



2021

Impact Report



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Zibi
Ottawa, ON / Gatineau, QC

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For more information on
Impact at Dream, please
visit our website.

www.dream.ca



Letter from Chief Responsible Officer

2021 was a remarkable year across the Dream group. With humility we recognize the ongoing issues facing our society and the overall magnitude of those impacted.

Climate change continues to represent a significant risk globally as science further demonstrates the adverse effect of inaction. Many people cannot afford to live in the areas in which they work or are spending a disproportionate amount of income on housing needs. Continuing social inequity, amplified by the effects of COVID-19 and the ongoing health measures and lockdowns provide challenges for individuals and our society as a whole.

But we are tackling these issues head on and are proud of the work we are doing.

All levels of government across Canada are prioritizing climate change, affordable housing and increasing social inclusion. However, it is increasingly evident that they cannot address these problems without the participation of the private sector.

Leveraging our longstanding history working with the public sector, over the last year we've made significant advancements working with organizations such as Canada Mortgage and Housing Corporation and Canada Infrastructure Bank, among others, to establish innovative approaches to incentivizing the real estate industry to preserve or create more affordable housing and accelerate GHG reduction targets. With these programs now widely available, more real estate developers and owners will have access to participate in these dedicated funding programs to address environmental and housing needs contributing to a better quality of life for residents, businesses and customers beyond our own portfolios' reach.

As we look to push the envelope as a thought leader, we published our Net Zero by 2035 Action plan, putting us 15 years ahead of science-based targets. Our detailed roadmap is the first of its kind in Canadian real estate, providing clear and transparent steps on how we'll meet our 2035 commitments. With over \$6 billion in net zero development either complete or in our pipeline, we are creating a new standard for how mixed-use communities are built.

This past fall, we published our Social Procurement Strategy, leveraging our spending on development and property management to create business opportunities and jobs for deserving but traditionally under-represented groups in society. We've also established the Dream Community Foundation with a \$25 million personal commitment to improve the well-being of individuals, families, and neighbourhoods through community programming. The Foundation is important as it helps ensure asset level returns are not eroded while we pursue meaningful impact for our residents.

Last year, we published our inaugural impact report. The report provided a first glance at our best-in-class Impact Management System, which we have continued to evolve and expand across the Dream group of companies. We publish this report with over \$3 billion in assets under management defined as impact, which is by far the largest real estate collection in Canada. These assets are no doubt more resilient, desirable and valuable because of the positive change they can create.

As always, we look forward to sharing more of our work as we continue to evolve and challenge the expectation of what can be done with real estate.

Sincerely,



Michael Cooper
Chief Responsible Officer
Dream Unlimited Corp.

Who we are

Dream is one of Canada’s leading real estate companies, with over \$16 billion in assets under management across North America and Europe.

Responsible for some of the country’s most iconic and transformative projects over the last 30 years, we invest with purpose, embracing creativity, passion and innovation, delivering strong returns, while positively impacting the communities and world around us. Building better communities is entrenched in who we are and what we do.

The Dream group of companies consist of the following:



Dream Unlimited Corp.
TSX: DRM




Dream Impact Trust
TSX: MPCT.UN



Dream Office REIT
TSX: D.UN



Dream Industrial REIT
TSX: DIR.UN



Dream Impact Fund is our private impact investment vehicle which shares a similar mandate to Dream Impact Trust.



In aggregate the Dream platform owns, operates or manages:

29,659

condominium and purpose-built rental units in the Dream group portfolio (including development pipeline)⁽¹⁾

\$16 billion

assets under management⁽¹⁾⁽²⁾

44.4 million

sq.ft. of industrial GLA⁽¹⁾

11.2 million

sq.ft. of commercial / retail GLA across the Dream group portfolio⁽¹⁾

5.5 million

sq.ft. of office GLA in D.UN⁽¹⁾



⁽¹⁾ As at March 31, 2022
⁽²⁾ Assets under management is a specified financial measure. For the definition of AUM please refer to the Specified Financial Measures section of this report.

Quayside
Toronto, ON

What we do

Through Dream Impact Trust [MPCT.UN] and the privately held Dream Impact Fund, we have \$1.6 billion of assets under management in pure-play impact investment vehicles, which will continue to grow over time. In aggregate, across all our entities we manage \$3.8 billion of impact assets making Dream one of the largest asset managers of hard assets in the impact investing space.

\$1.6 billion

of assets under management in pure-play impact investment vehicles⁽¹⁾

\$3.8 billion

of impact assets managed across the Dream group of companies⁽²⁾

Across the real estate assets we touch, we focus on three core impact verticals:



Environmental Sustainability & Resilience



Attainable & Affordable Housing



Inclusive Communities

Our impact verticals are aligned with the United Nations Sustainable Development Goals ("UN SDGs"), with a focus on UN SDG 11: Building Sustainable Cities and Communities.

Why we do it

Our Impact Verticals directly address some of the largest issues facing Canada today: climate change, an affordable housing crisis, and fairness and inclusion in society. By doing our part to tackle these challenges, we are strengthening our ability to generate sustainable returns over the long term and making our world a more equitable place.



Climate Change

Canada is targeting a 40 - 45% reduction in greenhouse gas ("GHG") emissions by 2030, including the retrofit and recommissioning of Canada's existing building stock.⁽³⁾



Affordable Housing

By 2030, Canada is targeting that 1.7 million households in core housing need will have access to a suitable home.⁽⁴⁾



Increasing Social Inclusion

Canada is targeting the highest level of immigration in its history, with 1.2 million immigrants by 2023,⁽⁵⁾ making it one of the most welcoming and inclusive countries in the world.

(1) Based on qualified income assets. For the definition of AUM, refer to the Specified Financial Measures section of the Impact Report.

(2) For the definition of AUM, refer to the Specified Financial Measures section of the Impact Report.

(3) Environment and Climate Change Canada.

(4) Canada Mortgage and Housing Commission.

(5) Government of Canada 2021-2023 Immigration Levels Plan.

How we are doing

Dream is committed to the ongoing measurement and reporting of our impact initiatives, targets and outcomes.

Accordingly, the purpose of our annual Impact Report is to provide an overview of significant accomplishments and progress made across our impact verticals over the course of the year. This report provides us a forum to be transparent and accountable for our impact objectives. Throughout 2021, we have focused on execution and innovation across our impact verticals and asset pathways.

Working closely with stakeholders, Dream partnered with Canada Infrastructure Bank and Canada Mortgage Housing Corporation (“CMHC”) to establish financing solutions to facilitate the decarbonization of existing buildings and preserve and increase Canada’s affordable housing stock. These programs are being rolled out more broadly, providing the private sector with the opportunity to access capital to create good, while simultaneously helping the government achieve its objectives. In combination with these programs and other impact or green debt offerings completed in 2021, across the Dream group, we have generated nearly \$1 billion in proceeds to be deployed for sustainability or affordable housing initiatives.

With our recently published **Net Zero by 2035 Action Plan**⁷ we have clearly established interim targets and steps to achieving net zero by 2035. By developing new communities to be carbon neutral and decarbonizing existing buildings – we are confident in our ability to reach net zero GHG emissions fifteen years ahead of science-based targets. Over the last year, we completed the development of our District Energy System at Zibi – our 34-acre waterfront community in the Nation’s Capital – making Zibi one of the largest net zero communities in Canada. Including Zibi and other communities in downtown Toronto and Ottawa, Dream is proud to be the largest net zero developer with over \$6 billion of net zero development either built out or in our pipeline.



Zibi District Energy System Fully Operational and \$6 billion of Net Zero communities under development.



Growth of our affordable rental portfolio to 2,530 units



Launch of Dream Community Foundation and Social Procurement Strategy

In late 2021, we were proud to complete our first purpose-built rental building, bringing 160 affordable rental units to market. We also acquired an additional 1,140 units in 2021 including Weston Common, and 841-unit multi-family residential rental complex that includes 40% of its units as affordable rental housing. While these figures are small in the context of Canada’s greater housing need, they represent the initial delivery of Dream’s current affordable housing pipeline of 2,530 units. We are proud to demonstrate our dedication to society’s housing needs while generating market returns for stakeholders.

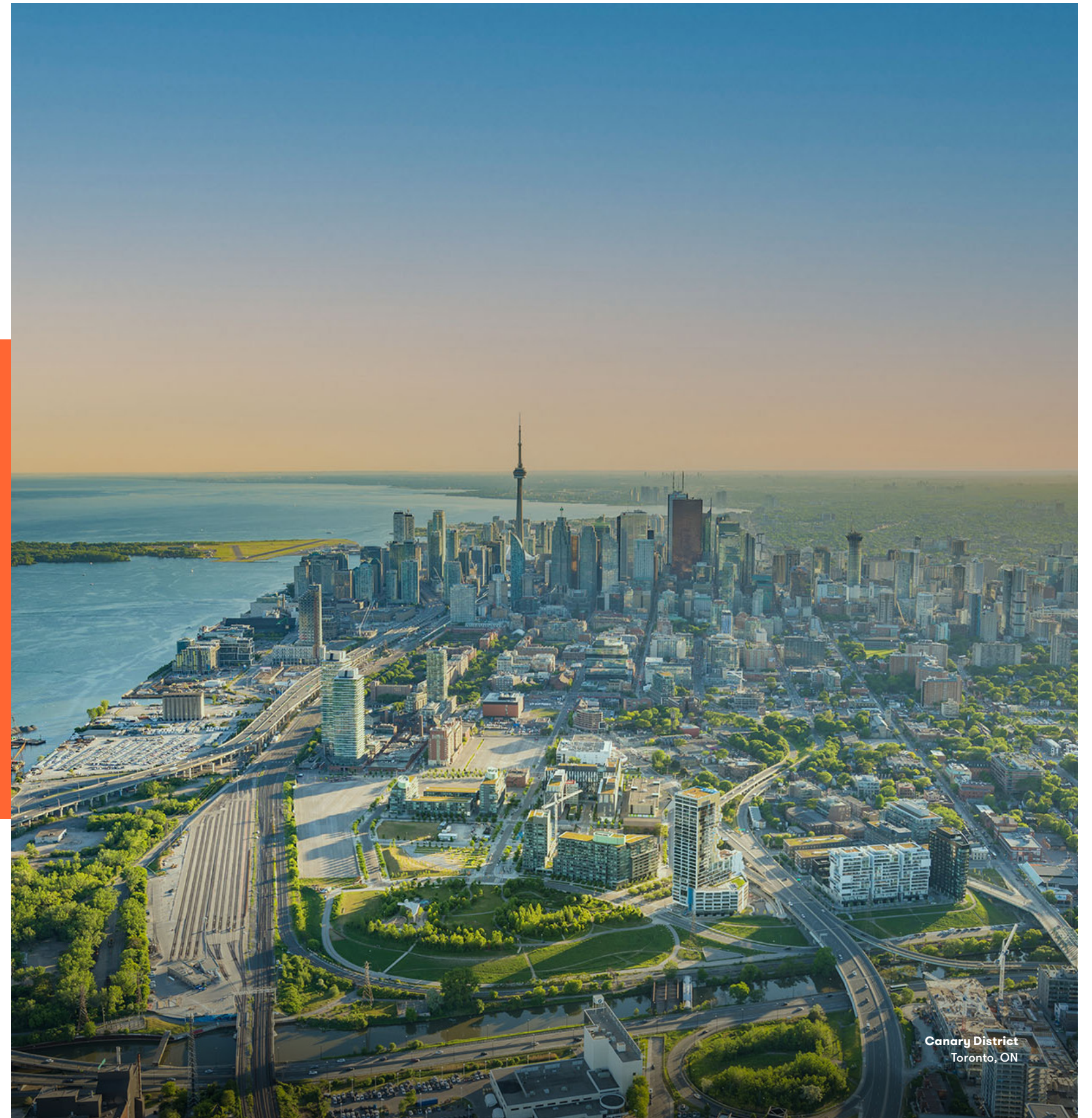
In 2021, we made significant advances in how we are helping create inclusive communities. We published an industry-first Social Procurement Strategy with specific targets we can now measure.

Social procurement is the use of our real estate spending power (money we have committed to spend on development and property management activities) to create economic benefits for underserved, vulnerable or equity-seeking groups and local, independent or socially responsible businesses. We also launched the Dream Community Foundation as a way to make our communities more inclusive. The Foundation will work with existing non-profit organizations and will invest in programs and services that create a sense of belonging for residents and the community in general. We believe that the Foundation, together with all our other impact work, will create communities that have meaningful positive impact on people and help them lead their best lives.



Our Impact

Dream believes in building better communities and investing to make a positive and lasting impact on people and the world through our impact verticals: Environmental Sustainability & Resilience, Attainable & Affordable Housing, Inclusive Communities.



Our Impact

Environmental Sustainability & Resilience

We integrate sustainability into the design, construction and operations of all our buildings and communities and are committed to being net zero by 2035. In this section we highlight our net zero progress.



\$6 Billion+

in net zero communities in development pipeline⁽¹⁾

~\$171 Million

in existing capital plans to decarbonize existing buildings

For detailed information on KPIs please refer to page 19.
(1) Net zero communities in development consist of Zibi, LeBreton Flats Library Parcel and Quayside.



Zibi
Ottawa, ON / Gatineau, QC

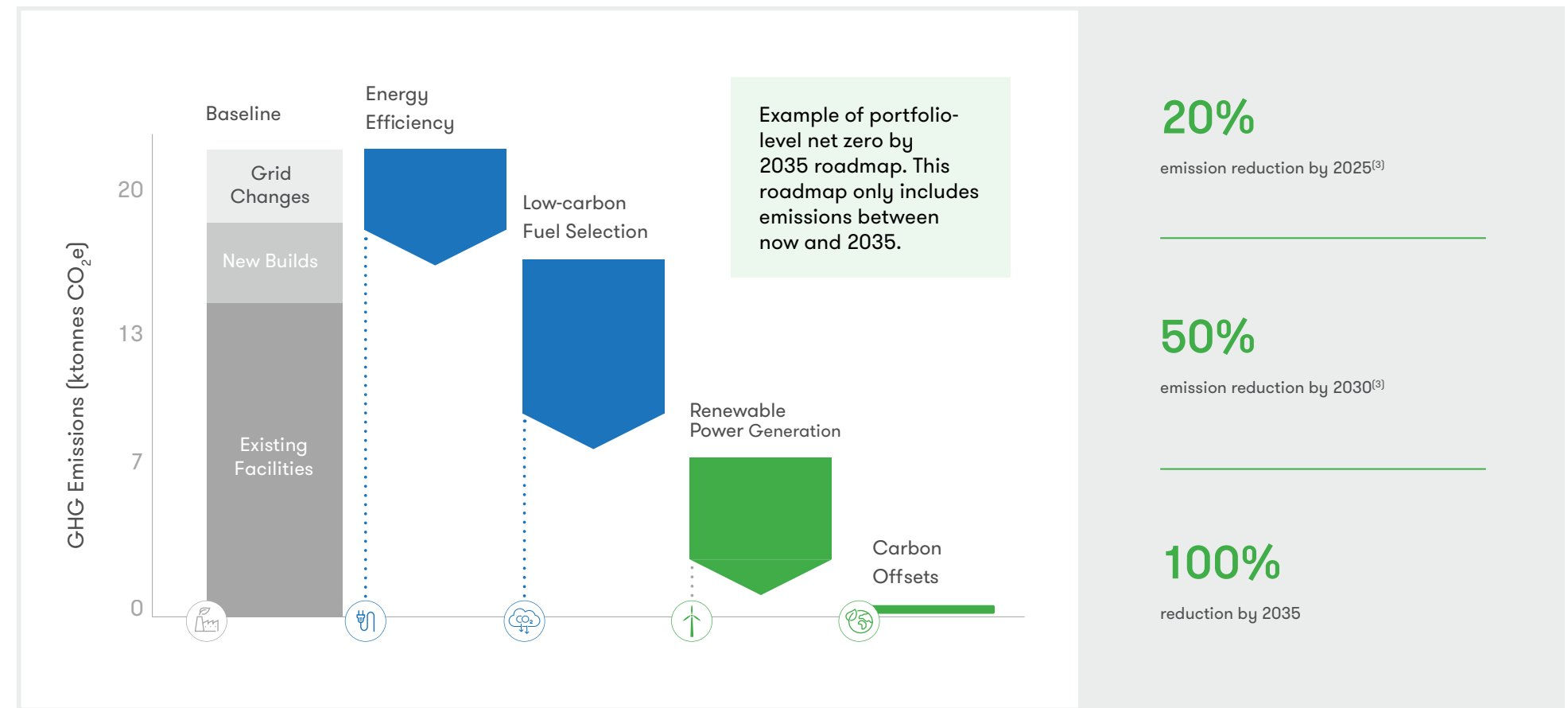
A Roadmap for Net Zero by 2035

Beyond the metrics, targets and impact pathways built into each of our projects, we are committed to an overall net zero approach to reducing carbon emissions in both new developments and existing buildings in line with international standards and commitments.

Globally, there is consensus that we must act now to avoid the most catastrophic impacts of climate change. The International Panel on Climate Change “identifies net zero CO₂ emissions as a prerequisite for halting warming.”⁽¹⁾ We need to do our part, act boldly and go further faster. Real estate and construction account for nearly 40% of global greenhouse gas emissions.⁽²⁾ Dream has engaged leading third-party experts to map out the steps that we must take to reach net zero. **We are confident that we can reach net zero GHG emissions by 2035 – fifteen years ahead of science-based targets.**

Dream Unlimited, Dream Impact and Dream Office are committed to net zero scope 1, scope 2 and select scope 3 GHG emissions by 2035. Dream Industrial is committed to net zero scope 1 and scope 2 GHG emissions by 2035, and net zero select scope 3 GHG emissions by 2050. The commitment covers emissions that are within Dream’s operational control and are wholly owned.

Dream will achieve our net zero commitments by both decarbonizing our existing buildings and building new net zero communities. Through investments in higher efficiency equipment, energy conservation, low-carbon fuel sources, renewable energy, and sustainable building design, we will dramatically reduce greenhouse gas emissions. Where it is not possible to reduce or eliminate our carbon emissions, for example GHG emissions from refrigeration, we will purchase high-quality⁽⁴⁾ offsets to balance our emissions.



“Our net zero commitments are necessary evolutionary steps in our business and align with our [impact investing](#) focus, which has formed an integral part of who we are, how we invest, how we have done business for more than 25 years, and how we will grow in the future.”



Pino Di Mascio
Head of Impact Strategy and Delivery
Net Zero Working Steering Committee Member

We will provide third-party verified updates on our progress towards reaching our net zero targets in our annual Impact Report and Corporate Sustainability Report. In 2021, we joined the [Net Zero Asset Managers \(NZAM\) Initiative](#), which is an alliance of global asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius.

For more detail on the technical specifications of our net zero strategy, including our emissions boundaries, please visit our [Net Zero by 2035 Action Plan](#).

(1) International Panel on Climate Change
(2) World Green Building Council
(3) Reduction targets are relative to 2019 baseline.
(4) Gold Standard, Verified Carbon Standard or equivalent.

Sustainability

Net Zero Communities Through District Energy

Zibi, Dream's 34-acre waterfront community, is one of Canada's largest net zero communities because of its zero carbon District Energy System.

The District Energy System became fully operational in February 2022. This is a significant milestone for the project after years of design, construction and innovation. The District Energy System provides heating, cooling and domestic hot water needs for Zibi. The entire 4 million square feet of residential and commercial buildings at Zibi can now be interconnected through a hydronic loop that delivers hot and cold water to energy transfer stations at each individual building. A first in North America, low-grade heat from effluents will be recovered from the end of the tissue-making process at the neighbouring Kruger Products' tissue plant and injected into the new central energy plant. In the summer, heat will be rejected through chillers into the Ottawa River to efficiently produce chilled water to cool the buildings.

As each building at Zibi is developed, it will be connected to the Zibi District Energy System with minimal reliance on fossil fuels and net zero carbon emissions. Energy demand per building will also be significantly less than in typical code-compliant baseline buildings.



25%

reduction in operational building energy demand, compared with code-compliant baseline buildings

100%

of total building energy demand met through zero carbon sources



“District energy has countless advantages including increased reliability, reduced greenhouse gas emissions, and overall lower costs. Moving toward zero carbon is the way of the future and Zibi is leading the way here in Canada.”

— Sean Lawrence, Partner, Kohn Architects

Sustainability

Decarbonizing Existing Buildings

Dream is working with the Canada Infrastructure Bank (CIB) to meaningfully decarbonize 18 existing properties across Dream’s portfolio.

Dream was the first asset manager and owner to receive funding from the CIB as part of their Commercial Building Retrofits Initiative. Decarbonization will be achieved through multiple capital projects aimed at improving building envelopes, switching from natural gas to electricity, and higher efficiency equipment to reduce the carbon footprint of our operations. CIB’s role in this is providing up to \$136.6 million in unsecured, long-term, low-rate financing on 80% of project costs to defray the costs associated with this leading-edge work.

Dream is undertaking detailed engineering work to finalize the scope of the retrofit interventions and will start construction activities later this year to complete all \$170.8 million of work over a 5-year period. The investments will fall under the following categories: **Mechanical & Electrical Upgrades**; **Envelope** (new windows and roofs); **Transportation** (EV chargers, and bike infrastructure); and, **Renewable Energy** (rooftop solar).

The combined investments will create 1,500 green jobs and result in an overall reduction in greenhouse gas emissions by a minimum of 30% across the portfolio by 2027.

The additional benefits of this work include lower operating costs, de-risking our buildings from the projected sharp increases in carbon pricing and making significant strides towards LEED Gold certifications across our portfolio.



~\$171 million

in capital improvements

>30% overall

reduction in GHG emissions

18 properties

being decarbonized

1,500

green jobs created

“We are proud to collaborate with Dream through its net zero emissions initiative. Our significant investment demonstrates a long-term commitment to expedite large-scale retrofits, which cut greenhouse gas emissions. By working with leaders in the Canadian real estate sector, we support economic growth while making our communities greener and more sustainable.”

— Ehren Cory, CEO, Canada Infrastructure Bank

Our Impact

Attainable & Affordable Housing

We are dedicated to the integration of market and affordable units and to provide access to housing for people of all income levels. Throughout 2021, we have expanded our portfolio of affordable units through the completion of development projects and acquisition of new buildings.



2,530

affordable units completed or under development

\$42.4 Million

in annual rent savings compared to market rates

For detailed information on KPIs please refer to page 19.



West Don Lands
Toronto, ON

Affordability

Building New Affordable Housing

Aalto Suites, which began welcoming residents in December 2021, represents the first 100% purpose-built multi-family rental building in Zibi's master-planned development.

The 15-storey, 162-unit project features many affordable and accessible suites in one of Canada's most sustainable communities.

Located steps from the Ottawa River, this prominent building in downtown Gatineau benefits from unparalleled views of the Chaudière Falls and Parliament Hill. It delivers varying depths of affordability across 160 one-bedroom and two-bedroom units. Additionally, Aalto Suites is an accessibly designed building equipped with 17 barrier-free units as well as 2 adaptable and 2 universal-design suites to offer versatility in meeting residents' accessibility needs.

As Canada's first designated One Planet Living community, Zibi is striving to put sustainability on display and promote improved environmental stewardship. The 1,200 sq. ft. commercial space on the ground floor of Aalto Suites will serve as the One Planet Living Visitors' Center to showcase Zibi's District Energy System plant housed below and the 10 principles of the sustainability framework that guide the community's development. Residents and visitors alike will be offered the opportunity to learn about how the District Energy System reduces waste consumption and generation, repurposes material on site, relies on zero-carbon energy sources, and much more.

“Every Canadian deserves a safe and affordable place to call home. Our government is taking action, through projects like this one, to increase the supply of affordable rental housing. Zibi Block 10 will be able to provide Gatineau families with the access they need to: jobs, services and amenities.”

— The Honourable Ahmed Hussen, Minister of Families, Children and Social Development and Minister responsible for Canada Mortgage and Housing Corporation (CMHC)

100%

purpose-built rental

160

affordable units

\$1.4 million

annual rent savings compared to market rate



Zibi
Ottawa, ON / Gatineau, QC

Affordability

Delivering Affordable Housing in Existing Communities

In August 2021, Dream acquired Weston Common – a two-tower, 841-unit, multi-family rental property in northwest Toronto and has since added 137 new affordable rental units to the existing 52 affordable units, created community programs to address tenant needs and improved environmental performance.

Weston Common consists of a recently completed 369-unit rental building (West22) and a 472-unit rental building (The Residence at Weston) constructed in the 1970s. Through our investment at Weston Common, The Residence at Weston will see important building improvements made, including interior unit improvements, significant upgrades to the environmental performance of the building (GHG emission reduction by 30%)⁽¹⁾ and a new rooftop garden for outdoor activities. Dream has also committed to provide 40%(189) of the units as affordable rental housing through the innovative CMHC MLI Select program.

At The Residence at Weston, we have specifically targeted our affordability program to the socio-demographic needs of the community, specifically focusing on the large number of families with children that currently live in the area and the many new Canadians that continue to make Weston home. Working with our Dream Community Foundation we have developed and implemented a number of on-site community programs, such as a breakfast club, fitness classes and tutoring program, that will improve the overall health and wellness of our community.

40%

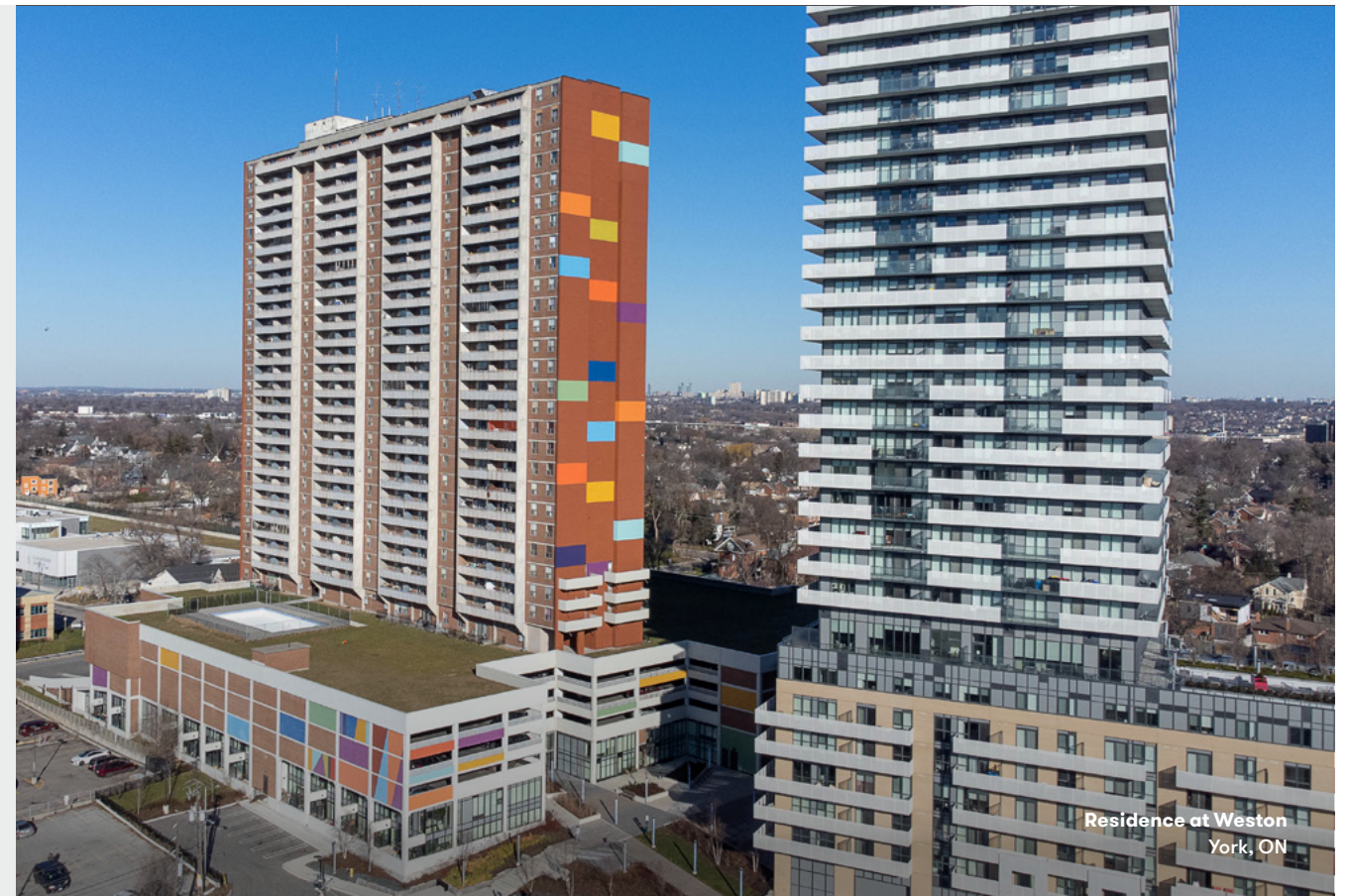
affordable rental units

30%

of median renter income set as affordable rent

\$730,000

of annual rent savings⁽²⁾



Innovative Financing Solutions – CMHC MLI Select

On December 1, 2021, CMHC announced a new financing program to both encourage green building improvements and ensure ongoing affordability in existing aging apartment rental buildings. Known as Multi-Unit (MLI) Select, this program is designed, among other things, to encourage private landlords to preserve and create affordable rental units while decarbonizing multi-unit residential housing. MLI Select emerged from a pilot program Dream implemented with CMHC at The Residence at Weston.

“An innovative new multi-unit mortgage loan insurance product focused on affordability, accessibility, and climate compatibility. The more committed you are to social and environmental outcomes, the better the incentives.”

— Source: [CMHC](#)⁷

⁽¹⁾ While the MLI Select financing is supporting capital improvements to achieve 15% GHG emission reductions at The Residence at Weston, Dream is also utilizing Canada Infrastructure Bank financing for building retrofit for an actual minimum target of 30% reduction.

⁽²⁾ Compared to market rents as a result of rents set at 30% of income.

Our Impact

Inclusive Communities

We are committed to building inclusive and equitable communities that reduce socio-economic inequalities and promote diversity. Inclusive, resident-driven, programming is key to creating spaces that encourage mental and physical health, and wellness.



\$25 million

committed for the creation of the Dream Community Foundation to foster programming towards priority groups.

20%

social procurement target for project spending and jobs for equity seeking groups.

For detailed information on KPIs please refer to page 19.



Inclusivity

Building Inclusive Communities Through Programming

As part of our commitment to building inclusive communities, Dream has launched the Dream Community Foundation to support programming initiatives in our communities.

The Dream Community Foundation is a non-profit organization dedicated to improving the well-being of individuals, families, and neighbourhoods across Canada. In conjunction with Dream, the Foundation supports and expands Dream's overall impact mandate with a specific focus on building inclusive communities through providing resident and community benefits and programming that goes above and beyond traditional property management.

These programs fall under four verticals:

- > Affordable Living
- > Health & Wellness,
- > Education & Skills
- > Culture & Belonging.

The foundation will work with existing non-profit organizations and will invest in programs and services that create a sense of belonging for residents and the community in general. We believe that the foundation, together with our impact work, will create communities that have a meaningful influence on people and help them lead their best lives.



The Foundation's first projects include Weston Common and seven apartment buildings throughout downtown Toronto. In time, it will contribute to significant programming at LeBreton Flats in Ottawa, at Quayside in Toronto, and in many other communities.



In a short period of time, the Foundation has delivered over 30 hours of community programming. This year, we expect to execute on a number of partnerships with non-profits based in the Weston-Mount Dennis neighbourhood to deliver significant weekly and monthly programs under the Affordable Living and Education & Skills verticals. Working in partnership with the Foundation's Weston Common Community Ambassador, residents and marginalized community members of both Weston Common and Dream's downtown apartment portfolio will benefit from programs such as health clinics, bike share memberships, free community fitness classes, access to healthy food and urban gardening, scholarships and tutoring for children, community skills training classes, book clubs, after-school visual arts drop-ins, and multi-faith community activations.

Inclusivity

Creating Economic Opportunity and Jobs

In November 2021, Dream announced an ambitious Social Procurement Strategy with four goals for 2025:

20%

of the annual value of all contracts to be awarded to local, independent and/or socially-responsible businesses

20%

of the annual value of all contracts to be awarded to businesses that are majority owned or managed by an equity-seeking group

20%

of annual jobs created through capital and operating spending to be filled by equity-seeking groups

30%

of apprentice hours worked on development projects to be by equity-seeking groups

Dream's social procurement initiative is not only the right thing to do, it also mitigates our supply chain risk and creates new business opportunities. The four metrics we have identified create real impact in and around the communities we build and manage. Two of the targets focus on how much money is directed to capable and qualified companies that may be often overlooked by large corporations. The second two targets diversify the project teams at every level.



An executive steering committee and a working group are overseeing the implementation of the strategy. In 2022, the team will be benchmarking our current procurement relative to our 2025 targets, creating an open-source database of diverse vendors available to anyone, incorporating social procurement aspects into contracts, and establishing reporting mechanisms.

Case Study

Decontie Construction

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.



Future Outlook

New Net Zero Communities

Building on our experience at Zibi, Dream has been chosen to develop two of the largest new net zero communities in Canada. Working with the National Capital Commission, Dream is developing Ottawa's largest CaGBC certified residential net zero community on the LeBreton Flats Library Parcel. A district energy system, utilizing sewer waste heat recovery and renewal solar power, will provide low carbon heat and electricity to over 600 households. In Toronto, Dream, and our partner Great Gulf, is working with Waterfront Toronto at Quayside to develop the largest net zero mixed-use development in the city, serving over three million square feet of residential, commercial, institutional and cultural uses. The three communities together represent over \$6 billion in sustainable investments that will service over 8 million square feet of new development.



Expanding Affordable Rental Housing

Dream is continuing to expand its portfolio of affordable rental housing units and complete construction on many of the units in our current pipeline. In West Don Lands, working with Tricon and Kilmer, we have 488 affordable residential rental units under construction, 231 of which will begin leasing in 2022, with occupancy beginning prior to year's end. At Zibi, we have broken ground on two new rental buildings with a total of 292 affordable rental units currently under construction and expected to occupy in 2023. In addition, at the LeBreton Flats Library Parcel, 130 of the 601 units will be owned and operated by a local not-for-profit organization and 117 units will be owned and operated by Dream at below market rents.

Community Programming

In our residential and mixed-use communities, Dream Community Foundation (DCF) will continue to provide programming tailored to the communities where we operate. Building on the successes with breakfast clubs, social activities for seniors, fitness and cooking classes, we will continue offering new programming with a focus on health and wellness. Our programs will be guided by the UN's social determinants of health model and move beyond pure healthcare access and quality. Specifically for students, we will continue to provide scholarships for students aspiring for a career in real estate development.

Within our commercial buildings, as more tenants return to their offices we will similarly work to implement inclusive programming as we introduce WorkPlace Animators. These Animators will be a resource to tenants and employees in our buildings and try to match the needs of our clients with specific programs around fitness, arts and culture, mindfulness, wellness and network opportunities with people in our community. We will also be dedicating an amenity space at 330 Bay that will allow us to host more health and wellness activities, events to enrich arts and culture and be a workspace to eligible community-based equity seeking groups.



Section 3

Impact Measurement

Dream is committed to transparency in how we measure impact and report on our key performance indicators annually.



Key Performance Indicators



Environmental Sustainability & Resilience

Dream established a 2019 baseline against which to measure our performance in relation to greenhouse gas emissions, electricity consumption and water usage.

As a by-product of COVID-related impacts, we saw a major improvement in the environmental performance of real estate assets in 2020 which continued in 2021 even as building occupancy began to increase. While we expect to see a return to more normalized activities in 2022 and beyond, we will also be implementing capital improvements in existing buildings and completing new developments that help us continue to see improvements against our baseline. In addition to these metrics, we also continue to see improvements in waste diversion rates and have begun to roll out EV-charging stations in various buildings.

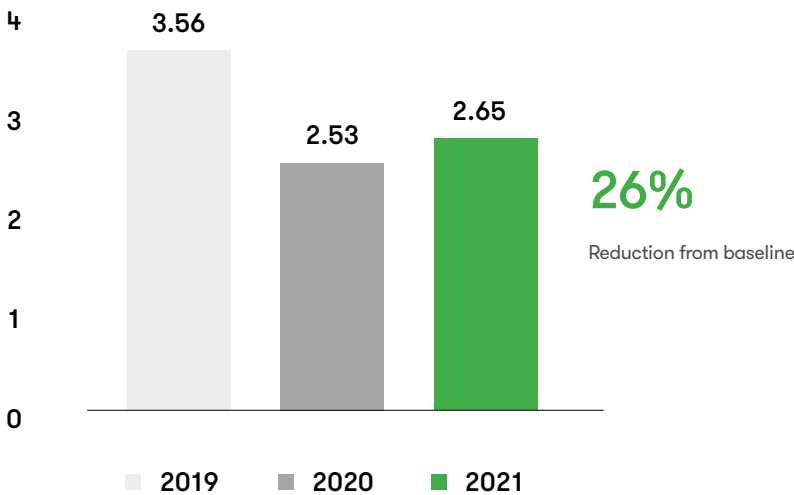
6,768.70

total GHG emissions reduction
2021 (tonnes)

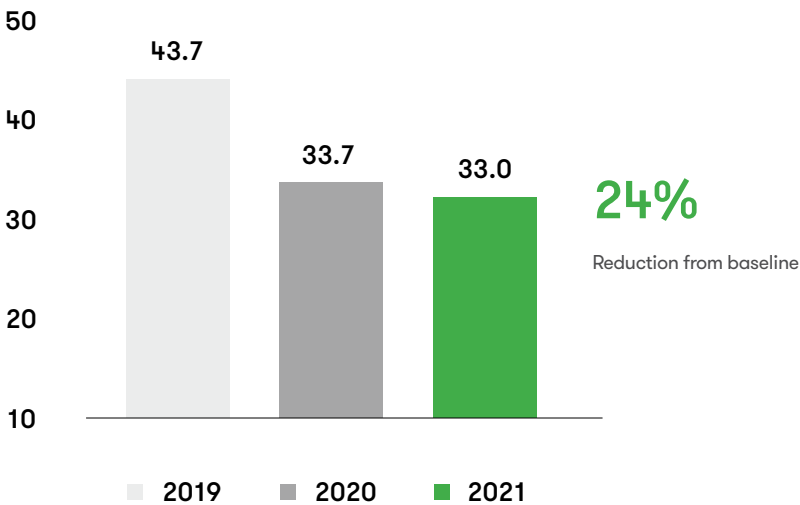
93

total number of EV
charging stations

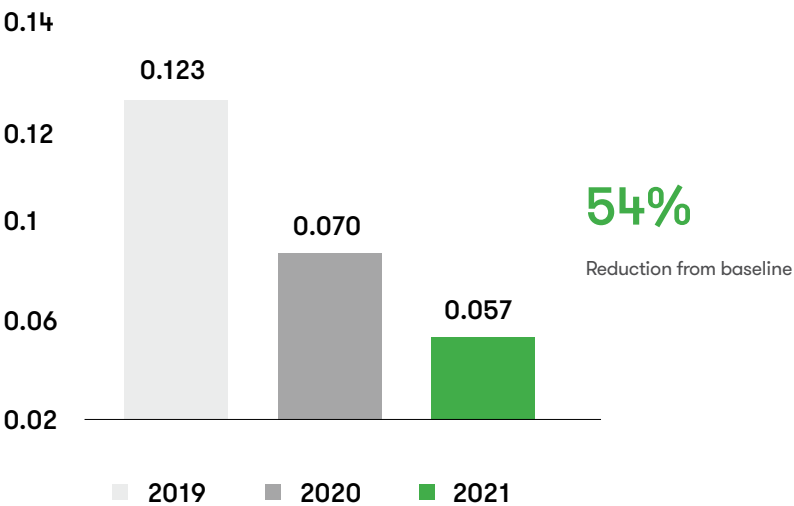
Greenhouse Gas Emissions (kgCO₂e/ft²)⁽¹⁾⁽²⁾



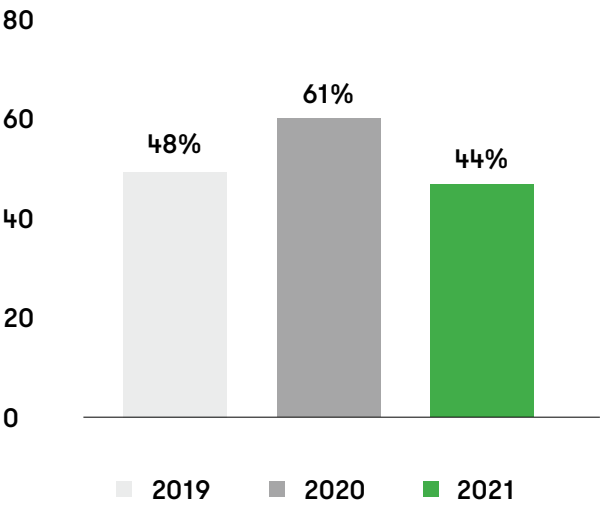
Energy Usage (ekWh/ft²)⁽¹⁾



Water Consumption (m³/ ft²)⁽¹⁾



Waste Diversion⁽¹⁾



(1) Sustainability KPIs are as at December 31, 2021. Data reflects Impact AUMs as illustrated on page 24 excluding Weston Commons, Distillery District and Arapahoe Basin and properties under development or major renovation (see notes below). Quinn & Partners Inc. conducted verification of Dream Impact Trust and Dream Office REIT's 2021 energy, water, waste and GHG emissions statements to a limited level of assurance in accordance with ISO 14064- 3:2019. A copy of the Verification Statement is available [here](#).

(2) GHG emission factors provided by the government for electricity delivered through the grid in each province are subject to change and be re-stated (i.e. recalculated) annually by each jurisdiction. As a result, Dream's GHG emissions values per property may be recalculated and changed in the next report. We strive to use the most current GHG emission factors and to be consistent within comparisons.

Note: Assured sustainability KPIs were unavailable for Distillery District and Arapahoe Basin at time of publication and are not included in the total above, but will be assured for disclosure in the 2022 Sustainability Report. Assured data was not available for Weston Commons for 2021 as it was purchased in late 2021. 2021 waste diversion estimate excludes 76 Stafford St.

Key Performance Indicators



Attainable & Affordable Housing

In 2021, Dream saw the occupancy of our first multi-family rental building in Zibi and the purchase of the Weston Common residential apartments in Toronto, both of which provide affordable rental housing units. As of March 31, 2022 we had 2,530 affordable units across the Dream group of companies (a 123% increase from the previous year). At completion, this pipeline will provide for \$42.4 million in annual rent savings for our residents compared to market rents in the same geographic market.

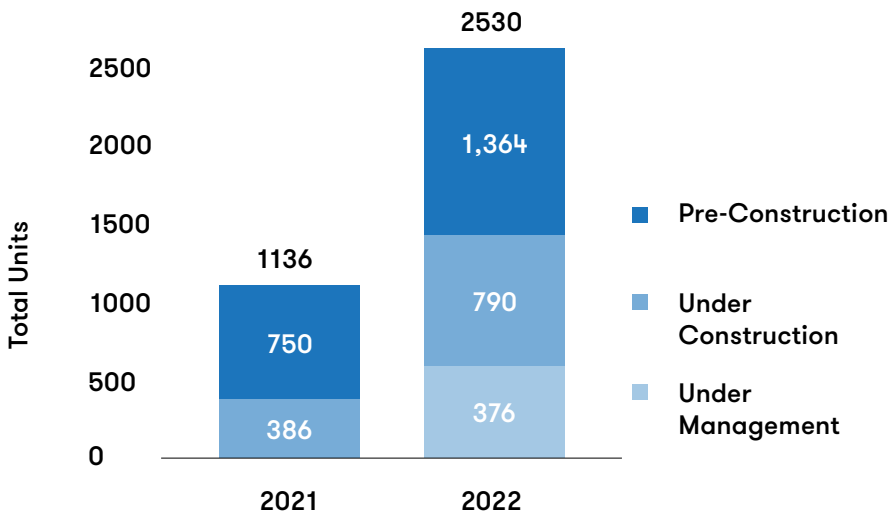
2,530

total affordable rental units across the Dream platform⁽¹⁾

\$42.4 million

annual rent savings from our full pipeline compared to market rents

Total Affordable Rental Units of Dream Group of Companies



(1). This includes all units under management, under construction or approved as at December 31, 2021 plus Q1 2022 confirmation of LeBreton Flats and Quayside projects.



Inclusive Communities

In 2021, we made significant advancement in establishing our key performance indicators for inclusivity. Through the development of our social procurement strategy, we have now developed specific targets around procurement and jobs for equity seeking groups and will be reporting on progress towards our 2025 targets. Through the Dream Community Foundation, we are now implementing programming within our communities and will be reporting on the amount of programming as well as the participation and effectiveness of our initiatives.

20%

of value of project spending to suppliers that are local, independent and/or socially responsible

20%

of value of project spending to suppliers that are local, independent and/or socially responsible

20%

of jobs created through project spending to be filled by equity-seeking groups

30%

of apprentice hours worked by individuals from an equity-seeking group



45% of managers and above are women at the Dream Group of Companies



50% or more of women on Dream Unlimited, Dream Impact and Dream Office Boards



Our Impact Verticals



Environmental Sustainability and Resilience

Develop sustainable real estate that optimizes energy use, limits GHG emissions, and reduces water use and waste while also creating resiliency against natural disasters and major climatic events.



Attainable and Affordable Housing

Invest in mixed-income communities that are transit-oriented, located close to employment opportunities, and support an overall lower relative cost of living with high quality of life.



Inclusive Communities

Intentionally design and program communities that are safe and inclusive for everyone. This includes creating spaces that encourage mental and physical health, and wellness.



At Dream, we are focused on UN SDG 11: Building Sustainable Cities and Communities with the goal of making cities and human settlements inclusive, safe, resilient, and sustainable. Through successfully supporting UN SDG 11, we will also support the achievement of several other UN SDGs and address three main societal challenges of climate change, housing affordability and social inclusion.



Dream supports the Sustainable Development Goals.

Impact Measurement

Certifications and Standards

Dream is committed to transparent, reliable and verifiable measurement of our impact.

Our Impact Management System incorporates methodologies from a handful of established frameworks, including industry shaping initiatives such as The Operating Principles for Impact Management, the Global Impact Investment Network and the Impact Management Project. Through formal verification of our process - conducted by BlueMark Tideline in 2021 - and participation in various industry assessments and certifications, our impact outcomes are regularly confirmed by third parties.

Aligned with industry leading methodologies and standards



Green Building Certifications

Green building certifications help us to incorporate a range of sustainability features into our physical properties and our daily practices. 100% of our office properties within GTA over 100,000 square feet are BOMA BEST Certified. In addition, our portfolio includes assets with Canada Green Building Council's (CaGBC) LEED certification and WELL Health-Safety certification.



GRESB Score

Both Dream Office REIT and Dream Impact Trust achieved a five-star rating in the 2021 Global Real Estate Sustainability Benchmark (GRESB) assessment with a score of 91/100 and 90/100, respectively, placing them in the top 20% of the global benchmark.



Green Leases

Recognized as a Green Lease Leader (Gold) by the Institute for Market Transformation and the US Department of Energy Better Buildings Alliance in 2021.

Measuring Impact Through the Dream Impact Scoring System

What?	What are the expected impact outcomes of the investment? Identify up to five pathways that are measurable, benefit people and/or planet, and can be improved during the investment horizon? (Pathways all connect to at least one UN SDG – this section does not produce a score)
How much?	Will the investment produce deep and lasting impact? Duration – how long will the impact last? (scored on 1-5 scale) Degree – what is the extent of the social or environmental change to the beneficiary? (scored on a 1-5 scale)
Who?	Who will be affected? Are there many stakeholders, and how well-served are they already? Number of People – how many people will be affected? (scored on a 1-5 scale) Need of People/Planet – what is the relative need for this investment? How well served were the benefiting stakeholders before the investment? (scored on a 1-5 scale)
Sum of Scores	The sum of both the “How Much” and “Who” section. This will derive the pathway’s score which will then be multiplied by the multipliers explained below.
Contribution?	Contribution Multiplier – How essential was Dream in achieving the impact? Would it have happened anyway? (scored on a Low/Medium/High (1.0/1.2/1.4) scale)
Scale?	Scale Multiplier – Solely based on the size (GFA) of the investment (scored on a 1.0 – 2.0 scale)
Risk?	What is the risk (Low/Moderate/High) that the investment fails to achieve its intended impact? (No score is associated with this, but it does inform investment decision-making)
NET IMPACT SCORE	The average score of the investment’s combined pathways.



Impact Measurement

Impact Management Scoring Summary

Investment scores for positive impact in accordance with each of the UN SDGs, are summarized on a point system. An average of the sum of the asset’s scores multiplied by the scale of the project is the investment’s simplified Net Impact Score.

+1

Dream’s activity achieves positive impact under one or more impact verticals

+2

Achieves above requirement and...

Dream’s activity generates significant impact for the community or environment

+3

Achieves above requirements and...

Dream’s activity achieves impact above and beyond industry best practices for the community or environment

+4

Achieves above requirements and...

Dream’s activity pioneers positive impact for the community or environment

Average Pathway Score (1-4)

x Scale Multiplier (1-2)

= Net Impact Score (1-8)

(1) (1 = less than 400,000 sq. ft; 1.5 = 400K-1M sq.ft; 2 = greater than 1M sq.ft)

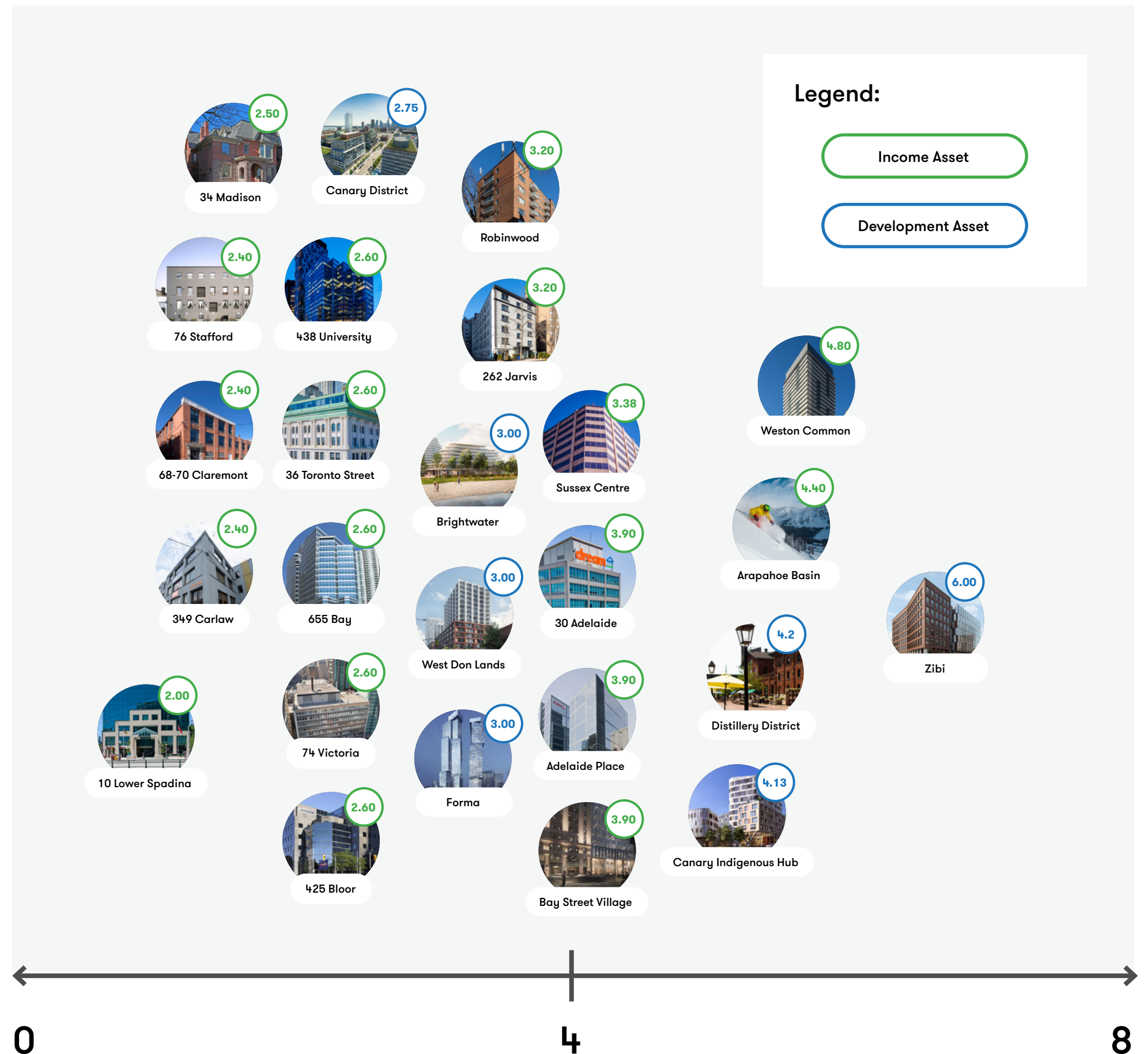


Impact Measurement

Impact Management Scores

The Dream Impact Management System (IMS) has been utilized to assess and score the following assets.

We seek to maintain a broad range of impact assets that can deliver a wide variety of positive outcomes across different property classes and different scales of impact. To date, we have focused on our urban mixed-use, office and apartment residential properties to ensure they are delivering measurable outcomes across our three impact verticals. We have also carefully assessed important and unique assets like the Distillery District historical village in Toronto and Arapahoe Basin ski hill in Colorado. We will continue to expand the use of our IMS through new pursuit, acquisitions and internal assessment of assets, and we will report overall scores on an annual basis.



Non-GAAP Measures

Specified Financial Measures

AUM is the respective carrying value of gross assets managed by the Company on behalf of its clients, investors or partners under asset management agreements, development management agreements and/or management service agreements at 100% of the client’s total assets. All other investments are reflected at the Company’s proportionate share of the investment’s total assets without duplication. Assets under management is a measure of success against the competition and consists of growth or decline due to assets appreciation, changes in fair market value, acquisitions and dispositions, operations gains and losses, and inflows and outflows of capital.

Forward-Looking Information

Certain information in this Impact Report (this “Report”) may constitute “forward-looking information” within the meaning of applicable securities legislation. Such statements include, but are not limited to, statements with respect to certain objectives of Dream Unlimited Corp. (“Dream Unlimited”), Dream Office Real Estate Investment Trust (“Dream Office REIT”), Dream Industrial Real Estate Investment Trust (“Dream Industrial REIT”) and Dream Impact Trust (“Dream Impact” and, collectively, “Dream” or “Dream group”) and strategies to achieve such objectives; statements relating to the sustainability goals of Dream, including the target to achieve net zero greenhouse gas emissions by 2035 and the achievement of certain emission reduction targets and milestones until 2050, each in respect of the applicable Dream group entity’s GHG emission scopes and emissions boundaries; Dream’s ability to implement its Net Zero Action Plan, and the overall reduction of the environmental impact of Dream’s operations and developments; our ability to implement Dream’s Social Procurement Strategy, including its job creation targets and allocation of contracts to equity-seeking groups, benchmarking social procurement relative to 2025 targets, and establishing reporting mechanisms; Dream’s capacity to address its three impact verticals; Dream’s commitment to implement its Impact Management System and measure and report on its impact initiatives, targets and outcomes, including in respect of its impact verticals, and provide third-party verifications of such matters in Dream’s annual Impact Report and Corporate Sustainability Report; the implementation of building portfolio level certifications and participation in industry assessments regarding impact matters; Dream’s commitment and involvement with certain organizations and initiatives in respect of environmental, social and governance matters; Dream’s affordable housing and net zero development pipeline; Dream’s committed capital to decarbonize buildings; the goal of reducing carbon emissions in new developments and existing buildings in line with international standards and commitments, and the types of investments that Dream plans to make to achieve such reductions or balance its emissions; the expectation that Dream’s Net Zero Action Plan will generate financial returns and create stakeholder value; plans regarding the development, implementation of building retrofits, improvement of environmental performance and expansion of affordable housing at certain projects, including Weston Common, LeBreton Flats Library Parcel, Quayside, and West Don Lands; the functioning and benefits of the Zibi District Energy System, including in respect of the Zibi developments; the expected increase in value, resiliency and desirability of impact assets; Dream’s goal to maintain a range of impact assets that deliver a variety of impact outcomes; expectations regarding the Dream Community Foundation, including its pledged capital, plans regarding investments, activities, partnerships, and benefits; Dream’s commitment to build inclusive and equitable communities; expectations regarding the implementation and timing of retrofits and expansion of affordable housing in connection with, and benefits to be derived from, the financing programs of the Canada Infrastructure Bank (“CIB”) and Canada Mortgage Housing Corporation (“CMHC”), including in respect of building decarbonization, green jobs creation, and building certifications; and Dream’s intended use of proceeds from impact and green debt offerings and financing from CIB and CMHC.

Forward-looking information generally can be identified by words such as “outlook”, “objective”, “may”, “will”, “would”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “should”, “could”, “likely”, “seek”, “strive”, “plan”, “target”, “project”, “forecast”, “budget” or “continue” or similar expressions suggesting future outcomes or events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream’s control, which could cause actual results to differ materially from those disclosed in or implied by such forward-looking information. The assumptions, which may prove to be incorrect, include, but are not limited to, assumptions with respect to each of our markets, including that the general economy remains stable; the gradual recovery and growth of the general economy continues over the remainder of 2022; that no unforeseen changes in the legislative and operating framework for our business will occur; that we will meet our future objectives, priorities and growth targets; that we receive the licenses, permits or approvals necessary in connection with our projects; that government restrictions due to the novel coronavirus (“COVID-19”) will continue to ease and will not be reimposed; that we will have access to adequate capital to fund our future projects, plans and any potential acquisitions; that we are able to identify high quality investment opportunities and find suitable partners with which to enter into joint ventures or partnerships; that we do not incur any material environmental liabilities; that interest rates remain stable; there will not be a material change in foreign exchange rates; conditions within the real estate market remain consistent; and competition for and availability of acquisitions remains consistent with the current climate. Although the forward-looking statements contained in this Report are based on what Dream believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Factors or risks that could cause actual results to differ materially from those set forth in the forward-looking statements and information include, but are not limited to, the risk of adverse global market, economic and political conditions and health crises; geopolitical risks, including war or hostilities between countries, threat of terrorist activities and responses to and results of these activities; risks inherent in the real estate industry; the impact of COVID on Dream; risks relating to investment in development projects; impact investing strategy risk; risks relating to geographic concentration; risks inherent in investments in real estate, mortgages and other loans and development and investment holdings; credit risk and counterparty risk; competition risks; environmental and climate change risks; risks relating to access to capital; interest rate risk; the risk of changes in governmental laws and regulations; tax risks; foreign exchange risk; acquisitions risk; and leasing risks.

All forward-looking information in this Report speaks as of the date of this Report. Dream does not undertake to update any such forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Additional information about these assumptions and risks and uncertainties is contained in the Dream group’s filings with securities regulators, including their latest annual information forms and MD&As. These filings are also available at Dream Unlimited’s, Dream Office REIT’s, Dream Industrial REIT’s and Dream Bank Impact’s websites at www.dream.ca, www.dreamofficereit.ca, www.dreamindustrialreit.ca, and www.dreamimpacttrust.ca.



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