

# 20 SUSTAINABILITY REPORT 22



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# LETTER FROM THE CHAIRMAN AND CEO

Dear Fellow Stakeholders,

Over a decade ago, Morguard established its six principles for Sustainable Morguard, demonstrating our long-term commitment to reducing adverse impacts on the environment, influencing and actively participating in industry and public discourse on issues of sustainability and delivering sustainable investment results. I am proud to say that sustainability continues to be a strong part of our corporate culture and is essential for our continued financial success. As Chairman and CEO, I fully support the efforts of our leadership team in ensuring that sustainability remains firmly embedded throughout our organization and that we evolve our sustainability strategy with the best interests of our stakeholders in mind.

In 2022, Morguard continued to launch new programs and practices to meet the environmental, social and governance (ESG) challenges of the day, while continuing to deliver investor value. We conducted a Materiality Assessment to identify the relative importance of key ESG topics to our organization, launched our first diversity, equity and inclusion (DEI) employee survey, continued our pursuit of operational excellence in energy, water and waste at our buildings and our sustainable development objectives.

This past year, we made significant investments in our human capital, providing training and outreach services to our employees and conducting surveys that helped us design measures and practices to increase job satisfaction, make us competitive to new hires and increase retention. Our Employee Value Proposition was informed by our employee survey results; we listened to our people who told us where we should be investing our resources, time and energy to ensure we're giving back to our employees and rewarding them for the high level of commitment they give to Morguard.

Through our DEI survey results, we dialed up our attention to this vitally important area and initiated plans to bring new training and programs to our company in 2023. As always, we were active in the community, establishing social partnerships at close to 40% of our properties and contributing to many worthy causes throughout North America.

As we move ahead on our sustainability journey, we will continue to be committed to the principles of Sustainable Morguard. I offer my sincere thanks to the Morguard family of employees for their ongoing loyalty, support, hard work and dedication to making Morguard a great place to work, our communities and buildings great homes for families and businesses and for actively pursuing sustainability in all we do. I also wish to thank Morguard management, directors, partners and shareholders and look forward to working with you to deliver sustainable results for decades to come.

Sincerely,



**K. Rai Sahi**  
Chairman and Chief Executive Officer  
Morguard Corporation



# LETTER FROM THE BOARD OF DIRECTORS

Dear Stakeholders,

Morguard's Board of Directors is responsible for general oversight of Sustainable Morguard. In 2022, four sustainability topics gained prominence: climate change resilience, human capital management, diversity, equity and inclusion (DEI), and health and safety.

Greenhouse gas (GHG) management is a global concern for real estate organizations, as we enhance our existing properties or pursue development opportunities in new communities, while minimizing the impact on their ecosystems. Human capital is a key issue in today's competitive market for good talent and it is addressed through our Employee Value Proposition (EVP). DEI is consistent with Morguard's desire to foster a culture where all are celebrated and inclusion is the norm. In addition, health and safety continues to be important because our business is providing places where people live, work and visit.

To give these matters the consideration they deserve, the Board took several steps during the year to further integrate sustainability and ESG matters into its governance processes. The Board receives regular formal updates from Morguard's management on sustainability and ESG factors and continues to include updates on key risk and key sustainability-related issues in its meeting agendas. Additionally, we integrated environmental issues such as property climate risk into the company's risk management process.

The Board receives regular training and information on emerging trends and topics relevant to Morguard's business. In 2022, this included training on risk and insurance, environmental management and cybersecurity.

The Board will continue to work with Morguard's executive leadership team to assist in raising awareness of ESG issues which are essential to Morguard's sustainability journey and our long-term success.

Sincerely,



**William J. Braithwaite**  
Chair, Corporate Governance and Nominating Committee  
Morguard Corporation



# ABOUT THIS REPORT

Morguard was an early adopter of sustainability initiatives and disclosure. As we embark on our tenth annual sustainability report, we look back at our progress with a sense of pride. More importantly, we have our sights set on the future and how we will shape the next decade of Sustainable Morguard.

This report is intended to deliver to our stakeholders and the public an overview of the strategy, efforts, learnings, achievements and accomplishments of our sustainability journey

The reporting boundary of our 2022 Sustainability Report encompasses our owned and managed real estate assets, including commercial (retail, office and industrial) and multi-suite residential, in Canada and the U.S. This report details our commitments, activities and performance metrics from January 1, 2022, through December 31, 2022, unless otherwise indicated.

The management of each asset class and region is tailored to the unique operating conditions, including the scope of control that Morguard has over each property, environmental, social and governance (ESG) factors, as well as unique climate risks and opportunities. Because of this, the availability of property performance metrics differs across asset types and regions. We strive to address these differences with clarity and transparency throughout this report and draw them to the reader's attention.

Property performance metrics contained in this report reflect properties that were operational through the entire reporting period and comparative periods and not those we acquired or sold during the reporting period.

This report was prepared in accordance with the Global Reporting Initiative (GRI) 2021 Universal Standards and its requisite reference supplements.

Data governance principles were applied on a best-efforts basis using current methodologies, with external professional support engaged to collect and verify building performance data and to conduct the 2022 Materiality Assessment. The full content of this report has not been formally assured by a third party.

All currency is in Canadian dollars, unless otherwise indicated.

We value and welcome feedback about this report from all interested stakeholders. Please send comments or questions to [sustainability@morguard.com](mailto:sustainability@morguard.com).



**Beverley G. Flynn**  
Senior Vice President  
Legal, Risk & Sustainability & General Counsel



**Christine Wickett**  
Director  
Corporate Sustainability and Responsibility

# ABOUT MORGUARD

MMorguard is a fully integrated real estate company with a diversified, high-quality portfolio of assets across North America. We have built our business with strong leadership, proven management and significant long-term growth for over 45 years. As of December 31, 2022, Morguard had \$18.6 billion of total assets under management and employed real estate professionals in 7 Canadian provinces and 10 U.S. states.

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Publicly Traded Real Estate Corporation  
Publicly Traded Real Estate Investment Trusts

Real Estate Advisory Company  
Real Estate Brokerage  
Investment Management Company

Morguard Corporation  
Morguard REIT  
Morguard North American Residential REIT  
Morguard Corporation  
Morguard Investments Limited  
Lincluden Investment Management Limited

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## OUR VISION

Our **investors** will recognize us as the company that delivers the best quality and consistency of returns over time.

Our **tenants** will recognize us as the company that delivers the best environment, systems, service, and flexibility.

Our **residents** will recognize us as the company that delivers respect, support, and a sense of belonging.

Our **communities** will recognize us as the landowner that delivers the best contribution to their cities and towns.

Our **people** will recognize us as the best place to work, grow, and prosper.

## OUR SIX FOUNDATIONS FOR SUCCESS

We exceed expectations through realizing potential in everything we do

We build a winning team through honest communication

We run on pride and passion

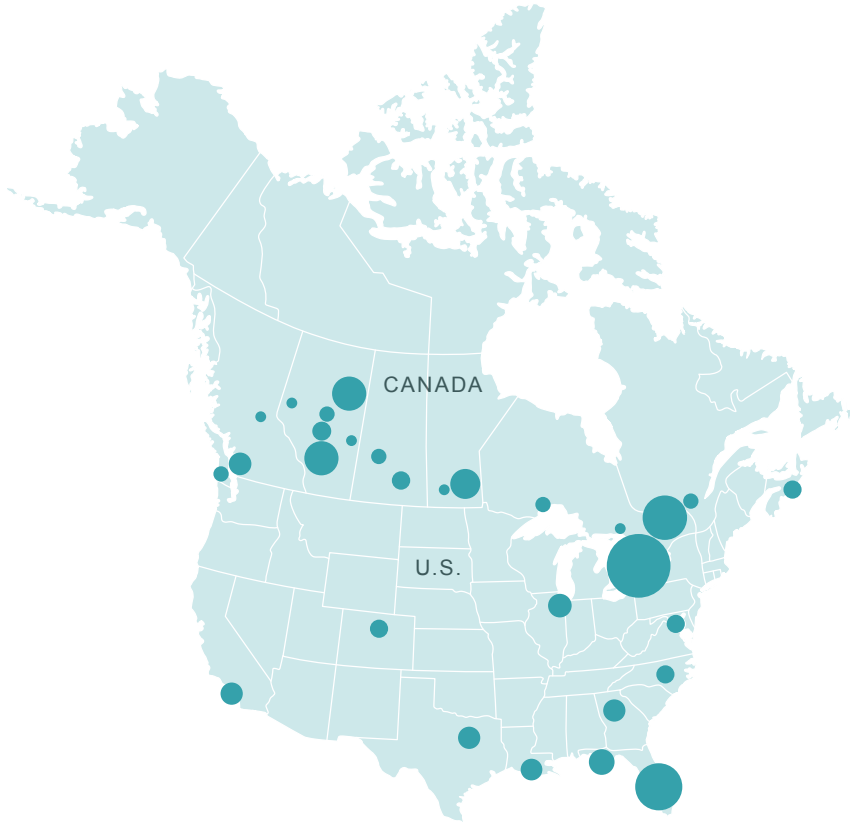
We get results with integrity

We grow through respect and recognition while embracing diversity

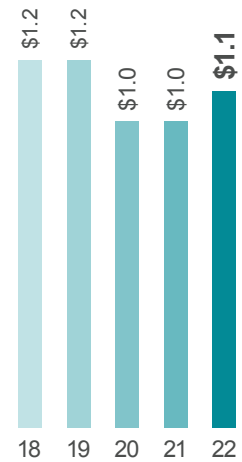
We use all our research and resources to deliver exceptional service

# OUR COMPANY

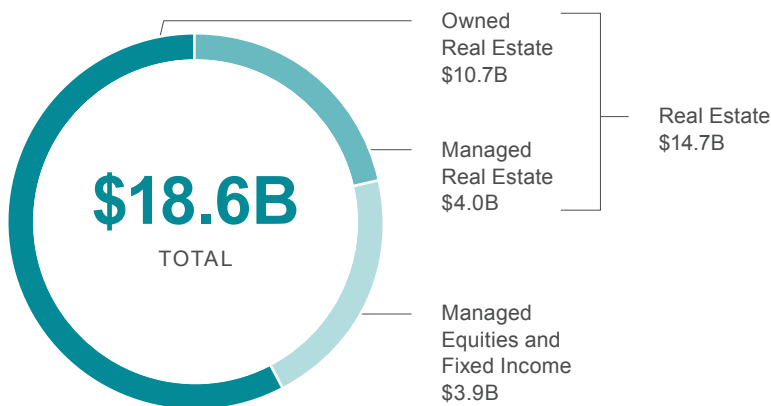
## REAL ESTATE PORTFOLIO BY GEOGRAPHIC AREA



TOTAL REVENUE  
In Billions of Dollars



TOTAL ASSETS OWNED AND UNDER MANAGEMENT  
In Billions of Dollars



## \$10.7B

TOTAL OWNED REAL ESTATE

- \$6.0B – Residential
- \$2.1B – Retail
- \$2.1B – Office
- \$0.2B – Industrial
- \$0.3B – Hotel

# ACTIVELY PURSUING SUSTAINABILITY

Sustainability is imperative for real estate companies. It is imbedded in the development, management and operation of buildings and communities.

Embracing sustainability involves adopting and sharing values that protect the natural environment, mitigate risk, help build and support communities and seek to optimize the performance of our buildings and investments.

Sustainable Morguard is our commitment to pursuing sustainable results and a blueprint to guide us on our journey.

Sustainable Morguard, a key part of our culture, recognizes that buildings are much more than just shelter. They are places people call home, places where people run businesses and build economic value and places where people grow, interact and create communities. This is why we believe it is important for buildings to be sustainable, to contribute to community place making, economic development and deliver profitable results to stakeholders while reducing the adverse impacts of their operations on the environment.

Sustainable Morguard promotes the power of collaboration to build a better future. It reflects our point of view that working together with our employees, partners, residents, tenants, industry peers, governments, vendors and other stakeholders, we can make meaningful positive contributions to the places where we all live, work and play.

Sustainable Morguard is how we identify and implement innovative programs and measures. It enhances the quality of our portfolio of properties and impacts how we operate and develop them. It creates community and ultimately support the delivery of our value proposition to investors and stakeholders. It motivates us to actively empower our employees to do their best and inspires us to act as good corporate citizens through our commitments to transparency, responsible governance and operational excellence.

**SUSTAINABLE**  **Morguard**

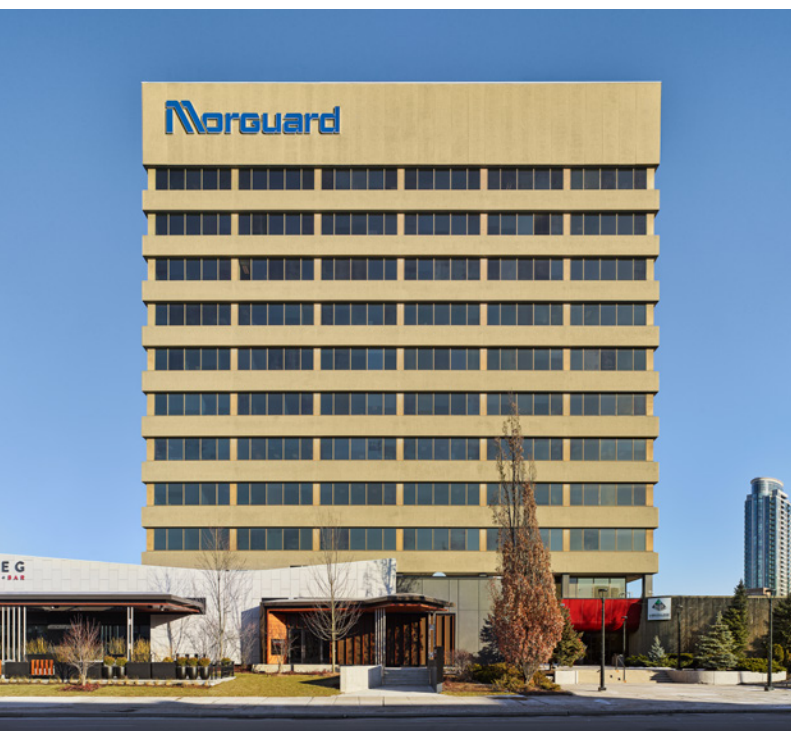


## COMMITTED TO ESG

As responsible corporate citizens and members of the residential and commercial real estate industry, we believe that sustainability is an important and pressing issue that requires attention and dedication, while continuing to deliver great long-term value to our tenants, employees, partners, communities, and investors.

Through Sustainable Morguard, we continually aim to reach our annual environmental, social and governance (ESG) targets. We are committed to reducing our carbon footprint – and we ask our partners, suppliers, tenants and residents to join us. Together we can mitigate risk and optimize opportunities in sustainable development, responsible investment and community support.

We strive to do what's right in the communities in which we operate, contributing to their economic and social well-being. We adhere to strong governance practices, conducting our business in accordance with our strict codes of business conduct and ethics. Inside our walls, we are mindful of diversity, equity and belonging and dedicated to taking good care of our employees. And outside, we maintain strong relationships with our stakeholders through active engagement and transparency.



55 City Centre Drive, Mississauga, Ontario

## MATERIALITY STUDY

### Background

We understand the value of supporting economic development and revitalization in the communities in which we operate throughout North America. We also recognize that we have an impact on these communities and their natural environment.

This is why we believe in engaging in open dialogue with our various stakeholders to get their viewpoints on how important environmental, social and governance issues are to them to broaden our perspectives. This open dialogue can help us identify where opportunities for improvement may exist.

In 2017, we conducted our first materiality assessment and used the insights to help us inform our sustainability strategy. In 2022, we undertook our latest materiality assessment to:

- Understand employee and external stakeholder expectations with respect to ESG;
- Establish an understanding of the most material topics from an ESG perspective;
- Gather employee-generated ideas on how Morguard can adapt policies and programs, measure performance and strengthen its sustainability-focused communications and reporting in relation to material issues;
- Identify steps that Morguard can take in the short and medium terms to improve its ESG focus, capabilities and performance; and
- Discuss how Morguard can consider strategic goals with supporting steps, including setting or updating targets, policies, programs, key performance indicators and/or communications.

Our 2022 Materiality Assessment included two surveys and multiple one-on-one interviews, peer benchmarking and a review of the industry landscape. We employed a double materiality approach to assess material issues impacting Morguard and material issues on which Morguard has impact. A total of 78 individuals participated in the survey, with 60% being external respondents. These stakeholders included, but were not limited to, employees, senior managers, tenants, clients, vendors, and suppliers.

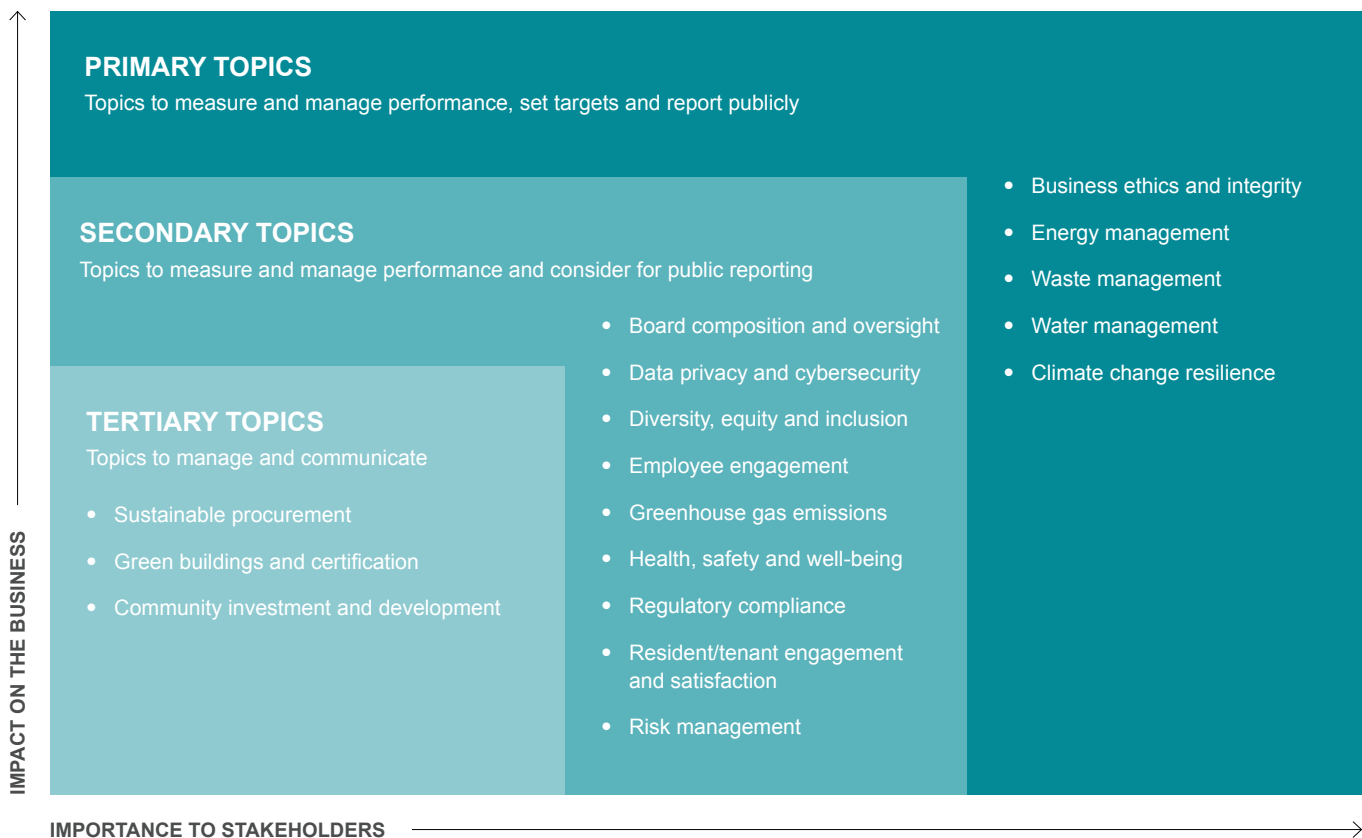
# MATERIALITY STUDY

## Findings

We evaluated 17 priority ESG topics that were developed in collaboration with senior leaders and third-party consulting support. Based on the surveys and interviews, these topics were ranked as primary, secondary or tertiary in terms of importance and evaluated to determine how well they were being addressed. We then additionally mapped the results according to what level of impact each priority ESG topic has on our business.

Business ethics and integrity, energy management, waste, water management and climate change resilience were among the topics that were most important to stakeholders at this juncture. These priority topics were evaluated at a Subject Matter Expert (SME) workshop to determine how to proceed with integrating the results of the assessment into Morguard’s long-term goals and commitments. Recommended action plans were then developed.

## DOUBLE MATERIALITY: PRIORITY ESG TOPICS



## SIX PRINCIPLES OF SUSTAINABLE MORGUARD

Over a decade ago, we established six long-term Sustainable Morguard principles to guide our sustainability journey, strategy and actions. Since then, these principles have allowed us to amplify the positive impact we have had on our planet.

They have been supported by the policies, programs and metrics that we believe are essential for responsible and sustainable organizations – and they serve as a framework for future sustainable development discussions.

# SIX PRINCIPLES OF SUSTAINABLE MORGUARD

## SUSTAINABLE BUILDINGS



### REDUCING OUR ENVIRONMENTAL FOOTPRINT

We will operate our buildings in alignment with our sustainability principles, and thus neutralize our environmental impacts. We will achieve this by partnering with our tenants, residents, and partners and systematically applying innovative building solutions to reduce our combined environmental footprint.

## RESPONSIBLE PROPERTY INVESTMENT



### CREATING SUSTAINABLE RETURNS

We will incorporate best practices and lessons learned with respect to sustainability factors and financial factors to create new investment strategies and opportunities that align with our sustainability principles, while managing risk effectively and creating real and lasting returns.

ENVIRONMENTAL



SOCIAL

## SUSTAINABLE DEVELOPMENT



### BUILDING AND SUPPORTING OUR COMMUNITIES

We will support the communities in which we operate by constructing sustainable real estate and developing localized philanthropy. As a real estate developer, we have a significant impact on communities and therefore have a unique responsibility to contribute to their sustainability.

## RESPONSIBLE EMPLOYER



### EMPOWERING OUR PEOPLE

We will create a culture of conservation, respect, inclusion, health, safety, and equal opportunity by removing the barriers that employees can encounter in meeting their individual needs. We will empower employees to ensure that Morguard retains, engages, and attracts innovative talent that will contribute to the success of our sustainability journey.

## OUR VOICE



### ADVOCATING FOR SUSTAINABLE REAL ESTATE

We will communicate our sustainability journey with passion, integrity, transparency, and pride. In doing so, we will not only inspire others to join us but ensure our stakeholders' support on our continued journey.

## OUR SUSTAINABLE HOUSE



### LEADING BY EXAMPLE

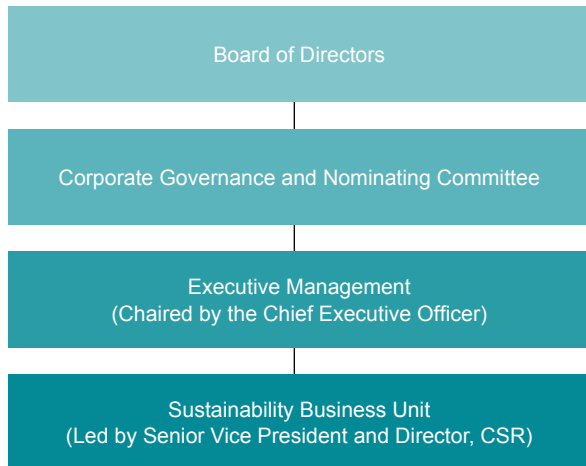
We will set an example through our business practices, and inspire our stakeholders to follow our lead. As both a landlord and a tenant, we have the unique ability to demonstrate our commitment to sustainability in our properties. As a corporation, we will demonstrate best practices in responsible governance company-wide.

GOVERNANCE



## OUR LEADERSHIP

Our Board of Directors has general oversight of Sustainable Morguard. The Corporate Governance and Nominating Committee of the Board has been delegated oversight responsibility for Sustainability. It reviews and approves our annual Sustainability Report and monitors the performance of our Six Principles.



Our executive Sustainability Leadership sets and reviews the company's sustainability strategy and programs. The primary responsible executive is our Senior Vice President, Legal, Risk and Sustainability and General Counsel, Beverley Flynn.

Sustainable Morguard is integrated through our company by senior management and implemented by cross-functional working groups supported by our Corporate Sustainability and Responsibility department. Sustainable Morguard is supported by a suite of third-party software and consulting services. In 2023, enterprise-level software will be reviewed and recommendations for data integration will be made.

We recognize that sustainability reporting is evolving from non-financial to financial factors. We continue to seek alignment with financial reporting standards with respect to how we report ESG factors. We are continually advancing the way we manage our ESG data. In 2022, we moved to using software and data collection services that enable us to better define and measure the progress of our sustainability objectives in financial and non-financial terms.

## CLIMATE-RELATED RISK MANAGEMENT

Leveraging our investment in the natural hazard assessment report of 2019 – where we evaluated the potential severity of each natural disaster and the value at risk to our portfolio – Morguard continued to actively invest financial and physical resources to increase the resiliency of our portfolio against climate-related physical risks.

We continued to invest in upgrades to make our buildings more efficient and resilient. These investments will help to reduce the severity and frequency of climate-related losses and contribute to safeguarding Morguard's access to insurance for catastrophic losses. These building upgrades are part of general CAPEX planning at the property level and a byproduct of now standard operational management processes and ongoing assessment.

### Looking Ahead

In 2023, we will continue to leverage the physical risk data available to further prioritize and operationalize resilience planning and investment within our portfolio. Each property currently has verified insurance coverage and business continuity planning in place to mitigate against potential losses. In 2023, the focus will be on the adaptation and protection of life and property as we move to develop more comprehensive risk scenario analysis.

We recognize the importance of natural infrastructure in the preservation of land and resilience of our buildings. We seek out opportunities to, where possible, restore or leverage natural infrastructure in our resilience strategy. As we review our sustainability and other related policies in 2023, we will move to formalize Morguard's commitments to the preservation of natural infrastructure that protects against climate-related risk.

## STAKEHOLDER ENGAGEMENT

Stakeholder engagement is an important step in informing and successfully implementing Sustainable Morguard. Our 2022 Materiality Assessment has further refined our understanding of our stakeholders' priorities and where opportunities for improvement exist. We take this feedback seriously and use it to inform and refine programming under Sustainable Morguard as well as our employee value proposition and operations strategies.

We seek feedback from our employees, tenants and other stakeholders through various formal and informal means. In 2022, we sought feedback to inform our future sustainability programming from stakeholders through our materiality assessment, employee surveys, tenant surveys and diversity, equity and inclusion surveys.

# CONTRIBUTING TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We recognize the powerful role we play in supporting and contributing to achieving the United Nations Sustainable Development Goals (UN SDGs). Through our core business practices, climate resilience strategy, governance, natural resource management and human capital investments, we believe we can contribute in the most meaningful way to the following UN SDGs:



Seeks to end hunger, achieve food security and improved nutrition and promote sustainable agriculture: Through our philanthropic efforts at close to 100 of our properties, we consistently contribute to numerous food banks and other agencies.



Seeks to ensure sustainable consumption and production patterns. Through the implementation of our GREENLINK policies, we actively contribute to, and pursue, sustainable consumption patterns in all areas of our business to support a circular economy.



Seeks to promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all in the communities in which we operate and influence. Through our property ownership and management, we create opportunities for fair and equitable employment and strive to revitalize urban and town centres to support their economic growth.



Seeks to take urgent action to combat climate change and its impacts. Through our Sustainable Morguard programming we: actively pursue reductions in our portfolio's GHG emission; invest in natural and engineered protective infrastructure and green buildings; advocate for climate action.



Seeks to promote inclusive and sustainable industrialization and foster innovation. Through our Bridging the Digital Divide partnership and WiredScore initiatives, we are contributing to target 9C - Universal access to information and communication technology.



Seeks to protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. Through our rigorous environmental, sustainable design and health & safety programming, we actively pursue the preservation of lands on which we operate, create green spaces, manage effluents, remediate hazardous conditions and protect natural infrastructure.



Seeks to make cities and human settlements inclusive, safe, resilient and sustainable. By integrating sustainability into our design and development projects, the operation of our existing real estate and working closely with local municipal, state, provincial, and national officials, we actively seek to contribute to building sustainable cities and communities.



Seeks to strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development. We believe in, and align, our programming to the promotion of the SDGs and the objectives of this goal. Through our industry involvement and social partnerships, we actively contribute to SDG 17.

# OUR SUSTAINABLE HOUSE

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# LEADING BY EXAMPLE

# LEADING BY EXAMPLE

To lead by example, is to guide others by your practices and your behaviour, rather than simply by your words. You earn the respect of others and, at the same time, promote a positive work culture and make your employees and stakeholders proud. Companies that lead by example deliver on their promises, practice good governance and believe in the importance of giving back to their communities.

## Our Commitment

A leading North American real estate organization, Morguard has strong governance practices in place that are essential to providing long-term value to our shareholders, tenants, residents, employees and communities. We conduct our business in accordance with our strict code of business conduct and ethics, a code that meets or exceeds the laws and regulations that govern our industry. We are mindful of board diversity and respectful of a wide range of viewpoints and perspectives – and we maintain strong relationships with all our stakeholders, through transparency, trust and active engagement.

## CORPORATE GOVERNANCE

As of December 31, 2022, the Morguard Board of Directors consisted of nine directors, seven of whom were independent, including a lead independent director.

Our Board has four committees: Audit; Investment; Human Resources, Compensation and Pension; and Corporate Governance and Nominating. Each consists solely of independent directors, except for Investment. The Board and committees review and update Morguard's governance practices regularly. Read Morguard's Corporate Governance Guidelines and Committee Charters [here](#). In 2022, we conducted our customary annual review of Board policies.

The Board receives regular formal updates from Morguard's management with respect to sustainability and ESG factors. In 2022, the Board continued to include updates on key risk and sustainability-related issues in its meeting agendas. The Board seeks to receive reports that include privacy requests (and outcomes), environmental incident and remediation status reports, claims and litigation updates and cyber security incident reports.

The Board is involved in an annual corporate planning process that culminates in an annual strategic plan and budget, which forms the basis on which the Board evaluates the performance of management, both in terms of plan execution and in identifying risks and opportunities.

The Board receives regular training and information on emerging trends and topics relevant to Morguard's business. In 2022, this included training on risk and insurance, environmental management, and cybersecurity. We strive to maintain a healthy blend of director tenure, recognizing that longer-serving directors have crucial institutional knowledge of our company and its culture. However, we understand that periodic refreshment of knowledge brings a fresh outlook and contributes to Board independence and oversight. The average director tenure at Morguard is 8.7 years.

We recognize the value of Board diversity and are mindful of the many ways the Board benefits from receiving a wide range of viewpoints and perspectives. Currently, one of our nine directors self-identifies as a woman and two as representative of Designated Groups. In assessing candidates and selecting nominees for the Board, the Corporate Governance and Nominating Committee looks to fill areas of required expertise and experience based on the skills matrix it maintains.

The Board has adopted a written policy relating to the identification and nomination of Women directors; however, targets have not been set. Currently, the Board does not believe that quotas, strict rules, or targets necessarily result in the identification or selection of the best candidates for directors or executive officers. However, the Board views the level of representation of Designated Groups and diversity, including diversity in age, geography, background, and ethnicity as essential considerations, in addition to required expertise and experience, in evaluating potential candidates for nomination to the Board or appointment to an executive officer position.

## THE COMPOSITION OF THE BOARD

Morguard has not adopted term limits for directors. Currently, Morguard believes that term limits have the potential to cause the loss of key Board contributors with a proven track record who possess valuable institutional memory. Instead, the Company believes that less rigid mechanisms of Board renewal are more suitable. Annually, the Corporate Governance and Nominating Committee undertakes an evaluation of Board performance, including the performance of individual directors, to ensure that each director continues to be effective and have the necessary skills and experience required by the Company for an appropriate composition of the Board. Additionally, shareholders can evaluate and vote on all individual director nominees annually at the Annual Shareholder Meeting.

## THE COMPOSITION OF THE BOARD

BOD	HEADCOUNT	PERCENTAGE
<b>Age</b>		
Under 30 Years Old	0	0%
30–50 Years Old	1	11%
Over 50 Years Old	8	89%
<b>Gender</b>		
Male	8	89%
Female	1	11%
<b>Ethnicity</b>		
White (including minority-white groups)	7	78%
Mixed/Multiple Ethnic Groups	0	0%
Asian	0	0%
Black/African/Caribbean	0	0%
Other Ethnic Group, including Arab Southeast Asian/Indian	2	22%
Not Specified/Prefer Not to Say	0	0%

## EXECUTIVE COMPENSATION

We are committed to a compensation program that is transparent, pays for performance, and aligns the interests of our executives with those of our shareholders. Morguard's directors annually complete an evaluation of performance as well as individual performance assessments. Our Human Resources, Compensation, and Pension Committee reviews and approves our executive and director compensation programs annually to ensure they are appropriate and reflect best practices. For more information, please see our [2023 Management Information Circular](#).

## BOARD & EXECUTIVE COMPETENCY TRAINING

Morguard's directors annually complete an evaluation of board performance as well as individual performance assessments. Additionally, the directors maintain and review a skills matrix ensuring the board composition is equipped to complete the necessary work. The Board receives training on an annual basis which has included governance, compliance, risk management, cybersecurity, diversity, equity & inclusion, ESG and any other training which becomes necessary to update the Board's skill matrix. Training needs of the Board are determined based on emerging issues, the Board's skill matrix review and new policy developments. New Board members receive training on the Code and other policies approved by the Board.

## RISK MANAGEMENT

Morguard has significant financial controls in place to manage risk related to potential corruption. All entities and properties within this report's boundary are subject to external audits and included in Morguard's audited financial statements. The controls are certified quarterly by the Chief Financial Officer and Chief Executive Officer and are reviewed and tested by Morguard's internal audit department and our independent consultant, who provide an annual CSAE 3416 Report on all business processes and information technology general control systems for processing user entities transactions as they relate to the property management agreements.

We regularly encounter risk in the normal course of our business and have designed an enterprise-wide risk management framework, policies, and processes to help accurately identify and manage all risks, including nonfinancial risks. Our Board is responsible for ensuring management identifies the principal risks, including those pertaining to sustainability, cybersecurity, and other emerging risks, and implements appropriate systems to manage them.

Among the emerging risks to our business, are those posed by climate change. We have prioritized a thorough examination of the preparedness and capability of our properties to withstand extreme weather events, including obtaining an evaluation from an independent consultant. Our property climate risk mapping exercise has identified those properties that may be at higher risk or located in critical climate zones, enabling us to initiate climate resiliency discussions and planning at those properties identified in high-risk zones.

In 2021, we began to strengthen our risk reporting around privacy and cybersecurity, with monthly cybersecurity updates delivered to an internal oversight committee. In 2022, we provided quarterly updates to our Board of Directors.

### Looking Ahead

In 2023, we will be undertaking a major review of our enterprise-wide risk management oversight, including updating our risk assessment and framework.



## ETHICS AND COMPLIANCE

At Morguard, we believe in doing the right thing the right way and never taking shortcuts.

In addition to adhering to all state, provincial, and national laws, rules, and regulations, we expect all our officers, directors, and employees to adhere to our Code of Business Conduct and Ethics (the “Code”) and our Code of Conduct and Conflict of Interest Guidelines for Directors. Topics included in these Codes of Conduct include, but are not limited to, conflicts of interest; entertainment, gifts and favours; and the use of corporate assets. Failure to comply with the Code and other applicable policies and procedures is subject to corrective action, up to and including separation of employment, termination of contract, and referral for criminal prosecution.

Our Board's Corporate Governance and Nominating Committee monitors compliance with the Code and related Morguard policies. Employees are required to review and sign the Code when onboarding – and again every two years. At the time this report was prepared, all members of the Board of Directors and employees of Morguard acknowledged the Code. For more details, including a copy of the Director's Code, please click [here](#).

Morguard has a whistleblower policy and systems in place to facilitate reporting of concerns and grievances. Appropriate corrective actions according to the nature of the concerns and/or events of non-compliance are taken in accordance with our various policies governing conduct. Remedies for non-compliance issues include remedial training, probation and or dismissal from duties depending on the severity of the violation.

For external stakeholders, contact information for general concerns is available on [morguard.com](http://morguard.com), by email or by contacting one of our corporate offices. Investor relations direct contact information is available for the Chief Financial Officer and Senior Vice President and General Counsel and for other senior officers.

Channels include:

- General Information: [info@morguard.com](mailto:info@morguard.com); 1-800-928-6255 (toll free)
- Investor Relations: [info@morguard.com](mailto:info@morguard.com)
- Media Inquiries: [corporatemarketing@morguard.com](mailto:corporatemarketing@morguard.com)

## Looking Ahead

Future planning for 2023 includes:

- Completing an updated enterprise risk assessment and risk tolerance model and developing new KPIs and reporting
- Performing policy updates and training on business ethics and anti-corruption (Board, executives and general employees)
- Continue implementing plans to evaluate and manage climate-related risks and opportunities
- Continue evaluating Task Force for Climate-related Financial Disclosures (TCFD) participation

## PUBLIC POLICY AND ADVOCACY

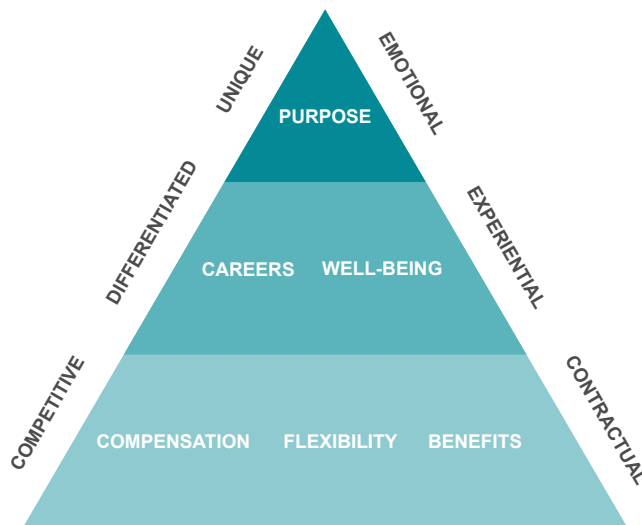
We strive to maintain positive, professional, and appropriate relationships with public officials and government agencies and strictly forbid any inappropriate lobbying activities. Our Code provides specific guidance on customer and government relationships, gifts and entertainment, bribery, money laundering, and the avoidance of conflicts of interest. It specifically forbids the giving, offering, authorizing, or taking of bribes of any kind, including, but not limited to, money, favours, and unusual gifts or entertainment.

## EMPLOYEE VALUE PROPOSITION

At Morguard, people matter because they drive our growth, success and reputation. We deploy a talent strategy that has a mindset of giving back to our employees and rewarding them for the commitment they deliver to our business and the communities in which we operate. Our employees deliver our value proposition to our customers. As such, we believe we have a responsibility to deliver our Employee Value Proposition (EVP) to them via a thoughtful, evidence-based and well-supported talent strategy.

Our talent strategy is a balance between our business needs and the needs of our employees. We focus on matching expectations to rewards to strike the right balance. Because business and employee needs and expectations are always changing, we constantly re-visit our talent strategy and adapt it for each person, role and evolving business requirement.

Our talent strategy is based on delivering six basic elements, which we view as a personal contract and commitment between Morguard and its people. All our activities lead back to the six elements identified in the graphic below.



To meet our minimum talent requirements, we must offer a total compensation package that is competitive, focusing on core compensation, incentives, and benefits. To attract and develop talent with special skill sets, we differentiate ourselves from our competition by offering employees opportunities to grow their capabilities while ensuring their well-being goals are also addressed. Finally, to attract, develop and retain the “best” talent – those high potential employees with the ability to become our next leaders – we must be seen as “unique.” That means we need to offer a culture in which employees not only feel included but feel like they are an integral part of the organization.

### Looking Ahead

The focus of our 2023–24 EVP initiatives evolved from a variety of sources:

- Human Resources metrics and trends specific to Morguard
- Evolving general market and industry-specific trends
- Senior Management discussions and areas of concern
- Human Resources experience and interactions with managers and employees
- Suggestions from the Board of Directors

During 2023 and 2024, we will be focused on reviewing the contractual elements of our talent strategy to ensure that we shift/change or improve these areas as employee and market changes occur. Additionally, we will work to continued improvement of the employee experience to help ensure employees and the organization are achieving their goals. Success in these areas will require us to meet the expectations of employees and senior leaders alike.

## 2023–2024 EVP INITIATIVES

## COMPETITIVE

COMPETITIVE	INITIATIVE
<b>Core Salary</b>	<ul style="list-style-type: none"> <li>Better align annual increases to individual performance and Talent Strength.</li> <li>Improved salary benchmarking to ensure we remain competitive, especially in areas of high Talent Risk. (First iteration was completed in 2021.)</li> </ul>
<b>Incentives</b>	<ul style="list-style-type: none"> <li>Performance review continuous improvement – focus on goal setting tied to corporate strategy and corporate culture. First iteration was completed in 2021. Consideration will be given to creating corporate goals and aligning talent goals to corporate initiatives. Pay for Performance.</li> <li>Review short-term recognition programs and timing for incentive payment to better align with delivery of strategic outcomes.</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Leveraging our new broker relationship to improve benefit communication.</li> <li>Leveraging our new Vendor relationships to develop and enhance an Annual Wellness Program.</li> </ul>
<b>Total Compensation</b>	<ul style="list-style-type: none"> <li>Improved communications so employees have full visibility into their complete compensation package beyond salary and bonus.</li> </ul>

## DIFFERENTIATED

CAREER/WELL-BEING	INITIATIVE
<b>Career</b>	<ul style="list-style-type: none"> <li>Enhanced skills training through the design of core programs focused on key areas: management skills, technical skills, communication skills, etc. Start to focus on programs by both role and individual.</li> <li>Implement Situational Leadership to match manager behaviours with the performance needs of the groups that they attempt to influence.</li> <li>Regular Lunch and Learn events focused on common or community-based interests.</li> <li>Career pathing.</li> <li>Mentoring program introduction.</li> <li>DEI Learning for Management.</li> <li>DEI Employee Survey.</li> <li>DEI Manager learning (Bias and Inclusivity learning).</li> <li>DEI Statement and Policy.</li> <li>DEI General Employee learning.</li> </ul>
<b>Well-Being</b>	<ul style="list-style-type: none"> <li>Extend wellness programs.</li> <li>Enhanced Mental Health awareness training.</li> </ul>

## OTHER

UNIQUE	INITIATIVE
<b>Purpose</b>	<ul style="list-style-type: none"> <li>Improve communications on corporate strategy and corporate culture.</li> <li>Map the specific Talent contribution to individual business outcomes to provide employees with a direct link to their activities and business success.</li> <li>Collaborate across business lines to define our social/sustainable focus to provide employees a personal point of connection and engagement.</li> </ul>

## RESPONSIBLE SUPPLY CHAIN

Our vendors and suppliers are our partners in sustainability. ESG factors are influenced by our choice of vendors and their operating practices. We have procurement criteria in place for the pre-qualification and management of our third-party contractors and vendors.

We require contractors and suppliers to maintain rigorous operational and ethical standards. Prequalification guidelines include strong standards for hiring building service contractors, such as maintenance, security and cleaning staff. These guidelines serve to reduce public relations risk, increase goodwill and ensure that contractors provide professional service to Morguard's properties and tenants while respecting their own employees. These guidelines have been externally reviewed and ranked as leading practices among commercial real estate companies. The principles of our national prequalification contractor agreement include:

1. Responsible employment practices;
2. Fair wages and benefits;
3. Working hours;
4. Working conditions;
5. Discrimination and harassment;
6. Freely chosen employment; and
7. Child labour.

Our asset management, property management and construction teams spend time ensuring vendors comply with the prerequisites and standards of our vendor pre-qualification guidelines before shortlisting them. Our construction and operations teams also conduct regular spot checks with vendors, to ensure standards and quality controls are being maintained.

Our updated Morguard GREEN LINK resource centre includes sustainable procurement practices and have Green Purchasing Guidelines embedded into material services for property management and development.

### Looking Ahead

We are moving forward with formalizing our guidelines, processes and procedures into a responsible procurement policy and framework which is in the draft stage, pending approval and implementation in 2023.

## SUSTAINABILITY WITHIN OUR CORPORATE OFFICES

We seek to reduce environmental impact across our 12 corporate offices in Canada and the U.S. Our Best Practice Information Guide outlines environmental best practices for all corporate offices in areas such as consumable supplies, kitchen and cleaning materials, catering, composting and electronic waste.

Through our "product capture and renew" process, electronic equipment is securely transported to the closest local office. This secure transport of materials, allows electronics to be recorded from a centralized pickup location, rather than specific properties, before they are responsibly disposed of. Partnering with electronics recycling providers assists us in managing our Scope 2 and 3 emissions.

In 2022, Morguard joined Bridge the Digital Divide, a social initiative to drive donations of used electronic devices from organizations to individuals in need through partnering with non-profit social service organizations. This initiative diverts electronic waste from recycling and promotes technology inclusivity to equity deserving groups and underserved communities. It refurbishes technology for schools, libraries, not-for-profit organizations, Indigenous communities, and eligible low-income Canadians. Equipment is refurbished first and recycled last. Approximately 60% of equipment received is reused.

Moving forward, Morguard will continue to prioritize a zero waste future by reducing our impact through overall management practices. We will continue to find ways to participate in the circular economy by partnering with take-back programs and community sharing campaigns. Our focus will be to collect the data we require to properly report on these practices, while expanding these initiatives and determining where and how they have a material impact.

### ELECTRONIC MATERIALS DIVERTED FROM LANDFILL

OFFICE	MATERIALS COLLECTED AND/OR DIVERTED/ RECYCLED (KG)		NAME OF CURRENT PROVIDER
	2021	2022	
Canada	354.6	583.22	Quantum Lifecycle Partners LP & Renewed Computer Technology (RCT)
U.S.	13.7	75	Computer Recycling Services of Florida

Materials include Laptops, Desktops, Mobile phones, Printers, Monitors, Keyboards, Mice

## OUR ENVIRONMENTAL MISSION

We believe that taking responsibility for identifying and managing the environmental impacts of our business is a vital step towards achieving our sustainability goals. It adds value to our properties, ensures that our employees and tenants are safe, reduces legal and public relations risks and demonstrates our commitment to leadership in property management. Our commitment to lead by example – from the greening of Morguard’s offices to utilizing best-in-class environmental analytics, management systems and processes – is intended to inspire others to join us on our sustainability journey.

### Our Commitment

Morguard’s Environmental Affairs Department continues to provide in-house environmental management, monitoring, assessment and remediation services. Our goal is to identify, minimize and, where possible, avoid adverse impacts from our operations on wildlife, water life and human health receptors. We also try to ensure our operations do not cause environmental hazards that will impair the economic or investment value derived from our portfolio or have an adverse environmental impact on the communities in which we operate.

Our investment due diligence process includes the evaluation of environmental conditions through review of Phase I Environmental Site Assessments, Building Conditions Reports, Hazmat and/or Asbestos Assessments. When necessary, our in-house experts engage external advisors/consultants to support these efforts and conduct additional investigations. The investment approval process includes feedback from our Environmental Affairs Department on the environmental condition of proposed acquisitions.



St. Laurent, Ottawa, Ontario



Rice Howard Place, Edmonton, Alberta

## ENVIRONMENTAL POLICIES AND PROCEDURES – ENVIRO-LINK

Morguard is committed to conducting business in a sustainable and environmentally responsible manner to minimize environmental risk to the company, our clients, our investors, our employees and the communities in which we operate. As a matter of policy, we will comply with all applicable federal, provincial, state, regional and municipal environmental laws, regulations and ordinances.

Our environmental commitment is clearly communicated to our clients, investors, staff and community. Morguard provides training on policies, procedures, programs, and other environmental matters to staff, to educate, protect and enable them to effectively contribute to Morguard's environmental principles and sustainable operations. We continually strive to improve our Environmental Management Program through ongoing monitoring, training and policy or process updates.

Morguard monitors the compliance of all Morguard properties with relevant environmental legislation, identifies potential risks, and implements environmental policies and procedures using our environmental management system (EMS) and its accompanying technology solution ENVIROLINK – a web-based portal that is used to track all environmental work and assessments completed at every Morguard property by property management, our Environmental Affairs Department, and third-party consultants.

Sustainability is a priority in all environmental matters at our properties and every effort is made to make decisions that are in line with Morguard's Sustainability Policy. Our EMS incorporates policies, procedures and reporting related to environmental legislative compliance, best practices, and employee training. It is used during all stages of the property cycle, including acquisition, development, and daily property management. It is tailored to issues surrounding Polychlorinated biphenyls ("PCB"), asbestos, Chlorofluorocarbons ("CFC"), mould and storage tanks, as well as tenant relations and incident reporting – and it supports the environmental health and safety of our properties, our occupants, the land, water and the communities in which we operate.

## LAND CONTAMINATION, REMEDIATION AND COMPLIANCE

We are committed to environmental compliance and best practices in safe land remediation, the removal or treatment of toxic materials/hazardous waste and the restoration of natural environments.

Morguard applies significant resources to ensure that environmental matters meet legislative compliance and the needs of our tenants, partners and community. Spills, as well as other environmental incidents, are reported by employees and third-party security personnel employed by Morguard via an incident reporting system that is controlled by the Risk Management Department. The graphic below provides information on our 2021–2022 spill comparison.

### ENVIRONMENTAL METRICS COMPARISON 2021 AND 2022

ENVIRONMENTAL ISSUE	2021	2022
Department Operating Budget	\$1,234,426.32	\$1,227,602.20
Total Number of Spills	3	7
Volume of Fluid Spills	500 L	*540L
Volume of Airborne Spills	0	0
Asbestos Removal Resources	\$398,843.93	\$1,131,567.45

\* Note: the reportable spills on May 17, October 4, and October 19 had undeterminable volumes due to the cause and nature of the spills.

Our Asbestos Management Program is a part of Morguard's continued effort to improve the environmental health of our managed properties. It takes a proactive approach to the removal of asbestos containing materials, helping to not only create a healthier and risk-free environment for our tenants and occupants, but to also help alleviate future regulatory expenditures for these materials and strengthen relationships with tenants.

Along with our EMS and sustainability principles, we have applied a "precautionary approach" to our sustainability activities. This approach states that where there are threats of serious or irreversible damage, a lack of full scientific certainty will not be used as a reason for postponing cost-effective measures to prevent environmental degradation or public harm.

## DATA PRIVACY AND CYBERSECURITY

Morguard is committed to protecting its clients, tenants and employees' personal and confidential information. To protect this critical asset, we have implemented a framework of information security policies, procedures, controls, practices, processes, and technologies that are based on industry-leading best practice called NIST- CSF (The National Institute of Standards and Technology – Cyber Security Framework). This framework helps ensure that Morguard identifies, controls and manages its information security risk appropriately.

In 2022, Morguard established the Information Management Committee – composed of representatives from senior management and cross functional leads – to provide management oversight on all laws, regulations, and other matters in the areas of privacy, security, protection, use and management of Company information and related technology assets. The Committee's responsibilities include review and approval of information risk mitigation plans, use of the Company's information technology assets and information security guidelines.

Morguard's Chief Information Officer (CIO) is responsible for developing, implementing, and managing cybersecurity plans to protect our systems and data. In the event we are exposed to a cybersecurity breach, we have a tested cybersecurity plan to minimize its effect and recover effectively. The plan works with our business continuity, disaster recovery and crisis management plans to mitigate adverse impact to our business.

Concerns are monitored by the Board of Directors, through regular risk reporting. They may be raised directly with senior management by email or meeting where timing or materiality of the issue requires immediate action.

In 2022, we published the Information Security Policy and Information Security Standard. We also use the following additional practices to ensure data privacy and security:

- Information Management Committee (IMC) consisting of stakeholders from IT, Finance, HR, Communication, Legal, Audit and Enterprise Risk
- Cybersecurity reports that are presented to IMC monthly that include current and upcoming initiatives, cybersecurity posture dashboards and top cyber risks of Morguard
- A framework for assessing third-party risk that we have built for data classification, protection and governance and started deploying it to business units
- New cyber security controls that have been implemented such as Multifactor authentication, Device encryption and Phishing simulations
- Continued consolidation of our incident tracking by adding privacy and accessibility to our service incident, claims system and workflow

In 2022, Morguard was not made aware of any complaints concerning breaches of customer privacy, identified leaks, thefts or loss of customer or employee data.

### Looking Ahead

Morguard will continue to implement data security, governance and vendor risk assessments in 2023. To keep up to date with emerging cyber risks, we will reassess the current cyber controls and update them as necessary. Morguard will also conduct a cybersecurity assessment of their Operational Technology (OT) Infrastructure.



60 Bloor Street West, Toronto, Ontario

# OUR VOICE

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**ADVOCATING  
FOR SUSTAINABLE  
REAL ESTATE**



# ADVOCATING FOR SUSTAINABLE REAL ESTATE

Achieving our collective sustainability objectives, mitigating environmental impacts, managing risk and securing future economic opportunities requires the collective efforts of companies, individuals and government. Morguard believes it is important for us to be a part of this conversation. We are committed to using our voice to influence sustainability issues and to work with other leaders to develop, promote and maintain sustainable business practices in our industry.

We collaborate with and participate in various private and public sector organizations to exchange knowledge, develop and promote industry best practices. Whether it is about goal setting, encouraging or promoting sustainable practices among peers and suppliers, or simply adding our voices to the public discourse, we believe our participation and collaboration as an industry leader enriches both our own, and our industry's, journeys toward sustainability.

## Our Commitment

Advancing sustainability efforts extends beyond our organizational boundaries and requires extensive collaboration, leadership and a long-term commitment.

INITIATIVE/ORGANIZATION	2022 INVOLVEMENT
<b>Building Owners and Managers Association (BOMA)</b>	Member of Sustainable Leaders Roundtable and participant at BOMEX
<b>Canada Green Building Council (CaGBC)</b>	Participant in Building Lasting Change Conference
<b>City of Mississauga's District Energy</b>	Participant and collaborator on proposed district energy projects
<b>Federation of Rental Housing Providers of Ontario (FRPO)</b>	Member of Board of Directors
<b>Healthcare of Ontario Pension Plan (HOOPP)</b>	Member of Sustainability Committee
<b>Institute of Corporate Directors</b>	Corporate Member – Memberships provided to all Directors of the Board
<b>Real Property Association of Canada (REALPAC)</b>	Participated in the ESG and Human Resources Committees
<b>CREW (Commercial Real Estate Women) Network</b>	Member
<b>The National Association of Corporate Directors (NACD)</b>	Member
<b>U.S. Green Building Council (USGBC)</b>	Participant in Greenbuild Conference

# RESPONSIBLE PROPERTY INVESTMENT

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# CREATING SUSTAINABLE RETURNS

# CREATING SUSTAINABLE RETURNS

Morguard is committed to integrating environmental, social and governance factors into decision making. This ensures our strategies align with the principles of Sustainable Morguard to deliver real and sustainable value for our stakeholders.

## Our Commitment

When evaluating opportunities, we at Morguard carry out in-depth financial, physical, and environmental due diligence analyses to assess for sector-specific indicators associated with owning and managing real property. We are focused on developing, acquiring, and maintaining high-performance buildings while actively mitigating and managing operational costs and the risks and opportunities associated with climate change. We also actively mitigate and manage our portfolio greenhouse gas (GHG) emissions and our impact on the communities in which we operate. Plus, we work with investment partners, including institutional investors, to help them deliver on their responsible investment and sustainability programs.

**Our investment due diligence process includes the following:**

Acquisitions – Board of Directors approval, Environmental Due Diligence, Building Conditions Surveys, Survey of Title, Insurance Due Diligence, Financial Analysis and Lease and Tenant Reviews. Where available the energy, GHG emissions, water and waste data of buildings is reviewed.

**Upon investment, we include the following sustainability information in our property business plans:**

- An overview of our Sustainable Morguard program and insights from the property management team on planned sustainability initiatives, including performance (energy, waste, water, GHG emissions and other unique sustainability features/initiatives/opportunities)
- Detailed property performance data, including those on energy and water use, emissions, and waste generation
- Green building awards, certifications, and audits (energy, water, waste, and air)
- Budget and capital planning recommendations
- Leasing insights, including tenant engagement efforts and feedback on sustainability initiatives
- Relevant laws and regulations that apply to the management of our properties

**In 2022, our efforts included:**

- Continued advocacy with various partner agencies and industry associations collaborating on advancing sustainable real estate through panels, leadership roundtables and conference participation
- Working to identify and select a new utility management platform to enhance our data capture and our ability to monitor usage
- Continued development of emissions reduction plans for more assets in the portfolio
- Partnering with a SaaS platform to build-out capabilities in developing capital expenditure plans with insights on sustainability performance of the expenditure

## Looking Ahead

We will continue to investigate and evaluate industry best practices for implementation.

# SUSTAINABLE BUILDINGS

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# REDUCING OUR ENVIRONMENTAL FOOTPRINT

# REDUCING OUR ENVIRONMENTAL FOOTPRINT

At Morguard, we believe that owning and operating buildings sustainably is a priority and it is a cornerstone of Sustainable Morguard. We manage and monitor the use of energy, water and other natural resources in our buildings, look for opportunities to improve building performance and manage waste and mitigate environmental impacts. We also engage our building residents and tenants in conservation and other sustainability practices through green lease language, surveys and direct engagement by our property managers to further support these mitigation efforts.

We actively consider sustainability-related risks and opportunities in our property business planning, capital expenditure budgets and development planning. We collaborate with industry and community partners – including tenants and vendors – to encourage and support them in pursuing sustainability.

## Our Commitment

Morguard is focused on reducing the environmental footprint of our portfolio of 247 properties across North America.

Our environmental stewardship is guided by our GREEN LINK Environmental Policy and our Sustainability Policy. Property managers implement the policies through building-specific annual business plans and budgets. All properties are required to review monthly utility expenditures and monitor energy data for anomalies and excessive consumption. Any anomalies found are investigated and addressed either through immediate actions or through capital plans and budgets for issues that require material expense.

We conduct energy and water audits at least every five years, and we use ENERGY STAR® Portfolio Manager (ESPM) to benchmark the performance of our building to identify opportunities for capital upgrades and water and energy efficiency improvements. In Ontario, we conduct annual waste audits in compliance with provincial standards. We include green procurement strategies in our purchasing policies to encourage property managers to purchase building and maintenance products that meet leading environmental standards, including EcoLogo, ENERGY STAR® and GreenSeal®.

Commercial leasing is also a critical point of engagement with tenants. The standard Morguard lease includes green lease provisions that facilitate a dialogue with tenants about our shared efficiency objectives. We look to increase our use of green provisions to align with evolving industry best practices, secure building certification requirements and meet the needs of both our tenants and Sustainable Morguard.

## Looking Ahead

Moving forward, we will be aiming to strengthen the depth of our vendor pre-qualification and responsible procurement practices with formalized policies under development for implementation in 2023.

We are actively investigating opportunities to implement a national purchasing and tendering program in Canada for energy, water, and waste audits and assessments to further streamline the process and assure conformity to all applicable standards.

Building certifications continue to be a focus of our sustainable building efforts. In 2022, the BOMA BEST® Portfolio Program was adopted for certain properties, with the objective of continued expansion of our certification program and strengthening our commitment to building environmental performance.

## SUPPORTING OUR RESIDENTS AND TENANTS ON THEIR SUSTAINABILITY JOURNEY

We recognize the importance of working with our residents and tenants to integrate conservation solutions into our properties that enable us to collectively reduce our combined environmental footprint and manage their energy costs. Our level of engagement varies because each asset class has different levels of tenant control over consumption and our influence is diminished in some cases. While some residential occupants control their own utility usage (through sub-metering), industrial tenants control most of their footprint and environmental impact. For office tenants we manage most building functions and can exert more influence on consumption. These varying levels of control are evident in our energy, water and waste data.

To encourage energy efficiency among our residential tenants in Canada, we are increasing our investment in energy sub-metering. This allows tenants to review their utility use and gives them more control over their cost of living.

In conjunction with the BOMA Building Environmental Standards (BOMA BEST®) certification program, we periodically conduct property-level tenant satisfaction surveys that include sustainability topics.

In 2022, we expanded to our Western Canada region the certification program for Fitwel and The Rick Hansen Foundation, which had previously been limited to Eastern Canada. These two programs offer wellness and accessibility certification and inherent benefits to occupants of certified buildings.

We host several events each year to promote our sustainability programming and support the communities in which are residents and tenants live, work and play. These events include fundraising, community connection activities, education, food drives, toy drives and community place-making.

## ENERGY

In 2022, our properties reduced emissions by upgrading electrical and mechanical equipment – including LED lighting retrofits, HVAC, wall / roof insulation, chillers and boiler upgrades – and through the installation of variable frequency drives and energy-efficient appliances in our residential and commercial units.

### Renewable Energy

In 2022, we purchased renewable energy certificates (RECs) and renewable natural gas (RNG) at three of our buildings. This purchase included 478 megawatt hours (MWh) of green electricity, displacing 63 tCO<sub>2</sub>e. Properties that purchased RECs and RNG in 2022 included:

- 150 Elgin Street in Ottawa, Ontario
- 60 Bloor Street West in Toronto, Ontario
- 41 Rue Victoria in Gatineau, Quebec



150 Elgin Street, Ottawa, Ontario

## ONTARIO INDUSTRIAL CONSERVATION INITIATIVE

The Ontario Industrial Conservation Initiative (“ICI”) allows participating customers to manage their global adjustment (“GA”) costs by reducing demand during peak periods. GA is charged to consumers by the province to cover the cost of building new electricity infrastructure, maintaining existing resources and providing conservation and demand management programs. It is also used to provide price certainty to legacy Ontario nuclear and hydro generators. Commercial properties with an average monthly peak demand of over 1.0 megawatts (“MW”) are eligible to opt-in to the ICI program. By doing so, their GA costs are based upon their demand profile rather than their kilowatt hour (“kWh”) usage. The decision to opt-in is based on an annual review by Morguard of the property’s usage and demand profile.

Customers who participate in the ICI pay GA costs based on their percentage contribution to the top five peak Ontario demand hours (i.e., peak demand factor) over a 12-month base period. By reducing demand during peak periods, ICI participants can both reduce their global adjustment costs and help defer the need for investments in new provincial electricity infrastructure.

During the program’s inception in July 2017, Morguard identified and implemented the program at three properties for which the ICI program looked favourable. Since then, eligible locations have opted in or out based upon the annual review. Through participation in this program, Morguard has reduced electricity cost at these locations by a combined total of \$1.57 million.

### PROPERTIES PARTICIPATING IN GLOBAL ADJUSTMENT ONTARIO

PROPERTY	ASSET CLASS	CITY	PROVINCE	SAVINGS						TOTAL
				2017	2018	2019	2020	2021	2022	
Bramalea City Centre	Retail	Brampton	ON	\$86,360	\$134,576	\$66,943	\$(85,200)	\$37,405	\$2,616	<b>\$242,700</b>
Standard Life	Office	Ottawa	ON	\$139,383	\$147,634	\$21,919	\$189,140	\$226,756	\$107,507	<b>\$832,339</b>
Jean Edmonds Towers	Office	Ottawa	ON	–	–	–	\$57,588	\$35,196	–	<b>\$92,784</b>
33 City Centre	Office	Mississauga	ON	\$43,742	\$49,710	–	–	–	\$46,672	<b>\$140,124</b>
Performance Court	Office	Ottawa	ON	–	\$12,971	\$(16,385)	–	–	–	<b>\$(3,414)</b>
CBC Ottawa Broadcast Centre	Office	Ottawa	ON	–	\$49,438	\$97,132	\$38,518	\$24,933	\$53,766	<b>\$263,787</b>
<b>Total</b>				\$269,485	\$394,329	\$169,609	\$200,046	\$324,290	\$210,561	<b>\$1,568,320</b>

#### Notes:

- The ICI program runs on a July 1 to June 30 basis. Participants may opt-in or opt-out on an annual basis.
- For years marked “–”, the property did not participate that year.

## WATER

In 2022, we were able to continue optimizing water use efficiency through the implementation of climate-controlled irrigation at Morguard's office and industrial properties in Calgary, Alberta. We were able to attain a total potable water savings of 1,186,000 litres at our office properties and 8,573,000 litres at our industrial properties during the year.

## WASTE

All Morguard properties are required to develop waste management plans and communicate them to property maintenance, contracted security, cleaning staff, and tenants or occupants, including food service providers and other retail tenants. Each property is also required to prominently display waste and recycling signage and work to ensure that tenants and residents are aware of recycling procedures, through our tenant handbook, annual training and onsite events.

### Construction Waste Management

Morguard is committed to responsible construction, demolition, and renovation waste management practices. We require contractors to develop and implement a waste management plan prior to project commencement, to ensure that proper processes are in place to facilitate recycling. Contractors are expected to divert at least 65% of construction waste from landfill and must complete a diversion report tracking form that documents the waste and recyclables that were removed from the site. We encourage contractors to practice environmentally conscious purchasing, including:

- Locally or regionally sourced materials (within 500 miles [804.67 km] of the building) to reduce air emissions associated with transportation while supporting the local economy
- Materials with recycled content, such as masonry, concrete, carpet, tile, rubber flooring insulation, metal, and gypsum wallboard
- Materials in bulk to minimize packaging waste
- Forest Stewardship Council (FSC)-certified wood products
- Products certified by industry standards such as GreenSeal® (for paints, coatings, and adhesives), Carpet and Rug Institute or Floorscore (for carpets or flooring), Greenguard or Scientific Certification Systems Indoor Advantage (for furniture) and ENERGY STAR® (for electronic equipment)
- Cleaning supplies with third-party certification from EcoLogo, GreenSeal®, U.S. EPA Safer Choice, FSC, Sustainable Forestry Initiative, or the Canadian Standards Association's Sustainable Forest Management Standard

We encourage contractors to repair or refurbish equipment when possible and to donate unneeded goods to local charities and schools.



Etobicoke Wellness Centre, Toronto, Ontario



215 Slater Street, Ottawa, Ontario



# GREEN BUILDING CERTIFICATIONS AND AWARDS

## LEED Certifications

On all new development projects, we target Canada Green Building Council's (CaGBC) Leadership in Energy and Environmental Design (LEED) certification.

LEED provides a framework for identifying and implementing green building design elements that are conducive to better environmental performance. These include rating systems for the design, construction, and operation of high-performance green buildings and neighbourhoods. All Morguard development projects

seeking LEED certification establish individual efficiency goals according to the desired LEED certification level and use life cycle analysis tools to measure their progress. The Morguard Development Group has committed to target LEED gold standards on all new projects as the minimum requirement.

As of December 31, 2022, Morguard managed 14 LEED certified properties, with two additional projects currently seeking LEED certification.

## LEED-CERTIFIED BUILDINGS IN OPERATION

PROPERTY	ASSET CLASS	CITY	PROVINCE/ STATE	LEVEL OF CERTIFICATION	TYPE OF CERTIFICATION
Quarry Park	Office	Calgary	AB	Certified	New Construction
Quinte Courthouse	Office	Belleville	ON	Gold	New Construction
York Research Tower	Office	North York	ON	Gold	New Construction
Archives of Ontario	Office	North York	ON	Silver	New Construction
215 Slater Street	Office	Ottawa	ON	Gold	New Construction
Performance Court	Office	Ottawa	ON	Gold	Core and Shell Development
77 Bloor Street West	Office	Toronto	ON	Gold	Existing Building
Etobicoke Wellness Centre	Office	Toronto	ON	Gold	New Construction
The Heathview North Tower	Residential	Toronto	ON	Gold	New Construction
The Heathview South Tower	Residential	Toronto	ON	Silver	New Construction
41 rue Victoria	Office	Gatineau	QC	Silver	New Construction
Alta at K Station	Residential	Chicago	IL	Gold	New Construction
Coast at Lakeshore East	Residential	Chicago	IL	Silver	New Construction
Marquee at Block 37	Residential	Chicago	IL	Certified	New Construction

## LEED CERTIFICATIONS IN PROGRESS IN 2022

PROPERTY	ASSET CLASS	CITY	PROVINCE	LEVEL OF CERTIFICATION	TYPE OF CERTIFICATION
Rice Howard Place (formerly Scotia Place)	Office	Edmonton	AB	Silver	Existing Building
60 Bloor Street West	Office	Toronto	ON	Gold	Existing Building

## CANADIAN COMMERCIAL GREEN BUILDING CERTIFICATIONS

## BOMA BEST® Certifications

In Canada, we seek certification for our office properties and enclosed shopping centres through the BOMA BEST® program, a national initiative that sets industry standards for the energy and environmental performance of buildings. Our goal is for all our Canadian office properties over 100,000 SF – and all large, enclosed regional shopping centres, unless already certified through another program such as LEED – to be BOMA-certified.

As of this reporting cycle, we achieved certification for 81% of our Canadian office portfolio and 79% of our Canadian retail portfolio, by GLA, for the reporting boundary.

In 2022, Morguard re-certified 13 properties. Morguard manages 63 properties currently certified through the BOMA BEST® program. An additional 16 industrial properties also received BOMA BEST® Certified status because of their transition to the BOMA BEST® Portfolio Program. At the end of 2022, five additional properties were also progressing through the certification/recertification process.

## OFFICE PORTFOLIO

LEVEL	NUMBER OF PROPERTIES	SF
Platinum	9	2,555,000
Gold	12	2,791,500
Silver	19	3,167,000
Certified	1	129,000
33/43 of Canadian office properties over 100,000 SF 41/58 of Canadian office properties		
Office properties totaling 8,087,000/9,724,000 SF for properties over 100,00 SF = <b>83%</b> 8,642,500/10,668,500 SF for all office properties = <b>81%</b>		

## RETAIL PORTFOLIO

LEVEL	NUMBER OF PROPERTIES	SF
Platinum	4	3,594,000
Gold	9	4,714,500
Silver	0	0
Bronze	0	0
Certified	6	1,767,500
19/37 of Canadian retail properties: Retail properties totalling 10,076,000 SF/12,685,000 = <b>79%</b>		

## UNIVERSAL PORTFOLIO

LEVEL	NUMBER OF PROPERTIES	SF
Gold	1	173,000
Silver	2	441,500
3/4 of Canadian universal properties : Universal properties totalling 614,500 SF/1,510,500 SF = <b>41%</b>		

## ENERGY STAR® Certification

ENERGY STAR®-certified buildings are verified to perform in the top 25% of buildings across Canada, based on weather-normalized source energy performance and other metrics. On average, these buildings use 35% less energy, emit 35% less GHG emissions and are less expensive to operate than those that are not certified. At the end of 2022, nine Morguard office properties were ENERGY STAR® certified. The properties are identified in the chart found below.

Morguard recognizes how important it is to understand how we are performing, property by property, asset by asset and overall. Energy Star Portfolio Manager (ESPM) provides our properties and partners with feedback on our asset competencies in energy and GHG emissions reduction, while ESPM supports us in understanding our overall performance – where we are leading, lagging and where we need to focus our attention to achieve greater data accuracy and completeness.

## ENERGY STAR®-Certified Buildings

PROPERTY	ASSET CLASS	CITY	PROVINCE
111 Dunsmuir	Office	Vancouver	BC
505 3rd St. SW	Office	Calgary	AB
207 and 215 9th Avenue SW	Office	Calgary	AB
123 Commerce Valley Drive East	Office	Markham	ON
2920 Matheson East	Office	Mississauga	ON
201 City Centre Drive	Office	Mississauga	ON
131 Queen Street	Office	Ottawa	ON
99 Metcalfe Street	Office	Ottawa	ON
Performance Court	Office	Ottawa	ON

## WiredScore-Certified Office Properties

PROPERTY	CITY	PROVINCE	LEVEL
207 and 215 9th Ave SW	Calgary	AB	Gold
33 City Centre Drive	Mississauga	ON	Gold
55 City Centre Drive	Mississauga	ON	Gold
77 City Centre Drive	Mississauga	ON	Gold
201 City Centre Drive	Mississauga	ON	Gold
Blair Road – 1601 Telesat Court	Ottawa	ON	Silver
350 Sparks Street	Ottawa	ON	Gold
60 Bloor Street West	Toronto	ON	Gold
77 Bloor Street West	Toronto	ON	Gold

## Rick Hansen Foundation Accessibility-Certified Properties Properties

PROPERTY	CITY	PROVINCE
60 Bloor Street West	Toronto	ON
77 Bloor Street West	Toronto	ON
Leaside Corporate Centre	Toronto	ON
200 Yorkland	Toronto	ON
Place Innovation – 2351 Alfred-Nobel Blvd	Saint-Laurent	QC
Place Innovation – 2341 Alfred-Nobel Blvd	Saint-Laurent	QC
Place Innovation – 2311 Alfred-Nobel Blvd	Saint-Laurent	QC

## CANADIAN RESIDENTIAL GREEN BUILDING CERTIFICATIONS

We participate in the Certified Rental Building (CRB) initiative in Ontario, the only residential tenant-focused quality assurance program of its type in North America that helps residential renters identify professionally managed multi-suite apartment buildings that have earned

a Living GREEN Together™ sustainability standard. Morguard currently has 20 properties within its Ontario residential portfolio in progress for CRB re-certification, representing 83% of our Ontario residential portfolio.

### RESIDENTIAL PORTFOLIO

CERTIFICATION	NUMBER OF PROPERTIES
Certified Rental Building	20

## GREEN BUILDING AWARDS

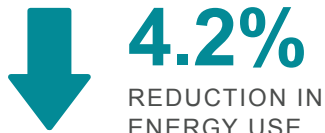
Morguard believes green building certifications and awards communicate to our stakeholders that we are among the leaders in our industry. They show that we take pride in our properties and are working hard to manage our facilities with efficiency and sustainability in mind. Certifications

and awards help motivate our building staff, validate sustainability efforts that enhance property value, reduce emissions and operating costs, and have the potential to attract and retain tenants.

### 2022 PROPERTY AWARDS

PROPERTY	ASSET CLASS	CITY	PROVINCE	AWARD	ORGANIZATION
Rice Howard Place	Office	Edmonton	AB	Certificate of Excellence	BOMA
Heritage Place	Office	Ottawa	ON	TOBY Award – 2022	BOMA
Intercity Shopping Centre	Retail	Thunder Bay	ON	2022 Earth Award	BOMA
Leaside Corporate Centre	Office	Toronto	ON	2022 Earth Award	BOMA

## IN 2022, MORGUARD'S CANADIAN OFFICE AND RETAIL PORTFOLIO\*



\*Compared to 2019 baseline.

## BUILDING PERFORMANCE DATA

With a portfolio of 247 properties across North America, the environmental performance of our buildings remains at the core of Sustainable Morguard. Our goal is to continuously work to reduce the amount of water and energy used at our properties, decrease GHG emission contributions and increase waste diversion rates.

2022 was the first year since the COVID-19 pandemic started where we did not have occupancy restrictions, lockdowns or border closures. This led to an occupancy increase at our offices and more visitor traffic at our retail properties.

When compared to 2021, the results from the 2022 reporting period show a bounce back for our operations, predominantly for office, retail, and industrial assets. This translated to our water, energy, emissions, and waste trends being more aligned with historical pre-pandemic levels but not yet back to pre-pandemic levels. This is evident in the consumption numbers reported for our commercial portfolio in particular.

Retail properties continued to recover from the pandemic; however, occupancy and sales figures in our Canadian retail centres remained lower in 2022, which is indicative of reduced foot traffic and reflected in the data set for this class.

Morguard continues to thrive on the efficiency of their properties. In 2022, 73 properties had major retrofits, equipment upgrades, or conservation measures completed. The most common were lighting changes and HVAC upgrades/retrofits.

BETWEEN 2015 AND 2019, MORGUARD'S CANADIAN OFFICE AND RETAIL PORTFOLIO:	BETWEEN 2010 AND 2015, MORGUARD'S CANADIAN OFFICE AND RETAIL PORTFOLIO:
Used 7.9% less energy	Used 14% less energy
Generated 8.5% less GHG emissions	Generated 24% less GHG emissions
Consumed 5.4% less water	Consumed 19% less water
Increased waste diversion by 1.3%	Data was not tracked

Since our environmental programs were first introduced in 2010, we have continued to see progress in our building performance data.

## REPORTING BOUNDARY

Building performance data included in this section covers our 247 Canadian retail, multi-suite residential, office and industrial, and U.S. multi-suite residential and retail assets. For each region and asset class, information is provided to communicate performance observed against the 2019 baseline. Only buildings that were fully operational and those to which we have operational control over the entire baseline and reporting period are included in the data, while newly acquired and developed buildings – and buildings sold during the period – are excluded.

In 2020, we updated our baseline year from 2015 to 2019, to reset the bar from which to measure current performance, allowing for the inclusion of a more current set of properties in a like-for-like comparison. In doing so, we have restated historical data from 2016 to 2019, to account for those properties that were fully operational over the entire period from baseline to current year. For the Canadian office portfolio in particular, the number of properties now benchmarked on a like-for-like basis has increased by 25% representing an increase in square footage by 31.1%. In the future, we will continue to update our baseline every five years, which is consistent with industry best practices.

In addition, this year we continued to align our reporting practice with the latest GRI Standards, including new requirements on water and effluents. The vast majority of water use at our buildings is sourced from, and discharged into, third-party municipal systems, with small amounts sourced from ground water and surface water sources, including wells and lakes used for irrigation in landscaping in the U.S. For properties where we have begun preliminary analysis, we have found no water use or indirect water effects from our properties to have contributed to any local impacts (i.e. impacts caused by water runoff). We continue to work with our properties and partners through surveys and audits to assess impacts. Through 2021-2022 and into 2023, we are working with our Operations Managers across our regions to increase data capture capacity to enhance our reporting.

## ENHANCED WASTE DATA COLLECTION

Since 2018, we have worked to improve our waste data reporting for our Canadian retail and office portfolio by contracting a third party to obtain waste records directly from the waste haulers who serve our properties. This has resulted in a more efficient waste collection process and more accurate waste data.

There was an increase in waste generation for the Canadian office and retail portfolios when compared to 2021 which is representative of a return to pre-pandemic occupancy. The waste diversion for the office portfolio increased from 40% in 2021 to 43% in 2022. The waste diversion for the retail portfolio decreased from 49% in 2021 to 45% in 2022, mostly due to a change in the waste mix. The combined waste diversion rate for 2022 was 44%.

## ENERGY, WATER, WASTE, AND GHG PERFORMANCE

The energy and water data included in this report comes from utility bills associated with the operations of our portfolio that are paid by third-party providers. Our providers extract the use and cost data from the utility bills via their respective internal Optical Character Recognition (OCR) processes and upload it into their ESG platforms. At the time of data extraction for reporting purposes, most of the data (approx. 98%) was coming from actual bills. The small percentage that is not available due to bill cycles is estimated by calculating the average daily cost and consumption of that data and then applying that daily average figure to the missing days for the month. The data is then calendarized per account, per service type, per property to be incorporated into our annual report.

As mentioned in the above section, waste data is different. A third-party provider collects waste data directly from the waste haulers servicing the Canadian office and retail portfolios. They consolidate the data and upload into their ESG Platform. If there are gaps in the data for the reporting year, estimations are done as follows:

- **Full month of data missing:** the daily average is calculated for the month before and month after. The average is utilized by multiplying that average by the number of days in the missing month to get an estimate. Historical waste data for the same month is also taken into consideration.
- **2-3 months missing:** the daily average of the quarter before and quarter after are calculated. The daily figure is applied to the missing months. If the quarter before or after is not available, historical data is also utilized.

Furthermore, there is a group of 20 retail properties that complete an annual waste audit. The data from the waste audit is used in this report, instead of the data collected from the waste haulers servicing these properties.

GHG emissions are derived using the most recent emissions factors provided by: Environment and Climate Change Canada. National Inventory Report 1990–2021: Greenhouse Gas Sources and Sinks in Canada Part 1, Part 2 and Part 3 (Ottawa: Environment and Climate Change Canada, 2023.); the U.S. Environmental Protection Agency’s (EPA) Emission Factors for Greenhouse Gas Inventories (March 2023); Emissions & Generation Resource Integrated Database (“eGRID”, 2021); and Documentation for Greenhouse Gas Emission and Energy Factors Used in the Waste Reduction Model (“WARM”, 2020) for our U.S. assets. A detailed list of sources and emission factors used is available in Appendix D.

This energy, water and GHG emission data represents approximately 96% (23.6 million square feet) of current square footage of our owned and managed Canadian retail and office properties, based on gross leasable area (“GLA”).

## WEATHER ADJUSTMENT AND NORMALIZATION

To increase the comparability of our performance data, we have conducted a weather-adjusted comparison between 2022 and 2019. For the data presented in this section, all percentage changes are based upon a comparison between 2022 to the weather-adjusted 2019 baseline (except for Canadian industrial and U.S. retail, for which no weather adjustment was applied to the baseline).

Details of our weather normalization process are outlined in Appendix B – Building Performance – Weather Adjustment and Normalization Model.

## WATER TARGETS

Water management and conservation are of high importance to Morguard. We are working to increase the use of reduction targets for water against the baseline year throughout our North American portfolio. As at the reporting date, targets had been set for 6% of the Canadian portfolio. In most instances, targets have already been achieved.



444 St. Mary, Winnipeg, Manitoba

PROPERTY	TYPE	UNIT	ACTUAL				2022 VERSUS 2019	
			2019	2020	2021	2022	CHANGE	TARGET STATUS
Intercity Shopping Centre	Retail	m <sup>3</sup>	27,279.06	18,574.24	21,586.99	22,433.53	-17.8%	Achieved
Coquitlam Shopping Centre	Retail	m <sup>3</sup>	146,979.87	106,777.16	85,145.97	162,056.14	10.3%	Not Achieved
77 City Centre Drive	Office	m <sup>3</sup>	12,360.50	10,988.22	7,997.39	11,664.70	-5.6%	On Track
201 City Centre Drive	Office	m <sup>3</sup>	18,831.21	13,441.81	7,606.72	9,491.46	-49.6%	Achieved
400 St Mary	Office	m <sup>3</sup>	7,155.13	7,138.75	7,056.51	5,740.67	-19.8%	Achieved
444 St Mary	Office	m <sup>3</sup>	25,790.53	26,710.71	12,485.49	9,273.40	-64.0%	Achieved

## CANADIAN RETAIL PROPERTIES

### ANNUAL ENERGY CONSUMPTION – CANADIAN RETAIL

Total energy use increased by 0.5% in 2022 versus the 2019 weather-adjusted baseline. While occupancy and foot traffic patterns have not returned to pre-pandemic levels, 2022 signalled the first full year of “re-opening” and return to pre-pandemic operations for our retail portfolio.

ENERGY CONSUMPTION	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019			ABATED ENERGY COSTS
		2019	2020	2021	2022	2019	2022	CHANGE	CHANGE (\$ CAD)
Purchased Electricity	ekWh	128,160,451	110,953,915	110,655,765	123,500,361	128,527,668	123,500,361	-3.9%	\$ 634,728
Purchased Natural Gas	ekWh	48,854,864	45,391,883	44,009,884	51,552,738	45,714,394	51,552,738	12.8%	(249,636)
Energy Intensity*	ekWh/SF	14.6	12.9	12.8	14.5	14.4	14.5	0.5%	–
Total Energy Consumed*	ekWh	177,015,315	156,345,798	154,665,649	175,053,099	174,242,061	175,053,099	0.5%	\$ 385,093

\* Energy intensity/total energy includes electricity and natural gas.

### ANNUAL EMISSIONS – CANADIAN RETAIL

Direct and indirect emissions decreased 14.2% versus the 2019 weather-adjusted baseline. The reduction of GHG emissions is likely a result of a combination of factors related to the post-pandemic re-opening, namely, lower traffic, shorter operating hours, lower generated sales specifically in the food services and hair salon segments.

EMISSIONS	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019		
		2019	2020	2021	2022	2019	2022	CHANGE
Scope 1 (Direct Emissions)	tCO <sub>2</sub> e	9,196	8,551	8,298	9,711	8,607	9,711	12.8%
Natural Gas	tCO <sub>2</sub> e	9,196	8,551	8,298	9,711	8,607	9,711	12.8%
Scope 2 (Indirect Emissions)	tCO <sub>2</sub> e	18,328	14,312	13,916	14,027	18,566	14,027	-24.4%
Electricity	tCO <sub>2</sub> e	18,328	14,312	13,916	14,027	18,566	14,027	-24.4%
Scope 3 (Indirect Emissions)	tCO <sub>2</sub> e	12,912	9,012	8,205	10,655	12,913	10,655	-17.5%
Water	tCO <sub>2</sub> e	19	12	14	19	19	19	-0.2%
Waste to Landfill	tCO <sub>2</sub> e	12,894	9,000	8,192	10,636	12,894	10,636	-17.5%
Emission Intensity**	tCO <sub>2</sub> e/ 1,000 SF	3.3	2.6	2.5	2.8	3.3	2.84	-14.2%
Total Emissions**	tCO <sub>2</sub> e	40,437	31,876	30,419	34,393	40,086	34,393	-14.2%

\*\* Emissions intensity/total emissions includes Scopes 1, 2 and 3.

#### Notes:

- Direct (Scope 1) emissions cover: Natural gas consumed onsite.
- Indirect (Scope 2 & 3) emissions cover: Purchased electricity and steam, and emissions generated from water use and waste to landfill.



## ANNUAL WATER CONSUMPTION – CANADIAN RETAIL

Water consumption decreased by 12.9% versus the 2019 weather-adjusted baseline. The reduction of water consumption is likely a result of a combination of factors related to the post-pandemic re-opening, namely, lower traffic, shorter operating hours, lower generated sales specifically in the food services and hair salon segments.

WATER CONSUMPTION	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019		
		2019	2020	2021	2022	2019	2022	CHANGE
Withdrawal – Municipal	m <sup>3</sup>	1,086,709	759,649	747,500	949,152	1,089,659	949,152	-12.9%
Water Intensity	L/SF	89.9	62.9	61.9	78.5	90.2	78.5	-12.9%
Total Water Consumed	m <sup>3</sup>	1,086,709	759,649	747,500	949,152	1,089,659	949,152	-12.9%

## ANNUAL WASTE PERFORMANCE – CANADIAN RETAIL

Total waste generated decreased significantly in 2022, resulting in less waste to landfill and less waste recycled. The overall diversion rate was 45% in 2022 versus 55% in 2019. The reduction of waste generated is likely a result of a combination of factors related to the post-pandemic re-opening, namely, lower traffic, shorter operating hours, lower generated sales specifically in the food services and hair salon segments.

WASTE	UNIT	ACTUAL			
		2019	2020	2021	2022
Properties Represented	#	31	31	31	31
Total Waste Generated	Tonnes	14,266	8,471	8,035	9,516
<b>WASTE DISPOSAL METHOD</b>					
Total Recycled	Tonnes	6,891	3,746	3,237	3,496
Total Organics	Tonnes	1,007	578	731	762
Total Landfilled	Tonnes	6,368	4,146	4,067	5,258
Diversion Rate	%	55%	51%	49%	45%

## CANADIAN OFFICE PROPERTIES

### ANNUAL ENERGY CONSUMPTION – CANADIAN OFFICE

Energy use decreased by 6.5% versus the 2019 weather-adjusted baseline. When considered as abated costs, the annual operating cost savings are approximately \$3.31 million. The reductions noted are likely impacted by a combination of factors related to the post-pandemic “return to normal” being slower than anticipated, namely a slow return to the office affecting occupancy levels, shorter operating hours and reduced foot traffic.

ENERGY CONSUMPTION	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019			ABATED ENERGY COSTS
		2019	2020	2021	2022	2019	2022	CHANGE	CHANGE (\$ CAD)
Purchased Electricity	ekWh	211,436,939	190,374,662	182,777,453	191,598,201	212,669,082	191,598,201	-9.9%	\$3,273,439
Purchased Steam	ekWh	2,177,424	1,474,819	1,305,064	1,717,917	1,973,410	1,717,917	-12.9%	3,596
Purchased Natural Gas	ekWh	133,156,539	119,972,989	114,995,397	124,252,443	125,153,836	124,252,443	-0.7%	37,859
Energy Intensity*	ekWh/SF	29.8	26.8	25.7	27.3	29.2	27.3	-6.5%	
Total Energy Consumed*	ekWh	346,770,902	311,822,470	299,077,914	317,568,561	339,796,328	317,568,561	-6.5%	\$3,314,894

\* Energy intensity/total energy includes electricity, natural gas and steam.

### ANNUAL EMISSIONS – CANADIAN OFFICE

Direct and indirect emissions decreased by 10.9% versus the 2019 weather-adjusted baseline. The reductions noted are likely impacted by a combination of factors related to the post-pandemic “return to normal” being slower than anticipated, namely a slow return to the office affecting occupancy levels, shorter operating hours and reduced foot traffic.

EMISSIONS	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019		
		2019	2020	2021	2022	2019	2022	CHANGE
Scope 1 (Direct Emissions)	tCO <sub>2</sub> e	25,024	22,567	21,636	23,369	23,518	23,369	-0.6%
Natural Gas	tCO <sub>2</sub> e	25,024	22,567	21,636	23,369	23,518	23,369	-0.6%
Scope 2 (Indirect Emissions)	tCO <sub>2</sub> e	24,630	21,742	17,189	19,372	24,679	19,372	-21.5%
Electricity	tCO <sub>2</sub> e	24,058	21,319	16,800	18,860	24,160	18,860	-21.9%
Steam	tCO <sub>2</sub> e	572	423	389	512	518	512	-1.3%
Scope 3 (Indirect Emissions)	tCO <sub>2</sub> e	3,767	3,982	2,598	3,576	3,767	3,576	-5.1%
Water	tCO <sub>2</sub> e	15	12	11	10	15	10	-31.5%
Waste to Landfill	tCO <sub>2</sub> e	3,752	3,970	2,588	3,565	3,752	3,565	-5.0%
Emission Intensity**	tCO <sub>2</sub> e/ 1,000 SF	4.6	4.2	3.6	4.0	4.5	4.0	-10.9%
Total Emissions**	tCO <sub>2</sub> e	53,421	48,291	41,423	46,317	51,964	46,317	-10.9%

\*\* Emissions intensity/total emissions includes Scopes 1, 2 and 3.

#### Notes:

- Direct (Scope 1) emissions cover: Natural gas consumed onsite.
- Indirect (Scope 2 & 3) emissions cover: Purchased electricity and steam, and emissions generated from water use and waste to landfill.

## ANNUAL WATER CONSUMPTION – CANADIAN OFFICE

Water consumption decreased by 23.2% versus the 2019 weather-adjusted baseline. The reductions noted are likely impacted by a combination of factors related to the post-pandemic “return to normal” being slower than anticipated, namely a slow return to the office affecting occupancy levels, shorter operating hours and reduced foot traffic.

WATER CONSUMPTION	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019		
		2019	2020	2021	2022	2019	2022	CHANGE
Withdrawal – Municipal	m <sup>3</sup>	660,223	484,565	461,858	513,971	669,495	513,971	-23.2%
Water Intensity	L/SF	64.2	47.1	44.9	50.0	65.1	50.0	-23.2%
Total Water Consumed	m <sup>3</sup>	660,223	484,565	461,858	513,971	669,495	513,971	-23.2%

## ANNUAL WASTE PERFORMANCE – CANADIAN OFFICE

The overall diversion rate was 43% in 2022 versus 52% in 2019. The reductions noted are likely impacted by a combination of factors related to the post-pandemic “return to normal” being slower than anticipated, namely a slow return to the office affecting occupancy levels, shorter operating hours and reduced foot traffic.

WASTE	UNIT	ACTUAL			
		2019	2020	2021	2022
Properties Represented	#	51	51	51	51
Total Waste Generated	Tonnes	3,738	2,332	2,064	2,993
<b>WASTE DISPOSAL METHOD</b>					
Total Recycled	Tonnes	1,221	659	558	951
Total Organics	Tonnes	708	280	272	338
Total Landfilled	Tonnes	1,808	1,394	1,234	1,705
Diversion Rate	%	52%	40%	40%	43%

## CANADIAN RESIDENTIAL PROPERTIES

### ANNUAL ENERGY CONSUMPTION – CANADIAN RESIDENTIAL

Energy use decreased 1.8% versus the 2019 weather-adjusted baseline.

ENERGY CONSUMPTION	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019		
		2019	2020	2021	2022	2019	2022	CHANGE
Purchased Electricity	ekWh	64,342,235	63,607,863	62,211,106	59,952,407	63,963,867	59,952,407	-6.3%
Purchased Natural Gas	ekWh	161,899,850	153,694,066	144,206,601	145,716,262	145,527,848	145,716,262	0.1%
Energy Intensity*	ekWh/SF	33.8	32.4	30.8	30.7	31.3	30.7	-1.8%
Total Energy Consumed*	ekWh	226,242,085	217,301,929	206,417,707	205,668,670	209,491,714	205,668,670	-1.8%

\* Energy intensity/total energy includes electricity and natural gas.

### ANNUAL EMISSIONS – CANADIAN RESIDENTIAL

Direct and indirect emissions decreased by 1.9% versus the 2019 weather-adjusted baseline.

EMISSIONS	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019		
		2019	2020	2021	2022	2019	2022	CHANGE
Scope 1 (Direct Emissions)	tCO <sub>2</sub> e	30,287	28,748	26,969	27,259	27,198	27,259	0.2%
Natural Gas	tCO <sub>2</sub> e	30,287	28,748	26,969	27,259	27,198	27,259	0.2%
Scope 2 (Indirect Emissions)	tCO <sub>2</sub> e	4,301	4,017	3,456	3,622	4,295	3,622	-15.7%
Electricity	tCO <sub>2</sub> e	4,301	4,017	3,456	3,622	4,295	3,622	-15.7%
Scope 3 (Indirect Emissions)	tCO <sub>2</sub> e	20	19	17	18	20	18	-12.4%
Water	tCO <sub>2</sub> e	20	19	17	18	20	18	-12.4%
Emission Intensity**	tCO <sub>2</sub> e/ 1,000 SF	5.2	4.9	4.5	4.6	4.7	4.6	-1.9%
Total Emissions**	tCO <sub>2</sub> e	34,608	32,784	30,443	30,899	31,513	30,899	-1.9%

\*\* Emissions intensity/total emissions includes Scopes 1, 2 and 3.

#### Notes:

- Direct (Scope 1) emissions cover: Natural gas consumed onsite.
- Indirect (Scope 2 & 3) emissions cover: Purchased electricity and emissions generated from water use.

## ANNUAL WATER CONSUMPTION – CANADIAN RESIDENTIAL

Water consumption decreased by 17.4% versus the 2019 weather-adjusted baseline.

WATER CONSUMPTION	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019		
		2019	2020	2021	2022	2019	2022	CHANGE
Withdrawal – Municipal	m <sup>3</sup>	1,895,901	1,835,706	1,782,723	1,550,419	1,877,134	1,550,419	-17.4%
Water Intensity	L/SF	283	274	266	231	280	231	-17.4%
Total Water Consumed	m <sup>3</sup>	1,895,901	1,835,706	1,782,723	1,550,419	1,877,134	1,550,419	-17.4%

## CANADIAN INDUSTRIAL PROPERTIES

Note: There is no weather adjustment for the industrial properties

### ANNUAL ENERGY CONSUMPTION – CANADIAN INDUSTRIAL

Energy use decreased by 7.7% versus the 2019 baseline.

ENERGY CONSUMPTION	UNIT	ACTUAL				2022 VERSUS 2019	
		2019	2020	2021	2022	CHANGE	
Purchased Electricity	ekWh	6,945,178	5,902,993	4,742,777	5,123,699		-26.2%
Purchased Natural Gas	ekWh	5,945,178	5,791,522	6,212,111	6,779,280		14.0%
Energy Intensity*	ekWh/SF	2.8	2.5	2.4	2.6		-7.7%
Total Energy Consumed*	ekWh	12,890,356	11,694,515	10,954,888	11,902,979		-7.7%

\* Energy intensity/total energy includes electricity and natural gas.

## ANNUAL EMISSIONS – CANADIAN INDUSTRIAL

Direct and indirect emissions increased by 1.8% versus the 2019 baseline. The increase is likely attributable to occupancy changes and increased operational demand for industrial tenants as manufacturing continues to deal with post-pandemic supply chain issues (increased demand for products) to address pandemic supply chain disruptions.

EMISSIONS	UNIT	ACTUAL				2022 VERSUS 2019	
		2019	2020	2021	2022	CHANGE	
Scope 1 (Direct Emissions)	tCO <sub>2</sub> e	1,135	1,106	1,187	1,295	14.1%	
Natural Gas	tCO <sub>2</sub> e	1,135	1,106	1,187	1,295	14.1%	
Scope 2 (Indirect Emissions)	tCO <sub>2</sub> e	663	676	511	535	-19.3%	
Electricity	tCO <sub>2</sub> e	663	676	511	535	-19.3%	
Scope 3 (Indirect Emissions)	tCO <sub>2</sub> e	4	5	5	5	28.6%	
Water	tCO <sub>2</sub> e	4	5	5	5	28.6%	
Emission Intensity**	tCO <sub>2</sub> e/ 1,000 SF	0.4	0.4	0.4	0.4	1.8%	
Total Emissions**	tCO <sub>2</sub> e	1,802	1,787	1,703	1,835	1.8%	

\*\* Emissions intensity/total emissions includes Scopes 1, 2 and 3.

### Notes:

- Direct (Scope 1) emissions cover: Natural gas.
- Indirect (Scope 2 & 3) emissions cover: Electricity and emissions generated from water use.

## ANNUAL WATER CONSUMPTION – CANADIAN INDUSTRIAL

Water consumption increased by 33.8% versus the 2019 baseline. The increase is likely attributable to occupancy changes and increased operational demand for industrial tenants as manufacturing continues to deal with post-pandemic supply chain issues (increased demand for products) to address pandemic supply chain disruptions.

WATER CONSUMPTION	UNIT	ACTUAL				2022 VERSUS 2019	
		2019	2020	2021	2022	CHANGE	
Withdrawal – Municipal	m <sup>3</sup>	66,116	85,960	97,067	88,433	33.8%	
Water Intensity	L/SF	15.4	20.0	22.5	20.5	33.8%	
Total Water Consumed	m <sup>3</sup>	66,116	85,960	97,067	88,433	33.8%	

## U.S. RESIDENTIAL PROPERTIES

### ANNUAL ENERGY CONSUMPTION – U.S. RESIDENTIAL

Energy use decreased by 10.7% versus the 2019 weather-adjusted baseline.

ENERGY CONSUMPTION	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019		
		2019	2020	2021	2022	2019	2022	CHANGE
Purchased Electricity	ekWh	16,388,146	15,668,074	15,270,981	15,143,166	17,127,471	15,143,166	-11.6%
Purchased Natural Gas	ekWh	20,307,435	20,567,826	18,069,511	18,081,198	20,098,166	18,081,198	-10.0%
Energy Intensity*	ekWh/SF	5.0	5.0	4.6	4.6	5.1	4.6	-10.7%
Total Energy Consumed*	ekWh	36,695,582	36,235,900	33,340,492	33,224,364	37,225,637	33,224,364	-10.7%

\* Energy intensity/total energy includes electricity and natural gas.

### ANNUAL EMISSIONS – U.S. RESIDENTIAL

Direct and indirect emissions decreased by 16.2% versus the 2019 weather-adjusted baseline.

EMISSIONS	UNIT	ACTUAL				ACTUAL 2022 VERSUS WEATHER-ADJUSTED 2019		
		2019	2020	2021	2022	2019	2022	CHANGE
Scope 1 (Direct Emissions)	tCO <sub>2</sub> e	3,540	3,585	3,150	3,152	3,503	3,152	-10.0%
Natural Gas	tCO <sub>2</sub> e	3,540	3,585	3,150	3,152	3,503	3,152	-10.0%
Scope 2 (Indirect Emissions)	tCO <sub>2</sub> e	7,590	6,423	6,438	6,401	7,899	6,401	-19.0%
Electricity	tCO <sub>2</sub> e	7,590	6,423	6,438	6,401	7,899	6,401	-19.0%
Scope 3 (Indirect Emissions)	tCO <sub>2</sub> e	90	84	83	81	90	81	-10.4%
Water	tCO <sub>2</sub> e	90	84	83	81	90	81	-10.4%
Emission Intensity**	tCO <sub>2</sub> e/ 1,000 SF	1.5	1.4	1.3	1.3	1.6	1.3	-16.2%
Total Emissions**	tCO <sub>2</sub> e	11,220	10,092	9,671	9,634	11,493	9,634	-16.2%

\*\* Emissions intensity/total emissions includes Scopes 1, 2 and 3.

#### Notes:

- Direct (Scope 1) emissions cover: Natural gas consumed onsite.
- Indirect (Scope 2 & 3) emissions cover: Electricity and emissions generated from water use.

**ANNUAL WATER CONSUMPTION – U.S. RESIDENTIAL**

Water consumption increased by 1.3% versus 2019.

WATER CONSUMPTION	UNIT	ACTUAL				2022 VERSUS 2019	
		2019	2020	2021	2022	CHANGE	
Withdrawal - Municipal	m <sup>3</sup>	1,031,800	1,104,551	1,080,823	1,045,023	1.3%	
Water Intensity	L/SF	151.5	162.1	158.7	153.4	1.3%	
Total Water Consumed	m <sup>3</sup>	1,031,800	1,104,551	1,080,823	1,045,023	1.3%	

**U.S. RETAIL PROPERTIES**

Note: There is no weather adjustment for the U.S. retail properties.

**ANNUAL ENERGY CONSUMPTION – U.S. RETAIL**

U.S. Retail electricity use decreased by 18.2% in 2022 versus 2019. Drastic reductions in consumption are likely due to a combination of factors, including operational changes and conservation initiatives, changes in operating hour and pre-pandemic slower return to normal, and one retail mall being shut down due to reconstruction efforts.

ENERGY CONSUMPTION	UNIT	ACTUAL				2022 VERSUS 2019	
		2019	2020	2021	2022	CHANGE	
Purchased Electricity	ekWh	5,805,656	4,734,974	4,577,765	4,751,459	-18.2%	
Energy Intensity*	ekWh/SF	2.7	2.2	2.2	2.2	-18.2%	
Total Energy Consumed*	ekWh	5,805,656	4,734,974	4,577,765	4,751,459	-18.2%	

\*Energy intensity/total energy includes electricity only.



## ANNUAL EMISSIONS – U.S. RETAIL

U.S. Retail emissions decreased by 26.9% in 2022 versus 2019. Drastic reductions are likely due to a combination of factors, including operational changes and conservation initiatives, changes in operating hour and pre-pandemic slower return to normal, and one retail mall being shut down due to reconstruction efforts.

EMISSIONS	UNIT	ACTUAL				2022 VERSUS 2019
		2019	2020	2021	2022	CHANGE
Scope 1 (Direct Emissions)	tCO <sub>2</sub> e	–	–	–	–	–
Natural Gas	tCO <sub>2</sub> e	–	–	–	–	–
Scope 2 (Indirect Emissions)	tCO <sub>2</sub> e	2,472	1,732	1,729	1,807	-26.9%
Electricity	tCO <sub>2</sub> e	2,472	1,732	1,729	1,807	-26.9%
Scope 3 (Indirect Emissions)	tCO <sub>2</sub> e	5	3	4	4	-25.3%
Water	tCO <sub>2</sub> e	5	3	4	4	-25.3%
Emission Intensity**	tCO <sub>2</sub> e/ 1,000 SF	1.2	0.8	0.8	0.9	-26.9%
Total Emissions**	tCO <sub>2</sub> e	2,477	1,735	1,732	1,811	-26.9%

\*\*Emissions intensity/total emissions includes Scopes 1, 2 and 3.

## ANNUAL WATER CONSUMPTION – U.S. RETAIL

Water consumption decreased by 14.5% versus 2019. Drastic reductions in consumption are likely due to a combination of factors, including operational changes and conservation initiatives, changes in operating hour and pre-pandemic slower return to normal, and one retail mall being shut down due to reconstruction efforts.

WATER CONSUMPTION	UNIT	ACTUAL				2022 VERSUS 2019
		2019	2020	2021	2022	CHANGE
Withdrawal - Municipal	m <sup>3</sup>	60,459	45,118	50,826	51,701	-14.5%
Water Intensity	L/SF	31.4	23.4	26.4	26.8	-14.5%
Total Water Consumed	m <sup>3</sup>	60,459	45,118	50,826	51,701	-14.5%

# SUSTAINABLE DEVELOPMENT

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# BUILDING AND SUPPORTING OUR COMMUNITIES

# BUILDING AND SUPPORTING OUR COMMUNITIES

A building is part of the fabric of a local community. It is a place where people live, work, shop, gather and grow. That is why it is so essential for real estate organizations like Morguard to work with their tenants and residents to ensure their buildings create sustainable impacts in the communities in which they operate and mitigate adverse outcomes.

As socially minded, responsible investors, we set sustainability priorities for new developments, existing properties and renovations and through partnering with communities.

## Our Commitment

Morguard works with tenants, residents, and local community and public stakeholders – including municipal, regional, provincial authorities and non-profit representatives – throughout a property's life cycle. Morguard is committed to aligning new projects with leading sustainable development and construction standards and to keeping abreast of evolving sustainability standards for community and wellness. We seek out consultants and service providers who share this commitment to support our efforts.

In addition to our responsible development and construction practices for sustainable buildings – and given the complexity inherent to several of our large multi-phase mixed-use development projects, Morguard has introduced a comprehensive analysis system/action plan to approach these projects. We are committed to being a leading contributor to developing sustainable communities that facilitate low/zero carbon-emitting construction, operations, programming and resident lifestyle while protecting biodiversity and delivering value to our shareholders and stakeholders. We know that this approach contributes to the resiliency of the communities, and this is consistent with our aim to build, own, operate and manage a portfolio of investment properties that create value for the long term.

Working to modify land use designations so we can create mixed-use development opportunities, requires close collaboration with municipal and provincial authorities and a wide spectrum of community stakeholders. Therefore, all aspects of the projects we undertake, from upgrading existing infrastructure to enhancing the energy efficiency of a proposed building's systems, are approached with a sustainable investment perspective.

## CONNECTING COMMUNITIES AND ENVIRONMENT

We understand that connecting communities – through less carbon-intensive construction, neighbourhood and transit-oriented development – is a key factor in our sustainable development strategy and the long-term financial success of our properties as we transition to a low-carbon economy. We consider the risks and opportunities of this transition when engaging with local communities and authorities to promote resilient infrastructure, accessible and inclusive public spaces and sustainable operations.

Across Canada, Morguard is working on both entitlements and redevelopments in existing shopping centres. Many of these centres occupy more than 15 acres and are located at, or near, transit sites. This is a key driver for new development. We worked closely with the cities of Toronto, Mississauga, Brampton, Ottawa, Coquitlam, and Edmonton to encourage the use of public transit. At the same time, the centres and their surrounding land can be repurposed into plazas and new developments that support the local economy by bringing more jobs to the area through low-carbon commuting. Although municipalities require that public space be part of the planning process, Morguard's approach is to go above and beyond, and provide more public space and parkland than that required by the city.

As part of our carefully considered development plans, Morguard provides parks, street lighting, sidewalks, and other forms of privately owned accessible land that are welcoming and inclusive and can be enjoyed by all guests, visitors, and passersby.

Every new project undertaken provides an opportunity to explore options for improved building system performance and construction techniques/materials that will improve sustainability outcomes; this future-proofs our investment properties against climate risk and contributes to building resilient communities.

## Looking Ahead

In 2023, Morguard will continue to pursue these learning opportunities and explore new proven technology and policy to further our long-term objectives.

## PRESERVING BIODIVERSITY

While developing, restoring, and managing our properties, we not only seek to mitigate our impact on the environment by reducing our carbon footprint, we are also committed to protecting, creating, and preserving biodiversity on our properties and, where possible, the community at large. That is because we recognize the intrinsic value of the natural environment in mitigating the impacts of climate risk and the opportunities available to us to create spaces that also bring communities together.

We are members of two committees of the Coquitlam River Watershed Roundtable, a community-based group originally founded in 2011 to coordinate and implement activities that promote the long-term health and sustainability of the Coquitlam River watershed. Active members include representatives from the City of Coquitlam, Kwikwetlem First Nation, Fisheries and Oceans Canada, and a diverse group of local citizens. All share a commitment to protecting the future of the watershed and the biodiversity it supports.

We are committed to protecting and supporting local habitats and, where appropriate, selecting sites that can be redeveloped and remediated and/or can undergo environmental restoration. During site development, we use low-impact tools, including local planting materials and comprehensive stormwater management programs (e.g., systems for retaining and purifying water before release).

For example, our development plans for the first residential district at Bramalea City Centre in Brampton, Ontario, include an ambitious stormwater management program that will expand and beautify an existing open channel facility and create a naturalized pathway and park. Plans also include the reintroduction of native plants into the landscaping.

## SOCIAL PARTNERSHIPS AND PHILANTHROPY

We recognize that good corporate citizens are guided by strong ethical and moral standards and act in ways that benefit society.

At Morguard, we consider ourselves to be an integral part of the communities in which we operate and those where our employees live. We understand the most positive changes come from collaborative action, so we actively engage in social partnerships and philanthropy for the betterment of all.

We promote belonging and build social capital in the community and we encourage our employees to be active and make a difference in their own neighbourhoods.

While we donate to charities, we also take action to make conditions better and more equitable for our tenants, patrons and employees. That includes creating inclusive and safe workplaces, community spaces and promoting well-being. All of which builds our reputation, safeguards and future-proofs our investment returns sustainably over the long term.

### Our Commitment

When it comes to community involvement, Morguard truly walks the talk. Deeply committed to addressing a wide range of challenges, Morguard partnered with a variety of organizations throughout 2022 and engaged in various forms of philanthropy.



Bramalea City Centre Architectural Rendering, Brampton, Ontario

## REDUCING SOCIAL RISK AND VULNERABILITY – EMPOWERING YOUTH AND COMMUNITIES

Kids aren't immune to concerns about climate change. In fact, studies show that many are living with "eco-anxiety," which includes feelings of worry, fear and even despair over the realities of climate change and the environmental challenges our planet faces.

During 2022, Morguard's OnePlanet task force renewed its partnership with Earth Rangers, to promote environmental education and protection among children. The goal was to teach youth the importance of protecting the environment by promoting critical and creative thinking that helps inspire kids to get involved within their communities.

A OnePlanet Earth Month campaign was launched in April 2022 across Morguard shopping centres. Morguard's Bramalea City Centre, Centerpoint Mall, East York Town Centre and Cambridge Centre hosted live animal roadshows that encouraged membership sign-ups and promoted wildlife adoption kits.

To further drive community engagement, an online contest was held on Morguard's and Earth Rangers' social media accounts where five winners were each awarded an Earth Rangers Wildlife Adoption Kit and a \$50 shopping voucher. As a result of the campaign, the partnership produced 3,468 contest entries and 4,526 new member sign-ups in April for Earth Month.

Morguard's OnePlanet National Retail Initiative is a socially responsible movement designed to minimize environmental impact through the adoption of environmentally sustainable programs. As part of Morguard's ongoing commitment to sustainability and the environment, we will continue to leverage the OnePlanet initiative to promote activities that will help raise the next generation of environmentally conscious individuals.

## SOCIAL VALUE – PLACE MAKING TO BRING PEOPLE TOGETHER

Morguard properties deliver social value by providing community access. They are purposely designed to be welcoming, accessible, inclusive and to draw people together. One way we do so is by incorporating outdoor green spaces into our properties, many of which include street lighting, sidewalks, playgrounds, and public art displays.

We create buildings with state-of-the-art technology and digital infrastructure that allow people to come together virtually, whether to catch up with family and friends or to work remotely.

At the time this report was prepared, nine of our properties had received WiredScore Global Digital Connectivity certification. This certification recognizes commercial properties with outstanding internet connectivity and digital infrastructure that facilitates community connectivity.

At our certified properties, tenants and residents can choose from multiple service providers. Properties also offer access to the full distribution of fibre-optic cable for the efficient delivery of data services to each floor and the capacity to support new carriers and cable installations. In addition, building infrastructure allows us to easily support the introduction of new services as needed or required.

## SOCIAL INCLUSION AND ACCESSIBILITY

Accessibility is a key component for any inclusive and diverse community. It's a priority for Morguard and integral to our values. We seek to provide accessible spaces and cultivate a community that minimizes physical barriers for all persons requiring accommodation to access community spaces, living spaces and spaces to work and play.

The Rick Hansen Foundation's Accessibility Certification (RHFAC) is the first program designed to rate the level of meaningful access to buildings based on the user experiences of people whose disabilities impact their mobility, vision, and/or hearing. As of the date this report was prepared, seven of our properties had received the RHFAC.

## GIVING BACK

To help our communities prosper, we support a broad range of social causes through partnerships with established non-profit organizations. Our efforts include both direct charitable giving and support to social cause campaigns. Our work also involves our tenants, residents, employees, and business partners. We encourage them to raise funds and awareness for local causes.

We know that thinking globally and acting locally is one of the most effective ways to help promote community resilience and well-being. We have established social partnerships at close to 40% of our properties.

### **Our social partnerships include the following community organizations (not an exhaustive list):**

- Agincourt Community Services Association
- The Salvation Army (Etobicoke)
- Ste. Louise Outreach Centre of Peel
- The Open Door
- The Salvation Army (Scarborough)
- Vaughan Community Information Services
- The Salvation Army Family and Community
- Mississauga Festival of Trees
- Toy Mountain
- Lymphoma & Leukemia Foundation Light The Night
- Toys for Tots
- North Pole Express
- MADD
- American Cancer Society Relay for Life events
- Partners For Life Blood Drives
- Cystic Fibrosis Canada
- Terry Fox Foundation
- Royal Canadian Air Cadets
- City of Cambridge Fire Department
- Support Ontario Youth
- Tools in the Trades Boot Camp
- Royal Canadian Legion Branch 126 Cambridge
- St. John Ambulance
- KidsAbility
- Humane Society
- Cambridge Memorial Hospital
- Canadian Cancer Society
- Share Family Services
- Various Police and Fire Services
- Big Brothers & Big Sisters

## DONATIONS TO CANADIAN FOOD BANKS

We support several food banks and organizations working to reduce food insecurity. We believe in making meaningful contributions toward SDG 2: Zero Hunger through community partnerships at properties where the ability to contribute is greatest.

In 2022, our teams from retail centres and office properties collected \$41,850 in food donations to support families impacted by the ongoing pandemic and economic uncertainty.

In addition to social partnerships, Morguard also believes in giving back. Each year we endeavour to give back in actions and in charitable donations.

### Looking Ahead

Consideration will be given in 2023 to expanding volunteering opportunities for employees in Canada.

### Communities Served by Our Teams' Efforts:

- Food Share Food Bank (Oakville) Inc.
- North York Harvest Food Bank
- Vaughan Food Bank
- Eden Food for Change
- The Mississauga Food Bank
- Calgary Food Bank
- Edmonton Food Bank
- Vancouver Food Bank

### MORGUARD'S ANNUAL FINANCIAL GIFTS

	2020	2021	2022
Total Net Charitable Contributions and Sponsorships	\$139,118	\$373,376	\$388,626
Charitable Giving as a Percentage of Earnings Before Income Taxes and Market Value Adjustment	0.08%	0.18%	0.15%

# RESPONSIBLE EMPLOYER

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# EMPOWERING OUR PEOPLE



# EMPOWERING OUR PEOPLE

Creating value isn't all about profits. It is also about making a commitment to doing what's best, including what's best for your people.

You can create value when you have the right people with the right skills in the right roles – and you cultivate them to reach their full potential by supporting and empowering them.

That's what we do at Morguard. We sustain a work environment that is founded on dignity and respect for all employees. We appreciate and recognize the power that every one of them has in helping us achieve our goals and reward their contributions to our results.

We have embraced an employee value proposition (EVP) that is driven by our desire to give our employees what they need – and we actively adjust to adapt to their wants and concerns. That includes, ensuring that we are enabling the well-being of our employees and their families, through compensation, benefits, policies and practices.

We have established standards for ethical behaviour and integrity within our organization and encourage our employees to get involved in community endeavours, making positive contributions that benefit all.

## Our Commitment

Our directors of human resources in Canada and the U.S. are responsible for human capital management at Morguard, including compliance with all related policies, codes, regulations, and reporting procedures. We make informed decisions based on data from employee surveys and HR talent KPIs that help us develop our talent strategies. We currently comply with all union and non-union employee obligations providing an adequate notice period for significant operational changes.

Where these laws are not clearly defined, notice periods for all other substantial operational changes are determined on an ad hoc basis, depending on the nature and significance of the change. For example, the acquisition or disposition of a real estate property would provide notice of 30 days or more, whereas a large technology replacement or rollout would have a notice period of greater than six months.

Our EVP program is focused on our talent life cycle and creating an environment, career path and total compensation package that, when combined with a balanced focus on well-being and purpose, will allow us to:

- ensure our corporate strategies and culture align with our employees' value expectations, and
- continue to attract, develop, and retain our most critical talent.

## MATURING THE EVP OFFERING

Similar to the first half of 2022, the latter half of the year was focused on retention and recruitment challenges as turnover continued to exceed historical levels. Originally the EVP focus was solely on improving competitiveness in the marketplace by focusing on compensation, flexibility, and benefits. When we examined various employee needs and expectations, it became clear that it was essential that focus and resources be allocated to the next level of employee offering. Those that differentiate Morguard and build employee experiences, include career development and well-being.

### Looking Ahead

In 2023, the HR department in the U.S. will continue to adjust immediate compensation on an ongoing basis and through recruiting processes. A more permanent flexible schedule and an introduction to an immediate well-being tool will be proposed.

For Canada, we plan to continue to strengthen Morguard's contractual obligations by improving the identification of high performers and rewarding them accordingly. There will be measures and processes in place for internal and external compensation equity, total compensation by employee, outlining and highlighting employee benefit programs and pension plans.

We will also focus our resources on talent experience, beginning with enhancements to our onboarding process. Morguard will devote some of its energy to learning initiatives (including a Situational Leadership Program to enhance manager skills) and bundle and make available material focused on Morguard's six foundations for success and the most common competencies across all roles at Morguard.

Our focus is also shifting to social inequities and divides and how these affect our talent. In 2023, one of our priorities will be to build on existing policies and deliver employee and manager diversity, equity and inclusion training – starting with unconscious bias and inclusion training in the fourth quarter of 2023.

## EMPLOYEE SURVEYS

We understand that listening to our employees and building a talent strategy around their needs is critical to attracting and retaining the best people. We engaged leading HR consulting firm, Mercer, to facilitate and conduct employee surveys to measure employee satisfaction and diversity, equity and inclusion.

As we continue to mature our programs and make decisions on where to focus our dollars and resources, we will look to our metrics to help determine EVP priorities and measure our success. We have begun to gather more detailed data to better understand our Talent risk and opportunities and to ensure our efforts are delivering the anticipated results for the desired groups.

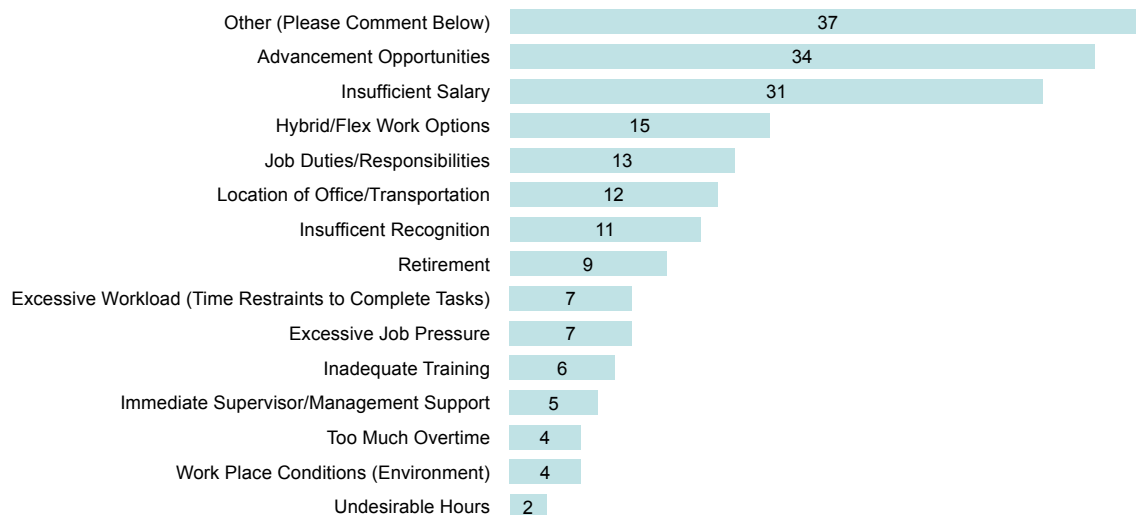
Some of these core metrics are presented below along with our observations. Many of these metrics focus on turnover and the results of our exit interviews. Since exit interviews are reactive, we worked to create and launch a quarterly engagement (stay) survey that would provide periodic touchpoints with and obtain feedback from employees before they decided to leave Morguard. The first survey was released in October to approximately 25% of our employee base and we received a response rate of approximately 30%. We should be able to increase participation and provide greater representation in the 2023 results by enhancing communication and providing greater transparency.

### Morguard Exit Interview Results 2022

Morguard continues to track high on satisfaction with respect to work environment, and health and safety. However, since May 2022, satisfaction of benefits has dropped to the bottom when examining employee satisfaction. Reviewing and modifying the benefit plan to include flexibility and greater mental health support, should improve satisfaction levels. In addition, enhanced benefit plan communications that highlights the strength and value of our benefit offering should improve access and satisfaction, because it will facilitate a better understanding of the benefit plan.

We can continue to do better in the areas of compensation, development, leadership, and recognition. Exit interview results correspond with the results from the DEI survey. Morguard has launched management and leadership soft skills learning that is expected to help in some of these areas. Metrics will continue to evolve as new data is collected.

### REASON INFLUENCING YOUR DECISION TO LEAVE MORGUARD – YTD 2022



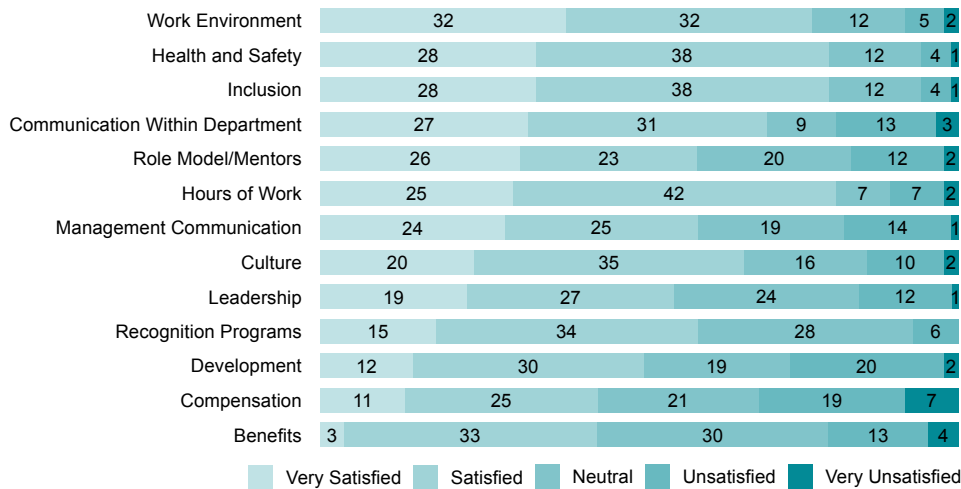
Note: Primary comments from associates who selected "Other" are better opportunity, leaving province/country and poor management.

## Morguard Employee Engagement (Stay) Survey Results

Results from the first in-house engagement survey mirror the exit interview results, with advancement opportunities and salary considered to be the most crucial elements for successful retention. What is helping to drive advancement opportunities are our EVP efforts with respect to performance measurement as well as links to career

development. Our approach to performance measurement may also help to resolve some of the concerns with salary (including bonus) and salary fairness. Our focus in 2023 will be to continue to improve our communication. We will also seek to increase survey participation to ensure our survey size is more representative of our employee population.

### SATISFACTION OF COMPENSATION AND GENERAL PROGRAMS



## EMPLOYEE WELLNESS SUPPORT

Our wellness program focuses on nutrition, physical fitness, mental well-being, and financial health. Together with our health partners, we offer disease management initiatives to employees throughout the year, including smoking cessation programs and programs that address diabetes and heart health. In addition, our financial partners help us offer the resources to save and invest for retirement.

By continuing to encourage employees to focus on their (mental and physical) well-being by using vacation and sick time, we have seen an improvement in the satisfaction of our physical wellness plans. However, there has been a drop in satisfaction when it comes to our financial (pension) well-being. This is likely due to the state of the economy and market trends. In 2023, year-end metrics from our external pension service provider will be used to tailor communications to employees and pensioners.

Morguard held a Wellness Week during October 2022, aimed at supporting and promoting every aspect of employee wellness – including emotional, mental, financial, physical, and nutritional wellness – from a holistic perspective. To assist with the promotion and encouragement of daily self-care, we launched a Wellness Week 2022 Teams Channel where employees could register for the various wellness activities, share their daily wellness challenges, and connect with one another. Wellness sessions included meditation, unconscious bias and allyship – and served to remind employees of the resources offered to them through Morguard providers such as Inkblot, Manulife, and Sunlife’s Lumino Health.

## MENTAL HEALTH SUPPORT

Morguard recognizes the need to address mental health, given the increasing number of people affected by mental health challenges and recent years of disruption and change. Post-pandemic, Morguard continued to provide employees with access to Inkblot. In addition, an overall review of mental health benefits was assessed and enhanced and mental health awareness training was provided to managers and employees.

## OUR WORKFORCE

Approximately 3% of our workforce is unionized. Four employees in Canada are governed by a collective agreement between Morguard and the International Union of Operating Engineers (Local 772). Sixteen employees in Canada are governed by a collective agreement between Morguard and the Universal Workers Union L.I.U.N.A. (Local 183) while four are with L.I.U.N.A. (Local 527). Finally, four employees are with CUPE (Local 4266). There are no collective bargaining agreements in place for Morguard employees in the U.S.

<b>EMPLOYEES BY EMPLOYMENT CONTRACT</b>						
<b>CANADA</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Permanent Full-Time	910	87%	860	91%	861	93%
Permanent Part-Time	108	10%	59	6%	30	3%
Temporary Full-Time	24	2%	19	2%	24	3%
Temporary Part-Time	8	1%	7	1%	8	1%
<b>Total Employees</b>	<b>1,050</b>		<b>945</b>		<b>923</b>	
<b>U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Permanent Full-Time	246	99%	244	98%	236	98%
Permanent Part-Time	3	1%	3	1%	5	2%
Temporary Full-Time	0	0%	0	0%	0	0%
Temporary Part-Time	0	0%	0	0%	0	0%
<b>Total Employees</b>	<b>249</b>		<b>247</b>		<b>241</b>	

<b>EMPLOYEES BY EMPLOYMENT TYPE</b>						
<b>CANADA</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Administrative/Operations	648	62%	553	58%	519	56%
Professional/Technical	211	20%	208	22%	219	24%
Middle Management	93	9%	89	9%	89	10%
Senior Management	79	8%	77	8%	76	8%
Executives	19	2%	18	2%	20	2%
<b>U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Administrative/Operations	124	50%	131	53%	119	50%
Professional/Technical	64	26%	55	22%	60	25%
Middle Management	45	18%	48	19%	49	20%
Senior Management	15	6%	12	5%	12	5%
Executives	1	<1%	1	<1%	1	<1%

DIVERSITY BY GENDER AND EMPLOYMENT TYPE						
CANADA	2020	%	2021	%	2022	%
Male	506	48%	471	49%	461	50%
Female	544	52%	474	50%	462	50%
MALE – CANADA	2020	%	2021	%	2022	%
Administrative/Operations	316	62%	283	60%	267	58%
Professional/Technical	86	17%	85	18%	90	20%
Middle Management	41	8%	43	9%	48	10%
Senior Management	48	9%	46	10%	42	9%
Executives	15	3%	14	3%	14	3%
FEMALE – CANADA	2020	%	2021	%	2022	%
Administrative/Operations	332	61%	270	57%	252	55%
Professional/Technical	125	23%	123	26%	129	28%
Middle Management	52	10%	46	10%	41	9%
Senior Management	31	6%	31	7%	34	7%
Executives	4	1%	4	1%	6	1%

<b>EMPLOYMENT BY GENDER AND EMPLOYMENT TYPE</b>						
<b>U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Male	117	47%	113	45%	109	45%
Female	132	53%	134	54%	132	55%
<b>MALE – U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Administrative/Operations	35	30%	36	32%	33	30%
Professional/Technical	54	46%	51	45%	52	48%
Middle Management	18	15%	19	17%	18	17%
Senior Management	9	8%	6	5%	5	5%
Executives	1	1%	1	1%	1	1%
<b>FEMALE – U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Administrative/Operations	89	67%	95	71%	86	65%
Professional/Technical	10	8%	4	3%	8	6%
Middle Management	27	20%	29	22%	31	23%
Senior Management	6	5%	6	4%	7	5%
Executives	0	0%	0	0%	0	0%

## EMPLOYMENT BY AGE AND GENDER

<b>BY AGE – CANADA</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Under 30	136	13%	110	12%	107	12%
30–50	462	44%	422	44%	404	44%
Above 50	452	43%	413	43%	412	45%

<b>MALE – CANADA</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Under 30	52	10%	48	10%	47	10%
30–50	223	44%	211	45%	197	43%
Above 50	231	46%	212	45%	217	47%

<b>FEMALE – CANADA</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Under 30	84	15%	62	13%	60	13%
30–50	239	44%	211	45%	207	45%
Above 50	221	41%	201	42%	195	42%



<b>EMPLOYMENT BY AGE AND GENDER</b>						
<b>BY AGE – U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Under 30	48	19%	35	14%	40	17%
30–50	129	52%	133	53%	125	52%
Above 50	72	29%	79	32%	76	31%
<b>MALE – U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Under 30	23	20%	13	12%	16	15%
30–50	57	49%	62	55%	57	52%
Above 50	37	32%	38	34%	36	47%
<b>FEMALE – U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Under 30	25	19%	22	16%	24	18%
30–50	72	55%	71	53%	68	52%
Above 50	35	27%	41	31%	40	30%

## EMPLOYEE TURNOVER

In 2022, the real estate sector continued to experience significant labour shortages due to the increasingly competitive labour market in both Canada and the U.S. For Morguard, this resulted in increased employee turnover in both markets. We continue to work on reversing this trend by focusing on our Employee Value Proposition and Talent Strategies (described below) and expanding our search for qualified employees.

Employee turnover in the U.S. in 2022 was greater than the previous year due to a different system of employment called “At Will Employment”. In this system, there is no

requirement for employees or employers to give warning to leave or termination of employment. This system, combined with changes in ownership as Morguard acquires or divests property assets, can significantly impact employee turnover rates. Morguard’s turnover rate is standard within the multi-suite residential industry in the U.S. In 2022, turnover was slightly higher than normal due to disposition of several multi-suite residential properties and due to the “Great Resignation” where employees re-evaluated their priorities and work/life balance.

EMPLOYEE TURNOVER – CANADA	2020	%	2021	%	2022	%
Employee Turnover	188	18%	259	27%	275	30%

BY GENDER – CANADA	2020	%	2021	%	2022	%
Male	92	49%	106	41%	130	47%
Female	96	51%	153	59%	145	53%

BY AGE – CANADA	2020	%	2021	%	2022	%
Under 30	66	35%	78	30%	79	29%
30–50	62	33%	95	37%	112	41%
Above 50	60	32%	86	33%	84	30%

EMPLOYEE TURNOVER – U.S.	2020	%	2021	%	2022	%
Employee Turnover	97	39%	120	49%	127	53%

BY GENDER – U.S.	2020	%	2021	%	2022	%
Male	49	51%	68	57%	63	50%
Female	48	49%	52	43%	64	50%

BY AGE – U.S.	2020	%	2021	%	2022	%
Under 30	30	31%	29	24%	39	31%
30–50	46	47%	62	52%	55	43%
Above 50	21	22%	29	24%	33	26%

<b>EMPLOYEE NEW HIRES – CANADA</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Employee New Hires	N/A	N/A	N/A	N/A	238	26%

<b>BY GENDER – CANADA</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Male	N/A	N/A	N/A	N/A	112	47%
Female	N/A	N/A	N/A	N/A	126	53%

<b>BY AGE – CANADA</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Under 30	N/A	N/A	N/A	N/A	92	39%
30–50	N/A	N/A	N/A	N/A	102	43%
Above 50	N/A	N/A	N/A	N/A	44	18%

<b>EMPLOYEE NEW HIRES – U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Employee New Hires	N/A	N/A	N/A	N/A	119	13%

<b>BY GENDER – U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Male	N/A	N/A	N/A	N/A	58	49%
Female	N/A	N/A	N/A	N/A	61	51%

<b>BY AGE – U.S.</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Under 30	N/A	N/A	N/A	N/A	44	37%
30–50	N/A	N/A	N/A	N/A	45	38%
Above 50	N/A	N/A	N/A	N/A	30	25%

## DIVERSITY, EQUITY AND INCLUSION

Morguard is committed to fostering a culture of belonging and equity, where diversity is celebrated, and inclusion is the norm. We believe that a diverse and inclusive workforce – representing a rich mix of experiences, cultures, ethnicities, abilities and beliefs – contributes to a richness of perspectives and innovative ideas that enable us to improve every day and better serve our customers and communities.

Morguard is an equal opportunity employer. We are committed to maintaining a workplace free of harassment or discriminating behaviour, particularly when it comes to race, colour, age, faith, national or ethnic origin, sexual orientation, gender identity, or disability.

In the U.S., if a discrimination charge is alleged, due diligence investigations take place and legal and risk are notified. If discrimination is found to have existed, the offending employee is terminated.

We want our workplaces to be those where all Morguard employees:

- Feel welcomed, trusted, respected, and valued as people and business partners
- Can bring their authentic selves to work and feel safe to express aspects of themselves and perspectives that may differ from those of their peers
- Will not look the other way when someone is not being treated equally or with respect

Morguard conducted its first diversity, equity and inclusion employee survey in July 2022. The survey was comprised of 24 questions across six dimensions:

1. Commitment to DEI
2. Fair Deal
3. Fair Environment
4. Inclusive Manager
5. Inclusive Relationships
6. My DEI Experience

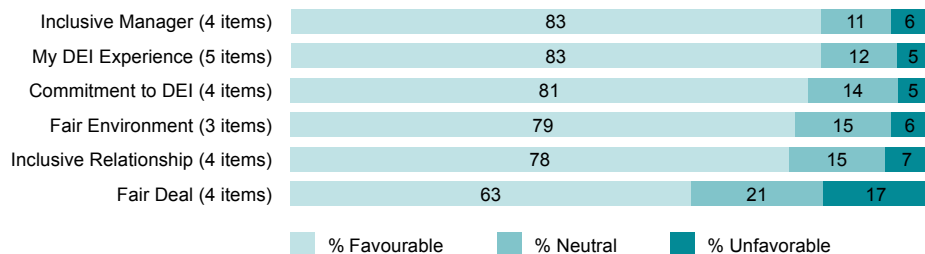
Survey respondents recognized some of Morguard's strengths in the DEI space. Specifically, the visibility, acceptance, and celebration of differences, which translates into a multicultural, family friendly and welcoming environment.

Also noted in the survey was Morguard's attention to and opportunity for, learning and development. These DEI successes are not a result of any specific HR initiative or program, but rather, from the various acknowledgments, recognitions, and celebrations associated with unique events like National Day for Truth and Reconciliation and International Women's Day as well as other community and charity fundraising events. These DEI successes do not negate the need for specific DEI-related initiatives to improve and enhance inclusion and belonging. However, they do highlight that the success of DEI is owned and managed by everyone at all levels, not just HR.

The survey identified DEI opportunities that would increase employee retention, engagement, and productivity, as well as strengthen Morguard's culture. Respondents are looking for fair and equitable treatment (EVP Competitiveness) that includes knowing that they are being compensated fairly for their contributions. Employees are looking for inclusion and belonging, as well as learning, development and advancement opportunities (EVP Differentiated). These initiatives need to be at the forefront of any future DEI initiative.

Fast tracking some programs, when possible, will allow us to realize some DEI opportunities. All successful programs begin with a strong, supported and accepted DEI Policy, which is currently under development.

### A DASHBOARD VIEW OF MORGUARD'S DEI STRENGTHS AND OPPORTUNITIES AS IDENTIFIED BY THE SURVEY RESULTS



## EMPLOYEE COMPENSATION, BENEFITS AND FLEXIBILITY

Through our compensation programs and our progressive benefits and wellness initiatives, we support the health and well-being of our employees and their families.

In Canada, we provide parental leave to our employees. It is available to employees who have met the minimum length of service in the province where the employee resides (see chart below). Maximum length of leave and qualifying period is dependent on the province where the employee resides (see chart for details as to length of leave and qualifying period). Parental leave must be taken as one continuous leave.

Parental leave is an unpaid leave available to new or adoptive parents to bond with and care for their newborn or adopted child. Where applicable, each parent is entitled to the parental leave as follows:

- For an employee who takes a maternity leave, the parental leave must begin when the maternity leave ends, or when the baby first comes into the care of the parent.

- For fathers and adoptive parents, parental leave can be taken when the child first comes into the care of the parents.

An employee is entitled to a fixed minimum post-natal leave of six weeks after the actual date of birth. If an employee wishes to return to work less than six weeks after the birth, they must first provide a medical certificate stating that they are fit to resume work.

In the U.S. employees are entitled to Family Medical Leave of Absence. The leave allows employees who have been employed for at least 12 months to take leave for qualifying reasons, including childbirth or time off to bond with a new child. The leave of absence is not a paid leave, but it does guarantee the holding of the employee's position or equal position upon return from leave. The maximum amount of time off allowed is 12 weeks.

In 2022, the return to office was gradual in the first quarter. Eligible employees were offered hybrid work, working in the office 10 days a month. For essential workers, flexibility was offered in the form of hybrid work or flexible work hours.

### SERVICE REQUIRED, TIMING AND LENGTH FOR MATERNITY AND PARENTAL LEAVE

PROVINCE	SERVICE REQUIRED TO BE ELIGIBLE FOR LEAVE		MATERNITY LEAVE		PARENTAL LEAVE	
		Length	Earliest Start Date Before Due Date	Length	Qualifying Period in Relation to Birth or Adoption	
<b>British Columbia</b>	None	17 weeks	11 weeks	35 weeks with maternity 37 weeks otherwise	Completed within 52 weeks	
<b>Alberta</b>	52 weeks	15 weeks	12 weeks	37 weeks	Completed within 52 weeks	
<b>Saskatchewan</b>	20 of past 52 weeks from which leave is to start	18 weeks	12 weeks	34 weeks with maternity 37 weeks otherwise	Completed between 12 weeks before and 52 weeks after	
<b>Manitoba</b>	7 months	17 weeks	17 weeks	37 weeks	Commenced within 1 year	
<b>Ontario</b>	13 weeks	17 weeks	17 weeks	35 weeks with maternity 37 weeks otherwise	Commenced within 52 weeks	
<b>Quebec (Maternal) Quebec (Paternal)</b>	None	18 weeks for mothers 5 weeks for fathers	16 weeks for mothers Week of the birth for fathers	35 weeks with maternity 52 weeks otherwise	Completed within 70 weeks	
<b>Nova Scotia</b>	1 year	17 weeks	16 weeks	35 weeks with maternity 52 weeks otherwise	Completed within 52 weeks	

Note: these maternity and parental leave benefits apply to Canadian employees only.

## BENEFITS OVERVIEW

Employment	Vacation	Group Life Insurance, Extended Health Care, Employee Assistance, and Travel Assistance	Short-Term Disability Coverage	Long-Term Disability Coverage	Morguard Pension Plan
<b>Canada Permanent</b>	Paid vacation allowance; 15 days per annum, up to sixth year; increases thereafter	Yes, based on a minimum 20 hours of work per week	Yes: Full-time and part-time (working more than 20 hours/week) salaried employees  Hourly paid employees or those working fewer than 20 hours/week through Canada Employment Insurance Program	Salary or hourly employees (working more than 20 hours/week), except those employees receiving lodging benefits	Salaried employees eligible
<b>U.S. Permanent, Full-Time</b>	One to five years' service: 80 hours paid, up to sixth year; increases thereafter	Employer paid 1X annual salary life with AD&D; Employer paid LTD; employer shares cost of medical, dental and vision coverage	Employee pays 100% for STD. We provide FMLA, and accrued time in catastrophic illness bank	Full time only (35+ hours); salary or hourly employer pays 100% of LTD premium	401k plan: employer matches up to 5% of compensation if employee participates
<b>Canada Temporary</b>	4% of earnings	N/A	Canada Employment Insurance Program	N/A	N/A

Morguard has two pension plans, the Morguard Corporation Employees' Retirement Plan and the Morguard Investments Limited Employees' Retirement Plan. Both include defined benefit provisions that include active beneficiaries, however, do not have active participants accruing benefits. As of the most recent independent actuarial cost certificate, dated January 1, 2023, both Plans have available actuarial surplus.

The Morguard Corporation Employee's Retirement Plan also includes a defined contribution provision (DC Provision). The DC Provision provides a retirement benefit of an annual pension in the form of payment elected by the member, in the amount which can be purchased from an Insurer by Morguard on the Member's behalf with the account balance, at the election of the member, at the time of his/her retirement. The normal retirement age is 65.

Morguard contributes an amount ranging from 3% to 5% of each employee's defined contribution earnings as set out in the DC Provision, up to the maximum contribution limit for the year. The 2022 contribution limit for a registered DC plan was \$30,780. Defined Contribution Members are not required to contribute; however Defined Contribution Member may elect to contribute a percentage of his Defined Contribution Earnings to his Voluntary Contributions Account.

A member who retires may elect to receive his Member Voluntary Contributions Account Balance as a cash lump sum payment less any applicable withholding tax.

The aggregate of company contributions and members voluntary contributions are subject to limits prescribed in the Tax Act.

## EMPLOYMENT RECOGNITION AND AWARDS

We believe a job well done should be recognized. That's why we offer a variety of opportunities for our employees to shine, including our Keeper of the Flame Award. Managers and peers in both the U.S. and Canada can nominate employees for the Keeper of the Flame Award Program for meeting Morguard's six Foundations for Success:

- We exceed expectations through realizing potential in everything that we do.
- We build a winning team through honest communication.
- We run on pride and passion.
- We get results with integrity.
- We grow through respect and recognition, while embracing diversity.
- We use all our resources to deliver exceptional service.

We continue to hold an annual awards ceremony that allows employees to nominate their peers in 20 different categories, from hard work to creativity. The nominees and winners are selected based on performance in 2022.

In 2022, there were 46 unique nominations resulting in 16 winners, seven from Canada and nine from the U.S.

We also offer the REACH Award to recognize outstanding employee contributions that have made a difference and recognize employee work anniversaries.

## EMPLOYEE LEARNING AND DEVELOPMENT

Our business thrives when we provide our employees the tools and opportunities they need to succeed.

We help employees at every level build and strengthen their skills to meet the changing needs of our business and to advance into new roles. In addition to formal training on corporate policies and regulatory requirements, we invest in specialized training through our online training portals. In Canada, this is myHR and in the U.S., it is the Morguard Management Training (MMT) program.

Both portals offer on-demand resources, including eLearning courses, microlearning modules, and videos. All are organized by employee geographical location and role. MMT also offers courses that meet the annual continuing education requirements necessary to maintain professional designations such as Certified Apartment Manager (CAM) and National Apartment Leasing Professional (NALP). In addition, we introduced new training to strengthen the critical soft skills required to support employee wellness and we offer tuition assistance to employees in both the U.S. and Canada.

In our Canadian organization, the Learning team launched two new manager-focused programs: Manager Lunch and Learns, and Situational Leadership: Building Leaders. The Manager Lunch and Learn program was a collaboration between Human Resources and Learning Services to bring monthly webinar offerings to managers, giving them a chance to learn about best practices and HR support services. We had 446 attendees across 10 sessions, and we received a lot of positive feedback about the program that we will continue into 2023. At the end of 2022, we launched the pilot program for Situational Leadership. It gives managers a strong framework to give relevant coaching to employees at any skill level. The pilot was well received and this program will be a regular offering in 2023.

In the U.S., a property management software change required most U.S. team members to undergo system and process training. Additionally, new hire training courses/materials were updated to reflect this change.

We encourage frequent performance check-ins between supervisors and their employees. During annual career path planning discussions, managers help their team members identify their professional development needs.

TRAINING AND DEVELOPMENT – CANADA						
	2021			2022		
	NON-MANAGEMENT	MANAGEMENT	TOTAL	NON-MANAGEMENT	MANAGEMENT	TOTAL
Total Employees Eligible for Training <sup>1</sup>	725	255	980	651	300	951
<b>TRAINING HOURS BY EMPLOYEE CATEGORY</b>						
Total Training Hours per Employee Category	7,397	2,592	9,989	5,277	4,349	9,626
Training Hours per User	10.2	10.2	10.2	8.1	14.5	10.1
<b>TOTAL TRAINING HOURS BY TRAINING TYPE</b>						
e-Learning	6,653	2,340	8,993	4,479	3,008	7,487
Self-Learning (User Documentation and Videos)	202	71	273	2	2	4
VILT (Virtual Instructor-Led Training)	106	35	141	541	631	1,172
External	459	152	611	255	708	963
<b>TOTAL TRAINING HOURS BY SUBJECT</b>						
Morguard Processes and Tools	669	235	904	1,170	1,642	2,812
Compliance	6,095	2,144	8,239	3,725	1,973	5,698
Desktop Productivity	22	8	30	3	-	3
Other Soft and Technical Skills	604	213	817	309	567	876
Other	0	0	0	72	166	238

<sup>1</sup> Represent the average number of employees eligible for access to the Morguard Learning Management System, excludes temporary employees who are on a term less than six months.



## TRAINING AND DEVELOPMENT – U.S.

	2021			2022		
	NON-MANAGEMENT	MANAGEMENT	TOTAL	NON-MANAGEMENT	MANAGEMENT	TOTAL
Total Employees Eligible for Training <sup>1</sup>	186	61	247	180	55	235
<b>TRAINING HOURS BY EMPLOYEE CATEGORY</b>						
Total Training Hours per Employee Category	4,049	1,156	5,205	7,420	2,032	9,452
Training Hours per User	21.8	19.0	21.1	41.2	36.9	40.2
<b>TOTAL TRAINING HOURS BY TRAINING TYPE</b>						
Online Courses	3,887	1,034	4,921	4,072	1,009	5,081
Instructor Led	162	122	284	270	83	353
External	0	0	0	3,078	940	4,018
<b>TOTAL TRAINING HOURS BY SUBJECT</b>						
Morguard Processes and Tools	783	322	1,105	3,560	1,181	4,741
Compliance	2,212	541	2,753	2,608	645	3,253
Desktop Productivity	0	0	0	0	0	0
Other Soft and Technical Skills	1,054	293	1,347	1,252	206	1,458

<sup>1</sup> Represent the average number of employees eligible for access to the Morguard Learning Management System, excludes temporary employees who are on a term less than six months.

## PERFORMANCE REVIEWS – CANADA

	2020	2021	2022
Performance Reviews Completed	862	762	735
Eligible Employees	937	800	774
Percent Coverage	92.0%	95.3%	95%

## PERFORMANCE REVIEWS – U.S.

	2020	2021	2022
Performance Reviews Completed	210	189	190
Eligible Employees	211	189	190
Percent Coverage	99.5%	100%	100%

## EMPLOYEE HEALTH AND SAFETY

Morguard is committed to providing all employees, residents, tenants, contractors and the public with clean, safe and healthy environments. By setting expectations, Morguard looks to constantly ensure that a safe and healthy workplace is maintained. We strive to continuously improve occupational health and safety (OHS) and to remain a recognized leader in workplace safety.

In 2022, Morguard received an Excellence Award in the Services Sector category at the Canada's Safest Employer Awards.

### Our Commitment

Health and safety is a key part of our culture at Morguard.

Over the past several years, key investments in this area have enabled Morguard to create effective Health and Safety teams, provide dedicated training personnel, enhance company-wide online training systems and build strong competencies in risk management.

Morguard pays for all employee safety training and schedules training during paid working hours. The training focuses on compliance items and renewal of internal online training through our Learning Portal, myHR. The safety training available is provided in both English and French and it delivers a key understanding of hazard identification and safe work practices.

Morguard's workplace safety program is led and supported by following dedicated resources:

- Manager of Health and Safety
- Qualified and trained Safety Representatives or Safety Committees at each property (where required)
- Safety Representatives and Safety Committee Members who must complete formal training and refresher training on health and safety programs and specific job hazards
- On an ad hoc or project basis, consultants are engaged to facilitate health and safety plans and measures at building construction and 'fit-ups'
- Health & Safety Coordinator to support the health and safety and risk management programs, targets and objectives

Morguard embraces the IRS – Internal Responsibility System where health and safety is everyone's responsibility. It communicates and shares workplace experiences and learning from incidents to promote on-the-job safety and provides employees with the tools and resources needed to stay safe and healthy.

Health and safety at all Morguard properties is guided by our Occupational Health and Safety Management System (OHSMS). In 2022, Morguard developed 12 job-specific Hazard Identification & Risk Assessment (HIRA) documents, a critical component of the Occupational Health and Safety (OHS) management plan and a further demonstration of our commitment to fully understand our work and the associated risks, to create a safer and healthier workplace for all.

In developing the OHSMS, we referenced ISO 45001, the Certificate of Recognition (CoR) program for construction contractors, health and safety indicators of BOMA BEST® standards, and the Federation of Rental Housing Providers of Ontario. Our OHSMS applies to all who visit, work, and live in our properties, including employees, contractors, tenants, residents, visitors, and guests.

We have regularly scheduled assessments on health and safety impacts at our managed properties. Monthly incident trends are monitored and analyzed for incidents within Morguard properties across Canada. The incident reporting and monitoring system tracks and identifies opportunities for improvement and which properties are exemplary in their efforts to deliver healthy and safe environments.

Our Risk and Health and Safety teams focus on these key areas related to the hierarchy of Hazard Controls: risk avoidance, substitution of process or materials, safety awareness training and outsourcing to service providers where appropriate. The last line of defence is personal protective equipment (PPE). The following practices exist:

- The property management team has developed a process activity/job task Hazard Identification and Risk Assessment (HIRA) to proactively identify hazards before accidents or risks occur. Among other things, HIRA applies to the use of hand tools, snow shovelling, moving furniture, mopping floors and handling chemicals in the workplace.
- For service providers and contractors, Morguard developed Facility Hazard Assessments (FHAs) to communicate building-specific hazards such as designated substances, confined space, roof access and physical plant safety information. The FHAs support Morguard's due diligence role as owner and/or landlord to communicate known hazards and risk controls to all workers so they can plan and perform assigned work activities (both routine and non-routine) in a safe manner.

Each Morguard property features qualified safety representatives and/or health and safety committees that perform site inspections and meet regularly to identify and evaluate related issues and make recommendations for improvements to injury and illness prevention plans. Topics discussed include, but are not limited to, emergency response, proper use of personal protective equipment (PPE), fire safety, slips and falls, electrical safety, and ladder safety. Representatives and committee members complete annual health and safety training and additional training as needed.

In the U.S., our health and safety committees also complete a detailed property inspection (DPI) in the first quarter of each year at all residential and retail properties. The DPI identifies future capital project requirements, mechanical components, life safety issues, safety tools/equipment, and current liabilities or risks.

Committees at residential properties complete, in the fourth quarter, a second annual property audit that covers both maintenance and operational compliance, including mechanical inspections. Included in both inspections is a review and readiness assessment of safety data sheet (SDS) manuals, health and safety manuals, hurricane preparedness manuals, and operation and maintenance plans. Findings are shared with the appropriate teams, life-safety issues are addressed promptly and a plan of action is established to address remaining issues.

## POST-COVID-19 MEASURES

Early 2022 marked the beginning of the removal or relaxation of many COVID-19 restrictions by both government and health authorities. Morguard chose to remove its COVID-19 policies and procedures slowly, to ensure a successful return to work and to support the physical and mental well-being of our employees. The return to the office was gradual requiring employees to be in the office 1–2 days a week for several weeks, increasing the number of days in the office slowly over several months until the maximum required days in the office was met.

Although masks and social distancing were no longer mandatory, (to this day) Morguard continues to encourage these safety measures.

To encourage people to spend time outdoors, we introduced outdoor theatres and ice-skating rinks at several of our shopping centres. We continued our community resource partnerships to support vaccination efforts and clinics at our properties.

## OCCUPATIONAL HEALTH AND SAFETY DATA

OCCUPATIONAL HEALTH AND SAFETY BY REGION – CANADA			
WORKPLACE INJURIES	2020	2021	2022
Number of Recordable Work-Related Injuries	13	12	12
Rate of Recordable Work-Related Injuries	1.2	1.3	1.3
HIGH-CONSEQUENCE INJURIES			
Number of High-Consequence Work-Related Injuries	0	0	0
Rate of High-Consequence Work-Related Injuries	0.0	0.0	0.0
WORKPLACE FATALITIES			
Number of Workplace Fatalities	0	0	0
Rate of Workplace Fatalities	0.0	0.0	0.0
EMPLOYEE NUMBERS (FOR CALCULATION)			
Total Employees	1,050	945	923
WORK-RELATED ILLNESS	2020	2021	2022
Number of Recordable Work-Related Illness	N/A	N/A	1
WORKPLACE FATALITIES			
Number of Work-Related Ill Health Fatalities	N/A	N/A	0
EMPLOYEE NUMBERS (FOR CALCULATION)			
Total Employees	N/A	N/A	923

<b>OCCUPATIONAL HEALTH AND SAFETY BY REGION – U.S.</b>			
<b>WORKPLACE INJURIES</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Number of Recordable Work-Related Injuries	6	3	16
Rate of Recordable Work-Related Injuries	2.4	1.2	6.6
<b>HIGH-CONSEQUENCE INJURIES</b>			
Number of High-Consequence Work-Related Injuries	1	0	5
Rate of High-Consequence Work-Related Injuries	0.4	0.0	2.1
<b>WORKPLACE FATALITIES</b>			
Number of Workplace Fatalities	0	0	0
Rate of Workplace Fatalities	0.0	0.0	0.0
<b>EMPLOYEE NUMBERS (FOR CALCULATION)</b>			
Total Employees	249	247	241
<b>WORK-RELATED ILLNESS</b>			
Number of Recordable Work-Related Illness	N/A	N/A	0
<b>WORKPLACE FATALITIES</b>			
Number of Work-Related Ill Health Fatalities	N/A	N/A	0
<b>EMPLOYEE NUMBERS (FOR CALCULATION)</b>			
Total Employees	N/A	N/A	241

In the U.S., the upsurge in injuries may be attributed to a full return to work status in 2022. 2020 and 2021 had many contributing factors as well, such as COVID-19, along with short staffing issues throughout the U.S. portfolio. There was also an individual employee that contributed to several incidents. Given this spike, U.S. Operations has made several changes to our Health and Safety Program that will begin in 2023.

These changes include Quarterly Safety Audits performed by the Area Service Managers, a company-wide monthly safety meeting that will be conducted by the Director of Maintenance, with more safety-related training courses being added to the associated MMT Learning throughout the year.

<b>OCCUPATIONAL HEALTH AND SAFETY BY REGION – CANADA &amp; U.S.</b>			
<b>WORKPLACE INJURIES</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Number of Recordable Work-Related Injuries	19	15	28
Rate of Recordable Work-Related Injuries	1.5	1.3	2.4
<b>HIGH-CONSEQUENCE INJURIES</b>			
Number of High-Consequence Work-Related Injuries	1	5	5
Rate of High-Consequence Work-Related Injuries	0.1	0.4	0.4
<b>WORKPLACE FATALITIES</b>			
Number of Workplace Fatalities	0	0	0
Rate of Workplace Fatalities	0.0	0.0	0.0
<b>EMPLOYEE NUMBERS (FOR CALCULATION)</b>			
Total Employees	1,299	1,192	1,164
<b>WORK-RELATED ILLNESS</b>			
Number of Recordable Work-Related Illness	N/A	N/A	1
<b>WORKPLACE FATALITIES</b>			
Number of Work-Related Ill Health Fatalities	N/A	N/A	0
<b>EMPLOYEE NUMBERS (FOR CALCULATION)</b>			
Total Employees	N/A	N/A	1,164

1 Calculations for OHS are based on total employees.

2 For injury rate calculations, including recordable work-related injuries, high-consequence work-related injuries and workplace fatalities, 200,000 represents the total number of hours worked by 100 employees in one year, based on 50 work weeks at 40 hours per 2,000 total hours per employee.

3 Canada: 2022 – 13 injuries. 8/13 from slip, trip and fall and 4/13 from lift, bend and carry activities. This would account for 12/13 of the injuries. There was 1 injury in the other category (Harmful Substances/Environmental).

4 US: 2022 - 16 injuries - 7/16 were slip and fall injuries, 3/16 were injuries that results in an employee getting cut, 3/16 injuries do not fall into a typical category, 2 lifting related injuries, and 1 ladder related injury occurred.

# AS WE MOVE FORWARD

We at Morguard have been on our sustainability journey for over a decade. Moving forward, sustainability will continue to be an integral part of our culture. We will remain committed to the six principles of Sustainable Morguard, while continuing to build value for our shareholders. We will address important environmental, social and governance issues. Among other things, we will work towards mitigating the impact our assets have on climate change and contribute to building more sustainable communities. We will encourage our partners to actively share our sustainable vision and we will continue to operate a workplace where people feel motivated, supported and have a sense of belonging. We will act in ways that will help create a better shared world.

**SUSTAINABLE**  **Morguard**



# APPENDIX

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## APPENDIX A – GLOSSARY

BIPOC	Black, Indigenous or Persons of Colour	ICI	Industrial Conservation Initiative
BOMA	Building Owners and Managers Association	ICSC	International Council of Shopping Centers
BOMA BEST®	BOMA Building Environmental Standards	IMC	Information Management Committee
CaGBC	Canadian Green Building Council	kWh	Kilowatt hour
CAM	Certified Apartment Manager	LEED	Leadership in Energy and Environmental Design
CFC	Chlorofluorocarbon	MMT	Morguard Management Training
CREW	Commercial Real Estate Women	MW	megawatt
CRB	Certified Rental Building	MWh	megawatt hour
CRESS	Construction and real estate sector supplement	NACD	The National Association of Corporate Directors
CSR	Corporate sustainability and responsibility	NALP	National Apartment Leasing Professional
DEI	diversity, equity and inclusion	NIST-CSF	The National Institute of Standards and Technology – Cyber Security Framework
Designated Group	Persons who have self-identified as being a woman, visible minority, person with a disability or an aboriginal person (CSA National Instrument 55-104, Canada Business Corporations Regulations, 2001)	OCR	Optical Character Recognition
DPI	Detailed Property Inspection	OHS	occupational health and safety
ekWh	Equivalent kilowatt hours	OHSMS	Occupational Health and Safety Management System
EMS	Environmental management system	PCB	Polychlorinated biphenyl
ESG	Environment, social and governance	PPE	personal protective equipment
ESPM	Energy Star Portfolio Manager	REALPAC	Real Property Association of Canada
EVO	Efficiency Valuation Organization	REC	Renewable Energy Credit
EVP	Employee Value Proposition	REIT	real estate investment trust
FHAs	Facility Hazard Assessments	RHFAC	Rick Hansen Foundation's Accessibility Certification
FRPO	Federation of Rental Housing Providers of Ontario	RPI	Responsible Property Investment
GA	global adjustment	UN SDGs	United Nations Sustainable Development Goals
GHG	greenhouse gas	SDS	safety data sheet
GLA	Gross leasable area	SF	square feet
GREEN LINK	Morguard's proprietary green building program	SLT	Sustainability Leadership Team
GRI	Global Reporting Initiative	tCO <sub>2</sub> e	tonnes of carbon dioxide equivalent
HIRA	Hazard Identification & Risk Assessment	TOBY	BOMA's The Outstanding Building of the Year
HOOPP	Healthcare of Ontario Pension Plan		
HVAC	heating, ventilation, and air conditioning		

## APPENDIX B – BUILDING PERFORMANCE – WEATHER ADJUSTMENT AND NORMALIZATION MODEL

In both the U.S. and Canada, utility use on an individual property level can differ significantly from year to year due to climate. Extreme temperatures require additional energy to heat and cool buildings to optimal conditions for tenants, residents and guests. By calculating our building performance in isolation of these external factors, Morguard can better understand the successes and areas for improvement within Sustainable Morguard on an individual property level.

In 2022, we continued to use a rigorous weather adjustment model. This involved completing a regression analysis of energy and water performance versus weather data specific to the nearest weather station of each individual property. This allows current and future energy and water performance to be measured against a weather adjusted 2019 baseline.

The weather modelling is produced on a utility account basis. For each utility account, an equation is developed based on statistical analysis, which relates energy and water use to the heating and cooling-degree days specific to a facility's weather conditions, and heating and cooling balance points specific to the property. The set of equations represent the weather model. Weather data from multiple weather stations is collected daily and applied monthly to derive the weather-adjusted baseline. It is important to note that not all utility accounts correlate to usage. For an account with no correlation to weather, the baseline remains as the actual baseline usage, in this case 2019 actual usage.

To conduct weather adjustment calculations, we engage an external consultant who reviews energy and water performance versus weather data specific to the nearest weather station of each individual property. The methodology used complies with the International Performance Measurement and Verification Protocol (October 2016) as produced by the Efficiency Valuation Organization ("EVO").

Historically, occupancy had been a factor in normalization. Adjustments based on occupancy have been removed since the COVID-19 pandemic began due to the unique impact on operations. 2022 is starting to show some normalization in operations. However, the percentage occupied versus the number of occupants is still not portraying the full story of what is happening at the properties.

As a result, we would like to summarize the occupancy trends for the 2022 reporting period across the asset types with the aim of bringing transparency – and potentially explaining – some of the variances that have been observed from baseline year.

	AVERAGE OCCUPANCY (%)			% CHANGE	
	2019	2021	2022	2022 vs. 2019	2022 vs. 2021
CAN Office	87.9	85.1	82.6	-6.1%	-3.0%
CAN Retail	94.1	92.2	89.8	-4.5%	-2.6%
CAN Industrial	94.5	94.9	89.2	-5.6%	-6.0%
CAN Residential	–	88.9	94.7	–	6.5%
US Residential	–	–	95.6	–	–
US Retail	–	–	–	–	–

## APPENDIX C – DATA SOURCES PER PORTFOLIO AND YEAR

A summary of the data sources per portfolio and year is displayed in the table below:

### DATA SOURCES\*

PORTFOLIO	2019–2021	2022
Canada		
Office	Energy Advantage	Blackstone Energy Services
Retail	Energy Advantage	Blackstone Energy Services
Industrial	Energy Advantage	Blackstone Energy Services
Residential	Conservice	Conservice
U.S.		
Retail	PayLease	PayLease
Residential	PayLease	PayLease

\* Data Sources are representative of all data types (electricity, natural gas, steam, water, waste).

## APPENDIX D – EMISSION FACTORS AND SOURCES

CANADA						
Natural Gas						
Scope	Province/ Supplier/ Category	(tCO <sub>2</sub> e/m <sup>3</sup> )		Source		
		2019-2020	2021-2022			
Scope 1 Direct Energy	AB	0.001973	0.001973	Source: Environment and Climate Change Canada. National Inventory Report 1990–2021: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment and Climate Change Canada, 2023.), Table A6.1-1 and Table A6.1-3.		
	BC	0.001977	0.001978			
	MB	0.001926	0.001926			
	NU	0.001977	0.001977			
	NB	0.001930	0.001930			
	NL	0.001932	0.001930			
	NS	0.001930	0.001930			
	ON	0.001932	0.001932			
	PE	0.001930	0.001930			
	QC	0.001937	0.001937			
	SK	0.001931	0.001931			
YT	0.001977	0.001977				
Electricity						
Scope	Province/ Supplier/ Category	(tCO <sub>2</sub> e/kWh)				Source
		2019	2020	2021	2022	
Scope 2 Indirect Energy	AB	0.000630	0.000590	0.000510	0.000510	Source: Environment and Climate Change Canada. National Inventory Report 1990–2021: Greenhouse Gas Sources and Sinks in Canada Part 3. (Ottawa: Environment and Climate Change Canada, 2023.), Tables A13-1 to A13-14
	BC	0.000020	0.000012	0.000014	0.000014	
	MB	0.000001	0.000001	0.000002	0.000002	
	NB	0.000290	0.000230	0.000290	0.000290	
	NL	0.000027	0.000024	0.000016	0.000016	
	NT	0.000170	0.000180	0.000170	0.000170	
	NS	0.000690	0.000670	0.000660	0.000660	
	NU	0.000850	0.000770	0.000800	0.000800	
	ON	0.000026	0.000025	0.000028	0.000028	
	PE	0.000002	0.000000	0.000003	0.000003	
	QC	0.000001	0.000002	0.000001	0.000001	
	SK	0.000670	0.000580	0.000670	0.000670	
	YT	0.000100	0.000100	0.000070	0.000070	
Steam						
Scope	Province/ Supplier/ Category	(tCO <sub>2</sub> e/lb)				Source
		2019	2020	2021	2022	
Scope 2 Indirect Energy	Enwave Clients (ON)**	0.000075	0.000071	0.000077	0.000076	**Source: Enwave communication March 30, 2023
	Creative Energy Clients (BC)*	0.000090	0.000087	0.000091	0.000091	*Source: Creative Energies - Email communication with Lori Parker at Creative Energy on April 7, 2022.
	Energir Clients (QC)***	0.000067	0.000067	0.000067	0.000067	***Source: Energir communication with Mike Murphy at Energir on Mar 24th, 2023 for 2022 factors.
Waste to Landfill						
Scope	Province/ Supplier/ Category	(tCO <sub>2</sub> e/t)		Source		
		2013-2022				
Scope 3 Other Indirect	AB	2.211		Environment and Climate Change Canada. National Inventory Report 1990–2018: Greenhouse Gas Sources and Sinks in Canada Part 2. (Ottawa: Environment and Climate Change Canada, 2020.), 173		
	BC	1.822				
	MB	1.987				
	NB	1.759				
	NL	1.975				
	NS	1.467				
	NT	1.411				
	NU	1.560				
	ON	2.055				
	PE	1.578				
	QC	2.100				
SK	1.889		Based on 500 year emissions with following equation: Emission Factor = (CH <sub>4</sub> GWP)*Lo*(1-EXP(-500*k))/1000			
YT	1.177					

Waste to Energy						
Scope	Province/ Supplier/ Category	(tCO <sub>2</sub> e/t)				Source
		2013-2022				
Scope 3 Other Indirect	ON	1.140				Source: York Durham Energy Centre correspondence, April 2021 (non-biomass emissions and tonnage only)  <a href="http://www.metrovancouver.org/services/solid-waste/SolidWastePublications/2021-WTEFAnnualReport.pdf">http://www.metrovancouver.org/services/solid-waste/SolidWastePublications/2021-WTEFAnnualReport.pdf</a> page 6 and <a href="https://www2.gov.bc.ca/gov/content/environment/climate-change/data/industrial-facility-ghg">https://www2.gov.bc.ca/gov/content/environment/climate-change/data/industrial-facility-ghg</a> (filter by facility)
	BC	1.290				
Water						
Scope	Province/ Supplier/ Category	(tCO <sub>2</sub> e/m <sup>3</sup> )				Source
		2019	2020	2021	2022	
Scope 3 Other Indirect	AB	0.000107	0.000100	0.000087	0.000087	Environment and Climate Change Canada. National Inventory Report 1990–2021: Greenhouse Gas Sources and Sinks in Canada Part 3. (Ottawa: Environment and Climate Change Canada, 2023.), Tables A13-1 to A13-14  Maas, Carol. Greenhouse Gas and Energy Co-Benefits of Water Conservation. POLIS Project on Ecological Governance, University of Victoria. November 2008. Tables B-1, 19
	BC	0.000003	0.000002	0.000002	0.000002	
	MB	0.000000	0.000000	0.000000	0.000000	
	NB	0.000049	0.000039	0.000049	0.000049	
	NL	0.000005	0.000004	0.000003	0.000003	
	NT	0.000029	0.000031	0.000029	0.000029	
	NS	0.000117	0.000114	0.000112	0.000112	
	NU	0.000145	0.000131	0.000136	0.000136	
	ON	0.000004	0.000004	0.000005	0.000005	
	PE	0.000000	0.000000	0.000001	0.000001	
	QC	0.000000	0.000000	0.000000	0.000000	
SK	0.000114	0.000099	0.000114	0.000114		
YT	0.000017	0.000017	0.000012	0.000012		
Paper Purchases						
Scope	Province/ Supplier/ Category	(tCO <sub>2</sub> e/t)				Source
		2013-2022				
Scope 3 Other Indirect	Uncoated Freesheet 0%	8.98				Environmental Paper Network, <a href="http://c.environmentalpaper.org/">http://c.environmentalpaper.org/</a>
	Uncoated Freesheet 10%	8.48				
	Uncoated Freesheet 30%	7.44				
	Uncoated Freesheet 50%	6.40				
	Uncoated Freesheet 100%	3.81				

USA						
Natural Gas						
Scope	Province/ Supplier/ Category	(tCO2e/m3)				Source
		2013-2022				
Scope 1 Direct Energy	Natural Gas	0.001924				Source: Emissions Factors for Greenhouse Gas Inventories (March 2023): <a href="https://www.epa.gov/system/files/documents/2023-03/ghg_emission_factors_hub.pdf">https://www.epa.gov/system/files/documents/2023-03/ghg_emission_factors_hub.pdf</a>
Electricity						
Scope	Province/ Supplier/ Category	(tCO2e/kWh)				Source
		2019	2020	2021	2022	
Scope 2 Indirect Energy	ERCT	0.000425	0.000373	0.000371	0.000371	eGRID 2021, 2020, 2018, 2016, 2014, 2012, from <a href="http://epa.gov/energy/eGRID">epa.gov/energy/eGRID</a>
	RMPA	0.000581	0.000380	0.000379	0.000379	
	NEWE	0.000239	0.000522	0.000519	0.000519	
	CAMX	0.000226	0.000755	0.000746	0.000746	
	NWPP	0.000292	0.000697	0.000722	0.000722	
	RFCW	0.000533	0.000448	0.000455	0.000455	
	AZNM	0.000466	0.000242	0.000247	0.000247	
	RFCE	0.000327	0.000274	0.000290	0.000290	
SRSO	0.000469	0.000288	0.000371	0.000371		
Water						
Scope	Province/ Supplier/ Category	(tCO2e/m3)				Source
		2019	2020	2021	2022	
Scope 3 Other Indirect	ERCT	0.000082	0.000072	0.000072	0.000071	eGRID 2021, 2020, 2018, 2016, 2014, 2012 from <a href="http://epa.gov/energy/eGRID">epa.gov/energy/eGRID</a>  Griffiths-Sattenspiel, Bevan and Wilson, Wendy. The Carbon Footprint of Water. The River Network Organization. May 2009.
	RMPA	0.000112	0.000100	0.000100	0.000102	
	NEWE	0.000046	0.000046	0.000046	0.000047	
	CAMX	0.000043	0.000045	0.000045	0.000046	
	NWPP	0.000056	0.000053	0.000053	0.000056	
	RFCW	0.000102	0.000086	0.000086	0.000092	
	AZNM	0.000089	0.000074	0.000074	0.000072	
	RFCE	0.000063	0.000057	0.000057	0.000059	
SRSO	0.000090	0.000075	0.000075	0.000078		

## APPENDIX E – PROPERTY LIST

2022 building performance results (BPR)

● Property included ○ Property excluded

MULTI-SUITE RESIDENTIAL – CANADA				
2022 DATA SET	PROPERTY	PROV.	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	The Pinnacle	AB	3rd Party	-
●	Mayfair Village South	AB	MRC	-
●	Square 104	AB	MRG	-
●	Margaret Place	ON	MRG	CRBP
●	Aspen Grove I	ON	MRC	CRBP
●	Aspen Grove II	ON	MRC	CRBP
●	Meadowvale Gardens	ON	MRG	CRBP
●	The Arista	ON	MRG	CRBP
●	The Elmwoods	ON	MRG	CRBP
●	The Forestwoods	ON	MRG	CRBP
●	The Maplewoods	ON	MRG	CRBP
●	The Valleywoods	ON	MRG	CRBP
●	Tomken Place	ON	MRG	CRBP
●	126 Sparks	ON	MRC	-
●	160 Chapel	ON	MRG	CRBP
●	Downsview Park Townhomes	ON	MRG	-
●	Fifty on the Park	ON	3rd Party	CRBP
●	Leaside Towers	ON	MRC	CRBP
●	Rideau Towers I	ON	MRG	CRBP
●	Rideau Towers II	ON	MRG	CRBP
●	Rideau Towers III	ON	MRG	CRBP
●	Rideau Towers IV	ON	MRG	CRBP
●	Rouge Valley Residence	ON	MRG	-
●	The Bay Club	ON	MRC	CRBP
●	The Heathview	ON	MRC	CRBP LEED Gold LEED Silver
●	The Colonnade	ON	MRC	CRBP



## MULTI-SUITE RESIDENTIAL – U.S.

2022 DATA SET	PROPERTY	STATE	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	Lumina Hollywood	CA	MRC	EHO
●	Retreat at City Center	CO	MRG	EHO
●	Settlers' Creek	CO	MRG	EHO
●	The Retreat at Spring Park	TX	MRG	EHO
●	Grand Venetian at Las Colinas	TX	MRG	EHO
●	Verandah at Valley Ranch	TX	MRG	EHO
●	1643 Josephine	LA	MRG	EHO
●	The Georgian Apartments	LA	MRG	EHO
●	Alta at K Station	IL	MRC	EHO LEED Gold
●	Coast at Lakeshore East	IL	MRG	EHO LEED Silver
●	The Marquee at Block 37	IL	MRC/MRG	EHO LEED Certified
●	The Savoy Luxury Apartments	GA	MRG	EHO
●	Barrett Walk Luxury Apartment Homes	GA	MRG	EHO
●	210 Watermark	FL	MRG	EHO
●	Santorini Apartments	FL	MRC	EHO
○	Vizcaya Lakes	FL	MRC	EHO
●	2940 Solano at Monterra	FL	MRG	EHO
●	Emerald Lake Apartments	FL	MRC	EHO
●	Governors Gate I	FL	MRG	EHO
●	Governors Gate II	FL	MRG	EHO
●	Jamestown Estates	FL	MRG	EHO
●	Woodcliff Apartment Homes	FL	MRG	EHO
●	Woodbine Apartment Homes	FL	MRG	EHO
●	Mallory Square	FL	MRG	EHO
●	Village Crossing Apartment Homes	FL	MRG	EHO
●	The Lodge at Crossroads	NC	MRG	EHO
●	Perry Point Ultimate Apartments	NC	MRG	EHO
●	Northgate at Falls Church	VA	MRG	EHO
●	The Fenestra at Rockville Town Square	MD	MRC/MRG	EHO

## RETAIL PORTFOLIO – CANADA

2022 DATA SET	PROPERTY	PROV.	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	Sevenoaks Shopping Centre	BC	3rd Party	BOMA Gold
●	Coquitlam Shopping Centre	BC	3rd Party	BOMA Platinum
●	Pine Centre Mall	BC	MRT	BOMA Gold
●	Shelbourne Plaza	BC	MRT	
●	Airdrie Co-op Centre	AB	MRT	
●	2649 Main Street S	AB	MRT	
●	Heritage Towne Centre	AB	MRT	
●	Bonnie Doon Shopping Centre	AB	3rd Party	BOMA Gold
●	Prairie Mall	AB	MRC/MRT	BOMA Certified
●	Parkland Mall	AB	MRT	BOMA Certified
●	The Centre	SK	MRT	BOMA Gold
●	Lawson Heights	SK	3rd Party	
●	Shoppers Mall	MB	MRT	BOMA Gold
●	Charleswood Centre	MB	MRT	BOMA Certified
●	Crossroads Station Shopping Centre	MB	3rd Party	BOMA Certified
●	Southdale Centre	MB	MRT	BOMA Certified
●	Aurora Centre	ON	MRT	
●	Bramalea City Centre	ON	MRC	BOMA Platinum
●	Cambridge Centre	ON	MRT	BOMA Platinum
●	Market Square	ON	MRT	
●	Kingsbury Centre	ON	MRT	
●	Northgate Shopping Centre	ON	3rd Party	BOMA Gold
●	Hampton Park Plaza	ON	MRT	
●	St. Laurent	ON	MRT	BOMA Platinum
●	Intercity Centre	ON	3rd Party	BOMA Gold 2022 BOMA Earth Award
●	Centerpoint Mall	ON	MRC	BOMA Gold
●	East York Town Centre	ON	MRC	BOMA Certified
●	Holt Renfrew Centre	ON	3rd Party	
●	Guildwood Village Shopping Centre	ON	MRC	
●	Woodbridge Square	ON	MRT	
●	Place Rosemere	QC	3rd Party	BOMA Gold ICI on Recycle - Performance +

## RETAIL PORTFOLIO – U.S.

2022 DATA SET	PROPERTY	STATE	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	Gonzales Plaza	LA	MRC	
●	Southland Mall	LA	MRC	
●	Airline Park Shopping Center	LA	MRC	
●	North Shore Square	LA	MRC	
●	Alta at K Station	IL	MRC	LEED Gold
●	Coast at Lakeshore East	IL	MRG	LEED Silver
●	Boynton Town Center	FL	MRC	
●	Weeki Wachee Village	FL	MRC	
●	Rainbow Square	FL	MRC	
●	Florida Shores Plaza	FL	MRC	
●	Lantana Plaza	FL	MRC	
●	Town & Country Shopping Center	FL	MRC	
●	Westward Shopping Center	FL	MRC	
●	Northgate at Falls Church	VA	MRG	
●	Rockville Town Square	MD	MRG	

## OFFICE PORTFOLIO – CANADA

2022 DATA SET	PROPERTY	PROV.	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	111 Dunsmuir	BC	MRT	BOMA Gold Energy Star
●	Chancery Place	BC	MRT	BOMA Gold
●	969 Robson Street	BC	3rd Party	BOMA Silver
●	Seymour Place	BC	MRT	
●	505 3rd Street SW	AB	MRT	BOMA Silver Energy Star
○	7315 8th Street NE	AB	MRT	BOMA Silver
●	Centre 810	AB	MRT	BOMA Silver
●	Citadel West	AB	MRT	
●	Deerport Centre	AB	MRT	BOMA Silver
●	Duncan Building	AB	MRT	
●	National Bank Building	AB	MRT	
●	207 and 215 9th Avenue SW	AB	MRT	BOMA Gold WiredScore Gold Energy Star
●	Quarry Park	AB	3rd Party	LEED Certified
●	44 Capital Blvd	AB	3rd Party	BOMA Gold
●	Petroleum Plaza	AB	MRT	BOMA Platinum
●	Rice Howard Place (formerly Scotia Place)	AB	MRT	LEED Silver (in progress) BOMA Platinum BOMA Certificate of Excellence 2022
●	Ford Credit Building	AB	3rd Party	BOMA Silver
●	YEGRE West Campus A	AB	3rd Party	BOMA Gold
●	363 Broadway Avenue	MB	3rd Party	BOMA Silver
●	386 Broadway Avenue	MB	3rd Party	BOMA Certified
●	400 St. Mary	MB	MRC	BOMA Gold
●	444 St. Mary	MB	MRC	BOMA Silver
●	Bramalea City Centre (Office)	ON	MRC	
●	365 March Road	ON	3rd Party	BOMA Silver
●	123 Commerce Valley Drive	ON	MRC	BOMA Platinum Energy Star
●	201 City Centre Drive	ON	MRC	BOMA Platinum WiredScore Gold Energy Star
●	2920 Matheson East	ON	MRC	BOMA Platinum Energy Star
●	33 City Centre Drive	ON	MRC	BOMA Platinum WiredScore Gold
●	55 City Centre Drive	ON	MRC	BOMA Platinum WiredScore Gold
●	5985 Explorer Drive	ON	MRC	

## OFFICE PORTFOLIO – CANADA

2022 DATA SET	PROPERTY	PROV.	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	77 City Centre Drive	ON	MRC	BOMA Platinum WiredScore Gold
●	Creekside Corporate Centre	ON	MRC	
●	59 Camelot Drive	ON	MRC	BOMA Silver
●	586 Argus Road	ON	MRC	BOMA Gold
○	215 Slater Street	ON	MRC	LEED Gold
●	301 Laurier Avenue	ON	MRT	
●	350 Sparks Street	ON	MRC	BOMA Silver WiredScore Gold
●	525 Coventry	ON	MRT	
●	99 Metcalfe Street	ON	MRC	BOMA Silver Energy Star
●	Blair Road	ON	3rd Party	BOMA Silver WiredScore Silver
●	CBC Ottawa Broadcast Centre	ON	MRC	BOMA Silver
●	Green Valley Office Park	ON	MRT	BOMA Silver
●	Heritage Place	ON	MRT	BOMA Gold Outstanding Building of the Year
●	Jean Edmonds Towers	ON	MRC	BOMA Silver
●	Performance Court	ON	MRC	LEED Gold BOMA Gold Energy Star Bullfrog Powered
●	St. Laurent Business Centre	ON	MRT	BOMA Silver
●	Standard Life	ON	MRT	BOMA Silver
●	200 Yorkland	ON	MRT	BOMA Gold RHF Certified
●	60 Bloor Street West	ON	3rd Party	LEED Gold (in progress) BOMA Gold WiredScore Gold RHF Certified Bullfrog Powered
●	77 Bloor Street West	ON	MRT	LEED Gold BOMA Platinum WiredScore Gold RHF Certified
●	Etobicoke Wellness Centre	ON	MRC	LEED Gold
●	Leaside Corporate Centre	ON	MRC	BOMA Gold 2022 Earth Award RHF Certified
○	Plenary / Archives of Ontario	ON	3rd Party	LEED Silver
○	York Research Tower	ON	3rd Party	LEED Silver
●	41 Rue Victoria	QC	MRC	LEED Silver BOMA Silver

## OFFICE PORTFOLIO – U.S.

2022 DATA SET	PROPERTY	STATE	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	Northgate at Falls Church	VA	MRG	
●	Palm Aire	FL	MRC	

## INDUSTRIAL PORTFOLIO – CANADA

2022 DATA SET	PROPERTY	PROV.	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	Annacis Island	BC	3rd Party	
●	15110 54A Avenue	BC	3rd Party	BOMA Certified
●	5355 152nd Street	BC	3rd Party	BOMA Certified
●	5433 152nd Street	BC	3rd Party	BOMA Certified
●	Marine Drive Bldg 1	BC	3rd Party	BOMA Certified
●	Marine Drive Bldg 2	BC	3rd Party	BOMA Certified
●	Marine Drive Bldg 3	BC	3rd Party	BOMA Certified
●	Marine Drive Bldg 4	BC	3rd Party	BOMA Certified
●	Foothills East Building	AB	3rd Party	
●	Foothills South B.C.	AB	3rd Party	BOMA Certified
●	Foothills West Building	AB	3rd Party	
●	Portland Street Depot I	AB	3rd Party	BOMA Certified
●	Rockyview Business Park	AB	3rd Party	
●	Veritas Building	AB	3rd Party	
●	186th St NW Yellowhead	AB	3rd Party	
●	Brier Business Centre	AB	3rd Party	
●	City West Business Park	AB	3rd Party	BOMA Certified
●	Crossroads Business Park	AB	3rd Party	
●	Gateway 1	AB	3rd Party	BOMA Certified
●	Gateway 2	AB	3rd Party	BOMA Certified
●	Gateway 4	AB	3rd Party	BOMA Certified
●	Winfield Centre	AB	3rd Party	
●	5 Resolution Drive	ON	3rd Party	
●	2340 Winston Park Drive	ON	3rd Party	
●	1117/1141 Newmarket St.	ON	3rd Party	
●	2660-2668 Lancaster Rd.	ON	3rd Party	

## INDUSTRIAL PORTFOLIO – CANADA (CONTINUED)

2022 DATA SET	PROPERTY	PROV.	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	2700 Lancaster Rd.	ON	3rd Party	
●	2710 Lancaster Rd.	ON	3rd Party	
●	2750-2772 Lancaster Rd.	ON	3rd Party	
●	1875 Leslie	ON	MRT	

## UNIVERSAL PORTFOLIO – CANADA

2022 DATA SET	PROPERTY	PROV.	OWNERSHIP	COMPLIANCE/CERTIFICATIONS
●	Quinte Consolidated Courthouse	ON	MRC	LEED Gold BOMA Gold
●	131 Queen Street	ON	MRC	BOMA Silver Energy Star
●	Time Square	ON	MRT	BOMA Silver
●	Place Innovation	QC	MRC / MRT	RHF Certified

## APPENDIX F – GRI CONTENT INDEX

**Statement of use:** Morguard has reported in accordance with the GRI Standards for the period January 1, 2022 – December 31, 2022.

**GRI 1 used:** GRI 1: Foundation 2021

**Applicable GRI Sector Standard(s):** Not applicable - the real estate sector guidance not released at time of publication. We reference the GRI G4 Construction and Real Estate Sector Supplement in cases where the material topic is not covered by an existing GRI standard.

DISCLOSURE	DESCRIPTION	DISCLOSURE RESPONSE
<b>GRI 2: GENERAL DISCLOSURES 2021</b>		
<b>GENERAL DISCLOSURE</b>		
2-1	Organizational details	About Morguard, <a href="#">pg. 5</a> . <a href="#">2023 Annual Information Form</a> , Item 1, Corporate Structure, pgs. 1–2.
2-2	Entities included in the organization's sustainability reporting	About Morguard, <a href="#">pg. 5</a> . <a href="#">2023 Annual Information Form</a> , Item 1, Corporate Structure, pgs. 1–2.
2-3	Reporting period, frequency and contact point	About This Report, <a href="#">pg. 4</a> .
2-4	Restatements of information	In 2022, we continue to align our reporting practice with the latest GRI Standards - Global Reporting Initiative (GRI) 2021 Universal Standards, including updating our material topics. For more details on material topics, please see <a href="#">pgs. 8–9</a> . Topics GRI 304 Biodiversity and GRI 413 Local Community have been omitted as of 2022 as they are not identified as material.
2-5	External assurance	About This Report, <a href="#">pg. 4</a> . Requirement(s) Omitted: a,b. Reason: Information unavailable/incomplete. Explanation: Due to competing priorities, consideration will be given over the next 2-3 years. No external assurance for this year.
2-6	Activities, value chain, and other business relationships	About This Report, <a href="#">pg. 4</a> ; About Morguard, <a href="#">pg. 5</a> ; Our Sustainable House: Leading by Example, Responsible Supply Chain, <a href="#">pg. 19</a> . For more information, please see the <a href="#">Morguard Portfolio</a> .
2-7	Employees	Responsible Employer: Empowering our People, Our Workforce, <a href="#">pg. 58–64</a> .
2-8	Workers who are not employees	Requirement(s) Omitted: a-c Reason: Not applicable Explanation: We do not have a significant proportion (>10%) of our worker base that are not employees.
2-9	Governance structure and composition	Our Leadership <a href="#">pg. 11</a> ; Our Sustainable House: Leading by Example, Corporate Governance <a href="#">pg. 14</a> ; Corporate Governance, The composition of the Board; <a href="#">pg. 14–15</a> . <a href="#">2023 Annual Information Form</a> , item 7, Directors and Officers, <a href="#">pgs. 30–32</a> .
2-10	Nomination and selection of the highest governance body	Our Sustainable House: Leading by Example, Corporate Governance <a href="#">pg.14</a> .
2-11	Chair of the highest governance body	<a href="#">2023 Annual Information Form</a> , item 7, Directors and Officers, <a href="#">pgs. 30–32</a> .
2-12	Role of the highest governance body in overseeing the management of impacts	Our Leadership <a href="#">pg. 11</a> . Our Sustainable House: Leading by Example, Corporate Governance <a href="#">pg.14</a> ; Risk Management; <a href="#">pg. 15</a> .
2-13	Delegation of responsibility for managing impacts	Our Leadership <a href="#">pg. 11</a> . Our Sustainable House: Leading by Example, Corporate Governance <a href="#">pg.14</a> .
2-14	Role of the highest governance body in sustainability reporting	Our Leadership <a href="#">pg. 11</a> . Our Sustainable House: Leading by Example, Corporate Governance <a href="#">pg.14</a> .
2-15	Conflicts of interest	Our Sustainable House: Leading by Example, Ethics and Compliance <a href="#">pg.16</a> ; Public Policy and Advocacy <a href="#">pg.16</a> . <a href="#">2023 Annual Information Form</a> , item 3, Narrative description of the business, <a href="#">pg. 18</a> .



DISCLOSURE	DESCRIPTION	DISCLOSURE RESPONSE
<b>GRI 2: GENERAL DISCLOSURES 2021</b>		
2-16	Communication of critical concerns	Our Sustainable House: Leading by Example, Corporate Governance <a href="#">pg.14</a> ; Ethics and Compliance <a href="#">pg. 16</a> . <a href="#">2023 Annual Information Form</a> , Mandate of the Audit Committee, pgs. C-1 –C-4 Requirement(s) Omitted: b Reason: Information unavailable/incomplete. Explanation: Data on specific critical concerns that were communicated to the Board is not available for the reporting period. Consideration will be given to tracking and reporting this data in future.
2-17	Collective knowledge of the highest governance body	Our Leadership <a href="#">pg. 11</a> ; Our Sustainable House: Leading by Example, Corporate Governance <a href="#">pg.14</a> ; Board and Executive Competency Training <a href="#">pg. 15</a> ; Ethics and Compliance, Looking Ahead <a href="#">pg. 16</a> .
2-18	Evaluation of the performance of the highest governance body	Our Sustainable House: Leading by Example, Executive Compensation <a href="#">pg. 15</a> .
2-19	Remuneration policies	For details on remuneration policies, please see the <a href="#">2023 Management Info Circular</a> .
2-20	Process to determine remuneration	Our Sustainable House: Leading by Example, Executive Compensation <a href="#">pg. 15</a> . For details on remuneration policies, please see the <a href="#">2023 Management Info Circular</a> .
2-21	Annual total compensation ratio	Requirement(s) Omitted: a-c Reason: Information unavailable/incomplete. Explanation: Reliable and complete data is not available for the reporting period due to multiple HR systems and jurisdictions. Consideration will be given in 2023 to establishing common definitions and data processes.
2-22	Statement on sustainable development strategy	Letter from the Chairman and CEO <a href="#">pg. 2</a> . Letter from the Board of Directors <a href="#">pg. 3</a> .
2-23	Policy commitments	Our Sustainable House: Leading by Example, Ethics and Compliance <a href="#">pg. 16</a> ; Responsible Supply Chain <a href="#">pg. 19</a> ; Our Environmental Mission, Our Commitment <a href="#">pg. 20</a> ; Environmental Policies and Procedures – Enviro-Link <a href="#">pg. 21</a> ; Land Contamination, Remediation and Compliance <a href="#">pg. 21</a> . Sustainable Buildings: Reducing Our Environmental Footprint, Our Commitment <a href="#">pg. 28</a> . Responsible Employer: Empowering Our People, Employment Compensation, Benefits and Flexibility, <a href="#">pg. 68</a> ; Employee Health and Safety, Our Commitment <a href="#">pg. 74</a> . Requirement(s) Omitted: b- ii Reason: Information unavailable/incomplete. Explanation: Publicly available policies are posted on Morguard.com; all other policies are internally available to employees but not publicly available. This is standard for our industry as some of the policy content is a component of our competitive advantage.
2-24	Embedding policy commitments	Our Sustainable House: Leading by Example, Our Commitment <a href="#">pg. 14</a> ; Ethics and Compliance <a href="#">pg. 16</a> ; Responsible Supply Chain <a href="#">pg.19</a> ; Environmental Policies and Procedures – Enviro-Link <a href="#">pg. 21</a> ; Land Contamination, Remediation and Compliance <a href="#">pg. 21</a> . Sustainable Buildings: Reducing Our Environmental Footprint, Our Commitment <a href="#">pg. 28</a> . Responsible Employer: Empowering Our People, Employment Compensation, Benefits and Flexibility, <a href="#">pg. 68</a> ; Employee Health and Safety, Our Commitment <a href="#">pg. 74</a> .
2-25	Processes to remediate negative impacts	Our Sustainable House: Leading by Example, Ethics and Compliance <a href="#">pg. 16</a> ; Land Contamination, Remediation and Compliance <a href="#">pg. 21</a> .
2-26	Mechanisms for seeking advice and raising concerns	Our Sustainable House: Leading by Example, Ethics and Compliance <a href="#">pg. 16</a> ; Land Contamination, Remediation and Compliance <a href="#">pg. 21</a> .
2-27	Compliance with laws and regulations	Our Sustainable House: Leading by Example, Ethics and Compliance <a href="#">pg. 16</a> ; Responsible Supply Chain <a href="#">pg. 19</a> ; Environmental Policies and Procedures – Enviro-Link <a href="#">pg. 21</a> ; Land Contamination, Remediation and Compliance <a href="#">pg. 21</a> . Responsible Employer: Empowering Our People, Our Commitment <a href="#">pg.56</a> ; Employee Health and Safety, Our Commitment <a href="#">pg. 74</a> .
2-28	Membership associations	Our Voice: Advocating for Sustainable Real Estate <a href="#">pg. 24</a> .
2-29	Approach to stakeholder engagement	Materiality Study <a href="#">pgs. 8–9</a> . Stakeholder Engagement <a href="#">pg. 11</a> .
2-30	Collective bargaining agreements	Responsible Employer: Empowering our People, Our Workforce <a href="#">pg. 58</a> .

DISCLOSURE	DESCRIPTION	DISCLOSURE RESPONSE
<b>GRI 3: MATERIAL TOPICS 2021</b>		
3-1	Process to determine material topics	Materiality Study Background, <a href="#">pg. 8</a> .
3-2	List of material topics	Materiality Study Findings, <a href="#">pg. 9</a> .
<b>201 ECONOMIC PERFORMANCE</b>		
3-3	Management of material topics	Climate-Related Risk Management, Looking Ahead <a href="#">pg. 11</a> .
201-1	Direct economic value generated and distributed	For more details, please see the <a href="#">2022 Annual Report</a> .
201-2	Financial implications and other risks and opportunities due to climate change	Climate-Related Risk Management, Looking Ahead <a href="#">pg. 11</a> . Our Sustainable House: Leading by Example, Risk Management <a href="#">pg. 15</a> . Requirement(s) Omitted: aiii, av Reason: Information unavailable/incomplete. Explanation: Morguard is investigating potential alignment with TCFD and has not embarked in scenario analysis or an in-depth analysis of climate related risks and opportunities. While physical risks from catastrophic level climate related impacts have been evaluated for a large portion of the portfolio, the impact and cost of mitigation and adaptation have not been evaluated, data has not been collected and is not available for disclosure. Consideration will be given to this in 2023/24 period.
201-3	Defined benefit plan obligations and other retirement plans	Responsible Employer: Empowering our People, Employment Compensation, Benefits and Flexibility <a href="#">pg. 69</a> . For more details on benefit plan obligations and other retirement plans, please see the <a href="#">2023 Management Info Circular</a> .
<b>205 ANTI-CORRUPTION</b>		
3-3	Management of material topics	Our Sustainable House: Leading by Example, Risk Management <a href="#">pg. 15</a> .
205-1	Operations assessed for risks related to corruption	Our Sustainable House: Leading by Example, Risk Management <a href="#">pg. 15</a> .
205-2	Communication and training about anti-corruption policies and procedures	Our Sustainable House: Leading by Example, Ethics and Compliance <a href="#">pg. 16</a> . Requirement(s) Omitted: a Reason: Information unavailable/incomplete. Explanation: No specific policies pertaining to anti-corruption. However, certain ethical obligations are embedded in contractor agreements. During 2023, consideration will be given to adding more visible requirements.
205-3	Confirmed incidents of corruption and actions taken	Requirement(s) Omitted: a–d Reason: Information unavailable/incomplete. Explanation: Data on specific incidents of corruption is not available for the reporting period. Consideration will be given to formally tracking and reporting this data in future.
<b>206 ANTI-COMPETITIVE BEHAVIOR</b>		
3-3	Management of material topics	Our Sustainable House: Leading by Example, Ethics and Compliance <a href="#">pg. 16</a> .
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In 2022, Morguard was not made aware of any legal actions for anti-competitive behavior, anti-trust, and monopoly practices.

DISCLOSURE	DESCRIPTION	DISCLOSURE RESPONSE
<b>GRI 3: MATERIAL TOPICS 2021</b>		
<b>302 ENERGY</b>		
3-3	Management of material topics	Our Sustainable House: Leading by Example, Environmental Policies and Procedures – Enviro-Link <a href="#">pg. 21</a> . Sustainable Buildings: Reducing Our Environmental Footprint, Supporting Our Residents and Tenants on Their ESG Journey <a href="#">pg. 29</a> ; Building Performance Data <a href="#">pg. 36</a> .
302-1	Energy consumption within the organization	Sustainable Buildings: Reducing Our Environmental Footprint, Energy <a href="#">pg. 29</a> ; Building Performance Data, Energy, Water, Waste and GHG performance <a href="#">pg. 37</a> ; Annual Energy Consumption – Canadian Retail Properties <a href="#">pg. 39</a> ; Annual Energy Consumption – Canadian Office Properties <a href="#">pg. 41</a> ; Annual Energy Consumption – Canadian Residential Properties <a href="#">pg. 43</a> ; Annual Energy Consumption – Canadian Industrial Properties <a href="#">pg. 44</a> ; Annual Energy Consumption – U.S. Residential Properties <a href="#">pg. 46</a> ; Annual Energy Consumption – U.S. Retail Properties <a href="#">pg. 47</a> .
302-2	Energy consumption outside the organization	Requirement(s) Omitted: a-c Reason: Not applicable. Explanation: Our approach to defining the reporting boundary for environmental performance is operational control, therefore energy consumption outside of the organization is 'not applicable'.
302-3	Energy intensity	Annual Energy Consumption – Canadian Retail Properties <a href="#">pg. 39</a> ; Annual Energy Consumption – Canadian Office Properties <a href="#">pg. 41</a> ; Annual Energy Consumption – Canadian Residential Properties <a href="#">pg. 43</a> ; Annual Energy Consumption – Canadian Industrial Properties <a href="#">pg. 44</a> ; Annual Energy Consumption – U.S. Residential Properties <a href="#">pg. 46</a> ; Annual Energy Consumption – U.S. Retail Properties <a href="#">pg. 47</a> .
302-4	Reduction of energy consumption	Sustainable Buildings: Reducing Our Environmental Footprint, Our Commitment <a href="#">pg. 28</a> ; Supporting Our Residents and Tenants on Their ESG Journey <a href="#">pg. 29</a> ; Energy <a href="#">pg. 29</a> ; Ontario Electricity Industrial Conservation Initiative <a href="#">pg. 30</a> ; Building Performance Data <a href="#">pg. 36</a> . Annual Energy Consumption – Canadian Retail Properties <a href="#">pg. 39</a> ; Annual Energy Consumption – Canadian Office Properties <a href="#">pg. 41</a> ; Annual Energy Consumption – Canadian Residential Properties <a href="#">pg. 43</a> ; Annual Energy Consumption – Canadian Industrial Properties <a href="#">pg. 44</a> ; Annual Energy Consumption – U.S. Residential Properties <a href="#">pg. 46</a> ; Annual Energy Consumption – U.S. Retail Properties <a href="#">pg. 47</a> .
302-5	Reductions in energy requirements of products and services	Sustainable Buildings: Reducing Our Environmental Footprint, Our Commitment <a href="#">pg. 28</a> ; Supporting Our Residents and Tenants on Their ESG Journey <a href="#">pg. 29</a> .
<b>303 WATER AND EFFLUENTS</b>		
3-3	Management of material topics	Our Sustainable House: Leading by Example, Our Commitment <a href="#">pg. 14</a> ; Environmental Policies and Procedures – Enviro-Link <a href="#">pg. 21</a> .
303-1	Interactions with water as a shared resource	Sustainable Buildings: Reducing Our Environmental Footprint, Our Commitment <a href="#">pg. 28</a> ; Building Performance Data, Reporting Boundary <a href="#">pg. 37</a> ; Building Performance Data, Water Targets <a href="#">pg. 38</a> .
303-2	Management of water discharge-related impacts	Our Sustainable House: Leading by Example, Our Environmental Mission, Our Commitment <a href="#">pg. 20</a> .
303-3	Water withdrawal	Annual Water Consumption – Canadian Retail Properties <a href="#">pg. 40</a> ; Annual Water Consumption – Canadian Office Properties <a href="#">pg. 42</a> ; Annual Water Consumption – Canadian Residential Properties <a href="#">pg. 44</a> ; Annual Water Consumption – Canadian Industrial Properties <a href="#">pg. 45</a> ; Annual Water Consumption – U.S. Residential Properties <a href="#">pg. 47</a> ; Annual Water Consumption – U.S. Retail Properties <a href="#">pg. 48</a> .
303-4	Water discharge	Requirement(s) Omitted: a-e Reason: Information unavailable/incomplete Explanation: Generally, we are connected to municipal systems that do not collect and/or make the information available.
303-5	Water consumption	Annual Water Consumption – Canadian Retail Properties <a href="#">pg. 40</a> ; Annual Water Consumption – Canadian Office Properties <a href="#">pg. 42</a> ; Annual Water Consumption – Canadian Residential Properties <a href="#">pg. 44</a> ; Annual Water Consumption – Canadian Industrial Properties <a href="#">pg. 45</a> ; Annual Water Consumption – U.S. Residential Properties <a href="#">pg. 47</a> ; Annual Water Consumption – U.S. Retail Properties <a href="#">pg. 48</a> .

DISCLOSURE	DESCRIPTION	DISCLOSURE RESPONSE
<b>GRI 3: MATERIAL TOPICS 2021</b>		
<b>305 EMISSIONS</b>		
3-3	Management of material topics	Our Sustainable House: Leading by Example, Environmental Policies and Procedures – Enviro-Link <a href="#">pg. 21</a> . Sustainable Buildings: Reducing Our Environmental Footprint, Building Performance Data <a href="#">pg. 36</a> .
305-1	Direct (Scope 1) GHG emissions	Building Performance Data, Reporting Boundary <a href="#">pg. 37</a> ; Annual Emissions - Canadian Retail Properties <a href="#">pg. 39</a> ; Annual Emissions - Canadian Office Properties <a href="#">pg. 41</a> ; Annual Emissions - Canadian Residential Properties <a href="#">pg. 43</a> ; Annual Emissions - Canadian Industrial Properties <a href="#">pg. 45</a> ; Annual Emissions - U.S. Residential Properties <a href="#">pg. 46</a> ; Annual Emissions - U.S. Retail Properties <a href="#">pg. 48</a> .
305-2	Energy indirect (Scope 2) GHG emissions	Building Performance Data, Reporting Boundary <a href="#">pg. 37</a> ; Annual Emissions - Canadian Retail Properties <a href="#">pg. 39</a> ; Annual Emissions - Canadian Office Properties <a href="#">pg. 41</a> ; Annual Emissions - Canadian Residential Properties <a href="#">pg. 43</a> ; Annual Emissions - Canadian Industrial Properties <a href="#">pg. 45</a> ; Annual Emissions - U.S. Residential Properties <a href="#">pg. 46</a> ; Annual Emissions - U.S. Retail Properties <a href="#">pg. 48</a> .
305-3	Other indirect (Scope 3) GHG emissions	Building Performance Data, Reporting Boundary <a href="#">pg. 37</a> ; Annual Emissions - Canadian Retail Properties <a href="#">pg. 39</a> ; Annual Emissions - Canadian Office Properties <a href="#">pg. 41</a> ; Annual Emissions - Canadian Residential Properties <a href="#">pg. 43</a> ; Annual Emissions - Canadian Industrial Properties <a href="#">pg. 45</a> ; Annual Emissions - U.S. Residential Properties <a href="#">pg. 46</a> ; Annual Emissions - U.S. Retail Properties <a href="#">pg. 48</a> .
305-4	GHG emissions intensity	Building Performance Data, Reporting Boundary <a href="#">pg. 37</a> ; Annual Emissions - Canadian Retail Properties <a href="#">pg. 39</a> ; Annual Emissions - Canadian Office Properties <a href="#">pg. 41</a> ; Annual Emissions - Canadian Residential Properties <a href="#">pg. 43</a> ; Annual Emissions - Canadian Industrial Properties <a href="#">pg. 45</a> ; Annual Emissions - U.S. Residential Properties <a href="#">pg. 46</a> ; Annual Emissions - U.S. Retail Properties <a href="#">pg. 48</a> .
305-5	Reduction of GHG emissions	Sustainable Buildings: Reducing Our Environmental Footprint, Energy <a href="#">pg. 29</a> . Building Performance Data <a href="#">pg. 36</a> ; Building Performance Data, Reporting Boundary <a href="#">pg. 37</a> ; Annual Emissions - Canadian Retail Properties <a href="#">pg. 39</a> ; Annual Emissions - Canadian Office Properties <a href="#">pg. 41</a> ; Annual Emissions - Canadian Residential Properties <a href="#">pg. 43</a> ; Annual Emissions - Canadian Industrial Properties <a href="#">pg. 45</a> ; Annual Emissions - U.S. Residential Properties <a href="#">pg. 46</a> ; Annual Emissions - U.S. Retail Properties <a href="#">pg. 48</a> .
305-6	Emissions of ozone-depleting substances (ODS)	Requirement(s) Omitted: a-d Reason: Information unavailable/incomplete. Explanation: We have a partial list of possible ODS equipment at sites but not a comprehensive list. We will be adding an ODS inventory into the Environmental portfolio work. This should be completed over the next 5 years.
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Requirement(s) Omitted: a-c Reason: Information unavailable/incomplete. Explanation: We do not have records of the emissions of the air pollutants mentioned. We do not track these emissions.
<b>306 WASTE</b>		
3-3	Management of material topics	Our Sustainable House: Leading by Example, Our Commitment <a href="#">pg. 14</a> ; Environmental Policies and Procedures – Enviro-Link <a href="#">pg. 21</a> .
306-1	Waste generation and significant waste-related impacts	Our Sustainable House: Leading by Example, Land Contamination, Remediation and Compliance <a href="#">pg. 21</a> . Sustainable Buildings: Reducing Our Environmental Footprint, Our Commitment <a href="#">pg. 28</a> .
306-2	Management of significant waste-related impacts	Our Sustainable House: Leading by Example, Sustainability Within Our Corporate Offices <a href="#">pg. 19</a> ; Land Contamination, Remediation and Compliance <a href="#">pg. 21</a> . Sustainable Buildings: Reducing Our Environmental Footprint, Waste <a href="#">pg. 31</a> ; Construction Waste Management <a href="#">pg. 31</a> .
306-3	Waste generated	Our Sustainable House: Leading by Example, Environmental Metrics Comparison 2021 and 2022 <a href="#">pg. 21</a> . Annual Waste Performance – Canadian Retail Properties <a href="#">pg. 40</a> ; Annual Waste Performance – Canadian Office Properties <a href="#">pg. 42</a> .

DISCLOSURE	DESCRIPTION	DISCLOSURE RESPONSE
<b>GRI 3: MATERIAL TOPICS 2021</b>		
306-4	Waste diverted from disposal	Our Sustainable House: Leading by Example, Sustainability Within Our Corporate Offices <a href="#">pg. 19</a> ; Environmental Metrics Comparison 2021 and 2022 <a href="#">pg. 21</a> . Annual Waste Performance – Canadian Retail Properties <a href="#">pg. 40</a> ; Annual Waste Performance – Canadian Office Properties <a href="#">pg. 42</a> .
306-5	Waste directed to disposal	Our Sustainable House: Leading by Example, Environmental Metrics Comparison 2021 and 2022 <a href="#">pg. 21</a> . Annual Waste Performance – Canadian Retail Properties <a href="#">pg. 40</a> ; Annual Waste Performance – Canadian Office Properties <a href="#">pg. 42</a> .
<b>GREEN BUILDING DESIGN AND CERTIFICATION</b>		
3-3	Management of material topics	Sustainable Buildings: Reducing Our Environmental Footprint, Our Commitment <a href="#">pg. 28</a> ; Supporting Our Residents and Tenants on Their Sustainability Journey <a href="#">pg. 29</a> .
CRE 8 GRI G4 Construction and Real Estate Sector	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	Sustainable Buildings: Reducing Our Environmental Footprint, Green Building Certifications and Awards <a href="#">pgs. 32–35</a> .
<b>401 EMPLOYMENT</b>		
3-3	Management of material topics	Our Sustainable House: Leading by Example, Employee Value Proposition <a href="#">pg. 17</a> . Responsible Employer: Empowering our People, Our Commitment <a href="#">pg. 56</a> ; Maturing the EVP Offering <a href="#">pg. 56</a> ; Maturing the EVP Offering, Looking Ahead <a href="#">pg. 56</a> ; Employee Surveys <a href="#">pg. 57</a> ; Morguard Exit Interview Results 2022 <a href="#">pg. 57</a> ; Morguard Employee Engagement (Stay) Survey Results <a href="#">pg. 58</a> ; Employee Wellness Support <a href="#">pg. 58</a> ; Employment Compensation, Benefits and Flexibility <a href="#">pgs. 68–69</a> ; Employment Recognition and Awards <a href="#">pg. 70</a> .
401-1	New employee hires and employee turnover	Responsible Employer: Empowering our People, Employee Turnover <a href="#">pgs. 65–66</a> .
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our Sustainable House: Leading by Example, Employee Value Proposition <a href="#">pg. 17</a> . Responsible Employer: Empowering our People, Employee Wellness Support <a href="#">pg. 58</a> ; Employment Compensation, Benefits and Flexibility <a href="#">pg. 68</a> .
401-3	Parental leave	Responsible Employer: Empowering our People, Employment Compensation, Benefits and Flexibility <a href="#">pg. 68</a> . Requirement(s) Omitted: a-e Reason: Information unavailable/incomplete. Explanation: It would be difficult to confirm the number of employees that are eligible for maternity/paternity given that each province has a different criterion. Due to the number of variables, Morguard can't confirm how many employees would be eligible for maternity/paternity.
<b>402 LABOUR/MANAGEMENT RELATIONS</b>		
3-3	Management of material topics	Responsible Employer: Empowering our People, Our Commitment <a href="#">pg. 56</a> .
402-1	Minimum notice periods regarding operational changes	Responsible Employer: Empowering our People, Our Commitment <a href="#">pg. 56</a> .
<b>403 OCCUPATIONAL HEALTH AND SAFETY</b>		
3-3	Management of material topics	Responsible Employer: Empowering our People, Employee Wellness Support <a href="#">pg. 58</a> ; Employee Health and Safety, Our Commitment <a href="#">pg. 74–75</a> .
403-1	Occupational health and safety management system	Responsible Employer: Empowering our People, Employee Health and Safety, Our Commitment <a href="#">pg. 74–75</a> .
403-2	Hazard identification, risk assessment and incident investigation	Responsible Employer: Empowering our People, Employee Health and Safety, Our Commitment <a href="#">pg. 74–75</a> .

DISCLOSURE	DESCRIPTION	DISCLOSURE RESPONSE
<b>GRI 3: MATERIAL TOPICS 2021</b>		
403-3	Occupational health services	Responsible Employer: Empowering our People, Employee Health and Safety, Our Commitment <a href="#">pg. 74-75</a> ; Employee Health and Safety, Post-COVID-19 Measures <a href="#">pg. 75</a> .
403-4	Worker participation, consultation, and communication on occupational health and safety	Responsible Employer: Empowering our People, Employee Health and Safety, Our Commitment <a href="#">pg. 74-75</a> .
403-5	Worker training on occupational health and safety	Responsible Employer: Empowering our People, Employee Health and Safety, Our Commitment <a href="#">pg. 74-75</a> .
403-6	Promotion of worker health	Responsible Employer: Empowering our People, Employee Wellness Support <a href="#">pg. 58</a> ; Mental Health Support <a href="#">pg. 58</a> ; Employee Health and Safety, Our Commitment <a href="#">pg. 74-75</a> .
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Responsible Employer: Empowering our People, Employee Health and Safety, Our Commitment <a href="#">pg. 74-75</a> .
403-8	Workers covered by an occupational health and safety management system	Responsible Employer: Empowering our People, Employee Health and Safety, Our Commitment <a href="#">pg. 74-75</a> .
403-9	Work-related injuries	Responsible Employer: Empowering our People, Employee Health and Safety, Our Commitment <a href="#">pg. 76-78</a> .
403-10	Work-related ill health	Responsible Employer: Empowering our People, Employee Health and Safety, Our Commitment <a href="#">pg. 76-78</a> .
<b>404 TRAINING AND EDUCATION</b>		
3-3	Management of material topics	Responsible Employer: Empowering our People, Employee Learning and Development <a href="#">pg. 70</a> .
404-1	Average hours of training per year per employee	Responsible Employer: Empowering our People, Employee Training and Development <a href="#">pg. 71-72</a> .
404-2	Programs for upgrading employee skills and transition assistance programs	Responsible Employer: Empowering our People, Employee Training and Development <a href="#">pg. 71-72</a> .
404-3	Percentage of employees receiving regular performance and career development reviews	Responsible Employer: Empowering our People, Employee Training and Development <a href="#">pg. 73</a> .
<b>405 DIVERSITY AND EQUAL OPPORTUNITY</b>		
3-3	Management of material topics	Responsible Employer: Empowering our People, Employee Value Proposition, Looking Ahead <a href="#">pg. 17</a> ; Diversity, Equity and Inclusion <a href="#">pg. 67</a> .
405-1	Diversity of governance bodies and employees	Our Sustainable House: Leading by Example, Corporate Governance, The Composition of the Board <a href="#">pg. 15</a> .
405-2	Ratio of basic salary and remuneration of women to men	Requirement(s) Omitted: a-b Reason: Information unavailable/incomplete. Explanation: Data related to salary and gender was not tracked in a manner sufficient to meet this reporting requirement for 2022. Appropriate tracking will be added in 2023.

DISCLOSURE	DESCRIPTION	DISCLOSURE RESPONSE
<b>GRI 3: MATERIAL TOPICS 2021</b>		
<b>406 NON-DISCRIMINATION</b>		
3-3	Management of material topics	Responsible Employer: Empowering our People, Diversity, Equity and Inclusion <a href="#">pg. 67</a> .
406-1	Incidents of discrimination and corrective actions taken	Requirement(s) Omitted: a-b Reason: Information unavailable/incomplete. Explanation: Data related to incidents of discrimination was not tracked in a manner sufficient to meet this reporting requirement for 2022. Consideration will be given to tracking data in a manner that satisfies this requirement in future.
<b>416 CUSTOMER HEALTH AND SAFETY</b>		
3-3	Management of material topics	Sustainable Development: Building and Supporting Our Communities, Our Commitment <a href="#">pg. 50</a> .
416-1	Assessment of the health and safety impacts of product and service categories	Requirement(s) Omitted: a Reason: Information unavailable/incomplete. Explanation: While our occupational health and safety programs apply to 100% of our operations, the specific data with respect to products and service categories for which impacts are assessed for improvements is not available.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	In 2022, Morguard was not made aware of any incidents of non-compliance concerning the health and safety impacts of products and services.
<b>418 CUSTOMER PRIVACY</b>		
3-3	Management of material topics	Our Sustainable House: Leading by Example, Data Privacy and Cybersecurity <a href="#">pg. 22</a> .
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Our Sustainable House: Leading by Example, Data Privacy and Cybersecurity <a href="#">pg. 22</a> .

## Feedback and Inquiries

We welcome your feedback and inquiries about Sustainable Morguard's sustainability performance. Please email us at [sustainability@morguard.com](mailto:sustainability@morguard.com).

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