minority / 78% white

Board Practices

- Balance of continuity (3 directors since 2013 IPO) and refreshment with 4 new directors since 2017
- Focused on enhanced diversity and refreshment with 3 independent diverse directors appointed since 2017
- Board oversight of ESG initiatives and matters with specific committee responsibility outlined in committee charters
- SVP, Director of Energy, Sustainability & ESG reports to Board quarterly

Board Independence

- Lead Independent Director, elected annually, with responsibilities outlined in the corporate governance guidelines
- Independent Board (8 of 9 directors) / All Board committees composed of independent directors

Accountability

- Proxy access stockholder right
- Stockholder right to amend bylaws
- Frequent and robust shareholder engagement efforts
- Adopted ESG metric as a component of both NEO's annual incentive bonus and performance-based equity

Stock Ownership/Compensation

- Robust stock ownership guidelines for directors and executive officers
- Claw back policy in place
- Double-trigger change in control benefits

Reconciliation of Non-GAAP Measures

Reconciliation of Net Income to Cash NOI and Same Store Cash NOI	Three Months Ended				
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Net income (loss)	$ 10,118	$ 48,695	$ (17,221)	$ (4,074)	$ (10,183)
Add:					
General and administrative expenses	15,725	15,876	13,686	13,578	14,427
Depreciation and amortization	46,984	58,304	67,106	46,467	65,794
Interest expense	25,516	25,042	25,014	23,841	23,577
Income tax expense (benefit)	1,457	363	(1,596)	1,537	20
Impairment charge	-	-	-	7,723	-
Less:					
Gain on disposition of property	-	(27,170)	-	-	-
Third-party management and other fees	(389)	(326)	(310)	(302)	(314)
Interest income	(1,564)	(431)	(149)	(207)	(211)
Net operating income	97,847	120,353	86,530	88,563	93,110
Straight-line rent	(7,341)	(8,597)	(2,595)	(7,881)	(3,087)
Above/below-market rent revenue amortization	(677)	(1,675)	(1,784)	(280)	(4,244)
Below-market ground lease amortization	1,957	1,958	1,958	1,958	1,957
Total cash net operating income	91,786	112,039	84,109	82,360	87,736
Less cash NOI from non-Same Store properties	(2,866)	(3,184)	(3,871)	(268)	(385)
Total Same Store cash NOI - including observatory and lease termination income	88,920	108,855	80,238	82,092	87,351
Less: observatory NOI	(24,535)	(19,592)	(7,026)	(10,736)	(6,426)
Less: Lease termination income	(29)	(18,859)	(1,173)	(281)	(11,321)
Total Same Store cash NOI - excluding observatory and lease termination income	$ 64,356	$ 70,404	$ 72,039	$ 71,075	$ 69,604

Company data and filings as of September 30, 2022. Amounts in thousands.

Reconciliation of Non-GAAP Measures

	Twelve Months to Date	Three Months Ended			
		September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Rental revenue	$ 527,225	$ 131,952	$ 135,191	$ 133,689	$ 126,393
Tenant expense reimbursement	56,993	16,309	14,148	13,825	12,711
Deduct:					
Straight-line rental revenues	(26,414)	(7,341)	(8,597)	(2,595)	(7,881)
Above/below-market rent revenue amortization	(4,416)	(677)	(1,675)	(1,784)	(280)
Total cash revenues	$ 553,388	$ 140,243	$ 139,067	$ 143,135	$ 130,943

	Three Months Ended				
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
Net income (loss)	$ 10,118	$ 48,695	$ (17,221)	$ (4,074)	$ (10,183)
Interest expense	25,516	25,042	25,014	23,841	23,577
Income tax expense (benefit)	1,457	363	(1,596)	1,537	20
Depreciation and amortization	46,984	58,304	67,106	46,467	65,794
EBITDA	84,075	132,404	73,303	67,771	79,208
Impairment charge	-	-	-	7,723	-
Gain on disposal of property	-	(27,170)			
Adjusted EBITDA	**$ 84,075**	**$ 105,234**	**$ 73,303**	**$ 75,494**	**$ 79,208**

Company data and filings as of September 30, 2022. Amounts in thousands.

Disclaimer

This presentation includes "forward looking statements" within the meaning of the federal securities laws. Forward-looking statements may be identified by the use of words such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates," "contemplates," "aims," "continues," "would" or "anticipates" or the negative of these words and phrases or similar words or phrases.

The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: (i) economic, market, political and social impact of, and uncertainty relating to, the COVID-19 pandemic; (ii) a failure of conditions or performance regarding any event or transaction described herein, (iii) resolution of legal proceedings involving the Company; (iv) reduced demand for office, multifamily or retail space, including as a result of the COVID-19 pandemic; (v) changes in our business strategy; (vi) changes in technology and market competition that affect utilization of our office, retail, Observatory, broadcast or other facilities; (vii) changes in domestic or international tourism, including due to health crises such as the COVID-19 pandemic, geopolitical events, including global hostilities, currency exchange rates, and/or competition from recently opened observatories in New York City, any or all of which may cause a decline in Observatory visitors; (viii) defaults on, early terminations of, or non-renewal of, leases by tenants; (ix) increases in the Company's borrowing costs as a result of changes in interest rates and other factors, including the current phasing out of LIBOR; (x) declining real estate valuations and impairment charges; (xi) termination of our ground leases; (xii) changes in our ability to pay down, refinance, restructure or extend our indebtedness as it becomes due and potential limitations on our ability to borrow additional funds in compliance with drawdown conditions and financial covenants; (xiii) decreased rental rates or increased vacancy rates; (xiv) our failure to execute any newly planned capital project successfully or on the anticipated timeline or budget; (xv) difficulties in identifying and completing acquisitions; (xvi) risks related to any development project (including our Metro Tower potential development site); (xvii) impact of changes in governmental regulations, tax laws and rates and similar matters; (xviii) our failure to qualify as a REIT; (xix) environmental uncertainties and risks related to climate change, adverse weather conditions, rising sea levels and natural disasters; (xx) incurrence of taxable capital gain on disposition of an asset due to failure of use or compliance with a 1031 exchange program; and (xxi) accuracy of our methodologies and estimates regarding ESG metrics and goals, tenant willingness and ability to collaborate in reporting ESG metrics and meeting ESG goals, and impact of governmental regulation on our ESG efforts.
For a further discussion of these and other factors that could impact the Company's future results, see the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, and other risks described in documents subsequently filed by the Company from time to time with the Securities and Exchange Commission.

While forward-looking statements reflect the Company's good faith beliefs, they are not guarantees of future performance. The Company disclaims any obligation to update or revise publicly any forward-looking statement to reflect changes in underlying assumptions or factors, new information, data or methods, future events, or other changes after the date of this press release, except as required by applicable law. Prospective investors should not place undue reliance on any forward-looking statements, which are based only on information currently available to the Company (or to third parties making the forward-looking statements).