

2025 GHG Emissions Reporting Methodology

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1.0 Background

QuadReal Property Group (QuadReal), a real estate company owned by the British Columbia Investment Management Corporation (BCI)¹, tracks utility use across its Canadian portfolio, including office, retail, residential and industrial assets only. This data has been used to inventory annual energy use and greenhouse gas (GHG) emissions, relative to a 2007 base year, following the guidance of the GHG Protocol², the industry standard for corporate disclosures.

This document details the methodology used to derive the GHG emissions reported by QuadReal for the 2025 reporting year (January 1, 2025 – December 31, 2025).

2.0 Operational Boundaries

Operational boundaries define the parts of the operation, or ‘activities’, for which emissions will be reported. Scope 1 and 2 emissions are reported for energy consumed across QuadReal’s directly managed Canadian portfolio.

2.1 Scope 1 Emissions

Scope 1 emissions are direct emissions that originate at the properties. These include natural gas combustion for space heating, water heating and, in some cases, cooking at restaurant tenants, for example.

2.2 Scope 2 Emissions

Scope 2 emissions are indirect emissions from purchased electricity, steam, hot water and chilled water that is consumed at properties but generated elsewhere.

2.3 Scope 3 Emissions

Scope 3 emissions are not calculated for the portfolio. Where tenant energy use is included in bulk-metered, landlord-paid whole building utilities, tenant energy use is included within reported Scope 1 and 2 emissions.

¹ The British Columbia Investment Management Corporation (BCI) is the owner and parent company of QuadReal Property Group.

2.4 Exclusions

Of the relevant Scope 1 emissions applicable to the portfolio, fugitive emissions from refrigerants, diesel fuel used for back-up generation, and gasoline for fleet vehicle use are excluded.

Relevant Scope 3 emissions from purchased goods and services, life-cycle fuel- and energy-related activities like transmission infrastructure, upstream transportation and distribution of purchased products, and downstream wastewater treatment are not reported. Tenant-controlled utilities where tenants pay utility vendors directly are also excluded from reporting due to limited data availability.

Properties under development / redevelopment, or that are only asset-managed or only property-managed by QuadReal in the reporting year are also excluded. Maple Leaf Self Storage and Parkridge properties are also excluded this reporting year.

3.0 Organizational Boundaries

Organizational boundaries define ownership or control over the energy and emissions reported for the portfolio.

The operational control approach has been selected for the purposes of reporting QuadReal's emissions, as defined in the GHG Protocol:

A company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.... Under the operational control approach, a company accounts for 100% of emissions from operations over which it or one of its subsidiaries has operational control.

3.1 Determining Responsibility for Emissions

Per the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standardⁱⁱ for reporting emissions from leased assets, the responsibility for emissions associated with leased assets depends on the economic substance of the lease (capital or operating) and the choice of organizational boundary approach (financial control, equity share, or operational control). Under the operational control approach, an operating lease is defined as follows:

Lessor does not have operational control, therefore emissions associated with fuel combustion and use of purchased electricity are scope 3 (Downstream leased assets).

Some companies may be able to demonstrate that they do have operational control over an asset leased to another company under an operating lease, especially when operational control is not perceived by the lessee. In this case, the lessor may report emissions from fuel combustion as scope 1 and emissions from the use of

purchased electricity as scope 2 as long as the decision is disclosed and justified in the public report.

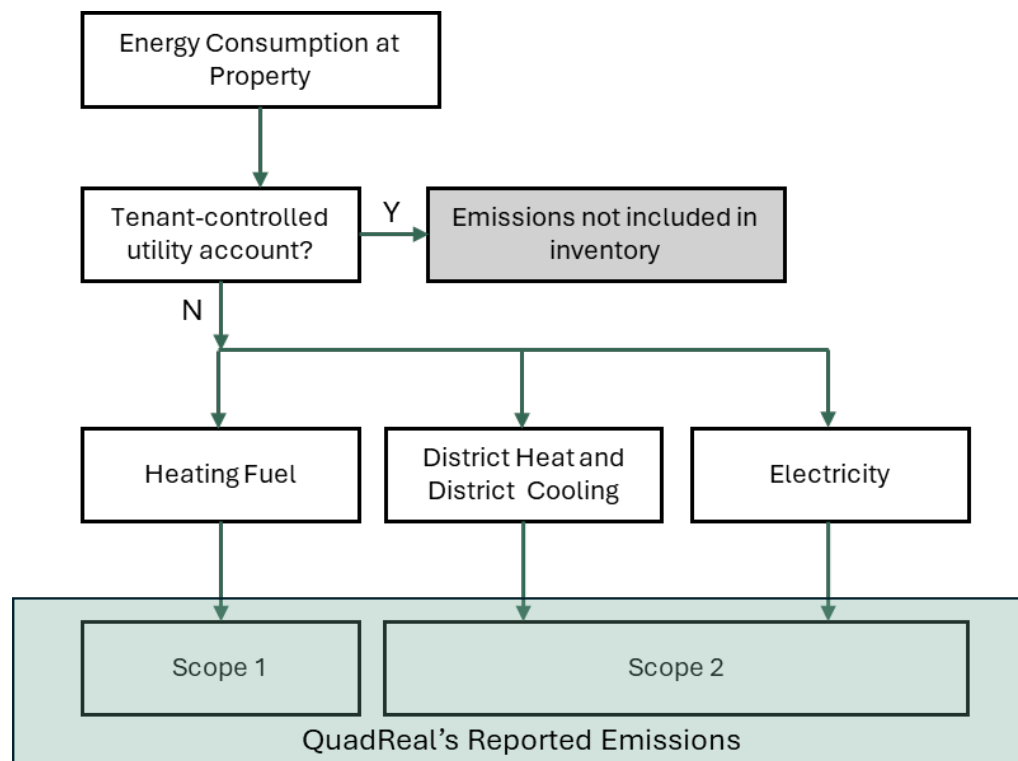
For the purposes of QuadReal's 2025 emissions reporting, submeter data that accurately separates tenant usage from landlord-controlled usage is not broadly available. Wherever bulk-metered, whole-building utility data is available (i.e. these bills are paid by the landlord), fuel and electricity use are reported as Scope 1 and 2.

In cases where tenants are billed directly for utilities by the utility provider, QuadReal generally does not have access to utility data. The Scope 3 emissions associated with these tenant utilities are not captured.

4.0 Application of Boundaries

The boundaries defined above are applied to utility consumption based on the following decision tree.

Emissions Scope Decision Tree



5.0 Comparison to Historical Years

For comparative purposes, 2007 was selected as the Base Year, as it is the first year for which portfolio utility data is substantially complete. 2024 energy and emissions are also reported to show year-over-year progress.

5.1 Base Year Recalculation Policy

Energy and emissions are recalculated for the base year and comparative historical years, in keeping with the GHG Protocol, to account for the following factors:

1. Property acquisitions and divestments.
2. Properties or accounts owned in the base year but previously excluded from scope.
3. Corrections to historical data based on availability of more accurate information.
4. Changes to reporting methodology.

In cases where historical data is not available, historical consumption is estimated based on the best data available. The base year is not recalculated to account for new property developments or demolitions.

Adjustments for acquisitions / divestments are treated using the 'Same-year, Pro-rata'ⁱⁱⁱ approach, meaning that buildings owned for a portion of the reporting year (2025) are included in all historical years for the same period. Energy use, emissions, and effective gross leasable area are all adjusted based on actual billed data for the period of ownership in 2025.

5.2 Treatment of Scope 2 Emission Factors in Historical Years

Electricity emission factors vary over time as the generation mix throughout Canada changes. Environment Canada publishes a 'National Inventory Report' (NIR) each year. QuadReal has compiled 2025 emissions using the latest available NIR, published in April 2026. The 2026 NIR contains annual electricity emission factors reflecting the electricity generation mix in each year from 1990–2024.

For years prior to 2024, the corresponding annual emission factors from the 2025 NIR were applied. For the years 2024 and 2025, 2024 emission factors were used.

6.0 Treatment of Water and Waste

6.1 Water Consumption

Water consumption at properties is reported using the same application of organizational boundaries (Sections 3.0–4.0) and base year recalculation approach (Section 5.1) used for reporting energy consumption and emissions. GHG emissions associated with municipal water supply are not reported for water consumption as part of QuadReal's GHG footprint.

6.2 Waste Generation

Waste generated at properties and sent to landfill is reported using the same application of organizational boundaries (Sections 3.0–4.0) and base year recalculation approach (Section 5.1) used for reporting energy consumption and emissions. GHG emissions are not reported for waste as part of QuadReal's GHG footprint.

Properties previously managed by Bentall Kennedy began reporting on waste in January 2008. 2007 waste data is assumed to be equal to that of 2008.

Properties previously managed by GWL and RealStar tracked waste data in some cases, starting at different times. The data provided by QuadReal was reported as received with missing months estimated based on available data from the applicable property.

Waste reported for 2007 includes some properties that diverted trash to Waste-to-Energy (WTE) facilities, where it was used to generate electricity. QuadReal's waste haulers provided estimates as to the percentage of trash that goes to WTE facilities. In cases where estimates were not provided by haulers, it was assumed that all trash ultimately went to landfill.

The Waste-to-Energy program was canceled as of December 31, 2020, and thus does not apply to landfilled waste reported for 2021 – 2025.

7.0 Utility Data Estimation

There are two situations in which utility data is estimated:

1. Properties where utility data is tracked but some bills (recent or historical) are missing.
2. Properties that are within the reporting boundary, but utility data is not tracked.

7.1 Missing Utility Bills

Data Gaps

Best efforts are made to collect actual consumption from utility bills or meters for all properties/accounts. When gaps exist in verifiable utility data, consumption is estimated to be equal to prior-year consumption in the same month(s).

Baseline Consumption

Where verifiable utility data is not available for the 2007 base year, the earliest available consecutive 12 months of billed consumption is assumed for 2007 through to the earliest available bill.

Energy/emissions data from 2007–2016 is not available for the industrial properties previously managed by GWL. Historical usage is therefore estimated based on 2017 consumption for these properties.

7.2 'Not Tracked' Properties

For some properties within the reporting scope, utility data is not available. In these cases, where utility accounts controlled by QuadReal are known to exist, consumption is estimated based on the building type-specific average energy use intensity from NRCan^{iv} and US EIA^v.

For properties within the reporting scope where there are known to be no utility accounts controlled by QuadReal, no energy or emissions are reported.

7.3 Missing Waste Data

Where waste data is incomplete for a given site, missing data is estimated using data from the same month in the previous year (i.e. missing December 2025 data is estimated using December 2024 data).

Where weight data for waste is unavailable from haulers, in some cases it is calculated using inputs provided by the hauler (such as container size, number of pickups, percentage filled and packing type) along with material volume-to-weight conversion factors from the US EPA^{vi}.

8.0 Emission Factors

Provincial emission factors for electricity and natural gas are published by Environment and Climate Change Canada (ECCC). The factors used are 2024 values from Canada's Greenhouse Gas Inventory 1990 – 2024, published in 2026. Additional emission factors for district energy are sourced from direct correspondence or stakeholder letters from district energy providers in Toronto, Vancouver, and Calgary. The following tables summarize each emission factor used.

Emission Factors and Sources – Canada

Electricity

Year	gCO ₂ e/kWh					
	AB	BC	MB	ON	QC	SK
2007	930	24	15	220	9.1	760
2024–2025	334.8	16.7	2.7	64.9	2.1	541.8

Source: NIR 2026, EN Annex 7 Data Catalogue

Natural Gas

Year	gCO ₂ e/m ³					
	AB	BC	MB	ON	QC	SK
2007	1920.4	1911.4	1867.6	1869.3	1868.3	1867.5
2024–2025	1962	1966.4	1915.1	1920.8	1925.9	1919.9

Source: NIR 2026, Annex 6 Tables A6.1–1 & A6.1–4

Deep Lake Water Cooling (EnWave, ON)

Year	gCO ₂ e/ton-h
2007	67.3
2024	60.0
2025	33.0

Source: 2025 Emissions Stakeholder Letters – Enwave Energy

District Heat (Lonsdale Energy, BC)

Year	gCO ₂ e/MWh
2007	179,000
2024	179,000
2025	179,000

Source: Direct correspondence with Lonsdale Energy.

District Heat (Calgary District Heating, AB)

Year	gCO ₂ e/MWh
2007	183,600.5
2024	183,600.5
2025	183,600.5

Source: As displayed on Calgary District Heating invoices.

District Steam (Creative Energy, BC)

Year	gCO ₂ e/lbs
2007	69.6
2024	69.6
2025	67.6

Source: Direct correspondence with Creative Energy.

District Steam (Enwave, ON)

Year	gCO ₂ e/lbs
2007	82.2
2024	89
2025	88

Source: 2025 Emissions Stakeholder Letters – Enwave Energy

For the purposes of reporting total energy consumption, the following factors were used to convert fuel consumption units to units of energy.

Energy Conversion Factors

Utility Type	Factor	Reference Factor	Reference Document	Calculation
Natural Gas	10.676 ekWh/m ³	36.425 kBtu/m ³	ENERGY STAR Portfolio Manager Technical Reference, Thermal Energy Conversions	36.425 kBtu/m ³ / 3.412 kBtu/ekWh
Steam (Enwave – Toronto)	0.381 ekWh/lb	N/A	Based on 2025 Enwave Stakeholder Letter (issued in 2026)	N/A
Steam (Creative Energy – Vancouver)	0.350 ekWh/lb	1.194 kBtu/lb	ENERGY STAR Portfolio Manager Technical Reference, Thermal Energy Conversions	1.194 kBtu/lb / 3.412 kBtu/ekWh
Chilled Water (Deep Lake Water Cooling)	0.331 ekWh/ton-h	N/A	Based on 2025 Enwave Stakeholder Letter (issued in 2026)	N/A

9.0 Glossary of Terms

Base Year	the earliest year selected for inclusion in reporting for comparative purposes, as per Section 5
CO_{2e}	carbon dioxide equivalent
Effective GLA	gross leasable area, prorated for the period of ownership in the reporting year; for GRESB / SASB reporting, the GLA is not prorated, as per GRESB reporting rules
ekWh	equivalent kilowatt-hours (all energy types)
ekWh/ft²	equivalent kilowatt-hours per square foot of Effective GLA
gCO_{2e}	grams of carbon dioxide equivalent
GHG	greenhouse gases, for the purposes of this report: CO ₂ , CH ₄ , N ₂ O
kWh	kilowatt-hours of electricity
tCO_{2e}	metric tons of carbon dioxide equivalent
tCO_{2e}/1,000ft²	metric tons of carbon dioxide equivalent per 1,000 square feet of Effective GLA
WTE	waste to energy, as described in Section 6

ⁱ The GHG Protocol – A Corporate Accounting and Reporting Standard (World Resources Institute, 2004)

ⁱⁱ Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Accounting and Reporting Standard (World Resources Institute, 2011)

ⁱⁱⁱ Base year recalculation methodologies for structural changes – Appendix E to the GHG Protocol Corporate Accounting and Reporting Standard – Revised Edition (World Resources Institute, 2005)

^{iv} Survey of Commercial and Institutional Energy Use, Table 1 – Building and Establishment characteristics by primary activity, Table 7.1 Buildings – Share of fuel types by primary activity (NRCan, 2019)

^v Commercial Building Energy Consumption Survey, Table W1 – Water Consumption in Large Commercial Buildings (U.S. Energy Information Administration, 2012)

^{vi} Volume-to-Weight Conversion Factors (U.S. Environmental Protection Agency Office of Resource Conservation and Recovery, 2016)