



dream 

2021—

Social Procurement Strategy

Below: Whak, Mo, Michael Cooper, Mayor John Tory, Jorian Charlton & Krystal Koo with her Jorian's photograph "Untitled" on Bay Street in Toronto
Cover: The Distillery District, Toronto

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“Our industry has a responsibility to address today’s most urgent issues from climate change to social equity. Dream’s impact investing focus equates improving social issues through real estate as an equal priority with achieving market financial returns. Dream’s Social Procurement Strategy is one of the most ambitious of its kind in Canada. Our defined targets will critically transform our supply chain to become more diverse and inclusive, and we hope this will serve as a model for the real estate sector and beyond to provide opportunities for all while making our industry more sustainable.”

Michael Cooper
President and Chief Responsible Officer

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What is Social Procurement?

Definition

Social Procurement is the use of our spending power on real estate activities to create economic benefits for *under-served, vulnerable or equity-seeking groups*¹ and *local, independent, or socially responsible businesses*.²

Goal

We seek to leverage the money we spend in developing and managing our real estate to create business opportunities and jobs for both equity-seeking groups and local or independent businesses.

To meet this goal, we are focusing on four key action areas:

- 1 Support businesses that are owned by equity-seeking groups to have equal opportunity and access, and to grow their business.
- 2 Support local, independent or socially responsible businesses to have equal opportunity and access, and to grow their business.
- 3 Create jobs, training and mentoring opportunities for equity-seeking groups through our real estate activities.
- 4 Work with Indigenous communities to create jobs, training, and economic opportunities through our real estate activities.

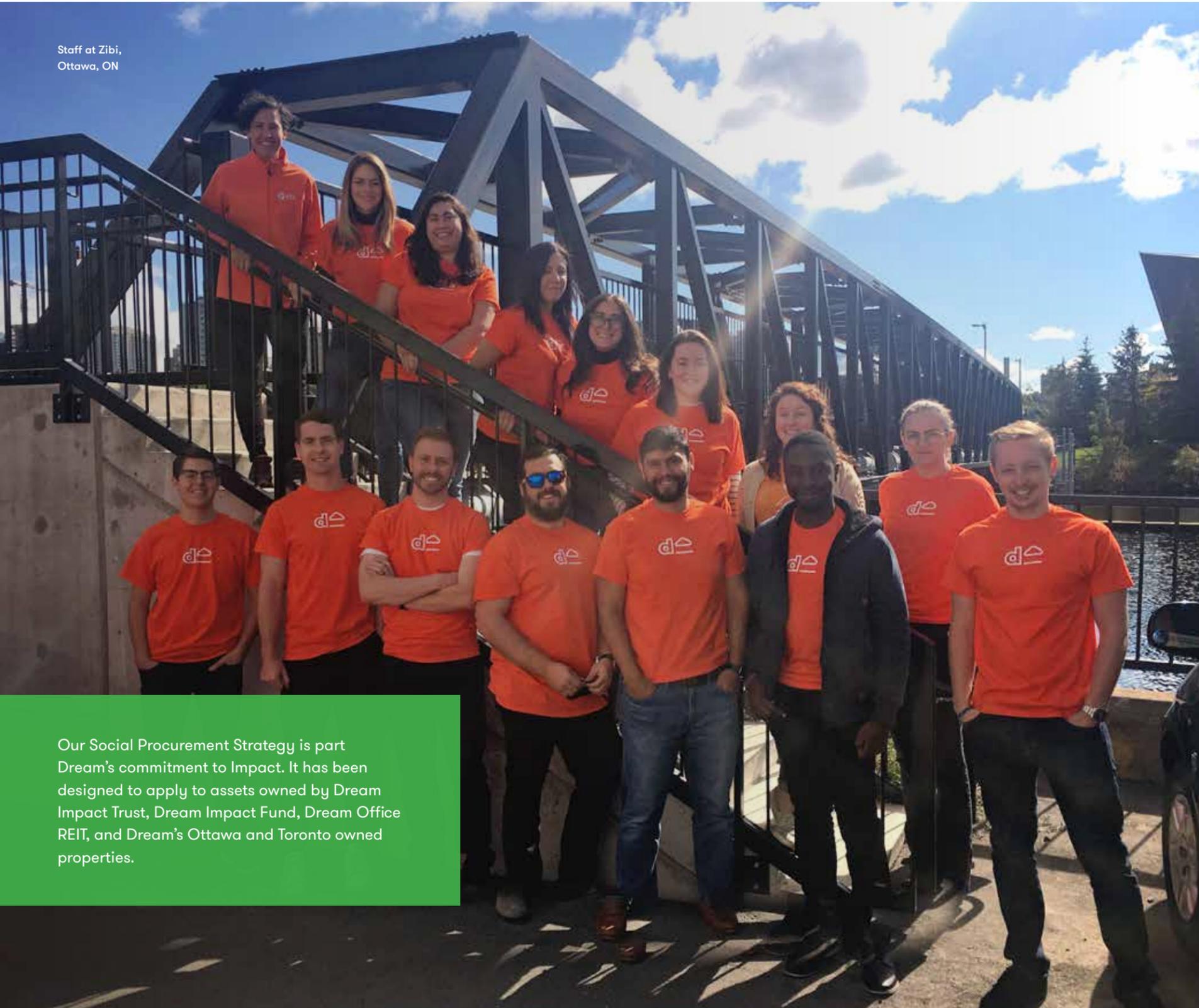
¹ Consistent with our Impact Financing Framework, under-served, vulnerable or equity-seeking groups are defined as people and communities that experience economic disadvantages, discrimination, and barriers to equal opportunities. Such groups include women, Indigenous, Black, Asian, Hispanic-Latino communities, persons with disabilities, newcomers/new immigrants, LGBTQ+ people, visible minorities/racialized people, and other groups that governments may identify. Throughout this document such groups are referred to as equity-seeking groups.

² Local, independent or socially responsible businesses are defined as business that are independently owned by individuals in regional catchment areas of the real estate asset, by a not-for-profit organization, a social enterprise or a business that operates with publicly disclosed ethical practices. Throughout this report, references to local or independent businesses refers to the above definition.



Brightwater,
Port Credit, ON

Staff at Zibi,
Ottawa, ON



Our Social Procurement Strategy is part Dream's commitment to Impact. It has been designed to apply to assets owned by Dream Impact Trust, Dream Impact Fund, Dream Office REIT, and Dream's Ottawa and Toronto owned properties.

Why is Social Procurement Important to Dream?

Alignment with Inclusive Communities.

At Dream, we believe in building inclusive communities - meaning places where everyone can feel welcome to fully participate in social and economic life. We believe this should also extend to the people and businesses that build, maintain, and animate our communities. Through targets and actions that support diverse businesses and jobs for equity-seeking groups we help create more inclusive communities within and beyond our real estate.

Impact Leadership.

At Dream, we believe there is an opportunity to be a leader in the private sector. Our social procurement strategy will support other developers and property managers to source diverse vendors and local businesses, creating additional impacts beyond our initial efforts.

Acting with intentionality.

Dream recognizes the social, economic and environmental impact of every purchase and with intentionality we are utilizing our purchasing power to generate impact values.

Diversifying our supply chain.

With more inclusive procurement policies we will grow new relationships with dynamic and exceptional businesses.

KPIs and Implementing Actions

Business Opportunities

Dream will track the diversity of vendors awarded contracts and implement actions that improve the ability for all vendors to compete for work.

Key Performance Indicators

- 1 Value of contracts awarded to businesses that are majority owned or managed by an equity-seeking group.

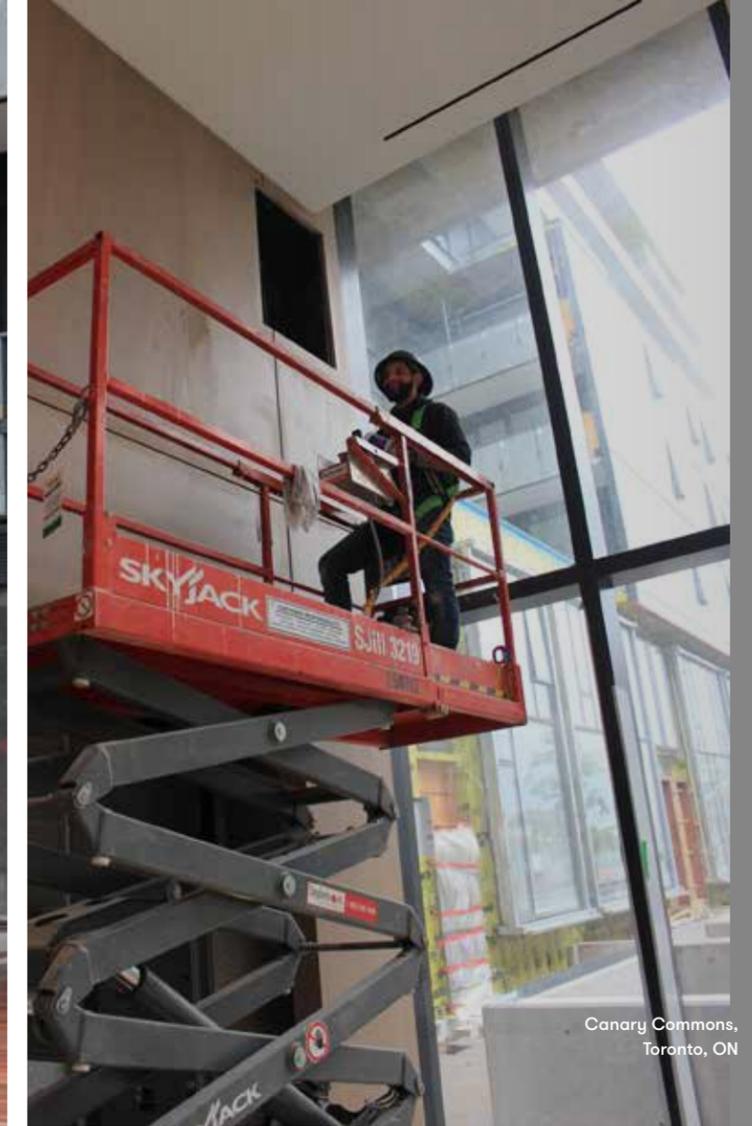
Target: 20% of the annual value of all contracts by 2025.

- 2 Value of contracts awarded to local, independent, and/or socially responsible businesses.

Target: 20% of the annual value of all contracts by 2025.



Gladstone House, Toronto, ON



Canary Commons, Toronto, ON

Employment and Training Opportunities

We will work with our construction and property management teams to monitor and track the employment created through our spending and implement actions that improve access to jobs and training for equity-seeking groups.

Key Performance Indicators

- 1 Jobs created through capital and operating spending that are filled by individuals from an equity-seeking group.

Target: 20% of annual jobs by 2025.

- 2 Apprenticeship hours worked by individuals from an equity-seeking group.

Target: 30% of apprenticeship jobs by 2025.

Implementing Actions

- 1 **Establish baseline of existing vendors**
 - Develop and conduct survey to classify vendors
- 2 **Create Template Language for Updated Bid and Contract Documents**
 - Create standard language for bid documents that allow us to classify vendors as an equity-seeking group and/or local or independent business
 - Create standard language for bid documents that allow us to evaluate a company's willingness and ability to work towards our employment and training KPIs
 - Create standard language for contracts requiring, where applicable, reporting on KPIs
- 3 **Implement a monitoring and reporting system for tracking progress on KPIs**
 - Integrate vendor and employment tracking into updated accounting procedures
 - Annual reporting on progress toward targets
- 4 **Support vendors**
 - Publish our database of vendors from equity-seeking groups and local or independent businesses online
 - Provide on-site opportunities to showcase our vendors, such as in commercial building common areas and on construction hoarding
 - Host regular networking events to build relationships with diverse vendors
- 5 **External Memberships to Support our Work**
 - Seek membership in organizations that build partnerships with and certify specific vendors



Dream is a charter member of the United Way Greater Toronto Inclusive Local Economic Opportunity Initiative, which brings together the private, public and community sectors to find innovative ways to reduce gaps in economic prosperity and to create lasting economic vitality at the neighbourhood level.

Photo by United Way Greater Toronto/Nicholas Jones

“Social procurement is more than just a business strategy. It’s a cornerstone of Dream’s culture and values. From our consultants to our contractors, we are taking a very granular and transparent approach to ensure that diversity and inclusion is engrained in every decision and action we take.”



Pino Di Mascio
Head of Impact Strategy and Delivery



Summary of Dream Social Procurement Strategy

- Dream will leverage the money we spend in developing and managing our real estate to create business opportunities and jobs for both equity-seeking groups and local or independent businesses.
- As an impact-focused company, we are committed to building inclusive communities where everyone has an opportunity to participate and succeed. This includes creating opportunities for the people who build and work in our buildings and communities.
- We have set ambitious, yet achievable targets, for the proportion of our spending and the proportion of jobs created that will flow to targeted groups. These targets exceed or are at the top end of typical requirements currently being set by governments for real estate projects.
- We commit to achieving our targets by 2025.
- To achieve our commitment, we will be implementing a comprehensive tracking, monitoring and reporting system in early 2022 and issue annual progress reports with recommendations for any necessary further steps. We expect to learn many lessons throughout the early implementation on our strategy and will act on those to help meet our target.
- Dream will identify any gaps or shortfalls across the supply chain and then proactively work with suppliers and partners to help build capacity, recruit talent, or gain experience.

Examples of Success —

360Demo at 366 Bay Street

Dream, through Govan Brown acting as Construction Manager, has awarded a contract to 360 Demolition and Environmental Services for all interior demolition and abatement work at 366 Bay. This contract represents approximately 7% of the total project value for a full building retrofit of 366 Bay. 360 Demo is a well established Toronto-based contractor that has successfully completed hundreds of commercial and institutional projects with some of Canada's largest landlords.



Examples of Success —

Decontie Construction at Zibi

Decontie Construction is an Algonquin-Anishnabe-owned general contracting company with a singular vision of advancing the interests of the exceptional talents of the First Nations construction. Since 2015, Dream has procured various construction contracts to Decontie amounting to over \$7 million in contract value through successful bidding on our Zibi development and has provided employment and training opportunities for Indigenous peoples. Through this working relationship, we were also able to pre-qualify Decontie to undertake site remediation work for LeBreton Flats as part of our bid to the National Capital Commission.



Dream is committed to annually reporting on our achievements towards this social procurement strategy. Progress reports will include updated strategies based on our learnings. If you have any feedback or questions, please do not hesitate to reach out using the following email: impactfeedback@dream.ca



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