

A message from Oxford's

Executive Committee

Oxford has a significant history of industry leadership in sustainability and ESG. Around the world, our team is committed to creating economic and social value through real estate. We integrate ESG initiatives and activities across our teams and the life cycle of our global assets – creating value in our projects, portfolio and business and building an organization that our team members are proud of.

Creating a sustainable future requires ongoing focus and commitment. We will continue to advance ESG at Oxford and share our progress with you with the same clarity and transparency that our program was founded on.

Sincerely.

Oxford's Executive Committee

Executive Committee



Daniel **Fournier Executive Chair**



Allison Wolfe CFO, EVP & Global Head of Portfolio

Management



Alysha Valenti EVP & Chief Legal Officer



Chad **Remis** EVP, North America



Joanne **McNamara** EVP, Europe & Asia-Pacific



2022

at a glance

Our corporate, development and property teams made progress across multiple fronts and we are particularly proud of these achievements and recognitions in 2022.

- Launched **Green Financing Framework**¹ to facilitate financing of our transition to a low carbon economy, and successfully issued our first green bond
- Refreshed our **ESG Framework and Strategy** to guide our organization in meeting our ESG commitments and goals
- Committed to OMERS' 2030 interim goal of reducing portfolio carbon intensity by 50%2
- Initiated a **three-year plan** to accelerate portfolio-wide decarbonization in the short term and evolve how we are tracking progress towards our interim goals
- Delivered inclusive leadership training to >80% of Oxford's global leaders
- Named Global ESG Firm of the Year by PERE³
- Awarded GRESB 5-Star rating and ranked 4th out of 74 category participants
- Named one of Fast Company's World's Most Innovative Companies for the fourth consecutive year
- Received Canada's first commercial Zero Carbon Building Design office tower certification from the Canada Green Building Council (CaGBC), for Vancouver's newly developed The Stack
- Achieved Platinum DGNB (German Sustainable Building Council) Certification for The Center Potsdamer Platz in Berlin, previously known as The Sony Center
- Achieved first LEED Gold certification for an enclosed retail shopping centre over 1 million square **feet**, for Toronto's Yorkdale Shopping Centre
- 1 Please see Oxford's Green Financing Framework for further details
- 2 Please see the OMERS 2022 Annual Report for further details.
- 3 PERE is the leading publication for private real estate markets. Oxford received three 2022 PERE Global Awards, including ESG Firm of the Year.

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Oxford's approach to **ESG**

Preserving and unlocking the value of our assets

Community engagement

By building regulator, municipal and customer confidence in our ESG leadership, we can help accelerate our development timelines.

Market transparency

By undertaking transparent reporting on ESG performance using investment grade data, we can build market confidence in current and future asset values.







Cost containment

By reducing operating costs through progressive and differentiated ESG program initiatives, we can increase customer loyalty and support high occupancy.

Healthy buildings

By supporting customer wellness through ESG-driven activities, we can unlock productivity improvements and lost-time reductions that result from building happy and healthy spaces for our customers and their teams.



Sustainable returns

By setting meaningful performance-based metrics and reporting transparently on progress, we can help outperform the market and deliver strong and sustainable returns.

Partner capital

By meeting all existing partner expectations and reporting on asset and portfolio activity with investment grade data, we can solidify our position as a partner of choice in ESG.

Benchmarking success with green building certifications



BREEAM®

NABERS

92% LEED

100%

100%

NABERS

(Australia, office)

(North America, office)

BREEAMIDGBNIHQE

(Europe, office & retail)



100% **BOMA BEST**

(Canada, retail)

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80%

LEED | CRBP | Toronto Green Standard (Canada, residential)



100%

Green Key (Canada, hotels)

Supporting the OMERS sustainable investment priorities

OMERS believes well-run organizations with sound ESG practices will perform better, particularly over the long term. Integrating ESG factors into our investment approach is consistent with our objective to meet our long-term payment obligations to our members.1

Oxford's ESG approach has been refreshed to align with the OMERS target of net zero carbon emissions by 2050, as well as the new interim reduction goal of 50% by 2030.2 The OMERS Sustainable Investing Policy³ was updated in 2022 and incorporates sustainable investing principles across the various stages of the investment life cycle.



The OMERS approach to sustainable investing is three-pronged:

Integrating ESG factors into all our investment decisions.

Collaborating with others to drive change.

Engaging with the companies in which we invest to pursue better practices and outcomes.

- 1 ESG at OMERS. https://www.omers.com/esg-at-omers
- 2 Please see the OMERS 2022 Annual Report for further details.
- 3 Please see the OMERS Sustainable Investing Policy for further details.

ESG Framework

Refreshing our Framework

In response to the ever-evolving ESG landscape and in order to unlock the value of our assets – and contribute to the ESG objectives and sustainable investment priorities of OMERS – we refreshed our ESG Framework in 2022.

Our Framework is dynamic and iterative and will continue to evolve with climate science and research, regulatory best practices, market trends and changing customer needs. We will review our Framework and its objectives on a regular basis.

Our Framework is built upon three pillars, each with three focus areas and two corresponding sub-topics that were defined through a materiality assessment and input from our internal and external stakeholders. The Framework identifies the areas that can most impact Oxford's long-term success and where we can have the greatest positive impact.

Objectives of our ESG Framework

- **Integrate ESG throughout our activities –** Designing and monitoring our program to cover the full asset life cycle across diverse investment types including all managed and non-managed assets, businesses and platforms to create impact at scale.
- **Solidify our data foundation** Elevating data infrastructure and data capabilities to collect, analyze and assure investment grade data, and increase our ability to develop action plans on the basis of real data.
- Decarbonize our assets Defining a path to net zero for our assets and businesses by performing carbon audits, preparing stranding analyses using Carbon Risk Real Estate Monitor (CRREM) and developing asset-level plans.

All UN member states adopted the <u>UN SDGs</u> in 2015 to provide a shared blueprint and set targets for peace and prosperity for people and the planet. We list below the SDGs where we can have the greatest impact on the communities where we operate.

3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	10 REDUCED NEQUALITIES
11 SUSTANABLE CITES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 action	15 UFE ON LAND	

	Focus areas	Sub-topics
Environment	Net zero	Operational carbon
Climate-proofing our portfolio	carbon	Embodied carbon
Putting our assets on a net zero carbon pathway	Climate	Climate risk
while improving their efficiency and resilience.	resilience	Resilient design
7 11 12 13 15	Netwe	Circularity
	Nature	Biodiversity
Social		Employee engagement
	Human capital	Inclusion & diversity
Creating meaningful impacts Creating meaningful positive improvements in the	Community	Community wellbeing
communities in which we invest and operate.	impact	Local economic developme
3 5 8 10	Sustainable	Labour practices
	sourcing	Responsible materials
Governance	ESG	ESG leadership
	governance	ESG risk management
Enhancing ESG practices Enabling best practice and embedding ESG	F001-1111	ESG Protocols
throughout the organization.	ESG toolkit	Innovative instruments
8 12 13	Investment	Data management
	grade data	ESG transparency

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Climate-proofing our portfolio

We are contributing to the low carbon transition in the built environment by addressing the environmental impacts from our property developments and operations. We are putting our assets on a net zero carbon pathway and improving climate resilience to support both climate change adaptation and mitigation.

We are advancing decarbonization across our global portfolio through asset-level decarbonization strategies and target setting.

Oxford is targeting net zero operational carbon emissions in our portfolio by 2050, in alignment with the OMERS net zero commitment. 1 We are tackling our portfolio's transition to low carbon through a systematic, science-aligned process across our direct-drive² assets. To reach our goal, we have developed an iterative approach consisting of five initiatives to define and identify asset-level activities and milestones that will result in a net zero carbon portfolio (see page 6).

We prioritize the exploration and integration of clean energy solutions at both existing buildings and new developments.

In 2022, we generated 125,046 eMWh of green electricity through on-site and off-site solar panels. Additionally, where relevant, we conduct renewable energy generation feasibility studies for major renovations and new development projects.

20%

(absolute carbon reduction)

19%

reduction in carbon emissions intensity³

10%

reduction in energy intensity3

low carbon energy4 consumption, as a percentage of overall energy used

125,046 eMWh

- 1 Please see the OMERS 2022 Annual Report for further details.
- 2 Direct-drive assets are assets where Oxford has operational control and can introduce and implement operating policies, including ESG-related policies.
- 3 Against 2019 baseline
- 4 Low-carbon energy is defined as solar, geothermal, deep lake water cooling, low carbon district heating, RECs and electricity from grids with less than 15g CO₂/ekWh.

reduction in carbon footprint

11%

low carbon energy consumption

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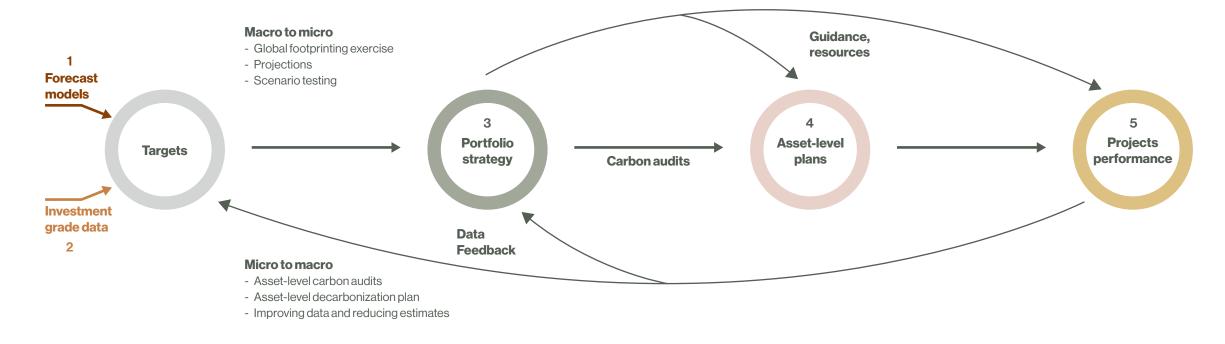
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OXEORD

Our five-step approach to decarbonization¹



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Case Study

Getting to net zero at The Stack

The Stack is a newly developed 37-storey, 550,000 square foot commercial office tower in downtown Vancouver, recognized as the first high-rise office tower to achieve CaGBC Zero Carbon Building – Design standard certification. The Stack is also currently pursuing LEED v4 Core and Shell Platinum certification.

The Stack minimizes carbon emissions, energy and water usage, and waste through design features including low carbon building systems, triple-pane glazing on all windows, rainwater management and enhanced

air tightness. On-site renewable energy will be achieved through 69 rooftop solar panels generating 26,000 kWh annually.

The Stack deploys smart building technology to provide insights on energy management, optimize building performance and inform preventative maintenance. Additionally, the building is designed and programmed to encourage active transportation and wellness, with 364 bike stalls, a 5,100 square foot fitness centre and a 6,000 square foot communal rooftop terrace.



1 Refer to the full Global Sustainability Report for further details.



Related SDGs



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We also strive to elevate the employee experience through leading programs and by fostering an inclusive workplace where people feel a sense of belonging.

enhance local communities.

Creating meaningful impacts

operated and programmed to ensure the best customer experience and also

At Oxford, we aim to create healthy and connected spaces designed,

Inclusion and diversity are cross-cutting priorities woven throughout our ESG Framework and People Strategy, and our approach is guided by our 2025 Inclusion & Diversity (I&D) Strategy. People drive this community impact – from our loyal employees to our customers who ultimately bring these properties and communities to life. Great people and a clear purpose enable us to create economic and social value through real estate.

We create meaningful positive impact in the communities we invest and operate in.

At Oxford, we seek to generate social value through our contributions to our stakeholders and communities. We are starting to set the foundation for social value integration and we have begun to outline specific approaches for each of our business units. Our social value strategy aims to increase our contributions in the communities we are present in, and we have requirements across our activities.

- Investment management Key social considerations outlined in ESG Assessment Procedure and ESG Due Diligence Questionnaire
- Development & construction To be attuned to and shaped by investment type, asset type and community needs, commonly measured in line with local planning requirements
- Asset management Site engagement survey to identify opportunities and gaps in occupant satisfaction across certain social value topics, including air quality and comfort

43%

of our Senior Leadership members are female

92%

of employees are proud to work at Oxford

91%

buildings with fitness amenities and classes1

properties with health and wellness certifications

226

CAD 13.2 million

are providing ESG information

ESG procurement questionnaires completed

procured value where suppliers

1 Percentage of buildings across our global office and retail portfolio

OXEORD



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Case Study

Creating social value through 125 Lincoln

In the fall of 2022, Oxford's proposal to transform the underutilized 125 Lincoln Street site into a mixed-use commercial building was approved. During this process, Oxford worked closely with community representatives and the City of Boston to ensure the development will deliver positive impacts to the public and advance the City's affordability goals. To inform the final design, input was solicited from members of the neighbourhood, the Asian Community Development Corporation (ACDC) and Boston Planning and Development Agency Board staff.

The proposed building offers 335,000 square feet of research and development space that includes up to 12,000 square feet of retail and restaurant space. Oxford is transferring its entire interest in its nearby building, 79 Essex Street, to the ACDC to develop affordable housing and additional community retail space. It is projected that the site will contribute 50 units of affordable housing.

The project also supports improvements to the Essex Street Crossing, Leather District Park, Chin Park and Beach Street Plaza and, once fully occupied, is projected to draw an additional 1,000 workers downtown. Through this project, Oxford demonstrated our commitment to engaging collaboratively with local stakeholders to understand and advance community priorities.

In addition to 125 Lincoln's social value, it is also designed to the highest standards of environmental sustainability, with proposed LEEDv4 Gold certification, a 90% reduction in fossil fuel consumption (compared to baseline) and a resilient design.

As a responsible investor and real estate leader, we incorporate ESG in our business model, investment activity and risk management process.

We seek to build and maintain trust among stakeholders through leading operational and governance practices and by adopting progressive reporting standards. Good governance provides transparency and holds us accountable, while ensuring we focus on continuously improving core processes and building a culture of ESG awareness, expertise and accountability.

Accountability and oversight

Oxford's Executive Committee, which is led by Oxford's Executive Chair, oversees and ensures delivery of the ESG Framework. Oxford's global committees are responsible for supporting the implementation of ESG and facilitating common approaches across different business functions, including investment, asset management and development.

The global ESG team plays a leadership role in enabling crossfunctional strategy implementation through both the creation of scalable ESG tools and data protocols. The ESG toolkit includes asset-level carbon audit templates, ESG Assessment Procedures and a due diligence checklist for new acquisitions, Green Lease Guidelines, and ESG clauses within our asset and property management agreements. The suite of resources in our ESG toolkit guide high-level decision-making, day-to-day activities and everything in between.

Our ESG Framework implementation applies globally, with flexibility to tailor it to local regulations and markets. Every team and business function has a role to play.

Asset Management & Operations

Assess and manage ESG-related risks and opportunities through data collection, audits and risk assessments. Leverage tools including ESG Procurement Checklist, green leases and ESG clauses to embed ESG across asset functions and inform a team-specific net zero carbon strategy in line with Oxford's regional targets.

External Manager

Work collaboratively with Oxford towards aligned reporting practices, carbon strategies and ESG improvements.

Investment

Identify ESG risks and potential investments' alignment with Oxford's ESG goals during due diligence, investment analysis, onboarding and compliance activities.

Development

Ensure competitiveness and resilience of new developments in alignment with Oxford's ESG goals and engage with local stakeholders throughout the development life cycle.

Corporate

Lead and support Oxford's cross-functional ESG strategy implementation via the global ESG team and corporate leadership. Track and communicate progress both internally and externally.

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Disclosure	GRI reference	Unit	2019	2020	2021	2022	Year ye
Environment							
Carbon emissions, Scope 1 and 2	305-1,2	tCO ₂ e	253,988	212,448	211,019	203,181 🗸	
Carbon emissions intensity	305-4	kgCO ₂ e/SF	4.6	3.8	3.8	3.7 ✔	
Energy use intensity	302-3	ekWh/SF	24.1	20.3	20.0	21.6 🗸	
Total energy consumption	302-1	eMWh	1,341,970	1,132,471	1,118,025	1,181,473 🗸	
Low carbon energy consumption ²	302-1	eMWh	113,992	106,967	128,640	125,046	
Waste diversion rate	306-4	%	58.0	56.0	58.0	47.7 ✔	-
Water use intensity		m³/SF	0.09	0.08	0.07	0.08 🗸	
Social	'	'	'	'	'	'	
Total employees	405-1	Number				1,689	
Employee representation by role, by gender							
Female	405-1	%	-	_	_	48	
Male	405-1	%	-	_	_	52	
Employee volunteering to support local community groups	-	Hours	-	_	-	2,200+	
Investment into community organizations and charitable donations	-	CAD	_	_	-	394,000	
Suppliers with an ESG procurement policy or similar	-	Number	-	_	_	100	
Governance							
Direct-drive and third-party assets with green leases	-	%	-	_	_	35	
Green lease coverage	-	SF	-	_	_	25,727,080	
Green Financing (Green Bond Framework)	-	CAD million	_	_	_	600	

Key performance indicators assured to a limited level by Ernst & Young LLP denoted with this symbol to the right of the number.

About this report

This is Oxford Properties Group ("Oxford" or the "Company") 2023 Global Sustainability Report Highlights (the "report") for the year ending December 31, 2022. Oxford's annual Global Sustainability Report, including these report highlights, provides information related to the environmental, social and governance (ESG) aspects of the organization. This report provides an overview of our ESG Framework and approach, performance and select initiatives for the reporting period. For more details, please see Oxford's annual Global Sustainability Report.

Inquiries regarding our annual Global Sustainability Report or these report highlights can be sent to Oxford's ESG team at sustainability@oxfordproperties.com.

Reporting frameworks

This report has been prepared with references to the Global Reporting Initiative (GRI) Standards, the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainable Development Goals (SDG). These standards are noted in the reference tables in the Appendix of our annual Global Sustainability Report.

Report assurance

The scope of data disclosures in this Sustainability Report Highlights is limited to the Oxford Asset Managed Portfolio of buildings, which reflects the portfolio of real estate assets where Oxford has any operational control as defined by the GHG Protocol. Narrative content may include references to assets and activities managed by our platform companies and partners. The following metrics for assets in the reporting boundary were assured to a limited extent by Ernst & Young LLP (EY): energy consumption, energy intensity, direct Scope 1 and indirect Scope 2 emissions, carbon emissions intensity, water withdrawal, building water intensity and waste diversion. 5.6

For real estate assets within this Oxford Asset Managed Portfolio of buildings, there are a subset of buildings where Oxford has no operational control. The emissions from tenant-related activities within these assets are included in the Data Supplementary Table as Scope 3 to Oxford; however, these emissions are not included in the Ernst & Young LLP (EY) limited assurance scope. Energy, emissions, water and waste from these buildings are otherwise excluded from the scope of this report and the limited assurance.

Additionally, any assets acquired within the previous 12 months, assets under development and assets disposed prior to December 31, 2022, are excluded from the reporting boundary. Other real estate assets in which Oxford has ownership of, but no operational control over, are represented in the Oxford Third-Party Managed Portfolio, which are out of scope of this report. Lastly, non-real estate investments, such as management companies, credit investments, indirect investments and public equities, are also out of scope of this report.

- 1 Increase in energy use intensity and energy consumption are attributed to 'return to normal' in retail and office assets following the COVID-19 pandemic.
- 2 Low carbon energy is defined as solar, geothermal, deep lake water cooling, RECs and electricity from grids with less than 15g CO./ekWh.
- 3 Oxford's waste diversion performance decreased in 2022. This highlighted an area for strategic improvement in 2023, including more signage, consistent communication and improved data collection protocols with a focus on retail shopping centres.
- 4 Water consumption in 2022 increased as occupancy continued to approach pre-COVID levels. Oxford does not have the data protocols in place to present occupancy normalized water consumption results across the global portfolio.
- 5 Waste diversion data coverage is limited to certain office properties (Canada, FR, UK, and US) and retail locations (Canada).
- 6 Oxford's 2023 Global Sustainability Report Data Supplementary Table and EY's assurance report are available <u>here</u>.

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