

2023

# SASB DISCLOSURE





**“By acting on our commitments, we can create opportunities to exceed stakeholder expectations on sustainability and create vibrant environments for our communities.”**

Don Fairgrieve-Park, Executive Vice-President,  
Operational Excellence



## INTRODUCTION TO THIS REPORT

# REMCO DAAL

As a future-focused global real estate investment, operating and development company, QuadReal is committed to meaningfully engaging with our stakeholders, setting ambitious environmental goals, creating places where people thrive, and being transparent in our performance.

QuadReal continues to focus on sustainability performance in the face of changing market conditions. In 2023, we advanced our net zero transition plans for the Canadian portfolio. This work builds on the existing energy efficiency and decarbonization progress realized by our team over more than a decade, and is reflective of the continued operational excellence required to achieve our near and long-term targets.

Beyond environmental considerations, QuadReal has prioritized partnerships dedicated to advancing social performance, including health and wellness and accessibility. Collaborations with the Rick Hansen Foundation and the Centre for Active Design have helped us identify opportunities to reduce barriers and create vibrant and engaging living and working environments for tenants, residents and guests. As we expand our influence through our global portfolio, we remain dedicated to sharing our learnings and demonstrating leadership in these areas.

QuadReal's dedication to performance has been recognized over the years through prestigious awards and acknowledgments. In 2023, QuadReal was honoured by two customer experience leaders, Kingsley and Reputation, with awards recognizing our teams' commitment to service excellence. We were also recognized for industry leadership in the Global Real Estate Sustainability Benchmark (GRESB), with QuadReal's diversified Canadian portfolio ranking third in Canada and sixth in the Americas.

With the growing push for credible sustainability progress across all sectors, QuadReal's commitment to transparency and disclosure are increasingly important. In addition to our annual public disclosures and benchmarking participation, in 2023 QuadReal launched a new initiative to share energy and emissions data with our office tenants through a Tenant Carbon Report. The report provides consistent and easy to understand carbon data, facilitating a conversation on what we can do in collaboration with our tenants to advance the transition to net zero.

QuadReal's leadership in ESG is propelled by innumerable colleagues across the organization. As we navigate our sustainability journey, I want to thank our teams for their contributions and dedication to delivering across all measures of performance and creating shared value in a dynamic environment.

**Remco Daal**  
President, Canadian Real Estate  
QuadReal Property Group

## 2023 SASB DISCLOSURE

# ABOUT THIS REPORT

This is QuadReal's 2023 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                                  | 2021       | 2022       | 2023              | SASB Code   |
|--|--|------------|------------|-------------------|-------------|
| Number of assets, by property subsector                        | Number of assets - Industrial                | 160        | 138        | <b>132</b>        | IF-RE-000.A |
|  | Number of assets - Office                    | 58         | 57         | <b>55</b>         | IF-RE-000.A |
|  | Number of assets - Residential               | 45         | 43         | <b>42</b>         | IF-RE-000.A |
|  | Number of assets - Retail                    | 24         | 24         | <b>24</b>         | IF-RE-000.A |
| Leasable floor area, by property subsector <sup>1</sup>        | Square feet (ft <sup>2</sup> ) - Industrial  | 15,337,578 | 16,098,569 | <b>14,214,145</b> | IF-RE-000.B |
|  | Square feet (ft <sup>2</sup> ) - Office      | 14,903,116 | 13,511,270 | <b>13,917,429</b> | IF-RE-000.B |
|  | Square feet (ft <sup>2</sup> ) - Residential | 8,897,732  | 8,838,446  | <b>8,605,119</b>  | IF-RE-000.B |
|  | Square feet (ft <sup>2</sup> ) - Retail      | 5,179,963  | 5,179,961  | <b>5,169,164</b>  | IF-RE-000.B |
| Percentage of indirectly managed assets, by property subsector | Percentage (%) by floor area - Industrial    | 100        | 100        | <b>100</b>        | IF-RE-000.C |
|  | Percentage (%) by floor area - Office        | 0          | 0          | <b>0</b>          | IF-RE-000.C |
|  | Percentage (%) by floor area - Residential   | 0          | 0          | <b>0</b>          | IF-RE-000.C |
|  | Percentage (%) by floor area - Retail        | 48         | 48         | <b>48</b>         | IF-RE-000.C |
| Average occupancy rate, by property subsector                  | Percentage (%) - Industrial                  | 95         | 97         | <b>97</b>         | IF-RE-000.D |
|  | Percentage (%) - Office                      | 90         | 86         | <b>84</b>         | IF-RE-000.D |
|  | Percentage (%) - Residential                 | 93         | 96         | <b>96</b>         | IF-RE-000.D |
|  | Percentage (%) - Retail                      | 89         | 89         | <b>90</b>         | IF-RE-000.D |

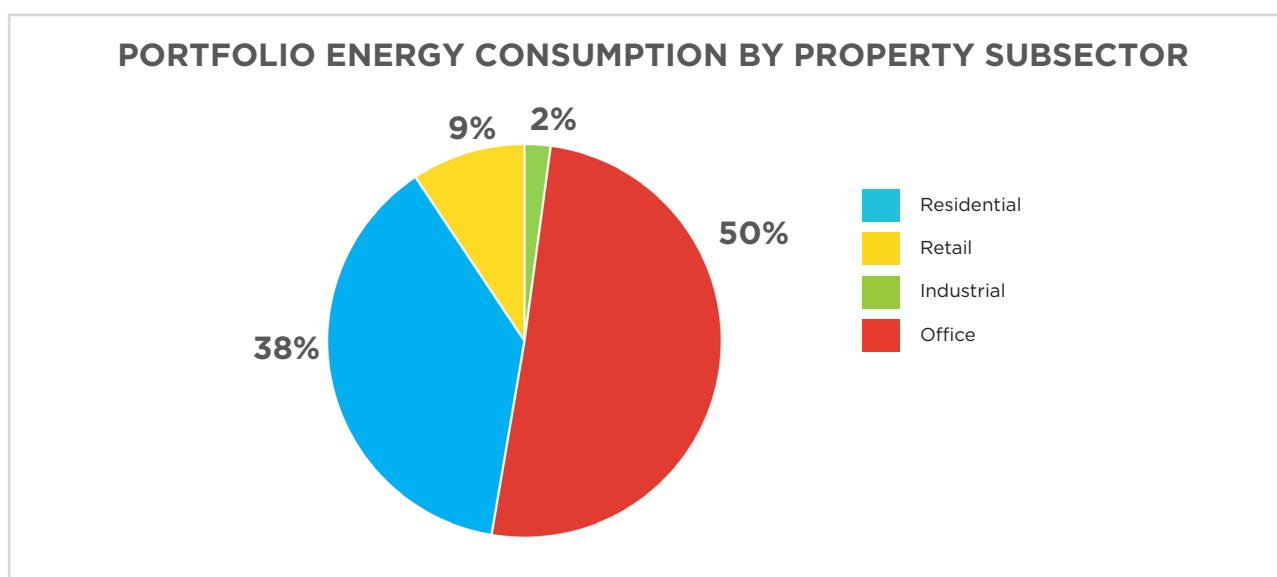


<sup>1</sup>Leasable floor area, by property subsector, is effective floor area. This metric accounts for dispositions through pro-rating values to the period of ownership for the year.

## 2023 SASB DISCLOSURE

# ENERGY MANAGEMENT

In Canada, buildings consume 22% of the country's total energy used. Tracking energy use helps building owners identify efficiency opportunities and plan for long-term emissions reductions. Energy sources, consumption patterns, and decarbonization strategies differ between both regions and asset classes.

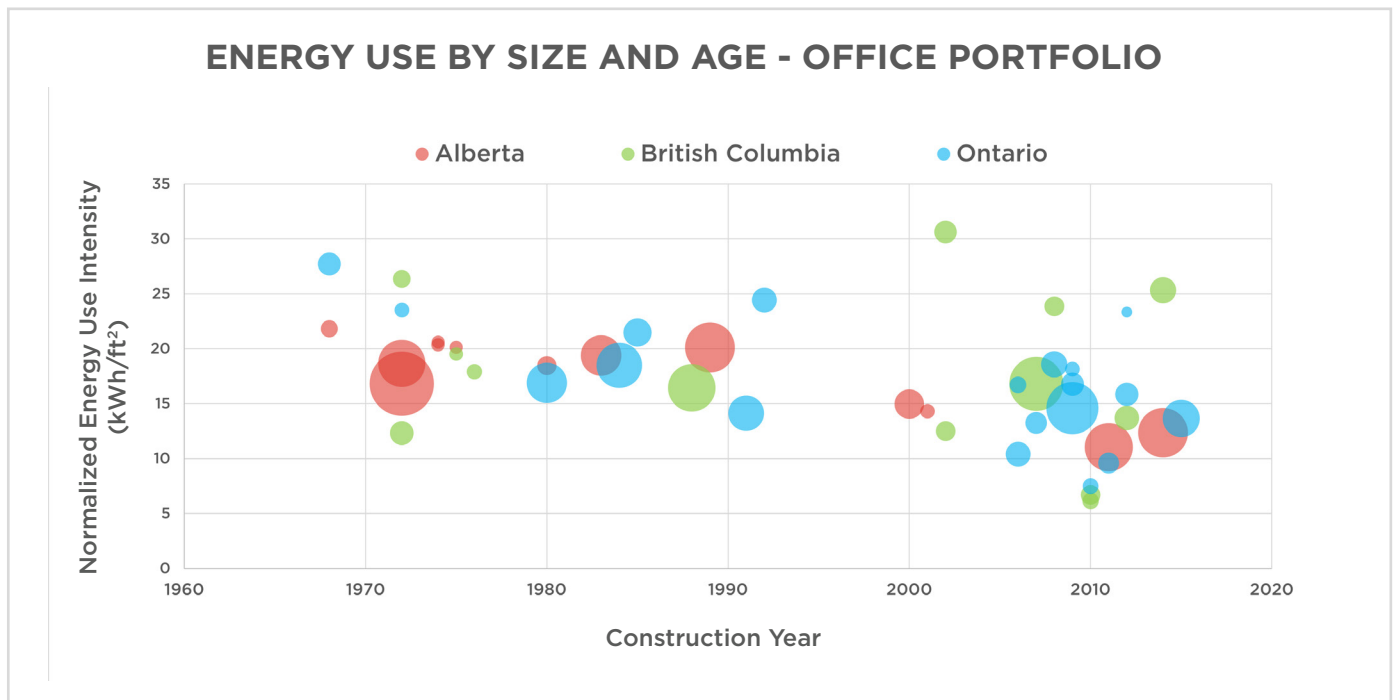


## ACCOUNTING METRICS

| Accounting Metric   | Measurement                               | 2021      | 2022      | 2023           | SASB Code    |
|---|---|-----------|-----------|----------------|--------------|
| Energy consumption data coverage as a percentage of floor area, by property subsector | Percentage (%) by floor area, Industrial  | 59        | 55        | <b>60</b>      | IF-RE-130a.1 |
|   | Percentage (%) by floor area, Office      | 99        | 100       | <b>100</b>     | IF-RE-130a.1 |
|   | Percentage (%) by floor area, Residential | 100       | 100       | <b>100</b>     | IF-RE-130a.1 |
|   | Percentage (%) by floor area, Retail      | 99        | 99        | <b>100</b>     | IF-RE-130a.1 |
| (1) Total energy consumed by portfolio area with data coverage, by property subsector | Gigajoules (GJ), Industrial               | 69,974    | 47,209    | <b>40,258</b>  | IF-RE-130a.2 |
|   | Gigajoules (GJ), Office                   | 1,117,838 | 1,021,273 | <b>954,632</b> | IF-RE-130a.2 |
|   | Gigajoules (GJ), Residential              | 782,149   | 811,803   | <b>732,873</b> | IF-RE-130a.2 |
|   | Gigajoules (GJ), Retail                   | 174,616   | 185,989   | <b>176,253</b> | IF-RE-130a.2 |
| (2) Percentage grid electricity, by property subsector                                | Percentage (%), Industrial                | 98        | 97        | <b>100</b>     | IF-RE-130a.2 |
|   | Percentage (%), Office                    | 82        | 84        | <b>84</b>      | IF-RE-130a.2 |
|   | Percentage (%), Residential               | 95        | 96        | <b>100</b>     | IF-RE-130a.2 |
|   | Percentage (%), Retail                    | 87        | 86        | <b>100</b>     | IF-RE-130a.2 |
| (3) Percentage renewable, by property subsector                                       | Percentage (%), Industrial                | 2         | 3         | <b>0</b>       | IF-RE-130a.2 |
|   | Percentage (%), Office                    | 18        | 16        | <b>16</b>      | IF-RE-130a.2 |
|   | Percentage (%), Residential               | 5         | 4         | <b>0</b>       | IF-RE-130a.2 |
|   | Percentage (%), Retail                    | 13        | 14        | <b>0</b>       | IF-RE-130a.2 |

## 2023 SASB DISCLOSURE

# ENERGY MANAGEMENT



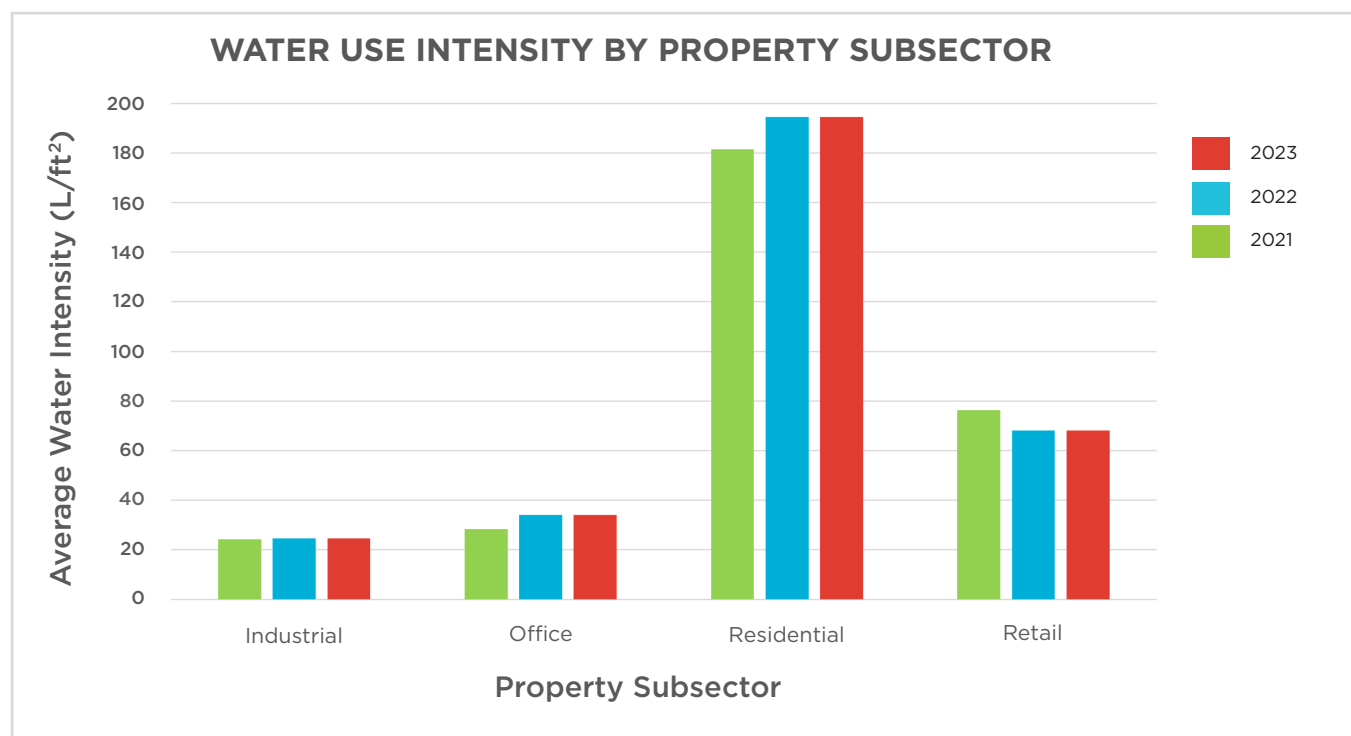
## ACCOUNTING METRICS

| Accounting Metric  | Measurement   | 2021 | 2022 | 2023 | SASB Code    |
|--|---|------|------|------|--------------|
| Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector                 | Percentage (%), Industrial  | -4   | -3   | -16  | IF-RE-130a.3 |
|  | Percentage (%), Office  | -2   | 2    | -9   | IF-RE-130a.3 |
|  | Percentage (%), Residential   | -7   | 4    | -6   | IF-RE-130a.3 |
|  | Percentage (%), Retail  | -33  | 9    | -14  | IF-RE-130a.3 |
| Percentage of eligible portfolio that (1) has an energy rating by property subsector   | Percentage (%) by floor area, Industrial  | 59   | 55   | 60   | IF-RE-130a.4 |
|  | Percentage (%) by floor area, Office  | 99   | 98   | 100  | IF-RE-130a.4 |
|  | Percentage (%) by floor area, Residential   | 100  | 100  | 100  | IF-RE-130a.4 |
|  | Percentage (%) by floor area, Retail  | 99   | 99   | 100  | 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  | 62   | 69   | 68   | IF-RE-130a.4 |
|  | Percentage (%) by floor area, Residential   | 10   | 2    | 2    | 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   |      |      | 2023 | IF-RE-130a.5 |
|  | QuadReal's target for the existing buildings we manage is to perform in the top quartile 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. Increasing access to granular, real-time energy use data is key to monitoring the impact of these investments and continually improving operational performance. Where applicable, we use ENERGY STAR to benchmark performance against comparable buildings. In 2023, 68% of the office portfolio was certified to ENERGY STAR by floor area, meaning they were in the top quartile of energy performance for similar office buildings in Canada. One QuadReal residential community also achieved ENERGY STAR certification in 2023. |      |      |      |              |

## 2023 SASB DISCLOSURE

# 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                               | 2021 | 2022 | 2023 | SASB Code    |
|--|---|------|------|------|--------------|
| Water withdrawal data coverage as a percentage of (1) total floor area, by property subsector <sup>2</sup>   | Percentage (%) by floor area, Industrial  | 75   | 70   | 71   | IF-RE-140a.1 |
|  | Percentage (%) by floor area, Office      | 99   | 100  | 100  | IF-RE-140a.1 |
|  | Percentage (%) by floor area, Residential | 99   | 93   | 92   | IF-RE-140a.1 |
|  | Percentage (%) by floor area, Retail      | 99   | 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   | 70   | 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 |

<sup>5</sup> <sup>2</sup>Percentage (%) by floor area only accounts for common area utilities for Industrial and select Retail properties.

# 2023 SASB DISCLOSURE

## WATER MANAGEMENT



### ACCOUNTING METRICS

| Accounting Metric  | Measurement  | 2021  | 2022  | 2023  | SASB Code    |
|--|--|-------|-------|-------|--------------|
| (1) Total water withdrawn by portfolio area with data coverage, by property subsector  | Thousand cubic meters (m <sup>3</sup> ), Industrial  | 281   | 288   | 250   | IF-RE-140a.2 |
|  | Thousand cubic meters (m <sup>3</sup> ), Office      | 417   | 444   | 472   | IF-RE-140a.2 |
|  | Thousand cubic meters (m <sup>3</sup> ), Residential | 1,602 | 1,511 | 1,545 | IF-RE-140a.2 |
|  | Thousand cubic meters (m <sup>3</sup> ), Retail      | 392   | 405   | 348   | IF-RE-140a.2 |
| (2) Percentage water withdrawn in regions with High or Extremely High Baseline Water Stress, by property subsector <sup>3</sup>  | Percentage (%), Industrial                           | 16    | 18    | 78    | IF-RE-140a.2 |
|  | Percentage (%), Office                               | 28    | 24    | 67    | IF-RE-140a.2 |
|  | Percentage (%), Residential                          | 23    | 25    | 85    | IF-RE-140a.2 |
|  | Percentage (%), Retail                               | 15    | 15    | 58    | IF-RE-140a.2 |
| Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector  | Percentage (%), Industrial                           | 7     | -1    | -17   | IF-RE-140a.3 |
|  | Percentage (%), Office                               | -7    | 16    | 5     | IF-RE-140a.3 |
|  | Percentage (%), Residential                          | -5    | -2    | 4     | IF-RE-140a.3 |
|  | Percentage (%), Retail                               | 5     | 13    | -5    | IF-RE-140a.3 |
| Description of water management risks and discussion of strategies and practices to mitigate those risks   | Discussion and analysis                              |       |       | 2023  | IF-RE-140a.4 |
| <p>Water consumption is monitored across the portfolio, where we have operational control. In 2023, we identified areas for improved water data granularity and expanded the initiative with set thresholds based on water spend. Monitoring water consumption in near real-time allows operations teams to identify and promptly respond to leaks and other water waste within buildings. Additionally, we launched a pilot to increase water meter accuracy at our residential properties and installed low-flow fixtures at all our communities. We leverage our tenant and resident engagement program to communicate water conservation tips to our occupants. QuadReal continues to focus on water conservation opportunities in efficient landscaping methods including xeriscaping, smart irrigation systems, and water recycling to minimize impacts.</p> |  |       |       |       |              |

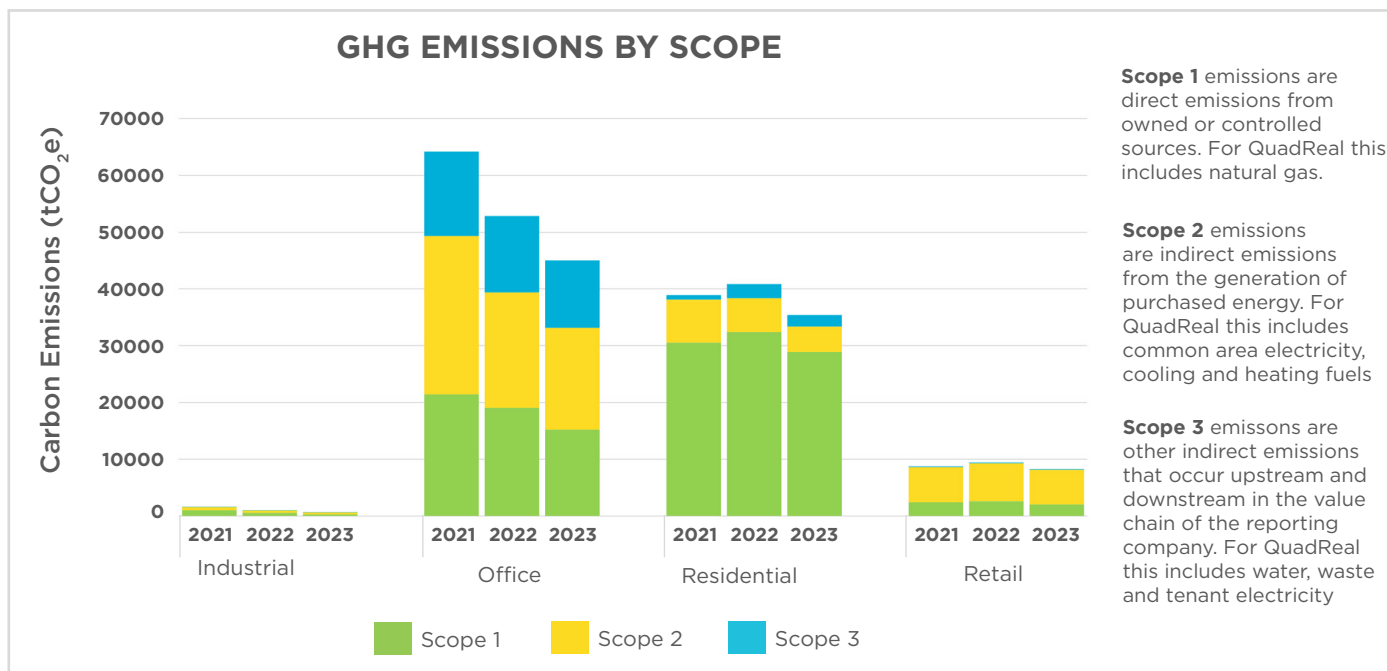
<sup>3</sup>Significant increase in the % properties in high baseline water stress regions is due to updates to the Aqueduct Water Risk Atlas methodology in 2023. The revised methodology identified new regions of concern, including the Southern Ontario where a large share of QuadReal's portfolio is located.



## 2023 SASB DISCLOSURE

# GHG EMISSIONS

QuadReal is committed to net zero carbon by 2050 in alignment with science-based carbon reduction goals. To reduce our emissions, we focus on low-carbon design for new developments, energy efficiency and smart building upgrades for existing buildings, converting fossil fuel-based heating systems to electric alternatives where viable, and sourcing clean energy directly from providers wherever we can - or producing it ourselves. 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/esg/our-esg-approach/>



## VOLUNTARY METRICS

| Accounting Metric   | Measurement  | 2021     | 2022     | 2023            | SASB Code |
|---|--|----------|----------|-----------------|-----------|
| Total location-based portfolio GHG emissions, by scope <sup>4</sup> | Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 1           | 55,422   | 54,617   | <b>46,415</b>   | N/A       |
|   | Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 2           | 42,153   | 33,357   | <b>28,901</b>   | N/A       |
|   | Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 3           | 15,901   | 16,056   | <b>13,970</b>   | N/A       |
| Total location-based emissions                                      | Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)                    | 113,476  | 104,029  | <b>89,286</b>   | N/A       |
| Total market-based portfolio GHG emissions, by scope                | Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 1           | 55,422   | 54,617   | <b>46,415</b>   | N/A       |
|   | Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 2           | 10,2743  | 10,901   | <b>17,941</b>   | N/A       |
|   | Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 3           | 1,860    | 1,667    | <b>3,459</b>    | N/A       |
|   | Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Offsets purchased | (36,623) | (32,100) | <b>(20,456)</b> | N/A       |
| Total market-based emissions net of offsets                         | Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)                    | 30,933   | 35,086   | <b>47,359</b>   | N/A       |

<sup>4</sup> Total location-based portfolio GHG emissions, by scope is based on the operational control approach. This largely excludes downstream leased assets, amongst other Scope 3 categories. Our full methodology is publicly available through our [GHG Emissions Report](#).

## 2023 SASB DISCLOSURE

# 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.



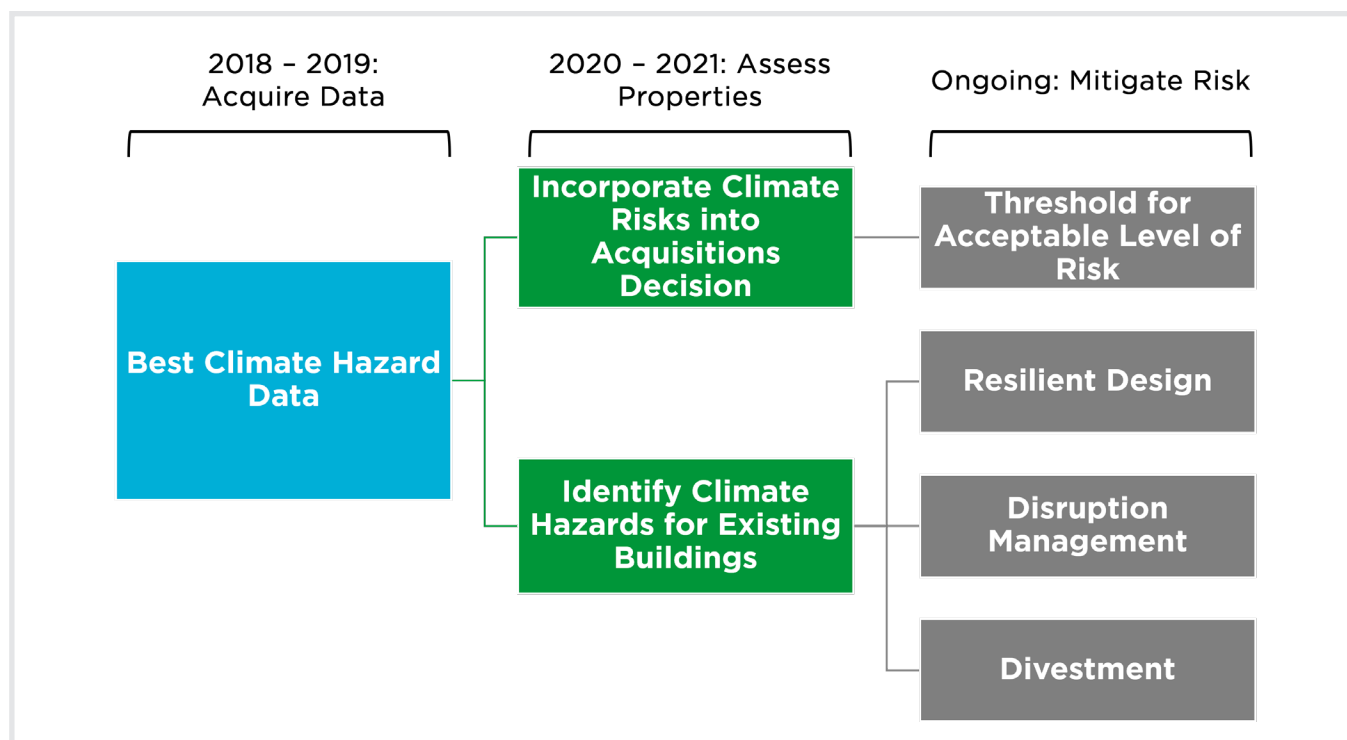
### ACCOUNTING METRICS

| Accounting Metric   | Measurement   | 2021 | 2022 | 2023 | 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  | 82   | 87   | 72   | IF-RE-410a.2 |
|   | Percentage (%) by floor area, Residential   | 96   | 78   | 80   | 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  | 3    | 3    | 3    | IF-RE-410a.2 |
|   | Percentage (%) by floor area, Residential   | 0    | 3    | 3    | 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   | Discussion and analysis   |      |      | 2023 | IF-RE-410a.3 |
|   | <p>While QuadReal does not have a separate green lease addendum, we integrate key clauses in our standard leases and include cost recovery clauses in our commercial leases. For buildings with energy and other utility use outside our operational control, we are introducing sustainability data disclosure clauses in leases. We also provide a green tenant fit-out guide and support for our commercial tenants to achieve their sustainability targets. QuadReal regularly communicates sustainability initiatives with tenants and residents across the portfolio through digital and in-property channels, including monthly posters, quarterly newsletters, and tenant meetings. For our office tenants, we launched Tenant Carbon Reports in 2023, an initiative to share energy and carbon data with tenants in a consistent, easy to understand format. In multi-residential, we are continuing the roll-out of in-suite electricity sub-meters, which lead to an approximately 30 to 40% reduction in in-suite electricity consumption. We are investigating opportunities to cost-effectively expand the submetering program to cover additional utilities. QuadReal's goal is to deploy sub-meters in all multi-residential suites, where feasible, by 2030.</p> |      |      |      |              |

## 2023 SASB DISCLOSURE

# 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. For further details, see QuadReal’s 2023 TCFD Report.



## ACCOUNTING METRICS

| Accounting Metric  | Measurement  | 2021      | 2022      | 2023             | SASB Code    |
|--|--|-----------|-----------|------------------|--------------|
| Area of properties located in 100-year flood zones, by property subsector  | Square feet (ft <sup>2</sup> ), Industrial   | 1,468,893 | 1,025,674 | <b>948,366</b>   | IF-RE-450a.1 |
|  | Square feet (ft <sup>2</sup> ), Office   | 364,173   | 364,174   | <b>441,482</b>   | IF-RE-450a.1 |
|  | Square feet (ft <sup>2</sup> ), Residential  | 879,282   | 879,281   | <b>879,281</b>   | IF-RE-450a.1 |
|  | Square feet (ft <sup>2</sup> ), Retail   | 1,505,392 | 1,590,389 | <b>1,590,389</b> | IF-RE-450a.1 |
| Description of climate change risk exposure analysis, degree of systemic portfolio exposure, and strategies for mitigating risks | Discussion and analysis  |           |           | <b>2023</b>      | 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 also completed an in-house vulnerability and preparedness assessment for flood risk. In 2023, we surveyed the climate risk analytics market to identify the best available data provider for our due diligence and standing asset risk assessment process. We will be transitioning to a new provider with broader hazard and climate scenario coverage for this service in 2024. |           |           |                  |              |



COCA-COLA  
DOWNTOWN



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