

An architectural rendering of a modern, multi-story building with a dark facade and large glass windows. The building features a prominent rooftop garden with various trees, plants, and seating areas. In the background, a cityscape is visible, followed by a range of mountains under a clear blue sky. The overall scene is bright and sunny, suggesting a high-quality, sustainable living environment.

Peterson

Environmental | Social | Governance

ESG Framework + Policy

The Foundation for Something Greater

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ESG Corporate Commitment

Peterson's initial ESG Framework + Policy was implemented in 2022, representing a step forward in long-term planning for the company. Updated in 2025, it now incorporates ESG commitments for continuous improvement and operational efficiency to foster long-term value. As a natural extension of our values, our ESG Framework + Policy provides a launchpad for us to seek contributions to our communities, enhance user experiences, grow business resiliency and enhance operational competitiveness.

Peterson's ESG approach is unique to us and represents a natural extension of the Peterson Values:



Relationships

We care about our relationships and treat everyone with dignity, respect and trust.

Entrepreneurship

We continuously seek opportunities and challenge ourselves to find better ways of creating value. We believe diverse approaches, opinions and experiences contribute to better outcomes for our stakeholders.

Integrity

We keep our promises, holding ourselves personally accountable for delivering on our commitments, acting with honesty and fairness.

Gratitude

We are grateful for the opportunities we are given. We support initiatives that affect positive change in our communities and value the skills, strengths and perspectives of our team.

A Message from our CEO + President

The principles and approaches within this Framework + Policy have been long established in all aspects of our business and operations.

Peterson has always focused on more than just financial results. We are guided by our founding Values – **Relationships, Integrity, Entrepreneurship and Gratitude** – which stem from the leadership and legacy of Peterson’s founder, Peter Young.

Our ESG approach reflects the high standards we hold ourselves to in our business decision-making and operational functions. We invite you; our employees, partners, investors, tenants, lenders, customers, suppliers, contractors and other Stakeholders to help shape and support this journey to achieve the commitments we are making to the environment, social responsibility and governance.

This Framework + Policy outlines Peterson’s commitment to ESG, identifies our material items, focus areas and where we plan to go in the future.

Implementing these ESG initiatives represents an exciting opportunity for Peterson to operate and build for a sustainable future and to enhance our communities. We are also looking forward to continuing our focus on personal and social health by providing support to organizations and charities related to healthcare and other community needs. We believe that when the community succeeds, we all succeed. Our approach to good governance helps to ensure that Peterson takes the long view, is known as a trustworthy partner, is a great place to work and is a group that does business with integrity.

Thank you for being our partners in our ongoing commitment towards making and being **Something Greater**.



Raymond Choy,
President + CEO



Extending our Values + Guiding our Future

This ESG Framework + Policy sets the focus for all our departments by identifying the Material ESG issues that are important to the Company.

Guided by our Founding Values, Peterson's ESG approach was designed to be unique to us. We look forward to the continued intergration of ESG within each of our business lines.

We chose the Sustainability Accounting Standards Board (SASB) as our base ESG reporting standard and spent considerable effort developing our own supplemental ESG Tracking Matrix. Together, the SASB and ESG Tracking Matrix results form the basis of our annual reporting and evaluation of our success.

This ESG Framework + Policy has been developed through a collaborative effort amongst ownership, the Board of Directors, Management, the ESG Team, the ESG Committee and each of our other Stakeholder groups. Within each of the identified pillars of E-S-G, we have identified and grouped topics and metrics determined to be material to Peterson and our Stakeholders.

The ESG Framework + Policy is focused on driving our ESG efforts across the organization by aligning each of our business strategies with our ESG objectives. By articulating our vision and goals, we will strategically prioritize our activities to ensure success.



A handwritten signature in black ink, appearing to read 'CJ'.

Chris Jackson,
CLO + SVP Operations



The Framework

Executive Summary

This ESG Framework + Policy guides employees' day to day actions and decision making and provides a mechanism for measuring ESG achievements for Peterson and external Stakeholders. It serves a critical role by identifying, explaining and motivating our ESG efforts. It is also the source code to ensure Peterson's ESG initiatives are aligned with our Values.

This Framework is a living document and will be reviewed periodically, as we collect ESG data and revise our priority areas with ongoing Stakeholder feedback.

The Purpose of the ESG Framework is to:

- 01** Facilitate discussions of ESG considerations into decision-making within the lines of business.
- 02** Identify short and long-term ESG priority areas.
- 03** Establish strategies, metrics and supporting policies to achieve Company ESG goals.



ESG Strategy



Peterson's overall ESG strategy includes our Corporate Commitment, Framework + Policy and ESG Reporting.

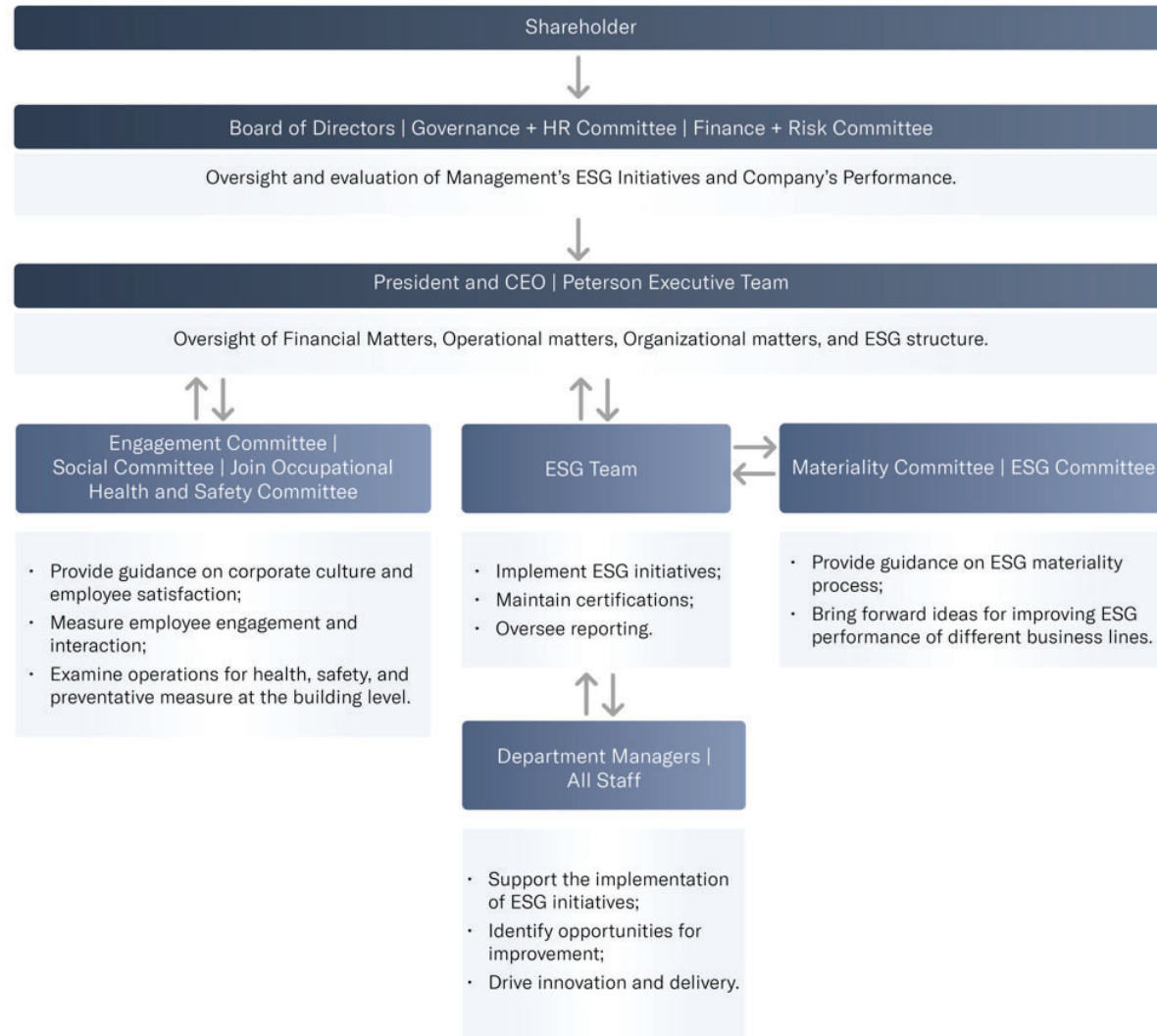
The Corporate Commitment formalizes Peterson's ESG policies and commits to continuous self-improvement. Supported by reporting tools and policy documents, the Framework + Policy directs information flow on Material Items.

The Annual ESG Report includes disclosures of ESG performance and benchmarking (to evaluate year-over-year performance), serving as a means of measuring progress and improving our commitments. The report will also include indicators from industry best practices and standards.

Our success and challenges set out in our Annual ESG Report are analyzed and used to further update the ESG Framework + Policy.

Governance Structure

ESG is important at all levels of Peterson's governance and operations.



Decarbonization Strategy

In 2024, we continued to benchmark emissions and energy usage at our properties to understand our impacts and align our decarbonization efforts with business strategies to environmental impacts and improve energy performance.

Based in Vancouver, British Columbia, our approach is aligned with the City of Vancouver's progressive and evolving decarbonization targets. One of our key goals is to ensure office and retail buildings over 50,000 sq feet:

- 01 Emit no more than 25 kg CO₂e/m²/year of greenhouse gas intensity until 2040; and
- 02 A Heat Energy Intensity limit of no more than 0.09 GJ/m²/year after 2040.

Our decarbonization pathways are integrated into our capital plans, development and redevelopment projects. Having these identified targets allows us to assess potential upgrades and changes to achieve our emission reduction goals and to forecast our portfolio's future carbon emissions.

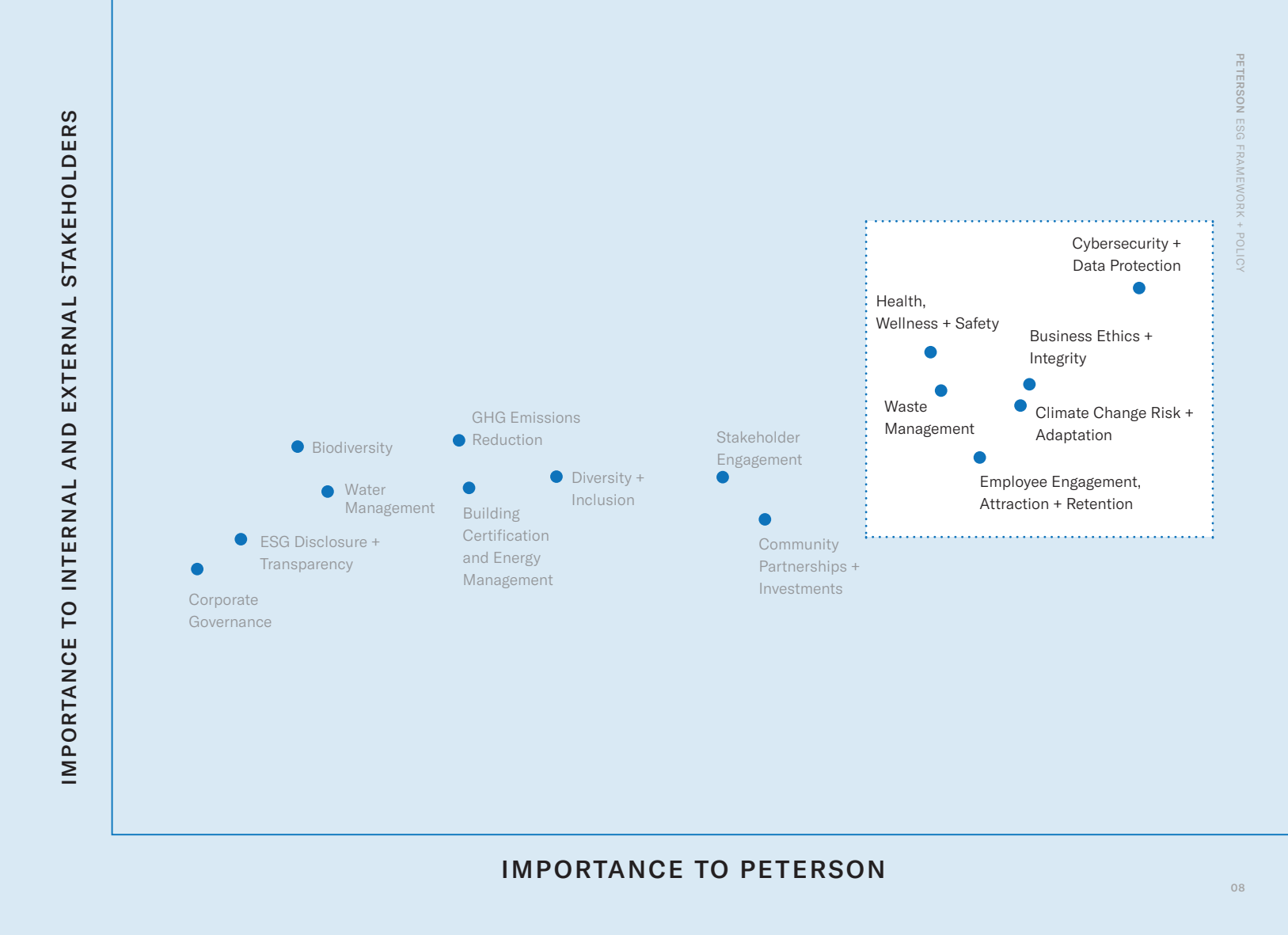


Materiality Assessment

From time to time we conduct a Materiality Assessment to identify the environmental, social and governance factors that are most important to Peterson and our Stakeholders.

The Materiality Assessment includes an extensive engagement process, developed to address key material issues to gather Stakeholder feedback.

In 2024, we reflected on the latest ESG results and engaged our staff to evaluate our impacts, note our accomplishments and address areas needing improvement.



Peterson 2025 and Beyond Focus Areas

The Materiality Assessment identifies **six** key focus areas.

These focus areas were identified as most impactful to our business and our Stakeholders, based on survey responses. As a result, the topics below will be our focus areas for 2025 and beyond.



Environmental

- Climate Change Risk + Adaptation
- Waste Management



Social

- Employee Engagement, Attraction + Retention
- Health, Wellness + Safety



Governance

- Cyber Security + Data Protection
- Business Ethics + Integrity

Environmental

Climate Change Risk + Adaptation

Peterson recognizes that Climate and Environmental impacts are real and are **happening now**.

It is prudent to take action to protect our local and global environments, for the benefit of all of our Stakeholders and to safeguard the value of our assets and business over the decades to come. Our inherent global concerns are closely aligned with our narrower business interests.

Climate Change and its impacts continue to attract the focus of all levels of government. Climate Change has been identified as an existential threat to the stability of environments, coastlines, infrastructure, natural resources, agricultural production and the current political order. Governments in most areas we do business are generally targeting the emission of greenhouse gases (GHG) as a response in effort to



reduce environmental impacts from business operations. Peterson, as are all real estate businesses, is exposed to both transitional and physical risks.

Peterson will establish strategies and initiatives to annually review the physical risks in our portfolio and assess our long-term climate change resiliency. Enhancing our ability to assess and respond to these potential climate change impacts will reduce the likelihood of a catastrophic or disruptive event affecting our business.

In our strategies, we will utilize climate data and assess the potential of physical risks for each property.

Properties are assessed against the following hazards:

- Flooding
- Wildfire
- Windstorm
- Tornado
- Hailstorm
- Lightning
- Earthquake

These assessments will provide quantifiable hazard data that will allow Peterson to develop short and long-term strategies, improving resilience through capital and operational investments. These initiatives are supported by our Climate Change Risk and Adaptation policy. We have a robust energy management program, which helps Peterson mitigate any transitional risks by being aware of our buildings' energy performance.

Environmental

Waste Management

Reducing and minimizing waste demonstrates our respect for the environment and our commitment to a health and efficient circular economy.

We estimate that 50% of the waste generated at Peterson managed assets is diverted away from landfills and to materials recovery facilities or centralized organics processing operations, while the other 50% is sent for disposal in landfill or incineration facilities for thermal treatment.

We are continuing to work to minimize waste at the property level by promoting a circular economy through procuring multi-use or repairable products.

Collaboration with tenants is key to understanding and reducing waste. We provide education, reminders and conduct frequent waste audits to identify areas for improvement.



Social

Employee Engagement, Attraction and Retention

Providing a diverse and inclusive workplace for all people to embrace differences and promote creativity.

Peterson fosters engagement by:

- Conducting a biennial **engagement survey** to gather open-ended feedback from our employees.
- Running a **mentorship program** to boost employee engagement and foster meaningful mentor-mentee connections.
- Supporting our employees in their career and professional goals by providing opportunities to seek **training and education**.

We are committed to enhancing our employees' experiences and enabling their professional development. By developing leaders from within, we aim to provide opportunities for personal and professional growth. Our core Values shape our interactions with each other and our external stakeholders.

Measuring employee engagement helps us better understand employee satisfaction across a variety of topics. We conduct biennial engagement surveys to get the pulse of our employees and to provide an opportunity for targeted and open-ended feedback.

By investing in our employees, we believe they will gain the knowledge and skills needed for success and fulfillment at work. Since 2015, our mentorship program has enhanced employee engagement and fostered meaningful connections between Mentors and Mentees.

Additionally, Peterson established an Education Support Policy. This program supports our employees in their career and professional goals by providing opportunities to seek training and education, along with financial contributions from the Company.

By making these employee-focused investments of time and financial resources, we seek to foster a work environment of dedicated, well-trained, experienced and efficient employees.

Social

Health, Wellness + Safety

Peterson is committed to supporting our employees' physical and mental health and ensuring the safety and health of tenants and the public at our properties.

Throughout the COVID-19 pandemic, health, wellness and safety were at the forefront of our attention and it has continued to remain a top priority to all our Stakeholders.

Peterson has developed emergency response plans for all managed assets for the scenarios of fire, natural disasters, equipment failures and medical first aid emergencies. We will continue to assess our readiness and provide supplementary training to ensure a safe environment for our staff and all building users. As well, we have started to focus on scenarios related to climate change.

Peterson began to better understand the importance of mental health during the recent pandemic, and we adjusted our focus to include multiple aspects of our employees' physical and mental health. In recognizing the need to address health and other well-being issues, our employees were provided with online tools to provide mental health resources and professional counselors on an anonymous basis. Peterson will continue to ensure the health and safety of our employees and external Stakeholders are addressed appropriately.



Governance

Cybersecurity + Data Protection

Cybersecurity is a daily focus at Peterson. We protect our systems and information to ensure business continuity and safeguard all data provided by our stakeholders.

Peterson's business includes daily interactions and exchanges of information with our tenants, investors, partners, purchasers, lenders, contractors, suppliers and others. Safeguarding their personal and financial information is important to Peterson. We employ effective cybersecurity strategies and protective programs, including anti-spam, anti-virus, multi-factor authentication and managed threat programs to leading industry standards.

Cybersecurity requires more than just software and strategies; the human factor is crucial. Peterson provides ongoing education through lunch and learn seminars and uses simulated attack testing to keep employees vigilant and aware.





Governance

Business Ethics + Integrity

We are committed to meeting and exceeding the highest ethical standards through our business conduct and decision-making.

Integrity and Relationships are two of Peterson's founding Values. At Peterson, we care about our relationships and treat everyone with dignity, respect and trust. We also keep our promises and hold ourselves accountable for delivering on our commitments.

Operating with ethics and integrity guides our behavior toward employees and external stakeholders. Our

stakeholders trust us to be fair, open and honest, which is why Peterson has many long-term and recurring partnerships.

Acting ethically is not only right but also smart. Our ethical approach helps us reduce costs related to dispute litigation and fines.

We continuously review and update our policies and procedures to enhance our standards. Additionally, we provide sessions and correspondence to inform and engage staff about these changes.

Appendix A: Supplemental ESG Reporting

To ensure that our external Stakeholders are provided with pertinent information related to the Company's performance, we have prepared our report to align with the **Sustainability Accounting Standards Board (SASB)** for Real Estate. SASB was developed by the International Financial Reporting Standard (IFRS) Foundation.

SASB reporting will identify the performance of our overall portfolio, in relation to:

- Energy Management
- Climate Change Adaptation
- Water Management
- Management of Tenant Sustainability Impacts

SASB Disclosure Topics and Accounting Metrics

SASB Code	Accounting Metrics	Units of Measurement
Energy Management		
IF-RE-130a.1.	Energy consumption data coverage as a percentage of total floor area, by property subsector	% by floor area (ft ²)
IF-RE-130a.2.	Total energy consumed by portfolio area with data coverage	Gigajoule (GJ)
IF-RE-130a.2.	The percentage of energy it consumed that was supplied from grid electricity, by property subsector	%
IF-RE-130a.2.	The percentage of energy it consumed that is renewable energy, by property subsector	%
IF-RE-130a.3.	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	%
IF-RE-130a.4.	Percentage of eligible portfolio that (1) has an energy rating, by property subsector	% by floor area (ft ²)
IF-RE-130a.4.	Percentage of eligible portfolio that is certified to ENERGY STAR, by property subsector	% by floor area (ft ²)
IF-RE-410a.1.	Percentage of new leases that contain a (1) cost recovery clause for resource efficiency-related capital improvements (2) associated leased floor area, by property subsector	% by floor area (ft ²)
IF-RE-410a.2.	Percentage of tenants that are separately metered or sub metered for (1) grid electricity consumption and (2) water withdrawals, by property sub-sector	Gigajoule (GJ)
IF-RE-410a.3.	Discussion of approach to measuring, incentivizing and improving sustainability impacts of tenants	%
Climate Change Adaptation		
IF-RE-450a.1.	Area of properties located in 100-year flood zones, by property subsector	Square feet (ft ²)
IF-RE-450a.2.	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Discussion



SASB Disclosure Topics and Accounting Metrics

SASB Code	Accounting Metrics	Units of Measurement
Water Management		
IF-RE-140a.1.	Water withdrawal data coverage as a percentage of (1) total floor Area, by property subsector	% by floor area (ft ²)
IF-RE-140a.1.	Water withdrawal data coverage as a percentage of floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	% by floor area (ft ²)
IF-RE-140a.2.	Total water withdrawn by portfolio area with data coverage, by property subsector	Thousand cubic metres (m ³)
IF-RE-140a.2.	Total water withdrawn by portfolio area with data coverage, by property subsector	Thousand cubic metres (m ³)
IF-RE-140a.2.	Total water withdrawn by percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Thousand cubic metres (m ³)
IF-RE-140a.3.	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	%
IF-RE-140a.4.	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion
Water Management		
IF-RE-410a.1.	Percentage of new leases that contain a (1) cost recovery clause for resource efficiency-related capital improvements (2) associated leased floor area, by property subsector	% by floor area (ft ²)
IF-RE-140a.2.	Percentage of tenants that are separately metered or sub metered for (1) grid electricity consumption and (2) water withdrawals, by property sub-sector	% by floor area (ft ²)
IF-RE-410a.3.	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Discussion