

Peterson



Environmental | Social | Governance

2023 ESG Report

The Foundation for Something Greater

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ESG At Peterson

Introducing Peterson's inaugural ESG report, outlining our efforts and where we plan to go next.

Letter from the President and CEO

We are pleased to deliver on our promise for this initial annual Environmental, Social and Governance (ESG) report, which highlights our efforts and progress throughout 2023.



RAYMOND CHOY
President and CEO

In 2021, under the guidance of Peterson's Board of Directors, Management committed to establishing a new approach to support our founding Values: – Relationships, Integrity, Entrepreneurship and Gratitude. These founding Values stem from the leadership and legacy of Peterson's founder, Peter Young. Peterson is more than real estate and investments, and our Values are the guiding principles for our everyday decision making and operational functions.

We developed our ESG Policy and Framework in 2022 to put our ESG commitments into action. As part of that process, we consulted with our stakeholder groups, defined our materiality standards and formalized our strategies. We also began benchmarking our buildings' impacts to allow us to identify, evaluate and increase our environmental

performance and stakeholder value. We further committed to reporting under the Sustainability Accounting Standards Board (SASB) standards to ensure the formalization and reliability of our ESG reports.

Over the past three years, we have worked to incorporate ESG into all our processes so that it is not just an additional box to check. Internally, we have run multiple training sessions to train our staff on the ESG Policy and Framework and have subsequently developed ESG Guides for individual departments to incorporate ESG considerations.

Grounded in our Values, Peterson works to be efficient, reduce unnecessary environmental impacts and improve the lives of our employees, tenants and those living across our communities.

Our ESG strategy and team has positioned us for success. We are eager to undertake ESG initiatives that reflect our commitment. We believe when the community succeeds, we all succeed. Lastly, our approach to good governance ensures that Peterson takes the long view, is known as a trustworthy partner, a great place to work and a group that does business with integrity.

This initial report is just a first step. We are looking forward to the journey and to enhancing our ESG initiatives, year after year.

A handwritten signature in black ink, appearing to read 'R. Choy', written in a cursive style.

About Us

We are Peterson — a private, family-owned real estate company, with a head office in Vancouver and a wide portfolio of projects across North America. In 1959, our founder, Peter Young, launched his first business with the acquisition of our first commercial property in 1988, which has evolved into Peterson as we know it today.

From those humble beginnings, Peterson has expanded over the years to invest in and manage a diverse range of projects across North America. Through collaborative partnerships and long-lasting relationships, we have worked with our partners to bring iconic developments to life, such as the Fairmont Pacific Rim in Vancouver and the Shangri-La Hotels in both Toronto and Vancouver. The Peterson portfolio now includes 7.9 million square feet of income-producing properties, over 2,300 residential and hospitality units and an additional 16.2 million square feet of future development projects.

We aim to treat all our partners, tenants, home buyers and other stakeholders with respect and loyalty. By engaging with purpose and placing relationships at the centre of every collective opportunity we pursue, we strive for greater communities, greater relationships and greater results for all our stakeholders.

This is why we consider ESG principles to be a unique opportunity to make our company more resilient and a natural extension of our core Values. Our ESG Framework and Policy, launched in January 2023, focuses on three key approaches for embedding ESG throughout our business:

- 01 Incorporating ESG into decision making within every business line and operational function.**
- 02 Identifying ESG priority areas for both short-and long-term planning.**
- 03 Ensuring that we achieve our ESG goals through the implementation of strategies, metrics and supporting policies.**

At the heart of this growth are our core Company Values:



Integrity



Entrepreneurship



Gratitude



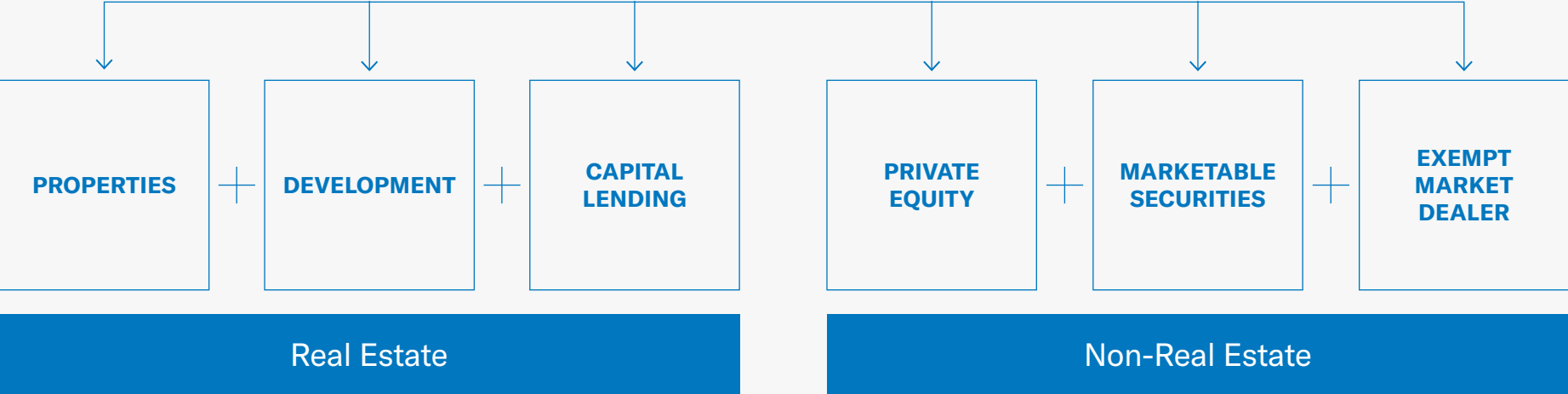
Relationships

In practice, these Values translate into standing by our word, putting relationships first and striving for something greater in everything we do.

Products and Services

Peterson today spans a broad portfolio of real estate, financial investments, products and services. Our buildings provide communities with a combination of rental and condominium homes, affordable housing, community amenities, offices, retail spaces, industrial workplaces and hotels.

Operational Business Lines



BC, 67 Total

- 1 Office Portfolio*
- 5 Office Properties
- 7 Residential Properties
- 9 Residential Units
- 7 Affordable Housing Units
- 12 Retail Properties
- 2 Industrial Properties
- 2 Hotels
- 22 Land and Development Projects

*The portfolio consists of 9 office buildings.

OR, 1 Total

- 1 Office Property

CA, 2 Total

- 1 Land
- 1 Office Property

MB, 1 Total

- 1 Retail Property

ON, 11 Total

- 8 Retail Properties
- 1 Development Project
- 1 Residential Unit
- 1 Hotel

IL, 1 Total

- 1 Office Portfolio*

*The portfolio consists of 2 office buildings

TX, 2 Total

- 2 Office Properties

CO, 1 Total

- 1 Office Portfolio*

*The portfolio consists of 3 office buildings.

Real Estate Portfolio

Fair market value % by location

The geographical and asset diversification of Peterson's real estate portfolio as at September 30, 2023 is summarized in this map.

Materiality

Materiality Assessment Process

At the beginning of our ESG journey, Peterson committed to a comprehensive evaluation of our internal and external stakeholder perspective. Prioritizing stakeholder engagement, we sought to understand key concerns to inform our strategic direction. The year 2022 marked a significant milestone, as we conducted an extensive materiality assessment to identify primary areas of focus. This inaugural materiality assessment established the foundation of our ESG Framework and Policy, which has, in turn, guided the formulation of our ESG goals, strategies and initiatives.

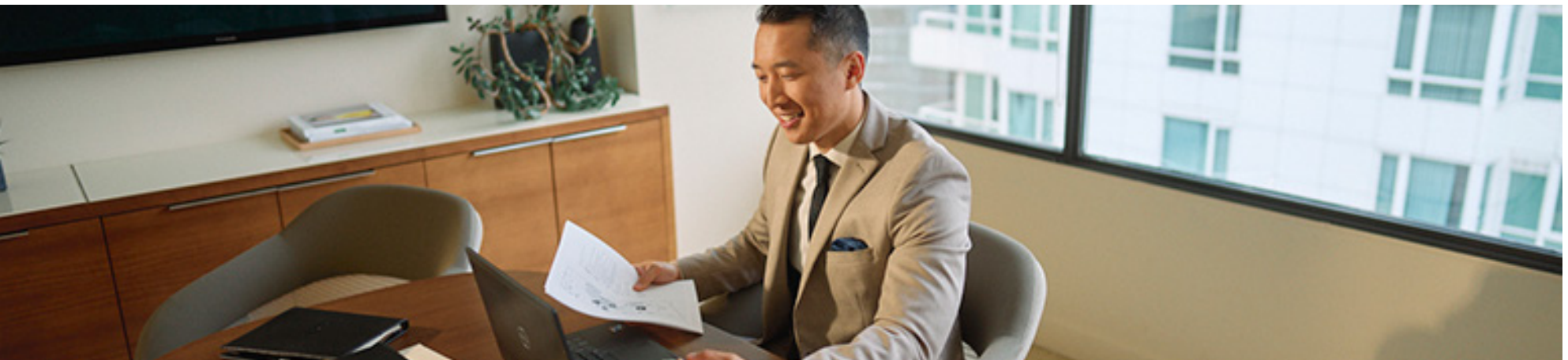
Stakeholder Engagement

For Peterson, stakeholder engagement means establishing long-term relationships and maintaining open dialogue with all our stakeholders. The stakeholder engagement process was designed as a collaborative exercise with our internal and external stakeholder groups and had three fundamental ESG objectives in mind:

- 01 To understand our stakeholders' ESG priorities.**
- 02 To identify the material topics that matter most to each group of stakeholders.**
- 03 To assist us in recognizing important areas where we can increase collaboration with each stakeholder group.**

During our extensive stakeholder engagement process, we reached out to all the major stakeholder groups that are important to our business. This included employees, directors, investors, partners, lenders, commercial tenants and residential tenants. As a family-owned business, it also included family members, as key stakeholders.

We intend to review our ESG materiality assessments bi-annually to ensure that our ESG efforts and programs remain aligned with the issues that are most material to our stakeholders.



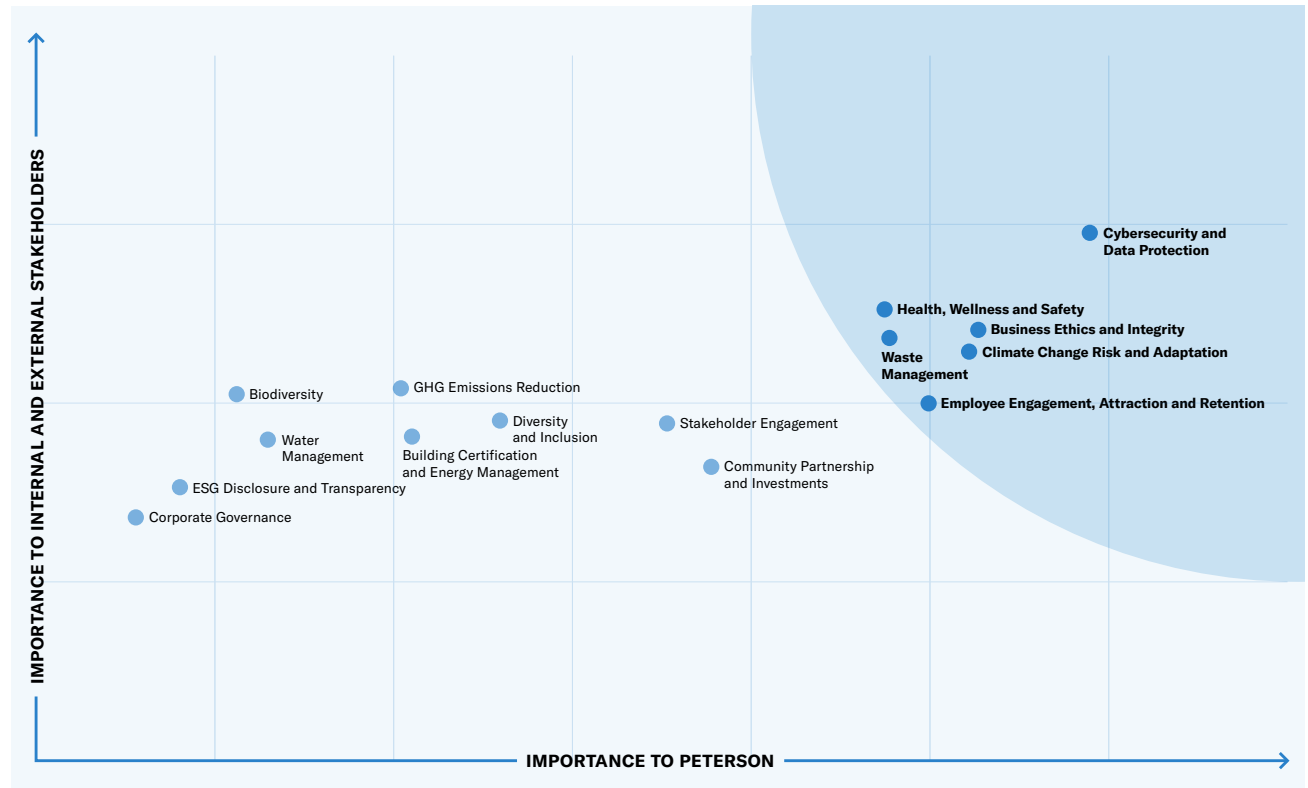
Materiality Matrix Results

A total of 285 individuals from eight different stakeholder groups responded to the materiality survey.

The results were weighted based on the impact of each group on the business and consolidated in a materiality matrix. The matrix illustrates the perceived magnitude of impact for each ESG topic, as well as its importance to both Peterson and the company's internal and external stakeholders. Topics ranked as highly important by Peterson and our stakeholders are prominently positioned in the upper right quadrant of the matrix.

The results of the materiality assessment identified six key ESG areas that are highly material to both Peterson and our stakeholders.

While these six topics will be prioritized over the next few years, we plan to continue soliciting stakeholder feedback and review our performance data on a regular basis so we can adjust our goals, strategies and plans to align with what is important to our stakeholders.



2023 Key ESG Areas of Focus

Environmental

Climate Change Risk and Adaptation

Waste Management

Social

Employee Engagement, Attraction and Retention

Health, Wellness and Safety

Governance

Cybersecurity and Data Protection

Business Ethics and Integrity

ESG Priorities and Commitments for 2023

Based on the results of the materiality assessment, Peterson developed a list of key ESG priorities and commitments for 2023.

Collateral Materiality Factors

In addition to the six high priority topics identified by our materiality assessment, the materiality assessment also helped us recognize emerging topics which we believe will increase in importance over the coming years. These topics include biodiversity, ESG disclosure and transparency, and community partnerships and investments. Termed as “collateral materiality factors” we have initiated a comprehensive review in which we can track and improve our long-term performance in these areas.





Environmental

We are committed to measuring and mitigating our impact on the environment by striving for operational efficiency and benchmarking resource consumption. We achieve this by:

- ✓ **Recognizing the current and future impacts of climate change on our communities and assets, and working to identify impactful and meaningful opportunities to reduce our greenhouse gas (GHG) footprint.**
- ✓ **Promoting healthy and sustainable commuting options in the communities within which we work and where our assets are located.**
- ✓ **Working towards the effective management of waste and water to improve the health of our communities.**
- ✓ **Being attentive to the need for green space and outdoor amenities to support a healthy lifestyle where people can live, work and play.**
- ✓ **Being mindful of the importance of biodiversity and identifying and creating places where nature can thrive in the urban environment.**

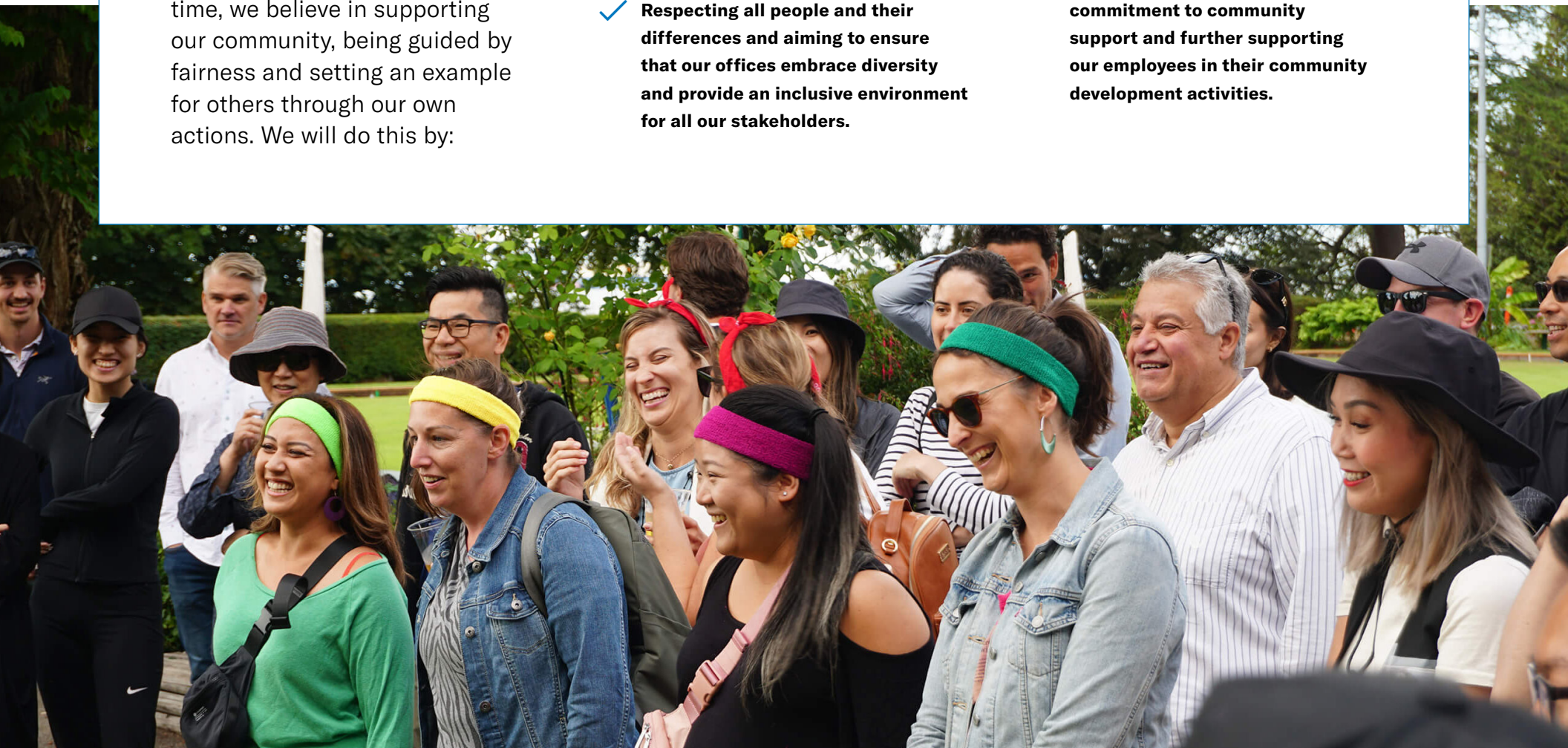




Social

We are committed to establishing a diverse and inclusive workplace for our employees. At the same time, we believe in supporting our community, being guided by fairness and setting an example for others through our own actions. We will do this by:

- ✓ **Recognizing the importance of improving the lives of people that live and work in our communities and striving to establish a sense of community amongst our commercial tenants, residents and new homeowners.**
- ✓ **Respecting all people and their differences and aiming to ensure that our offices embrace diversity and provide an inclusive environment for all our stakeholders.**
- ✓ **Fostering employee engagement and supporting the needs of our employees in recognition of the profound positive impact they have on the company and within their own communities.**
- ✓ **Continuing our long-standing commitment to community support and further supporting our employees in their community development activities.**





Governance

Our approach to governance goes much further than most family-owned companies. We are committed to going beyond baseline regulatory requirements and strive to integrate our Values across all business functions. Central to our governance efforts is the engagement and development of our employees. Our focus on good governance includes:

- ✓ **Aiming to establish clearly defined governance structures and sharing information with our internal and external stakeholders, as we believe this is key to the success of our business.**
- ✓ **Recognizing the importance of incorporating ESG into all aspects of our operations and governance functions and the role it plays in enhancing the alignment of our Values with our business practices.**
- ✓ **Striving for transparency and validity for our ESG reporting by using industry recognized standards and practices.**



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Governance and
ESG Oversight

Business Ethics
and Integrity

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Governance

As a privately-owned company, Peterson prioritizes going beyond minimum legal requirements and seeks high levels of corporate governance and controls.

Governance and ESG Oversight

At Peterson, we work diligently to ensure good governance over the entire organization, and that starts right at the top. Unlike most privately-owned real estate companies, Peterson is guided by an experienced and primarily independent Board of Directors to ensure transparency, accountability and responsibility.

Our ESG Commitment

Responsible management at Peterson begins with ownership which takes a serious and long term approach to corporate governance, including ESG. With a commitment to continuous self-improvement set at the ownership level, there are strong structures and robust processes for accountability throughout the organization for integrating ESG into our operations.

Peterson's platform for ESG includes our Corporate Commitment, [ESG Framework and Policy](#), ESG Reporting and multi-departmental supplemental policies. These documents collectively inform our ESG strategy, ensuring alignment with our core Values and focusing on key ESG priorities. With a focus on the most material ESG topics for Peterson, our Framework and Policy provide a blueprint for accountability, guide the dissemination of ESG-related information and initiatives, and underscore our dedication to transparent communication regarding our ongoing ESG progress.



The Peterson ESG Commitment

Peterson's ESG approach will be unique to us and represents a natural extension of the Peterson Values.



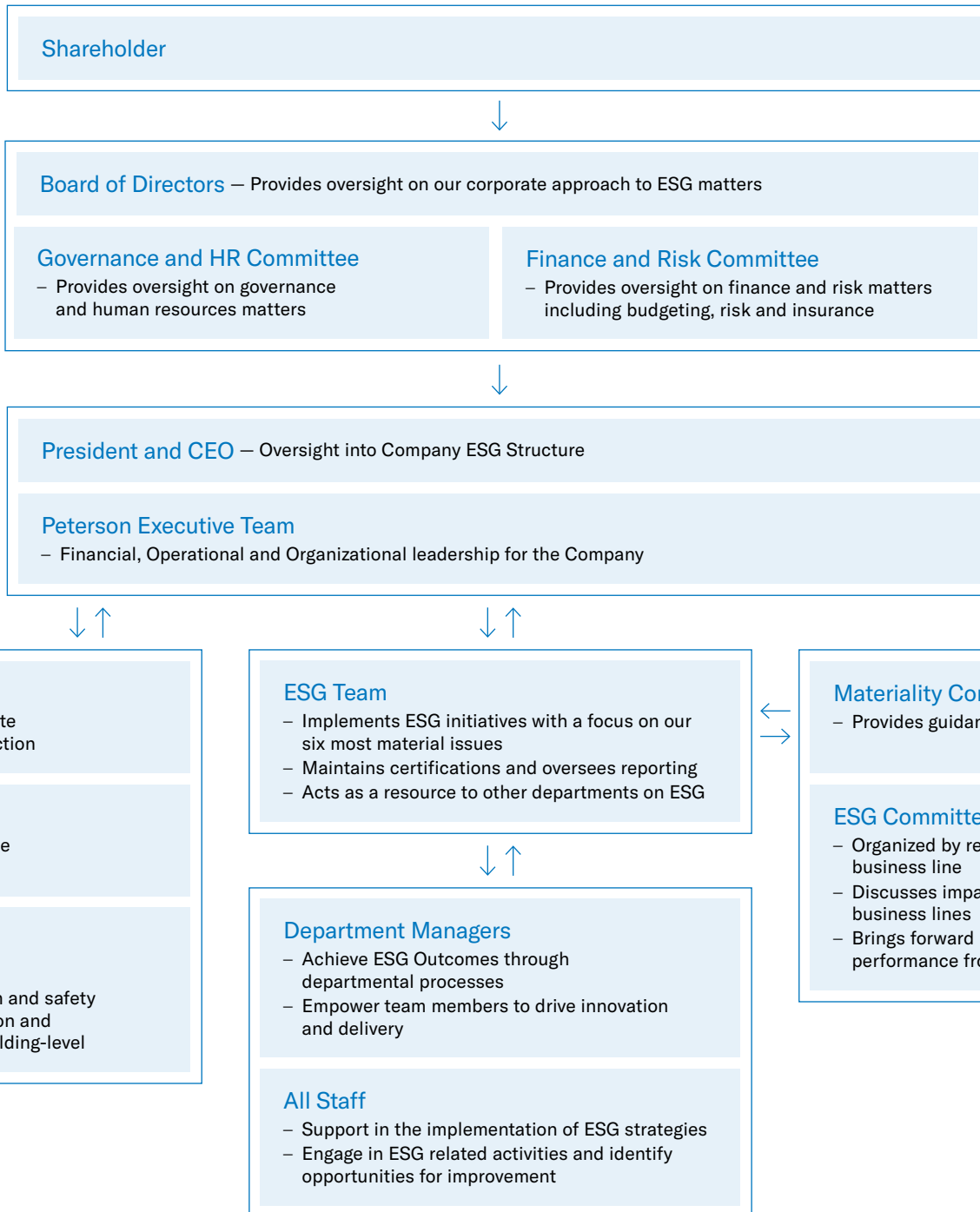
Oversight

The Board of Directors has ultimate oversight of Peterson's corporate goals and operations through their direction and supervision of management. The Board also has two working sub-committees; Governance and Human Resources Committee and our Finance and Risk Committee. The Board of Directors ensures Management is aligned with our Values and Guiding Principles. They oversee our ESG activities at the highest levels, ensuring the development and implementation of ESG strategies policies and reporting systems.

We believe that a multidirectional flow of information and ideas is essential for achieving best outcomes. Our ESG governance structure ensures that information from all ESG efforts across our different departments is effectively shared, evaluated, managed and acted upon. This establishes a system of tiered accountability throughout the organization.

Overall accountability for ESG falls to Peterson's President and CEO, in collaboration with the VP of ESG to oversee organizational-wide implementation. This is supported by our company-wide ESG Committee and our specialized team who manages daily oversight and evaluation of our ESG efforts. Complimentary committees, such as the Engagement and Social Committees, further reinforce employee well-being and involvement within Peterson.

Governance Structure



Risk Management

Peterson takes an active comprehensive approach to risk management. In addition to our Finance and Risk Committee, which guides corporate decision-making on risk management, we also have several procedures in place to identify, analyze and mitigate risks across the company.



Enterprise Risk Management

Peterson employs a structured Enterprise Risk Management framework that guides our methodology for risk detection, evaluation, prioritization, documentation, and mitigation. This framework serves as an instrumental resource in formulating strategic plans to manage risks company-wide and is an integral component of our broader risk assessment and management process.



Crisis Response

Our Business Continuity and Crisis Preparedness Policy is one component of our risk management program. The Policy was established to ensure uninterrupted availability of essential resources to maintain business activities amidst crisis, such as a major system outage due to fire or natural disaster. It includes protocols on IT recovery, emergency response and evacuation, record management and communications.

Business Ethics and Integrity

Operating with ethics and integrity is essential to good business, which is why we are constantly re-examining our policies and procedures to incorporate new ideas and ensure responsible management.

In the last few years, Peterson has prioritized a company-wide policy review and update, adding additional policies and procedures, and refining existing ones where needed. Some of these policies include our Employee Code of Conduct and Respectful Workplace Policy, Integrity Concern Policy and Conflict of Interest Policy.

In addition to instituting and updating policies, we also conduct regular training and ensure employees are familiar with our policies. When necessary, we offer Lunch and Learn sessions when a new policy is implemented to inform and provide employees an opportunity to discuss and ask questions.

Employee Code of Conduct and Respectful Workplace Policy

Our Employee Code of Conduct and Respectful Workplace Policy are included in the Peterson Employee Handbook. The handbook outlines the Company's expectations for conduct and behaviour in the workplace, including guidance and rules on conflicts of interest, theft, computer and phone use, confidentiality and the use of drugs or alcohol. They also outline our complete prohibition of any harassment or discriminatory practices that violate human rights laws or that could undermine worker safety and well-being.

Integrity Concern Policy

All employees at Peterson should feel comfortable speaking up and raising integrity concerns without fear of retaliation. Our Integrity Concern Policy outlines our commitment to upholding business integrity and our approach to whistleblower protection. All employees have the ability to report any integrity concerns anonymously through an independent third party agency. An independent investigation will be conducted by our Vice President of Human Resources, unless they are the subject of the complaints.

Conflict of Interest Policy

Peterson expects all employees to maintain the highest levels of transparency and accountability, including when addressing any real or potential conflicts of interest. Our Conflict of Interest Policy outlines our expectations and requirements related to disclosing conflicts and employees recusing themselves from matters. It also outlines behaviours that are not permitted (eg. kickbacks) and outlines our guidance on confidentiality and gifts.

Cybersecurity and Data Protection

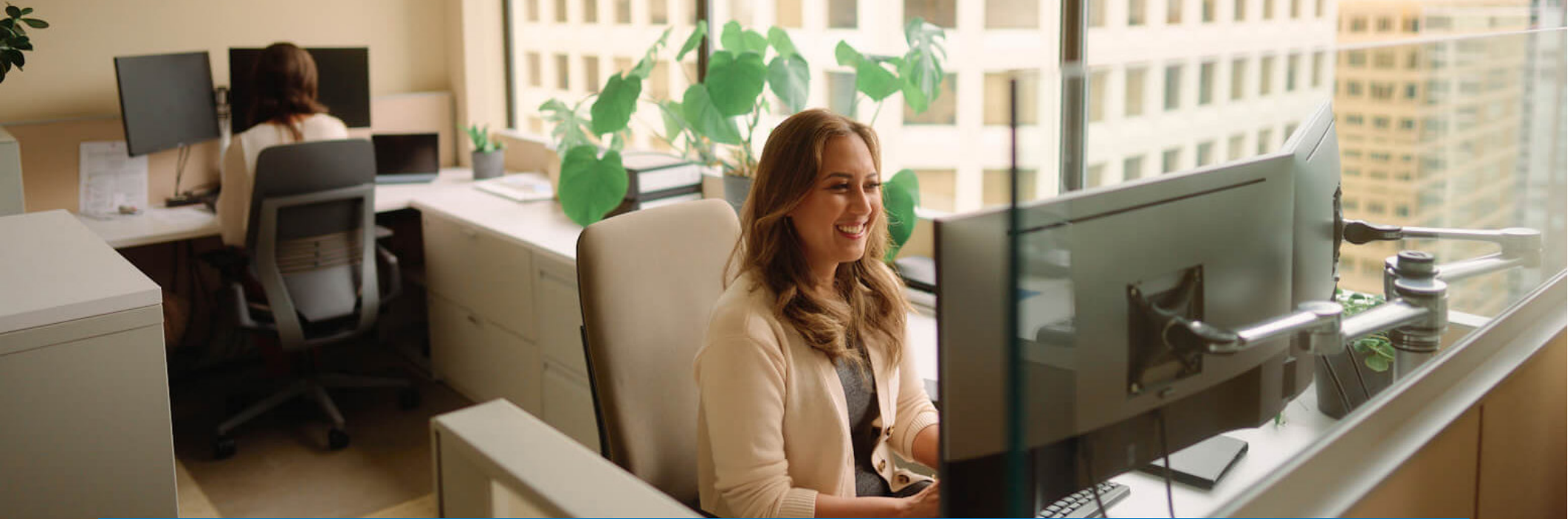
As a comprehensive real estate company engaged in lending, leasing, management and investment, we possess critical and sensitive information belonging to our stakeholders. Ensuring robust security measures against unauthorized access and cyber threats is crucial to maintain confidentiality, integrity and availability of our systems and data.

As one of our top ESG focus areas, cybersecurity and data protection was consistently ranked among the most important concerns across stakeholder groups and is something Peterson is heavily invested in. We have several policies and programs in place to prevent and detect threats and to secure our data. We have also renewed our focus on IT in the last year, revamping our policies and providing several training opportunities for staff to learn more.

Our IT policies and procedures span several topics and include provisions for:

- ✓ **General IT procedures**
- ✓ **Password management**
- ✓ **Acceptable use of company computers**
- ✓ **Smartphones**
- ✓ **Data protection and backup**
- ✓ **Access control**
- ✓ **Incident and disaster response**





Key Components of Our IT Program



Policies and Procedures



Backup and Disaster Recovery



Activity Monitoring and Logging



Data Encryption



Employee Training and Awareness



Security Audits and Testing



Firewalls and Intrusion Detection



Network Segmentation to Isolate Critical Services



Continuous Improvement



Anti-Virus and Anti-Malware

Cutting-Edge Cybersecurity

Peterson utilizes a leading cybersecurity to enhance our capabilities in threat detection and response through artificial intelligence and machine learning. This cutting-edge solution provides us with a range of services to better protect our systems and data, including autonomous threat detection, anomaly detection, threat intelligence integration, autonomous response, cloud security and network traffic analysis.



Data Protection at Peterson

Protecting and securing the data of our company, employees, assets and clients is essential. In addition to employee training opportunities and comprehensive cybersecurity software, we have strict internal policies to maintain high standards for data protection. We also have cybersecurity insurance to mitigate financial losses in case of a breach.

Our Data Protection Policy outlines expectations and procedures for how to handle personal data, stipulates how and when that personal information is used and provides safeguards and procedures in case of a breach. It also includes expectations for employee training to ensure everyone is following procedures.

We also have a Data Backup Policy to ensure all critical data and systems that are required for business needs are backed up to prevent loss from accidental deletion, corruption of data, system failure or disaster. It includes information on our regular backup schedule and the process for recovery.

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Sustainability at Peterson

Energy Management

GHG Emissions Reduction

Climate Risk
and Adaptation

Water Management

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Environment

Establishing a baseline of our sustainability efforts, so we can make effective choices to improve the efficiencies in our buildings.



Sustainability at Peterson

We are working towards finding efficient ways to use natural resources to reduce environmental impacts across our business. Our key areas of focus are energy management, climate change, water and waste.

Peterson has a long term goal to achieve BOMA BEST certification across all our asset classes. BOMA BEST is a recognized program which drives sustainable best practices throughout the building industry, touching on areas such as:

- Energy and carbon
- Water
- Indoor air quality and hazards
- Accessibility and wellness
- Custodial and waste



CASE STUDY

Crestwood Corporate Centre: Leading the Way in Environmental Certification for Peterson

We recently achieved a BOMA BEST Silver certification at Crestwood Corporate Centre. This business office park, which comprises nine different buildings, is a leader within our portfolio when it comes to implementing environmental best practices. This year, we focused on biodiversity conservation efforts by partnering with an urban farming service to introduce surface gardens and create an urban farm, along with our urban bee program



Energy Management

We are in compliance with the City of Vancouver's [Climate Emergency Action Plan \(CEAP\)](#), which aims to tackle the challenge of climate change by reducing carbon pollution by 50% by 2030 and becoming carbon neutral by 2050.

As part of the city's CEAP, goals have been established to cut carbon pollution from buildings in half (as compared to 2007) and reduce embodied emissions from new buildings and construction projects by 40% (as compared to 2018). At the same time, Metro Vancouver's [Climate 2050 Buildings Roadmap](#) envisions a future with clean, energy-efficient, zero emissions buildings through changes in behaviour and regulations.

Peterson believes it is imperative for us to focus on managing and operating our buildings as efficiently as possible to reduce our overall energy consumption, support the region's long-term goals, and get a head start on regulatory changes.

By prioritizing high quality benchmarking, transparent performance metrics and engagement in recognized building certification programs, we aim to not only diminish our energy usage, but also capitalize on the advantages of a reduced GHG footprint. This strategy will lead to decreased operational expenses for both Peterson and our clients, while enhancing the comfort levels within our properties.

Our multi-pronged approach to improving energy management includes initiatives that aim to:

- ✓ Improve energy system performance
- ✓ Influence behaviours
- ✓ Raise awareness amongst our stakeholders
- ✓ Continue progress and compliance



2023 Energy Usage

Electricity



Gas



Steam





Energy Management Policy

In 2023, we implemented an Energy Management Policy that outline a strategic framework related to energy related decision making.

We also engaged a global leader in asset management solutions to conduct a thorough review of our 2023 energy consumption baseline data to ensure its completeness and accuracy so we can make sound and informed decisions.

Data Management

We currently use three different platforms that complement each other to build a robust energy management program.

01 Our principal environmental benchmarking platform enables the systematic collection, monitoring, and reporting of energy, waste, and water metrics for each asset. It quantifies our GHG emissions and incorporates predictive features to model and evaluate the impacts of various scenarios including incoming regulatory emissions limits and energy conservation measures.

02 An additional platform autonomously aggregates data from our energy utility invoices facilitating oversight of costs, consumption, demand and emissions through a customized dashboard.

03 Data integration from our environmental platforms is streamlined into Energy Star Portfolio Manager, an interactive resource management tool that benchmarks energy performance. Following a comprehensive audit to validate our data, we are positioned to pursue Energy Star Certification in 2024 for properties scoring greater than 75%.



Building Benchmark BC

In 2023, we marked our second year participating in the Building Benchmark BC program, a voluntary initiative that enhances public access to energy performance metrics for registered buildings. This program equips us with a comprehensive annual report detailing the performance of our portfolio of 17 properties. The report evaluates our buildings' greenhouse gas (GHG) intensity, energy use intensity, and Energy Star Ratings, benchmarking them against similar property types.

Our participation underscores our dedication to transparency in reporting our buildings' operational performance and hope our actions encourage other property owners and property management companies to do the same.

Building Certifications

Peterson's participation in voluntary building certification programs such as BOMA BEST, Building Benchmark BC and Energy Star propels us to set ambitious goals and continuously improve our performance. Participation in these certification programs, increase awareness of the importance of proficient energy management among our stakeholder groups. Moreover, it fosters collaboration with our employees, industry peers and tenants collectively driving sustainable transformation within our communities.

GHG Emissions Reduction

In 2023, we conducted our first GHG assessment to measure our Scope 1 and 2 emissions in accordance with the Greenhouse Gas Protocol. The results will identify our environmental impacts and the potential impacts that climate change may have on our business.

Peterson will use the 2023 data as our baseline year for benchmarking future performance and to establish the foundation for a comprehensive strategy, which will include a decarbonization plan and net reduction targets for our assets.

Our GHG emissions reduction strategy will explore the design, retrofitting and enhancement of building envelopes and mechanical systems in existing assets where feasible and strive for low emissions designs for new developments. We also plan to encourage sustainable transport alternatives by adding EV charging stations and cycling amenities to our facilities over time.

Our Peterson ESG Framework and Policy and our ESG Development Guide both guide us in considering GHG emissions in our day-to-day decision making, particularly within our IPP operations.

GHG Emissions

1357 tCO₂e

SCOPE 1 EMISSIONS

844.54 tCO₂e

SCOPE 2 EMISSIONS

Climate Risk and Adaptation

As one of our stakeholder-identified material topics, we know that climate change is a serious risk to our stakeholders, our properties and our business. In order to address these risks and successfully adapt to changing physical and regulatory environments, we need to gain a deep understanding of these risks and impacts and develop proactive strategies to address them.

In 2023, we conducted an analysis of the different types of climate risks that may affect our Canadian portfolio. The analysis included identifying physical, legal, technological, market and reputational risks, the impacts of those risks and different types of mitigation strategies that are under consideration.

ESG Guides

In 2023, we issued ESG Guides for the two departments which are subjected to the most risks and impacts from climate change — Development and Income Producing Properties. These Guides identify key areas where ESG integration can occur at various stages of each property’s development and lifecycle.

For our Developments, the ESG Guide identifies opportunities to promote biodiversity, reduce

GHG emissions, install energy efficient systems, avoid heat islands and reuse water. We also look to implement smart technologies during the pre-development, design, construction and post-completion phases of each project.

For our IPP, the ESG Guide looks at promoting ESG considerations among our tenants, identifying health and wellness initiatives that can benefit residents,

considering GHG emissions when repairing or replacing equipment and building envelope systems and enhancing indoor.

Our intention is to continually review and update our ESG Guides as best practices change and new opportunities emerge.



Water Management

Water is a precious natural resource, and we are committed to finding new opportunities to use it more responsibly.

While we are fortunate enough to live and operate in regions that have not been exposed to severe water scarcity, we recognize that climate change will have an impact on precipitation patterns, water quality and water availability. Regulations are also likely to create scarcity or higher costs for water usage over time.

As a first step, we have begun to track water usage using our benchmarking platform. We track where and how we use water at each of our properties and calculate our water use intensity.

By tracking water usage over time, we will be able to identify opportunities to reduce water consumption across our entire portfolio. This will help mitigate the associated impacts of our water usage. Our aim is to maximize the efficiency of our water management systems through multiple strategies, including upgrades to systems and fixtures, collection of rainwater, on-site water reuse and education.

Water Usage



Waste Management

The results of our materiality assessment revealed that our stakeholders are concerned about proper waste management. As an organization, we have begun to address this issue by taking small, yet important, steps within our facilities and commencing work on a robust long-term waste management plan.

Peterson's belief is the best sustainability plans start with understanding our consumption. This holds true for measuring our waste footprint. In 2023, we began tracking our waste management flows through waste diversion reports from our waste management contractors.

It is important for us to model best practices at our own offices before rolling them out to our tenants. Starting at our office, we began by having conversations about the importance of reducing waste and inviting employees to share ideas on how to increase diversion rates. In the past year, we installed centralized bins in all common areas of the office with triple stream and double stream bins that allow for separation of waste, mixed containers and organics, where required. This initiative was then extended to the lobbies of all the commercial buildings that we manage.

Commercial Waste Management

We have partnered with a third-party waste management company to manage waste services across the majority of our commercial portfolio. By using this service to manage our waste streams, waste providers, scheduling and bin sizing, we gain access to competitive pricing and innovations such as bin cameras to monitor and optimize waste collection. They also assist us with annual tenant and staff education seminars on the importance of waste diversion and of tenants taking ownership over their waste streams.

2023 Waste

756t

WASTE TO LANDFILL

289t

WASTE TO COMPOST

289t

WASTE TO RECYCLING

50%

WASTE DIVERSION

Future Initiatives

To streamline our waste management practices and increase our waste diversion rates, we are currently exploring the following initiatives across our portfolio:

- **Strategies for waste auditing** across our buildings to understand our true waste footprint and opportunities for improvement.
- **Monitoring the latest trends in recycling** in areas such as soft plastics so we can identify any additional streams for waste diversion.
- **Investigating ways to effectively deal with large amounts of personal protective equipment (PPE) waste** generated by our medical services property at 750 West Broadway, such as investing in a waste compactor for the site to reduce the number of pick-ups.

We are working with our janitorial service provider to implement a green cleaning program to promote the use of natural and biodegradable products wherever possible. Similarly, we are switching to environmentally-friendly cleaning products and equipment that hold the UL ECOLOGO® Certification, vacuum cleaners that meet Green Label Testing Program requirements such as maintaining sound levels below 70dBA and ensuring that any propane-powered floor equipment has high-efficiency and low-emission engines.

We are developing annual tenant and staff education seminars with our janitorial service provider which will raise awareness about cleaning products and trends and encourage tenants to participate in keeping their buildings clean and performing at the highest level.

By understanding our current performance, working with key partners and stakeholders on implementing best practices and striving for high achievement in building certifications, we aim to work towards, not just effective and efficient waste management, but the introduction of circular economy principles to transform our properties.



CASE STUDY

Using Recycling to Help Those in Need

At Langara Gardens in Vancouver, BC, as at many other sites across our portfolio, we have implemented a program that incentivizes responsible waste management through charitable giving. By encouraging our tenants to separate refundable containers and take them to recycling centres with money-back programs, we were able to collect approximately \$7,000 in 2023. These funds are then used to purchase food for holiday hampers, which are donated to families and seniors in need across the Lower Mainland. The program is managed by our Peterson staff members who take the recyclable materials to the recycling centers and deliver the hampers directly to the recipients.

Although we had a recycling program in place for many years, we found that when we introduced the opportunity to help others in the community, tenants were far more engaged, and the number of containers in the recycling bins increased measurably. The benefits of the program were multifold — we were able to divert 70,000 containers from going to landfills, provide 10 to 12 families with much-needed food and support and offer tenants the chance to make a difference in their community.

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Employee Engagement,
Attraction and Retention

Diversity and Inclusion

Health, Wellness
and Safety

Tenant Engagement

Community Involvement
and Supports

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Social

Peterson has been dedicated to supporting our communities and creating a safe and enjoyable work environment since our inception, and we look forward to searching for new opportunities in the future.

Employee Engagement, Attraction and Retention

Peterson's employees are our greatest asset. Over the years, we have put a lot of thought and energy into making Peterson an employer of choice and a great place to work. Our aim is to attract a diverse range of well-qualified candidates who will make our company stronger, provide them with a workplace that supports them to achieve their goals and ensure that they feel fully engaged within the company.

Engagement

We believe that the best way to understand how our employees feel at work is to ask them. Every two years, we conduct a company-wide engagement survey, administered by a third-party company, to learn just that. Once we have the results, we hold an open discussion, with all employees to discuss the findings in a transparent and constructive manner so we can learn how to improve.

Our Engagement Committee, which is comprised of employees from each department, discusses, develops and implements initiatives to increase engagement across the company.

Based on the findings from the engagement survey, Engagement Committee members focus on ways to increase engagement in areas that need improvement. Over the past year, the Engagement Committee organized a range of company-wide programs and events to bring employees together in keeping with the theme of connection and building relationships while embedding inclusiveness.

Twice a year, we publish our company newsletter, the Peterson Press, to share news, introduce new employees, showcase initiatives and provide updates about our operations.



Programs and events include:

- ✓ **Company townhalls held twice a year to share the company's strategic direction and vision and provide employees with an opportunity to ask any questions they may have**
- ✓ **Lunch and learns by different departments to help employees connect better with each other and identify any areas of overlap**
- ✓ **Multiculturalism day potluck**
- ✓ **Neighbourhood cleanup**



Peterson Academy

A new way we engage with our employees is through the Peterson Academy, an initiative which fosters innovation and leadership throughout the organization. This voluntary program provides employees with mentorship and opportunities to brainstorm and pitch new ideas and solutions to improve the company in different ways.

The presentations are evaluated based on the following criteria:

- 01 **Innovation and Creativity**
- 02 **Research and Analysis**
- 03 **Collaboration and Communication**
- 04 **Feasibility**
- 05 **Impact Potential**

The program has generated a range of practical and creative ideas generated and developed by our incredible Peterson employees. While all the ideas presented are considered by Peterson's management team, employees whose ideas have been selected to proceed to the next stage get to lead the implementation of their proposal and are offered bonus leave days as a token of appreciation.



Attraction

By making Peterson an engaging, supportive and enjoyable place to work, we are able to attract skilled candidates with diverse backgrounds and experience who share and reflect our core Values. Company policies such as our Educational Support Policy, Maternity and Parental Leave Policy and our Phased-In Retirement Policy go beyond regulatory requirements and industry norms to support employees through different stages of their lives.

Fostering the Next Generation of Peterson Employees

We focus on nurturing younger generations who will lead our future. In 2023, we commenced a company co-op program, hiring three co-op students across three departments — Human Resources, Asset Management and Capital Markets.

We also continued the Peterson Scholarship Program which recognizes children of employees who exemplify the Peterson Values and excel in academic achievement, community involvement and/or leadership in a school or work environment.

This year, we made a commitment to donate \$500,000 over five years to the British Columbia Institute of Technology's (BCIT) INSPIRE campaign to foster collaboration between students studying trades, technology, engineering and architecture. Our donation will contribute to the construction of a new trades and technology complex where students can collaborate and work together. BCIT has a long history of educational excellence and innovation and many of our employees are proud graduates of its programs. As a real estate company which employs many skilled workers in the trades, we firmly believe this investment will help to develop future capacity and excellence within local communities so we can grow together.

Retention

To Peterson, employee retention means providing a supportive environment where our employees can achieve their goals. We do this through various programs such as:



Mentorship program that pairs a junior employee with a member of the senior leadership team for one-on-one mentoring to explore professional development opportunities within the company. In 2023 we had 26 mentees participate in the program.



Leadership development program that works with exceptional employees to create a career development path that would lead them to a leadership role within the company.



Social events where employees can get to know each other and relax in a fun setting. The Peterson Social Committee typically hosts between three to six events per month, including programs such as our annual dinner, summer family event, halloween party and others.



Department team building events which included pitch and putt, BBQs, cooking classes, scavenger hunts, boat rides, archery and dinner parties.



360 degree employee feedback, performance review and development plan processes.

Tuition and learning support program where we reimburse all expenses related to tuition, textbooks, professional dues or designation fees and work-related training, seminars, conferences and webinars.

Maturm Pilot Program

In 2023, we began an in-house pilot of the Maturm Program. Maturm is a motherhood leadership coaching program which supports mothers to advance their careers and grow their families at the same time. It provides mothers and mothers-to-be with coaching, resources and community so they can meet the challenges of working motherhood with confidence. Based on the success of the pilot, we plan to roll the program out across the company in 2024.

Tuition and Learning Support Spending for 2023

\$41,835

TUITION

\$74,018

PROFESSIONAL FEES AND DUES

\$32,448

WORK-RELATED TRAINING AND EVENTS

Diversity and Inclusion

Diversity and inclusion means creating conditions where all Peterson employees can express their authentic selves within their work environments. We strive to cultivate a work environment that is supportive of the dignity and self-esteem of each individual and promotes mutual respect, cooperation and understanding throughout the organization.

We are committed to providing equal opportunities to all employees and to prohibiting any discriminatory practices. Our Respectful Workplace Policy defines prohibited conduct, sets out the responsibilities of management and employees and outlines procedures for addressing harassment, discrimination, complaints and workplace violence.

Pillars for Success

Peterson's Diversity and Inclusion Framework is built on four central pillars:

People

We are unconditionally inclusive in the way we work and celebrate individual uniqueness. We leverage the diversity of experience, background, education and perspectives from across our team and celebrate the progress and achievements of our multigenerational, multiracial and multi-background workforce.

Awareness

We increase inclusive-education, events and holidays to bring awareness and cultural intelligence to address issues emerging from an increasingly diverse population to improve inclusivity in the workplace.

Community

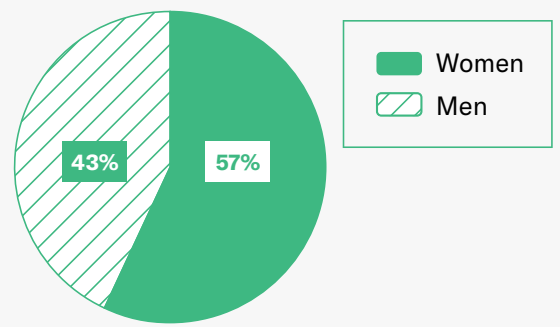
We believe in promoting our diversity in the communities in which we live and work through volunteerism, partnerships, donation and education.

Workplace

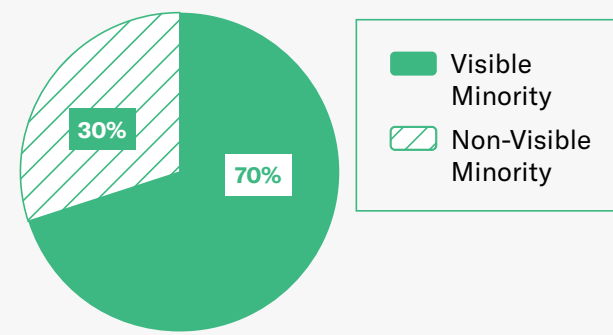
We are committed to creating opportunities and experiences that are inclusive and lead to the personal and professional success of our employees. We are opposed to all forms of discrimination and employees will be treated fairly and with respect. We provide equal opportunities to recruit, retain and develop employees through fair policies, systems and processes.

All Employees (Company-wide, all sites)

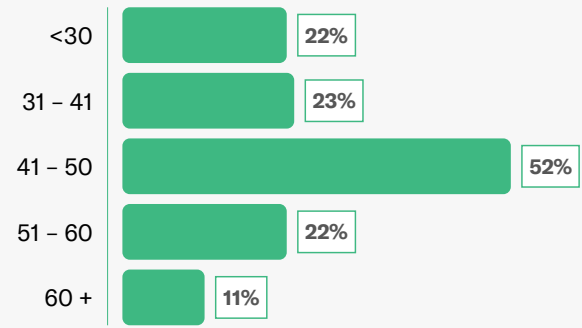
Gender Identity



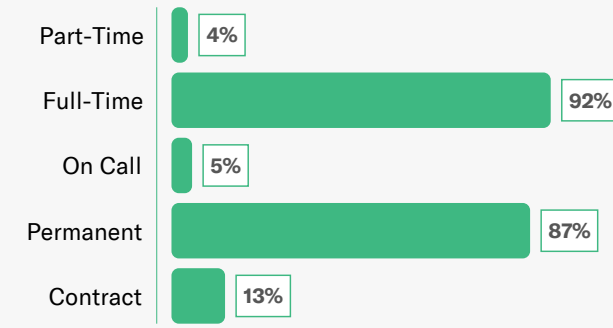
Ethnicity



Age



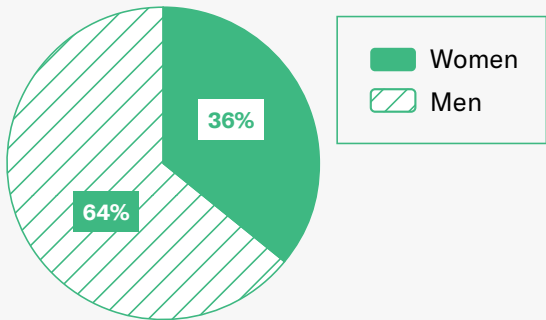
Employment Type



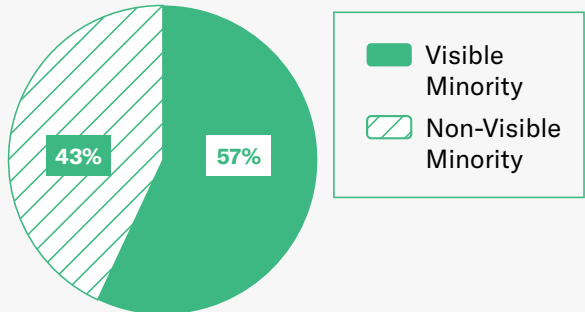
We believe that diversity of thought and experience strengthens our company and are continuously working towards increasing diversity within all levels of the company.

Management

Gender Identity

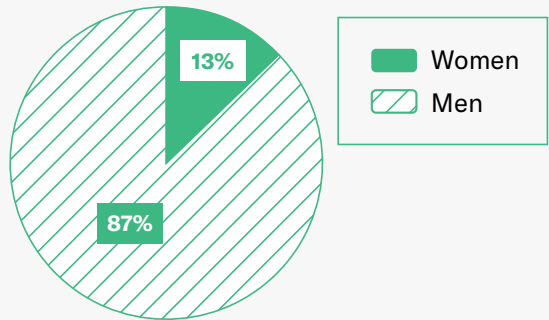


Ethnicity

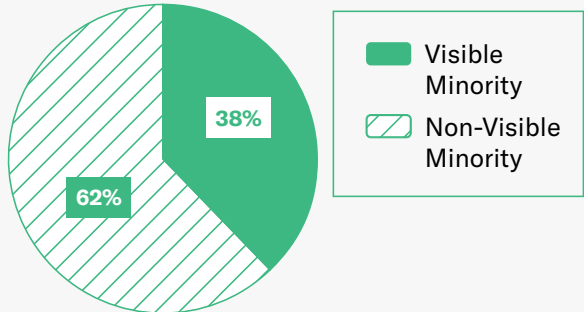


Board of Directors

Gender Identity

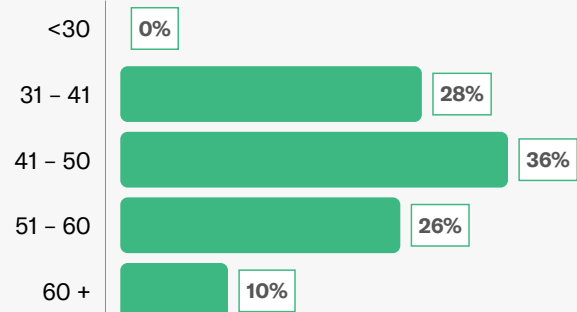


Ethnicity



27%
OF TOTAL EMPLOYEES
ARE MANAGEMENT

Age





Health, Wellness and Safety

Our Manager of Environmental, Health and Safety (EHS) is responsible for the development, implementation and monitoring of our corporate Occupational Health and Safety (OHS) Policy, programs and procedures that are designed to make sure our employees are working in a healthy and safe manner.

The OHS Program includes a range of policies covering everything from safe work practices and first aid to mould and legionella bacteria control. In order to ensure all our employees understand how to identify and mitigate common workplace risks, we conduct customized monthly training on health and safety topics in a small group setting so that everyone has a chance to ask questions and participate.

At Peterson, keeping our employees and tenants healthy, safe and well is of paramount importance. Central to this is our safety culture which provides a supportive environment for staff to speak out if they feel something is unsafe or if they do not have the right tools or protective equipment to do the job.

In addition to tracking our health and safety statistics annually, last year we began quarterly reporting to Governance Committee on incidents, near misses, training, regulatory changes and other relevant factors.

Peterson's employee health and wellness programs include:

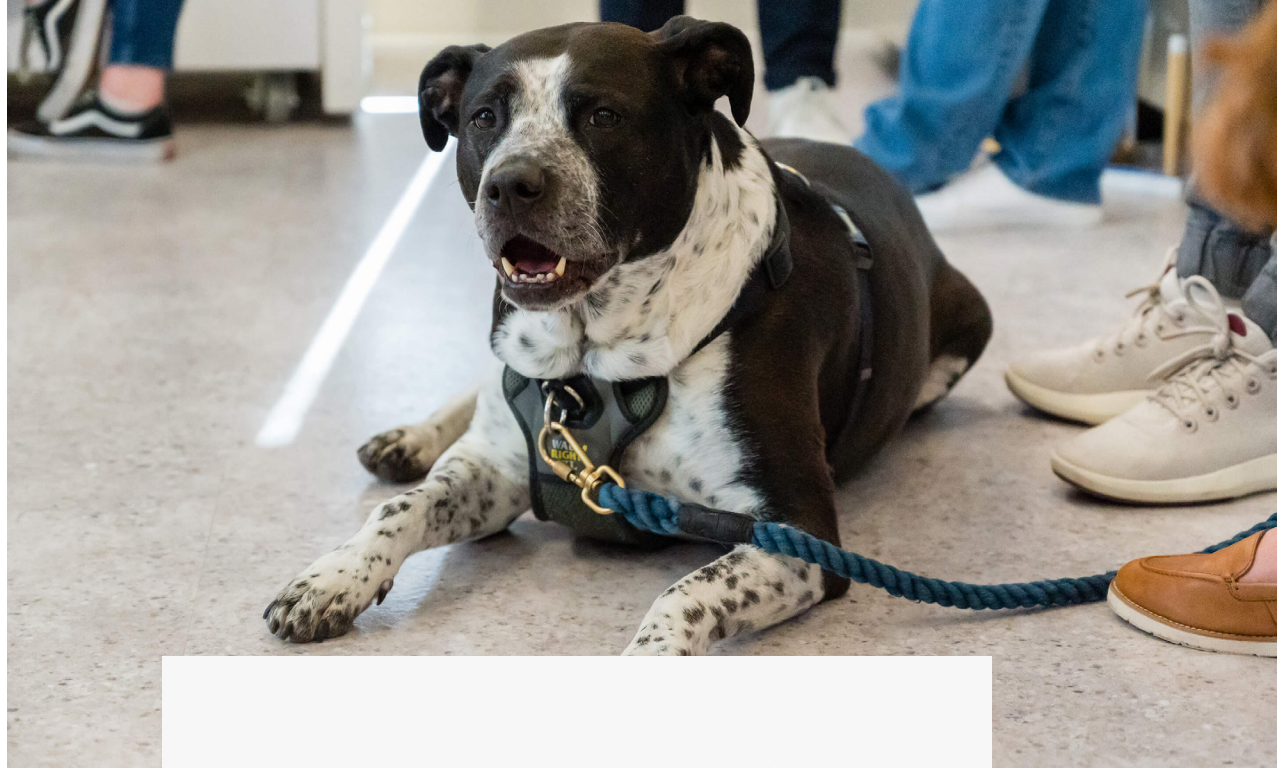
- ✓ Employee Assistance Program (EAP) and Virtual Counselling
- ✓ Virtual Health Care Services and Telemedicine
- ✓ Mental Health Services
- ✓ Flex Spending Accounts

970 hours of training

TOTAL FOR PETERSON EMPLOYEES IN 2023

It is important to us that our employees have healthy lifestyles — during and outside of work. This is why we offer a fitness centre at our head office to encourage fitness breaks, a dog-friendly workplace to enable a positive office environment, beehives on our patio to create ecological awareness and a connection to nature and Friday afternoon summer socials for employees to recharge before heading out for the weekend. In 2023, we placed a special focus on holistic health and wellness encompassing topics such as financial literacy, conflict and communication workshops and supporting Peterson teams for fitness activities such as charity runs and marathons.

At the same time, we also want to ensure that all our residential and commercial tenants feel safe and healthy living and working in our buildings. We do this by providing our property management teams with the training, tools and resources they need to create and enable safe and healthy environments at all Peterson properties. Our larger sites, like the Carmana Hotel and Suites and Langara Gardens, have their own dedicated Joint Occupational Health and Safety Committees. All our commercial buildings also have security and common amenities such as fitness centres and bike rooms to encourage healthy lifestyles at work.



Lost Time Incident Rate (LTIR)

1.135

2022 LTR

1.56

2023 LTR

LTIR is defined as the number of lost time injuries per total hours worked in the time period, multiplied by 200,000 — this includes all Peterson entities (residential, head office, commercial, hotel)

421 hours of training

OCCUPATIONAL HEALTH AND SAFETY TRAINING PROVIDED TO PETERSON EMPLOYEES IN 2023

Tenant Engagement

We strongly believe that engaging with our commercial and residential tenants to understand their needs and priorities is simply good business.

At our commercial properties, property managers engage with tenants on a daily basis to address their concerns and ensure they are comfortable. In 2023, we sent out a Tenant Satisfaction Survey which polls tenants on how they feel about our responsiveness during the leasing process, responsiveness of their local Property Management Team, the building aesthetics, cleanliness of common areas and tenant suites and the level of security at the building.

At our residential rental properties, our building managers live in the buildings. They form connections with the tenants which results in tenants feeling comfortable raising issues. The managers are supported by building staff who are always available to resolve any issues and ensure smooth building operations.

Annual Tenant Appreciation Events

Every year, at all our residential rental properties, we throw a Tenant Appreciation Event to bring all the residents and staff of the building together.

For example, this year's event at our Langara property included a live band, bbq, small batch ice cream from a local vendor, photo booth and balloon making and face painting for children. The event was a big success, with over 700 people in attendance, and was followed by an evening party for the building staff.

At our Crestwood Corporate Centre, we held a wide variety of tenant engagement activities and events throughout the year, including events to celebrate and commemorate Lunar New Year, Canada Day, Thanksgiving, Remembrance Day and Christmas. We also held events to inspire, educate and involve tenants in sustainability initiatives through our Bike to Work Week, Microhabitat Urban Farming Initiative, Alvéole Meet Your Bees Workshop, Cops for Cancer, Food Bank Donations and Toy Drive and rush hour / lunch hour shuttle bus services to encourage car-free travel.

In 2024, we plan to create an engagement matrix and begin incorporating more engagement activities into our processes. Our future engagement strategy also includes ongoing polling of our residential and commercial tenants to understand their needs, along with an annual or biannual poll that is specifically designed to engage tenants on ESG issues.



Community Involvement and Support

Our community and philanthropy efforts are a cornerstone of Peterson's ESG program.

We understand that supporting the communities where we work and live is not just the right thing to do; it is also a large driver for employee satisfaction at Peterson. Peterson employees often mention how proud they are of our commitment to communities, within the office and outside of work. While our properties are spread across North America, the vast majority of Peterson employees are located in British Columbia where our philanthropy efforts are focused. Though most of our community investment efforts are focused on healthcare, we are also committed to other causes including food security and education.



CASE STUDY

Celebration and Community Support for Care Home Residents

Villa Cathay, a culturally-focused care home located in the Strathcona Chinatown neighbourhood of Vancouver, welcomed the Peterson team to join in celebrating the Mid-Autumn Festival this year. Our team made dumplings, moon cakes, and paper lanterns with the residents fostering meaningful connections and shared moments.

In addition to the festive activities, we also made a donation to Villa Cathay to establish an "Immediate Needs Fund". This fund will provide crucial support to residents facing challenges with out-of-pocket expenses, such as taxi fares and the need for companions during appointments. For the residents, these aren't just wishes; they signify essential needs that play a pivotal role in maintaining their wellness and overall quality of life. We are proud to be part of initiatives that directly address and fulfill the needs of seniors living in our local community. We are proud to be part of initiatives that directly address and fulfill the needs of seniors living in our local community.



CASE STUDY

Supporting Education in Trades and Technology

Peterson has made a \$500,000 donation in support of BCIT and their INSPIRE campaign which will benefit more than 20 trades and technology programs.

BCIT is a longstanding leader in education in BC and many of our Peterson team members are currently attending or are proud graduates of the many programs at BCIT. Our donation will support the new Trades and Technology Complex which will foster collaboration between students in trades, technology, engineering and architecture studies and will build capacity for hundreds of new full-time student spots annually. As a real estate company, we employ many trades in our lines of business and believe that this investment will help to develop future capacity and excellence for trades professionals and education in our local community.

We are excited to support BCIT's continued excellence in education and growth, helping to ensure BCIT students have access to the best tools, instruction and equipment which will help meet the growing demand for skilled trades professionals in BC.



CASE STUDY

Supporting Literacy and Community Care

Through our ongoing partnership with an inner-city school in East Vancouver, our team remains dedicated to making a difference through our Reading Buddy Program. Each week, Peterson volunteers visit the school bringing donated books to read with students, promoting literacy and developing meaningful connections with the students.

Also at the school, we continued with our Peterson tradition of assembling holiday hampers for students and their families facing hardship. With personal contributions from many of our staff, it is our sincere hope that these holiday hampers filled with toys, warm clothing, and gift cards for groceries, bring a touch of joy and holiday cheer to those in our community who may be facing challenges.

2023 Support Highlights



\$1.1 million

DONATED IN 2023



\$500,000 donation

TO VANCOUVER GENERAL HOSPITAL AND UNIVERSITY OF BRITISH COLUMBIA HOSPITAL FOUNDATION TO SUPPORT TRANSFORMATIVE HEALTH CARE IN BRITISH COLUMBIA



\$500,000 commitment

ANNOUNCED TO FUND THE CONSTRUCTION OF A NEW BUILDING AT BCIT*

*Payable over five years



\$10,000 donation

TO THE LOOKING GLASS FOUNDATION'S REFLECTIONS GALA TO SUPPORT INDIVIDUALS AFFECTED BY EATING DISORDERS AND DISORDERED EATING



\$10,000 donation

TO THE CANADIAN RED CROSS TO SUPPORT POST-EARTHQUAKE DISASTER RELIEF IN TURKEY AND SYRIA



\$10,000 donation

TO FUND THE COAST MENTAL HEALTH FOUNDATION'S COURAGE TO COME BACK AWARDS TO RAISE FUNDS FOR INNOVATING NEW APPROACHES TO COMMUNITY-BASED MENTAL HEALTH CARE



CASE STUDY

Raising Funds for Transforming Healthcare

Peterson was proud to be a co-presenting sponsor for the VGH & UBC Hospital Foundation, Time to Shine Gala. The gala raised \$4.12 million in support of transforming health care for British Columbians and at the event, Peterson announced a \$500,000 donation as a matching funds donor. The healthcare leaders and workers at VGH & UBC Hospital inspire us with their dedication, spirit of excellence and innovation. Believing in the importance of gratitude and giving back to the community, we were proud to support medical research to improve patient care for generations to come.

Getting the Whole Team Involved

To promote engagement in our community involvement, Peterson encourages employee participation through volunteering opportunities and directed giving initiatives. Annually, we ask our team to complete a corporate volunteering survey to help us identify causes that are most important to them.

Through our Employee Directed Giving program, we make individual donations of up to \$2,500 to registered charities that our employees personally support. Additionally, we offer paid time off for our team to participate in organized group volunteering events, facilitating hands-on community support.

This year, our employees volunteered in the following areas:



Healthcare



Youth Development



**Environment and
Climate Change**



Community Support



CASE STUDY

Making a Difference: Peterson Volunteers at Ronald McDonald House

This year, volunteers from Peterson visited the Ronald McDonald House of BC and Yukon, where they spent an afternoon preparing and serving a homemade meal to visiting families as part of the Family Meal Program. We take great pride in supporting the house's mission to keep families together during children's medical treatments, and we hope that the meal offered a comforting taste of home during what can be a difficult time.



CASE STUDY

Addressing Food Scarcity in our Community

Every holiday season, the Peterson team supports the Richmond Food Bank with a food drive and matching campaign. In addition to the food collected through our food drive at many of our properties, our appeal to have our \$10,000 donation matched by our partners and community members was far exceeded. In total, Peterson helped to raise \$23,000 this holiday season in support of the Food Bank's seniors program. We are proud to support the important work of the food bank and make a positive impact in the lives of those in need.

ESG AT PETERSON

GOVERNANCE

ENVIRONMENT

SOCIAL

APPENDICES

SASB Disclosure



Appendices

2023 Peterson SASB Disclosure

Introduction

This is Peterson’s Inaugural disclosure report of the Real Estate Sustainability Accounting Standards Board (SASB) metrics. The report is focused on existing buildings and so it excludes developments, mortgages and asset management only properties. We also only include properties where we own or control over 30 percent or greater of the asset.

Activity Metric	Measurement	2023	SASB Code
Number of assets by property subsector	Number of assets – Industrial	2	IF-RE-000.A
	Number of assets – Office	14	IF-RE-000.A
	Number of assets – Residential	4	IF-RE-000.A
	Number of assets – Retail	7	IF-RE-000.A
Leasable floor area by property subsector	Square feet (ft ²) – Industrial	59,911	IF-RE-000.B
	Square feet (ft ²) – Office	1,206,425	IF-RE-000.B
	Square feet (ft ²) – Residential	971,025	IF-RE-000.B
	Square feet (ft ²) – Retail	754,045	IF-RE-000.B

Activity Metric	Measurement	2023	SASB Code
Percentage of indirectly managed assets by property subsector	Percentage (%) by floor area – Industrial	100	IF-RE-000.C
	Percentage (%) by floor area – Office	18	IF-RE-000.C
	Percentage (%) by floor area – Residential	0	IF-RE-000.C
	Percentage (%) by floor area – Retail	53	IF-RE-000.C
Average occupancy rate by property subsector	Percentage (%) – Industrial	100	IF-RE-000.D
	Percentage (%) – Office	84	IF-RE-000.D
	Number of Units (%) – Residential	99	IF-RE-000.D
	Percentage (%) – Retail	88	IF-RE-000.D

Energy Management

Accounting Metric	Measurement	2023	SASB Code
Energy consumption data coverage as a percentage of floor area by property subsector	Percentage (%) by floor area – Industrial	100	IF-RE-130a.1
	Percentage (%) by floor area – Office	100	IF-RE-130a.1
	Percentage (%) by floor area – Residential	100	IF-RE-130a.1
	Percentage (%) by floor area – Retail	100	IF-RE-130a.1
Total energy consumed by portfolio area with data coverage by property subsector	Gigajoules (GJ) – Industrial	68	IF-RE-130a.2
	Gigajoules (GJ) – Office	216,342	IF-RE-130a.2
	Gigajoules (GJ) – Residential	175,061	IF-RE-130a.2
	Gigajoules (GJ) – Retail	27,223	IF-RE-130a.2
Percentage grid electricity by property subsector	Percentage (%) – Industrial	100	IF-RE-130a.2
	Percentage (%) – Office	100	IF-RE-130a.2
	Percentage (%) – Residential	100	IF-RE-130a.2
	Percentage (%) – Retail	100	IF-RE-130a.2
Percentage renewable by property subsector	Percentage (%) – Industrial	0	IF-RE-130a.2
	Percentage (%) – Office	0	IF-RE-130a.2
	Percentage (%) – Residential	0	IF-RE-130a.2
	Percentage (%) – Retail	0	IF-RE-130a.2

Accounting Metric	Measurement	2023	SASB Code
Like-for-like percentage change in energy consumption for the portfolio area with data coverage by property subsector	Percentage (%) – Industrial	-37	IF-RE-130a.3
	Percentage (%) – Office	+3	IF-RE-130a.3
	Percentage (%) – Residential	+6	IF-RE-130a.3
	Percentage (%) – Retail	-12	IF-RE-130a.3
Percentage of eligible portfolio that (1) has an energy rating by property subsector	Percentage (%) by floor area – Industrial	0	IF-RE-130a.4
	Percentage (%) by floor area – Office	0	IF-RE-130a.4
	Percentage (%) by floor area – Residential	0	IF-RE-130a.4
	Percentage (%) by floor area – Retail	0	IF-RE-130a.4
Percentage of eligible portfolio that (2) is certified to ENERGY STAR by property subsector	Percentage (%) by floor area – Industrial	N/A	IF-RE-130a.4
	Percentage (%) by floor area – Office	N/A	IF-RE-130a.4
	Percentage (%) by floor area – Residential	N/A	IF-RE-130a.4
	Percentage (%) by floor area – Retail	N/A	IF-RE-130a.4
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and analysis		IF-RE-130a.5
	<p>Peterson’s target for the assets that we manage is to meet all current and upcoming regulatory requirements for energy efficiency. To achieve this, our teams identify any potential improvements and capital investments that are scheduled to be completed and ensure there are energy management considerations integrated into the process. In past year, we have onboarded several platforms to help with our energy management and benchmark our performance.</p>		

Water Management

Accounting Metric	Measurement	2023	SASB Code
Water withdrawal data coverage as a percentage of (1) total floor area by property subsector	Percentage (%) by floor area – Industrial	100	IF-RE-140a.1
	Percentage (%) by floor area – Office	100	IF-RE-140a.1
	Percentage (%) by floor area – Residential	100	IF-RE-140a.1
	Percentage (%) by floor area – Retail	100	IF-RE-140a.1
Water withdrawal data coverage as a percentage of (2) floor area in regions with High or Extremely High Baseline Water Stress by property subsector	Percentage (%) by floor area – Industrial	100	IF-RE-140a.1
	Percentage (%) by floor area – Office	100	IF-RE-140a.1
	Percentage (%) by floor area – Residential	100	IF-RE-140a.1
	Percentage (%) by floor area – Retail	100	IF-RE-140a.1
(1) Total water withdrawn by portfolio area with data coverage by property subsector	Thousand cubic meters (m ³) – Industrial	6	IF-RE-140a.2
	Thousand cubic meters (m ³) – Office	126	IF-RE-140a.2
	Thousand cubic meters (m ³) – Residential	207	IF-RE-140a.2
	Thousand cubic meters (m ³) – Retail	181	IF-RE-140a.2
(2) Percentage water withdrawn in regions with High or Extremely High Baseline Water Stress, by property subsector	Percentage (%) – Industrial	0	IF-RE-140a.2
	Percentage (%) – Office	0	IF-RE-140a.2
	Percentage (%) – Residential	0	IF-RE-140a.2
	Percentage (%) – Retail	28	IF-RE-140a.2

Accounting Metric	Measurement	2023	SASB Code
Like-for-like percentage change in water withdrawn for portfolio area with data coverage by property subsector	Percentage (%) – Industrial	-44	IF-RE-140a.3
	Percentage (%) – Office	+17	IF-RE-140a.3
	Percentage (%) – Residential	+2	IF-RE-140a.3
	Percentage (%) – Retail	-12	IF-RE-140a.3
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and analysis		IF-RE-140a.4
	<p>Peterson's portfolio is primarily in low water-stressed areas. Data is collected from our properties on water consumption, and that information is monitored. We have established a baseline and are now looking to enhance water efficiency measures by replacing fixtures, as well as communicating to tenants and residents through engagement programs.</p>		

Management of Tenant Sustainability Impacts

Accounting Metric	Measurement	2023	SASB Code
(1) Percentage of new leases and (2) associated leased floor area of new leases that contain a cost recovery clause for resource efficiency related capital improvements by property subsector	Percentage (%)	36	IF-RE-410a.1
(1) Percentage of tenants that are separately metered or submetered for grid electricity consumption by property subsector	Percentage (%) by floor area – Industrial	100	IF-RE-410a.2
	Percentage (%) by floor area – Office	0	IF-RE-410a.2
	Percentage (%) by floor area – Residential	100	IF-RE-410a.2
	Percentage (%) by floor area – Retail	100	IF-RE-410a.2
(2) Percentage of tenants that are separately metered or submetered for water withdrawals by property subsector	Percentage (%) by floor area – Industrial	100	IF-RE-410a.2
	Percentage (%) by floor area – Office	0	IF-RE-410a.2
	Percentage (%) by floor area – Residential	0	IF-RE-410a.2
	Percentage (%) by floor area – Retail	100	IF-RE-410a.2
Approach to measuring, incentivizing and improving sustainability impacts of tenants	Discussion and analysis		IF-RE-410a.3
	<p>This year, we have modified our existing standard lease to include green lease clauses. These leases include cost recovery clauses, and moving forward, all new leases will be in this format. We have established a plan to communicate our sustainability initiatives with tenants across the portfolio to ensure they are knowledgeable and aware of the initiatives brought forth.</p>		

Climate Change Adaptation

Accounting Metric	Measurement	2023	SASB Code
Areas of properties located in 100-year flood zones by property subsector	Square feet (ft ²) – Industrial	0	IF-RE-450a.1
	Square feet (ft ²) – Office	571,892	IF-RE-450a.1
	Square feet (ft ²) – Residential	0	IF-RE-450a.1
	Square feet (ft ²) – Retail	0	IF-RE-450a.1
Description of climate change risk exposure analysis, degree of systemic portfolio exposure and strategies for mitigating risks	Discussion and analysis		IF-RE-450a.2
	<p>Peterson has begun to shift its focus on climate change risk exposure to physical climate risks of our assets. We have conducted a portfolio-level exposure analysis on an annual basis on multiple climate hazards. Of these risks, riverine and coastal flooding were identified as having the most severe impacts on our portfolio. Through this assessment, our asset management team is working on improving our resilience to these risks to decrease our vulnerability and increase our preparedness.</p>		