



**dream** 

*2021 Sustainability Update Report*

# Building Better Communities



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For more information on sustainability at Dream, please visit our website.

[www.dream.ca](http://www.dream.ca)

# About this Report

Our 2021 Sustainability Update Report (the “Report” or “Sustainability Update Report”) presents a summary of our performance, initiatives and commitments for the year ended December 31, 2021. This Sustainability Update Report is a transitional report. We are changing our reporting cycle and will be publishing future sustainability reports earlier in the calendar year, beginning in 2023.

The joint [2020-2021 Sustainability Report ↗](#) was published in December 2021 and contains our management approach for all material sustainability topics. This 2021 Sustainability Update Report discloses our 2021 Environmental, Social and Governance (ESG) performance, initiatives and accomplishments, and presents our commitments for 2022. We look forward to the release of our next complete Sustainability Report in 2023.

## Reporting Boundaries

All information and performance data contained in this Report reflects the period from January 1 to December 31, 2021, unless otherwise stated. All amounts are reported in Canadian dollars unless otherwise stated. We have identified changes in measurement methods or restatements of information from the 2020-2021 Sustainability Report in footnotes throughout this Report.

This Report has been approved by the Chief Responsible Officer of Dream Unlimited Corp., and Chief Executive Officers of Dream Industrial REIT, Dream Office REIT and Dream Residential REIT as well as the Chief Financial Officers for such entities and Dream Impact Trust. In addition, it has been approved by the Chief Operating Officers of Dream Office REIT, Dream Industrial REIT and Dream Residential REIT. This Report has also been approved by the board of each Dream entity.

The intended audiences of this report are tenants and residents, investors, research analysts, employees, and our partners, as well as municipalities and governments in locations where Dream operates.

## Report Verification

Selected GHG emissions, energy, water and waste data disclosed by DRM, D.UN, DIR.UN and MPCT.UN in this Report has been independently verified by Quinn+Partners to a limited level of assurance in accordance with ISO 14064-3. In this Report, the " ✓ " symbol indicates verified information. A copy of the verification statements can be found here: [DRM ↗](#), [D.UN ↗](#), [DIR.UN ↗](#), [MPCT.UN ↗](#).

## Reporting Standards

This Report has been prepared with references to the Global Reporting Initiative (GRI) Standards. It also includes indicators from the Sustainability Accounting Standards Board (SASB) Real Estate Standard and addresses the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). These standards are referenced in the reference tables starting on [page 66](#).

## Other Reporting

For more information on Dream’s impact initiatives and progress, please see our [2022 Impact Report ↗](#), and our [Net Zero by 2035 Action Plan ↗](#) as well as Dream Industrial REIT's [DIR Green Use of Proceeds Report 2021 ↗](#).

For more information on the financial performance for each of the Dream entities please see the 2021 annual reports linked below.

## Contact

For any questions or feedback regarding this report, please contact:  
Sustainability & ESG at [sustainabilityandesg@dream.ca ↗](mailto:sustainabilityandesg@dream.ca)

This Sustainability Update Report is divided into sections encompassing Dream's entities. The **Overview**, **Governance** and **Social** sections focus on the common policies, strategies, performance and initiatives for the Dream group of companies, collectively referred to as "**Dream**," ("**we**", "**our**"). The remaining sections of the report reflect entity-specific practices and performance. The Dream group of companies includes:

- **Dream Unlimited Corp. (TSX: DRM)**  
("DRM") or ("Dream Unlimited")
- **Dream Impact Trust (TSX: MPCT.UN)**  
("MPCT.UN") or ("Dream Impact")
- **Dream Office REIT (TSX:D.UN)**  
("D.UN") or ("Dream Office")
- **Dream Industrial REIT (TSX:DIR.UN)**  
("DIR.UN") or ("Dream Industrial")
- **Dream Residential REIT (TSX:DRR.U)**  
("DRR.U") or ("Dream Residential")

For information on Dream’s approach to ESG Risk Management and Stakeholder Engagement, see the [2020-2021 Sustainability Report ↗](#).





# Letter from Chief Responsible Officer

**At Dream, our mission is to create positive environmental and social impacts alongside strong financial returns.**

This is more important than ever in light of the global and economic challenges we are facing. Climate change continues to impact people and our planet, housing is unattainable for many and social inequality creates barriers for individuals, groups and our society.

ESG and impact investing is a core part of our business that enables us to positively affect people's lives while also delivering market returns for our investors. Our dedicated impact entities are living proof of this - creating intentional and measurable impacts is part of our strategy and built into the business plans. Our ESG approach attracts investors, creates resiliency, reduces investment risk, fosters innovation and contributes to increased asset value. We have also seen our net zero approach and commitments open the door for new projects, such as our Quayside and LeBreton Flats Library Parcel developments, and help us access the growing pool of sustainable finance, such as our Canada Infrastructure Bank funding. ESG risks and opportunities are part of every investment opportunity conversation.

While the markets are experiencing significant volatility and downward pressure, we see an opportunity in offering high-quality and return driven ESG and impact investing vehicles. More than seven in ten institutional investors (72%) assess their asset managers' ESG investment strategies before deciding where to allocate funds.<sup>(1)</sup> ESG-orientated AUM growth is forecasted to grow much faster than traditional asset wealth management between now and 2026, and is expected to make up more than one-fifth of all assets by 2026.<sup>(1)</sup>

**These are trends that we are well positioned to capitalize on.**

Our ambitious social and sustainability impact verticals have helped position ourselves as one of the largest net zero developers in North America (over \$6 billion in net zero development) and grow our affordable housing portfolio to more than 2,500 units<sup>(2)</sup>. We are implementing a comprehensive system to track, monitor and report on progress against our social procurement targets as we implement our leading program, The Dream Difference. We are also working on building out our Net Zero by 2035 Action Plan by developing detailed steps and milestones for reducing our Scope 1, 2 and select scope 3 GHG emissions.

We continue to advance our practices and empower our people to do more. We look forward to sharing more of our work with you in next year's report as we strive to evolve and challenge expectations of the impact a real estate company can have.

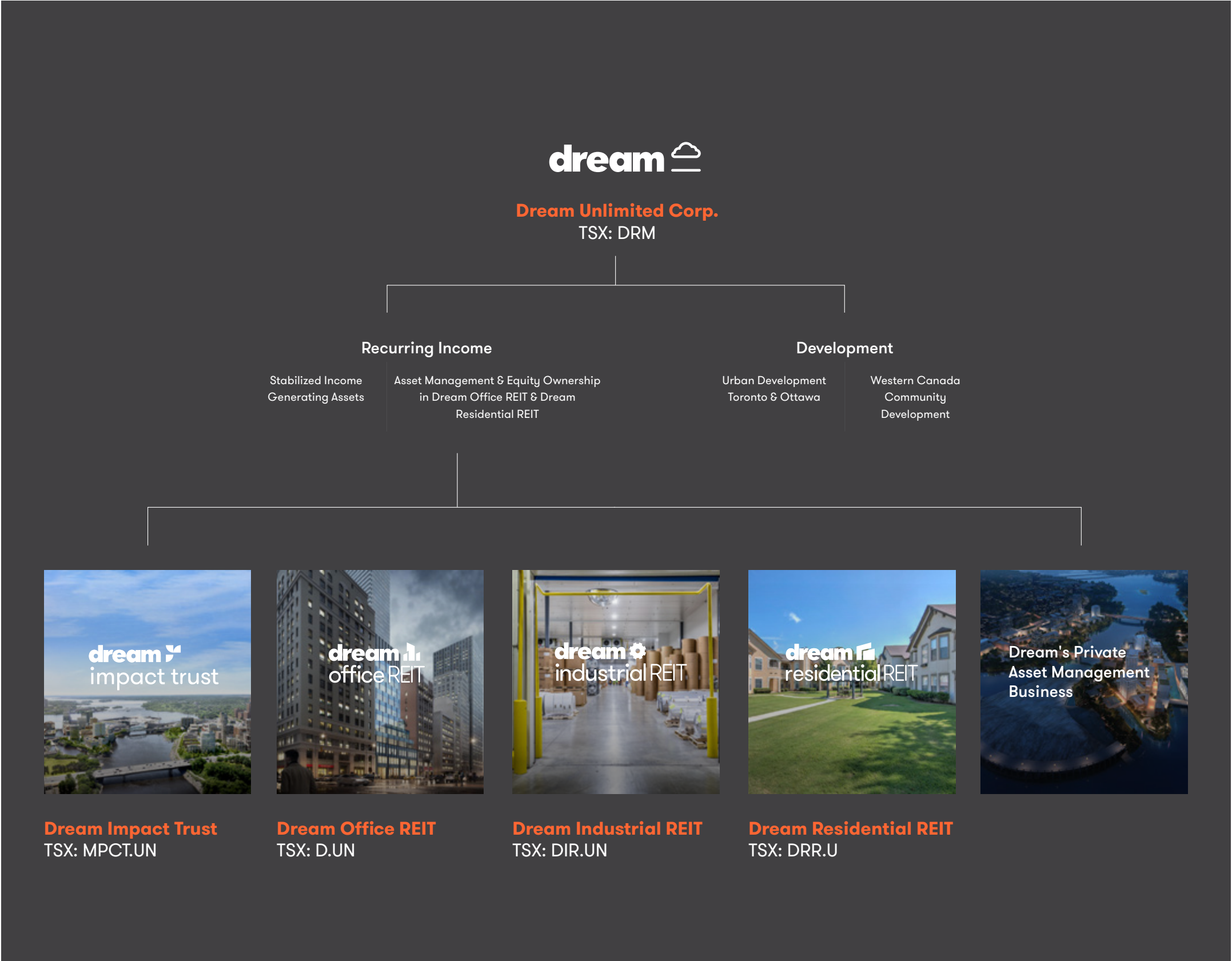


**Michael Cooper**  
Chief Responsible Officer  
Dream Unlimited Corp.

(1) PWC. (2022). Asset and wealth management revolution 2022: Exponential expectations for ESG. <https://www.pwc.com/gx/en/financial-services/assets/pdf/pwc-awm-revolution-2022.pdf>.  
(2) Including assets under development.



# Dream Group of Companies



## Dream

Dream takes an innovative and bold approach to ESG and impact investing, continuously challenging ourselves and others to do more.

Headquartered in Toronto, Ontario, Dream is responsible for some of Canada’s most iconic and transformational projects. We invest with purpose, embracing creativity, passion and innovation to deliver high returns, while doing good for the communities and the world around us.

We proudly participate as members of several industry associations including:

- > Building Industry and Land Development Association (BILD)
- > Building Owners and Managers Association (BOMA)
- > Catalyst member of the Canada Green Building Council (CaGBC)
- > Canada Real Property Association of Canada (REALPAC)
- > City of Toronto Green Will Initiative
- > Commercial Real Estate Development Association (NAIOP)
- > European Public Real Estate Association (EPRA)
- > Global Impact Investing Network (GIIN)
- > Operating Principles for Impact Management (OPIM)
- > Real Estate Council of Alberta (RECA)
- > Real Estate Council of Ontario (RECO)
- > Urban Land Institute (ULI)



# Dream Overview

Dream is an asset manager, owner and developer of real estate. Founded in 1994 with a vision to revolutionize the way people live and work, Dream has become one of Canada’s leading real estate companies, with over \$17 billion in assets under management<sup>(1)</sup> amongst our five publicly listed entities, private funds and institutional partnerships.

Dream’s purpose is to Build Better Communities. ESG and Impact are ingrained in how we manage our buildings and run our business. Our commitment to sustainability aligns with our values and guides how we think, live and work.



Across the Dream group of companies we have:

\$17 billion

in assets under management<sup>(1)(2)</sup>

~30,000

condominium and purpose-built rental units in the Dream group portfolio (including development pipeline)<sup>(2)</sup>

46.5 million sf

of industrial gross leasable area (GLA) in DIR.UN<sup>(2)</sup>

5.4 million sf

of office GLA in D.UN<sup>(2)(3)</sup>

535

total employees<sup>(5)</sup>

10.9 million sf

of commercial / retail GLA across the Dream group portfolio<sup>(2)</sup>

	Men	Women	Total
Number of Employees <sup>(4)(5)(6)</sup>	279	256	535
Permanent <sup>(7)</sup>	272	246	518
Contract	7	10	17
Full-time <sup>(8)</sup>	277	254	529
Part-time	2	2	4

(1) For the definition of the following supplementary financial measure of Dream Unlimited Corp.: assets under management, please refer to the “Non-GAAP Measures and Other Disclosures” section of this Sustainability Report.

(2) As of September 30, 2022.

(3) Excludes properties under development and joint ventures which are equity accounted.

(4) Includes only employees employed by Dream Asset Management Corporation, Dream Industrial Management Corp., Dream Office Management Corp., Dream U.S. Manager LLC and Dream Europe Advisors Coopérative U.A. Does not include employees at Dream recreational properties, employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) or interns.

(5) As at December 31, 2021.

(6) Numbers represented as total headcount, not full-time equivalent.

(7) Includes permanent part-time employees.

(8) Includes all employees with a work schedule of 35 hours or greater per week.



## Introduction

# ESG Framework

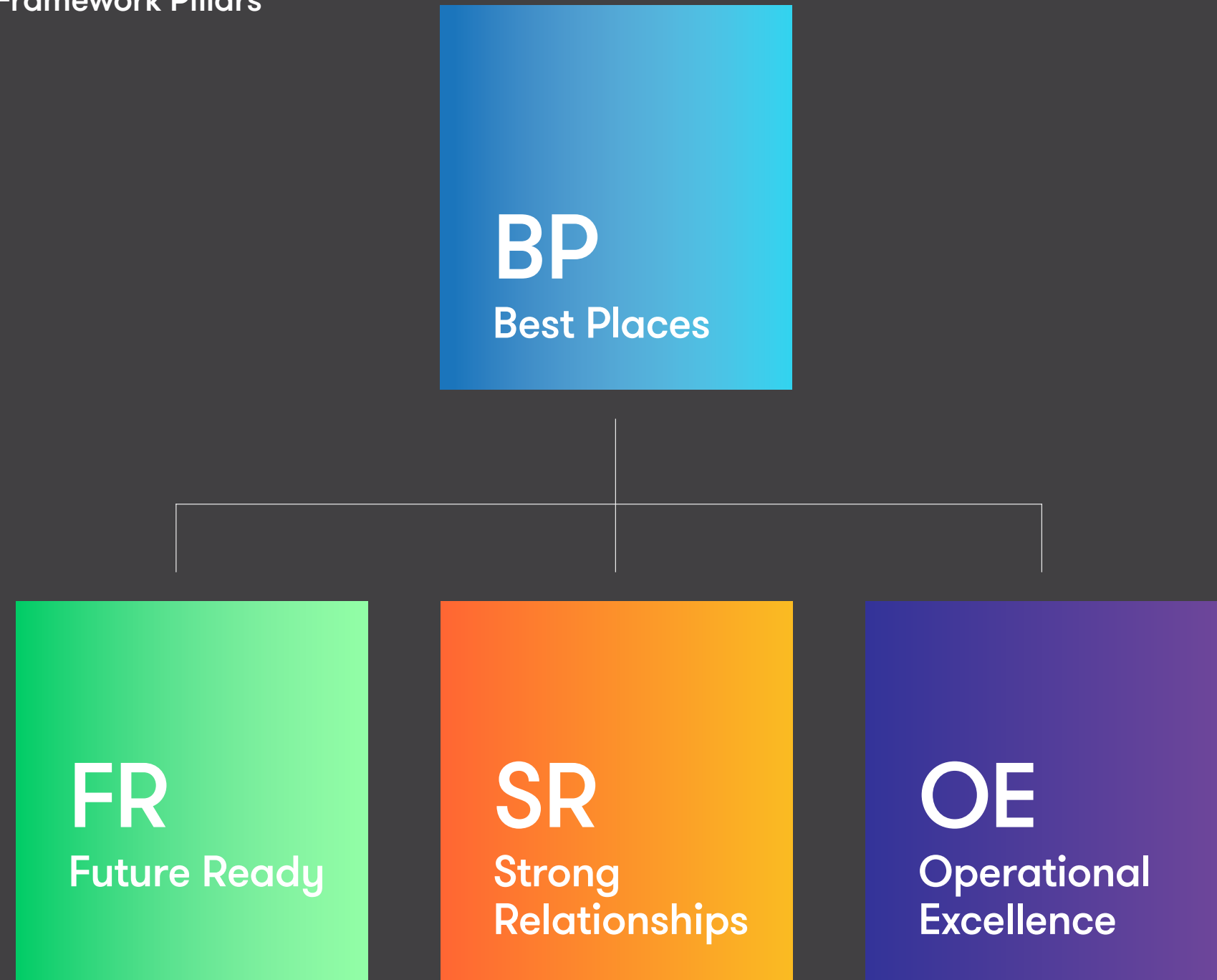
For over two decades, we have been working to make our communities better while maximizing returns for our investors.

In 2021, we developed our ESG Framework, which empowers us to increase our focus on generating intentional and measurable environmental and social returns and further embed ESG throughout our business. We are excited to share our progress on how we are executing on our ESG strategy in this Report.

Developed with extensive input from key stakeholders, our ESG Framework considers the global macro trends that are influencing today's sustainability expectations and identifies the emerging and material sustainability topics that are ingrained in how we run our business internally and externally. The ESG Framework is connected to Dream's purpose to **Build Better Communities** and aligns with our corporate values and strategy.

The Framework was implemented across the Dream platform to provide direction on the policies we create and initiatives we undertake. Throughout this Report, you will find references to these Framework Pillars as we demonstrate how we've integrated our ESG Framework within the group of companies. We look forward to sharing more about our ESG Framework in action in future reports.

## ESG Framework Pillars





# ESG Framework Pillars



## Best Places

Creating better places and communities that make positive impacts on people’s lives and the planet.

- > Certifications
- > Health, safety, and wellness
- > Amenities and inclusive atmosphere
- > Attainability and affordability
- > Connectivity

Dream Value: Social Responsibility



## Future Ready

Building and operating with the future in mind.

- > Climate change resilience
- > Carbon and resource efficiency
- > Innovation and technology adoption
- > Sustainable development
- > Sustainable redevelopment

Dream Value: Courageous Ideas



## Strong Relationships

Fostering inclusive relationships to create value for everyone in our community.

- > Tenant relationships
- > Government collaboration
- > Community / NGO partnerships
- > Indigenous engagement
- > Sustainable procurement

Dream Value: Meaningful Relationships



## Operational Excellence

Running a great company that focuses on purpose and profit.

- > Diversity, inclusion and advancement
- > Valuing employees
- > ESG risk management
- > Corporate governance
- > ESG impact and management

Dream Value: Fierce Diligence



# United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

There are 17 goals in total which provide a shared blueprint to achieve the 2030 goals. In our investment strategy we identify relevant SDGs and consider how our project may contribute to the achievement of these goals. In particular, **Dream is dedicated to building safe, resilient, inclusive and sustainable cities – expressed by Goal 11.**



SUSTAINABLE DEVELOPMENT GOALS



Zibi  
Ottawa, ON/Gatineau, QC



# 2021 Dream Group of Companies Highlights

## Net Zero Commitments

- DRM, MPCT.UN and D.UN are committed to net zero scope 1, scope 2 and select scope 3 GHG emissions (operational and development) by 2035
- DIR.UN is committed to net zero scope 1 and scope 2 GHG emissions (operational and development) by 2035, and net zero select scope 3 GHG emissions (operational) by 2050
- DRR.U is committed to net zero scope 1 and scope 2 emissions by 2050

## \$6 billion

- The Dream group of companies has over \$6 billion in net zero communities within its development pipeline<sup>[1]</sup>

(1) Net zero communities in development consist of Zibi, LeBreton Flats Library Parcel and Quayside.  
(2) All intellectual property rights to this data belong exclusively to GRESB B.V. All rights reserved. GRESB B.V. has no liability to any person (including a natural person, corporate or unincorporated body) for any losses, damages, costs, expenses or other liabilities suffered as a result of any use of or reliance on any of the information which may be attributed to it.  
(3) Based on 1,027 real estate companies rated by Sustainalytics globally. As of September, 2022. Copyright ©2022 Sustainalytics. All rights reserved. This report contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>.  
(4) Rating is as of September 30, 2022.  
(5) Includes third party-owned solar.  
(6) This includes all units under management, under construction or approved as at December 31, 2021 plus Q1 2022 confirmation of LeBreton Flats Library Parcel and Quayside projects.



### Dream Unlimited Corp.

- Arapahoe Basin continued to progress towards its goal of carbon neutrality by 2025, producing 23,662 kWh of renewable electricity and achieving a waste diversion rate of 49%
- Became Principles of Responsible Investment (PRI) Signatory
- 36% of executives are women
- Recipient of the Globe and Mail’s “Women Lead Here” award for the second consecutive year
- Launched Dream Impact Fund, one of the world’s first private open-ended funds dedicated exclusively to impact investing
- \$500,000 donated to charities and NGOs



### Dream Industrial REIT

- 51% of portfolio holds a green building certification and/or energy rating
- Exceeded target of upgrading 1 million sf to LED lighting
- Developed six new sustainability-related policies
- Top 9% of real estate companies with a low ESG risk rating (11.0 out of 100) as rated by Sustainalytics<sup>[3]</sup>
- Diverted 1,103 tonnes of CO2 emissions through rooftop solar on DIR.UN’s properties<sup>[5]</sup>
- Completed solar feasibility assessments on 7 MW of potential photovoltaic installed capacity
- Invested \$295 million towards eligible green projects
- Conducted green building certification feasibility studies for 2 million sf in new developments and existing portfolio



### Dream Office REIT

- Achieved a 5-Star GRESB<sup>[2]</sup> rating, which is a recognition of D.UN's placement in the top 20% of the benchmark
- Finalized Digital Transformation Standard
- Maintained low ESG risk rating (12.0 out of 100) with Sustainalytics<sup>[3]</sup>
- Achieved ESG rating of “Prime” with ISS ESG and of “A” with MSCI<sup>[4]</sup>
- Made progress towards achieving BOMA BEST Smart Buildings certification and WiredScore’s SmartScore certification at 80 Richmond Street West
- Achieved Green Lease Leaders Gold Status
- Achieved an average portfolio walk score of 94



### Dream Impact Trust

- Achieved a 5-Star GRESB<sup>[2]</sup> rating, which is a recognition of MPCT.UN's placement in the top 20% of the benchmark
- 1,577 affordable units completed or under development
- \$23.2 million in annual rent savings from MPCT.UN’s full pipeline compared to market rents<sup>[6]</sup>
- Completed a private placement offering of \$30 million, representing the first impact-dedicated convertible debenture issued by a Canadian public issuer
- The Zibi Community Utility (ZCU) district energy system began producing zero-carbon thermal energy for three office and three residential buildings, which is expected to save approximately 4,400 tonnes of GHGs per year when development is complete



## Governance

Dream is committed to sound and effective corporate governance. Our goal is to not only meet requirements established by regulators, but also to uphold excellent corporate governance principles and practices. Strong governance reduces investment risk, leads to more consistent outcomes and attracts global investors.



Tessassini Park - Zibi  
Ottawa, ON / Gatineau, QC



## Updating our Governance Structures and Policies

To reflect the continued integration of ESG across our business and ensure that non-financial considerations such as ESG matters and impact objectives are considered alongside financial considerations, we revised our governance policies to formally increase oversight and accountability of ESG matters and impact topics at the board level. We updated our existing governance policies to ensure ESG considerations and impact objectives are embedded in the relevant Board committees responsible for overseeing and managing Dream’s ESG risks and opportunities. The updated policy language was approved by Dream’s Boards of Directors or Trustees, as applicable, and is reflected in mandates, charters and corporate policies, including, as appropriate to each entity.<sup>(1)</sup>

- Board of Directors Mandate

— Charter for the applicable governance committee

— Organization Design and Culture Committee Charter
- Code of Conduct

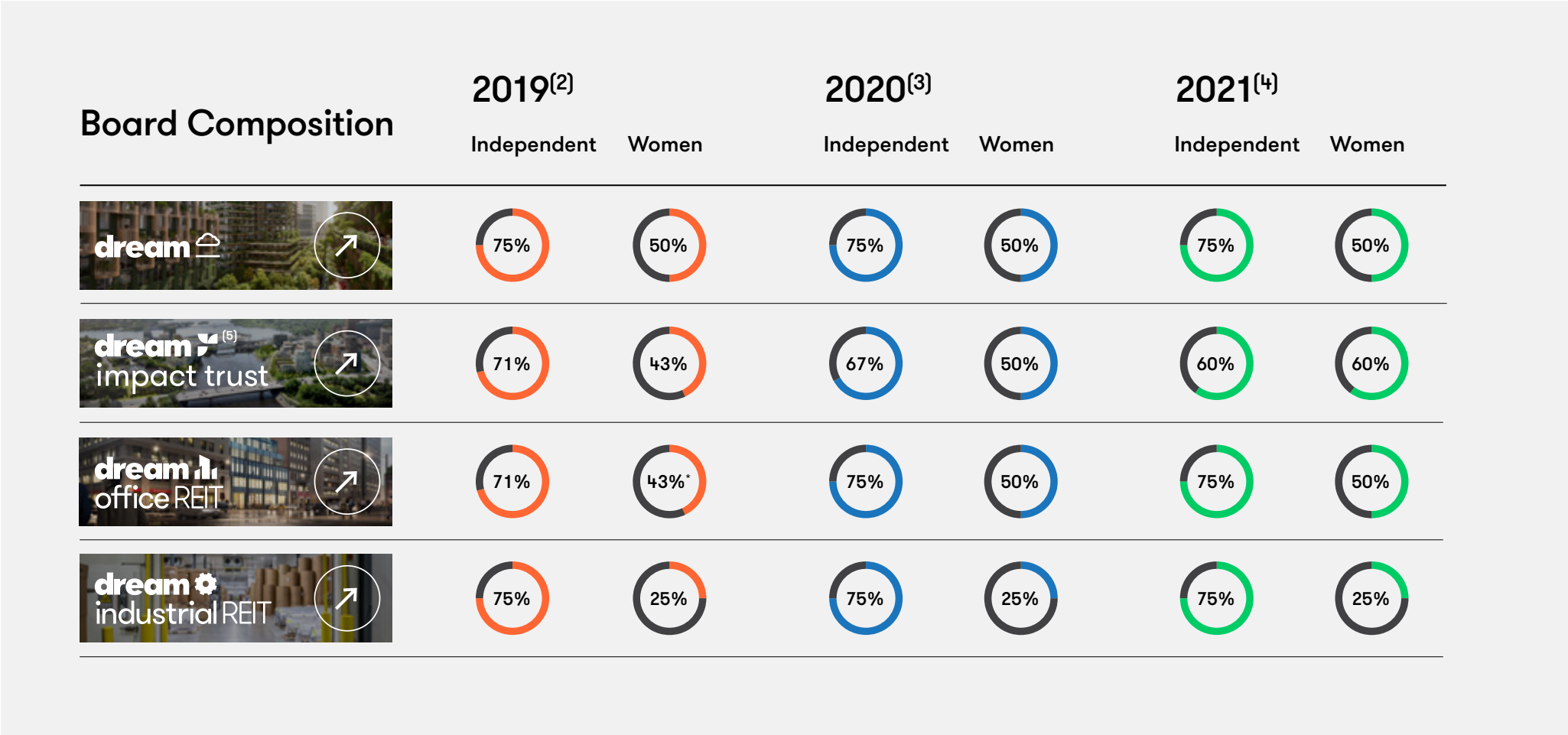
— Disclosure Policy

— Whistleblower Policy

As an official supporter of the Task Force on Climate-Related Financial Disclosures (TCFD), Dream is working to align our disclosures with the TCFD recommendations. These governance policy changes support our efforts to strengthen alignment with the TCFD recommendations by increasing board oversight of climate-related issues.

The updated language in these documents has strengthened our scores with ESG rating agencies on the following common ESG indicators: business ethics, bribery and corruption risk, energy, water and emissions management, and physical climate risk management.

As increased ESG regulation is expected and best practices continue to evolve, we will continue to monitor the regulatory environment, trends and investor requirements on an ongoing basis.



Dream Unlimited Corp. - Read More ↗

- [Charters & Policies](#) ↗
- [Board Diversity Policy](#) ↗
- [Disclosure Policy](#) ↗
- [Code of Conduct](#) ↗
- [Whistleblower Policy](#) ↗
- [Majority Voting Policy](#) ↗
- [Diversity Inclusion & Advancement Commitment](#) ↗
- [Management Information Circular](#) ↗



Dream Impact Trust - Read More ↗

- [Charters & Policies](#) ↗
- [Board Diversity Policy](#) ↗
- [Disclosure Policy](#) ↗
- [Code of Conduct](#) ↗
- [Whistleblower Policy](#) ↗
- [Majority Voting Policy](#) ↗
- [Diversity Inclusion & Advancement Commitment](#) ↗
- [Management Information Circular](#) ↗



Dream Office REIT - Read More ↗

- [Charters & Policies](#) ↗
- [Board Diversity Policy](#) ↗
- [Disclosure Policy](#) ↗
- [Code of Conduct](#) ↗
- [Whistleblower Policy](#) ↗
- [Majority Voting Policy](#) ↗
- [Diversity Inclusion & Advancement Commitment](#) ↗
- [Management Information Circular](#) ↗



Dream Industrial REIT - Read More ↗

- [Charters & Policies](#) ↗
- [Board Diversity Policy](#) ↗
- [Disclosure Policy](#) ↗
- [Code of Conduct](#) ↗
- [Whistleblower Policy](#) ↗
- [Majority Voting Policy](#) ↗
- [Diversity Inclusion & Advancement Commitment](#) ↗
- [Management Information Circular](#) ↗



Dream Residential REIT<sup>(6)</sup> - Read More ↗

- [Charters & Policies](#) ↗
- [Board Diversity Policy](#) ↗
- [Disclosure Policy](#) ↗
- [Code of Conduct](#) ↗
- [Whistleblower Policy](#) ↗
- [Majority Voting Policy](#) ↗
- [Diversity Inclusion & Advancement Commitment](#) ↗

(1) The name of boards or committees vary across Dream entities. Please refer to the charter or mandate of the applicable board or committee of each Dream entity for a complete reference to the name of such board or committee. Such mandates, charters and policies are available on the website of each entity. See the [Forward-Looking Information](#) section of this Report for links to such websites.

(2) Board composition at December 31, 2019.

(3) Board composition at December 31, 2020.

(4) Board composition at December 31, 2021.

(5) Based on members of both the Trust and GP Boards.

(6) Dream Residential REIT completed its initial public offering on May 6th, 2022.



# ESG Governance at Dream

Over the past year, our ESG Framework pillars have guided our approach to ESG, both internally, and in the development and operation of our properties and communities:

- >

Best Places
- >

Future Ready
- >

Strong Relationships
- >

Operational Excellence

The **Operational Excellence** pillar includes the following focus areas we aim to address and deliver impact through our corporate programs and activities:

Operational Excellence

OE

Corporate governance

ESG risk management

ESG impact and management

As part of the ESG Framework, Dream links ESG considerations to executive goals and compensation. Sustainability at the Dream group of companies is managed by the following:<sup>(1)</sup>



Event at Dream Head Office  
Toronto, ON

Board, Committee or Team <sup>[2]</sup>	Responsibilities <sup>[3]</sup>
Board of Directors or Trustees	<div><div>—</div>Oversee approach to environmental, social, governance, and impact investing<sup>[4]</sup> matters;<div><div>•</div>The boards of DRM, D.UN, DIR.UN and DRR.U have delegated such oversight to each of their applicable governance committees<div>•</div>The MPCT.UN board discharges such oversight together with the board of directors of Dream Impact Master GP Inc., which delegates such oversight to its Governance, Compensation and Environmental Committee</div></div>



(1)

This chart is provided for illustrative purposes only. The Boards of each of DRM, D.UN, DIR.UN, MPCT.UN and DRR.U have approved individual mandates, charters and policies for each of such entities, which govern each entity in respect of applicable matters, including certain ESG matters. Such mandates, charters and policies are available on the website of each entity. See the [Forward-Looking Information](#) section of this Report for links to such websites.

(2)

The name of boards or committees vary across Dream entities. Please refer to the charter or mandate of the applicable board or committee of each Dream entity for a complete reference to the name of such board or committee. Such mandates, charters and policies are available on the website of each entity. The links to such websites are available in the [Forward-Looking Information](#) section of this Report.

(3)

The responsibilities set out in this column are for illustrative purposes only, reflect certain relevant ESG matters, and do not purport to reflect the full extent of responsibilities or the full mandate of any of the boards, committees or teams referred to in this chart.

(4)

Pertains to Dream Impact Trust Board of Trustees and Dream Impact Master GP Board of Directors.

(5)

For Dream Impact Trust, this includes reference to the Governance, Compensation and Environmental Committee of Dream Impact Master GP Inc., the general partner of Dream Impact Master LP. Dream Impact Master GP Inc. oversees the management of Dream Impact Trust's operating assets, which are held through Dream Impact Master LP.

(6)

Pertains to Dream Unlimited Corp.

(7)

The Chief Responsible Officer is an officer of Dream Unlimited Corp.



Risk Management

Risk management at Dream is integrated into our risk management frameworks and is managed by our risk management group.

For information on our management approach and how risk management is governed at Dream please see page 17 of our [2020-2021 Sustainability Report](#).

Climate Change Risk

Climate change continues to attract the focus of governments and the general public as an important threat, given that the emission of greenhouse gases and other activities continue to negatively impact the planet. Investors increasingly view climate change as a critical concern, while tenants and residents prefer low-carbon, resilient properties.

Dream is exposed to both the physical and transitional risks of climate change. The adjacent table provides a high-level summary of our key physical and transition risks, their associated potential impacts and the actions we are taking to mitigate these impacts. To align our approach with the TCFD recommendations, we are conducting a climate scenario analysis to better understand the short and long term risks, opportunities and impacts as a result of climate change. This exercise will also allow us to evaluate the resilience of our current climate strategy under different climate scenarios. We look forward to sharing an update on this analysis in next year's Sustainability Report.

Summary of Material Physical and Transition Risks from Climate Change

Type of Risk	Identified Risks	Potential Action	Mitigating Action
Physical, acute	<ul style="list-style-type: none"><li>Natural disasters and increasingly frequent and severe weather conditions including wildfire, windstorms, tornados, hailstorms, lightning and earthquakes</li></ul>	<ul style="list-style-type: none"><li>Could interrupt operations and activities, threaten tenant health and safety, damage properties and may decrease property values or require additional expenses to be incurred, including increased insurance costs</li></ul>	<p>Across all entities we use third-party climate data to assess property-level physical climate risks from the following hazards:</p> <ul style="list-style-type: none"><li>Flooding</li><li>Wildfire</li><li>Earthquake</li><li>Windstorm</li><li>Tornado</li><li>Hailstorm</li><li>Lightning</li></ul> <p>Using this analysis, we identify specific regions and properties with increased climate risk and identify opportunities to improve resilience through ongoing capital and operations investments. We also purchase insurance policies to cover our assets in the event of property damage arising from climate-related events, insuring our assets to their 100% true replacement cost value, including coverage for 24 months of gross income.</p>
	<ul style="list-style-type: none"><li>50, 100, 200 and 500-year flood events</li></ul>		<p>A flood and catastrophic loss risk assessment is performed annually to determine which properties in our portfolio are at risk of losses from 50, 100, 200 and 500-year floods. Based on the results, we are developing site-specific resilience strategies.</p>
Physical, chronic	<ul style="list-style-type: none"><li>Temperature change</li><li>Precipitation change</li><li>Sea level rise</li><li>Air quality</li><li>Water security</li></ul>	<ul style="list-style-type: none"><li>Temperature change could increase cooling loads and costs</li><li>Sea-level rise could alter geographies targeted for future investment</li><li>Water security risk may impact approach to water management and capital expenditures on efficiency upgrades</li></ul>	<p>Property-level risk is assessed against the listed chronic physical climate risks.</p>
Transition, policy and legal	<ul style="list-style-type: none"><li>Greenhouse gas emissions reduction regulations</li></ul>	<ul style="list-style-type: none"><li>Could impose constraints on operational flexibility or result in financial costs or fines to comply with various reforms</li></ul>	<p>Our risk management group is continuously monitoring our exposure to transition risks associated with policy and legislative changes, market and reputational shifts as part of Enterprise Risk Management (ERM). Our ambitious GHG reduction targets help mitigate transition risk by proactively reducing emissions ahead of potential future regulations.</p>
Transition, market and reputation	<ul style="list-style-type: none"><li>Shift in supply and demand for products and services</li><li>Changing tenant preferences</li><li>Increased stakeholder expectations on climate-related risks</li></ul>	<ul style="list-style-type: none"><li>Failure to adapt to climate change reforms could adversely affect our reputation</li><li>Costs to build net zero assets, or upgrade assets to net zero could increase</li><li>May require increased internal resources to manage climate risks and produce climate disclosures</li></ul>	<p>Assessments on the existing embodied carbon footprint within our development process are conducted to identify strategic opportunities to reduce embodied footprint. We continue to align with TCFD and emerging climate standards.</p>





Energy and Water Management Risks

Dream is focused on managing and operating our buildings and acquisitions as efficiently as possible to mitigate risks associated with escalating utility costs, shifting regulations and tenant preferences. We manage energy and water risks by conducting energy and water audits and implementing applicable efficiency measures to reduce consumption.

Cyber Risk

Dream is committed to cyber security and privacy through a combination of regular security awareness activities and the use of next-generation protection technologies. Our cloud strategy involves an in-depth design concerning user access rights which supports our data governance initiatives. We also perform regular assurance activities, which includes internal and third-party vulnerability scanning and assessments in order to manage exposure and risk. Our cyber security team monitors threats and attacks and has implemented preventative measures to ensure that all systems and employees are protected. We have a robust set of processes and procedures for incident management and resolution, supported by a cycle of continuous improvement. In addition, we have a mandatory cyber-awareness training programs for all employees which ensures that they can detect and report malicious behaviour.





## Social

At Dream, our people set us apart. We take pride in our workforce and know that investing in them creates long-term value for our company.



Women's Day event at Dream head office  
Toronto, ON



# How Our ESG Framework Applies

Our goal is to be an inclusive employer that fosters a workplace where diversity is recognized as our strength and all employees enjoy equal opportunities to unlock their potential and grow their careers.

Over the past year, our ESG Framework pillars have guided the development of our ESG programs and activities in our developments, at our properties and within our own company.

- >

Best Places
- >

Strong Relationships
- >

Future Ready
- >

Operational Excellence

The **Operational Excellence** pillar includes the following focus areas in which we aim to address and deliver impact through our corporate programs and activities:

Operational Excellence

OE

Diversity, inclusion, and advancement

Valuing employees

To read about our approach to employee development and engagement, Diversity, Inclusion & Advancement and health and safety, please see our [2020-2021 Sustainability Report](#).



Dream's holiday party  
Toronto, ON



Earth Day litter pick up  
Toronto, ON



Dream World Series  
Toronto, ON



Recruiting event at Dream head office  
Toronto, ON



2021 Key Accomplishments and Initiatives

- 86% response rate achieved in our **employee engagement survey**
- Certified as a **Great Place to Work®**
- Named one of **Canada’s Best Employers for Recent Graduates** by The Career Directory
- Recognized as one of the **Best Workplaces for Giving Back** by **Great Place to Work®**
- **Over \$200,000** paid in tuition and professional fees



Dream Group of Companies – New Hires and Turnover Rates<sup>(1)(2)</sup>

	Total	Men	Women	Other	Age <34	Age 35-54	Age 55+	Central Canada	Western Canada	United States	Europe
New Hires											
2021	125	63	62	N/A	78	41	6	88	22	9	6
Voluntary Turnover Rate <sup>(3)</sup>											
2021	17%	8%	9%	N/A	10%	6%	1%	14%	3%	0%	0%

(1) Includes only employees employed by Dream Asset Management Corporation, Dream Industrial Management Corp., Dream Office Management Corp., Dream U.S. Manager LLC and Dream Europe Advisors Coöperatieve U.A. Does not include employees at Dream recreational properties, employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) or interns.  
(2) As of December 31, 2021.  
(3) Turnover is calculated as a percentage of average employee headcount for 2021.

Dream Group of Companies<sup>(1)</sup> Gender Breakdown<sup>(2)</sup>

		Men	Women
DRM and MPCT.UN <sup>(3)</sup>	Employees <sup>(4)</sup>	50%	50%
	Managers <sup>(5)</sup>	59%	41%
		Men	Women
D.UN <sup>(6)</sup>	Employees <sup>(4)</sup>	56%	44%
	Managers <sup>(5)</sup>	53%	47%
		Men	Women
DIR.UN <sup>(7)</sup>	Employees <sup>(4)</sup>	48%	52%
	Managers <sup>(5)</sup>	47%	53%

(1) Includes only employees employed by Dream Asset Management Corporation, Dream Industrial Management Corp., Dream Office Management Corp., Dream U.S. Manager LLC and Dream Europe Advisors Coöperatieve U.A. Does not include employees at Dream recreational properties, employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) or interns.  
(2) Percentages are based on total headcount.  
(3) Includes employees employed by Dream Asset Management Corporation, which includes DRM and MPCT.UN employees. Does not include employees employed at Dream recreational properties, employees on leaves of absence (e.g., permanent disability, long-term disability, parental leave) and interns.  
(4) Based on employees at all levels.  
(5) Managers include manager level and above.  
(6) Includes only employees 100% dedicated to Dream Office REIT and shared services functions for the Dream entities. Excludes employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) and interns.  
(7) Includes only employees 100% dedicated to DIR.UN and excludes employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) and interns.  
(8) Senior leadership includes Vice Presidents and above.

Our employees are our most valuable asset and consist of the following:

48%

of Dream employees are women<sup>(1)(2)(4)</sup>

29%

of senior leadership are women<sup>(1)(2)(8)</sup>



# 2021 Charitable Partner Updates

## Orange Shirt Society

In exchange for a small donation, Dream provided orange shirts to employees to wear on September 30th, 2021, Canada’s National Day for Truth and Reconciliation. All proceeds were donated to the Orange Shirt Society, to support this organization’s effort to raise awareness across Canada about residential schools and their continuing impacts on individuals, families and communities. In 2021, Dream’s employees raised \$3,000 for the Orange Shirt Society.

## Legacy of Hope

As part of our community initiatives, we held our annual employee holiday auction in December. We requested items to be donated for auction from our vendors and partners and held the silent auction internally. All funds raised supported Legacy of Hope, an Indigenous charitable organization with the mandate to educate and create awareness of residential schools and their impacts. Legacy of Hope works to address racism, foster empathy and inspire action to improve the situation of Indigenous Peoples, as well as support the ongoing healing process and honour residential school survivors.



### Case Study

## Collect, Communicate and Share

We are proud of the work we do and the difference we can make in people’s lives. To profile and support the great community initiatives and programs we include in our annual sustainability report, we have developed our Collect, Communicate and Share program. As part of this program, we have committed to donate \$1.00 per download of our sustainability report up to a maximum of \$10,000 per year to support our charitable partners.



Community / NGO partnerships

~\$500,000 donated to charities in 2021 by Dream



Orange shirt day at Dream head office  
Toronto, ON



Dream volunteers packing back to school kits  
Toronto, ON



Kids opening back to school kits at Weston Common  
Toronto, ON



Executive Roundtable

# How ESG Supports our Business

We convened members of our entity's executive teams to discuss how ESG investments and achievements support Dream’s business and financial outcomes.



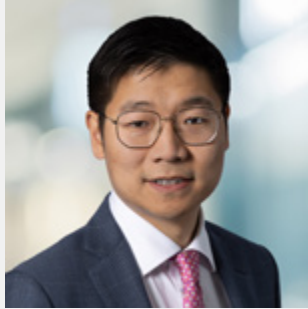
**Karine MacIndoe** (moderator)  
Trustee, Dream Impact Trust &  
Dream Office REIT



**Deborah Starkman**  
CFO, Dream Unlimited Corp.



**Meaghan Peloso**  
CFO, Dream Impact Trust



**Jay Jiang**  
CFO, Dream Office REIT



**Lenis Quan**  
CFO, Dream Industrial REIT



**Alex Sannikov**  
COO, Dream Industrial REIT



**Derrick Lau**  
CFO, Dream Residential REIT

What are the most significant areas in which Dream can affect environmental and social outcomes through its business model, market presence, scale and influence?

**Meaghan (MPCT.UN):** As a large Canadian real estate company, we have the ability to use our buying power to impact social outcomes through our procurement process. We have set ambitious social procurement targets to ensure that underrepresented groups have a seat at the table, both in our developments and across our business.

Real estate is where we live and work. It touches everyone. Environmental and social issues have a fundamental impact on how we live our lives, and a lot of this is integrated into how Dream operates. We apply an impact lens to take this a step further and generate positive outcomes instead of only mitigating negative ones.

**Alex (DIR.UN):** Focusing our efforts on key environmental initiatives allows us to achieve positive outcomes and demonstrate to the market that there is a solid business case to act. This includes investments in buildings and also tenant education. Not all tenants come to us equipped with sustainability knowledge – educating and partnering with them saves them money and improves the environmental performance of our buildings.

An example of an environmental initiative that we are undertaking is investing in renewable energy at scale. This is an incredible financial opportunity that also allows us to reduce the GHG footprint of our buildings and enables our tenants to do the same. Essentially, we become both a landlord and a utility provider and are one of the few Canadian public real estate companies doing this. This demonstrates to others that it has both a positive financial and environmental benefit and will hopefully encourage greater uptake in the real estate market.

“We have the opportunity to design communities that contribute to people living sustainable lives.”

**Meaghan Peloso**  
CFO, Dream Impact Trust



How does ESG contribute to strong financial performance?

**Jay (D.UN):** Having a strong approach and commitment to ESG improves the cost of capital, debt and equity. With respect to debt, lenders are providing discounts on bonds and credit if the borrower can demonstrate that the use of proceeds are for environmental and/or social benefits. For example: our \$137 million financing from the Canadian Infrastructure Bank (CIB) has a lower interest rate as it is contingent on us completing building retrofits that achieve emissions reductions. This concept makes capital programs more financially viable, leading to better buildings and happier tenants.

**Lenis (DIR.UN):** Investing in ESG initiatives at properties provides strong financial returns. For example, our investments in solar installations provide an average yield on cost of approximately 10% compared to about 4% if we were to acquire another industrial building. So we like investing in our own properties to reduce their carbon footprint and generate good returns. We are also upgrading roofs on our industrial buildings which lowers our tenants' heating and cooling bills, creating a more energy efficient asset. We share the costs of the roofing upgrade with our tenants while earning a reasonable return on the capital. When it comes to our overall cost of equity, many investors have ESG mandates and evaluate companies based on ESG-related metrics. Our ESG approach and commitments makes our companies more investable.

**Derrick (DRR.U):** In the US, government debt agencies encourage emissions reductions and other sustainable performance improvements by offering more attractive interest rates. In addition to the benefits of reduced debt service costs, these improvements result in reduced energy and water usage which can lead to improvements in our utility cost, benefiting both the residents and our property operating expenses. These same government debt agencies also offer discounts on interest rates where a majority of the existing rents at the property are currently below certain percentages of area median income (“AMI”). The program is targeted toward properties with a majority of the rents at or below 50-80% of AMI, promoting properties with affordable rents that are either naturally occurring affordable or deed restricted. From a financial perspective, we consider target properties for acquisitions that qualify for these programs and we evaluate the fit of these programs when we look to refinance assets.

Can you talk about examples of business wins where Dream’s ESG leadership contributed to the outcome?

**Deborah (DRM):** We are pioneers in ESG and have always done business in a way that is respectful of people and the environment. The LeBreton Flats Library Parcel project in Ottawa is an example of this. We developed workforce benefits plans with commitments to provide training, apprentice and employment opportunities to Indigenous Peoples and other equity-seeking groups. The project as a whole aims to provide affordable housing for 5 target populations: new immigrants, women with children, Indigenous Peoples, veterans and adults with cognitive disabilities. ESG is a

key part of the environment we operate in. Without it, we would not be able to be successful in our business.

**Derrick (DRR.U):** Before launching Dream Residential REIT, we sought a pre-IPO ESG rating and were the first Canadian company to do this. We achieved a strong initial ESG rating because we were able to leverage Dream’s existing ESG framework and apply it to DRR.U. Further, ESG is already ingrained in our culture and day to day operations. This made integrating ESG into DRR.U seamless from the very beginning.

What are the intangible benefits of ESG leadership?

**Jay (D.UN):** ESG leadership is critical in attracting investors and business partners and it regularly comes up in RFPs and investment opportunities. We frequently partner with all levels of government, and they will consistently ask how our projects will benefit the surrounding communities and environment. These conversations did not happen ten years ago. Today, you can’t get through an proposal or many investor meetings without talking about ESG.

**Deborah (DRM):** Being a leader in impact and ESG contributes to our reputation as a developer. It gets us in the door for new opportunities and sets us apart when financial offerings are close among bids. For example, when we bid on Waterfront Toronto's Quayside project the evaluation criteria largely aligned with our existing ESG Framework, so we were able to demonstrate alignment on impact and ESG objectives at the corporate level.

Our leadership on impact and ESG contributes to our reputation as an employer, as well. Employees want to work where they feel like they are contributing positively to the environment and their communities, and we are frequently asked about this during the interview process. How we think about ESG, how we think about impact, and what we do as a company, contributes to our talent attraction and retention.

**Alex (DIR.UN):** One of the intangible benefits of our environmental leadership is that we are helping our tenants and employees make climate-positive decisions in their daily lives. For example, when we installed 70 electric vehicle (EV) chargers at 30 Adelaide St. E, we signaled to tenants that if they buy an EV, they will have a place to park and charge it while at work. Initiatives like this remove barriers, promote change and create additional revenue sources.

How does investing in ESG throughout an asset’s life cycle contribute to creating a higher value asset?

**Alex (DIR.UN):** Integrating sustainable components and practices at our buildings has become table stakes. In the Netherlands, office buildings that fall below a certain energy rating will not be able to be occupied in 2023. Industrial buildings are moving this way as well, but not as quickly.



“ESG comes up in every investment conversation now — it's everywhere.”

Jay Jiang  
CFO, Dream Office REIT

**Jay (D.UN):** In the office sector, tenant demand for net zero buildings exists. In fact, the Canadian government, our largest tenant, will have RFP minimums for net zero buildings moving forward. We can expect to attract and retain tenants by building and operating low/no carbon buildings. Our ESG initiatives also lower building operating costs, potentially increasing net rents, which is a value driver.

If you could demystify one thing about your approach to ESG for your stakeholders, investors, and employees, what would that be?

**Lenis (DIR.UN):** All of the ESG-related initiatives that we do are typically what we would do as business-as-usual – executing our strategy to build and run efficient assets, reduce costs for tenants, attract a diverse group of the best employees and use a strong governance framework to promote transparency and fairness, among others. Today, the market and investors will refer to these things as “ESG” but it’s what we’ve always been doing and will continue to do.





**Jamie Cooper**  
Portfolio Manager, Dream Impact Fund

Interview

# Jamie Cooper

## ESG Integration and Impact Objectives in the Real Estate Investment Process

We sat down with Jamie Cooper, Portfolio Manager at Dream Impact Fund to discuss how he integrates environmental, social and governance (ESG) considerations and impact objectives throughout the real estate investment process.

### What are the driving factors behind integrating ESG considerations and impact objectives in Dream's investment processes?

One of the key factors is that real estate has a long-term investment horizon. The longer an investment horizon, the greater the likelihood that financially material ESG risks and opportunities will arise over an investment's lifetime. Related to this, real estate has a profound and lasting impact on communities. We have always invested to create positive impacts in the communities where we operate. We recognize the ongoing issues facing our society – climate change, the need for more affordable housing, and the importance of creating inclusive communities - and the overall magnitude of those impacted. Through the way we do business, we are tackling these issues head on and are proud of the work we are doing.

At Dream, we are committed to building better and more sustainable communities. In 2022, we released our [Net Zero by 2035 Action Plan](#) for the Dream group of companies. In order to meet this ambitious target, we must consider each investment's path to net zero at the outset of the transaction, through our due diligence process, as well as throughout the investment process.

### Can you provide examples of common environmental and social factors considered in the investment process?

Across all entities, during the investment process we assess asset-level physical climate risk. This includes identifying the asset's exposure to potential risks such as flooding, fires, or hurricanes. This information informs how we plan our capital investments and our investment decisions.

When pursuing the acquisition of an income property, we evaluate the GHG emissions of the asset. This often includes conducting a baseline energy audit. We then set goals and timelines for GHG reductions from that baseline, establish a capital plan to achieve this, and reflect the operational cost savings within our underwriting. This plan is incorporated in the broader asset strategy and presented to Dream's investment committee when making an investment decision.



### How are ESG considerations and impact objectives being integrated into investment decisions today?

As a dedicated impact investing business, ESG considerations and impact objectives are fully integrated into our culture, our investment decisions, and our operations. For example, during the investment process we use an acquisition checklist to assess potential material ESG risks and identify opportunities where we can drive real, meaningful social or environmental impact. This is presented to our Investment Committee and reflected within our annual Asset and Business Plans. The Investment Committee only approves investments that meet both financial and impact goals aligned with our impact verticals of **Environmental Sustainability & Resilience, Attainable & Affordable Housing, and Inclusive Communities.**





### What differences do you see with the level of ESG integration and impact investing across the Dream entities?

We are committed to being a leader in sustainable development and management of our real estate. Given that the Dream group of companies invests across multiple asset classes and geographies, the approach and ability to integrate ESG and impact varies. This variance is predominately driven by our operational control over the asset. For example, we typically have more operational control over an office building than a single-tenant industrial building where the tenant is responsible for their own building operations and maintenance.

A good example of an ESG initiative that has been adopted across the Dream entities is the shift to using green leases. In 2021, Dream Office REIT, Dream Industrial REIT and Dream Impact Trust upgraded their standard leases to a green lease, which puts no additional obligations on the tenant, but clearly sets out the efforts the landlord will undertake to provide a more sustainable office space.

Despite the inherent challenges from not having operational control over an asset, Dream Industrial REIT continues to make significant progress in integrating environmental factors in the investment process — in particular by using its Green Financing Framework to make investments in sustainable initiatives such as energy efficiency upgrades and renewable energy.

### What trends are you seeing in ESG integration and impact investing and what are Dream's next steps?

As authentic ESG and impact integration becomes an increasingly critical component of an investment decision, we have seen investors show heightened focus and attention on the positive outcomes resulting from a corporation's ESG and impact efforts. Investors are seeking genuine social and environmental impact made by organizations and are seeking to avoid green- or impact-washing.

We have committed to providing transparency in our ESG and impact reporting. Annually, we release an impact report that establishes our impact goals, measures our success, and acknowledges areas where we can improve our efforts.

Our goal over the coming year is to formalize and advance some of our existing practices. Our top priorities are publishing a responsible investment policy, creating a sustainability policy for developments, and further enhancing our investment checklists to align with standards such as TCFD and SASB. We are excited to be completing our first submission to the Principles for Responsible Investment (PRI) in 2023.



Dream Group of Companies

# Dream Industrial REIT

Dream Industrial REIT (TSX: DIR.UN) owns, manages, and operates a global portfolio of well-located, diversified distribution, urban logistics and light industrial properties across Canada, Europe and the U.S. DIR.UN has a proven track record of acquiring assets where it can leverage its asset management platform to create value. DIR.UN’s strategy is to invest in high-quality assets and markets that provide growing cash flow and net asset value over the long-term to its unitholders.

**\$7.1 billion**

total assets<sup>(1)</sup>

**46.5 million sf**

of GLA<sup>(1)</sup>

**99%**

in-place and committed occupancy<sup>(1)</sup>

**258**

assets<sup>(1)</sup>

**9**

offices globally<sup>(1)</sup>

(1) Figures as at September 30, 2022.



Exportweg 20  
Waddinxveen, NL



# ESG Scorecard

## Environmental<sup>(1)</sup>

Indicator	Target	2019	2020	2021
Energy				
Energy consumption (ekWh) <sup>(2)</sup>		see note <sup>(3)</sup>	see note <sup>(3)</sup>	16,691,442 <span>✓</span>
Annual MWh of renewable energy produced <sup>(4)(5)</sup>		2,507	2,975	6,119 <sup>(6)</sup>
Cumulative on-site solar PV system capacity (kW) <sup>(5)</sup>		2,433	2,817	5,795 <sup>(7)</sup>
Cumulative percentage of total floor area with on-site renewable energy generation <sup>(5)(8)</sup>		3.7%	4.2%	5.8% <sup>(9)</sup>
GHG emissions <sup>(10)</sup>				
Scope 1 emissions (tCO <sub>2</sub> e)		see note <sup>(3)</sup>	see note <sup>(3)</sup>	852 <sup>(2)</sup> <span>✓</span>
Scope 2 emissions (tCO <sub>2</sub> e)		see note <sup>(3)</sup>	see note <sup>(3)</sup>	2,461 <sup>(2)</sup> <span>✓</span>
Total GHG emissions (scope 1 and 2; tCO <sub>2</sub> e)		see note <sup>(3)</sup>	see note <sup>(3)</sup>	3,313 <sup>(2)</sup> <span>✓</span>
Water				
Annual water savings from climate-controlled irrigation (litres) <sup>(11)</sup>		15,667,000	13,331,000	10,712,000
Building lighting upgrades				
Cumulative total floor area with LED lighting upgrades (sf) <sup>(12)</sup>		-	4,022,407	9,173,345
Green Buildings				
Cumulative GLA of portfolio with green building certifications (sf)	Pursue green building certifications for an additional 2.7 million sf (includes LEED, BREEAM, ZCB, BOMA or DGNB) by 2025 vs. 2020 baseline	472,123	472,123	1,601,587
Percentage of eligible portfolio with an energy rating <sup>(13)</sup>		see note <sup>(3)</sup>	25%	49%
Percentage of portfolio with sustainable roofs <sup>(14)</sup>		see note <sup>(3)</sup>	12%	20%
Number of EV charging stations <sup>(15)</sup>		see note <sup>(3)</sup>	see note <sup>(3)</sup>	93

(1) Excludes US Portfolio.  
(2) Represents data coverage of 18% of utility meters in Canada paid for or controlled by DIR.UN. For buildings where there was no utility account information available, the number of meters was assumed based on the industry standards.  
(3) Indicators tracked for the first time in 2021.  
(4) Includes estimations from engineering calculations for some solar panel systems where production data was not provided.  
(5) Includes capacity and production from rooftop solar PV that is owned by tenants or third parties or DIR.UN.  
(6) Approximately, 95% of the annual MWh of renewable energy produced is from tenant-owned/third-party owned solar panels whereas the remaining 5% is from panels owned by DIR.UN.  
(7) The total capacity includes DIR.UN-owned solar PV systems with capacity of 299 kW and third-party or tenant-owned solar PV systems capacity of 5,496 kW.  
(8) Represents total GLA of buildings with rooftop solar PV system.  
(9) The total square footage 2,011,717 sq. ft includes DIR.UN owned solar PV systems covering 392,366 sf and third-party or tenant-owned solar PV systems covering 1,619,351 sf.  
(10) GHG emissions are calculated in accordance with the World Resource Institute Greenhouse Gas Protocol. Calculations in this table capture activities DIR.UN has direct and indirect operational control over:  
Scope 1 emissions generated directly from its operations, including heating properties  
Scope 2 emissions indirectly associated with generation of purchased electricity, heating, cooling and steam consumed by properties.  
(11) Data is based of 42 sites in Calgary.  
(12) Historic numbers are updated to exclude T5 lighting and US Portfolio GLA to stay consistent with our future reporting.  
(13) Represents 100% of GLA of floor area of properties in ENERGY STAR Portfolio Manager or have Energy Performance Certificates (EPC) ratings.  
(14) Sustainable roofs include cool roofs and green roofs with vegetation.  
(15) Includes EV chargers owned or installed by tenants.

## Number of At-Risk Assets from Flooding<sup>(1)(2)</sup>

50-year flood	Floor area <sup>(3)</sup> (sf)
2	189,574
100-year flood	Floor area <sup>(3)</sup> (sf)
20	3,308,239
200-year flood	Floor area <sup>(3)</sup> (sf)
21	3,552,857
500-year flood	Floor area <sup>(3)</sup> (sf)
16	2,158,203

(1) Assets that may be classified under more than one category by default are not duplicated in the figures in the other time categories. Changes from 2020 are the result of acquisitions or dispositions of assets since the previous reporting year.  
(2) Represents 100% of GLA as of September 30, 2022.  
(3) The floor area (in sf) of assets under development, planning, and land are subject to change pending various development approvals. Owned land is included in the number of assets and excluded from the affected area in cases when the final sf is not publicly available.





Social

Indicator	2019	2020	2021
Employees <sup>(1)(2)</sup>	69	78	90
Voluntary turnover rate <sup>(3)</sup>	35%	15%	16%
Women employees <sup>(4)(5)</sup>	64%	62%	52%
Women managers <sup>(4)(6)</sup>	56%	53%	53%
Women executives <sup>(4)(7)</sup>	50%	34%	34%

- (1) Includes only employees 100% dedicated to DIR.UN and excludes employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) and interns.  
(2) Numbers represented as total head count, not full time equivalent.  
(3) Turnover is calculated as a percentage of average employee headcount for 2021.  
(4) Percentages are based on total headcount.  
(5) Includes employees at all levels.  
(6) Managers include Manager level and above.  
(7) The Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of Dream Industrial REIT are employees of Dream Asset Management Corporation. For the purposes of this Report, we are including them under DIR.UN.

Governance

Indicator	2019	2020	2021
Women trustees	25%	25%	25%
Independent trustees	75%	75%	75%

4 years

Average tenure for DIR.UN employees\*

\* Includes only employees 100% dedicated to Dream Industrial REIT and excludes employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) and interns.



# ESG Initiatives & Commitments Summary

## ESG Update

DIR.UN aspires to be a market leader in sustainability, it has a responsibility to manage the impact its operations have on the environment and it recognizes that investing in sustainability is a key driver of creating long-term value for its stakeholders.

DIR.UN’s approach to sustainability includes engaging tenants to uncover opportunities to enhance asset value and incorporate energy management initiatives into capital expenditures to increase energy efficiency throughout its portfolio and lower operational costs.

Over the past year, DIR.UN has used the ESG Framework pillars to guide the development of its ESG programs and activities in its developments, at its properties and within the business.

- >

Best Places
- >

Future Ready
- >

Strong Relationships
- >

Operational Excellence

Each pillar sets out the ESG focus area and the steps D.UN is taking to embed ESG into its business based on the asset class and specific objectives.

Within this section, you will find more information on how DIR.UN is progressing on its initiatives and commitments for DIR.UN’s ESG focus areas:

- Certifications
- Amenities and atmosphere
- Climate change and resilience
- Carbon and resource efficiency
- ESG impact and management
- Tenant relationships



Certification and Energy Ratings Chart:<sup>(1)</sup>

Certification and Energy Ratings	<div><div><div><div></div></div><div>LEED</div></div><div><div><div></div></div><div>BREEAM</div></div><div><div><div></div></div><div>BOMA BEST</div></div><div><div><div></div></div><div>DGNB</div></div><div><div><div></div></div><div>EPC B and above</div></div></div>				
	LEED	BREEAM	BOMA BEST	DGNB	EPC B and above
Certified buildings (in sf)	244,805	690,487	351,306	314,984	7,523,120
In progress including developments underway (in sf)	1,416,993	484,354	-	241,544	-
Total GLA (in sf)	1,661,798	1,174,841	351,306	556,528	7,523,120

(1) Based on assets in portfolio as of December 31, 2021. Some properties may have more than one green building certification or classification. Developments underway include building expansions and new developments which are either under construction or in advanced planning. The LEED® certification trademark is owned by the U.S. Green Building Council and is used with permission. BREEAM is a registered trademark of BRE (the Building Research Establishment Ltd. Community Trade Mark E578551). The BREEAM marks, logos and symbols are the Copyright of BRE and are reproduced by permission.



# 2021 Key Accomplishments and Initiatives



## Certifications Amenities and inclusive atmosphere

- 2 million sf of green building certifications underway for 11 properties (including properties under development)<sup>(1)</sup>
- Conducted seven assessments to determine feasibility of obtaining green building certifications in our existing portfolio
- Enhanced outdoor space at an 840,000 sf industrial park by planting trees, creating lounge areas and installing bike racks.
- Engaged a third-party consultant to assist in developing a sustainable roofing policy including roof categories such as cool roofs, green/vegetative roofs, energy efficient roofs, and solar-ready roofs. DIR.UN currently has 7 million sf of cool and green roofs in our portfolio



## Carbon and resource efficiency Climate change resilience Innovation and technology adoption

- Committed to net zero scope 1 and scope 2 GHG emissions (operational and development) by 2035, and net zero select scope 3 GHG emissions (operational) by 2050
- Refined internal process to identify buildings that are the best candidates for solar installations
- Increased data coverage by collecting utility data from 2019 onwards
- Upgraded more than 1,000,000 sf to LED lighting
- Explored low-carbon strategies such as mass timber and low-carbon concrete, to reduce the embodied carbon of new industrial warehouses, while maintaining a high level of marketability
- Assessed the physical climate risk at each property in DIR.UN's portfolio against the following hazards: flooding, wildfire, windstorm, tornado, hailstorm, lightning, and earthquake, using third-party climate data



## Tenant relationships Government collaboration

- Conducted a survey to benchmark tenant sustainability goals and provide insight into opportunities to broker new sustainability-related partnerships. Survey results have been incorporated into our asset planning process to align tenant sustainability goals with our asset strategies
- Engaged with the Institute for Market Transformation (supported by the U.S. Department of Energy's Better Buildings Alliance) to adopt green lease standards through the Green Lease Leaders program
- Held engagement sessions with our tenants to inform them of the opportunity to purchase renewable energy generated by Dream-installed solar arrays for their operations that led to the execution of seven rooftop solar projects and a \$4.5 million capital investment
- Launched an LED program with a proactive strategy of approaching tenants to upgrade lighting during their lease term to optimize energy usage and operational costs well in advance of lease expiry



## ESG impact and management Valuing employees Corporate governance

- Issued \$850 million to date in Green Bonds using DIR.UN's Green Financing Framework. In 2021, DIR.UN completed over \$295 million in eligible green projects
- Improved ESG risk rating by Sustainalytics from top 25<sup>th</sup> percentile to top 10<sup>th</sup> percentile and maintained an overall risk of "Low"<sup>(2)</sup>
- As part of the Dream group of companies' commitment, DIR.UN is supporting the Net Zero Asset Managers (NZAM) Initiative which is a group of international asset managers committed to supporting the goal of net zero emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius
- Launched the Net Zero Steering Committee, which includes executive representatives from across the Dream group of companies
- As part of the Dream group of companies' commitment, DIR.UN joined the United Nations-supported Principles for Responsible Investment (PRI)
- Became one of the first Canadian public real estate companies to become an official supporter of the Task Force on Climate-related Financial Disclosures (TCFD)
- As part of an initiative pursued by the entire Dream Group of Companies, DIR.UN conducted an employee engagement survey to better understand employee satisfaction across a variety of topics



Sheep cutting the grass at Rue de Poitou 6  
Bretigny sur Orge, France



903-951 Matheson Blvd  
Mississauga, ON

(1) Existing and forecasted building areas as of September 30, 2022. Excludes Development Joint -Venture owned projects at owned share.  
(2) Based on 1,027 real estate companies rated by Sustainalytics globally. As of September, 2022. Copyright ©2022 Sustainalytics. All rights reserved. This report contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>.



## 2022 Commitments



Certifications  
Amenities and inclusive atmosphere

- > Pursue green building certifications for an additional 2.7 million sf (includes LEED, BOMA or DGNB) by 2025 vs 2020 baseline
- > Obtain green building certification (LEED, BOMA or DGNB) on 100% of DIR.UN's new developments starting in 2022
- > Implement an EV charging station program as a result of DIR.UN's tenant outreach
- > Improve biodiversity at our sites through native and non-invasive landscaping and beehive installations



Carbon and resource efficiency  
Sustainable development  
Innovation and technology adoption

- > Execute 15 solar projects in Alberta and the Netherlands that will add over 22,000 solar panels to DIR.UN's portfolio with a capacity of 10,000 kW
- > Expand the geographic distribution of our renewable energy program and identify opportunities in additional markets across Canada and Europe
- > Identify pathways to net zero during building design evaluation such as mass timber, low-carbon concrete, fuel switching (electrification), energy efficiency and conservation measures, and on-site renewable energy generation.
- > Develop and implement a sustainable roofing policy
- > Communicate DIR.UN's strategy on how it will achieve net zero by 2035 for its Scope 1 and Scope 2 emissions and by 2050 for select Scope 3 emissions



Tenant relationships

- > Adopt the green lease standard as our standard lease in Canada and commence adaptation in Europe
- > Prepare submission for Gold Level Award from Green Lease Leaders Program
- > Continue to work with tenants to benchmark sustainability priorities and goals, identify priority initiatives and assets for sustainable investments and broker new sustainability-related partnerships
- > Engage with our tenants to collect and track Scope 3 emissions data and provide tenants with access to data via a utility management software portal



ESG impact and management  
Corporate governance  
ESG risk management

- > Allocate \$850M to eligible green projects by 2025 (as per Green Financing Framework). In addition to the \$295M that was deployed in 2021, \$330M in additional green projects have been identified
- > Upgrade an additional 5M sf of portfolio to LED lighting by 2025 vs 2020 baseline
- > Measure and disclose all energy, water and waste data for all operational buildings within defined boundary by 2025
- > Launch energy, water, and waste data tracking and monitoring strategy
- > Develop and implement internal applications to track sustainable KPIs including roof and LED upgrades
- > Participate in the 2022 GRESB<sup>(1)</sup> Assessment
- > Prepare for participation in the PRI Reporting & Assessment Framework, starting in 2023<sup>(2)</sup>
- > Increase alignment with the TCFD recommendations by conducting a climate scenario analysis to identify the risks, opportunities and business impacts to DIR.UN as a result of climate change



Christoph-Seydel-Straße 1  
Radeberg, DE

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(2) DIR.UN, as part of the Dream group of companies' commitment, is participating NZAM initiative and reporting to the PRI.



Case Study

Solar Program Financial Returns

DIR.UN launched its Alberta rooftop solar feasibility program in 2020 as part of a program launched by Energy Savings for Business (ESB) via Emissions Reductions Alberta. In 2021 DIR.UN completed assessments of 11 potential projects and is proceeding with the installation of 7 rooftop solar projects.

To facilitate these projects, in 2021 DIR.UN conducted information sessions with its tenants to inform them of the opportunity to purchase renewable energy generated by DIR.UN, installed solar arrays for their operations, and amended leases to incorporate the recovery of renewable energy. Procuring solar power from DIR.UN provides tenants financial and sustainability benefits including cost certainty amid rising electricity rates, as well as mitigating greenhouse gas emissions from their energy usage. The estimated carbon dioxide equivalent (CO<sub>2</sub>e) savings over the lifetime of these seven Alberta projects will be 38,655 tonnes.

DIR.UN is also implementing an extensive solar program in the Netherlands, where it is executing on projects and continually expanding the inventory of projects to be assessed for on-site solar feasibility. The goal is to ensure all available government incentives are pursued while also preparing for future grid capacity requirements. DIR.UN currently has a total of 8 projects in execution in the Netherlands and 9 projects in its feasibility pipeline. The projects that are currently underway have a savings of 50,586 tCO<sub>2</sub>e over the lifetime of the projects.

In addition to the environmental benefits, the capital investment in solar projects is delivering a new and expanding revenue stream. The 15 projects that are currently underway will provide an unlevered return of 8% on an overall capital investment of \$11.6 million, contributing to DIR.UN's commitment to drive organic NOI and NAV growth in its portfolio.

Operational Excellence

OE

Strong Relationships

SR

Future Ready

FR

- ESG impact and management
- Tenant relationships
  - Carbon and resource efficiency
  - Innovation and technology adoption

The solar projects in DIR.UN’s pipeline will add over 22,000 panels to its portfolio, with a system capacity of ~10,000 kW

7140 40th Street SE  
Calgary, AB



Case Study

Courtney Park Net Zero Development

As part of our Net Zero Action Plan, DIR.UN is targeting net zero by 2035 on all new developments and major renovations. DIR.UN has engaged an independent consultant to develop roadmaps to net zero by conducting an in-depth GHG audit, creating a calibrated energy model, and completing a Life Cycle Assessment (LCA) for its Courtney Park project, an industrial warehouse that is currently under construction and scheduled to be completed in 2024.



Carbon and resource efficiency

Sustainable development

Innovation and technology adoption

ESG impact and management



In alignment with the Canada Green Building Council’s (CaGBC) Zero Carbon Building (ZCB) Design Standards and ZCB Performance Standards, DIR.UN is establishing its approach to developing this net zero base building warehouse through:

- Upgrading the HVAC ventilation systems to the highest efficiency ERVs, recovering 90% of heat exhausted
- Full HVAC electrification
- Installation of a rooftop solar array
- Procuring renewable energy credits (RECs) and carbon offsets

For other new industrial warehouse developments, DIR.UN is also undertaking an architectural design review to assess how low carbon materials, such as mass timber and low carbon concrete, can reduce the embodied carbon of an industrial warehouse development, while maintaining a high level of marketability for the building.





Supplemental ESG Disclosures<sup>(1)</sup>

Entity	Category	Topic	Content						
Dream Group of Companies	Governance	Business ethics	Board Diversity Policy	<a href="#">DRM Board Diversity Policy ↗</a> <a href="#">MPCT.UN Board Diversity Policy ↗</a> <a href="#">D.UN Board Diversity Policy ↗</a> <a href="#">DIR.UN Board Diversity Policy ↗</a> <a href="#">DRR.U Board Diversity Policy ↗</a>					
			Bribery & Corruption Policy and Programs	<a href="#">DRM Code of Conduct ↗</a> <a href="#">MPCT.UN Code of Conduct ↗</a> <a href="#">D.UN Code of Conduct ↗</a> <a href="#">DIR.UN Code of Conduct ↗</a> <a href="#">DRR.U Code of Conduct ↗</a>					
			Code of Conduct	<a href="#">DRM Code of Conduct ↗</a> <a href="#">MPCT.UN Code of Conduct ↗</a> <a href="#">D.UN Code of Conduct ↗</a> <a href="#">DIR.UN Code of Conduct ↗</a> <a href="#">DRR.U Code of Conduct ↗</a>					
			Disclosure Policy	<a href="#">DRM Disclosure Policy ↗</a> <a href="#">MPCT.UN Disclosure Policy ↗</a> <a href="#">D.UN Disclosure Policy ↗</a> <a href="#">DIR.UN Disclosure Policy ↗</a> <a href="#">DRR.U Disclosure Policy ↗</a>					
			Diversity, Inclusion & Advancement Commitment	<a href="#">DRM Diversity Inclusion &amp; Advancement Commitment ↗</a> <a href="#">MPCT.UN Diversity Inclusion &amp; Advancement Commitment ↗</a> <a href="#">D.UN Diversity Inclusion &amp; Advancement Commitment ↗</a> <a href="#">DIR.UN Diversity Inclusion &amp; Advancement Commitment ↗</a> <a href="#">DRR.U Diversity Inclusion &amp; Advancement Commitment ↗</a>					
			Charters and policies link	<a href="#">DRM Charters &amp; Policies ↗</a> <a href="#">MPCT.UN Charters &amp; Policies ↗</a> <a href="#">D.UN Charters &amp; Policies ↗</a> <a href="#">DIR.UN Charters &amp; Policies ↗</a> <a href="#">DRR.U Charters &amp; Policies ↗</a>					
			Majority Voting Policy	<a href="#">DRM Majority Voting Policy ↗</a> <a href="#">MPCT.UN Majority Voting Policy ↗</a> <a href="#">D.UN Majority Voting Policy ↗</a> <a href="#">DIR.UN Majority Voting Policy ↗</a> <a href="#">DRR.U Majority Voting Policy ↗</a>					
			Whistleblower Policy	<a href="#">DRM Whistleblower Policy ↗</a> <a href="#">MPCT.UN Whistleblower Policy ↗</a> <a href="#">D.UN Whistleblower Policy ↗</a> <a href="#">DIR.UN Whistleblower Policy ↗</a> <a href="#">DRR.U Whistleblower Policy ↗</a>					
	Social <sup>(2)</sup>	Employee breakdown <sup>(3)(4)</sup>	Total	490		493	535		
			Permanent <sup>(5)</sup>	467		477	518		
			Contract	23		16	17		
			Full-time <sup>(6)</sup>	484		489	531		
			Part-time	6		4	4		
				2019	2020	2021			
		Diversity breakdown <sup>(7)</sup>	Employees <sup>(3)</sup>	Women	47%		47%	48%	
				Men	53%		53%	52%	
			Managers <sup>(8)</sup>	Women	44%		43%	45%	
				Men	56%		57%	54%	
			Executive Team <sup>(9)</sup>	Women	40%		38%	47%	
				Men	60%		62%	53%	
			DRM Board of Directors	Women	50%		50%	50%	
				Men	50%		50%	50%	
			MPCT.UN GP & Trust Board	Women	43%		50%	60%	
				Men	57%		50%	40%	
			D.UN Board of Trustees	Women	43%		50%	50%	
				Men	57%		50%	50%	
			DIR.UN Board of Trustees	Women	25%		25%	25%	
				Men	75%		75%	75%	
			New hires & turnover rates	New Hires	Total	99		58	125
					Women	47		24	62
					Men	52		34	63
					Age >34	No data		No data	78
		Age 35 - 45			No data		No data	41	
		Age 55+			No data		No data	6	
		Central Canada			82		47	88	
		Western Canada			17		8	22	
		United States			0		0	9	
		Europe			0		3	6	

1) DRR.U is included in the Dream group of companies Governance- Business Ethics section and excluded from the remainder of the Supplemental ESG Disclosures.

(2) Includes only employees employed by Dream Asset Management Corporation, Dream Industrial Management Corp., Dream Office Management Corp., Dream U.S. Manager LLC and Dream Europe Advisors Coöperatieve U.A. Does not include employees at Dream recreational properties, employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) or interns.

(3) Numbers represented as total headcount, not full-time equivalent.

(4) Based on employees at all levels.

(5) Includes permanent part-time employees.

(6) Includes all employees with a work schedule of 35 hours or greater per week.

(7) Percentages are based on total head count.

(8) Managers include Manager level and above.

(9) For the purposes of this Report, Executives include: the Chief Responsible Officer of DRM, the Chief Executive Officers of D.UN, DIR.UN, the Portfolio Manager of MPCT.UN, the Chief Financial Officers of DRM, MPCT.UN, D.UN, DIR.UN, and Chief Operating Officers of D.UN and DIR.UN.

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Entity	Category	Topic	Content	2019	2020	2021			
Dream Group of Companies	Social <sup>(1)</sup>	New hires & turnover rates	Voluntary turnover rate <sup>(2)</sup>	Total	29%	12%	17%		
				Women	No data	No data	19%		
				Men	No data	No data	15%		
			Voluntary turnover rate <sup>(3)</sup>	Age >34	No data	No data	25%		
				Age 35 - 54	No data	No data	13%		
				Age 55+	No data	No data	9%		
				Central Canada	No data	No data	19%		
				Western Canada	No data	No data	13%		
				United States	No data	No data	0%		
				Europe	No data	No data	0%		
		Employee training & development	Tuition		\$500,000	\$73,273	\$66,723		
			Professional fees			\$351,928	\$154,277		
			Information on programs supporting degree programs and certifications for all employees		Dream supports the achievement of degree programs and certifications for all employees through providing time off and financial support. We provide up to \$2,000 for tuition reimbursement and \$500 for textbooks per calendar year, as well as reimbursement for professional designation fees. Dream is also a CPA Ontario Training Employer that allow students in the CPA program to satisfy all their CPA Practical Experience Requirements while working here. For more information see the following:  <a href="#">DRM.UN Management Information Circular ↗</a> <a href="#">MPCT.UN Management Information Circular ↗</a> <a href="#">D.UN Management Information Circular ↗</a> <a href="#">DIR.UN Management Information Circular ↗</a>				
		Health & Safety	Lost-time injuries	Women	-	-	-		
				Men	1	1	2		
				Central Canada	1	-	1		
				Western Canada	-	1	1		
				Injury type(s)	Saw dust in eye	Slip/trip	Motor vehicle accident; psychological incident		
				Lost days	2	10	0		
			Near-misses	Women	-	-	-		
				Men	-	-	-		
				Central Canada	-	-	-		
				Western Canada	-	-	-		
				Injury type(s)	N/A	N/A	N/A		
				Lost days	N/A	N/A	N/A		
			Prevention and mitigation of occupational health and safety impacts directly linked by		Dream encourages all employees to promote health, safety and wellbeing in the workplace. We all must comply with laws, as written and for their intended purpose. Employees are first introduced to the Health, Safety and Wellbeing Policy and Workplace Violence, Discrimination and Harassment policy during their orientation. During orientation, employees are also instructed on how to comply with all government and legal requirements and industry standards in all jurisdictions where we operate.				
			Business relationships		Dream offers many other policies that are available to employees at all times and are reviewed with each employee annually. Consistent monitoring of our Health and Safety program ensures the internal responsibility system is in practice. Incidents and accidents are tracked and analyzed using multiple data inputs. Health and safety metrics are reviewed and compared to industry standards and benchmarks. Our results are then analyzed, and an action plan is developed to mitigate the most common incidents. Joint Health and Safety Committees/Health and Safety Representatives review incident reports as well as establish and promote a safe work culture by holding regular meetings at all offices where they are required.				
			Policy commitment to ensure product and service safety		Management's commitment to ongoing hazard assessment is promoted through workplace inspections, incident investigation and corrective actions. All incident reports are reported through the Incident/Injury Report Form available on the company website. During the reporting stage, the supervisor, in coordination with the Health and Safety Coordinator, will assess the scene, determine the root cause and provide any corrective actions that are needed. Management has taken on the responsibility to review all incident reports and review all Health and Safety Committee inspections and minutes.				
			Alternative transportation			Dream's corporate head office is in the heart of downtown Toronto, within a five-minute walking distance from both King and Queen subway stations. The office is also within a 15-minute walk to Union Station, connecting employees to commuter trains, VIA rail and the Union-Pearson Express. Transportation supports provided to employees include onsite bike racks, reimbursement for public transit passes (only for director-level employees and above, as well as onsite EV charging stations).			
			Tenant Surveys		Conduct tenant/resident satisfaction surveys	To ensure tenant / resident satisfaction, Dream regularly conducts surveys. Questions include sustainability content, response rate and scores are tracked.			

(1) Includes only employees employed by Dream Asset Management Corporation, Dream Industrial Management Corp., Dream Office Management Corp., Dream U.S. Manager LLC and Dream Europe Advisors Coöperatieve U.A. Does not include employees at Dream recreational properties, employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) or interns.  
(2) Turnover is calculated as a percentage of average employee headcount.  
(3) Turnover is calculated as a percentage of average employee headcount.



Entity	Category	Topic	Content	2019		2020	2021		
Dream Industrial REIT	Environmental <sup>(1)</sup>	Energy	Total fuel consumption	ekWh	No data	No data	4,644,415 <sup>(2)</sup> ✓		
				Gigajoules			16,720 <sup>(2)</sup>		
			Total electricity consumption	ekWh			12,047,027 <sup>(2)</sup> ✓		
				Gigajoules			43,369 <sup>(2)</sup>		
			Total energy consumption within the organization	ekWh			16,691,442 <sup>(2)</sup> ✓		
				Gigajoules			60,089 <sup>(2)</sup>		
			Percentage of total number of energy utility meters with energy consumption data coverage	No data		No data	18%		
			Percentage of tenants that are separately metered or submetered for grid electricity by property type	No data		No data	50.4% <sup>(3)</sup>		
		Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Whether it is the investment into a new or existing property, or throughout the ongoing operations and maintenance of our owned or managed assets, our project management and energy management teams review capital and operational spend to ensure that any net new, refurbishment, or value-add projects are adding to the overall energy efficiency of the building, whether its equipment selection, building automation, or tenant use and experience. Our teams ensure that capital or operational projects within an asset are minimizing tenant impact while reducing overall GHG and energy utilization.						
		Water	Annual water savings from climate-controlled irrigation (L) <sup>(3)</sup>	15,667,000		13,331,000	10,712,000		
			Total volume of water withdrawn (m³)	No data		No data	21,195 ✓		
			Percentage of tenants that are separately metered or submetered for water withdrawals by property type	No data		No data	10.1% <sup>(3)</sup>		
			Total water withdrawn by portfolio are with data coverage and percentage in regions with high or extremely high baseline water stress	No data		No data	27.6%		
		Emissions	Scope 1 GHG emissions (tCO <sub>2</sub> e)	No data		No data	852 <sup>(2)</sup> ✓		
			Scope 2 GHG emissions (tCO <sub>2</sub> e)	No data		No data	2,461 <sup>(2)</sup> ✓		
		Building lighting upgrades	Square footage of interior lighting retrofits	No data			1,022,115 <sup>(4)</sup>		
			Comulative total interior floor area (square footage) that has been upgraded to LED - includes LED sf of new acquisitions	No data		4,022,407	9,173,345		
			Number of properties that have had exterior LED upgrades completed	No data		No data	111		
		Other	Dollar amount of investments in clean power and renewable energy	No data		No data	1,239,327		
			Percent of portfolio with green building certification	2%		10%	5% <sup>(5)</sup>		
			Square feet of properties equipped with green roofs	No data		182,028	182,028		
			Square feet of properties equipped with white roofs	No data		2,432,453	6,760,415		
			No. of EV charging stations in-place	No data		No data	93 <sup>(6)</sup>		
		Social <sup>(7)</sup>	Employee breakdown <sup>(8)(9)</sup>	Permanent	64		75	86	
				Contract	5		3	4	
				Full-time	69		78	89	
				Part-time	0		0	1	
			Diversity breakdown <sup>(10)</sup>	Employees <sup>(9)</sup>	Women	64%		62%	52%
					Men	36%		38%	48%
				Managers <sup>(11)</sup>	Women	56%		53%	53%
	Men				44%		47%	47%	
	Executives <sup>(12)</sup>			Women	50%		50%	34%	
				Men	50%		50%	66%	
	DIR.UN Board of Directors			Women	25%		25%	25%	
				Men	75%		75%	75%	

(1) Excludes US Portfolio.

(2) Represents data coverage of 18% of utility meters in Canada paid for or controlled by DIR.UN. For buildings where there was no utility account information available, the number of meters was assumed based on the industry standards.

(3) Calculated based of number of tenants not leased area. Data coverage represents 66% of Canadian portfolio.

(4) Excludes T5 flourescents.

(5) Year over year drop is the result of increase in total GLA of the portfolio.

(6) Includes EV charging stations installed or operated by tenants or third parties.

(7) Includes only employees 100% dedicated to DIR.UN and excludes employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) and interns.

(8) Numbers represented as total headcount, not full-time equivalent.

(9) Includes employees at all levels.

(10) Percentages are based on total headcount.

(11) Managers include Manager level and above.

(12) The Chief Executive Officer and Chief Financial Officer of Dream Industrial REIT are employees of Dream Asset Management Corporation. However, for the purposes of this report we are including them here under Dream Industrial REIT.



Entity	Category	Topic	Content	2019		2020	2021
Dream Industrial REIT	Social <sup>(1)</sup>	New hires and turnover rates	New Hires	Total	No data	No data	27
				Women			11
				Men			16
				Age >34			18
				Age 35 - 54			7
				Age 55+			2
				Central Canada			16
				Western Canada			6
				United States			0
				Europe			5
				Voluntary turnover rate <sup>(2)</sup>			Total
			Women		No data	No data	10%
			Men				4%
			Age >34				4%
			Age 35 - 54				9%
			Age 55+				2%
			Central Canada				12%
			Western Canada				3%
			United States	0%			
	Europe	0%					
		Employee Development (CAD)	Tuition and professional fees	\$30,000	\$34,296	\$28,455.48	
	Governance	Whistleblower program					
			Number of whistleblower reports received in 2021	0	0	0	

(1) Includes employees employed by Dream Asset Management Corporation, which includes DRM and MPCT.UN employees. Does not include employees employed at Dream recreational properties, employees on leaves of absence (e.g., permanent disability, long-term disability, parental leave) and interns.  
(2) Turnover is calculated as a percentage of average employee headcount for 2021.



# Forward Looking Statement

Certain information in this Sustainability Report may constitute “forward-looking information” within the meaning of applicable securities legislation. Such statements include, but are not limited to, statements with respect to certain objectives of Dream Unlimited Corp., Dream Office Real Estate Investment Trust (“Dream Office REIT”), Dream Industrial Real Estate Investment Trust (“Dream Industrial REIT”), Dream Impact Trust and Dream Residential Real Estate Investment Trust (“Dream Residential REIT” and, collectively with Dream Unlimited Corp., Dream Office REIT, Dream Industrial REIT and Dream Impact Trust, “Dream” or the “Dream Entities”) and strategies to achieve such objectives; the sustainability goals of each of the Dream Entities, including their respective net zero greenhouse gas emissions (“GHG”) targets and their goal of continuing to publish sustainability reports and other publications in respect of sustainability matters; setting interim GHG reduction targets for 2025 and 2030 by certain Dream Entities; the intention to communicate certain of the Dream Entities’ strategies to achieve their net zero goals; the number of affordable units under development; Dream’s capacity to address environmental, social and governance (“ESG”) challenges while delivering returns; corporate governance goals and expected benefits in respect of the latter, including in respect of increasing board oversight of climate-related issues; the expectation that Dream’s ESG approach fosters innovation and increases asset value, improves Dream’s financial position by lowering the cost of equity and debt, opens new development opportunities, improve the profile of Dream as a target for investment, and has other positive outcomes for business; the expectation that ESG-oriented assets under management growth will grow faster than traditional wealth management between now and 2026 and make up one-fifth of all assets by then; expectation regarding monitoring the regulatory environment, trends and investor requirements in respect of ESG matters; expectations regarding our net zero GHG developments; the implementation of Dream’s social procurement program and of a system to track social procurement targets, including the Dream Difference Program, and expected outcomes related to procurement; the involvement and participation of the Dream Entities in ESG and sustainability initiatives and related reporting, assessments and recommendations, including the United Nations’ PRI Reporting and Assessment Framework, the Taskforce on Climate-related Financial Disclosures, the Net Zero Asset Managers, the Net Zero Asset Managers Initiative, the Operating Principles for Impact Management, and other initiatives; the implementation of Dream’s ESG Framework, its pillars, and benefits to be derived therefrom; obtaining and advancing feasibility studies in respect of green building certifications for, and install EV chargers at, certain of Dream’s assets and developments; expectations regarding our capacity to manage risks, including in respect of climate change, energy and water, cyber security and privacy; expected energy, water and waste usage and GHG generation; Dream’s charitable commitments and activities; the integration of ESG to Dream’s business and inclusion of ESG and impact objectives alongside financial considerations; Dream’s ability to evaluate and mitigate climate change-related risks and impacts; our ability to maintain a diverse workplace; expectations regarding portfolio occupancy, units under development, and the development pipeline of the Dream Entities, including in respect of net zero communities; the implementation of the Impact Management System and other impact measurement tools to the Dream Entities; the goal of advancing and formalizing existing ESG practices; the publication of a responsible investment policy, creating a sustainability policy for developments, and enhancing investment checklists; statements in respect of impact initiatives, commitments and targets; expectations regarding our investment process; improving data collection; and statements and expectations relating to ESG and sustainability initiatives, principles, practices, metrics, commitments and targets, and expected benefits to be derived from ESG and sustainability initiatives, for each of the Dream Entities. Such statements also include, (i) with respect to Dream Unlimited Corp., achieving carbon neutrality at Arapahoe Basin by 2025; to further integrate equity-seeking groups into our projects and developments and promote culture-related initiatives; Dream Unlimited Corp.’s commitment to achieve net zero GHG emissions by 2035 for operations and new developments, including scope 1, 2 and select scope 3 emissions; and expectations regarding how our ESG initiatives impact our reputation as a developer and opens new business opportunities; (ii) with respect to Dream Office REIT, the expectation that tenants will be attracted and retained through building and operating low and no carbon buildings; the expectation that our ESG approach improves the cost of capital, debt and equity; the expectation that ESG initiatives will lower building operating costs and increase net rents; and Dream Office REIT’s commitment to achieve net zero GSG emissions by 2035 for scope 1, scope 2 and select scope 3 emissions; (iii) with respect to Dream Industrial REIT, the expectation that educating and partnering with tenants on sustainability matters cuts costs for tenants, improves the environmental performance of assets and encourages uptake in the real estate market; expectations regarding ESG initiatives, including renewable energy projects, green roof projects and other ESG initiatives, and their benefits, including in respect of financial returns; the intention to expand the geographic distribution of our renewable energy program and identify opportunities in additional markets; solar projects, including feasibility assessment projects, and related emissions savings and yields; the goal of accessing certain government subsidies in connection with solar projects in the Netherlands; the goal of growing NOI and NAV organically, including in connection with investments in solar projects; the achievement of net zero GHG emissions by 2035 on all new developments and major renovations; expected development of the Courtney Park project as a net zero warehouse; becoming a market leader in sustainability; the belief that investing in sustainability creates long-term value for stakeholders; expected benefits to be obtained from Dream Industrial REIT’s approach to sustainability, including lowering operational costs; Dream Industrial REIT’s commitment to achieve net zero scope 1 and 2 GHG emissions by 2035, and net zero select scope 3 GHG emissions by 2050; further incorporating sustainability into development processes, including during the building design evaluation phase; develop and implement a sustainable roofing policy; improving biodiversity at our sites; adopting the green lease standard in Canada and commence adaptation in Europe; prepare submission for certain awards; the goal to continue working with tenants to advance certain sustainability initiatives; the allocation of at least \$850M to eligible green projects by 2025; upgrading certain square footage of Dream Industrial REIT’s portfolio to LED lighting by 2025; measure and disclose certain energy, water and waste data for operational buildings by 2025, and launch related monitoring strategy; and develop and implement internal applications to track sustainable KPIs; (iv) with respect to Dream Impact Trust, expectations regarding the social procurement strategy and achievement of targets; achieving savings of approximately 4,400 tonnes of GHG per year through the Zibi Community Utility District Energy System; Dream Impact Trust’s commitment to achieve net zero scope 1 and 2 GHG emissions by 2035, and net zero select scope 3 GHG emissions; and Dream Impact Trust’s ability to target projects that have positive community and environmental impacts while generating financial returns; (v) and with respect to Dream Residential REIT, the goal of qualifying for financings at lower interest rates through emissions reductions and other performance improvements; our intention to target certain properties for acquisition plans based on certain financial metrics; and achieving net zero GHG emissions in scope 1 and 2 by 2050.

Forward-looking information generally can be identified by words such as “outlook”, “objective”, “may”, “will”, “would”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “should”, “could”, “likely”, “seek”, “strive”, “plan”, “target”, “project”, “forecast”, “budget” or “continue” or similar expressions suggesting future outcomes or events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Dream Entities’ respective control, which could cause actual results to differ materially from those disclosed in or implied by such forward-looking information. The assumptions, which may prove to be incorrect, include, but are not limited to, assumptions with respect to each of our markets, including the general economy; that no unforeseen changes in the legislative and operating framework for



our business will occur; that we will meet our future objectives, priorities and growth targets; that we receive the licenses, permits or approvals necessary in connection with our projects; that we will have access to adequate capital to fund our future projects, plans and any potential acquisitions; that we are able to identify high quality investment opportunities and find suitable partners with which to enter into joint ventures or partnerships; that we do not incur any material environmental liabilities; interest rates; inflation; foreign exchange rates; conditions within the real estate market; and competition for and availability of acquisitions. Although the forward-looking statements contained in this Sustainability Report are based on what the Dream Entities believe are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Factors or risks that could cause actual results to differ materially from those set forth in the forward-looking statements and information include, but are not limited to, the risk of adverse global market, economic and political conditions and health crises; inflation or stagflation; risks associated with unexpected or ongoing geopolitical events, including disputes between nations, terrorism or other acts of violence, international sanctions and the disruption of movement of goods and services across jurisdictions; risks related to a potential recession in certain of the jurisdictions in which we operate and the effect inflation and any such recession may have on market conditions and lease rates; risks inherent in the real estate industry; risks relating to investment in development projects; impact investing strategy risk; risks relating to geographic concentration; risks inherent in investments in real estate, mortgages and other loans and development and investment holdings; credit risk and counterparty risk; competition risks; environmental and climate change risks; risks relating to access to capital; interest rate risk; the risk of changes in governmental laws and regulations; tax risks; foreign exchange risk; acquisitions risk; and leasing risks.

All forward-looking information in this Sustainability Report speaks as of the date of this Sustainability Report. None of the Dream Entities undertakes to update any such forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Additional information about these assumptions and risks and uncertainties is contained in each of Dream Unlimited Corp.'s, Dream Office REIT's, Dream Industrial REIT's, Dream Impact Trust's, and Dream Residential REIT's filings with securities regulators, including each Dream Entity's latest annual information form and management discussion and analysis. These filings are also available at Dream Unlimited Corp.'s, Dream Office REIT's, Dream Industrial REIT's, Dream Impact Trust's and Dream Residential REIT's respective websites at [www.dream.ca](http://www.dream.ca), [www.dreamofficereit.ca](http://www.dreamofficereit.ca), [www.dreamindustrialreit.ca](http://www.dreamindustrialreit.ca), [www.dreamimpacttrust.ca](http://www.dreamimpacttrust.ca), and [www.dreamresidentialreit.ca](http://www.dreamresidentialreit.ca).

## Non-GAAP Measures and Other Disclosures

In addition to using financial measures determined in accordance with IFRS, we believe that important measures of operating performance include certain financial measures that are not defined under IFRS. Throughout this Sustainability Report, there are references to certain specified financial measures of Dream Unlimited Corp. which management of Dream Unlimited Corp. believes are relevant in assessing the economics of the business of Dream Unlimited Corp. These performance and other measures are not standardized financial measures under IFRS, and may not be comparable to similar measures disclosed by other issuers. However, management of Dream Unlimited Corp. believes that such measures are informative and provide further insight as supplementary measures of financial performance, financial position or cash flow, or Dream Unlimited Corp.'s objectives and policies, as applicable. The composition of supplementary financial measures included in this Sustainability Report have been incorporated by reference from Dream Unlimited Corp.'s management discussion and analysis of the financial condition and results from operations of Dream Unlimited Corp. for the third quarter of 2022, dated November 10, 2022 (the "MD&A for the third quarter of 2022") and can be found under the section "Supplementary and Other Financial Measures". Dream Unlimited Corp.'s MD&A for the third quarter of 2022 is available on SEDAR at [www.sedar.com](http://www.sedar.com) under Dream Unlimited Corp.'s profile and on Dream Unlimited Corp.'s website at [www.dream.ca](http://www.dream.ca).