

The Peterson logo is displayed in a white, serif font in the upper left corner of the page. The background of the entire page is a scenic photograph of a city skyline, likely Vancouver, viewed from an elevated position. The foreground is filled with lush green trees, and the middle ground shows a dense urban area with various skyscrapers and buildings. In the background, a range of mountains is visible under a clear, light blue sky. The lighting suggests a bright, sunny day.

Peterson

Environmental | Social | Governance

2024 ESG Report

The Foundation for Something Greater

Summary of Contents

Introduction	3
Letter from the President and CEO	4
About Us	5
2024 Highlights	7
ESG Framework	8
ESG Roadmap	10
Environmental	11
Sustainability	12
Decarbonization Plan	13
Climate Related Risk and Adaptation	14
Biodiversity	15
Energy Management and GHG Emission Reductions	16
Water Management	17
Waste Management	18
Social	19
Employee Attraction, Engagement and Retention	20
Diversity and Inclusion	23
Health, Wellness and Safety	25
Community and Philanthropy	26
Governance	29
Governance and ESG Oversight	30
Risk Management	32
Business Ethics and Integrity	33
Cybersecurity and Data Protection	34
Appendices	35
2024 Peterson SASB Disclosure	36





INTRODUCTION

Letter from the President and CEO

About Us

2024 Highlights

ESG Framework

ESG Roadmap

Letter from the President and CEO

We are pleased to share our promise to provide annual Environmental, Social and Governance (ESG) reporting. This report highlights our efforts and progress through to the end of 2024.

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: Relationship, Integrity, Entrepreneurship and Gratitude. These Values stem from the leadership and legacy of Peterson's founder, Peter Young.

Grounded in our Company Values, we continue to understand our environmental impacts and seek measures to continually reduce them. These reductions are reflected in our report, showing year-over-year improvements in most areas.

We published our initial ESG Policy and Framework in 2022, putting our ESG commitments into action. We have continued to incorporate ESG processes by evaluating our environmental performance and identifying areas of operational efficiencies. These

efficiencies reflect our understanding of our building emissions.

In 2024, we revised our ESG Policy and Framework to reflect the knowledge gained in identifying and evaluating our environmental performance and stakeholder expectations. Our most impactful commitment was setting decarbonization targets and heat energy limits for our existing properties. These targets further enable our teams to commit to ESG initiatives.

At the heart of our ESG Strategy, we continue to practice our Founding Values. This report reflects our progress and commitment.

Peterson remains committed to good governance. We pride ourselves on being a trustworthy partner, a great place to work and a group that does business with integrity.

This second report is another important step in our ESG journey. We look forward to sharing our progress through our commitments, initiatives and results.

A handwritten signature in black ink, appearing to read 'Raymond Choy', positioned below the text of the letter.

About Us

Peterson is a private, family-owned real estate company, with a head office in Vancouver and a wide portfolio of projects across North America.

From its humble beginnings, Peterson has expanded over the years to own 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 Toronto and Vancouver. The Peterson portfolio now includes 6.8 million square feet of income-producing properties, over 2,100 residential and hospitality units and an additional 16.1 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 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 Achieving 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

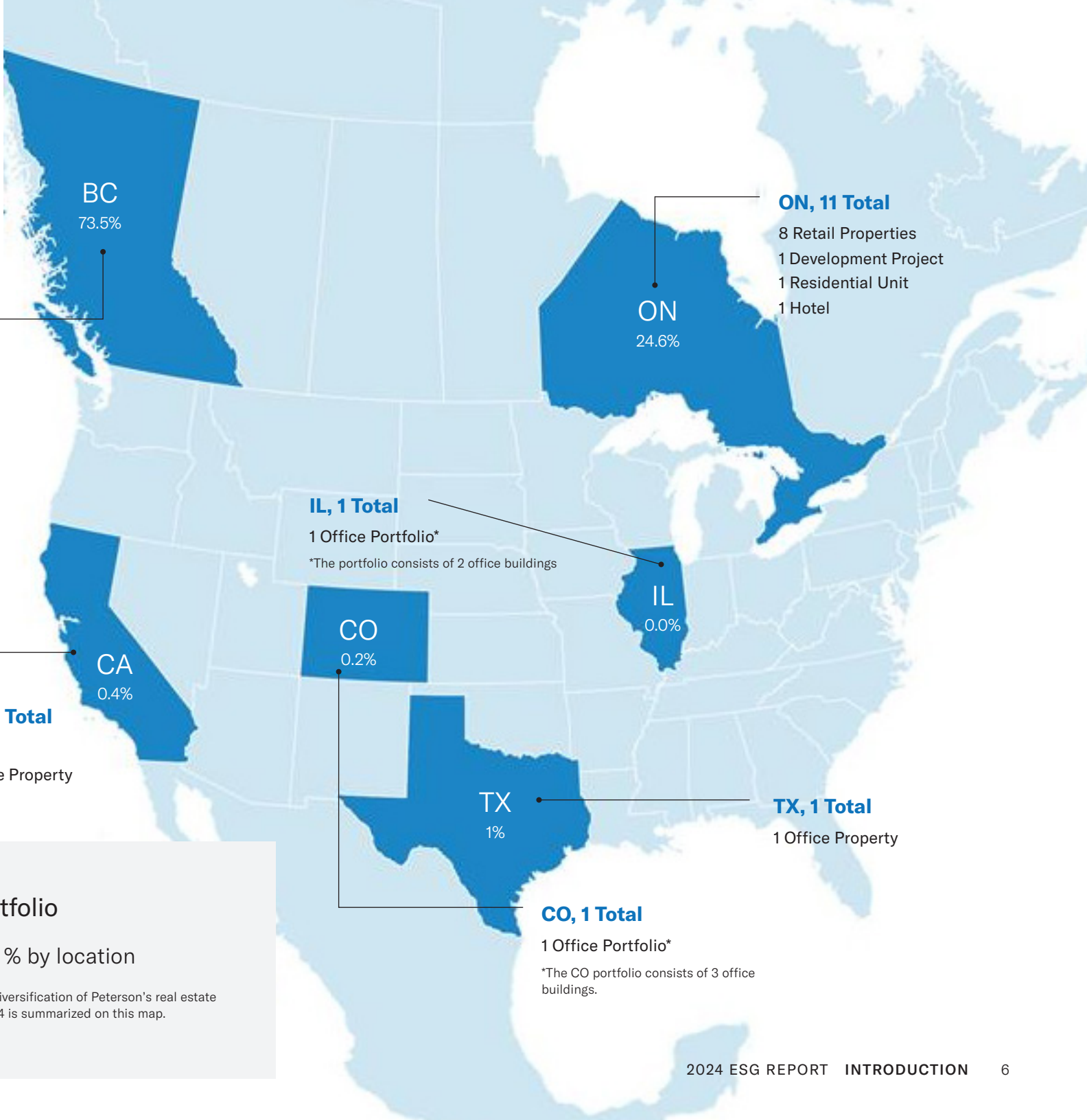


Gratitude



Relationships

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



BC, 64 Total

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

*The BC portfolio consists of 9 office buildings.

CA, 2 Total

- 1 Land
- 1 Office Property

IL, 1 Total

- 1 Office Portfolio*

*The portfolio consists of 2 office buildings

CO, 1 Total

- 1 Office Portfolio*

*The CO portfolio consists of 3 office buildings.

ON, 11 Total

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

TX, 1 Total

- 1 Office Property

Real Estate Portfolio

Fair market value % by location

The geographical and asset diversification of Peterson's real estate portfolio as at December 2024 is summarized on this map.

Peterson's 2024 ESG Highlights

	Energy Usage Intensity	GHG Protocol Scope 1&2	Energy Consumption	GHG Intensity	Water Usage Intensity	Waste Diversion	Charging Stations	ESG Building Certification	Employee Recognition
Highlight	3% Reduction	2% Increase	2% Reduction	1% Reduction	2% Reduction	2% Increase	29% Increase in kWh Dispensed	93% BOMA Silver Certified for All Office Buildings	Canada Top SME, BC Top Employer
2024	13.53 ekWh/sqft	3025 tCO ₂ e	28,980,780 ekWh	29,697,730 ekWh	0.138 m ³ /sqft	52% Diverted	293,570 kWh	Total of 12 Office Buildings BOMA BEST Sustainable Silver	Canada Top SME, BC Top Employer
2023	13.90 ekWh/sqft	2976 tCO ₂ e	29,701,794 ekWh	29,841,250 ekWh	0.165 m ³ /sqft	50% Diverted	228,012 kWh	Total of 9 Office Buildings BOMA BEST Sustainable Silver	N/A



ESG Framework

The Peterson ESG Framework is a reflection of the Company's Values. By refining our strategy and implementing and monitoring our progress, we continually measure our performance and set goals and targets. Our Framework is intended to guide Peterson on a path toward **Something Greater**.

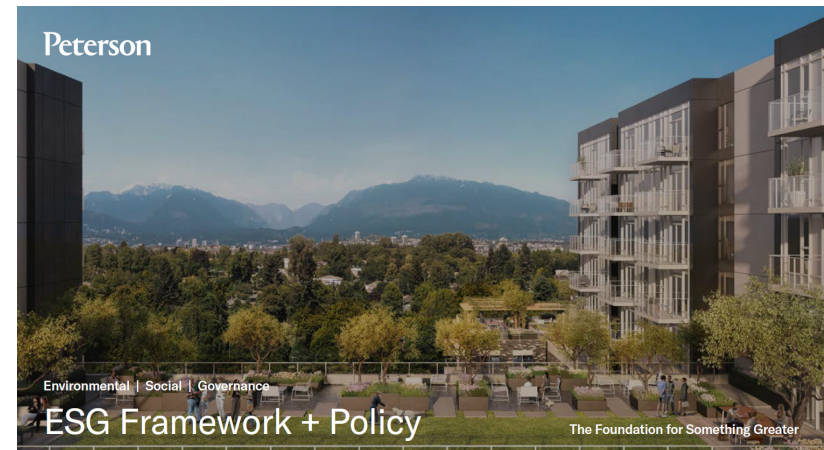
The ESG Framework is a document that is forward-thinking and comprehensive. Peterson's approach is unique to us and represents a natural extension of our Company Values.

The Framework guides our employees and is a summary for external stakeholders. It is central to identifying, explaining and leading our ESG efforts across all matters and metrics.

The Framework is a living document and has been reviewed and updated in 2024. These changes ensure we keep pace with evolving stakeholder expectations and emerging ESG trends.

The purpose of the ESG Framework is to:

- 01 Incorporate ESG considerations and procedures into decision-making within each of the different lines of business.**
- 02 Identify short-term and long-term ESG priority areas.**
- 03 Identify and establish strategies, metrics and supporting policies to ensure the Company achieves its ESG goals.**



Materiality Assessment

Results from our previous Materiality Assessment identified the Environmental, Social and Governance factors 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. Through the assessment, the perceived magnitude of impact for each ESG topic, as well as its importance to both Peterson and our stakeholders.

We continue to prioritize these topics in our initiatives and strategies to align with what is important to our stakeholders. In 2024, the six highest materiality items, identified below, remained consistent with the previous two years are:



ESG Roadmap

Recognizing our accomplishments and focusing on energy efficiency and emissions reduction has been crucial in our ESG roadmap. As the regulatory and technological landscapes evolve, we continue to implement energy and emission reduction initiatives. Initially, our focus was to gather analytic data and understand our current operational emission impacts. Having current and past data, we are streamlining our focus on operational efficiency and decarbonization of our existing assets.





ENVIRONMENTAL

Sustainability

Decarbonization Plan

Climate Related Risk and Adaptation

Biodiversity

Energy Management and GHG Emissions Reduction

Water Management

Waste Management

Sustainability

Peterson recognizes that global business is contributing to climate and environmental impacts that are real and happening now. Our impact on communities in which we work requires us to mitigate the emissions created by our operations and inspire others to do the same. With a greater focus on our operations and its impacts, Peterson achieved the significant milestone of securing BOMA Best Certification for a significant portion of our office portfolio. Through the process of certification, we implemented practices to use resources more sustainably.

2024 Spotlight: BOMA Best Sustainable Certification for 1166 Alburni, 750 W. Broadway and 750 Cambie

A goal for 2024 was to continue our momentum in obtaining BOMA Best Certification for office properties. We were able to achieve BOMA Best Silver Certification for a significant portion of the office portfolio. BOMA Best Sustainable is an internationally recognized certification program and building management tool

that provides a roadmap on how to decarbonize, reduce water and waste, retrofit for accessibility and equity and navigate climate risk.

Achieving BOMA BEST Sustainable Certification provides the groundwork to assess and evaluate our progress and provide invaluable feedback to shape our approach to sustainable and

operational practices. This certification is determined by a percentage score achieved on the BOMA Best Questionnaire. To meet a Silver level, all our buildings met our baseline requirements, as well as achieved a score between 60% to 79% on the Questionnaire. Our certification results show our commitment, accountability and transparency for continuous improvement.



93%

Peterson Owned and Managed Office Buildings
BOMA Best Sustainable Certified



BOMA Best Silver Sustainable Buildings
All Certified Properties Achieved Silver Rating

Decarbonization Plan

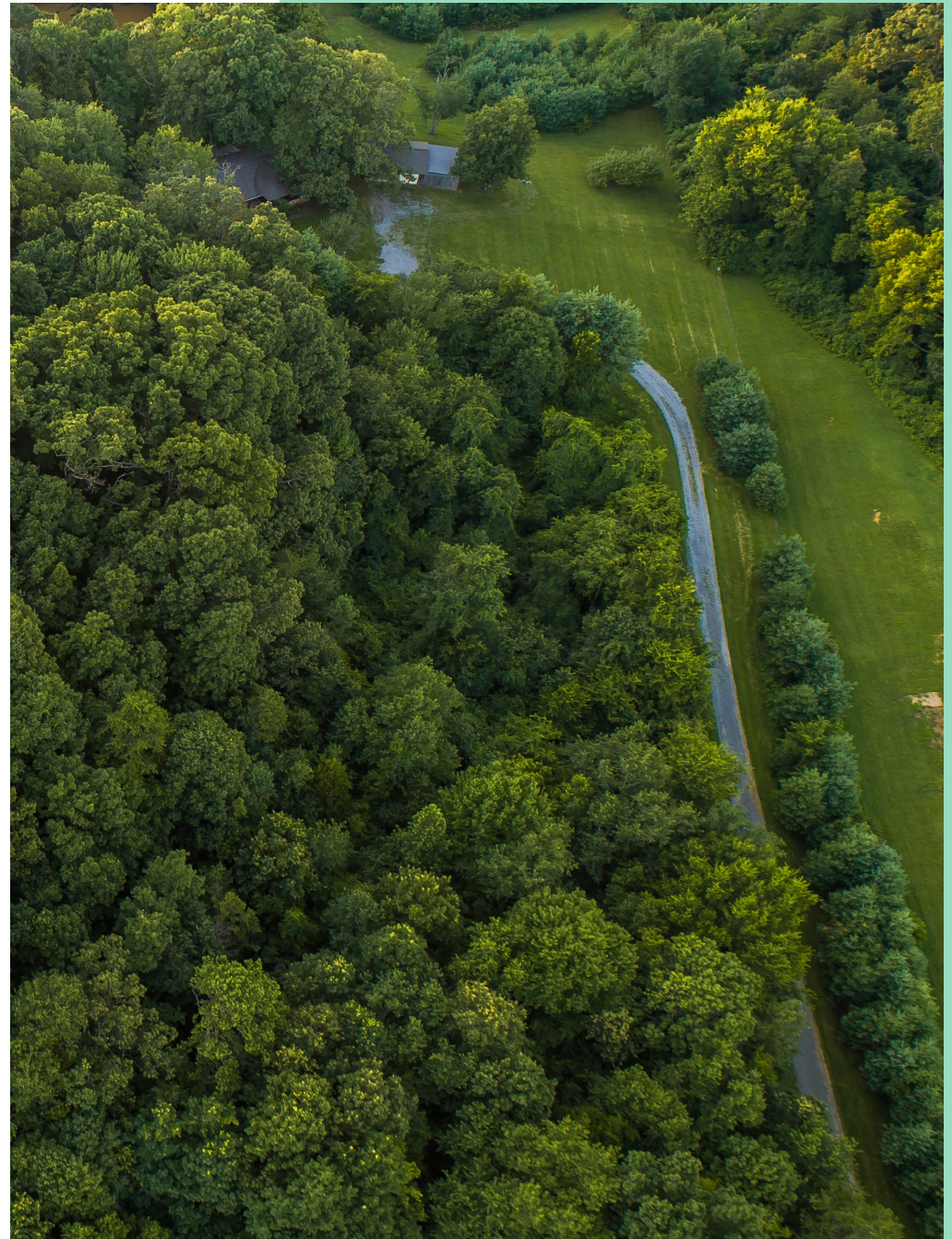
We have been focused on benchmarking our retail and commercial properties to understand our emissions and heat energy intensity. We recognize that having a decarbonization strategy is critical to both operational efficiency and decarbonization. Being based in Vancouver, British Columbia, we believe that aligning our overall decarbonization goals with Vancouver's framework is the approach to take. The City of Vancouver has significantly stricter emissions limits (relative to most North American jurisdictions), with its goal of being a leader in carbon reduction and carbon neutrality in North America.

As a result, in 2024, we made the goal for our office and retail buildings, over 50,000 sqft to:

- 01 Emit no more than 25kg CO₂e/m²/year of greenhouse gas intensity until 2040; and
- 02 Have a target of a heat energy intensity limit of no more than 0.09 GJ/m²/year.

To achieve these goals, we recognize the need to build decarbonization pathways both into our capital planning and our acquisition and disposition activities.

Supporting our decarbonization plan, we have an emissions modelling tool that can predict our future performance. This tool uses our baseline emissions and applies the data from our capital planning and business activities, and then provides a forecast of our anticipated future emissions.



Climate Related Risks and Adaptation

Peterson has developed a comprehensive approach to identifying and establishing strategies and initiatives to reduce physical risks in our portfolio and support long-term climate change resiliency. Climate risk is embedded into our Enterprise Risk Management (ERM) framework. In this framework, management and our Board of Directors evaluate potential risks, opportunities and financial impacts. These impacts guide us in developing robust strategic plans to ensure Peterson integrates climate-related risks into our capital planning, asset management and operational strategies.

Our approach in climate risk and building resilience includes focusing investments in energy efficiency, sustainable design and

capital planning to enhance resiliency and adaptation. Enhancing our ability to assess and respond to climate change impacts and regulatory changes reduces the risk of catastrophic events affecting our business.

We have utilized climate data to identify the potential for any physical risks to our properties. These assessments provide quantifiable hazard data that allows us to develop short and long-term strategies. This approach enables us to navigate the complexities of climate related risks and make operational adjustments accordingly.



Biodiversity

There is a close correlation between biodiversity and climate change adaptation. Although biodiversity was not listed as one of our top material items, there has been significant progress in recognizing its importance in climate change adaptation. Peterson has continued to expand several initiatives on this front.

Urban Farms



We have partnered with Microhabitat since 2023 at several of our properties. Through this partnership, we make a tangible impact on the environment by sequestering carbon, improving air quality and reducing pollution levels for our community. In total, we have partnered to provide:

1000

Total Edible Plants

Found in Our Farms

160

Meals Donated

Partnership with Breakfast Club

450

Pounds of Harvest

Vegetables, Flowers and Herbs

Urban Bees



Since 2021 we have partnered with Alvéole to support the local biodiversity in the communities in which we work. At 1166 Alberni and Crestwood Corporate Centre, we have beehives, which play an important role in pollinating the surrounding flowers and vegetables.

+200K

Honey Bees

Found in Our Hives

400

Jars Produced

1166 Alberni and Crestwood
Corporate Centre Combined

Energy Management and GHG Emission Reductions

Emission Highlights

GHG Protocol Scope 1 & 2

2022: 3,008 - Baseline Year

2023: 2,783

2024: 2,824

Understanding our buildings' performance is critical in identifying where to focus our efforts for improvement. In 2022, we started to track our buildings' consumption, serving as our baseline year. 2022 was also the year when employees and tenants were returning to work, and as a result, consumption

increased from the prior years. We did not account for utility data during the pandemic, as it was not a reliable or valid measure of the buildings' consumption.

Spotlight: BOMA BC Decarbonization Program

BOMA BC, in collaboration with the Federal Government, and in partnership with the Zero Emissions Innovation Centre, offered its members a three-year program to assist building owners and managers with the identification and reduction of GHG emissions and overall building efficiencies. Peterson was successful in having 1166 Alberni and 750 West Broadway join this program.

As a result of our participation, key takeaways that we learned:

750 W. Broadway

- 12k annually in savings on controls programming of VRF, 24% reduction.
- Approximately 1,250 GJ of NG and 50 tons of CO₂ emissions.

1166 Alberni

- 1.5k annually in savings on controls programming of Cooling Tower
- 4% reduction in Scope 1 & 2 emissions from 2024 to 2022

Water Management

As a Company based in British Columbia, we have privilege and access to consistent clean water. We recognize water as one of the most important natural resources needing responsible use. Peterson understands that in other parts of the world, this resource is scarce, and we aim to improve our water-use efficiency and reduce consumption across our portfolio. To this end, we monitor water consumption across our portfolio.

Consumption Statistics:

Annual Water Consumption 296,367 m³

Consumption Intensity 0.138 m³/sqft



Waste Management

Peterson's goal is to reduce waste from our office portfolio by providing adequate diversion streams, education, storage and disposal. In 2024, we investigated the sources of our waste generation. Several of our sites underwent a waste audit to identify how much waste was being generated, sent to the landfill, diverted and contamination levels. As a result of these audits, the team identified several areas for improvement. These areas are focused on:

- Optimizing composting streams by ensuring the right bin, signage, size and technology is located on site.
- Enhancing sustainable procurement practices to reduce waste on site.
- Educating employees to enhance the culture surrounding waste management and reinforcing the importance of sustainable waste disposal practices.

Circular Economy and Social Procurement

In 2024, Peterson implemented our Circular Economy and Social Procurement Strategy which focuses on:

- Identifying and choosing equipment and products based on their lifespan.
- Identifying and understanding how material is made by selecting manufacturers that make minimal waste.
- Choosing equipment that may use renewable, recyclable and biodegradable materials.
- Choosing equipment that meets our sustainability goal of lower carbon emissions.
- Recognizing the cost of ownership for the total product lifecycle.

2024 Commercial Waste Statistics:

Commercial

52% Diversion Rate;
Compost 339.91 tonnes;
Recycling 274.44 tonnes.



Total

49% Diversion Rate
Combined with
Residential.



SOCIAL

Employee Attraction, Engagement and Retention

Diversity and Inclusion

Health, Wellness and Safety

Community and Philanthropy



Employee Attraction

Peterson employees are the Company's greatest asset. Having a distinctive work environment that can foster creativity, collaboration and connectivity creates long-term value for all our various business groups. Employees across departments come from a variety of backgrounds and experiences which brings different perspectives and skills to our team.

Having an engaging and supportive place to work amplifies our ability to attract and retain skilled employees with diverse backgrounds and experiences. Investing in their continuous development is also an important component in attracting talent. We have several employee-based programs to highlight.

Spotlight: Peterson Academy

In this 2nd year of the Peterson Academy, we continued to empower our employees to provide the Company with ways to improve our processes, by expressing ideas and suggestions, to further add value and enhance our work. Through a team-based friendly competition, participants sought to generate recommendations to improve Peterson's business, processes and culture.

Building on the success of the 1st year, the program has generated a range of practical and creative ideas. Several recommendations made by staff have been implemented.

Spotlight: Mentorship Program

78 Total Program Mentees
Since 2021

The mentorship program provides mentees with a valuable mentorship resource, offering support, encouragement and direction on career growth and professional development. The goal is to establish a pairing from different functional areas of the business to provide employees with exposure to leaders in other areas and promote cross-departmental communication.



Employee Engagement

Understanding our employees' engagement and comparing key indicators biannually allows us to continually identify areas for improvement. Informed by an overall 86% response rate from employees, we seek ways to further increase engagement rates throughout the Company. Our engagement results show that we are 11% below the most engaged workplaces in Canada, but 16% above the average employer in Canada.

Based on our Employee Engagement survey results, an Engagement Committee comprised of representatives from various departments developed an action plan to improve our engagement scores. Compared to our last survey in 2022, we have made additional strides in 3 of the 10 areas. With a theme of connection and communication, the committee aimed to improve our communication with employees. Additionally, we looked to encourage and improve team and departmental communication. In doing so, we continue to foster collaboration internally within departments and in cross-functional meetings. As a result of these focus areas, we saw an increase in engagement in those specific areas.

Furthermore, Peterson was recognized as one of BC's Top Employers and as one of Canada's Top Small and Medium Employers. This recognition is a testament to our dedication and commitment to creating a better workplace.



Spotlight: Company Townhalls

Townhalls are held twice a year to enhance transparency with our employees. The first townhall focuses on the Company's vision, goals and targets, ensuring employees understand the Company's strategic direction and allowing employees to ask questions.

The year-end townhall provides updates on the Company's progress and accomplishments and includes any projects or organizational activities that may have occurred throughout the year. It also includes updates on any current projects.

Employee Retention



To Peterson, employee retention means providing a supportive environment where employees are supported to achieve their career goals. We do this through various programs:

\$34,200 Investment in employee tuition.

\$90,400 Investment in employee professional fees and dues.

\$46,800 Investment in work-related training and events.

↑ 14% YOY Investments in employee learning and development initiatives.



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 2024, we had 26 mentees participate in the program.



Department Team Building Events which included pitch and putt, BBQs, cooking classes, scavenger hunts, boat rides, archery and dinner parties.



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 our Annual Dinner, Summer Family Event, Halloween Party and others.



360 Degree Employee Feedback is a formal performance review and development plan.



Tuition and Learning Support Program where we reimburse all expenses related to tuition, textbooks, professional dues, designation fees, work-related training, seminars, conferences and webinars.

Diversity and Inclusion

Diversity and inclusion means creating an environment where Peterson employees can express and demonstrate inclusivity internally and externally to all our stakeholders. We strive to cultivate a work environment that is supportive of the diverse backgrounds, experiences, races and abilities of all individuals, to feel welcome and safe.

To build upon this, we have our Diversity and Inclusion Framework that is identified as our Pillars for Success.



Pillars for Success

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

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.

Community

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

Diversity and Inclusion

Age	Peterson Employees (202)	Management (54)	Board of Directors (9)
30 and Younger	21%	2%	
31 to 40	26%	28%	
41 to 50	23%	31%	
51 to 60	16%	22%	
61 and Older	14%	17%	
Women	46%	41%	11%
Men	54%	59%	89%
Visible Minority	75%	61%	33%
Non-Visible Minority	25%	39%	67%



Health, Wellness and Safety

Peterson's Health and Safety Program is overseen by our Director of ESG & EHS. Acting as a qualified individual for EHS and being educated, trained and designated as a Canadian Registered Safety Professional (CRSP) ensures that all Peterson business lines are constantly applying and ensuring regulatory compliance.

As a result of in-house expertise, employees are educated and trained on site/job specific risks. Topics range from safe work procedures, environmental testing and occupational exposure to various contaminants. The day-to-day management of EHS is a collaborative approach with Property Management to ensure support is provided for any decisions that need to be made. At Peterson, keeping our employees, tenants and contractors safe is paramount.

Wellness Impact

The impact of the health and well-being of our employees is a top priority at Peterson. Peterson maintains a comprehensive employee benefits package that includes the following:

- Comprehensive extended health, dental and drug benefits with 100% of premiums paid for by the Company
- Basic life and accidental death and dismemberment insurance
- Dependent life insurance
- Optional employee and spouse life insurance
- Short- and long-term disability insurance
- Flexible spending account for healthcare and/or lifestyle and wellness
- Employee assistance program
- Company contributions to registered retirement savings plan (RRSP)
- Company-managed mortgage fund
- Supported maternity and parental leave

We continue to evaluate industry trends and identify and consider employee needs based on the utilization and feedback of our benefits throughout the year.



Spotlight: Employee Directed Giving, Butterfly Run Canada

In support of an employee, the Company was pleased to make a donation through its employee directed giving program in support of the efforts of the Butterfly Run Canada, a registered non-profit organization that provides integrated support, resources and community for all people who have experienced unimaginable loss during the journey to parenthood. Over 900 participants in THE 3km and 5km run/walk joined together to raise awareness about infertility, pregnancy loss and infant loss. The event was successful in raising over \$50,000 to support local programs, the BC Women's Health Foundation and Fertility Matters Canada.

Community and Philanthropy

At Peterson, giving back to the communities where we live and work is central to our Values and a core pillar of our ESG program. This commitment not only reflects our dedication to doing what's right but also fosters employee pride and engagement as we strive to create meaningful, lasting change.

While Peterson's footprint spans North America, most of our employees are based in British Columbia, where the majority of our philanthropic efforts are concentrated. In 2024, we focused on healthcare, youth and education, food security and animal welfare initiatives.

2024 Community Contributions: A Snapshot

In 2024, Peterson donated over \$1 million to local charities, targeting key areas that align with our core Values:

Healthcare: We supported initiatives to enhance advance research and improve access to care. Beneficiaries included A Loving Spoonful, BC Cancer Foundation, BC Children's Hospital Foundation and Coast Mental Health Foundation.

Youth and Education: Investing in education helps build vibrant, resilient communities and empowers the next generation. Beneficiaries included the British Columbia Institute of Technology (BCIT), Vancouver Police Foundation, Vancouver Firefighters Society, Contributing to Lives of Inner City Kids Society (CLICK) and SeaSmart Society.

Food Security: Access to nutritious food is essential for healthier, stronger communities. beneficiaries included the CityReach Care Society and the Sharing Farm Society.

Animal Welfare: We believe in the humane treatment of animals, many of whom hold a special place as beloved companions in our lives and workplaces. Beneficiaries included Pacific Assistance Dogs Society and The British Columbia Society for the Prevention of Cruelty to Animals.



Community and Philanthropy

At Peterson, we actively encourage our employees to give back through paid volunteer time and our employee-directed giving program. We remain committed to making a meaningful impact in the communities we serve and inspiring others to do the same. Together, we are building a stronger, more compassionate future.

- **Volunteer Hours:** In 2024, Peterson employees dedicated **over 230 volunteer hours** to causes such as healthcare, youth development, environmental sustainability and community support, contributing their time to organizations like The Sharing Farm Society, A Loving Spoonful and Villa Cathay Care Home.
- **Employee-Directed Giving:** Through this program, Peterson donates to registered charities supported by our employees. In 2024, we contributed **\$5,000** to causes personally important to our team.

Spotlight: Employee Directed Giving, Lifestream Sick Kids BC

In support of an employee, Peterson was pleased to make a donation through its employee directed giving program to support the fundraising efforts for Lifestream Sick Kids BC, a non-profit dedicated to improving the lives of sick children in our community. With participants entering a Hoop for Smiles 3 on 3 charity basketball tournament at the Richmond Oval in support of Canuck Place Children's Hospice, the event successfully raised \$10,000 to help the hospice provide critical care and support to children with life-threatening conditions and their families.



Spotlight: Paws for Hope

Our contribution to Paws for Hope, a Vancouver-based organization dedicated to improving animal welfare through emergency veterinary care, community support and advocacy, played a crucial role in saving Lola's life. Lola, a dog suffering from a life-threatening prolapsed uterus, required urgent surgery. Her owner, a young individual supported by Covenant House, could not afford the medical expenses. Thanks to our donation, the surgery was fully covered. Lola has since undergone the procedure and is now on the road to recovery.

Community and Philanthropy

Spotlight: Inner City School Partnership

In 2024, we celebrated 10 years of partnership with an inner-city school in Vancouver. What began in 2014 with funding for a new playground has grown to include weekly reading buddy sessions with Peterson employees, fostering a love of reading among primary students. We have also sponsored class trips, such as dragon boating at Cates Park and hosted events like a pancake breakfast for Literacy Day. Additionally, we've provided annual holiday hampers to support families at the school during the holiday season.



Spotlight: Richmond Food Bank

As 2024 came to a close, we marked our eighth year of partnering with the Richmond Food Bank for an annual holiday food drive and matching campaign. Our \$10,000 matching gift helped raise an additional \$17,552 in cash donations from the community, along with many generous food contributions across our properties. The combined total of **\$27,552** supported food bank's dairy program, which provides one of the most in-demand and costly items for their clients. These funds will help ensure that this important resource remains available to those in need. We're grateful to work alongside our tenants, residents and neighbours in supporting Richmond Food Bank's mission to provide nutritious food and connect people to services that address poverty.



A photograph of an elderly man with white hair and glasses, wearing a dark blue suit, white shirt, and a red tie with a white polka-dot pattern. He is standing at a wooden podium, looking slightly to his right. A microphone is positioned in front of him. The background is a blurred, warm-toned interior with vertical light streaks.

GOVERNANCE

Governance and ESG Oversight

Risk Management

Business Ethics and Integrity

Cybersecurity and Data Protection

Governance and ESG Oversight

At Peterson, good governance begins at the top. Unlike most privately-owned real estate companies, Peterson is led by an experienced and mostly independent Board of Directors, ensuring transparency, accountability and responsibility. The following sections illustrate how we are integrating ESG.

The Board of Directors meets regularly and is responsible for complete oversight of Peterson's corporate goals and operations. They are made aware of our ESG strategy and initiatives, including the integration of ESG priorities and initiatives into various business lines.

The Board has two working sub-committees;

- Governance and Human Resource Committee
- Finance and Risk Committee



Peterson Values and ESG Commitment

Peterson's initial ESG Framework + Policy was implemented in 2022, representing a step forward in long-term planning for the Company. Updated in 2024, 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 launch pad 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 Peterson Values:

Relationships

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

Entrepreneurship

We seek opportunities and challenges to create value, using diverse approaches, opinions and experiences.

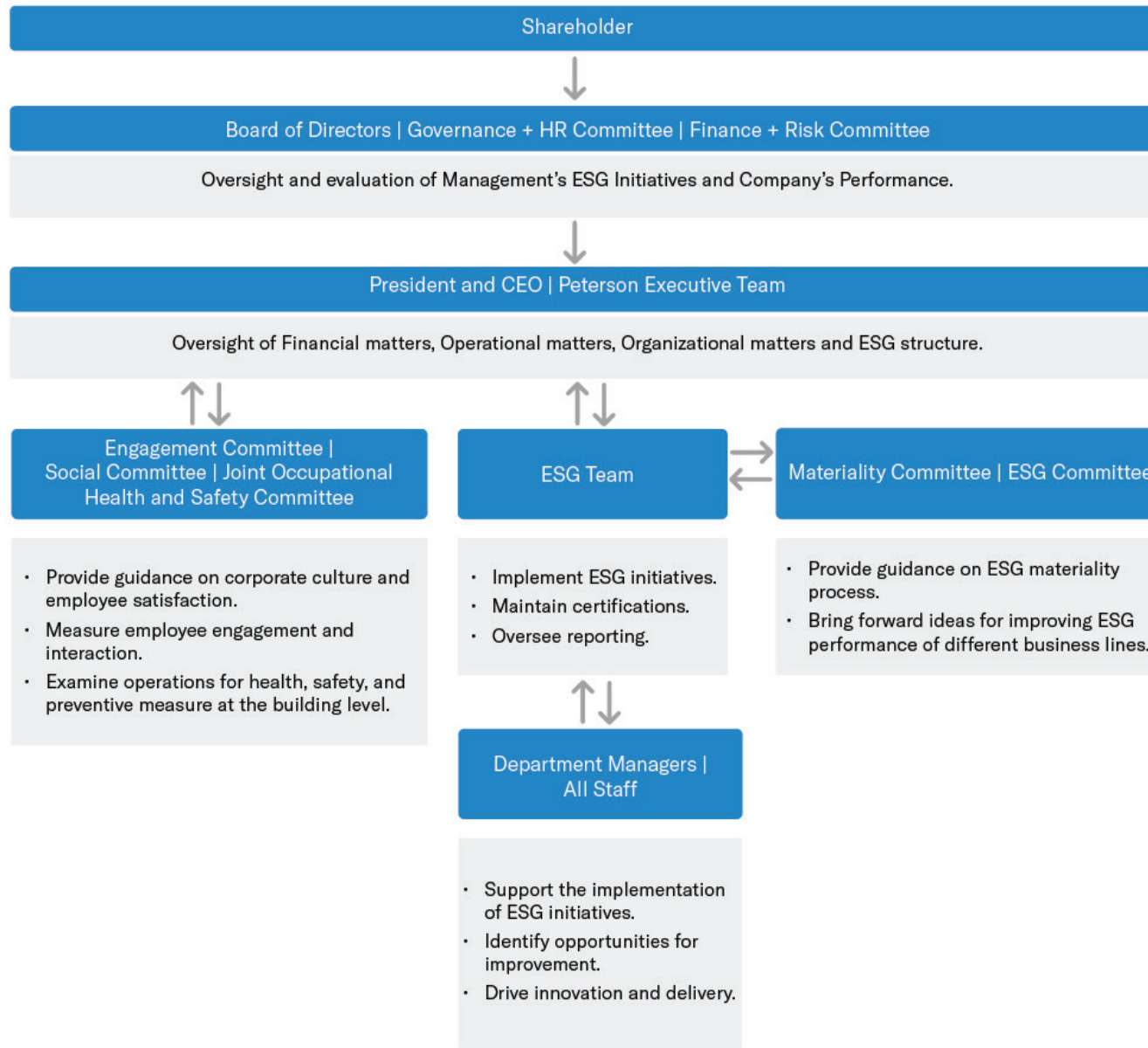
Integrity

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

Gratitude

We are grateful for opportunities and support initiatives that affect positive change in our communities, while valuing the strengths and perspectives of our team.

Governance Structure



We believe that sharing information and ideas is key to success. Our ESG governance structure ensures that information from all ESG efforts is shared, evaluated, managed and acted upon across departments, creating accountability throughout the Company.

Overall accountability for ESG falls to Peterson's President and CEO, in collaboration with the Chief Legal Officer and SVP of Operations to oversee Company-wide implementation.

All this is supported by our ESG Team and complimentary committees, such as the Engagement and Social committees.

Risk Management

Risk management is embedded into our critical business units and workflows. These are constantly overseen at the Board of Directors and its subcommittees. We identify, analyze, respond to, manage and report risks based on their frequency, severity and likelihood.

Peterson's risk management strategy and initiatives are reviewed regularly. Processes and mechanisms are placed to raise or address concerns. Based on the identified risks, we have processes in place, both internally and externally, to mitigate these risks. Our risk management is driven by our stakeholders, industry expectations and guidance from our Board of Directors.

Enterprise Risk Management

The Company views Enterprise Risk Management (ERM) as our ability to adapt to changing conditions via our framework in identifying, evaluating, prioritizing and mitigating risk. Through risk programming, we can ensure that our strategic risks, financial risks, operational risks and regulatory risks are considered.

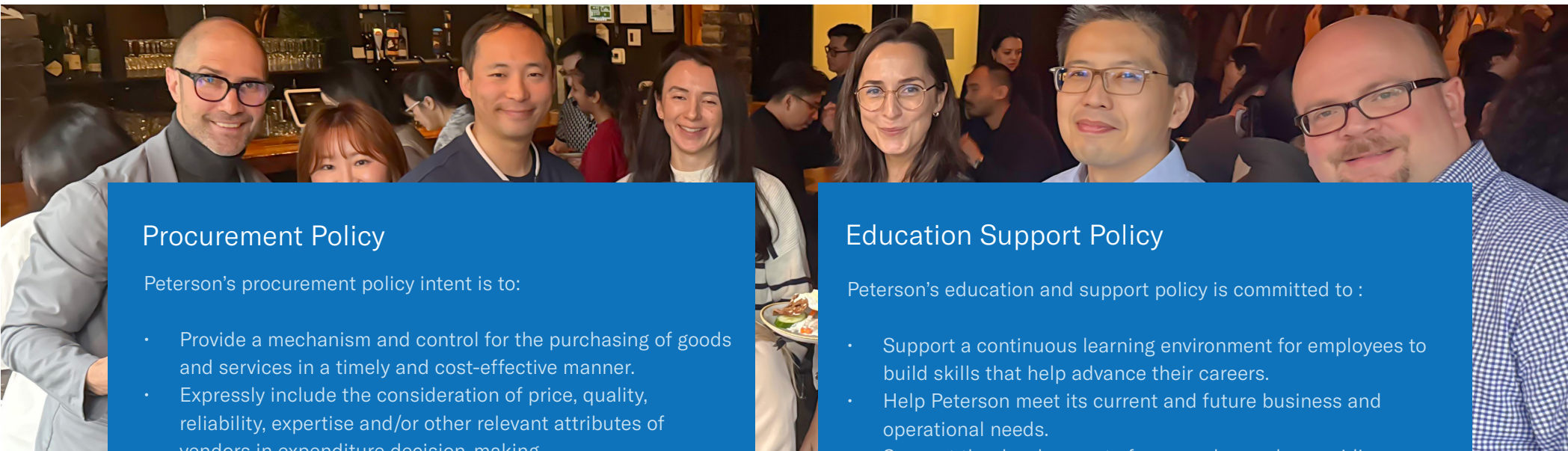


Business Ethics and Integrity

Operating with ethics and integrity is crucial for good business, so we continually update our policies and procedures to incorporate new ideas and ensure responsible management.

Peterson has continued to prioritize ongoing improvements by reviewing, updating and developing policies and procedures where needed. Policies that were updated in 2024 include, Procurement Policy, Proforma Policy, Construction Cost Reporting Process, ESG Framework and Policy and Education Support Policy.

To support these changes in policy, we also conduct periodic training and ensure that employees are familiar with the policy changes. When necessary, a lunch and learn session may be organized to inform and provide employees with an opportunity to discuss and ask questions.



Procurement Policy

Peterson's procurement policy intent is to:

- Provide a mechanism and control for the purchasing of goods and services in a timely and cost-effective manner.
- Expressly include the consideration of price, quality, reliability, expertise and/or other relevant attributes of vendors in expenditure decision-making.
- Ensure Peterson's expenditures and procurement processes are appropriate, open, transparent and fair and that all qualified service providers are given the opportunity to compete for Peterson's business.
- Ensure the Company follows good business practices and industry standards.

Education Support Policy

Peterson's education and support policy is committed to :

- Support a continuous learning environment for employees to build skills that help advance their careers.
- Help Peterson meet its current and future business and operational needs.
- Support the development of our employees by providing financial assistance towards tuition or program costs that are relevant to the employee's current or potential position at Peterson.

Cybersecurity and Data Protection

As a real estate company, we handle critical and sensitive stakeholder information. Ensuring robust security measures against unauthorized access and cyber threats is crucial to maintaining the confidentiality, integrity and availability of our systems and data.

Cybersecurity and data protection are top ESG priorities for Peterson, consistently ranked among the most important concerns by stakeholders. We have robust policies and programs to prevent and detect threats and secure our data. Over the past year, we have revamped our IT policies and provided multiple training opportunities for staff.

Data Protection at Peterson

Protecting and securing our data is essential. We have strict internal policies, comprehensive cybersecurity software and employee training 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 how to handle personal data, including safeguards and procedures for breaches and expectations for employee training. Additionally, our data backup policy ensures all critical data and systems are backed up regularly to prevent loss from accidental deletion, corruption, system failure or disaster.





APPENDICES

2024 Peterson SASB Disclosure

Supplemental ESG Reporting

Fairmont
PACIFIC RIM

2024 Peterson SASB Disclosure

Introduction

This is Peterson’s 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	2024	SASB Code
Number of assets by property subsector.	Number of assets – Industrial	2	IF-RE-000.A
	Number of assets – Office	13	IF-RE-000.A
	Number of assets – Residential	3	IF-RE-000.A
	Number of assets – Retail	5	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	1,174,643	IF-RE-000.B
	Square feet (ft ²) – Residential	987,965	IF-RE-000.B
	Square feet (ft ²) – Retail	740,167	IF-RE-000.B

Activity Metric	Measurement	2024	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	0	IF-RE-000.C
	Percentage (%) by floor area – Residential	0	IF-RE-000.C
	Percentage (%) by floor area – Retail	52	IF-RE-000.C
Average occupancy rate by property subsector.	Percentage (%) – Industrial	100	IF-RE-000.D
	Percentage (%) – Office	86	IF-RE-000.D
	Number of Units (%) – Residential	97	IF-RE-000.D
	Percentage (%) – Retail	96	IF-RE-000.D

Energy Management

Accounting Metric	Measurement	2024	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	64	IF-RE-130a.2
	Gigajoules (GJ) – Office	77,785	IF-RE-130a.2
	Gigajoules (GJ) – Residential	77,424	IF-RE-130a.2
	Gigajoules (GJ) – Retail	TBD	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	2024	SASB Code
Like-for-like percentage change in energy consumption for the portfolio area with data coverage by property subsector.	Percentage (%) – Industrial	-6	IF-RE-130a.3
	Percentage (%) – Office	-1	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	100	IF-RE-130a.4
	Percentage (%) by floor area – Office	100	IF-RE-130a.4
	Percentage (%) by floor area – Residential	100	IF-RE-130a.4
	Percentage (%) by floor area – Retail	80	IF-RE-130a.4
Percentage of eligible portfolio that (2) is certified to ENERGY STAR by property subsector.	Percentage (%) by floor area – Industrial	0	IF-RE-130a.4
	Percentage (%) by floor area – Office	8	IF-RE-130a.4
	Percentage (%) by floor area – Residential	0	IF-RE-130a.4
	Percentage (%) by floor area – Retail	0	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>Understanding our building’s energy use and emissions is critical in establishing goals and targets. In 2024, we’ve committed to meet the City of Vancouver requirements for GHG emission and heat intensity limits for buildings greater than 50,000sqft. In establishing a target, this requires us, to consider all impacts to the building from an investment and operational strategy. As we continue to understand our emissions, we continually look at measures to reduce our consumption to ensure operational efficiency.</p>		

Water Management

Accounting Metric	Measurement	2024	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	99	IF-RE-140a.2
	Thousand cubic meters (m ³) – Residential	207	IF-RE-140a.2
	Thousand cubic meters (m ³) – Retail	109	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	2024	SASB Code
Like-for-like percentage change in water withdrawn for portfolio area with data coverage by property subsector.	Percentage (%) – Industrial	-1	IF-RE-140a.3
	Percentage (%) – Office	-8	IF-RE-140a.3
	Percentage (%) – Residential	+2	IF-RE-140a.3
	Percentage (%) – Retail	-34	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
	Peterson’s existing portfolio is primarily located in areas of low water-stressed areas. Recognizing our water consumption and tracking our usage, provides us with the data to understand our building’s use. We continue to look at operational means reduce our water consumption.		

Management of Tenant Sustainability Impacts

Accounting Metric	Measurement	2024	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 (%)	100	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>We have upgraded our existing lease to include green lease clauses in 2024. These leases include cost recovery clauses and a plan to communicate our sustainability initiatives to our tenants. As well, we continue to engage our tenants in our sustainability activity by providing updates on any initiatives that we are currently planning or have undergone.</p>		

Climate Change Adaptation

Accounting Metric	Measurement	2024	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	755,863	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
	Peterson on a continual basis has received climate change risk modeling from our insurers. This document is on a property and portfolio wide level that provides information on our properties risk on earthquake, hail, windstorm, wildfire and riverine flood exposure. Through these assessments, we are able to understand the likelihood and severity of it occurring on our assets.		