



2023 Sustainability Report

Building Better Communities





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For more information on sustainability at Dream please visit our website.

sustainability.dream.ca

Cover image:
Canary District
Toronto, ON



Reading Our Report

This Sustainability Report (the “Report”, or “Sustainability Report”) is divided into sections comprising each publicly listed Dream entity: **Dream Unlimited Corp.**, **Dream Impact Trust**, **Dream Office REIT**, **Dream Industrial REIT** and **Dream Residential REIT**. The introduction, and subsequent Environmental/Net Zero, Social and Governance sections focus on the shared net zero strategy, social policies, processes and programs, and governance and risk management for the Dream group of companies.

The Dream group of companies (collectively referred to as “Dream”, the “Dream group”, the “Dream entities”, “we”, or “our”) includes:

Dream Unlimited Corp. (TSX: DRM) ➤
[“Dream Unlimited”, or “DRM”]

Dream Impact Trust (TSX: MPCT.UN) ➤
[“Dream Impact”, or “MPCT.UN”]

Dream Office Real Estate Investment Trust (TSX: D.UN) ➤
[“Dream Office”, or “D.UN”]

Dream Industrial Real Estate Investment Trust (TSX: DIR.UN) ➤
[“Dream Industrial”, or “DIR.UN”]

Dream Residential Real Estate Investment Trust (TSX: DRR.U and DRR.UN) ➤
[“Dream Residential”, or “DRR.U”]

The remainder of this report focuses on the environmental, social and governance (“ESG”) performance and practices of each public entity. Each entity has specific investment objectives and a unique underlying business which drives its ESG initiatives and the information reported on.

We realize the majority of our readers will focus on the entity chapter(s) which coincides with their interests or investments. We have therefore structured this report so each entity chapter can be read on a standalone basis resulting in some repetition across entity chapters.



The Overstory at Quayside
Toronto, ON



About this Report

Our 2023 Sustainability Report discloses the most relevant ESG topics and impacts of our activities for the year ended December 31, 2023. This Report also highlights our 2023 ESG initiatives and accomplishments and presents our forward-looking plans for 2024. Reports from previous years are available on our website. The [2022 Sustainability Report](#) was published in May 2023.

Reporting Scope and Boundaries

This Report encompasses the Dream group of companies. All information and performance data contained in this Report reflects the period from January 1, 2023 to December 31, 2023, unless otherwise stated. All amounts are reported in Canadian dollars unless otherwise stated. There have been no restatements from the information published in the 2022 Sustainability Report, unless otherwise stated in footnotes.

Approvals

This Report on the recommendation of the Governance Committees have been approved by the following boards and executives of each entity.

DRM	MPCT.UN	D.UN	DIR.UN	DRR.U
• Board	• Board	• Board	• Board	• Board
• CRO	• Portfolio Manager	• CEO	• President & CEO	• CEO
• CFO	• CFO	• CFO	• CFO	• CFO
		• COO		• COO

External Assurance

PricewaterhouseCoopers LLP (“PwC”) has performed a limited assurance engagement over select performance metrics for Dream Unlimited, Dream Impact, Dream Office, Dream Industrial, and Dream Residential, which have been identified with the symbol “✓” throughout this Report. This Report and the information contained within is unaudited. For more information about the scope of PwC’s work, including the select performance metrics and data in scope of the assurance click on the following links: [Dream Unlimited](#), [Dream Impact](#), [Dream Office](#), [Dream Industrial](#), [Dream Residential](#).

Contact

For any questions or feedback regarding this report, please contact our sustainability and ESG team at: sustainabilityandesg@dream.ca

Reporting Standards

This Report has been prepared with references to the Global Reporting Initiative (“GRI”) Standards. It also includes indicators from the Sustainability Accounting Standards Board (“SASB”) Real Estate Standard and addresses the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”). In addition, Dream Industrial’s disclosures include alignment with the European Public Real Estate Association (“EPRA”) Sustainability Best Practices Recommendations (“sBPR”) for sustainability reporting. These standards are referenced in the reference tables starting on [page 56](#) of this Report.

In June 2023, the IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) published two Sustainability Disclosure Standards. While not currently mandatory in Canada, we are monitoring the implications of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures on our future reporting.

Other Reporting

For more information on our sustainability and impact initiatives and progress, please refer to our other reports:

[2023 Impact Report](#)

[Net Zero by 2035 Action Plan](#)

[Dream Industrial’s Green Use of Proceeds Report 2022](#)

For more information on each of the Dream entities, please refer to their respective 2023 Annual Reports and 2023 Annual Information Forms:

DRM 2023 Annual Report	DRM Annual Information Form
MPCT.UN 2023 Annual Report	MPCT.UN Annual Information Form
D.UN 2023 Annual Report	D.UN Annual Information Form
DIR.UN 2023 Annual Report	DIR.UN Annual Information Form
DRR.U 2023 Annual Report	DRR.U Annual Information Form



Maple House at Canary Landing
Toronto, ON

01

Dream Group of Companies

Dream Group of Companies

Introduction

Founded in 1994 with a vision to revolutionize the way people live and work, the Dream group of companies have become some of Canada's leading real estate companies, with approximately \$24 billion of assets under management across its platform.⁽¹⁾

⁽¹⁾ As at December 31, 2023. Assets under management is a supplementary financial measure in respect of DRM. Please refer to the **Specified Financial Measures and Other Disclosures section** of this Report.



Hans-Böckler-Strasse 35
Minden, Germany

Letter from Chief Responsible Officer

Over the past few years, Dream has undergone a significant transformation as we focused on growing our asset management business, owning and operating income properties, specifically purpose-built rentals, and the continued development of our exceptional projects. We are proud to have made these changes while the real estate industry is experiencing significant challenges from high interest rates, inflation and economic uncertainty.

Alongside our progress, we’ve found meaningful ways to deliver on our goal of **Building Better Communities**. We believe our business can create positive and measurable impacts on people and the planet, create new business opportunities, and deliver stakeholder value.

We continued to work collaboratively with municipalities and the federal government on zoning and financing solutions to create more housing for our communities. This year, we completed over 950 purpose-built rentals in our development pipeline, the most in our history, including the LEED Gold certified Maple House at Canary Landing and Aalto II at Zibi, our net zero community. This showcases how we are effectively leveraging our existing land assets to generate recurring income with strong returns, while addressing the critical need for housing across the country and minimizing our environmental footprint.

Our team is executing on our development pipeline, including Zibi, Dream LeBreton, and Quayside, with nearly 7,700 housing units and 2.5 million sf in commercial/retail GLA, all of which are intended to be net zero. This positions us to develop a projected \$6 billion worth of net zero communities in North America⁽¹⁾, which will help us realize economies of scale, attract financing and capitalize on tenant demand for sustainable spaces to generate returns for our investors. Constructing to green building standards is becoming table stakes in the markets where we operate and we are well prepared based on our track record to navigate these requirements.

Sustainability remains a key priority for Dream Industrial. In 2023, we advanced many of our sustainability goals including the completion of 3.7 MW of solar projects and achieved 3.5 million sf in green certifications. While our renewable energy program is less than two years old, it has already contributed over \$1 million to our annual NOI and we will continue to pursue additional opportunities as they arise to further scale these returns.

Across our office portfolio, we continued to realize energy, water and GHG emissions reductions from operational efficiencies and projects we’ve completed in the past. We are prudently managing our capital and are focused on leveraging our existing capabilities and funding sources to yield results, such as certifying more of our office portfolio to green building standards while reducing our equity outlay by using our Canada Infrastructure Bank credit facility.

We are proud of our accomplishments at Arapahoe Basin, where we achieved carbon neutrality in late 2023.⁽²⁾ We co-founded the National Ski Area Association’s Sustainable Slopes Environmental Charter over 20 years ago, and set seven ambitious sustainability goals in 2018. The value-add sustainability initiatives undertaken by the team have helped build the brand, positioned the asset well with its customer base and contributed to a great return on investment.

We were once again recognized as one of Greater Toronto’s Top Employers and one of Canada’s Best Workplaces™ in Real Estate & Property Development. Building a winning team and culture is key to our future success. Our people and their passion to make a positive difference is reflected in everything we do. The work we have done to date and the accomplishments highlighted in this report would not be possible without the commitment and hard work of our great team.

The long-term risks from climate change continue to be a concern in the investment community and economic uncertainty in the near-term continues to challenge the real estate market. Against this backdrop, we are looking at how building a resilient and sustainable business can protect asset value, maintain strong liquidity levels, differentiate ourselves and deliver market returns to investors.

We are encouraged by our track record of executing on our projects, being pragmatic in our decision-making and delivering impactful results. We look forward to sharing more of our work with you in this report as we continue to evolve and challenge expectations of the impact a real estate company can have.



“Michael J. Cooper”
Michael Cooper
Chief Responsible Officer
Dream Unlimited Corp.

June 11, 2024



Maple House at Canary Landing
Toronto, ON

(1) GFA and GLA are at 100% project level and include planned units, which are subject to change pending various development approvals. Planned residential units may be developed as condominium units or purpose-built rentals as supported by market demands, targeted studies and return objectives.
(2) For more information on Arapahoe Basin’s carbon neutrality goals and progress, please refer to <https://www.arapahoebasin.com/sustainability/>

Letter from Head of Sustainability and ESG

In our fifth consecutive Sustainability Report, we are proud to share updates on how our journey to build a more sustainable business that creates positive impact is progressing. It is commonly stated that real estate is responsible for about 39% of global GHG emissions. But when we dig further into this number, we find that approximately 28% is from operational emissions and the remaining 11% is from embodied carbon associated with materials and construction during the development stage⁽¹⁾. As we are over two years into our net zero journey, we now have completed several projects to reduce operational emissions and we have several initiatives to reduce embodied carbon from our developments underway, which we will continue to learn from to optimize our strategy moving forward.

We’ve made significant progress in refining our net zero delivery strategies and integrating them across our business. To do this effectively, we’ve used in-house expertise and tools, and scaled our program to more assets, to reduce overall costs and time to meet the goals set out in our business plan.

In 2023, we also continued to secure funding for our decarbonization retrofits. Three of Dream’s properties were selected, out of eight total selected projects, to participate in the City of Toronto’s Deep Retrofit Challenge (“DRC”) and are eligible to receive grants of up to \$500,000 to accelerate emissions reductions from buildings in Toronto and identify pathways to net zero that can be replicated in other buildings across the city.

We continued to decarbonize our existing office and apartment assets using attractive financing provided by the Canada Infrastructure Bank (“CIB”). We’ve drawn over \$23 million of this funding across 14 properties in a responsible manner towards our net zero goals. These projects can reduce GHG emissions, reduce operating costs, modernize the buildings, improve the tenant experience and protect asset value. As part of this program, we have achieved the rigorous Investor Ready Energy Efficiency (“IREE”) certification for 19 properties⁽²⁾ and, as a result, we have the largest portfolio of IREE certified projects in Canada.

For its renewable power program in Canada, Dream Industrial has secured over \$800,000 in government and utility incentives to support 2.6 MW of solar projects. In the Netherlands, all of the solar projects completed and underway have been granted the government’s energy production subsidy scheme (“SDE” or SDE++”), which guarantees a fixed energy rate for the solar project for 15 years and, in 2023, 17 additional projects were approved for SDE++.

Using government funding sources like the CIB and DRC preserves our equity while achieving our business plan goals and creates new revenue streams, such as through renewable energy production.

We are proud to have completed our inaugural United Nations Principles for Responsible Investment (PRI) submission and continued our Net Zero Asset Managers initiative reporting – both demonstrating transparency, accountability and good governance over the commitments we set. We successfully have implemented many best practices on integrating sustainability, impact and ESG into our investment decision making and, as a result, achieved excellent results with our PRI scores.

We also increased our participation in the GRESB Real Estate Assessment with four submissions in 2023 for our public companies and are proud of the results, providing our investors with extensive information on our progress on the management and performance of sustainability and ESG-related risks and opportunities.

In 2023, we launched a Climate Resiliency Working Group to bring various stakeholders together to collaborate on pragmatic strategies for our assets to adapt to the changing environment.

We have also continued preparing for sustainability and climate-related regulations in Canada, the United States and Europe, leveraging our shared platform to reduce compliance costs and position us well for further investment.

We hope you continue to find our reporting informative, educational, and inspiring as we continue our sustainability journey.



“Lee Hodgkinson”
Lee Hodgkinson
Head of Sustainability and Technical Services
Dream Unlimited Corp.

June 11, 2024



(1) World Green Building Council, Bringing Embodied Carbon Upfront - <https://worldgbc.org/advancing-net-zero/embodied-carbon/>
(2) As at December 31, 2023.

About the Dream Group of Companies⁽¹⁾

Dream Unlimited is the flagship of the Dream group of companies, and is an asset manager, owner, and developer of real estate.

Our purpose is to **Build Better Communities**. ESG and impact are ingrained in how we manage our buildings and run our business. Our commitment to sustainability aligns with our values and guides how we think, live and work.

Across the Dream group we have:

\$24 billion
of assets under management⁽²⁾

645
total employees⁽³⁾

\$5.2 billion
of properties in the U.S. and Europe

~35,000
condominium and purpose-built rental units in the Dream group portfolio (including development pipeline)

71.4 million
sf gross leasable area (“GLA”) co-owned and managed by Dream Industrial⁽⁴⁾

5.1 million
sf GLA owned by Dream Office

(1) As at December 31, 2023, unless otherwise stated. Represents combined totals except as otherwise stated.

(2) As at December 31, 2023. Assets under management is a supplementary financial measure in respect of DRM. Please refer to the [Specified Financial Measures and Other Disclosures section](#) of this Report.

(3) Includes only employees employed by Dream Asset Management Corporation, Dream Industrial Management Corp., Dream Office Management Corp., Dream U.S. Manager LLC, Dream European Advisors GmbH, Dream Netherlands Advisors B.V., Dream US Manager LLC, Dream France Advisors SAS, Dream Europe Advisors Coöperatieve U.A and Dream Summit Industrial Management Corp. Does not include employees at recreational properties, employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave), interns, Avrio employees and DRRJ employees of Pauls Corp.

(4) Includes DIRJUN’s owned and managed properties as at December 31, 2023. Managed properties include assets held in a joint venture between GIC and DIRJUN in which DIRJUN has a 10% interest (“the Dream Summit JV”) and U.S. assets held in a private U.S. industrial fund (the “U.S. Fund”).



Canopy Park at Alpine Park Community
Calgary, AB

Our Public Entities



Dream Unlimited Corp. | TSX: **DRM**

\$24 billion

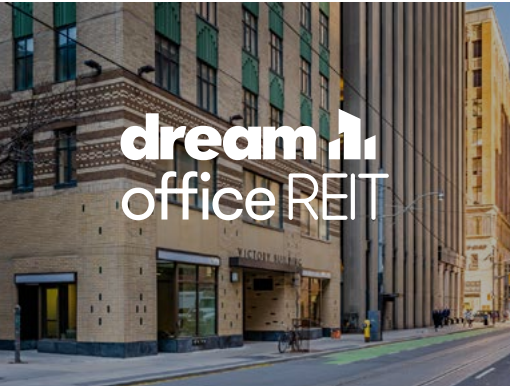
of assets under management⁽¹⁾



Dream Impact Trust | TSX: **MPCT.UN**

\$707.4 million

total assets



Dream Office REIT | TSX: **D.UN**

\$2.7 billion

total assets



Dream Industrial REIT | TSX: **DIR.UN**

\$6.9 billion

investment properties fair value



Dream Residential REIT | TSX: **DRR.U and DRR.UN**

US \$411.9 million

total assets



Dream Private Investment Vehicles

Dream Impact Fund is one of Canada’s first real estate impact funds, focused exclusively on investments that generate measurable social, environmental, and financial returns.

Dream Summit Industrial Joint Venture (“Dream Summit”) is a partnership with GIC which acquired Summit Industrial Income REIT with a portfolio of light industrial properties in Canada in February 2023. Additionally, there is a private partnership with a major Canadian financial institution through the Dream Summit partnership.

Development Joint Venture is a partnership with a leading global sovereign wealth fund to build high-quality, best- in-class industrial assets in the greater Toronto area with the intention to hold the properties following stabilization.

Dream U.S. Industrial Fund invests in high-quality core, core+, value-add and development industrial assets across the United States.

(1) As at December 31, 2023. Assets under management is a supplementary financial measure in respect of DRM. Please refer to the [Specified Financial Measures and Other Disclosures section](#) of this Report.

Associations and Memberships

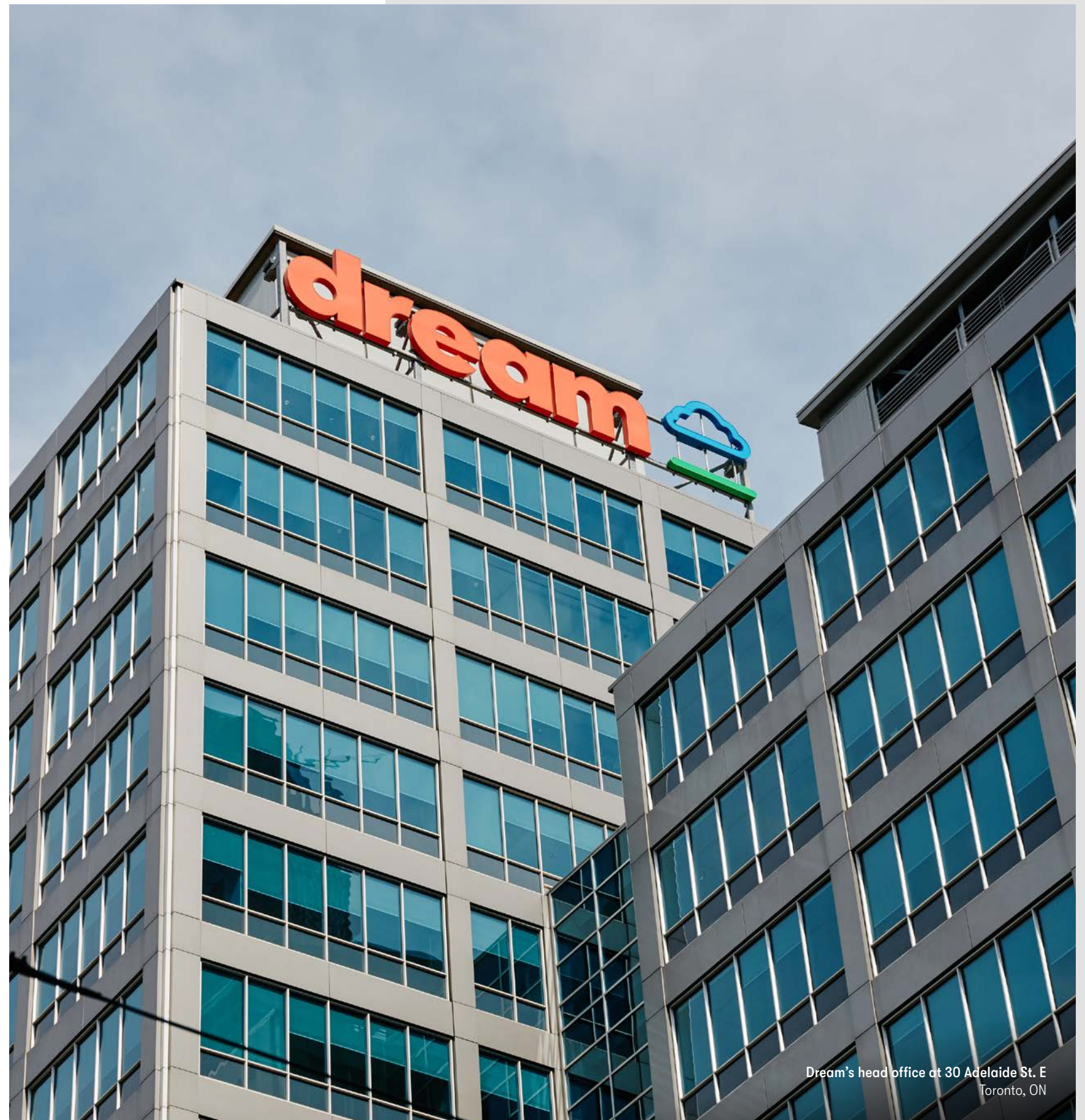
Headquartered in Toronto, Canada, Dream is responsible for some of Canada's most iconic and transformational projects. We always invest with purpose, embracing creativity, passion and innovation to deliver high returns, while doing good for the communities and the world around us.

Industry Associations, Benchmarks and ESG Initiatives

- Building Industry and Land Development Association ("BILD")
- Building Owners and Managers Association ("BOMA")
- Catalyst member of the Canada Green Building Council ("CaGBC")
- City of Toronto Green Will Initiative
- European Public Real Estate Association ("EPRA")
- Dutch Green Building Council ("DGBC")
- Global Impact Investing Network ("GIIN")
- GRESB
- Commercial Real Estate Development Association ("NAIOP")
- Real Estate Council of Alberta ("RECA")
- Real Estate Council of Ontario ("RECO")
- Real Property Association of Canada ("REALPAC")
- Urban Land Institute ("ULI")
- United Nations Sustainable Development Goals ("SDGs")

We are supporters, signatories or members of the following global initiatives:

- [Net Zero Asset Managers \("NZAM"\)](#) ↗
- [Operating Principles for Impact Management](#) ↗
- [Principles for Responsible Investment \("PRI"\)](#) ↗
- [Task Force on Climate-related Financial Disclosures \("TCFD"\)](#) ↗



Dream's head office at 30 Adelaide St. E
Toronto, ON

ESG Framework

For over two decades, we have worked to **build better communities** while maximizing returns for our investors.

In 2021, we launched our ESG Framework to identify our ESG priorities and support formal integration of ESG throughout our business. The ESG Framework was developed through consideration of global macro trends influencing the sustainability landscape, a review of the ESG topics material for our industry and input from key stakeholders.

While our ESG Framework applies to the Dream group, each entity is empowered to consider ESG topics to reduce risks and capitalize on the unique opportunities specific to its business model and strategy. For example, Dream Industrial is focused on increasing renewable energy generation and capacity from solar panels on industrial buildings, which reduces emissions and creates an additional revenue stream. Similarly, Dream Office prioritizes building certifications to attract tenants, protect asset values, reduce utility costs and obtain competitive financing.

Our Sustainability and ESG team is responsible for supporting the implementation of the ESG Framework across all entities, helping to ensure that ESG risks and opportunities are integrated into our business activities including our investment decision-making, asset management, property management, stakeholder engagement, risk management and governance processes.



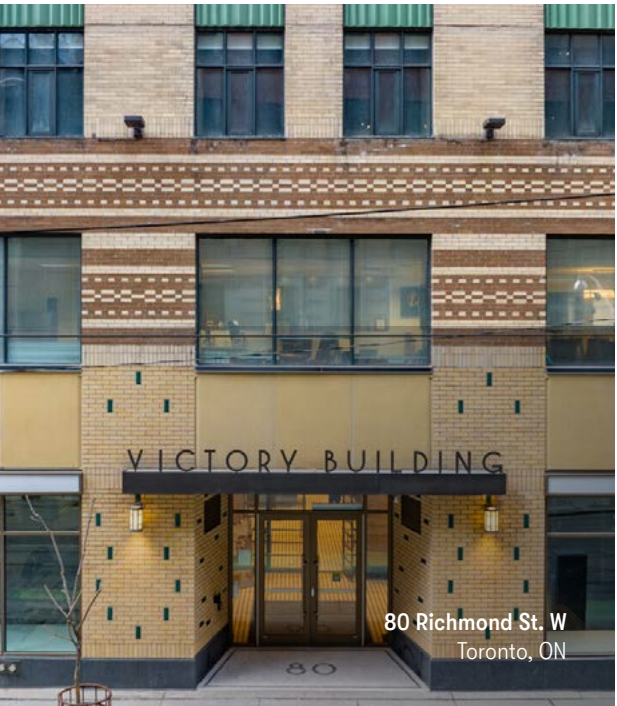
Environmental

- Building certifications
- Carbon and resource efficiency
- Climate change resilience
- Connectivity and low carbon transportation
- Innovation and technology adoption
- Sustainable development
- Sustainable redevelopment



Social


- Amenities and inclusive atmosphere
- Attainability and affordability
- Community and NGO partnerships
- Diversity, inclusion and advancement
- Health, safety and wellness
- Indigenous engagement
- Sustainable procurement
- Tenant relationships
- Valuing employees



Governance

- Corporate governance
- ESG impact and management
- ESG risk management
- Government collaboration

United Nations Sustainable Development Goals

In 2015, the United Nations **Sustainable Development Goals (“SDGs”)** , were adopted by all United Nations Member States as a universal call to action to protect the planet and ensure that all people enjoy peace and prosperity. There are 17 goals in total which provide a shared blueprint to achieve these goals by 2030.

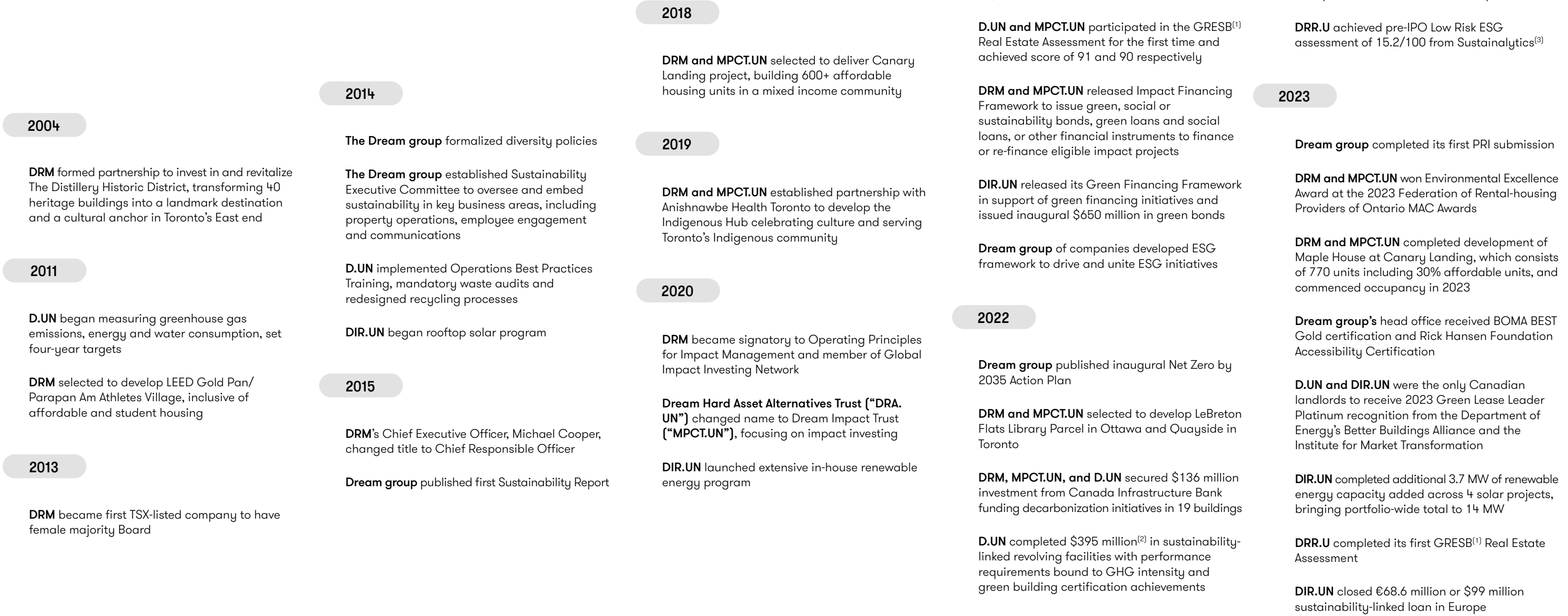
As a real estate developer and manager, we have the potential to support many of the SDGs. Our ESG and Impact Frameworks position us to contribute to the SDGs that are most closely connected to our core business activities and where we can intentionally measure our impact. We are focused on building safe, resilient, inclusive, and sustainable cities. Therefore, we view **SDG 11: Sustainable Cities and Communities** as our overarching goal with several other SDGs supporting asset-level projects and initiatives within our impact investing strategy.



Dream LeBreton
Ottawa, ON

ESG Journey

The Dream group of companies has integrated sustainability into the way we conduct business for over 20 years. We are proud of our track record of ESG initiatives and look forward to sharing our progress with you on the journey ahead.



Stakeholder Engagement

The Dream group fosters strong, long-term relationships and maintains an open and ongoing dialogue with all our stakeholders.

We make use of multiple engagement methods to continuously improve how we work together and create shared value in the communities where we operate. We continue to build on the feedback received from our stakeholders and use it to improve our business.

In 2023, we conducted site tours with all three levels of government at our Zibi, Quayside and Canary Landing development projects, as well as hosted a teach-in for our municipal partners. We also held public sessions to solicit feedback from local community members on our Quayside project, in partnership with the City of Toronto and Waterfront Toronto.


Stakeholder Group	Employees Frequency: Continuous	Tenants Frequency: Continuous	Investors and Analysts Frequency: Continuous	Municipal Government Partners and Local Communities Frequency: Ad Hoc	Suppliers Frequency: Continuous
Topics engaged on	<ul style="list-style-type: none">Health, safety and wellness initiativesOffice servicesPeople & Culture programsSocial activitiesDiversity, inclusion and advancement	<ul style="list-style-type: none">Sustainability campaigns and eventsGHG data collectionWellness initiatives	<ul style="list-style-type: none">Sustainability reportingImpact investingSustainability initiativesNet zero targets and plan	<ul style="list-style-type: none">Housing affordability⁽¹⁾Indigenous engagement⁽¹⁾Social procurement⁽¹⁾Sustainability practicesEnergy efficiency retrofits	<ul style="list-style-type: none">Sustainable procurementSupplier risk management
Engagement methods	<ul style="list-style-type: none">Annual performance reviewsInternal communications (intranet, emails)Monthly town halls with Chief Responsible OfficerOne-on-one regular feedback check-insSocial media (LinkedIn, Glassdoor)Touch points and exit interviewsGuest speakersLunch and LearnsEmployee Surveys	<ul style="list-style-type: none">Emails/communicationsEngagement surveysMedia releasesMonthly promotionsOne-on-one meetings with leasing and client servicesTenant experience emailsTenant concierge serviceWebsiteQuarterly newsletters	Investor relations activities including: <ul style="list-style-type: none">Investor daysInvestor presentationsMeetingsAnnual General MeetingExternal conferencesPress releasesQuarterly and annual reportsWebsite	<ul style="list-style-type: none">Community meetingsEmails and other communicationsSustainability policies and standardsFocus groupsMarket round- table discussionsMedia releasesWebsites (project specific and corporate) websitesRelationship building	<ul style="list-style-type: none">Providing support and education to local and diverse suppliersRFP processesWebsiteEmail responses to supplier questions
What we heard	<ul style="list-style-type: none">Employees feel heard and supportedEmployees report that Dream is an inclusive place to workEmployees feel there is an openness to new ideasEmployees feel they have access to leadership	<ul style="list-style-type: none">Tenants report they are appreciative of efforts to promote wellness, as well as offer new programs and communication platforms	<ul style="list-style-type: none">Investors are interested in the Dream group’s approach to managing sustainability, climate risk disclosure and net zero planInvestors encourage participation in global initiatives such as theGRESB Real Estate Assessment, the PRI and NZAM initiative	<ul style="list-style-type: none">Design-related feedbackImportance of public realm, parks, public spaces, amenities	<ul style="list-style-type: none">Overall support for Dream’s Social Procurement Strategy⁽¹⁾Vendors seek clarity, simplicity and support for meeting Dream’s procurement objectivesMore opportunities geared to small suppliers
How we are responding	<ul style="list-style-type: none">Initiated discussions with employees and managers on topics of engagementUsed feedback from survey to identify opportunities to improve employee experienceUsed feedback from employee survey to improve inclusivity of benefitsFormalized a recruitment guide to ensure recruiting practices meet diversity requirements	<ul style="list-style-type: none">Used feedback from our tenant satisfaction survey to identify improvement opportunities for property teams and develop action plans to implement new tenant engagement initiatives	<ul style="list-style-type: none">Enhanced sustainability governanceSet interim GHG reduction targetsAssessed flood riskAligned disclosures with leading ESG reporting standards	<ul style="list-style-type: none">Enhanced communication through ongoing dialogueOpen soundings and weekly meetingsIntegrated design-related changes	<ul style="list-style-type: none">Updated procurement clauses and contact language to support diversity objectivesInternal working group to improve processesParticipation in a variety of diverse vendor industry organizations

(1) Not applicable to DIR.UN and DRR.U.

Dream Group of Companies

Environmental

In this section we focus on the shared net zero strategy for the Dream group of companies.

Please refer to our [Net Zero by 2035 Action Plan](#)  (“Net Zero Action Plan”) for more details on our targets and milestones, emissions boundary, investment boundary and delivery strategy.



Quayside
Toronto, ON

Net Zero Action Plan

To achieve our net zero targets at the asset level, we are focused on: high-performance new construction, operational improvements through conservation and energy efficiency retrofits, low carbon fuel selection, renewable power generation, and, if necessary, purchasing renewable energy certificates (“RECs”) and carbon offsets.

~30%

of Dream Office tenants have set GHG emissions reduction targets, including net zero ambitions⁽¹⁾

~13%

of Dream Industrial tenants have set GHG emissions reduction targets, including net zero ambitions⁽¹⁾

Tenants of Dream Office and Dream Industrial are increasingly looking for spaces that align with their net zero targets. This is likely to play an important role in leasing over the next ten years.



Zibi
Ottawa, ON & Gatineau, QC

DRM, MPCT.UN, D.UN

2035

net zero Scope 1, Scope 2 and select Scope 3 emissions (operational and development)⁽³⁾

DIR.UN

2035

net zero Scope 1, Scope 2 (operational and development) by 2035 and select Scope 3 emissions (operational) by 2050⁽³⁾

DRR.U

2050

net zero Scope 1 and Scope 2 emissions⁽²⁾⁽³⁾

(1) GLA and tenant list as at December 31, 2023. Assets taken at 100% GLA. Internally performed review based on publicly available information from tenant websites and published sustainability reports as at April 2024.
(2) During its formation in 2022, DRR.U announced its net zero commitment.
(3) For more information on Dream's net zero commitments with respect to investment boundary and emissions boundary, please refer to pages 20-22 in our [Net Zero by 2035 Action Plan](#).

Taking Action

At an organizational level, our delivery strategy and implementation approach focus on the following actions, where applicable and appropriate:

Baselining

Action	2023 Progress ⁽¹⁾	Forward-looking Plans
Identify current baseline emissions and estimate future emissions	<ul style="list-style-type: none">Confirmed emission source categories for Scope 1 (direct), Scope 2 (indirect) and Scope 3 (non-controlled indirect) emissionsEstimated select Scope 3 emissions baselines using in-house tracking toolStandardized life cycle assessment (“LCA”) scope of work and software toolsPerformed LCA for Dream LeBreton	<ul style="list-style-type: none">Continue to improve accuracy of GHG projections, expand Scope 3 emissions data collectionPerform LCAs at additional development projects, including Quayside
Quantify the emission source, materiality and reduction viability to inform strategy	<ul style="list-style-type: none">Enhanced data collection, management and quality assurance practices	<ul style="list-style-type: none">Start evaluating portfolio level net zero pathways for Dream Industrial
Review existing capital plans and identify emission reduction options and associated incremental costs	<ul style="list-style-type: none">Used Net Zero Action Plan checklists within capital planning process for existing assets, major renovations and developmentsQuantified Net Zero Action Plan considerations for new investments and acquisitionsUpdated capital plans to meet evolving local sustainability regulations	<ul style="list-style-type: none">Continue to track and prepare for upcoming local sustainability regulations and their impact on our assetsContinue to integrate net zero planning for new investments and acquisitions

Roadmapping

Action	2023 Progress ⁽¹⁾	Forward-looking Plans
Analyze appropriate material selection, energy efficiency upgrades, low carbon energy sources and renewable energy generation installations	<ul style="list-style-type: none">Implemented previously developed renewable power and offset procurement strategyDeveloped in-house proprietary net zero engineering tools to compare and evaluate other types of GHG reduction projects at more asset types	<ul style="list-style-type: none">Develop embodied carbon reduction strategies for construction projects in our pipelineContinue to analyze business opportunities for integrating renewable energy technologies into new developmentsUpdate new construction and retrofit strategies with lessons learnedStay up to date with retrofit initiatives and decarbonization technologies
Develop costed net zero roadmap case studies to inform the budgeting process	<ul style="list-style-type: none">Increased total number of detailed asset-level net zero roadmaps by 140%Created business case analysis and design option comparisonContinued to use in-house asset-level roadmap tool to optimize timing, scope, cost and sequencing of decarbonization actions	<ul style="list-style-type: none">Scale up the number of asset level net zero roadmaps for more properties using our in-house engineering tools
Forecast emission reductions and estimate avoided costs using an internal price of carbon	<ul style="list-style-type: none">Continued to use portfolio-level roadmap and forecasting tool to assess impact of planned energy efficiency initiatives and track progress toward meeting interim GHG emission targetsIncorporated results of completed LCA study into portfolio roadmapContinued analyzing impact of carbon taxes and internal price of carbon on decarbonization business case	<ul style="list-style-type: none">Begin establishing embodied carbon targets at all new development projects
Integrate our base-case capital plans with optimized net zero roadmaps	<ul style="list-style-type: none">Updated over 260 capital plans with net zero roadmap initiatives and projectsUsed asset level net zero roadmaps to update capital request forms	

(1) Progress is reported on a consolidated basis and all figures at 100% unless otherwise stated.

Execution

Action	2023 Progress ⁽¹⁾	Forward-looking Plans
Secure attractive sustainable financing and incentives	<ul style="list-style-type: none">Secured participation for three buildings in City of Toronto’s Deep Retrofit Challenge, each eligible to receive grants to accelerate emissions reductionsIncreased capital funded by CIB facility to over \$23 million, cumulative to date, on decarbonization deep retrofits⁽²⁾\$275 million deployed as part of Dream Industrial’s Green Financing FrameworkDream Industrial secured €68.6 million or \$99 million sustainability-linked loan	<ul style="list-style-type: none">Continue to position ourselves well to participate in incentive and grant programs as well as sustainable finance products
Engage with stakeholders	<ul style="list-style-type: none">Achieved 19 Investor Ready Energy Efficiency (“IREE”) certifications, cumulative to date, to demonstrate our commitment to decarbonizationEngaged with select tenants to collaborate on net zero strategies and share expertise; by bringing tenants into our deep retrofit project management process, we can reduce project costs, disruptions to tenants, and overall construction risks	<ul style="list-style-type: none">Continue pursuing IREE certifications included in the business plans
Execute capital projects to realize GHG reductions	<ul style="list-style-type: none">Completed 54 energy efficiency, fuel-switching and renewable power projects with combined estimated GHG savings of 304 tCO₂e/yrIncreased portfolio-wide renewable energy capacity by 3.7 MWConducted research on procurement and tendering policies and started incorporating learnings from net zero aligned projects completed to dateStarted defining standard requirements for product selection, on-site construction techniques, system sizing and redundancy, and the level of involvement required by tenants and property managersCreated shortlist of preferred manufacturer, contractor and consulting partners to streamline procurement and reduce construction risk and timelines	<ul style="list-style-type: none">Continue to implement GHG emissions reductions and energy efficiency improvements across portfolioContinue implementing renewable power projects in our pipeline, including 7 MW of renewable energy capacity underway in 2024Incorporate further procurement and tendering best practicesDevelop standard requirements for product selection, on-site construction techniques, system sizing and redundancy, and the level of involvement required by tenants and property managersContinue collaborating with preferred manufacturer, contractor and consulting partners and look for process improvements
Support conservation and energy efficiency in operating our assets	<ul style="list-style-type: none">Continued energy management program in office and multi-family assets, recognized by the IESO Energy Managers of the Year award	<ul style="list-style-type: none">Evaluate technologies for energy management in industrial assets

Oversight

Action	2023 Progress ⁽¹⁾	Forward-looking Plans
Measure and Report on progress in a consistent and standardized manner	<ul style="list-style-type: none">Started using energy modeling guidelinesUpdated data sources for utility and GHG emission tracking resourcesPublished latest GHG emissions performance data in annual Sustainability Report in alignment with GHG Protocol	<ul style="list-style-type: none">Continue publishing latest GHG emissions data in annual Sustainability Report in alignment with GHG ProtocolContinue monitoring our Net Zero Action Plan’s alignment with leading net zero frameworks, including Science Based Targets initiative and Carbon Risk Real Estate Monitor project
Be accountable for our performance	<ul style="list-style-type: none">Completed 2023 NZAM reportingProvided semi-annual strategy and performance updates to Net Zero Steering Committee, composed of executives and members of senior management from across the Dream group of companies	<ul style="list-style-type: none">Continue NZAM reporting to be transparent in our progressContinue providing semi-annual strategy and performance updates to the Net Zero Steering Committee
Create a feedback loop to iterate on our strategies and share learnings across organization	<ul style="list-style-type: none">Net Zero Working Group hosted 15+ targeted educational, training and strategy collaboration sessions with departments from across Dream entities and third-party leasing agents on topics such as embodied and operational carbonHired Senior Manager of Decarbonization to increase internal expertise and capacity	<ul style="list-style-type: none">Continue systematizing our approach to decarbonizing our portfolio efficientlyContinue to develop and enhance the internal skills and competencies related to net zero and decarbonization strategiesRefine strategies on a continuous basis





(1) Progress is reported on a consolidated basis and all figures at 100% unless otherwise stated.
(2) Based on cumulative draws to date as at Dec 31, 2023. Reflective of the Residence at Weston LP, Dream Impact Master LP and Dream Office LP credit facilities at 100%.

Making Net Zero Communities a Reality

We are taking action, while being good stewards of capital, to meet our net zero targets. We continue to see that achieving net zero in most of our communities and assets is complementary to our building improvement plans, and aligns with our objectives of meeting tenant demand, creating unique partnership opportunities, attracting creative financing solutions, reducing our operating costs and protecting asset value. There are challenges in adopting new technology, financing additional capital requirements and changing how we build and operate our buildings, but we work closely with our partners, including government, banks, contractors, suppliers and tenants, to find solutions.

In 2023, we continued to make significant progress on making our net zero developments a reality.

Dream is projected to develop \$6 billion worth of net zero communities, including Zibi, Dream LeBreton and Quayside.

Net Zero Development Project	Net Zero Goals	2023 Update
 <p>ZIBI Ottawa, ON & Gatineau, QC</p>	Zero Carbon Energy for whole community as part of One Planet Living certification	<ul style="list-style-type: none">· Aalto II (Block 11; 148 residential units) - completed· Common (Block 206; 207 residential units) - nearing completion· Block 207 (76,000 sf commercial building) - nearing completion· Block 204 - site plan approvals secured
 <p>DREAM LEBRETON Ottawa, ON</p>	Targeting CaGBC's Zero Carbon Building Design Certification	Secured site plan approval from the City of Ottawa for 608-unit apartment building complex
 <p>QUAYSIDE Toronto, ON</p>	Targeting Net Zero GHG Emissions	Site plan approval applications have been submitted for three buildings in Phase 1 (over 2,000 apartment and condominium units)
 <p>COURTNEY PARK Mississauga, ON</p>	Achieved CaGBC's Zero Carbon Building Design Certification in Q1 2024	Made significant construction progress (Q1 2024 anticipated completion date) on this 209,000 sf industrial building

Case Study

Dream LeBreton

40%

reduction in operational GHG emissions vs the all electric reference building of the National Energy Code for Buildings

19%

reduction in energy use intensity vs the absolute energy use intensity targets⁽¹⁾

37%

reduction in energy consumption vs the all electric reference building of the National Energy Code for Buildings⁽²⁾

86%

reduction in operational GHG emissions vs typical new buildings⁽³⁾

37%

reduction in energy consumption vs typical new buildings⁽³⁾

10%

reduction in total embodied carbon targeted vs typical new buildings⁽⁴⁾

Strategies for Net Zero Operational and Embodied Carbon Emissions

Dream LeBreton is an urban high-rise development targeting the Canada Green Building Council (“CaGBC”) Zero Carbon Building Design Certification. Comprising of two towers (36 and 31 stories, respectively), the project will include 608 residential units, with 41% designated as affordable housing, alongside at-grade retail space and two levels of below-grade parking, utility, and storage space. The project emphasizes social equity by awarding contracts to equity-seeking groups and ensuring significant employment opportunities for Indigenous workers, enhancing the community fabric of Dream LeBreton.

To meet our net zero goals, the design team is focusing on several key features:

- High-performance building envelope assemblies
- Optimized window area
- Efficient ground-source heat pumps connected to a geothermal system

- Efficient ventilation systems in residential units
- On-demand ventilation for corridors
- Reusing heat from wastewater and electrical rooms
- Low-flow water-saving fixtures
- CO₂ sensors for demand control ventilation in common areas
- High-efficacy lighting fixtures, such as LED, throughout the building
- Rooftop solar photovoltaic system
- Lower embodied carbon material selection

At Dream LeBreton, we are demonstrating our commitment to sustainability, aiming to achieve net zero operational carbon while simultaneously striving to reduce total embodied carbon by 10% compared to a typical new building.

Through collaboration with our consultants and stakeholders, we are implementing innovative solutions, such as low-carbon ready-mix concrete and recycled-content rebar, to meet, and in some cases surpass, our targets and pave the way for more sustainable construction practices.



(1) Set by the CaGBC's Zero Carbon Building Design Standards v3, https://www.cagbc.org/wp-content/uploads/2022/06/CAGBC_Zero_Carbon_Building-Design_Standard_v3.pdf.
(2) (NECB 2017).
(3) Typical new building was calculated by third-party LCA consultant using the criteria in CaGBC's Zero Carbon Building Design Standards v3 and industry-average environmental product declarations for construction products/materials. Typical new building is defined as the minimum Tier 1 energy efficiency requirements under the City of Ottawa's High Performance Standard 1, <https://ottawa.ca/en/planning-development-and-construction/residential-property-regulations/development-application-review-process/development-application-submission/high-performance-development-standards-hpds#>.
(4) Typical new building was calculated by third-party LCA consultant using the criteria in CaGBC's Zero Carbon Building Design Standards v3 and industry-average environmental product declarations for construction products/materials.

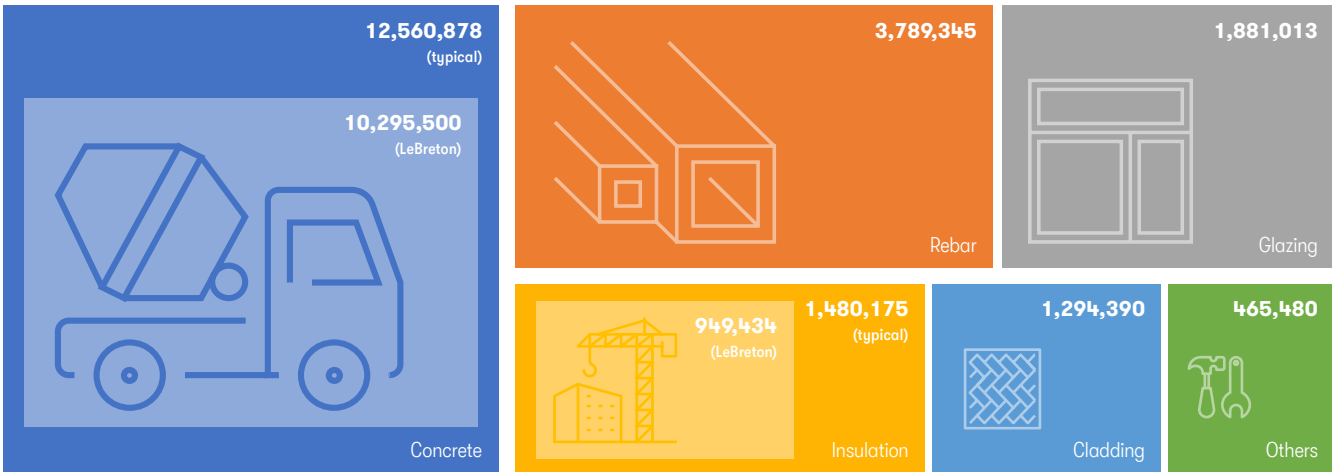
What is Embodied Carbon?

Embodied carbon refers to the greenhouse gas emissions arising from the manufacturing, transportation, installation, maintenance, and disposal of building materials. Embodied carbon can be overlooked when considering a building’s carbon footprint because it is hidden—or “embodied”—in materials and manufacturing processes rather than emitted while a building is being used. The embodied carbon of a product is sometimes also referred to as Global Warming Potential and is typically quantified for a product in an Environmental Product Declaration (“EPD”). Embodied carbon for a building is partially calculated by summing the embodied carbon values in the EPDs of the materials within the building, among other factors, during an LCA, which is the standard methodology for assessing the environmental impacts associated with all the stages of the life cycle of a building.

13%

overall embodied carbon reduction can be achieved at Dream LeBreton from improvements on concrete and insulation material selection.

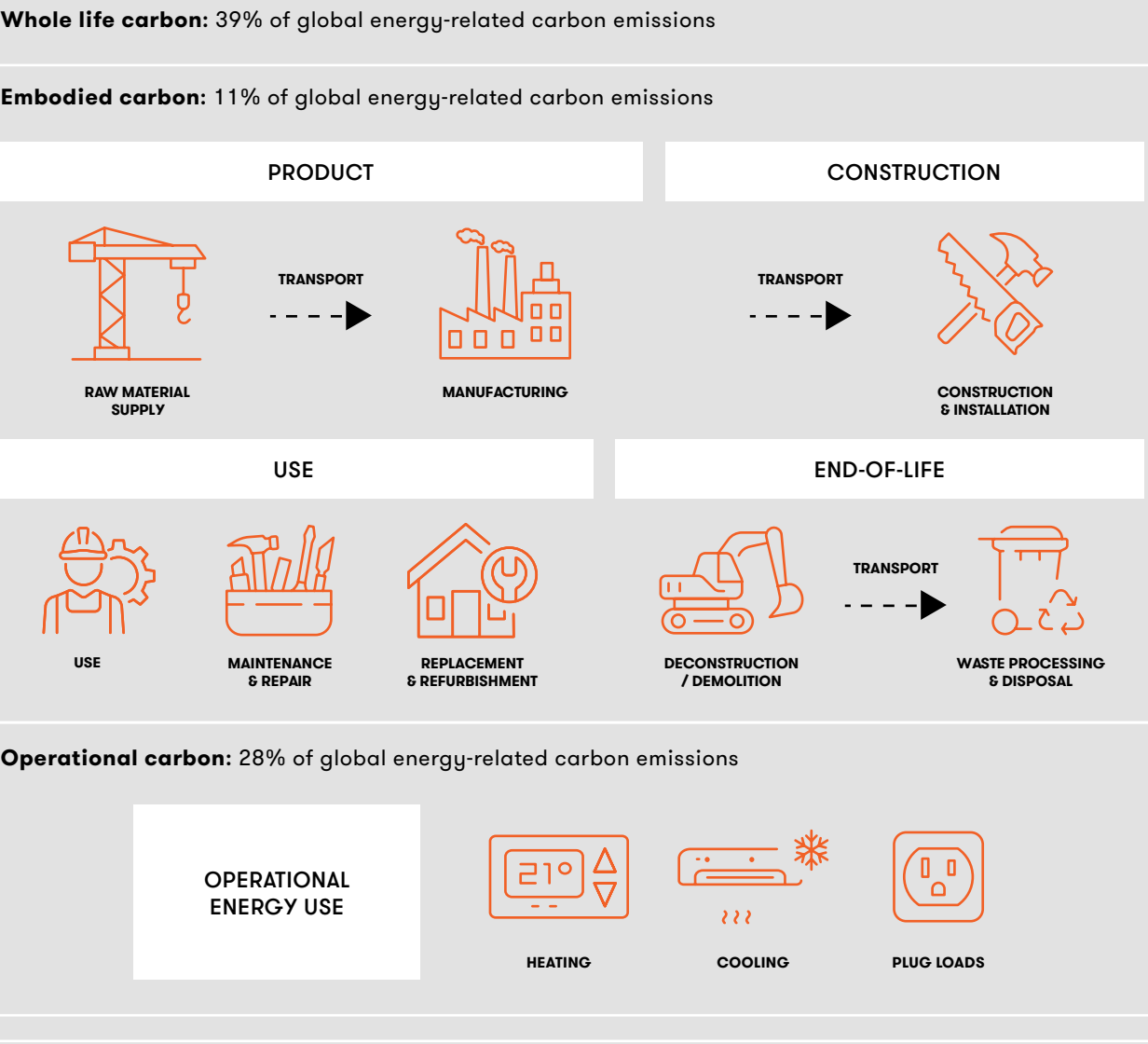
Embodied Carbon Breakdown by Material for Typical Building vs Dream LeBreton⁽¹⁾



(1) Typical new building was calculated by third-party LCA consultant using the criteria in CaGBC’s Zero Carbon Building Design Standards v3 and industry-average environmental product declarations for construction products/materials.
(2) World Green Building Council, Bringing Embodied Carbon Upfront - <https://worldgbc.org/advancing-net-zero/embodied-carbon/>.

Buildings are currently responsible for 39% of global energy-related carbon emissions: 28% from operational emissions, from energy needed to heat, cool and power them, and the remaining 11% from materials, construction, use and end-of-life.⁽²⁾ We are actively engaged in assessing the embodied carbon footprints of our projects and integrating comprehensive LCAs into our design and procurement processes. By doing so, we can make informed decisions regarding material selection and procurement strategies, ensuring that our developments align with our sustainability objectives. In order to work towards meeting our target of building net zero embodied carbon buildings by 2035, we have standardized our LCA scope of work and software tools so that we can scale this practice to more of our developments and we are identifying cost-effective strategies for design, procurement, construction and commissioning that reduce the green premiums.

Carbon Emissions in Buildings⁽²⁾



Dream Group of Companies

Social

At Dream, our people set us apart. We take great pride in our workforce and know that investing in employees creates long-term value for our entities.

Employees across our entities come from a variety of backgrounds and experiences, bringing valuable skills and perspectives to our team. Together, we are united by our company values and common purpose of **Building Better Communities.**



Intern Lunch and Learn with Jane Gavan
Toronto, ON



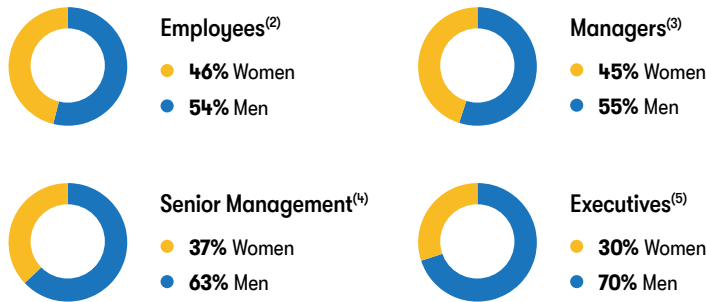
Social

Employee Engagement & Development

Employee development and engagement is managed by the People and Culture team. Our approach is guided by open communication with our employees. Their feedback helps us to constantly improve our culture and overall employee experience.

Our People and Culture and Health and Safety teams work with our Diversity, Inclusion & Advancement Committee to enhance engagement and employee development and embed wellness, diversity, and inclusion across all areas of the employee experience. We believe in unlocking everyone’s potential to do their best work and contribute, regardless of their background.

Employee Summary⁽¹⁾



Employees ⁽¹⁾⁽⁶⁾	Total	Men	Women
Permanent ⁽⁷⁾	633	341	292
Contract	12	5	7
Full-time ⁽⁸⁾	636	343	293
Part-time	9	3	6

(1) Includes only employees employed by Dream Asset Management Corporation, Dream Industrial Management Corp., Dream Office Management Corp., Dream U.S. Manager LLC, Dream European Advisors GmbH, Dream Netherlands Advisors B.V., Dream US Manager LLC, Dream France Advisors SAS, Dream Europe Advisors Coöperatieve U.A and Dream Summit Industrial Management Corp. Does not include employees at recreational properties, employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave), interns, Avrio employees and DRRJU employees of Pauls Corp.

(2) Includes employees at all levels.

(3) Includes Managers and above.

(4) Includes Vice Presidents and above.

(5) For the purposes of this report, Executives include: the Chief Responsible Officer of DRM, the Chief Executive Officers of DIR.UN, D.UN, and DRRJU, the Portfolio Manager of MPCT.UN, the Chief Financial Officers of DRM, MPCT.UN, D.UN, DIR.UN and DRRJU as well as the Chief Operating Officers of D.UN, DIR.UN and DRRJU

(6) Numbers represented as total headcount, not full-time equivalent.

(7) Includes permanent part-time employees.

(8) Includes all employees with a work schedule of 35 hours or greater.

(9) Turnover is calculated as a percentage of total employee headcount in noted category.



645

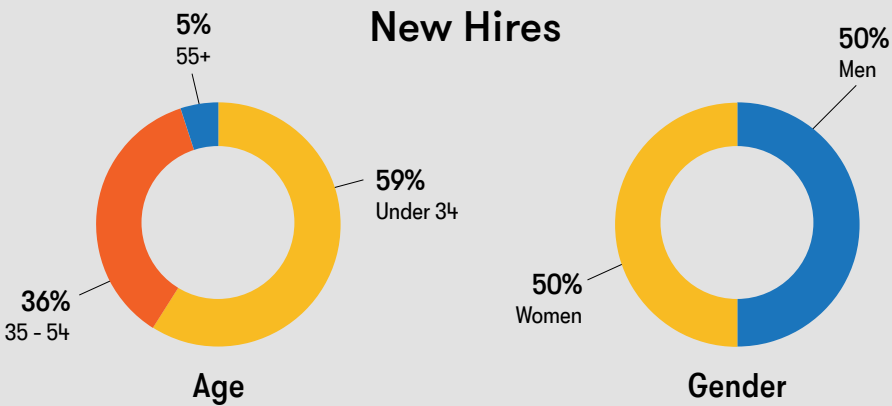
employees⁽¹⁾

4 years

average tenure for Dream group employees⁽¹⁾

New Hires and Voluntary Turnover Rates

In 2023, the Dream group hired a total of 111 new full-time employees and had an overall voluntary turnover rate of 16%, which is consistent with market trends across the real estate industry as per the REALPAC Canadian Real Estate Compensation Survey Report.



	Total	Men	Women	Age 34 & under	Age 35-54	Age 55 & over	Canada	United States	Europe
New Hires ⁽¹⁾	111	55	56	66	40	5	105	2	4
Voluntary Turnover Rates ⁽¹⁾⁽⁹⁾	16%	13%	18%	21%	15%	5%	15%	3%	22%

Employee Engagement

In April 2023, we conducted our third annual employee engagement survey to better understand employee satisfaction across a variety of topics. The survey was deployed by Great Place to Work® Canada, as part of the certification process. The Great Place to Work® certification is based upon the following factors:

- The level of trust that employees have in leadership
- The level of pride employees have in their jobs
- The extent to which employees get along with colleagues

The survey results provided our People and Culture team with meaningful insights regarding employee satisfaction and opportunities to improve employee engagement.

85%

of employees think Dream is a great place to work

94%

of employees think they are treated fairly regardless of their race or ethnicity

Employee Development

At Dream, we value our talent as our strength, which is why we have programs in place to provide career progression and networking opportunities to current and future talent. Our Young Talent Recruitment Program supports a broad range of students and provides them with the opportunity to experience a corporate environment while gaining professional and practical skills relevant to their field of study. To help ensure our employees continue to grow professionally, we host leadership sessions to promote career progression and fireside chats to facilitate internal connections and skill development.

Ten Thousand Coffees

Ten Thousand Coffees is a platform that Dream employees can use to help expand their internal networks. The tool offers Dream employees the option to set up one-on-one connections based on professional topics of interest, as well as participate in small-group discussions with leadership.



Dream 101 Learning Session at 30 Adelaide St. E
Toronto, ON

Case Study

Employee Suggestion Program

In 2023, we introduced an employee suggestion program. The aim of this program was to leverage ideas from the employees who experience and live the Dream culture every day. We asked for suggestions, ideas and recommendations to improve the performance and quality of their work and experience with the aim of being more proactive about actioning innovative ideas and process improvements that make a positive impact across the company.

Since launching in 2023, **we have received over 120 suggestions.** Based on these suggestions, we are proud to have introduced the following initiatives:

1. **Introduced** communal prayer and meditation space at our head office in addition to individual prayer spaces.
2. **Revamped** our employee fitness facility at our head office with state-of-the-art equipment.
3. **Upgraded** coffee machines on all floors, enhancing options for those with specific dietary requirements.
4. **Enhanced** Dream 101 program to give employees more insight into projects happening in other departments.
5. **Provided** opportunities for employees to participate in blood drives throughout the year.

Employee Benefits

Dream’s benefits for full-time employees and their dependents are effective starting day one of employment and boast a wide variety of competitive perks, including a parental leave top-up program, annual bonuses, and retirement savings programs. Our People and Culture team is proactive in evolving our benefits program to prioritize employee health and well-being with flexible options to suit a variety of preferences.

Learning and Development Perks

- **Up to \$2,500** tuition reimbursement per employee, per year
- **Up to \$500** reimbursement for textbooks per employee, per year
- **Reimbursement** of professional membership or designation fees
- **Reimbursement** for job-related training, seminars, or conferences
- **Internal networking** through one-on-one connections and leadership fireside chats

In 2023, we were committed to enhancing our workplace through learning sessions aimed at fostering a culture of inclusivity, sustainability, and wellness. Our diversity and inclusion initiatives included enriching sessions on disability awareness and gender equality, alongside a special program celebrating International Women’s Day and an educational deaf culture and history lesson.

Additionally, our benefits and wellness programming took a holistic approach to employee well-being with a mental health series that provided tools and insights for managing stress, fostering resilience, and supporting overall mental health.

\$434,000

in tuition and professional fees paid⁽¹⁾

(1) Tuition and professional fees reimbursed to employees are part of overall compensation.



Intern Lunch and Learn at 30 Adelaide St. E
Toronto, ON



Bay Street Collection Walking Tour with Dream Office REIT
Toronto, ON

Awards and Recognition



Recognized as one of Canada’s **Best Workplaces™** in Real Estate & Property Development for the second consecutive year.



Selected as a four-time honoree of the Globe and Mail’s Report on Business Women Lead Here program that benchmarks executive gender parity.



Recognized as one of **Greater Toronto’s Top Employers** for exceptional human resources programs and forward-thinking workplace policies.



Named one of the **Best Workplaces™ for Giving Back** for the second consecutive year.



Honoured as one of **Canada’s Best Employers for Recent Graduates** for the third consecutive year.



Three-time consecutive recipient of the **Great Place to Work®** certification.

Key Accomplishments

- **Launched Dream employee suggestion program** and implemented several initiatives
- **Onboarded and integrated approximately 50 employees** from Dream Summit
- **Launched new self-service functionality** for employees in our human resources information system called myDream
- **Revamped Dream 360 Analyst Program** by providing a more structured approach to compensation and advancement
- **Enhanced mental health support** for employees & their dependents
- **Provided opportunities** to 67 interns
- **Refreshed our head office gym** to promote physical well-being
- **Launched a Canada-wide blood drive** as a health initiative

Forward-looking Plans

- Enhance manager development programs
- Expand employee training offerings
- Provide updates on employee recognition programming and consider enhancements
- Continue to focus on employee wellness and well-being
- Revamp our Young Talent Program
- Revamp our mentorship, fireside chats and office hour programming
- Continue to focus efforts on our total compensation review



Highlight

Dream Summit Employees

In February 2023, Dream formally welcomed approximately 50 employees of Summit Industrial Income REIT into the Dream group. The acquisition represents a highly strategic transaction for Dream Industrial REIT, significantly increasing its exposure to the Canadian industrial market through a complementary portfolio and growing its property management vertical in geographies where Dream Industrial already operates.

Diversity, Inclusion & Advancement

Diversity, Inclusion and Advancement (“DIA”) is managed by the DIA Committee. The committee includes employees from multiple levels, including Executives, Directors, and Managers. The DIA Committee’s mandate is to listen, learn and develop best practices to enhance diversity and inclusion at Dream, as well as build accountability for advancing DIA across the business.

Evolving our DIA Program

The DIA Committee was established in 2020 with a mandate to elevate and build expertise across the business and instill a culture of inclusivity and belonging. In 2023, we expanded the committee by introducing engagement groups meant to expand the capabilities and reach of our DIA team.

We also developed a DIA Charter, which sets out the mission and vision for the expanded engagement groups at Dream and how they contribute to promoting inclusion among all employees, as well as a definition and plan for the inclusion of employee resource groups in 2024.

Highlight

Supporting Inclusivity at Dream’s Head Office

Accessibility is a key component for any inclusive and diverse community. At Dream, we are proud to have achieved the Rick Hansen Foundation’s Accessibility Certification™ (“RHFAC”) for our head office by adopting the program’s recommendation on vehicular access, exterior approach, interior circulation and entrance, signage, emergency systems, and use of additional space. RHFAC is the first program in Canada designed to rate the level of meaningful access to buildings based on the user experiences of people whose disabilities impact their mobility, vision, and/or hearing.



DIA Team at Lunar New Year Event at 30 Adelaide St. E
Toronto, ON

51%

of respondents identify as visible minorities⁽¹⁾

3%

of respondents identify as Indigenous⁽¹⁾

8%

of respondents identify as 2SLGBTQIA+⁽¹⁾

6%

of respondents identify as having a disability⁽¹⁾

(1) The anonymous diversity survey results were based on self-declared responses from 64% of total employees.

Highlight

Pride Celebration

In June 2023, Dream hosted a Pride celebration at our Toronto Head Office, inviting Dream head office employees and tenants of 30 Adelaide St. E to celebrate Pride together. It was put on in collaboration with tenants at the building and was accompanied by celebrations at our offices across Canada.

The event was driven by members of our DIA team and received strong top-level endorsement and encouragement from executives. The drivers behind the event included increasing visibility and support for 2SLGBTQIA+ individuals at Dream, and specifically enhancing inclusion of queer and trans individuals.

The event featured:

- Engaging and inclusive performances from queer and trans drag performers
- Fundraising for Rainbow Railroad through accessibly priced raffle tickets
- Barbecue and happy hour featuring Indigenous and women-owned vendors
- Speeches from leaders at Dream and tenant organizations on the importance of diversity and inclusion

Thanks to the dedication of our DIA committee and collaboration with our partners and tenants, the event was a huge success and received overwhelmingly positive feedback from attendees. It is our hope that through initiatives like this, all employees will feel comfortable coming to work as their whole selves and that we can build stronger social bonds between and among employees at Dream and in our neighbouring tenant businesses.

CLICK TO PLAY VIDEO



“

... an employee from a neighbouring tenant made a point to stop me in the lobby to thank Dream for being a leader in safe, inclusive workplaces - he loved the engagement and commitment.

”

Gordon Wadley
Chief Operating Officer, Dream Office REIT



Key Accomplishments

- All Dream occupied floors at our Toronto head office have **gender-neutral washroom options**
- **Achieved accessibility certification** through the Rick Hansen Foundation for our Toronto head office
- **15 DIA focused events** held to promote employee learning and advancement
- **Hosted an interactive panel discussion** for International Women’s Day
- **Inaugural Pride celebration introduced** in collaboration with tenants at our Toronto head office
- **755 total attendees** in our 10 Thousand Coffees initiative⁽¹⁾
- **93% overall feedback rating** on our 10 Thousand Coffees initiative
- All manager and above level employees received **mandatory diversity training**

Forward-looking Plans

- **Designate a champion in each Dream office across Canada** with more than five employees to ensure we are leveraging a diverse range of perspectives and provide more opportunity for regional offices to lead DIA initiatives
- **Further expand employee resource groups** to increase employee participation and diversity



(1) Number based on total events and not number of unique attendees, many attendees participated in more than one event and were counted each time they participated.



Health & Safety

Health and safety at Dream is collectively overseen by the VP & Head of People and Culture and the VP of Property Management. Day-to-day management of health and safety is the responsibility of our Health and Safety Manager who is responsible for monitoring and tracking health and safety incidents, training requirements and implementing corporate and property level preventative measures.

All managers and supervisors are responsible and accountable for the health and the safety of the individuals and workplaces under their oversight. They are expected to advise employees of the existence of potential or actual workplace hazards and help ensure that employees work safely in accordance with applicable legislation and its regulations, as well as all applicable policies and procedures. Health and Safety Committees and Representatives and on-site building operators are required to do regular inspections. Our Health and Safety department receives a copy of each inspection and may direct concerns to supervisors, schedule follow-up inspections, or investigate any instances of non-compliance. We provide health and safety training for all employees, specific to their roles and job requirements.

2023 Health and Safety Performance

Indicator	Lost-time injuries	Near misses
Men	1	1
Women	1	0
Central Canada	1	1
Western Canada	1	0
Injury Type	Slip and fall	0
Lost Days	2	0

Key Accomplishments

- **Engaged a third-party** to finalize updates to Emergency Response Plans for all Ontario properties
- **Collaborated with Dream Industrial** to complete third-party annual health and safety inspections and analyses across all properties
- **Completed annual review** of the health and safety program, safe work practices and safe job procedures
- **Continuously reviewed and tracked** inspections submitted by property operations and development teams and provided assistance where needed

Forward-looking Plans

- **Collaborate with a third-party service** provider to develop a lone operator app, providing real-time monitoring, emergency responses, and automatic alerts for extended inactivity to enhance safety at sites
- **Transition all construction teams** to eCompliance, our Health and Safety Management System
- **Coordinate with Industrial teams** to consider implementing third-party audits and site inspections for select properties on a rotational basis
- **Launch GTA Multi-site Joint Health and Safety Committee**
- **Update Quebec properties** with a French Health and Safety Program and French inspection forms on eCompliance
- **Maintain monthly inspections**, safety meetings, Health and Safety Committee meeting minutes and inspections, safety data sheets, documentation and training records through eCompliance





Volunteering & Giving

Nationally and locally, we prioritize charitable organizations that support youth in sport, women’s health, youth services, people experiencing homelessness, and marginalized communities. Each Dream entity also supports additional initiatives of their choosing.

In 2023, our local and national charitable partners included, among others:

- [Play Forever](#)
- [Frontlines](#)
- [The Toronto Public Library](#)
- [Gem Girls E-Mentorship](#)
- [Ottawa Tool Library](#)

In 2023, Dream employees spent over 200 hours volunteering for various not-for-profits such as:

- [Daily Bread Food Bank](#)
- [Ronald McDonald House](#)
- [Scott Mission](#)
- [Good Shepherd Centre](#)
- [Kit packing for New Circles](#)
- [Jessie’s Place](#)
- [Engage & Change](#)
- [Shoebox Project](#)

To encourage our employees to give back to their communities, we offer:

- One paid volunteering day per year
- \$500 annually through our employee donation program whereby we contribute to charitable organizations that employees are actively involved with
- \$1,000 awarded to five employees through our ETHOS awards program to contribute to a cause they believe in
- Partnering with local charities and organizations endorsed by our employees

\$1.1 million

donated to charities in 2023, up by 24% from 2022⁽¹⁾



Dream Volunteers at Good Shepherd Ministries
Toronto, ON

Highlight Electronics Recycling

In 2023, Dream partnered with [Free Geek Toronto](#), a not-for-profit organization specializing in technology reuse, digital accessibility, and equitable employment to develop an Employee Used Electronic Donations Program, which collects used electronics/computers from Dream employees.

This program enhances technology accessibility for lower-income groups while supporting Free Geek to provide employment and training opportunities for people facing barriers to participating in the labour market such as individuals with disabilities, criminal records, and newcomers to Canada, among others.

Highlight One Tree Planted

In 2023, Dream partnered with [One Tree Planted](#), a nonprofit that is dedicated to global reforestation. Their projects span the globe and are done in partnership with local communities and environmental organizations to create an impact for nature, people, and wildlife. Many projects have overlapping objectives that contribute to the UN’s Sustainable Development Goals. Through the engagement Dream financially supported the planting of 7,000+ trees in Ontario, Canada, as a part of the 50 Million Tree Program, assisting restoration of ~7 acres of land.

(1) Includes Dream Community Foundation’s spend on programming, donations and sponsorship

Dream Community Foundation

Dream Community Foundation is a non-profit organization founded in 2022 that builds stronger communities through programs that bring people together. Its initiatives prioritize fostering connections and empowering individuals to reach their full potential.

18
after school club days, over 200 attendees were able to participate in sports, arts and crafts, and socializing activities

1
back-to-school hair cut event for 65 kids to boost their confidence and get them excited for the school year

12
scholarships to youth experiencing financial barriers

\$850,000
in donations to other non-profit organizations

24
Artscape workshops, over 100 attendees received career support, skills training and networking opportunities

2
senior citizen field trips to promote social interaction, new experiences and building community

14
tutoring days for kids

>400 hours
hours of programming with over 845 attendees

CLICK TO PLAY VIDEO



Dream & Play Forever Summer Camp
Toronto, ON



Dream & Play Forever Hair Cut Day
Toronto, ON



Dream Community Foundation Culinary Program
Toronto, ON

Key Accomplishments

- **10 scholarships at \$5,000 each** awarded to high school students experiencing financial barriers
- **10 curated volunteer opportunities** offered for Dream employees to participate in
- **Provided employees with the option to donate** to charities through payroll deduction
- **\$1.1 million total donated** to charities in 2023
- **200 hours volunteered by Dream employees** for various not-for-profits in 2023

Forward-looking Plans

- **Expand programming to Western Canada and Ottawa** through new partnerships with not-for-profits and new events
- **Continue to promote and enhance payroll giving**
- **Work with Dream’s internal marketing team** to promote employee volunteering and giving back within our communities



Dream Community Foundation Scholarship Award Ceremony
Toronto, ON



Daily Bread Food Drive at 30 Adelaide St. E
Toronto, ON



Clothing Drive items being delivered to St. Michael's Hospital
Toronto, ON

Dream Group of Companies

Governance

The Dream group is committed to sound and effective corporate governance. Our goal is to not only meet requirements established by regulators, but also to uphold excellent corporate governance principles and practices. We believe that strong governance reduces investment risk, leads to more consistent outcomes, and attracts global investors.



30 Adelaide St. E
Toronto, ON



Corporate Governance

Our governance approach includes nominating diverse, independent and experienced board members to each of the Dream entities, as well as providing transparency in all aspects of our business.

The following sections in this chapter illustrate how we are integrating ESG and climate considerations throughout our governance structure and risk management processes. For information on entity-level board oversight, management’s approach and ESG risk management practices, please refer to each entity chapter.

Board Composition

The boards of each Dream entity are composed of highly experienced, dedicated and knowledgeable professionals who each have expertise in key areas of our businesses.

We periodically assess the skills, knowledge and backgrounds of Directors and Trustees in light of the needs of the boards, including the extent to which the current composition of the boards reflects a diverse mix of skills, experience, knowledge and backgrounds, and an appropriate number of women Directors and Trustees. Our boards target a composition in which women comprise a minimum of 30% of Directors or Trustees.

Board Oversight

To support integration of sustainability across our business and help ensure that non-financial considerations such as ESG matters and, for certain Dream group entities, impact objectives, are considered alongside financial considerations, our governance policies specify oversight and accountability for ESG matters at the board level. Such policy language is also reflected in relevant board mandates, committee charters and corporate policies.⁽¹⁾

On a quarterly basis, the applicable governance committee of each Dream entity is provided with an ESG update from the Head of Sustainability and Technical Services. The Chair of each governance committee then provides an update at each of the entity board meetings.

In addition, we intend to conduct ESG education sessions for the applicable governance committee every three years. In 2022, ESG training was provided by Quinn+Partners, sustainability advisors, and focused on key ESG trends affecting Dream’s business and best practices for strong and effective ESG governance.

⁽¹⁾ The names of boards and committees vary across Dream entities. Please refer to the charter or mandate of the applicable board or committee of each Dream entity for a complete reference to the name of such board or committee. Such mandates, charters and policies are available on the website of each entity. See the [Forward-Looking Information](#) section of this Report for links to such websites.

Sustainability and Climate Disclosure Regulations

As Canada, the United States, and Europe move toward adopting mandatory ESG reporting regulations, we continue to monitor the regulatory environment, trends, and investor requirements, adjusting our strategies accordingly.

In 2023, the International Financial Reporting Standards (“IFRS”) Foundation took over the Task Force on Climate-related Financial Disclosures (“TCFD”), and published the IFRS S1 and S2 standards, which incorporate the TCFD recommendations. In 2024, the Canadian Securities Administrators (“CSA”) is considering the Canadian Sustainability Standards Board’s (“CSSB”) recommendations with regards to the IFRS S1 and S2 standards.

In addition, parts of our businesses may be subject in the future to the Sustainable Finance Disclosure Regulation (“SFDR”) and the Corporate Sustainability Reporting Directive (“CSRD”) frameworks that have been coming into effect.

We view the adoption of mandatory reporting as an opportunity to improve our understanding of the risks and opportunities for our business, improve our processes, and effectively communicate our sustainability initiatives to our stakeholders. Having aligned our reporting with TCFD, SASB, and GRI and developed robust internal control processes over the past four years, we believe we are well-positioned to cost-effectively meet future expected disclosure regulation requirements without impeding our global business operations.



2023 PRI Results and NZAM Update

The PRI is the world’s leading responsible investor coalition, with over 3,000 investment managers overseeing a total of U.S. \$112 trillion in assets as members. Signatories are publicly accountable for their responsible investment commitments and can benefit from enhanced ESG ratings, attracting investors with responsible investment allocations.

Dream Unlimited, on behalf of the Dream group of companies, became a signatory of the PRI in October 2021. We reported through the PRI Reporting Framework for the first time in 2023 and are proud that we outperformed the peer median in two out of the three modules:

- **4 out of 5 stars (78%)** in the Policy Governance and Strategy module (PRI Median score was 59%)

- **4 out of 5 stars (67%)** in the Real Estate module (PRI Median score was 62%)
- **3 out of 5 stars (63%)** in the Confidence Building Measures module (PRI Median score was 80%)

The annual PRI submission also fulfills the reporting requirements of NZAM, a global alliance of asset managers committed to achieving net zero emissions by 2050 or sooner. The NZAM initiative covers 315 signatories and U.S. \$57 trillion in assets under management. Dream Unlimited, representing the Dream group of companies, was among the first Canadian companies to join NZAM in 2021. In 2023, 69% of the Dream group of companies’ total assets under management were committed to be managed in line with net zero by 2050, an increase from 61% in 2022.



Risk Management

Risk management is embedded into our critical business units and workflows, managed by our Risk Management group and overseen by the applicable governance committee of each Dream entity. The Senior Director of Risk and Insurance provides annual reports to these committees.

Risk management across the Dream group of companies is conducted through procedures aimed at identifying, analyzing, responding to, managing and reporting on our exposure to risks. Through this process, risks are assessed based on their anticipated frequency, severity and likelihood, then either transferred, mitigated, or managed accordingly as appropriate.



Site Tour of Canary Landing with Associate Minister of Small Business Nina Tangri
Toronto, ON

ESG Risk Management

Our ESG risk management constitutes a process that helps us to continuously identify and mitigate risks that could impact our companies. It requires collaboration with numerous teams across entities, including Risk and Insurance, Sustainability and ESG, Development, Construction and Technical Services. Our processes for identifying and managing ESG risks involve understanding the potential risks that arise during acquisition, developments and operations, as applicable in accordance with the risk management practices of each Dream entity.

Operations

We are focused on managing and operating our buildings efficiently to help mitigate risk associated with physical damage, escalating utility costs, shifting regulations and tenant preferences. We manage utility risks by conducting energy and water audits and implementing applicable efficiency measures to reduce our consumption where relevant and commercially reasonable.

Leaks, for example, can pose a significant risk of costly water damage. In 2023, Dream Office continued to deploy leak detection sensors across its portfolio, with 250+ sensors installed to date. These

sensors detected one significant leak in 2023 which allowed our property management teams to quickly respond to mitigate damage, costs and disruptions to tenants. Dream Impact Trust also launched a leak detection program at one multi-family asset in 2023, which identified an opportunity to save \$40,000 in annual water utility costs by repairing leaky plumbing fixtures.

Acquisition, Investments and Developments

ESG risk management activities in the acquisition and development stages include evaluating risks and opportunities using checklists to review a comprehensive set of risks, tailored for each investment opportunity. Due diligence checklists generally involve assessments of building systems to determine the business case and feasibility of capital improvements to enhance resource efficiency. Other ESG risk management tools include environmental site assessments (“ESA”) and building condition assessments (“BCA”). We have incorporated additional ESG considerations into our ESAs and BCAs to learn more about our standing investments and potential acquisitions during the due diligence process. Information pertaining to climate change adaptation strategies, waste management, renewable energy and biodiversity helps us make impactful decisions as a responsible real estate owner, manager, and developer.

Climate Change Risk

Climate change poses a significant risk for our properties, employees, tenants and communities. Dream is proactively managing climate-related risks to help support the transition to a low-carbon economy and protecting our portfolio and developments against the shocks and stressors of climate change. Climate change risk informs our business strategy and decision-making by establishing the order of priority for making the capital and operational investments needed to help future-proof assets.

Oversight of Climate Change Risk

The boards and management teams of each Dream entity are made aware of the risks posed by climate change and remain informed about climate-related risks and opportunities through internal reporting processes.

Boards receive annual updates from the Risk and Insurance team on physical climate risk management activities and performance. Transition climate risk management updates are also presented to the boards on a quarterly basis by the Sustainability and ESG team.

Physical Risk

We conduct analyses on an ongoing basis to identify physical climate risks in our portfolios and assess our level of resiliency. Climate resiliency refers to our actions to prepare, adapt and endure shocks and stressors related to climate change. Our goal with respect to climate resilience is to reduce the likelihood and impact of a catastrophic or disruptive event on our properties and our tenants.

We leverage third-party climate data to assess property-level physical climate risks across all Dream entities from the following physical climate risks:

- **Acute:** flooding, wildfire, earthquake, hailstorm, lightning, windstorm, tornado
- **Chronic:** temperature change, precipitation change, sea-level rise, air-quality, water security/ water stress

We also conduct an annual flood and catastrophic loss risk assessment to determine which properties in our portfolio are at risk of losses from 50, 100, 200 and 500-year floods. Using these tools and assessments, we identify specific regions and properties with increased climate risk and identify opportunities to improve resilience through ongoing capital and operational investments.



30 Adelaide St. E
Toronto, ON

Spotlight

A Climate Resilient Business: Physical Risk and Resiliency Working Group

In 2023, we established a working group to develop a physical risk and resiliency strategy. The group’s ultimate objective is to standardize our approach to physical climate risk adaptation strategies to be incorporated into property-specific capital and operation plans.

The group includes representation from several teams including Technical Services, Risk & Insurance, Dream Office Property Management, Dream Industrial Portfolio Management, and the Sustainability and ESG team. As a starting point, the focus of the working group over the past year was on developing tactical methodologies for reducing our Toronto office assets’ exposure to modeled climate perils.

The working group used a climate risk scenario analysis tool to aggregate and prioritize asset type-specific climate risks based on likelihood and severity. A survey was also

conducted among property management and operations teams to understand known risks and mitigation strategies for each asset type.

This analysis provided actionable insights to address the increasing climate risk compared to the existing building codes. For example, for buildings with moderate to high wind exposure, a standard approach is being implemented, such as retrofitting with resilient roofing materials to withstand extreme winds.

In 2024 and beyond, the working group intends to use this data to establish standardized adaptation strategies for the most pertinent climate risks, which will be incorporated into property-specific capital plans. Strategies identified for office assets will be tailored for other asset types in the same region as well as adapted to other asset types and regions.

Transition Risk

Our GHG reduction targets and Net Zero Action Plan help mitigate transition risk by proactively reducing emissions ahead of potential future regulations and anticipated future changes in tenant preferences and market supply and demand.

Our Risk Management and Sustainability and ESG teams continuously monitor our exposure to transition risks associated with policy and legislative changes, market, and reputational shifts. Additionally, we continue to enhance our climate reporting to align with best practice climate standards.

The adjacent table provides a high-level summary of our key physical and transition risks, time horizons and associated potential impacts.

Type of Risk ⁽¹⁾	Identified Risks	Potential Impact	Mitigating Action
Physical, acute Short-to long-term time horizon	<ul style="list-style-type: none">Natural disasters and increasingly frequent and severe weather conditions including wildfire, windstorms, tornadoes, hailstorms, lightning and earthquake	<ul style="list-style-type: none">Could interrupt operations and activities, threaten tenant health and safety, damage properties and may decrease property values or require additional expenses to be incurred, including increased insurance costs	Across all entities we use third-party climate data to assess property-level physical climate risks from the following hazards: <ul style="list-style-type: none">FloodingWildfireEarthquakeHailstormLightningWindstormTornado
	<ul style="list-style-type: none">50, 100, 200 and 500-year flood events		<ul style="list-style-type: none">A flood and catastrophic loss risk assessment is performed annually to determine which properties in our portfolio are at risk of losses from 50, 100, 200 and 500-year floods. Based on the results, we are developing site-specific resilience strategies
Physical, chronic Long-term time horizon	<ul style="list-style-type: none">Temperature changePrecipitation changeSea-level riseAir qualityWater security/water stress	<ul style="list-style-type: none">Temperature change could increase cooling loads and costsSea-level rise could alter geographies targeted for future investmentWater security/water stress risk may impact approach to water management and capital expenditures on efficiency upgrades	Property-level risk is assessed using third-party climate data against the listed chronic physical climate risks: <ul style="list-style-type: none">Temperature changeAir qualityPrecipitation changeWater security/water stressSea-level rise
Transition, policy and legal Short-to long-term time horizon	<ul style="list-style-type: none">Greenhouse gas emissions reduction regulations	<ul style="list-style-type: none">Could impose constraints on operational flexibility or result in financial costs or fines to comply with various reforms	<ul style="list-style-type: none">Our GHG reduction targets and Net Zero Action Plan help mitigate transition risk by proactively reducing emissions ahead of potential future regulations and anticipated future changes in tenant preferences and market supply and demand.Our Risk Management and Sustainability and ESG teams continuously monitor our exposure to transition risk associated with policy and legislative changes, market, and reputational shifts.Additionally, we continue to strengthen alignment with TCFD recommendations.
Transition, market and reputation Long-term time horizon	<ul style="list-style-type: none">Shift in supply and demand for products and servicesChanging tenant preferencesIncreased stakeholder expectations on climate-related risk	<ul style="list-style-type: none">Failure to adapt to climate change reforms could adversely affect our reputationCosts to build net zero assets, or upgrade assets to net zero could increaseMay require increased internal resources to manage climate risk and produce climate disclosure	

(1) Short-term is used to describe risks with the highest likelihood and greatest severity between present and 2030. Long-term is used to describe risks with the highest likelihood and greatest severity after 2030.

Scenario Analysis

The Dream group has identified climate change as a significant risk, as well as a catalyst for opportunities to create long-term value through proactive strategic decisions. In 2022, we conducted a climate scenario analysis to explore how the potential risks and opportunities associated with different climate scenarios could impact our businesses. The objective of the exercise was to build our teams’ understanding of the specific ways climate change may impact the way we conduct business and identify how we can prepare to mitigate risks and capitalize on opportunities.

The scope of the scenario analysis covered all Dream public entities and included input from decision makers and key stakeholders across the Dream group with expertise in business functions including sustainability and ESG, corporate finance, compliance, portfolio management, risk management, asset management, and development.

While the uncertainty about the future is an inherent challenge and limitation of this exercise, we have incorporated assumptions about macroeconomic trends, such as the likelihood of ESG regulations increasing in tandem with more extreme weather events.

Scenario Development

Our analysis used two divergent climate scenarios:

	Scenario 1: Failure to act	Scenario 2: Paris-aligned
GHG emissions	Emissions continue to rise through 2100	Advanced economies reach net zero by 2050
Temperature rise	Over 4° C in Canada	Lower than 2° C
Climate action policies	Least aggressive	Most aggressive
Greatest risks to Dream	Physical risks	Transition risks
Guided by	Intergovernmental Panel on Climate Change (“IPCC”) Representative Concentration Pathway (“RCP”) 6.0 and 8.5 ⁽¹⁾	International Energy Agency (“IEA”) Sustainable Development Scenario (“SDS”), IPCC RCP 2.6 ⁽²⁾

These scenarios were chosen because they are:

- Plausible:** the scenario events are possible based on research from credible sources
- Differentiated:** each scenario focuses on different combination of factors and thus allows Dream to identify a variety of possible risks and opportunities
- TCFD aligned:** the TCFD recommends using a warming scenario of 2°C or lower

The scenarios are also aligned with IFRS S2 which requires the use of climate-related scenarios aligned with the latest international agreement on climate change.

(1) Representative Concentration Pathways are greenhouse gas concentration trajectories used to model climate change outcomes. More information on RCPs published by the IPCC can be found at https://ipcc-data.org/guidelines/pages/glossary/glossary_r.html.

(2) The SDS outlines one potential path to 2040 to meet the objectives of the Paris Agreement through assumptions about policies aimed at increasing efficiencies and renewable energy sources to limit energy demand growth. More information can be found at <https://www.iea.org/data-and-statistics/charts/energy-sector-carbon-intensity-historical-and-sds>.



Scenario 1: Failure to Act

Risk	
Market variability	<ul style="list-style-type: none">Increased time and cost to comply with varying regulationsVarying tenant and investor expectations lead to confusion and inefficiencies
Asset value protection	<ul style="list-style-type: none">Higher capital expenditure costs to protect assets from increased physical riskPotential for stranded assets in high-risk, uninsurable areas
Repair costs and disruptions	<ul style="list-style-type: none">Unpredictable operating expendituresIncreased repair costsDecrease in availability of assets to acquireBusiness disruption due to climate eventsHealth and safety risks
Tenant needs shift	<ul style="list-style-type: none">Misaligned climate objectives deter progressIncreased tenant demand for resilienceDecreased demand in high-risk areasTenant operations suffer due to physical risk, depressed economic activity
Supply chain issues	<ul style="list-style-type: none">Risk to development timelines and budgetsProduct availability and transportation becomes a challenge
Opportunities	
Differentiate and attract via resilience	<ul style="list-style-type: none">Strengthen existing relationships by increasing awareness of the importance of resilienceInvest in resilience to differentiate from peers and attract tenants and investorsImprove resilience to create investment opportunities in higher risk areas
Opportunities for new and creative leadership innovations	<ul style="list-style-type: none">Contribute to resilience-related standards or certificationsSell renewable energy
Collaborate to lessen impact	<ul style="list-style-type: none">Pursue industry leadership and collaboration through resilienceBuild relationships with local suppliers who can mitigate potential disruptions better than global supply chain partnersCapitalize on increased availability of skilled workers and potential tenants as local population grows

Scenario 2: Paris-aligned

Risk	
Net zero investment	<ul style="list-style-type: none">High capital expenditure costs to achieve net zero at existing buildings and protect valueUp-skilling for new technology and operational practicesTechnology risk as first-moversRisk of stranded assets
Development costs	<ul style="list-style-type: none">Increased costs to develop net zero capabilitiesReduced rent premiums and affordability challenges due to increase in minimum sustainability requirementsLonger permitting and development timelines
Infrastructure challenges	<ul style="list-style-type: none">Limits to capacity and reliability of electrical gridsIncreased demand leads to brownouts, business disruptionLack of renewable energy infrastructure and materials
Tenant collaboration challenges	<ul style="list-style-type: none">Pursue industry leadership and collaboration through resilienceResistant tenants could impact net zero target achievement and relationships
Reputational expectations and risk	<ul style="list-style-type: none">Reputational risk to not achieving net zero targetIncreased reporting requirements and costs to communicate climate action
Opportunities	
Attract tenants and capital	<ul style="list-style-type: none">Differentiate from peers through ambitious GHG reduction programs and partnershipsAttract tenants and investors with similar decarbonization goalsLower risk profiles from investors by committing to transparent reporting
Opportunity for low-carbon products and services	<ul style="list-style-type: none">Increased demand for renewable energy certificates and solar energyInvest in low-carbon technology ventures
Early action reduces future costs	<ul style="list-style-type: none">Reduce future costs by building low-carbon assets ahead of peersDecrease future costs by conducting early pilots of new technologyLower insurance costs by increasing asset resilience and longevity

Forward-looking Plans

We are using the results of the climate scenario analysis to:

- **Identify and prioritize** which climate risks may impact our assets based on likelihood and severity to help prioritize property-specific capital plans and future-proof our assets
- **Prioritize mitigation efforts** and engage in proactive positioning to pursue relevant opportunities
- **Protect our financial position** by investing and building competence in resilience and adaptation
- **Advance opportunities** to be a low-carbon leader, benefit from increased tenant demand for net zero assets, and gain access to capital for clean technology innovations

In addition, we intend to expand the scope of the climate resiliency working group to more assets, risk types and regions.



Cybersecurity and Information Governance



We are committed to cybersecurity and privacy through a combination of regular security awareness activities and the use of next-generation protection technologies. Our Cybersecurity and Information Governance program is overseen by our Chief Information Officer.

Cybersecurity

In 2023, our cybersecurity program was focused on the following areas in order to help minimize the likelihood and impact of cyber incidents on our systems:

- Monitoring threats and implementing preventative measures to ensure that all systems and employees are protected
- Performing regular assurance activities, including internal and third-party vulnerability scanning and assessments in order to manage exposure and risk
- Incident management and resolution, guided by internally developed processes, policies and procedures, supported by continuous improvement
- Benchmarking our security controls against leading cybersecurity frameworks
- Conducting mandatory cyber-awareness training program for all employees

Information Governance

Our data governance program aims to strengthen our data posture and data privacy oversight across the business. The program monitors security threats, malicious events, incidents, employee data, and file sharing by implementing new monitoring processes and tools. We generate monthly reports tracking malicious attempts that are shared with our senior leadership team.

Forward-looking Plans

- **We continuously evaluate and implement new technologies,** processes, and tools in order to adapt to emerging cybersecurity threats.

Business Ethics

As one of Canada’s leading real estate organizations, we are committed to maintaining the highest standards as it relates to ethical business conduct.

We are steadfast in our commitment to maintaining the highest business and personal ethical standards by dealing openly and honestly with each other and with our Directors, Trustees, investors, tenants, and suppliers. We are also acutely aware of the laws and regulations that govern our conduct at work, in the marketplace, and in our communities.

Our various policies governing business ethics and norms of behaviour are developed by the respective entity boards. Compliance with these policies is the responsibility of all employees.

Each Dream entity is governed by a Code of Conduct (the “Codes”) which are reviewed annually. The Codes are our statement of the values and principles that guide us in our daily business activities. The keystones of our Codes are: integrity, respect, fairness, accountability and transparency. The Codes support our commitment to operate our businesses at the highest level of legal, moral and ethical standards, and they provide the overriding principles for all of our policies and our approach to business. Each Code of Conduct applies to all members of the organization, including Directors, Trustees, Officers, and employees.

These Codes have guidelines for expected behaviours and practices in daily business activities, and direct employees to report conflicts of interest to the applicable supervising individual. Conflicts of interests related to Directors, Trustees and Officers are disclosed in our Annual Information Forms.



30 Adelaide St. East
Toronto, ON



Creekwood Place
Lancaster, TX

02

Dream Residential REIT



About Dream Residential REIT⁽¹⁾

Dream Residential Real Estate Investment Trust (TSX: DRR.U, TSX: DRR.UN) (“Dream Residential”, or “DRR.U”) is an unincorporated, open-ended real estate investment trust.

Dream Residential owns and operates a portfolio of 15 garden-style multi residential properties, totalling 3,300 units, primarily located in the Sunbelt and Midwest regions of the United States. These properties target mid-market renters in attractive, high-growth markets such as the Greater Dallas-Fort Worth region, Greater Oklahoma City region, and Greater Cincinnati region.

15

properties

\$411.9 million

total assets⁽²⁾

93.7%

in-place and committed occupancy

3,300

total units

“

Our sustainability approach complements our intent to create value with our renovation program, property management initiatives and disciplined pursuit of operational efficiencies.

”

Scott Schoeman
Chief Operating Officer, Dream Residential REIT



Ascent Lake Worth
Fort Worth, TX

(1) All figures as at December 31, 2023, unless otherwise stated.
(2) Denominated in U.S. Dollars.



Dream Residential REIT

2023 Highlights

Environmental

Improved

energy efficiency through LED retrofits at five properties in Ohio and Oklahoma

Completed

water fixture upgrades across 410 unit renovations in Oklahoma and Texas to improve water efficiency

Investigated

benchmarking tools such as Energy Star Portfolio Manager to better understand energy performance of properties





Dream Residential REIT

2023 Highlights

Social

Great Place to Work®

Received the Great Place to Work® Certification⁽¹⁾

Women Lead Here

Selected as an honouree of the Globe and Mail's Report on Business "Women Lead Here" program that benchmarks gender parity⁽¹⁾

100%

coverage rate of 2023 resident survey



Ascent Lake Worth
Fort Worth, TX



Jane Gavan and Brian Pauls at the TSX
Toronto, ON



Creekwood Place
Lancaster, TX

⁽¹⁾ Award received by Dream group of companies



2023 Highlights

Governance

PRI

Completed inaugural Principles for Responsible Investment (“PRI”) submission and achieved scores above the PRI median in two out of three modules⁽¹⁾

NZAM

Completed second annual reporting requirements for the Net Zero Asset Managers (“NZAM”) initiative⁽¹⁾

ESG

Enhanced internal controls framework to increase the rigor of ESG data collection, measurement and reporting

GRESB

Completed inaugural GRESB Real Estate Assessment, scoring full points in the Policies, Reporting, and Targets aspects, as well as a 90% score for Governance related indicators⁽²⁾

Performed

annual physical climate risk assessment of the entire portfolio for the following hazards: flooding, wildfire, windstorm, tornado, hailstorm, lightning, and earthquake



Carriage Court
Cincinnati, OH



Colt's Crossing
Cincinnati, OH



Oak Place
Oklahoma City, OK

⁽¹⁾ DRM completed the submission of behalf of the Dream group of companies.
⁽²⁾ All intellectual property rights to this data belong exclusively to GRESB B.V. All rights reserved. GRESB B.V. has no liability to any person (including a natural person, corporate or unincorporated body) for any losses, damages, costs, expenses, or other liabilities suffered as a result of any use of or reliance on any of the information which may be attributed to it.

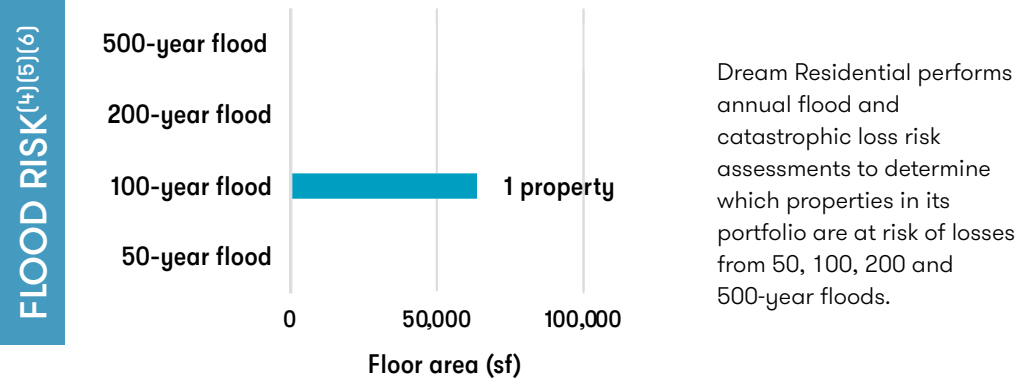


ESG Scorecard

Environmental

Indicator	2022 ⁽¹⁾	2023	YoY% Change
Energy			
Energy Consumption (ekWh) ⁽²⁾	3,477,297	6,438,182 ✓	85%
Water			
Water Consumption (m³)	371,888	515,923	39%
GHG Emissions ⁽³⁾			
Scope 1 Emissions (tCO ₂ e)	399	814 ✓	104%
Scope 2 Emissions (tCO ₂ e)	515	798 ✓	55%
Scope 1 & 2 GHG Emissions (tCO ₂ e)	914	1,612 ✓	76%
Scope 3 Emissions (tCO ₂ e)	196	538	174%

The 2022 data shown is reflective of the period starting May 2022, when Dream Residential was incorporated, to the end of December 2022. 2023 was the first full calendar year of Dream Residential’s operations, which is why the year-over-year change values are significantly higher.



✓ Externally assured; please refer to note in the [About this Report](#) section

(1) Covers data from DRR.U's incorporation in May 2022 to end of December 2022.
(2) Energy consumption reflects energy consumed within organizational control. Please refer to [Supplementary Disclosures](#) section for additional details, including data coverage.
(3) GHG emissions are calculated in accordance with the World Resource Institute Greenhouse Gas Protocol. Calculations in this table capture activities DRR.U has direct and indirect operational control over: Scope 1 emissions generated directly from its operations, including heating properties; Scope 2 emissions indirectly associated with generation of purchased electricity by properties. Scope 3 emissions reported are associated with category 13 (downstream leased assets). Please refer to [Supplementary Disclosures](#) section for more information.
(4) Assets that may be classified under more than one category by default are not duplicated in the figures in the other time categories.
(5) Under development, redevelopment and major renovation are excluded from analysis.
(6) Floor area square footage is based on GLA as at December 31, 2023.
(7) Copyright © 2023 Morningstar Sustainability. All rights reserved. This report contains information developed by Sustainability (http://www.sustainability.com). Such information and data are proprietary of Sustainability and/or its third party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainability.com/legal-disclaimers>.



Environmental


Approach

Dream Residential’s core values are to prioritize efficient and comfortable buildings, which aligns with the Dream group’s mission to Build Better Communities.

As an owner and property manager, Dream Residential integrates sustainability into the design and operations of all its buildings and communities. Dream Residential is executing impactful capital planning initiatives that improve both the environmental footprint and the tenant experience in its buildings.

Dream Residential has established its environmental approach consistent with the Dream group of companies’ ESG Framework. Dream Residential is focused on developing and operating its properties to optimize energy use, limit GHG emissions, and reduce water use and waste, while also creating resiliency against natural disasters and major climatic events.

Net Zero Action Plan

In 2022, the Dream group of companies published its [Net Zero by 2035 Action Plan](#)  to outline intended steps to be taken to achieve net zero. At the time of publication, the Dream group of companies included Dream Unlimited, Dream Impact, Dream Office, and Dream Industrial. Dream Residential was not formed. At its formation, Dream Residential committed to net zero Scope 1 and Scope 2 emissions by 2050.

In 2023, Dream Residential focused on advancing its net zero ambition by considering energy efficiency projects in its capital plans, enhancing energy management practices, and improving data collection processes.

The Net Zero Action Plan includes the following steps:

- Identify baseline emissions and estimated future emissions
- Develop roadmaps to achieve net zero at the property level
- Establish oversight and transparency to create accountability to stakeholders through comprehensive governance and reporting

The learnings from the development of the Net Zero Action Plan and the progress towards implementing the systems and processes to achieve net zero, across the Dream group of companies, will be leveraged to develop a net zero strategy for Dream Residential.



Ashton Glen
Centerville, OH

01

2050

net zero Scope 1 and Scope 2 emissions

02

100%

of Dream Residential’s AUM is targeting net zero GHG emissions by 2050⁽¹⁾

(1) As at December 31, 2023. Includes fair value of investment properties and working capital under management. Please refer to DRRJ’s latest Annual Report for more details on AUM.

Resource Management

As outlined in the [Environmental Policy](#), Dream Residential is committed to operating in an environmentally responsible manner, preserving natural resources and managing residential assets with long-term positive impact on its communities, wherever possible.

Energy Management

Dream Residential’s energy conservation program is focused on identifying and implementing sustainable practices and cost-effective retrofits that benefit its communities, customers, and employees as well as reduce energy consumption and GHG emissions across its portfolio.

In 2023, Dream Residential actioned the recommendations from the energy audits conducted in the previous year, which estimated and benchmarked baseline energy and identified opportunities to deploy LED lighting retrofit projects. Based on the results of these audits, Dream Residential invested in LED retrofits totalling \$175,000 at five properties.

The retrofit projects are intended to add value to the properties by reducing operating costs and improving leasing. The insights and experience from these projects are helping Dream Residential expand this program to other properties.

Water Management

Dream Residential’s water conservation programs aim to minimize its use of potable water and decrease water consumption where possible through fixture retrofits and efficiency upgrades. It also incorporates the planting of native and drought-tolerant species across the properties during landscaping to reduce the amount of potable water required for irrigation, wherever possible. Through water audits and site visits by trained professionals, it continues to evaluate various water conservation opportunities including smart irrigation systems, low-flow fixtures and other system upgrades such as water conservation valves, as well as increasing resident awareness.

In 2023, Dream Residential implemented its water conservation program at seven of its properties with an aim to reduce potable water consumption. The program included replacement of showerheads, kitchen faucets and bathroom faucets with more efficient and low flow water fixtures. Throughout 2023, Dream Residential installed high efficiency fixtures in 410 residential units, or 12% of its portfolio.

Data Collection and Reporting

In 2023, Dream Residential continued to make progress on increasing data coverage and quality for operational and tenant utility data and associated GHG emissions. Dream Residential’s Scope 1 and 2 operational GHG emissions from a typical asset come from exterior and common area lighting, and heating and cooling of shared spaces. The key category of Dream Residential’s Scope 3 GHG emissions is tenant utility consumption.

Dream Residential has established a robust strategy to collect, monitor and report its Scope 1, Scope 2 and Scope 3 GHG emissions. It has engaged a third-party utility billing service provider to manage common area and tenant utility data. Dream Residential continues to evaluate innovative solutions and industry best practices such as smart meters, collection of data through Energy Star Portfolio Manager (“ESPM”) and tenant engagement to further its data collection, monitoring and reporting program.





Social

Dream Residential is committed to maintaining a culture of inclusivity and creating meaningful opportunities for its employees, maintaining strong relationships with its residents, and engaging with local communities and cities. Dream Residential has a US-based human resources team to help support and grow its team during its second year of operation. This team is responsible for employee engagement, professional development, and ensuring that team members feel supported and engaged in their roles.

Dream Residential Gender Breakdown



Dream Residential’s head office is proud to have received **BOMA BEST Gold** certification and Rick Hansen Foundation Accessibility Certification (“RHFAC”) in 2023.

Resident Engagement

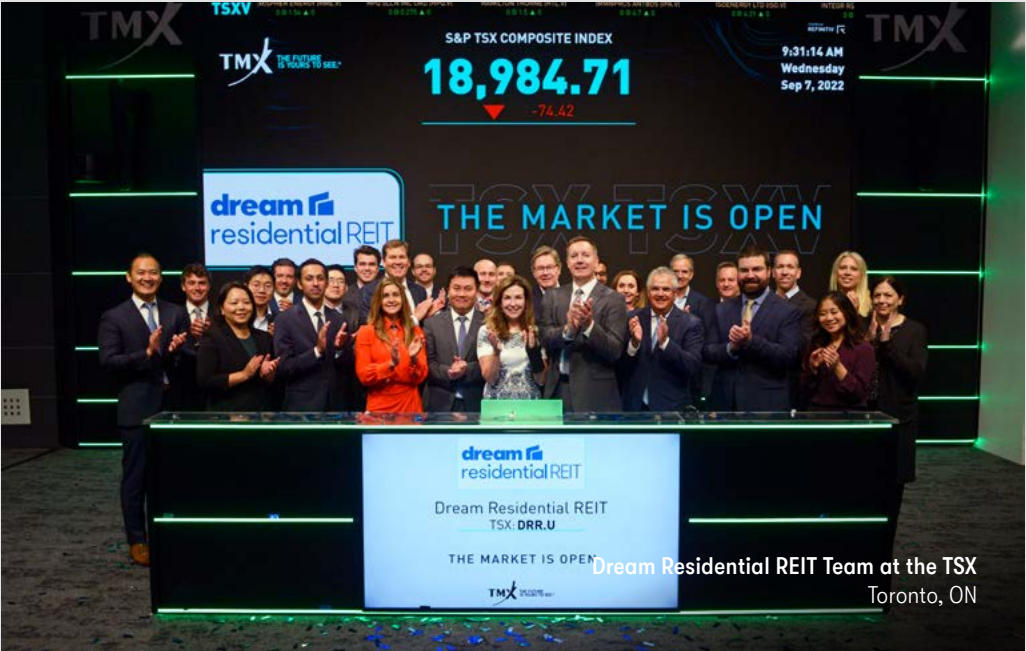
Dream Residential conducts regular satisfaction surveys of its residents through an independent third party. In 2023, the survey had a coverage rate of 100%. Through their resident outreach, the independent third party, circulates a survey to each resident twice per year. Based on the feedback received through the surveys, the property management team intends to create an action plan to address with the property managers and residents where applicable.



Jane Gavan and Michael Cooper
Toronto, ON



Breakfast Social at Dream Head Office
Toronto, ON



Dream Residential REIT Team at the TSX
Toronto, ON



30 Adelaide St. E
Toronto, ON

For detailed information on Dream Residential’s approach to Employee Development and Engagement, Diversity, Inclusion and advancement, Health and Safety, and Volunteering and Giving please refer to the shared **Social section** in the front of this report.

(1) Based on DRR.U employees of Pauls Corp.
(2) For the purposes of this report, Executives include: the Chief Executive Officer, Chief Financial Officer, and Chief Operating Officer of DRR.U.

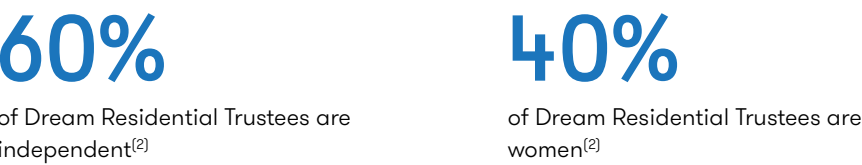


Governance Structures and Policies

As part of the ESG Framework, Dream Residential links ESG considerations to executive goals and compensation. Sustainability and ESG related matters are managed by the following:

Board, Committee or Team	Responsibilities ⁽¹⁾
Board of Trustees	<ul style="list-style-type: none">The Dream Residential board is responsible for the oversight of ESG matters and has delegated such oversight to the Governance, Compensation and Environmental Committee
Governance, Compensation and Environmental Committee	<ul style="list-style-type: none">Oversee approach to environmental, social, governance and impact investing matters
Chief Executive Officer	<ul style="list-style-type: none">Highest-level executive with oversight over ESG and impact matters, including sustainability and climate change, at Dream ResidentialWorks with the Chief Financial Officer to provide leadership over the sustainability strategy and oversee adoption of the ESG Framework
ESG Executive Committee (Members of the Executive Leadership team from each Dream entity)	<ul style="list-style-type: none">Receive regular updates from the Sustainability and ESG team on behalf of all departments and the sustainability working groupsAdopt ESG Framework for Dream ResidentialCommunicate sustainability strategy and commitment across company and key external stakeholdersDelegate implementation to Sustainability and ESG teamReports to the Governance, Compensation and Environmental Committee
Sustainability and ESG Team	<ul style="list-style-type: none">Embed sustainability strategy and commitment across company and with key external stakeholdersOversee the implementation of the ESG Framework for each Dream entityManage portfolio sustainability initiatives including building certifications, energy, water and waste management and monitoring, as well as strategic initiativesMeet quarterly with the ESG Executive Committee
Sustainability Working Groups	<ul style="list-style-type: none">Responsible for advancing sustainability initiatives and activities at company and property levelWorks across departments to embed sustainability within operationsDiscussion topics include green property operations, employee engagement, and tenant engagement
Investment Committee	<ul style="list-style-type: none">Review the investment’s Acquisition Checklist and approve investments that meet both financial and impact goalsHold the project team accountable to achieve goals and create impact

Board Composition



Governance, Compensation and Environmental Committee Members:



Member
Fahad Khan



Member
Vicky Schiff



Chair
Leonard Abramsky

Dream Residential Policies

- [Charters and Policies](#)
- [Whistleblower Policy](#)
- [Board Diversity Policy](#)
- [Majority Voting Policy](#)
- [Environmental Policy](#)
- [Diversity, Inclusion & Advancement Commitment](#)
- [Disclosure Policy](#)
- [Code of Conduct](#)

For detailed information on Dream Residential’s approach to Corporate Governance, ESG Risk Management, Cybersecurity and Business Ethics, please refer to the shared [Governance section](#).

⁽¹⁾ The responsibilities set out in this column are for illustrative purposes only, reflect certain relevant ESG matters, and do not purport to reflect the full extent of responsibilities or the full mandate of any of the board, committees or teams referred to in this chart.
⁽²⁾ Board composition as at December 31, 2023.

Climate Change Risk

Climate change poses a significant risk for Dream Residential’s properties, employees, tenants and communities.

Dream Residential is proactively managing climate-related risks to meet its net zero commitment and protect against the shocks and stressors of climate change and the transition to a low-carbon economy. Climate change risk informs Dream Residential’s business strategy and decision-making by establishing the order of priority for making the capital and operational investments needed to future-proof assets.

The adjacent table provides a high-level summary of key physical and transition risks and their associated potential impacts on Dream Residential’s business. For details on how Dream Residential identifies, manages and mitigates climate risks, please refer to the shared [Climate Change Risk](#) section.



GRESB is an independent organization that validates ESG performance data. It is the global standard for ESG benchmarking and reporting for listed property companies, private property funds, developers and investors that invest directly in real estate.

In 2023, Dream Residential completed its inaugural submission to the GRESB Real Estate Assessment and received a score which was consistent with the expected results for a first time participant. Dream Residential scored full points in the Policies, Reporting and Targets aspects. Dream Residential is evaluating opportunities to improve its GRESB score that align with business plans, create value for stakeholders and demonstrate leadership to investors.

The GRESB Real Estate Assessment participation increased in 2023 by 15% to include 2,084 listed and non-listed portfolios generating a benchmark that covers U.S. \$7.2 trillion of gross asset value (“GAV”) across 75 countries. The growth in participation serves as a clear indicator that the global investment community is considering ESG factors in its investment decisions and values transparency and standardized reporting from its real estate investments.

Type of Risk ⁽²⁾	Identified Risks	Potential Impact	Mitigating Action
Physical, acute Short- to long-term time horizon	<ul style="list-style-type: none">Natural disasters and increasingly frequent and severe weather conditions including wildfire, windstorms, tornadoes, hailstorms, lightning and earthquake	<ul style="list-style-type: none">Could interrupt operations and activities, threaten tenant health and safety, damage properties and may decrease property values or require additional expenses to be incurred, including increased insurance costs	Dream Residential uses third-party climate data to assess property-level physical climate risks from the following hazards: <ul style="list-style-type: none">FloodingWildfireEarthquakeHailstormLightningWindstormTornado
	<ul style="list-style-type: none">50, 100, 200 and 500-year flood events		<ul style="list-style-type: none">A flood and catastrophic loss risk assessment is performed annually to determine which properties in its portfolio are at risk of losses from 50, 100, 200 and 500-year floods. Based on the results, Dream Residential is developing site-specific resilience strategies
Physical, chronic Long-term time horizon	<ul style="list-style-type: none">Temperature changePrecipitation changeSea-level riseAir qualityWater security/water stress	<ul style="list-style-type: none">Temperature change could increase cooling loads and costsSea-level rise could alter geographies targeted for future investmentWater security/water stress risk may impact approach to water management and capital expenditures on efficiency upgrades	Property-level risk is assessed using third-party climate data against the listed chronic physical climate risks: <ul style="list-style-type: none">Temperature changeAir qualityPrecipitation changeWater security/water stressSea-level rise
Transition, policy and legal Short- to long-term time horizon	<ul style="list-style-type: none">Greenhouse gas emissions reduction regulations	<ul style="list-style-type: none">Could impose constraints on operational flexibility or result in financial costs or fines to comply with various reforms	<ul style="list-style-type: none">Dream Residential’s GHG emissions reduction targets and net zero action plan help mitigate transition risk by proactively reducing emissions ahead of potential future regulations and anticipated future changes in tenant preferences and market supply and demand.
Transition, market and reputation Long-term time horizon	<ul style="list-style-type: none">Shift in supply and demand for products and servicesChanging tenant preferencesIncreased stakeholder expectations on climate-related risk	<ul style="list-style-type: none">Failure to adapt to climate change reforms could adversely affect reputationCosts to build net zero assets, or upgrade assets to net zero could increaseMay require increased internal resources to manage climate risk and produce climate disclosure	<p>The Risk Management and Sustainability and ESG teams continuously monitor the exposure to transition risk associated with policy and legislative changes, market, and reputational shifts.</p> <p>Additionally, Dream Residential continues to strengthen alignment with the Task Force on Climate-related Financial Disclosures (“TCFD”) recommendations and climate disclosure regulations.</p>

(1) All intellectual property rights to this data belong exclusively to GRESB B.V. All rights reserved. GRESB B.V. has no liability to any person (including a natural person, corporate or unincorporated body) for any losses, damages, costs, expenses, or other liabilities suffered as a result of any use of or reliance on any of the information which may be attributed to it.
(2) Short-term is used to describe risks with the highest likelihood and greatest severity between present and 2030. Long-term is used to describe risks with the highest likelihood and greatest severity after 2030.



Forward-looking Plans



Environmental

- **Expand** Dream Residential’s energy management program and water management program
- **Implement** benchmarking tools such as ESPM to understand energy performance of properties
- **Continue** to improve coverage for energy, water and Scope 1, 2 and select scope 3 GHG emissions data
- **Pilot** retrofit projects and continue to implement GHG emissions reductions and energy efficiency improvements across the portfolio
- **Continue** to develop and enhance the internal skills and competencies related to net zero and decarbonization strategies

Social

- **Evaluate** the procurement process to identify areas in the supply chain where ESG-specific requirements can be integrated
- **Target** 100% coverage rate in 2024 resident survey

Governance

- **Evaluate** and plan for compliance with future sustainability regulatory reporting requirements such as the International Financial Reporting Standards (“IFRS”) S1 and S2 standards
- **Continue** reporting to PRI and NZAM
- **Evaluate** the impact and opportunities of aligning with the recommendations of the Task Force on Nature-related Financial Disclosures (“TNFD”) on Dream Residential’s portfolio
- **Develop** a plan to systematically assess climate change risk based on the short- and long-term risks and opportunities identified in scenario analysis
- **Improve** Dream Residential GRESB score in the 2024 GRESB Real Estate Assessment



Alpine Park
Calgary, AB

03

Supplemental Disclosures



Dream Group of Companies

Social

The boundary of the reporting in this section includes only employees employed by Dream Asset Management Corporation, Dream Industrial Management Corp., Dream Office Management Corp., Dream U.S. Manager LLC, Dream Europe Advisors Coöperatieve U.A., Dream European Advisors GmbH, Dream Netherlands Advisors B.V., Dream Industrial Netherlands Property Management B.V., Dream France Advisors SAS, and Dream Summit Industrial Management Corp. Does not include employees at recreational proper-ties, employees on unpaid leaves of absence (e.g., permanent disability, long-term disability, parental leave) interns, and Dream Residential REIT employees of Pauls Corp. Annual numbers represents total headcount and not full-time equivalent as at December 31st of the respective year.

Topic	Content		2019	2020	2021	2022	2023		
Employee breakdown	Total		490	493	535	600	645		
	Permanent ⁽¹⁾		467	477	518	591	633		
	Contract		23	16	17	9	12		
	Full-time ⁽²⁾		484	489	531	596	636		
	Part-time		6	4	4	4	9		
Diversity breakdown ⁽³⁾	Employees ⁽⁴⁾	Women	47%	47%	48%	46%	46%		
		Men	53%	53%	52%	54%	54%		
	Managers ⁽⁵⁾	Women	44%	43%	45%	43%	45%		
		Men	56%	57%	55%	57%	55%		
	Senior Management ⁽⁶⁾	Women	See note ⁽⁷⁾				33%	37%	
		Men					67%	63%	
	Executive Team ⁽⁸⁾	Women	40%	38%	47%	36%	30%		
		Men	60%	62%	53%	64%	70%		
	DRM Board of Directors	Women	50%	50%	50%	50%	50%		
		Men	50%	50%	50%	50%	50%		
	MPCT.UN GP and Trust Board	Women	43%	50%	60%	60%	63%		
		Men	57%	50%	40%	40%	37%		
	D.UN Board of Trustees	Women	43%	50%	50%	50%	57%		
		Men	57%	50%	50%	50%	43%		
	DIR.UN Board of Trustees	Women	25%	25%	25%	25%	38%		
		Men	75%	75%	75%	75%	62%		
	DRR.U Board of Trustees	Women	N/A ⁽⁹⁾				40%	40%	
		Men					60%	60%	
	Demographic breakdown ⁽¹⁰⁾	Visible Minority		See note ⁽⁷⁾				30%	51%
		Indigenous						2%	3%
LGBTQ+		5%	8%						
Accessibility		4%	6%						
Indigenous, that is First Nation (North American Indian), Metis or Inuk (Inuit)		See note ⁽⁷⁾	3%						
Middle Eastern			3%						
Black			4%						
Hispanic			4%						
South Asian (e.g., East Indian, Pakistani, Sri Lankan, etc.)			10%						
East Asian (e.g., Vietnamese, Cambodian, Laotian, Thai, etc.)			16%						
West Asian (e.g., Iranian, Afghan, etc.)			1%						
White of Caucasian or European Descent			55%						
Other			5%						
Prefer not to answer			1%						

Topic	Content		2019	2020	2021	2022	2023
New hires & turnover rates	New Hires	Total	99	58	125	181	111
		Women	47	24	62	85	56
		Men	52	34	63	96	55
		Age < 35	See note ⁽⁷⁾		78	111	66
		Age 35 - 54			41	59	40
		Age > 54			6	11	5
		Central and Eastern Canada	82	47	88	134	82
		Western Canada	17	8	22	37	23
		United States	0	0	9	1	2
		Europe	0	3	6	9	4
	Voluntary turnover rate ⁽¹¹⁾	Total	29%	12%	17%	16%	16%
		Women	See note ⁽⁷⁾		19%	19%	18%
		Men			14%	12%	13%
		Age < 35			24%	19%	21%
		Age 35 - 54			14%	12%	15%
		Age > 54			11%	19%	5%
		Central and Eastern Canada	See note ⁽⁷⁾		19%	15%	16%
		Western Canada			13%	28%	13%
		United States			0%	0%	3%
		Europe			0%	2%	22%
Employee training & development	Tuition fees		\$500,000	\$73,273	\$66,723	\$81,534	\$226,964
	Professional fees		See note ⁽⁹⁾	\$351,928	\$154,277	\$195,495	\$207,783
	Tuition & Professional Fees Paid		\$500,000	\$425,000	\$221,000	\$277,000	\$434,747
	Information on programs supporting degree programs and certifications for all employees		Dream supports the achievement of degree programs and certifications for all employees through providing time off and financial support. We provide up to \$2,500 for tuition reimbursement and \$500 for textbooks per calendar year, as well as reimbursement for professional designation fees. Dream is also a CPA Ontario Training Employer that allow students in the CPA program to satisfy all their CPA Practical Experience Requirements while working here. For more information see the following: DRM Management Information Circular ↗ MPCT.UN Management Information Circular ↗ D.UN Management Information Circular ↗ DIR.UN Management Information Circular ↗ DRR.U Management Information Circular ↗				
	Regular performance and career development reviews	Percentage of employees	See note ⁽⁷⁾				86%
Health & Safety	Lost-time injuries	Women	0	0	0	0	1
		Men	1	1	2	1	1
		Central Canada	1	0	1	1	1
		Western Canada	0	1	1	0	1
		Injury type(s)	Saw dust in eye	Slip/trip	Motor vehicle accident; psychological incident	Falls	Slip and Fall
		Lost days	2	10	0	3	2
		LTI rate	See note ⁽⁷⁾				0.35
	Near-misses	Women	0	0	0	1	0
		Men	0	0	0	0	1
		Central Canada	0	0	0	0	1
		Western Canada	0	0	0	1	0
		Injury type(s)	N/A			Near miss	0
		Lost days				0	0

Topic	Content	2019	2020	2021	2022	2023
Health & Safety	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Dream encourages all employees to promote health, safety and wellbeing in the workplace. We all must comply with laws, as written and for their intended purpose. Employees are first introduced to the Health, Safety and Wellbeing Policy and Workplace Violence, Discrimination and Harassment policy during their orientation. During orientation, employees are also instructed on how to comply with all government and legal requirements and industry standards in jurisdictions where we operate. Dream offers many other policies that are available to employees at all times and are reviewed with each employee annually. Consistent monitoring of our Health and Safety program ensures the internal responsibility system is in practice. Incidents and accidents are tracked and analyzed using multiple data inputs. Health and safety metrics are reviewed and compared to industry standards and benchmarks. Our results are analyzed, and an action plan is developed to mitigate common incidents. Joint Health and Safety Committees/Health and Safety Representatives review incident reports as well as establish and promote a safe work culture by holding regular meetings at our offices.				
	Policy commitment to ensure product and service safety	Management’s commitment to ongoing hazard assessment is promoted through workplace inspections, incident investigation and corrective actions. All incident reports are reported through the Incident/Injury Report Form available on the company website. During the reporting stage, the supervisor, in coordination with the Health and Safety Coordinator, will assess the scene, determine the root cause and provide any corrective actions that are needed. Management has taken on the responsibility to review all incident reports and review all Health and Safety Committee inspections and minutes.				
Alternative transportation	Dream’s corporate head office is in the heart of downtown Toronto, within a five-minute walking distance from both King and Queen subway stations. The office is also within a 15-minute walk to Union Station, connecting employees to commuter trains, VIA rail and the Union-Pearson Express. Transportation supports provided to employees include onsite bike racks, reimbursement for public transit passes (only for director-level employees and above, as well as onsite EV charging stations).					

(1) Includes permanent part-time employees.

(2) Includes all employees with a work schedule of 35 hours or greater per week.

(3) Percentages are based on total head count.

(4) Based on employees at all levels.

(5) Managers includes Manager level employees and above.

(6) Includes Vice Presidents and above.

(7) Data is unavailable or not collected for the reporting year.

(8) Executives include: the Chief Responsible Officer of DRM, the Chief Executive Officers of DIR.UN, D.UN, and DRR.U, the Portfolio Manager of MPCT.UN, the Chief Financial Officers of DRM, MPCT.UN, D.UN, DIR.UN and DRR.U as well as the Chief Operating Officers of D.UN, DIR.UN and DRR.U, without double counting individuals.

(9) DRR.U was launched on May 6, 2022.

(10) The demographic survey results were based on 422 anonymous participants in 2022 and 410 anonymous participants in 2023. Percentages were based on total headcount. Includes employees which selected multiple responses.

(11) Turnover is calculated as an average of percentage of employee headcount across Dream group of companies in noted category.



Dream Residential REIT

Environmental⁽¹⁾

Methodology

Organizational Boundary

Dream Residential uses the operational control approach for sustainability reporting. Dream Residential’s energy consumption, water usage, and GHG emissions inventory includes assets owned and operated as per the entities control approach. The boundary includes data for the full year or since the asset is operational unless otherwise stated. Floor area square footage is based on gross leasable area ("GLA"). As DRR.U was incorporate in May 2022, the 2022 data is from May 2022 to December 2022.

Operational Boundary

Dream Residential measures and reports scope 1, 2 and 3 emissions resulting from the operation of its properties.

Interpretation of Scope 1, 2 and 3 GHG emissions

Scope	Included
Scope 1: Direct GHG emissions	Direct GHG emissions occur from sources that are owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers and furnaces
Scope 2: Indirect GHG emissions	All indirect emissions that result from our activities and that occur at another location during the combustion of a primary energy source. Possible applications are electricity consumption by the properties
Scope 3: Indirect GHG emissions	All indirect emissions that are generated as a consequence of the activities of the company, but occur from sources not owned or controlled by the company

Note on environmental performance indicators

Since its first year of reporting in 2022, Dream Residential reports in accordance with The Greenhouse Gas Protocol-A Corporate Accounting and Reporting Standard (Revised Version –March 2004). The Protocol has been used to develop Dream Residential’s internal guidance documents on developing GHG emissions inventory. This provides a consistent manner in which Dream Residential can measure and report its sustainability performance, contributing to transparency in sustainability reporting.

Indirect GHG emissions are reported according to the location-based accounting method. Dream Residential continues to plan on expanding its data coverage for its GHG scope 3 emissions.

Energy Indicators

Content		2022	2023
Total fuel consumption	ekWh	2,202,424	4,492,275
	Gigajoules	7,929	16,172
	Data coverage (%)	99%	87%
Total electricity consumption	ekWh	1,274,873	1,945,907
	Gigajoules	4,590	7,005
	Data coverage (%)	99%	97%
Total energy consumption within the organization	ekWh	3,477,297	6,438,182 ✓
	Gigajoules	12,518	23,177
	Data coverage (%)	99%	96%
Total energy consumption outside the organization ⁽²⁾	ekWh	498,616	5,823,117
	Gigajoules	1,795	20,962
Renewable Energy Credits	MWh	122	74
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Whether it is the investment into a new or existing property, or throughout the ongoing operations and maintenance of our owned or managed assets, our property management and/or project management teams review capital and operational spend to identify opportunities any net new, refurbishment, or value-add projects are adding to the overall energy efficiency of the building, whether its equipment selection, building automation, or tenant use and experience. Our teams consider whether capital or operational projects within an asset are minimizing tenant impact while reducing overall GHG and energy utilization, wherever relevant.		

GHG Emissions Indicators

Content		2022	2023
Scope 1 GHG emissions	tCO2 _e	399	814 ✓
	Data coverage (%)	99%	87%
Scope 2 GHG emissions	tCO2 _e	515	798 ✓
	Data coverage (%)	99%	97%
Total Scope 1 and 2 GHG emissions	tCO2 _e	914	1,612 ✓
	Data coverage (%)	99%	96%
Scope 3 GHG emissions ⁽³⁾	tCO2 _e	196	538
Asset under management aligned with net zero goal	Percentage of AUM (%) - Total	See note ⁽⁴⁾	100%
	Percentage of AUM (%) - 2050 goal	See note ⁽⁴⁾	100%

Water Indicators

Content		2022	2023
Total volume of water withdrawn	m³	371,888	515,923
Percentage of total floor area with water consumption data coverage	%	97%	98%
Total water withdrawn by portfolio area with data coverage and percentage in regions with High or Extremely High Baseline Water Stress	%	11%	11%

Social⁽⁵⁾

Topic	Content		2023
Employee breakdown	Permanent	Total	85
		Men	46
		Women	39

Governance

Topic	Content	2022	2023
Whistleblower program	Number of whistleblower reports received	0	0
Conflicts of interest	See Code of Conduct, s. "Conflict of Interest", which sets out guidelines for trustees and employees in respect of conflicts of interest and requires trustees and employees to report conflicts of interest to a manager or in the case of trustees and officers, to the Board of Trustees, among other requirements. Section 4 of the draft Charter of Expectations for Trustees (which is expected to be implemented for Dream Residential REIT in February 2023) further requires trustees to bring to the attention of the chair of a board or committee meeting any conflict of interest that they identify, amongst other matters. The Whistleblower Policy also includes conflicts of interest as one of the matters that is covered as a legitimate concern for whistleblowing, see page 1. In respect of disclosure of conflicts of interest, the Disclosure Policy describes disclosure controls and procedures to ensure compliance with all legal and regulatory requirements in respect of disclosure of information to the general public, which disclosure practices are overseen by the Disclosure Committee. In addition, in respect of: (i), DRR.U discloses cross-board memberships in the Management Information Circular at pages 10-14; (ii) DRR.U does not disclose cross-shareholding with suppliers, however should any shareholdings generate a conflict of interest, the applicable trustee or employee would need to disclose same to the applicable internal Dream entity (but not to external stakeholders) in accordance with the Code of Conduct (see above); (iii) the principal unitholders of Dream Residential REIT are set out at page 7 of the Management Information Circular; (iv) DRR.U discloses transactions with related parties (and related amounts, description of transaction) quarterly in the Management Discussion and Analysis ("MD&A), see "Related party transactions" section. Description of applicable relationships is also included in public disclosures, either at "Related party transactions" section or elsewhere in the MD&A.		
Mechanisms for seeking advice and raising concerns	Whistleblower Policy and Code of Conduct. An annual email is sent to employees requiring an attestation that policies have been reviewed by each employee, and providing that any questions should be directed to the human resources department (People and Culture). Dream also has an in-house legal counsel department that is also available to assist with questions that employees may have.		

(1) Each year energy, GHG emissions and water data is based on the relevant properties with operational control that year unless otherwise stated. Floor area square footage is based on gross leasable area (GLA) as at the end of reporting year.

(2) Represents data from vacant and tenant units.

(3) Represents data from Scope 3 Category 13 (downstream-leased assets).

(4) Indicator was not tracked for the period.

(5) Based on DRR.U employees of Pauls Corp.



Dream Residential REIT

Global Reporting Initiative (GRI) Content Index

GRI Material Topics	Disclosure	Information and/or Linked Resources	Location/Section <small>(if included in the body of the report)</small>
GRI 1: Foundation 2021			About This Report on page 4
GRI 2: General Disclosures	GRI 2-1 Organizational details		About This Report on page 4 About Dream Residential page 45
	GRI 2-2 Entities included in the organization's sustainability reporting		About This Report on page 4
	GRI 2-3 Reporting period, frequency and contact point		About This Report on page 4
	GRI 2-4 Restatements of information		About This Report on page 4
	GRI 2-5 External assurance		About This Report on page 4
	GRI 2-7 Employees		Social page 52
	GRI 2-9 Governance structure and composition	Please see page 29 in the March 2024 Annual Information Form and page 24 in the April 2024 Annual Meeting Notice and Management Information Circular .	Governance Page 53
	GRI 2-10 Nomination and selection of the highest governance body	Dream Residential is a public entity and its board of trustees are elected yearly by the entity's shareholders or unitholders. Each board is responsible for establishing its committees.	Governance Page 53
	GRI 2-11 Chair of the highest governance body	Please see page 34 in the March 2024 Annual Information Form and page 13 in the April 2024 Annual Meeting Notice and Management Information Circular .	Governance Page 53
	GRI 2-12 Role of the highest governance body in overseeing the management of impacts	Overseeing approach to environmental, social, governance, and impact investing matters; The board of Dream Residential have delegated such oversight to Governance, Environmental and Nominating Committee .	Governance Page 53
	GRI 2-13 Delegation of responsibility for managing impacts	Dream Residential's board have delegated responsibility for sustainability and ESG matters generally to Governance, Environmental and Nominating Committee . The committee provide oversight of the ESG Executive Committee, which is responsible for adopting the ESG framework, communicating sustainability strategy and commitment across the company and to key external stakeholders. The ESG Executive Committee delegates responsibility of managing portfolio sustainability initiatives including building certifications, energy, water and waste management and monitoring, as well as strategic initiatives. The Sustainability and ESG team meet quarterly with the ESG Executive Committee.	
	GRI 2-14 Role of the highest governance body in sustainability reporting		Governance page 53
	GRI 2-15 Conflicts of interest	Dream Residential is a public entity and is therefore subject to securities regulations. These regulations require that certain material matters be considered (and, if needed, approved) by the board of trustees. Day to day consideration of concerns is otherwise undertaken by management of each entity. Each entity has internal procedures and controls to ensure that material issues are directed to management for consideration. As for critical concerns, we disclose to the general public every material matter that is required to be disclosed in accordance with securities laws. We otherwise do not have a tally or list of critical concerns that are communicated to each board.	Governance page 53
	GRI 2-16 Communication of critical concerns	Dream Residential is a public entity and is therefore subject to securities regulations. These regulations require that certain material matters be considered (and, if needed, approved) by the board of trustees or Board of Trustees of each such entity. Day to day consideration of concerns is otherwise undertaken by management of each entity. Each entity has internal procedures and controls to ensure that material issues are directed to management for consideration. As for critical concerns, we disclose to the general public every material matter that is required to be disclosed in accordance with securities laws. We otherwise do not have a tally or list of critical concerns that were communicated to each board.	Governance page 53
	GRI 2-17 Collective knowledge of the highest governance body	Dream Residential in advance of our net zero commitments, we conducted executive engagement on GHG accounting, what net zero means for our business and general ESG emerging trends. In addition, we also completed, in alignment with the TCFD, our first climate change scenario analysis and board training on ESG matters.	Governance page 53
	GRI 2-18 Evaluation of the performance of the highest governance body	The Governance Committee of Dream Residential has been delegated the task of overseeing and assisting management in developing systems and procedures to monitor and track performance on ESG goals, initiatives and commitments. Each governance committee is also tasked with recommending changes to its own committee charter and to its applicable board's mandate, which covers ESG matters. The governance charter of Dream Residential recently amended by the board in early 2022 at the recommendation of the governance committee. Such amendments included the expansion of the scope of responsibility of governance committee in respect of ESG matters. Please refer to Governance, Environmental and Nominating Committee Charter for further details on ESG scope.	
	GRI 2-19 Remuneration policies	Please see pages 30; 33 in the March 2024 Annual Information Form and pages 36, 43-71 in the April 2024 Annual Meeting Notice and Management Information Circular .	
	GRI 2-20 Process to determine remuneration	Compensation is discussed in Annual Meeting Notice and Management Information Circular .	
	GRI 2-27 Compliance with laws and regulations	No material instances of non-compliance with laws and regulations during the reporting period.	

GRI Material Topics	Disclosure	Information and/or Linked Resources			Location/Section (if included in the body of the report)
GRI 2: General Disclosures	GRI 2-28 Membership associations	<ul style="list-style-type: none">Building Owners and Managers Association (BOMA) CanadaREALPACInternational Council of Shopping Centres (ICSC)Building Industry and Land Development Association (BILD)City of Toronto Green Will Initiative	<ul style="list-style-type: none">NAIOPLocal Business Improvement AssociationsUrban Land Institute (ULI)Catalyst member of the Canadian Green Building Council (CaGBC)Global Impact Investing Network (GIIN)	<ul style="list-style-type: none">Operating Principles for Impact Management (Impact Principles)European Public Real Estate Association (EPRA)Real Estate Council of Alberta (RECA)Saskatchewan Real Estate Council (SREC)Real Estate Council of Ontario (RECO)	Page 11
	GRI 2-29 Approach to stakeholder engagement				Page 15
GRI 3: Material Topics 2021					
GRI 302: Energy 2016	GRI 302-1 Energy consumption within the organization	<p>a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. Dream Residential reports the quantity of fuel combustion (natural gas, propane, diesel and gasoline) and purchased electricity sources. Absolute and Like-for-Like energy disclosed in the tables are reported in kilowatt-hours equivalent (ekWh), and energy intensity is reported in kilowatt-hours equivalent per sf of GLA ekWh/sf.</p> <p>b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used: Not applicable.</p> <p>c. In joules, watt-hours or multiples, the total:</p> <p>i. electricity consumption: Electricity is used for lighting, heating, cooling and powering purposes in the assets.</p> <p>ii. heating consumption: Natural gas is used for heating and hot water purposes in the assets.</p> <p>d. In joules, watt-hours or multiples, the energy total: Dream Residential currently does not sell any energy.</p> <p>e. Total energy consumption within the organization, in joules or multiples: Energy consumption is disclosed in ekWh and GJ.</p> <p>f. Standards, methodologies, assumptions, and/or calculation tools used: Same as GRI 305.</p> <p>g. Source of the conversion factors used: Same as GRI 305.</p>			Dream Residential Page 49 Supplemental Disclosures Page 61
	GRI 302-2 Energy consumption outside the organization	<p>a. Total fuel consumption outside the organization from non-renewable sources, in joules or multiples, and including fuel types used. Dream Residential reports the quantity of fuel combustion natural gas (propane, diesel and gasoline) and purchased electricity sources. Absolute energy disclosed in the tables are reported in kilowatt-hours equivalent (ekWh), and energy intensity is reported in kilowatt-hours equivalent per sf of GLA ekWh/sf.</p> <p>b. Total fuel consumption outside the organization from renewable sources, in joules or multiples, and including fuel types used: Not applicable.</p> <p>c. In joules, watt-hours or multiples, the total:</p> <p>i. electricity consumption: Electricity is used for lighting, heating, cooling and powering purposes in the assets.</p> <p>ii. heating consumption: Natural gas is used for heating and hot water purposes in the assets.</p> <p>d. In joules, watt-hours or multiples, the energy total: Dream Residential currently does not sell any energy.</p> <p>e. Total energy consumption outside the organization, in joules or multiples: Energy consumption is disclosed in ekWh and GJ.</p> <p>f. Standards, methodologies, assumptions, and/or calculation tools used: Same as GRI 305.</p> <p>g. Source of the conversion factors used: Same as GRI 305.</p>			
	GRI 302-4 Reduction of energy consumption				
GRI 303: Water and Effluents 2018	GRI 303-1 Interactions with water as a shared resource				Dream Residential Page 49 Supplemental Disclosures Page 61
	GRI 303-5 Water consumption	<p>a. Total water consumption from all areas in cubic meters: See table on water consumption.</p> <p>b. Total water consumption from all areas with water stress in megaliters: Please refer to Supplemental Disclosures.</p> <p>c. Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact: Not applicable.</p> <p>d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, estimated, modeled, or sourced from direct measurements, and the approach taken for this, such as the use of any sector-specific factors: Dream Residential uses GRI standards and the operational control approach for collection of water consumption data. Water consumption is taken directly from utility or municipality or service providers water invoices/data portals.</p>			

GRI Material Topics	Disclosure	Information and/or Linked Resources	Location/Section (if included in the body of the report)												
GRI 305: Emissions 2016	GRI 305-1 Direct (Scope 1) GHG emissions	<div><div>a. Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent: Scope 1 emissions are direct emissions that originate from the use of natural gas for space heating and water heating.</div><div>b. Gases included in the calculation: Carbon dioxide (CO₂), methane (CH₄), nitrous oxide gases (N₂O) .</div><div>c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent: Dream Residential does not report on biogenic CO₂.</div><div>d. Base year for the calculation, if applicable, including: Dream Residential continues to track and report its GHG emissions and evaluate the year as its base year</div><div>e. Source of the emission factors and the global warming potential (GWP) rates used: For emission factors:</div><table><tr><th></th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th></tr><tr><td>Natural Gas</td><td>2022 US Environmental Protection Agency's emission factors for GHG Inventory</td><td>2021 US Environmental Protection Agency's emission factors for GHG Inventory</td><td>2021 US Environmental Protection Agency's emission factors for GHG Inventory</td><td>2022 US Environmental Protection Agency's emission factors for GHG Inventory</td><td>2024 US Environmental Protection Agency's emission factors for GHG Inventory</td></tr></table><div>For Global Warming Potential: IPCC Fourth Assessment Report</div><div>f. Consolidation approach for emissions; whether equity share, financial control or operational control: Operational control.</div><div>g. Standards, methodologies, assumptions, and/or calculation tools used: All emissions and energy consumption calculation methodologies are based on The Greenhouse Gas Protocol -A Corporate Accounting and Reporting Standard (Revised Version –March 2004).</div></div> <td>Dream Residential Page 49 Supplemental Disclosures Page 61</td>		2019	2020	2021	2022	2023	Natural Gas	2022 US Environmental Protection Agency's emission factors for GHG Inventory	2021 US Environmental Protection Agency's emission factors for GHG Inventory	2021 US Environmental Protection Agency's emission factors for GHG Inventory	2022 US Environmental Protection Agency's emission factors for GHG Inventory	2024 US Environmental Protection Agency's emission factors for GHG Inventory	Dream Residential Page 49 Supplemental Disclosures Page 61
		2019	2020	2021	2022	2023									
Natural Gas	2022 US Environmental Protection Agency's emission factors for GHG Inventory	2021 US Environmental Protection Agency's emission factors for GHG Inventory	2021 US Environmental Protection Agency's emission factors for GHG Inventory	2022 US Environmental Protection Agency's emission factors for GHG Inventory	2024 US Environmental Protection Agency's emission factors for GHG Inventory										
GRI 305-2 Indirect (Scope 2) GHG emissions	<div><div>a. Energy indirect (Scope 2) GHG emissions: Scope 2 emissions are indirect emissions from purchased electricity that is consumed on site.</div><div>b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent: Scope 2 emissions are calculated based on the emission factors associated with electricity. Where market-based emission factors are available, additional disclosures are added.</div><div>If available, the gases included in the calculation: Carbon dioxide (CO₂), methane (CH₄), nitrous oxide gases (N₂O)</div><div>c. Base year for the calculation, if applicable, including: Dream Residential continues to track and report its GHG emissions and evaluate the year as its base year.</div><div>d. Source of the emission factors and the global warming potential (GWP) rates used or a reference to the GWP source: For emission factors:</div><table><tr><th></th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th></tr><tr><td>Electricity</td><td>2022 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors</td><td>2021 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors</td><td>2021 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors</td><td>2022 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors</td><td>2024 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors</td></tr></table><div>IPCC Fourth Assessment Report is used for Global Warming Potential</div><div>e. Consolidation approach for emissions; whether equity share, financial control or operational control: Operational control.</div><div>f. Standards, methodologies, assumptions, and/or calculation tools used: All emissions and energy consumption calculation methodologies are based on The Greenhouse Gas Protocol -A Corporate Accounting and Reporting Standard (Revised Version –March 2004).</div></div> <td>Dream Residential Page 49 Supplemental Disclosures Page 61</td>		2019	2020	2021	2022	2023	Electricity	2022 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors	2021 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors	2021 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors	2022 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors	2024 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors	Dream Residential Page 49 Supplemental Disclosures Page 61	
	2019	2020	2021	2022	2023										
Electricity	2022 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors	2021 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors	2021 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors	2022 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors	2024 US Environmental Protection Agency's emission factors for GHG Inventory and Supplier provided emission factors										
GRI 405: Diversity and Equal Opportunity 2016	GRI 405-1 Diversity of governance bodies and employees		Social Page 28-30												
GRI 404: Training and Education 2016	GRI 404-2 Programs for upgrading employee skills and transition assistance programs		Page 58												
	GRI 404-3 Percentage of employees receiving regular performance and career development reviews		Page 58												

Sustainability Accounting Standards Board (SASB) Real Estate Standard

Code	Accounting Metric	Location/Section <small>(if included in the body of the report)</small>
SASB IF-RE-000.A Number of assets	Number of assets	Page 45
SASB IF-RE-000.B Leasable floor area	Leasable floor area	Page 45
SASB IF-RE-000.D Average occupancy rate	Average occupancy rate	Page 45
SASB IF-RE-130a.1 Energy Management	Percentage of total floor area with energy consumption data coverage	Supplemental Disclosures page 61 and 66
SASB IF-RE-130a.5 Energy Management	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Page 50-51 Supplemental Disclosures page 61
SASB IF-RE-140.a.1 Water Management	Percentage of total floor area with water consumption data coverage	Supplemental Disclosures page 61
SASB IF-RE-140a.2 Water Management	Total water withdrawn by portfolio area with data coverage and percentage in regions with High or Extremely High Baseline Water Stress	Supplemental Disclosures page 61
SASB IF-RE-140a.4 Water Management	Description of water management risks and Discussion of strategies and practices to mitigate those risks	Page 50-51 Supplemental Disclosures page 61
SASB IF-RE-450a.1 Climate Change Adaptation	Number of properties and associated floor area located in 50,100, 200 and 500-year flood zones	Page 49
SASB IF-RE-450a.2 Climate Change Adaptation	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Page 54

Task Force for Climate-related Financial Disclosures (TCFD) Recommendations

Category	Recommendations	Information and/or Linked Resources	Location/Section <small>(if included in the body of the report)</small>
Governance	a. Describe the board's oversight of climate-related risks and opportunities	For further information see Governance, Compensation and Environmental Committee Charter ↗	Page 53
	b. Describe management's role in assessing and managing climate-related risks and opportunities		Page 53
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term		Governance page 37-41 Page 53
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning		Governance page 37-41 Page 53
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks		Governance page 37-41 Page 53
	b. Describe the organization's processes for managing climate-related risks		Governance page 37-41 Page 53
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management		Governance page 37-41 Page 53
Metrics and Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process		Governance page 37-41 Page 53
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks		Page 49 Supplemental Disclosures page 60
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets		Page 49 Supplemental Disclosures page 60



Forward-looking Information

Certain information in this Sustainability 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”), Dream Impact Trust (“Dream Impact”) and Dream Residential Real Estate Investment Trust (“Dream Residential REIT” and, collectively with Dream Unlimited, Dream Office REIT, Dream Industrial REIT and Dream Impact, “Dream” or the “Dream Entities” and, in respect of forward-looking statements indicated below to apply to a specific Dream Entity, “our” refers to such Dream Entity) and strategies to achieve such objectives; the sustainability goals of each of the Dream Entities or any of their properties, including their respective net zero greenhouse gas emissions (“GHG”) targets, net zero operational carbon goals, total embodied carbon goals, and commitments and goals of continuing to publish sustainability reports and other publications in respect of sustainability matters, and benefits to be derived therefrom; the belief that Dream’s business can create positive and measurable impacts on people and the planet, create new business opportunities and deliver stakeholder value; the intention to communicate certain of the Dream Entities’ strategies and progress to achieve their net zero and sustainability goals, to maintain stakeholder engagement and to build on stakeholder feedback and use it to improve our business through certain initiatives; Dream’s capacity to address environmental, social and governance (“ESG”) challenges while delivering returns; the expectation that there will be an increase in ESG regulations and evolution of ESG best practices and that parts of our business may be affected; our intention to monitor the regulatory environment, trends and investor requirements in respect of ESG matters; goals regarding limiting emissions from existing properties and developments, including regarding our net zero GHG developments, and related GHG reduction targets and project characteristics; the intention that all projects in our development pipeline will be net zero; the value of Dream’s net zero development pipeline; the expectation that the projected value of net zero communities will help us realize economies of scale, attract financing and generate returns for investors; our continued pursuit of additional renewal energy program opportunities; our intention to learn from initiatives related to reducing embodied carbon and to optimize our strategy; our efforts to mitigate transition risk, including continuing to monitor of our exposure to transition risks and align with Task Force on Climate-Related Financial Disclosures (“TCFD”) recommendations; our continued enhancement of our climate reporting to align with best practice climate standards; expectations, goals, implementation, and commitments in respect of Dream’s Net Zero Action Plan, and resulting benefits, including contributing to our resiliency, fostering innovation and collaboration, and increasing asset value; the forward-looking plans to deliver strategy and implementation on our Net Zero Action Plan with respect to baselining, roadmapping, execution and oversight; expectations and goals in respect of our portfolio roadmaps to net zero, including their expected benefits and uses, as well as the respective individual goals under the Net Zero Action Plan for each Dream Entity; the expected benefits to result from investing in net zero initiatives, including the impact on people and the planet and delivery of returns to our investors; our belief that our performance will generate profits and have positive effects on people and the planet; expectations regarding market trends and corporate emission reduction commitments, including the resulting increase in tenant demand for low carbon spaces; our capacity to identify and transfer, mitigate or manage certain risks, including climate change risk, and to assess, and increase our resiliency in respect of, climate change, the risk management plans of each Dream Entity, and expected benefits therefrom; our capacity to manage and operate our buildings efficiently, including in respect of reducing energy and water consumption, and expected benefits therefrom; the conduct of flood and catastrophic risk assessment; the establishment of climate-related strategies for different property asset types and regions; Dream’s charitable commitments and activities; employee engagement and development forward-looking plans; diversity, inclusion and advancement forward-looking plans; health and safety forward-looking plans; volunteer and giving forward-looking plans; risk management forward-looking plans; the aim of our data governance program to strengthen our data privacy oversight; the cybersecurity and information governance forward-looking plans; our boards’ target for women to comprise a minimum of 30% of directors or trustees; our intention to conduct board or committee-level education sessions; expectations regarding portfolio occupancy, affordability of units, number of units under development, including the number of condominium units, affordable housing units, residential units, and purpose-built rental units, commercial and retail GLA, and the development pipeline of the Dream Entities, including in respect of net zero communities. Such statements also include with respect to Dream Residential REIT, its commitment to achieve net zero GHG emissions in scope 1 and 2 by 2050; the net zero GHG emissions target by 2050 for 100% of Dream Residential REIT’s AUM; its commitment to operating in an environmentally responsible manner; efforts to preserve natural resources and manage residential assets with long-term positive impact on its communities; the intention of adding value to properties through retrofit projects by reducing operating costs and improve leasing; its commitment to maintain a culture of inclusivity and creating meaningful opportunities for its employees, maintaining strong relationships with its residents, and engaging with local communities and cities; the creation of an action plan; our efforts to mitigate transition risk, including continuing to monitor of our exposure to transition risks and align with TCFD recommendations; and, our environmental, social, and governance forward-looking plans.

Forward-looking information generally can be identified by words such as “objective”, “may”, “will”, “would”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “could”, “seek”, “strive”, “plan”, “target”, “project”, “scheduled”, “potential”, “strategy” 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 the Dream Entities’ respective 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 the general economy; that no unforeseen changes in the legislative and operating framework for our businesses 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 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; inflation and interest rates will not materially increase beyond current market expectations; our valuation assumptions; availability of equity and debt financing; foreign exchange rates; conditions within the real estate market; and competition for and availability of acquisitions. Although the forward-looking statements contained in this Sustainability Report are based on what the Dream Entities believe 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; inflation; risks associated with unexpected or ongoing geopolitical events, including disputes between nations, terrorism or other acts of violence, international sanctions and the disruption of movement of goods and services across jurisdictions; risks related to a potential economic slowdown in certain of the jurisdictions in which we operate and the effect inflation and any such economic slowdown may have on market conditions and lease rates; risks inherent in the real estate industry; 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 Sustainability Report speaks as of the date of this Sustainability Report. None of the Dream Entities undertakes 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 each of Dream Unlimited Corp.’s, Dream Office REIT’s, Dream Industrial REIT’s, Dream Impact’s, and Dream Residential REIT’s filings with securities regulators, including each Dream Entity’s latest annual information form and annual and quarterly management discussion and analysis, which are available on SEDAR+ at www.sedarplus.com under each of the Dream Entities’ profiles and incorporated by reference. These filings are also available at Dream Unlimited Corp.’s, Dream Office REIT’s, Dream Industrial REIT’s, Dream Impact Trust’s and Dream Residential REIT’s respective websites at www.dream.ca, www.dreamofficereit.ca, www.dreamindustrialreit.ca, www.dreamimpacttrust.ca, and www.dreamresidentialreit.ca



Specified Financial Measures and Other Disclosures

In addition to using financial measures determined in accordance with IFRS, we believe that important measures of operating performance include certain financial measures that are not defined under IFRS. Throughout this Sustainability Report, there are references to certain supplementary financial measures including, in the case of Dream Unlimited Corp., assets under management. The composition of supplementary financial measures included in this Sustainability Report has been incorporated by reference from the management’s discussion and analysis of Dream Unlimited for the three months ended March 31, 2024, dated May 14, 2024 (the “DRM MD&A for Q1 2024”) and can be found under the section “Supplementary and Other Financial Measures – “Assets under management (“AUM”)”.

The DRM MD&A for Q1 2024 is available on SEDAR+ at www.sedarplus.com under Dream Unlimited Corp.’s profile and on Dream Unlimited’s website at www.dream.ca under the Investors section.