

KingSett 2020 ESG Report – GRI Index (Core option)

| Disclosures | Title | Content Location |
|-------------------------------|--|---|
| General Disclosures | | |
| Organizational Profile | | |
| 102-1 | Name of the organization | About KingSett |
| 102-2 | Activities, brands, products, and services | About KingSett |
| 102-3 | Location of headquarters | About KingSett |
| 102-4 | Location of operations | About KingSett |
| 102-5 | Ownership and legal form | About KingSett |
| 102-6 | Markets served | About KingSett |
| 102-7 | Scale of the organization | About KingSett Investments Asset Management Development Mortgage Lending |
| 102-8 | Information on employees and workers | About KingSett |
| 102-9 | Supply chain | <p>KingSett does not have a central supply chain management process or policies. Rather individual project teams strategically select supply chain partners who are committed to workplace safety and aligned on environmental objectives.</p> <p>For asset management, KingSett partners with third party property managers that have responsible contracting policies and programs. KingSett also uses its Sustainable Procurement Policy at the building level which covers various consumable and durable goods purchases such as lamps, batteries, paper, toner cartridges, office equipment, appliances, audio-visual equipment and other electronic powered equipment. KingSett encourages each of its properties to apply best practices taken LEED EB: O+M regarding the purchase and disposal of material.</p> <p>For development, KingSett partners with PCL that integrates sustainability into its business including procurement and supply chain. KingSett also promotes environmentally preferable products such as ENERGY STAR labelled equipment, “green” concrete, FCS certified wood or recycled wood, and other initiatives, where feasible, for its new developments.</p> |

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| 102-10 | Significant changes to the organization and its supply chain | About This Report, 102-46 There were no significant changes in size, structure, ownership or supply chain in 2020. |
| 102-11 | Precautionary principle or approach | Environment – Climate Change and Resilience; Governance - Risk Management |
| 102-12 | External initiatives | 102-13 |
| 102-13 | Membership of associations | At the corporate level, our employees participate in several industry associations that help create value for properties, communities and the wider real estate sector. KingSett actively participates in the following industry associations: <ul style="list-style-type: none"> - CaGBC (Chapter Member) - CREED (Council member) - BOMA Toronto (Board of Directors and Member) - BOMA Diversity, Inclusion and Anti-Racism Advisory (Council member) - Downtown Yonge Business Improvement Area (Board of Directors) - REALPAC (Board of Directors and Member) - REALPAC ESG Committee (Member) - REALPAC Innovation Committee (Member) - ICSC (Member) - Urban Land Institute (Member) - Sustainable Investment Committee (Participant) - GRESB Real Estate (Participant) - NAIOP (Member) - Toronto CREW (Board of Directors and Member) - BILD GTA (Member) - Bloor Yonge Business Improvement Area (Board of Directors) - Bloor Yorkville (Planning and Urban Development Committee Member) - Toronto District 2030 (Member) - Toronto Green Will Initiative (Member) - Junior Achievers Committee (Member) |
| Strategy | | |
| 102-14 | Statement from senior decision-maker | Our Message |
| Ethics and Integrity | | |



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| 102-16 | Values, principles, standards, and norms of behaviour | About KingSett |
| Governance | | |
| 102-18 | Governance structure | Governance |
| Stakeholder Engagement | | |
| 102-40 | List of stakeholder groups | <p>Our stakeholders:</p> <p>Partners: these are institutional investment groups, ultra-high net worth individuals, joint-venture partners, third-party property management companies and employees (who also co-invest in KingSett's funds).</p> <p>Employees: Our employees refer to those under direct employment with KingSett, whose salary and benefits are covered by KingSett.</p> <p>Customers: these are visitors to our properties and spaces who might not lease space in our buildings, but visit to shop, eat, rest and work.</p> <p>Industry Associations: refers to both government bodies, NGOs, charities, and other groups that help drive some aspect of commercial real estate.</p> <p>Communities: our communities are divided into three groups, the KingSett community (our employees and families), our building communities (the tenants within our assets), and the areas surrounding our buildings.</p> <p>Tenants: our tenants are individuals and companies that lease or otherwise use space within our buildings.</p> |
| 102-41 | Collective bargaining agreements | No KingSett employees were covered by collective bargaining agreements in 2020. |
| 102-42 | Identifying and selecting stakeholders | In 2020, key stakeholders were engaged to formally identify and prioritize ESG topics. Stakeholders were selected based on the significance to KingSett. |
| 102-43 | Approach to stakeholder engagement | <p>2020 ESG Report – Materiality Assessment; Social -Stakeholder Engagement</p> <p>In 2020, KingSett engaged internal and external stakeholders to understand what ESG topics matter most to our stakeholders now and in the future. We surveyed 93 employees and conducted in-depth interviews with 15 internal and external key stakeholders (JV partners, Senior Executives, tenants, vendors, property managers) to rate a list of ESG topics from 1-5 on their importance. This information was used to prioritize topics to inform reporting and future ESG programs.</p> |
| 102-44 | Key topics and concerns raised | About KingSett – Materiality Assessment; Social – Stakeholder Engagement |
| Reporting Practice | | |
| 102-45 | Entities included in the consolidated financial statements | <p>About This Report</p> <p>As KingSett is a private company, we do not publicly report our financial statements.</p> |



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| 102-46 | Defining report content and topic boundaries | <p>About This Report</p> <p>KingSett has applied the operational control approach to define the data boundaries. Using this approach, we report environmental data (e.g. energy, carbon emissions, water and waste) and select social data (e.g. tenant and community) for the properties in the KingSett Canadian Real Estate Income Fund LP ('CREIF', 'the Portfolio').</p> <p>Properties sold in 2020 are included in our environmental data; whereas properties purchased in 2021 are excluded.</p> <p>All other performance data is reported for KingSett Capital.</p> |
| 102-47 | List of material topics | About KingSett – Materiality Assessment |
| 102-48 | Restatements of information | No restatements in 2020 |
| 102-49 | Changes in reporting | In 2020, KingSett performed a comprehensive process to identify its materiality issues, refer to 2020 ESG Report – Materiality Assessment |
| 102-50 | Reporting period | About This Report |
| 102-51 | Date of most recent report | KingSett Capital's 2019 ESG Report was published on May 14 2020 |
| 102-52 | Reporting cycle | KingSett publishes an annual ESG Report |
| 102-53 | Contact point for questions regarding the report | Kit Milnes Director, Sustainability 416.687.6746 |
| 102-54 | Claims of reporting in accordance with the GRI Standards | About This Report |
| 102-55 | GRI content index | GRI Content Index |
| 102-56 | External assurance | KingSett received limited verification of selected environmental data, including carbon emissions performance. Verification was performed by an independent third party, Quinn & Partners, in accordance with ISO 14064-3:2019 <i>Greenhouse gases — Part 3: Specification with guidance for the verification and validation of greenhouse gas statements</i> . A copy of the Verification Statement is available here . |
| Topic-Specific Disclosures | | |
| Environmental | | |
| Material Topic: Energy | | |
| 103-1 103-2 | Management approach | Environment – Resource Management; Energy |



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| 103-3 | | | | | | | |
| 302-1 | Energy use | Environment - Energy | | | | | |
| 302-3 | Energy intensity | Environment - Energy | | | | | |
| 302-4 | Reduction of use | Environment - Energy | | | | | |
| Material Topic: Water | | | | | | | |
| 103-1 103-2 103-3 | Management approach | Environment – Resource Management; Water | | | | | |
| 303-5 | Water Use | Environment – Water | | | | | |
| Material Topic: Carbon Emissions | | | | | | | |
| 103-1 103-2 103-3 | Management approach | Environment – Resource Management; Carbon Emissions | | | | | |
| 305-1 305-2 305-3 | Direct (Scope 1) carbon emissions Energy indirect (Scope 2) carbon emissions Other indirect (Scope 3) carbon emissions | Market-based emissions | 2016 | 2017 | 2018 | 2019 | 2020 |
| | | Scope 1 (tCO ₂ e) | 21,028 | 21,692 | 23,210 | 23,689 | 20,519 |
| | | Scope 2 (tCO ₂ e) | 27,394 | 21,631 | 19,975 | 18,916 | 14,646 |
| | | Scope 3 (tCO ₂ e) | 7,343 | 9,064 | 10,168 | 10,276 | 5,620 |
| | | Carbon offsets | - | - | - | -2,761 | -1,832 |
| | | Net emissions (market-based) | 55,765 | 52,387 | 53,352 | 50,120 | 38,953 |
| | | Location-based emissions | | | | | |
| | | Scope 1 (tCO ₂ e) | 21,028 | 21,692 | 23,210 | 23,689 | 20,519 |
| | | Scope 2 (tCO ₂ e) | 29,105 | 23,122 | 23,020 | 21,789 | 18,716 |
| | | Scope 3 (tCO ₂ e) | 7,343 | 9,064 | 10,168 | 10,276 | 5,620 |
| | Gross emissions (location-based) | 57,475 | 53,878 | 56,398 | 55,754 | 44,855 | |
| 305-4 | Carbon emissions intensity | Environment – Carbon Emissions | | | | | |
| 305-5 | Reduction of carbon emissions | Environment – Carbon Emissions | | | | | |
| Material Topic: Waste | | | | | | | |
| 103-1 103-2 | Management approach | Environment – Resource Management; Waste | | | | | |



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| 103-3 | | |
| 306-3 | Waste generation | Environment - Waste |
| 306 | Waste intensity | Environment - Waste |
| Other Material Environmental Topics (Non-GRI) | | |
| Material Topic: Climate Change and Resilience | | |
| Climate Change and Resilience | Management approach | Environment – Climate Change and Resilience |
| Non-GRI indicator | Percentage of properties that have flood resilience plans | Environment – Climate Change and Resilience * We conduct surveys every three years and the last survey was conducted in 2019 |
| Non-GRI indicator | Percentage of properties completed floor resilience checklists | Environment – Climate Change and Resilience * We conduct surveys every three years and the last survey was conducted in 2019 |
| Material Topic: Sustainable Development | | |
| Sustainable Development | Management Approach | Environment – Sustainable Development |
| Non-GRI indicator | Percentage of developments in CREIF targeting zero carbon | Environment – Sustainable Development |
| Material Topic: Building Certifications | | |
| Building Certifications | Management Approach | Environment – Building Certifications |
| Non-GRI indicator | Percentage by gross asset value certified to a third-party building standard | Environment – Building Certifications |
| Material Topic: Renewable Energy | | |
| Renewable Energy | Management Approach | Environment – Resource Management; Energy, Carbon Emissions |



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| Non-GRI indicator | Percentage of electricity consumption for the Portfolio offset with Renewable Energy Certificates | Environment – Climate Change & Resilience |
| Material Topic: Technology and Innovation | | |
| Technology and Innovation | Management Approach | Environment – Technology and Innovation |
| Non-GRI indicator | | Noted omission. This was a new topic identified in 2020. We aspire to provide a meaningful performance indicator to track progress on this material topic in future reporting. |
| Social | | |
| Material Topic: Employee engagement and Well-being | | |
| 103-1 103-2 103-3 | Management approach | Social – Employee Engagement and Well-being |
| Non-GRI indicator | Employee satisfaction survey (score and response rate) | Social – Employee Engagement and Well-being * We aim to conduct employee engagement surveys every two years and the last survey was conducted in 2019. |
| Material Topic: Equity, Diversity and Inclusion | | |
| 103-1 103-2 103-3 | Management approach | Social – Equity, Diversity & Inclusion |
| 405-1 | Gender diversity of overall company and Senior and Executive Management | Social – Equity, Diversity & Inclusion |
| Material Topic: Community Engagement | | |
| 103-1 103-2 103-3 | Management approach | Social – Community Engagement KingSett's third-party property management teams are responsible for developing and executing community engagement policies, programs and events. Each property tailors its engagement efforts to fit the unique make-up of the building's tenants. At a high level, all properties participate in Earth Day, Earth Week and Waste Reduction Week. Customized programs have also included hosting blood drives, flu vaccine clinics, events around Black History month, Women's Day, and more. |



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| 413-1 | Percentage of properties that have a community engagement program | Social – Community Engagement |
| Other Material Social Topics (non-GRI) | | |
| Material Topic: Tenant Engagement and Well-being | | |
| Tenant Engagement and Well-being | Management approach | Social – Tenant Engagement and Well-being |
| Non-GRI indicator | Percentage of properties that have tenant engagement programs | Social – Tenant Engagement and Well-being |
| Non-GRI indicator | Percentage of properties that have tenant health & well-being program | Social – Tenant Engagement and Well-being |
| Non-GRI indicator | Percentage of properties that have completed IAQ assessments | Social – Tenant Engagement and Well-being |
| Material Topic: Culture | | |
| Culture | Management approach | Social – Employee Engagement and Well-being |
| 404-3 | Percentage of employees who receive professional or career training | <p>Social – Culture</p> <p>All employees go through KingSett's Leadership training within the first year of being hired. This training includes a personalized assessment of skills and attributes and 5two hour long workshops spread out over 6-8 weeks. Materials covered include living the KingSett Core Values, being a better speaker, identifying strengths and weaknesses in ourselves, teamwork and more.</p> |
| Material Topic: Affordable Housing | | |
| Affordable Housing | Noted omission.. | Social – Community Engagement |



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| | | <p>In August 2020 we announced the formation of the KingSett Affordable Housing LP, which was formed by key institutional investors and CREIF. Its mandate is to develop or sponsor the development of affordable purpose-built rental properties to directly address housing affordability for those most in need.</p> <p>This was a new topic identified in 2020. We aspire to provide more information on our management approach and performance indicators in future reporting.</p> |
| Governance | | |
| Material Topic: Ethics | | |
| 103-1 103-2 103-3 | Management approach | <p>KingSett is committed to operating at the highest standards for ethical business practices.</p> <p>To ensure we conduct our business ethically and with integrity, all employees must annually sign KingSett's Code of Conduct Policy. This Policy establishes the ethical business practices by which KingSett's employees must conduct themselves – these include conflict of interest, workplace behavior, social media activity, harassment, receiving gifts and entertainment and more.</p> |
| 412-2 | Employee training on human rights policies and procedures | Annually, all employees are required to sign and confirm adherence to KingSett's Code of Conduct Policy. |
| Material Topic: Health and Safety | | |
| 103-1 103-2 103-3 | Management approach | <p>Governance – Risk Management</p> <p>KingSett employees are required to review and sign KingSett's Health and Safety Policy annually, ensuring compliance with the Ontario Health and Safety Act and KingSett's own requirements.</p> <p>At our corporate offices, we have established a Joint Health and Safety Committee to ensure our company offices spaces are safe for our employees and any visitors, conduct workplace inspections and identify health and safety hazards.</p> |
| | | <p>Noted omission. We partner with leading property-management companies across Canada to actively manage the Health and Safety of our assets and management teams. Our property management teams report on H&S occurrences to KingSett asset managers and track incidents and work orders through various programs widely used by the commercial real estate industry. KingSett has no on-site staff at any of our properties. At our development sites, our construction partners actively manage the H&S of the site, providing their leading expertise to ensure that all visitors vendors and works abide all safety regulations and best practices.</p> <p>We aspire to provide meaningful data around health and safety at both our corporate offices and properties to track progress on this material topic in future reporting.</p> |
| Other Material Governance Topics (non-GRI) | | |
| Material Topic: Cybersecurity and Data Confidentiality | | |



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| Cybersecurity and Data Confidentiality | Management approach | Governance – Risk Management |
| Non-GRI indicator | | Noted omission. Due to the sensitivity of this data, certain information cannot be disclosed. We aspire to provide a meaningful performance indicator to track progress on this material topic in future reporting. |
| Material Topic: Risk Management | | |
| Risk Management | Management approach | Governance – Risk Management |
| Non-GRI indicator | Percentage completed risk evaluations | Environment – Climate Change and Resilience |

