



Invested in doing what's right.

2021 ESG Report

Invested in Progress

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A decade has passed since Canderel first published an ESG report and I take my hat off to my colleagues who, prior to my arrival, had the foresight and prescience to focus on ESG many years before it became mainstream. While this report provides a detailed description of our ample ESG initiatives I believe our biggest accomplishment is the fact that ESG actions are now no longer the exception but a part of the way we think, talk and behave on a daily basis. It is premature to say that it is part of our DNA but it is certainly an ambition for Canderel to be a leader in this important area. We are fortunate that Susan Kapetanovic-Marr has joined our ranks to continue to push us slightly beyond our comfort levels in order to exceed previous year goals and tackle new challenges.

Brett Miller
CEO



I am very thankful to have had the great privilege of shepherding the composition of Canderel's 10th annual ESG Report. This report is a true reflection of collaboration and teamwork. Having joined the Canderel family in September of 2021, it has been a pleasure working with passionate individuals to assemble this reflection of the company's many accomplishments over the year. Some notable achievements include community-focused initiatives on our development projects, implementation of programs by our property management group to improve both asset value and tenant experience, and the significant update of Canderel's employee handbook which introduced multiple programs to improve employee wellbeing. In 2022, I look forward to sharing the outcomes of our inaugural materiality assessment.

Susan Kapetanovic-Marr
Director, Sustainability

About Canderel

Introduction

Canderel is one of Canada's largest privately held real estate companies. It was founded in 1975 and has since grown from its base in Montréal to seven offices across Canada.

About Canderel

Canderel acquires, manages and develops major real estate projects in Canada's seven major markets – Québec City, Montréal, Ottawa, Toronto, Calgary, Edmonton and Vancouver.

Strategy

Community. Sustainability. Inclusion.

These are the values that we live by every day, in all that we do. Engaging our Canderel family as well as the communities in which we build and develop, is part of our fabric.

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650+
employees

across Canada



36
million

square feet of
property currently
under management



\$20.3
billion

in acquisitions,
developments
and management
projects



\$4.1
billion

presently under
construction,
development or in
advanced planning



82
million

square feet of owned,
developed and
managed properties
over the years

ESG Strategy

Introduction

Canderel is invested in creating value while keeping true to its core values. In 2021, several initiatives contributed to the realignment of Canderel's five ESG Pillars relative to our guiding principles. We are committed to further refine ESG priorities in 2022, with the inaugural **Materiality Assessment**.

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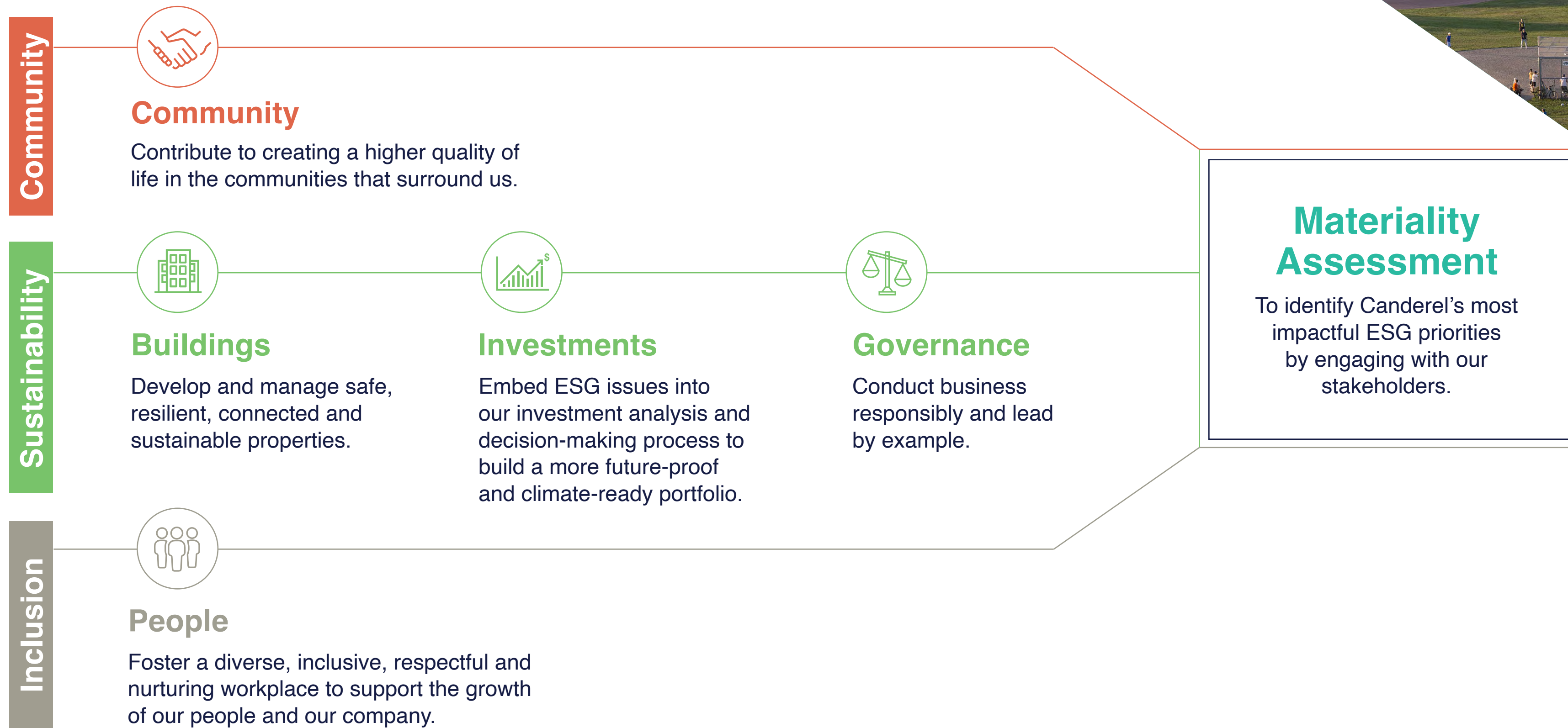
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2021 ESG Metrics

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Community

- **77 Walk Score®**
average of development projects (i.e., “Very Walkable”), means access to amenities can be done on foot
- **300 lbs of food harvested**
from rooftop garden at 101 Bloor Street West, in Toronto
- **20 beehives**
installed on building rooftops, an increase of 3 hives from 2020
- **185 kg+**
of honey harvested
- **\$2,190,000**
raised in support of charities

Sustainability

- **9.5 million**
square feet of leasable area of LEED® and BOMA BEST® certified
- **54 properties¹**
certified
- **14 climate risk resiliency assessments**
completed in 2021
- **2.9% Energy use**
reduced from 2020
- **1.7% Greenhouse gas emissions**
reduced from 2020
- **6.1% Water use**
reduced from 2020

¹ Office, retail and industrial properties

Inclusion

- **Service Milestone**
program launched for years of service recognition
- **New Employee Handbook**
updated to reflect wellness and equity policies, among other initiatives
- **Culture Bootcamp**
session for all employees to increase engagement and connectivity
- **New Employee Wellness Days**
entitles each employee to paid days off work to attend to personal needs
- **Maternity Leave Policy**
includes an improved Maternity Top-Up Policy

Community

Introduction

Canderel is committed to making a positive impact in the communities where we operate.

About Canderel

In 2021, we launched a company-sponsored volunteer program to allow employees to contribute their time and skills to recognized non-for-profit organizations or causes aligned with Canderel's values. Each employee is entitled to one paid workday a year to contribute to community betterment.

Strategy



The Défi Canderel Challenge, our annual fundraising initiative benefitting cancer research, has raised over \$22 million for its two beneficiaries: McGill University's Goodman Cancer Institute and the Institut du cancer de Montréal of the Université de Montréal. These institutions lead ground-breaking collaborative projects with research centres and university hospitals across the country. In 2021, this corporate philanthropic initiative raised \$2.19 million. The 33rd edition of the Challenge is ongoing with an ambitious \$2.3 million goal – join us at www.deficanderel.com today!

Metrics

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Philanthropic activities in 2021 had a positive impact on the following organizations:

Taza



Inclusion



Community Art

Canderel put out a call for public art submissions for local artists to create a piece to be featured at the Tour des Canadiens phase 2 and phase 3 condominium developments. This is part of our commitment to enrich the communities we create. We received many entries, ultimately selecting David Armstrong's piece for its modern aesthetic and its ode to the sport of hockey.

David Armstrong VI is represented by the gallery Bradley Ertaskiran in Montréal and has exhibited his work widely throughout Canada, the USA, Europe and New Zealand. Installed in March 2021, the two artworks take the form of anthropomorphic portraits in honour of two Montréal Canadian goal-tending Greats: the bas-relief wall work dedicated to Jacques Plante, and the free-standing floor sculpture in honour of Patrick Roy.

[FIND OUT MORE](#)

Sustainability: Improving Value with Management

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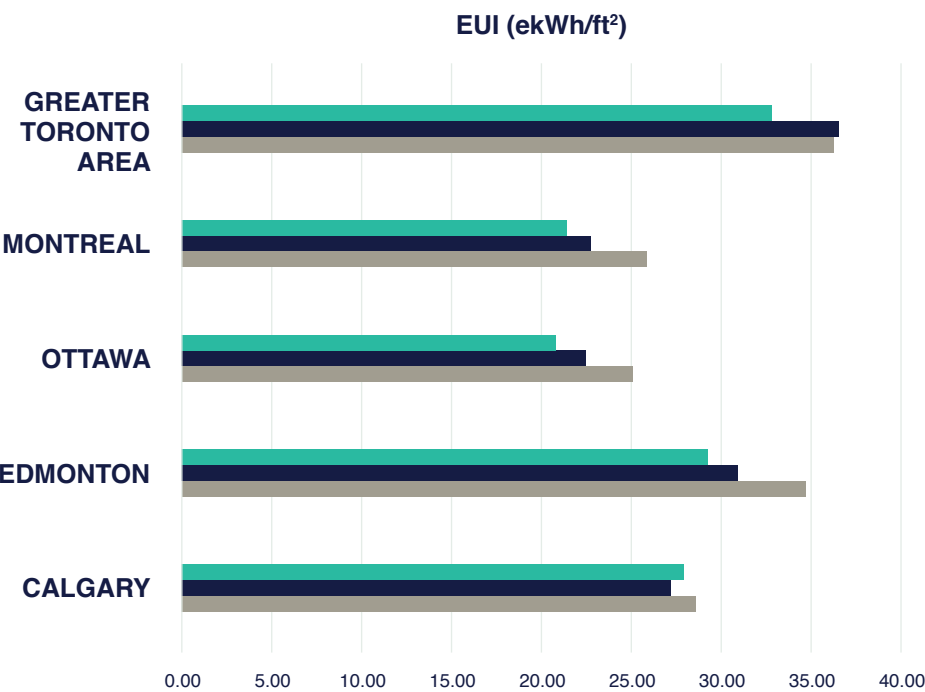
Focusing on our core business as building owners, developers and managers, in 2021 we continued to consider sustainability at every stage. These activities range from sustainability due diligence at acquisition, to value-driven operations and climate-conscious asset valuation.

Decarbonization and resiliency continue to be priorities in our value-focused approach to building management. As we work towards refining our ESG strategy in 2022, we will move towards target setting and greater transparency.



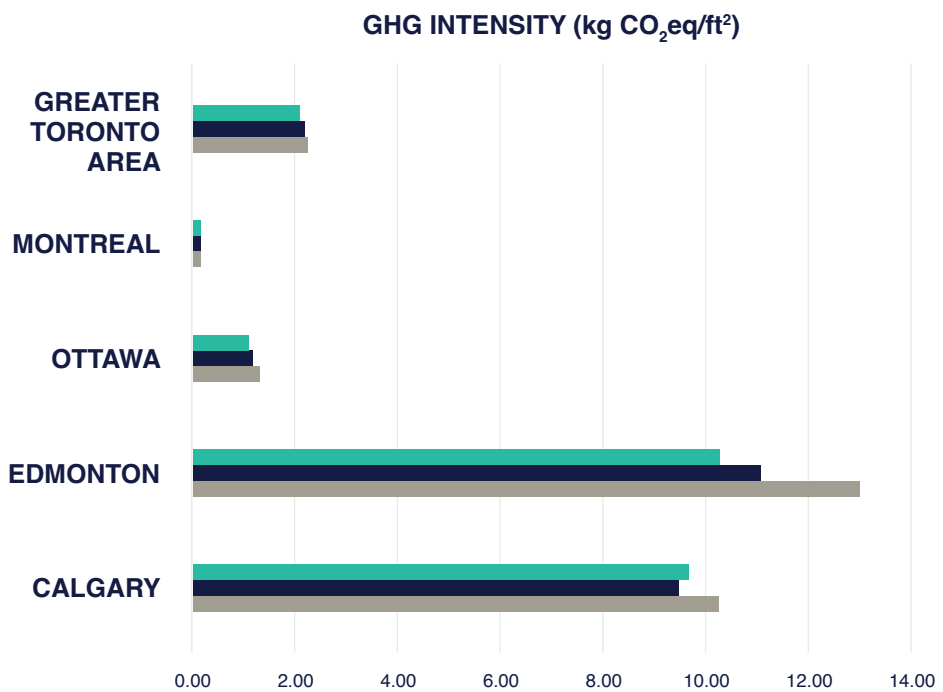
Energy

Energy use intensity (EUI) continued to decline in our managed office portfolio from pre-COVID occupancies in 2019, dropping moderately at reduced occupancies by 2.9% in 2021 compared to 2020.¹



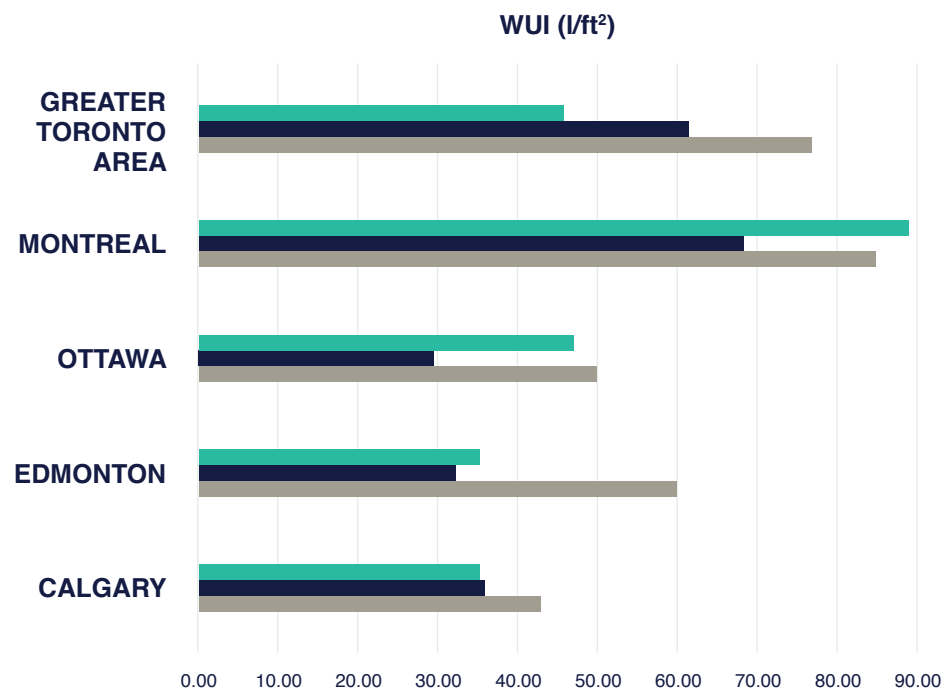
Greenhouse Gas

A moderate decline in GHG intensity of 1.7% in 2021 from 2020 levels corresponds to observed EUI improvements.



Water

Water Use Intensity (WUI) declined by 6.1%, on average in 2021, with reduced COVID related occupancies, across our managed office portfolio from 2020 levels.



1. Methodology: Energy use intensity metrics are calculated using the portfolio of offices where Canderel has full operational control and/or access to full tenant data. Energy sources include electricity, natural gas and district cooling (diesel is excluded). This is a like-for-like comparison, meaning only properties present in all three years are considered. Metrics are expressed in gross leasable area.

LEGEND 2021 2020 2019

Sustainability: Improving Value with Management

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Climate Change Resiliency

Canderel supports best practices in operations as recommended in the Task Force on Climate-Related Financial Disclosures (TCFD) framework.

Canderel's proprietary resiliency risk assessment tool identifies asset-specific vulnerabilities in our managed building portfolio to extreme weather events brought on by global warming. In 2021, Canderel rolled out resiliency risk assessments across our managed portfolio, with 14 properties completing the assessments by end of year.

Evading catastrophic loss, improving emergency preparedness, and reducing insurance premiums are among the benefits of such studies. Risk adaptation measures executed in 2022 were built upon the findings of these assessments.



Managing with Values

Introduction

Increasingly tenants are recognizing the meaning and benefit of sustainable workspaces. Health and well-being have come to the forefront of tenants' considerations when choosing their physical workplaces, recognizing the influence that indoor spaces have on the spread of viral transmission.

About Canderel

The return to the office had also brought social considerations to the forefront, with higher importance placed on creating inclusive spaces that allow for quality, purpose-driven engagement. Canderel launched several tenant-focused programs in 2021 that reflect our corporate values.

Strategy



Tenant Engagement

Sustainability initiatives are at the forefront of all activities offered to our tenants. Our property management teams work diligently to generate a multitude of initiatives such as quarterly Green Team meetings, introducing guest speakers about topics pertinent to tenants in their work and home lives. Topics included waste reduction, recycling, heating and cooling, water management and much more.

At Constitution Square, tenants participated in a 12-day long World Water Day giveaway campaign; new facts on water preservation were integrated in a daily online game for tenants to participate and win prizes. Other workshops included the introduction to creating vegetable gardens, winterization and crop succession of the garden.

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Urban Farming

In partnership with the Montreal-based company MicroHabitat, Canderel had leveraged unused building rooftop space to offer a complete urban farming solution at 101 Bloor Street West in Toronto.

Our local urban farm cultivated 500+ edible plants and allowed the harvest of 300 pounds of fresh food in the 2021 growing season. Indigo cherry drop tomatoes, goddess banana sweet peppers and fairy tale eggplants are among the fruits and vegetables produced. All food was donated to local food banks.



Health & Safety

In 2021, Canderel continued to enforce COVID-19 protocols in its managed buildings, to provide safe and effective long-term re-entry into the workplace and to provide protection to all members of the building community.

To strengthen our commitment to the health and wellness of our building occupants, Canderel is pursuing the WELL Health-Safety Rating in 2022 at multiple managed buildings.

Making Connections

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Skybridge

A direct walkway connection joins Tour des Canadiens phases 2 and 3 to Windsor Station and the Bell Centre, creating a covered connection to the entire underground city. The underground city (also known as RÉSO) is one of the world's largest underground pedestrian networks offering over 32 km of passageways linking to transit, 1,600 boutiques, 200 restaurants, schools, cinemas, hotels, museums, galleries and more.

The Skybridge offers a safe and accessible pedestrian connection to the community.

[FIND OUT MORE](#)



Walk Score 

Walk Score measures the walkability of any address based on the distance to amenities in each of several categories including restaurants, grocery stores, schools, and green spaces. The average Walk Score of our development projects is 77 ("Very Walkable"), which means that most errands can be accomplished on foot. This is significant in that occupants of such development projects can enjoy spending more time in the surrounding community. Proximity and access to local amenities improves physical and mental well-being, while also reducing greenhouse gas emissions that are associated with car-dependent neighbourhoods.

[LEARN MORE ABOUT THE BENEFITS OF WALKABLE NEIGHBOURHOODS](#)



T A Z A

Tsuut'ina and Canderel Partnership

Developed on Tsuut'ina Nation land adjacent to SW Calgary, Alberta, Taza is a partnership led by the spirit and wisdom of the Tsuut'ina people and Canderel's proven track record of industry leading development practices.

By combining direct Indigenous participation and leadership with industry best practices, Taza reflects the Partnership's vision to transform and realize economic reconciliation. [This approach is 'just good business.'](#)



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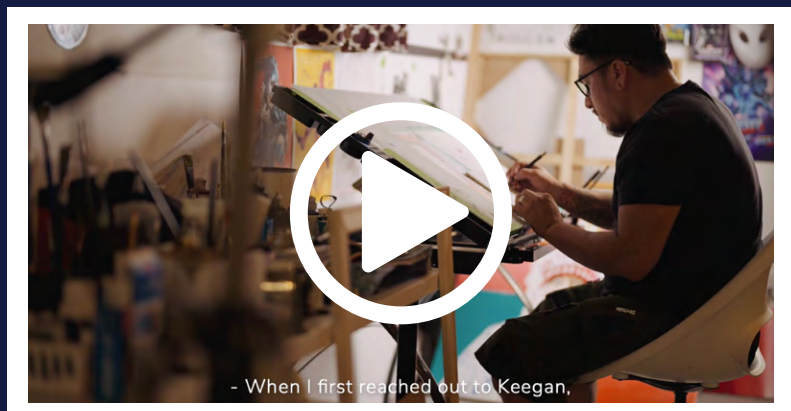
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Our Bridging Connections program fosters relationship building:

- Taza Park tenant rebranded their logo with a Tsuut'ina artist
- Maker Market for Indigenous vendors



Tenants join us on the journey of economic reconciliation:

- Focused community recruiting, employment, and training initiatives
- Indigenous cultural awareness training



Design Pillars ensure Tsuut'ina teachings and values are top of mind

- Tsuut'ina stories guide design
- Bilingual signage (*Tsuut'ina and English*)
- Participated in Tsuut'ina Earth Day Clean Up



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Lasting businesses are built on relationships, not transactions... By genuinely being interested in the other person or community, you can begin to form trust, find alignments and create strong bonds of partnership, and good and lasting businesses.



[FIND OUT MORE](#)



Inclusion

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Culture & Employee Recognition

2021 was a year where Canderel focused its efforts on making the company culture even better than it was. In collaboration with the Female Quotient, Canderel hosted an all employee “Culture Bootcamp” session. The session had a goal of increasing engagement, conversation, and connectivity across all employees. There were speakers who touched on how to create a positive work culture and how to build a community within Canderel.

With the return to the office, Canderel re-introduced social committees in each corporate office who planned three virtual events. In-person holiday parties were held at the end of the year.

Lastly, to recognize the hard work and dedication of our staff, Canderel formally launched the “Service Milestones” program to recognize employees who have been with us for 5, 10, and 20+ years.

Employee Policies & Processes

Canderel launched a new and improved Employee Handbook in early 2022, which incorporates a variety of exciting policies including the introduction of wellness days, a maternity top-up policy, and an employee code of conduct.

Additionally, Canderel completely revamped the new hire onboarding process with the creation of new materials and resources for hiring managers, an updated orientation session, and the re-launch of the onboarding module within Dayforce (our Human Resources Information System).

Diversity, Equity, and Inclusion

At the start of 2021, Canderel’s Diversity, Equity, and Inclusion (DEI) committee was well established with representation from all business lines and corporate offices across the country. The committee actively participated in regular meetings and touchpoints. In 2021 there was a strong focus on continuing to increase staff education and awareness on DEI matters through regular newsletters highlighting specific key dates, including International Day against Homophobia, Transphobia, and Biphobia, Orange Shirt Day, International Women’s Day, Black History Month, and Pride Month. The DEI committee also formally launched a series of Diversity & Inclusion trainings to our employees, which were incorporated into the onboarding process for new hires.

Invested in Sustainability

Learn more about our Sustainability Program at www.canderel.com and contact

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 **Canderel**