



QuadReal

2021 SASB
DISCLOSURE



“More than ever, we are focused on using insights from our sustainability data to deepen collaborations with our partners and to scale up innovative solutions. Through collaboration we see a bright green future.”

Jamie Gray-Donald, Senior Vice President,
Sustainability & Environmental Health & Safety



INTRODUCTION TO THIS REPORT

REMCO DAAL

The global pandemic heightened the importance of our sustainability commitments and the role we play in enhancing and protecting the health of our tenants, residents, their guests and our employees. For example, our front-line colleagues from across the country are part of a national committee dedicated to monitoring public health guidance. The committee continually adapts our standard operating practices based on the best available science. As well, in 2021, the team managed our Canadian portfolio to the Fitwel Viral Response Standard, a leading global standard for safeguarding occupant health and wellness. We were also recognized for multiple Fitwel Best in Building Health awards, including special recognition for industry thought leadership.

While tenant and resident wellness remains at the forefront of our operations and service commitment, more frequent extreme weather events reinforced awareness of the need for climate action in the real estate sector. We continue to analyze our emissions data, assessing the risks and opportunities our industry will encounter in a low-carbon future, and are developing tools to facilitate long-term decarbonization. As our operations teams continue to optimize buildings for energy efficiency, we continue to set operational carbon reduction targets with the long-term objective of eliminating on-site emissions.

The growth in environmental, social, and governance (ESG) disclosure is demonstrated by the significant increase in the number of Global Real Estate Sustainability Benchmark (GRESB) participants over the past decade. We continue to utilize GRESB as a validation of our ESG performance, benchmarking our efforts among USD 5.7 trillion in real estate value.

As I reflect on the past year, I continue to take such pride in the dedication of colleague's to creating environments that enhance the lives of the people and communities we serve, a responsibility which includes working to reduce our carbon emissions. An integral part of Being a Responsible Company is our on-going commitment to transparency, including disclosing our performance against the SASB metrics presented in this report. We all look forward to advancing this important work with our partners, peers, and my colleagues.

Remco Daal
President, Canadian Real Estate
QuadReal Property Group

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ABOUT THIS REPORT

This is QuadReal's 2021 disclosure report of the Real Estate SASB metrics for our Canadian portfolio. The reported portfolio excludes developments, mortgages, and asset management only properties.

These activity metrics describe the scale of QuadReal's business, enabling normalization and like-for-like comparison of the data in this report.

Activity Metric	Measurement	2019	2020	2021	SASB Code
Number of assets, by property subsector	Number of assets - Industrial	160	159	160	IF-RE-000.A
	Number of assets - Office	63	57	58	IF-RE-000.A
	Number of assets - Residential	49	52	45	IF-RE-000.A
	Number of assets - Retail	25	24	24	IF-RE-000.A
Leasable floor area, by property subsector	Square feet (ft ²) - Industrial	14,816,823	14,966,279	15,337,578	IF-RE-000.B
	Square feet (ft ²) - Office	15,276,885	15,014,315	14,903,116	IF-RE-000.B
	Square feet (ft ²) - Residential	9,449,976	8,919,970	8,897,732	IF-RE-000.B
	Square feet (ft ²) - Retail	5,871,268	5,179,972	5,179,963	IF-RE-000.B
Percentage of indirectly managed assets, by property subsector	Percentage (%) by floor area - Industrial	100	100	100	IF-RE-000.C
	Percentage (%) by floor area - Office	0	0	0	IF-RE-000.C
	Percentage (%) by floor area - Residential	0	0	0	IF-RE-000.C
	Percentage (%) by floor area - Retail	41	48	48	IF-RE-000.C
Average occupancy rate, by property subsector	Percentage (%) - Industrial	96	95	95	IF-RE-000.D
	Percentage (%) - Office	91	92	90	IF-RE-000.D
	Percentage (%) - Residential	97	95	93	IF-RE-000.D
	Percentage (%) - Retail	86	88	89	IF-RE-000.D

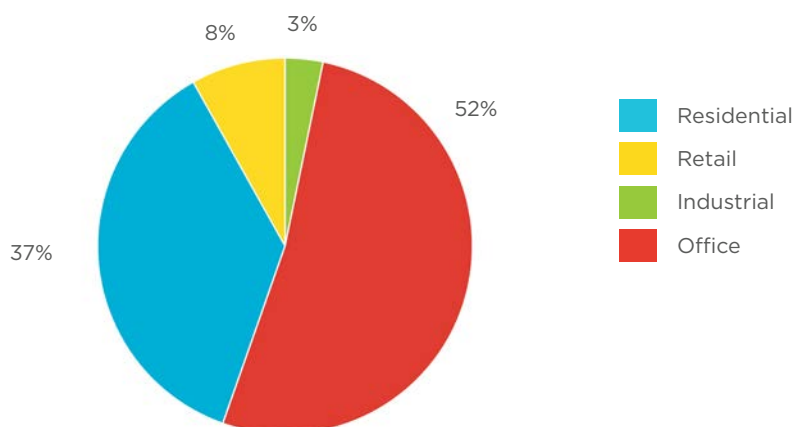


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ENERGY MANAGEMENT

In Canada, buildings consume 22% of the country's total energy used. Tracking energy use helps building owners improve efficiency and reduce emissions. Energy sources, consumption patterns and energy management strategies differ between both regions and asset classes.

PORTFOLIO ENERGY CONSUMPTION BY PROPERTY SUBSECTOR

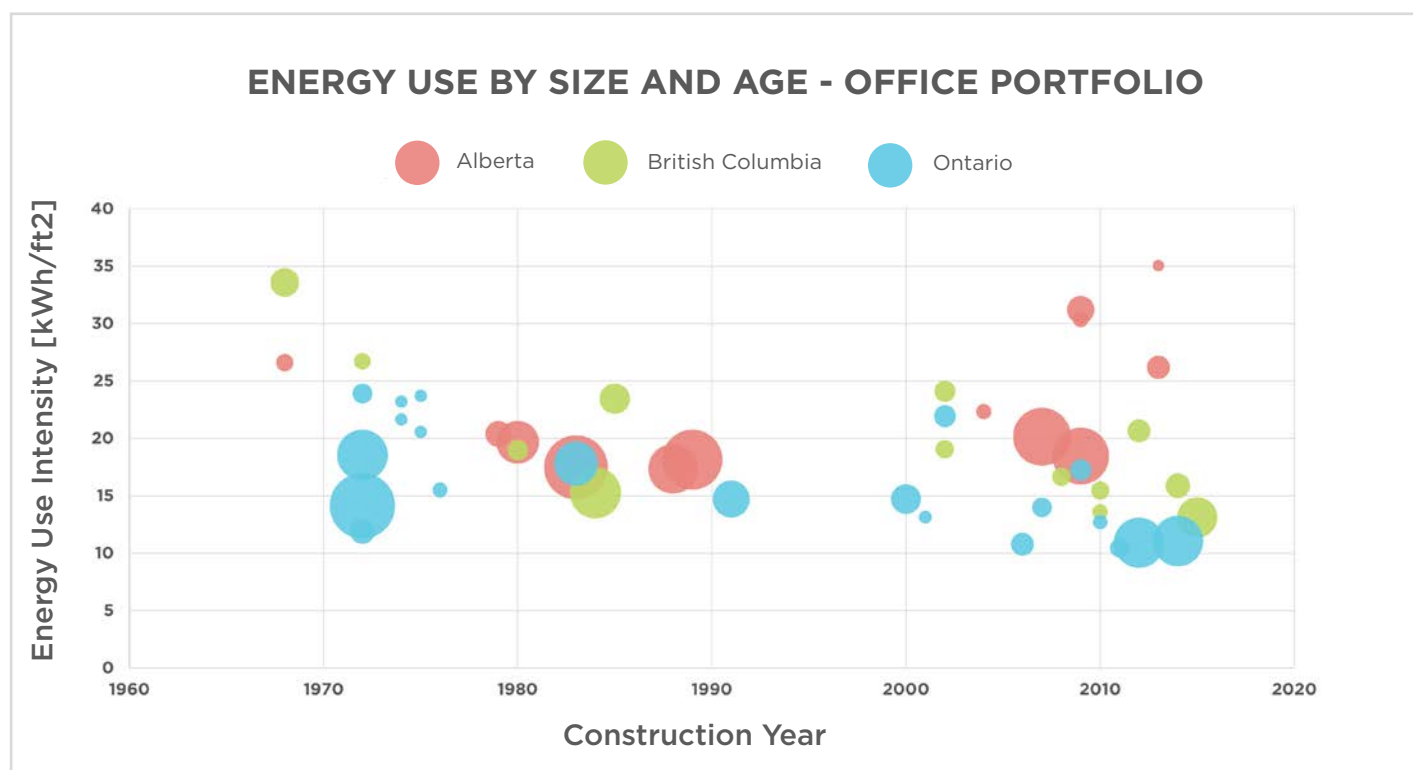


ACCOUNTING METRICS

Accounting Metric	Measurement	2019	2020	2021	SASB Code
Energy consumption data coverage as a percentage of floor area, by property subsector	Percentage (%) by floor area, Industrial	74	63	59	IF-RE-130a.1
	Percentage (%) by floor area, Office	98	98	99	IF-RE-130a.1
	Percentage (%) by floor area, Residential	100	100	100	IF-RE-130a.1
	Percentage (%) by floor area, Retail	100	99	99	IF-RE-130a.1
(1) Total energy consumed by portfolio area with data coverage, by property subsector	Gigajoules (GJ), Industrial	53,945	33,999	69,974¹	IF-RE-130a.2
	Gigajoules (GJ), Office	1,374,632	1,162,160	1,117,838	IF-RE-130a.2
	Gigajoules (GJ), Residential	894,415	818,850	782,149	IF-RE-130a.2
	Gigajoules (GJ), Retail	300,300	189,862	174,616	IF-RE-130a.2
(2) Percentage grid electricity, by property subsector	Percentage (%), Industrial	100	100	98	IF-RE-130a.2
	Percentage (%), Office	81	80	82	IF-RE-130a.2
	Percentage (%), Residential	95	95	95	IF-RE-130a.2
	Percentage (%), Retail	90	88	87	IF-RE-130a.2
(3) Percentage renewable, by property subsector	Percentage (%), Industrial	0	0	2	IF-RE-130a.2
	Percentage (%), Office	19	20	18	IF-RE-130a.2
	Percentage (%), Residential	5	5	5	IF-RE-130a.2
	Percentage (%), Retail	10	12	13	IF-RE-130a.2

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ENERGY MANAGEMENT



ACCOUNTING METRICS

Accounting Metric	Measurement	2019	2020	2021	SASB Code
Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Percentage (%), Industrial	-3	-9	-4	IF-RE-130a.3
	Percentage (%), Office	-2	-14	-2	IF-RE-130a.3
	Percentage (%), Residential	0	1	-7	IF-RE-130a.3
	Percentage (%), Retail	-4	19	-33	IF-RE-130a.3
Percentage of eligible portfolio that (1) has an energy rating by property subsector	Percentage (%) by floor area, Industrial	74	63	59	IF-RE-130a.4
	Percentage (%) by floor area, Office	98	98	99	IF-RE-130a.4
	Percentage (%) by floor area, Residential	100	100	100	IF-RE-130a.4
	Percentage (%) by floor area, Retail	100	99	99	IF-RE-130a.4
Percentage of eligible portfolio that (2) is certified to ENERGY STAR®, by property subsector	Percentage (%) by floor area, Industrial	N/A	N/A	N/A	IF-RE-130a.4
	Percentage (%) by floor area, Office	56	65	62	IF-RE-130a.4
	Percentage (%) by floor area, Residential	N/A	N/A	10	IF-RE-130a.4
	Percentage (%) by floor area, Retail	N/A	N/A	N/A	IF-RE-130a.4

Description of how building energy management considerations are integrated into property investment analysis and operational strategy

Discussion and analysis

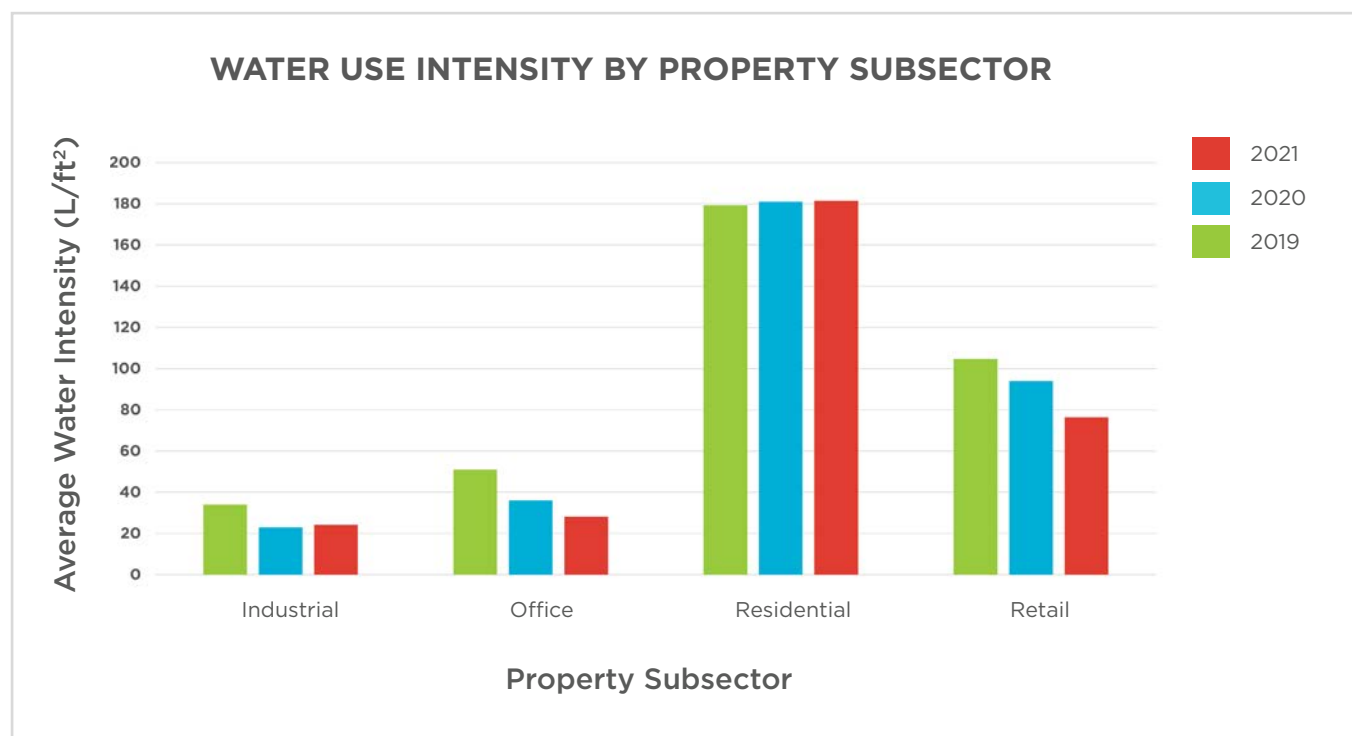
QuadReal's target for the existing buildings we manage is to perform in the top 10% for energy efficiency of comparable buildings and as closely as possible to new buildings. To achieve this, property teams complete annual target setting to identify opportunities for improvement and to plan out capital investments. Proactive, thoughtful, and systematic investments in upgrades that deliver energy efficiency improvements help avoid building obsolescence. Across our office portfolio we use ENERGY STAR to benchmark performance against comparable buildings. In 2021, 62% of the office portfolio was certified to ENERGY STAR, meaning they were in the top quartile of energy performance for similar office buildings in Canada. The Canadian ENERGY STAR program expanded in 2021 to include multi-unit residential buildings. Three QuadReal communities were amongst the first residential buildings in Canada to achieve certification.

2021 IF-RE-130a.5

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WATER MANAGEMENT

Real estate practices can have a significant impact on our water supply. Water consumption rates and accompanying costs are influenced by asset class, tenant type, location, supply, and other factors.



ACCOUNTING METRICS

Accounting Metric	Measurement	2019	2020	2021	SASB Code
Water withdrawal data coverage as a percentage of (1) total floor area, by property subsector	Percentage (%) by floor area, Industrial	87	76	75	IF-RE-140a.1
	Percentage (%) by floor area, Office	98	98	99	IF-RE-140a.1
	Percentage (%) by floor area, Residential	100	100	99	IF-RE-140a.1
	Percentage (%) by floor area, Retail	100	99	99	IF-RE-140a.1
Water withdrawal data coverage as a percentage of (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Percentage (%) by floor area, Industrial	91	91	91	IF-RE-140a.1
	Percentage (%) by floor area, Office	100	100	100	IF-RE-140a.1
	Percentage (%) by floor area, Residential	100	100	100	IF-RE-140a.1
	Percentage (%) by floor area, Retail	100	100	100	IF-RE-140a.1

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WATER MANAGEMENT



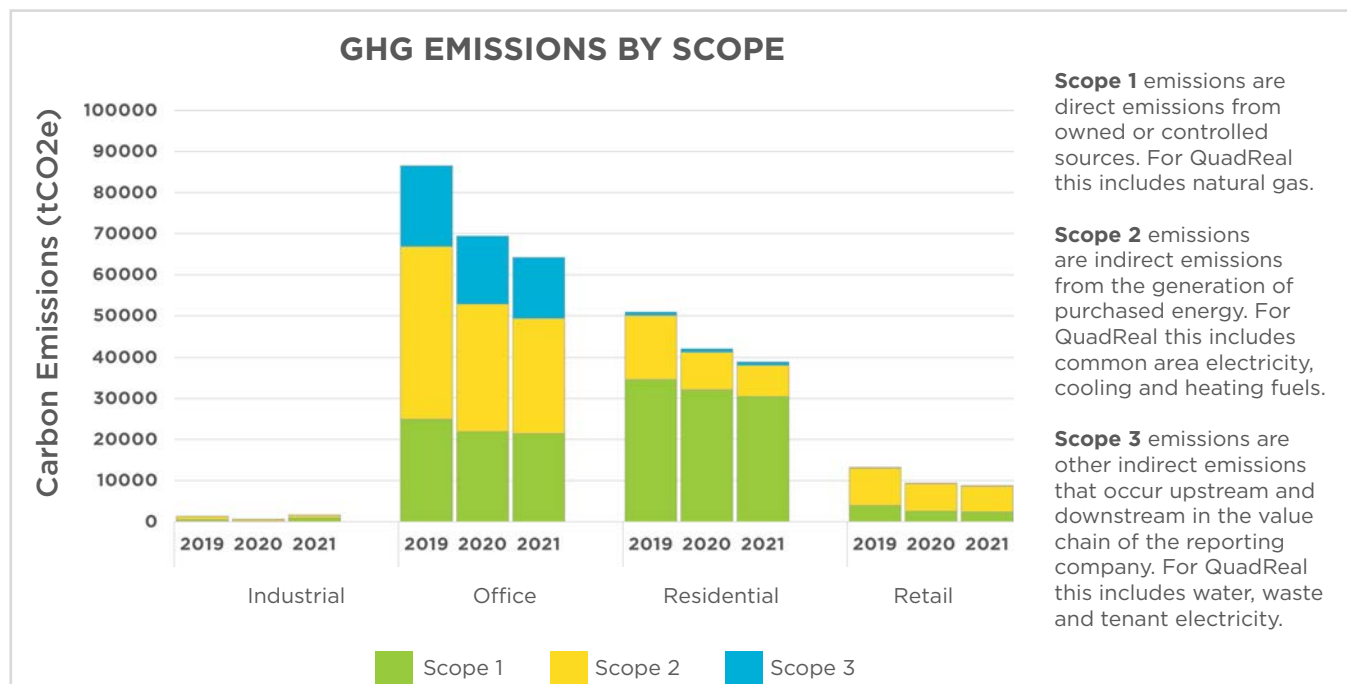
ACCOUNTING METRICS

Accounting Metric	Measurement	2019	2020	2021	SASB Code
(1) Total water withdrawn by portfolio area with data coverage, by property subsector	Thousand cubic meters (m³), Industrial	367	277	281	IF-RE-140a.2
	Thousand cubic meters (m³), Office	752	452	417	IF-RE-140a.2
	Thousand cubic meters (m³), Residential	1,720	1,692	1,602	IF-RE-140a.2
	Thousand cubic meters (m³), Retail	615	376	392	IF-RE-140a.2
(2) Percentage water withdrawn in regions with High or Extremely High Baseline Water Stress, by property subsector	Percentage (%), Industrial	8	14	16	IF-RE-140a.2
	Percentage (%), Office	24	29	28	IF-RE-140a.2
	Percentage (%), Residential	20	22	23	IF-RE-140a.2
	Percentage (%), Retail	9	12	15	IF-RE-140a.2
Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Percentage (%), Industrial	7	-23	7	IF-RE-140a.3
	Percentage (%), Office	-6	-40	-7	IF-RE-140a.3
	Percentage (%), Residential	-1	7	-5	IF-RE-140a.3
	Percentage (%), Retail	-5	-24	5	IF-RE-140a.3
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and analysis	2021			IF-RE-140a.4
	The majority of QuadReal's domestic portfolio is located in low water-stressed areas. We monitor water consumption across the portfolio where we have operational control. Through data collected from interval maters and tenant submeters, we highlight areas for improvement. Recognizing that southern Alberta faces water constraints, we focus on enhanced water efficiency measures, xeriscaping, and rainwater capture for that region. We also use our tenant and resident engagement program to communicate water conservation tips to our communities.				

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GHG EMISSIONS

To reduce our greenhouse gas emissions, we focus on low-GHG operations for new developments, improving the energy efficiency of existing buildings, and increasing our use of renewable energy and less carbon-intensive fuels. As part of this strategy, we also assist tenants, residents, and peers in meeting their own GHG reduction goals. QuadReal has chosen to voluntarily disclose our emissions data in accordance with the GHG Protocol, in addition to the SASB metrics. See our GHG emissions methodology on our website at <https://www.quadreal.com/sustainability/our-progress/>.



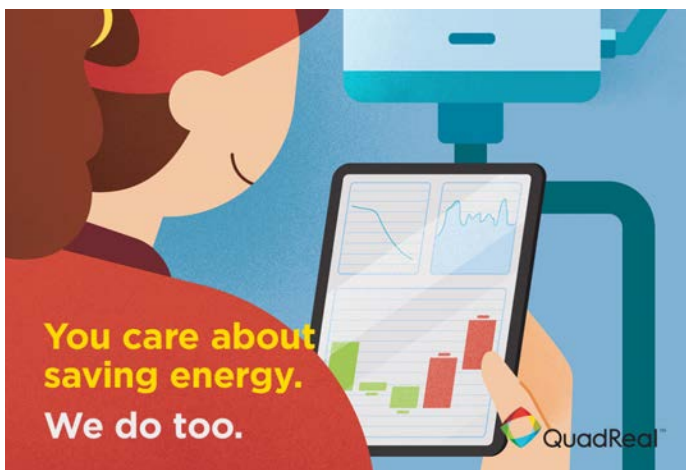
ACCOUNTING METRICS

Accounting Metric	Measurement	2019	2020	2021	SASB Code
Total location-based portfolio GHG emissions, by scope	Tonnes of CO ₂ equivalent (tCO ₂ e), Scope 1	64,246	56,850	55,422	N/A
	Tonnes of CO ₂ equivalent (tCO ₂ e), Scope 2	67,028	47,096	42,153	N/A
	Tonnes of CO ₂ equivalent (tCO ₂ e), Scope 3	49,392	17,622	15,901	N/A
Total location-based portfolio GHG emissions	Tonnes of CO ₂ equivalent (tCO ₂ e)	180,666	121,568	113,476	N/A
Total market-based portfolio GHG emissions, by scope	Tonnes of CO ₂ equivalent (tCO ₂ e), Scope 1	64,246	56,850	55,422	N/A
	Tonnes of CO ₂ equivalent (tCO ₂ e), Scope 2	17,475	11,182	10,273	N/A
	Tonnes of CO ₂ equivalent (tCO ₂ e), Scope 3	29,241	1,815	1,860	N/A
	Tonnes of CO ₂ equivalent (tCO ₂ e), Offsets purchased	(14,982)	(34,271)	(36,623)	N/A
Total market-based portfolio GHG emissions net of offsets	Tonnes of CO ₂ equivalent (tCO ₂ e)	95,981	69,847	30,933	N/A

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MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS

Much of the impact of our business lies in how we build our buildings and how our tenants and residents work and live within them. Accordingly, QuadReal actively supports our occupants in their adoption of sustainable behaviours and practices through our tenant and resident engagement program.



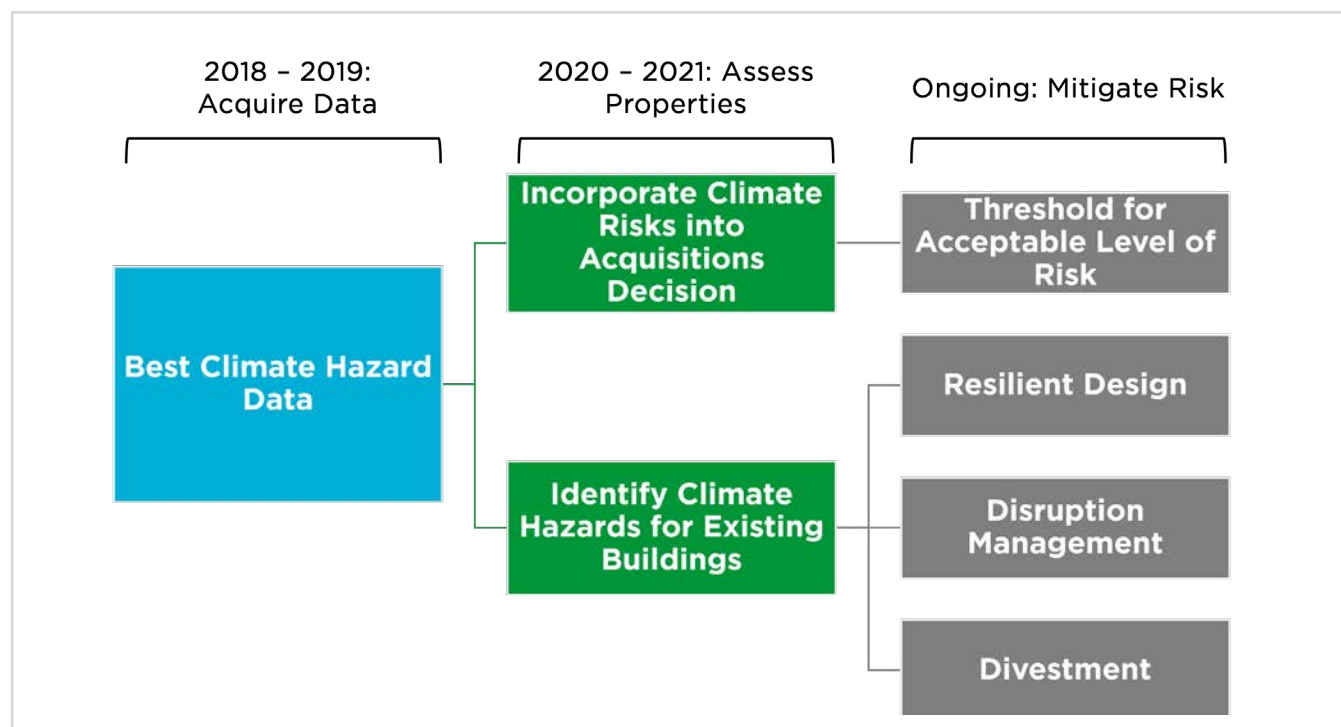
ACCOUNTING METRICS

Accounting Metric	Measurement	2019	2020	2021	SASB Code
(1) Percentage of new leases and (2) associated leased floor area of new leases that contain a cost recovery clause for resource efficiency-related capital improvements, by property subsector		N/A	N/A	N/A	IF-RE-410a.1
(1) Percentage of tenants that are separately metered or submetered for grid electricity consumption, by property subsector	Percentage (%) by floor area, Industrial	100	100	100	IF-RE-410a.2
	Percentage (%) by floor area, Office	79	82	82	IF-RE-410a.2
	Percentage (%) by floor area, Residential	79	80	96	IF-RE-410a.2
	Percentage (%) by floor area, Retail	100	100	100	IF-RE-410a.2
(2) Percentage of tenants that are separately metered or submetered for water withdrawals, by property sub-sector	Percentage (%) by floor area, Industrial	100	100	100	IF-RE-410a.2
	Percentage (%) by floor area, Office	2	3	3	IF-RE-410a.2
	Percentage (%) by floor area, Residential	0	0	0	IF-RE-410a.2
	Percentage (%) by floor area, Retail	100	100	100	IF-RE-410a.2
Approach to measuring, incentivizing, and improving sustainability impacts of tenants	<p>Discussion and analysis</p> <p>While QuadReal does not have a separate green lease addendum, we integrate key clauses in our standard leases. Most importantly, QuadReal includes cost recovery clauses in leases. We regularly communicate sustainability initiatives with tenants and residents across the portfolio through digital and in-property channels, including monthly posters, quarterly newsletters, and tenant meetings. In the office portfolio, we are increasing the roll-out of tenant sub-meters, which lead to an approximately 9% reduction in tenant electricity use. In multi-residential, the electricity savings from in-suite sub-meters is approximately 30 to 40%. In 2021, two residential communities piloted in-suite water sub-meters and we completed our first residential development with thermal sub-meters in each unit. QuadReal's goal is to deploy sub-meters in all multi residential suites, where feasible, by 2030. We also provide a green tenant fit-out guide and support tenants to achieve their sustainability targets.</p>			2021	IF-RE-410a.3

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CLIMATE CHANGE ADAPTATION

Real estate owners and operators must respond to the increasing frequency and severity of extreme weather events. QuadReal has aligned with our clients in taking a strategic approach to integrating climate risk management into our operations. QuadReal's governance bodies have an active role in our approach, with the board of directors receiving annual updates on climate-related issues and the investment committee providing direct oversight to our resilience objectives. As a responsible fiduciary, we seek to integrate climate considerations throughout the life cycle of our investments, from evaluating risk exposure during acquisition, to incorporating resilient design into developments and retrofits.



ACCOUNTING METRICS

Accounting Metric	Measurement	2019	2020	2021	SASB Code
Area of properties located in 100-year flood zones, by property subsector	Square feet (ft²), Industrial	1,414,405	1,351,863	1,468,893	IF-RE-450a.1
	Square feet (ft²), Office	364,176	364,176	364,173	IF-RE-450a.1
	Square feet (ft²), Residential	879,282	879,282	879,282	IF-RE-450a.1
	Square feet (ft²), Retail	1,505,375 ³	1,590,394	1,590,392	IF-RE-450a.1
Description of climate change risk exposure analysis, degree of systemic portfolio exposure, and strategies for mitigating risks	Discussion and analysis			2021	IF-RE-450a.2
	QuadReal continues to update our approach to resilience to maintain alignment with our clients. In 2019, we initiated a multi-phased approach to managing the physical climate risks of our investments. Our first step was to implement a process for evaluating climate risks during acquisition due diligence. For our existing assets, we conduct an annual portfolio-level exposure analysis. While we evaluate exposure to multiple climate hazards, we consider riverine and coastal flood, as well as wildfire risk to present the largest potential impacts to our portfolio. To further improve portfolio resilience, we developed an in-house vulnerability and preparedness assessment for flood risk in 2021. We piloted the assessment tool with two properties in 2021, with a complete roll-out to all properties exposed to riverine and coastal flood risk planned for 2022.				





FOR MORE INFORMATION, PLEASE CONTACT:

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