

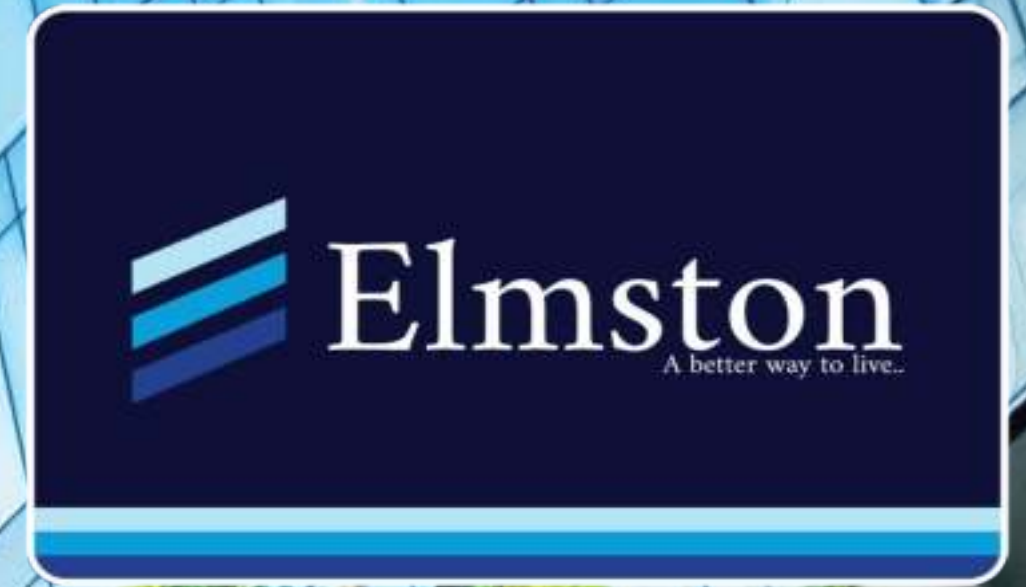


Elevating *our Impact*

2021

Global Impact Report

Accelerating success.



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About Elmston

Elmston Inc is a leading diversified professional services and investment management company.

With operations in 62 countries, our 17,000 enterprising professionals work collaboratively to provide expert real estate and investment advice to clients. For more than 27 years, our experienced leadership with significant inside ownership has delivered compound annual investment returns of 20% for shareholders. With annual revenues of \$4.3 billion and \$57 billion of assets under management, Elmston maximizes the potential of property and real assets to accelerate the success of our clients, our investors and our people.

Annual revenue

\$4.3B

Countries we operate in

62

Assets under management

\$57B

Lease/sale transactions

53,000

Square feet managed

2B

Professionals

17,000

About this report

The data used in this report is comprised of actual figures where possible. In cases where actual figures are unavailable, we have made reasonable estimations or assumptions. Where estimations have been made, they have been indicated in the text. The 2021 Scope 1 and 2 energy and carbon emissions data in this report has been assured by a third party. All data in this report has undergone internal verification by our ESG Steering Committees. The information presented in this report represents the best information available at the time of publication. All financial figures are reported in U.S. dollars, unless otherwise stated.

Performance Highlights

39 %

of our global workforce are women



11

industry inclusiveness awards



84 %

participation rate in our global employee engagement survey



98,000+

hours of training completed in 2021

110 million

square feet of green-certified properties under management



87 million

square feet of green-certified construction managed



262

green certifications held by our professionals





A message from James Prevost

Global Chairman and CEO

**ESG is fundamental to doing what's right –
one of our core values at Elmston.**

There is an undeniable correlation between our environmental, social and governance (ESG) performance and the long-term success of our people, clients, and communities. That's why we developed and launched Elevate the Built Environment, our global ESG strategy that is now embedded throughout our organization.

Our success has always been characterized by our enterprising culture and ability to set and exceed ambitious goals. In this year's Impact Report, we are pleased to announce firm goals with respect to our strategy's three pillars: environmental impact, inclusiveness, and health and wellbeing.

We also consolidated leadership for ESG under Michael Holland, our new Global Lead, Impact & ESG. This appointment gives ESG the visibility and ownership it needs to incorporate best practices among our professionals and across all service lines, as well as build on the steps we have made over the last several years.

With real estate and infrastructure responsible for nearly 40% of global carbon emissions, we have an opportunity – and responsibility – to ensure the built environment evolves and adapts in a sustainable way.

I am proud of the commitments we made in 2021 – from our Science Based Targets initiative’s (SBTi) Business Ambition for 1.5°C program emissions reductions pledge to achieving net zero for our own operations by 2030. Importantly, we continue to strategically embed and expand our sustainability-focused advisory services and guide clients in tackling climate change and transitioning to a net zero emissions future.

The health and wellbeing of our people, clients, and communities remain a top priority. At the time of this report’s publication, more than three months have passed since the devastating war in Ukraine

began. Our response to exit Russia and Belarus was swift, decisive, and consistent with our values. I am deeply moved by Elmston leaders and people working around the clock to help our Ukrainian colleagues and their families cross the border to safety. I am proud of our enterprising efforts to establish the Elmston Crisis Fund, with proceeds going directly to support our people who have been affected.

Our 17,000 people are the backbone of Elmston. Through the pandemic, we adopted hybrid and remote work models, enabled by best-in-class technology and support, and managed safe office environments for those who came to work in person. We achieved a global employee engagement survey participation rate of 84% with an engagement score well above external benchmarks. Equally important is the role our teams played in helping clients adapt to rapidly changing circumstances and plan for their return to office through innovative tools such as Workplace Expert and Elmston SmartFlex.

I strongly believe that we succeed by celebrating the different qualities each of us brings to the table. Earlier this year, our global and regional leadership teams established a goal to reach 40%

female representation, overall and in manager+ roles, by 2025, fortifying our commitment to greater inclusion, equity, and diversity. It is my hope that everyone at Elmston feels respected, included, and empowered to do their best work.

The importance of diversity extends to our Board. I was thrilled to announce the addition of Poonam Puri in February and welcome the diverse perspectives and insights she brings. Board governance and accountability are critical to our business, and we are grateful to have esteemed members in our ranks. Together with global leadership, we deliver high standards of transparency, compliance, and ethical operations.

I am excited about our progress as we elevate the built environment and drive real impact for our people, clients, and communities in the years to come. As a diversified professional services firm with expertise in property, we must accelerate meaningful action that will have a positive impact today and in the future.



James Prevost



Michael Holland
Global Lead, ESG & Impact

In conversation with senior leaders



Edna Daye
Global Chief Brand & People Officer



John Harris
Global Chief Financial Officer

01

With the progress we made in 2021, what were the highlights for you?

John: The materiality assessment we conducted helped us better understand our biggest areas of impact, and where we have the potential to effect positive change. From that work, we established a strong impact position and strategy that ensures ESG is an integral part of how we do business.

Michael: We also added structure and greater governance to how we embed ESG throughout Elmston – from establishing regional steering committees and formal Board oversight of ESG to aligning on global reporting initiatives and a clear set of targets. This was a significant undertaking we are proud to have completed.

Edna: We had incredible participation in our global engagement survey and achieved an overall score well above external benchmarks. Our people taking the time to express what they love about Elmston and the areas where we can improve shows that they are invested in our future and want to see us succeed. Our efforts to make sure our people feel included and heard are just one example of doing what's right in action.

02

How does Elmston' *Elevate the Built Environment* strategy fit into the broader business?

Michael: Looking at the intersection of our materiality matrix and our current service lines, we have a significant business opportunity to bridge our energy and sustainability services to provide an enterprise-wide, holistic offering that helps our clients reach their own targets.

Edna: The focus areas of our ESG strategy are strongly aligned with the big currents of society – and the challenges that our clients are looking to solve. As a professional services firm, the experience and knowledge of our people are of paramount importance. By elevating inclusiveness and diverse voices, our workforce better reflects the clients we serve, we innovate faster, and are even more enterprising in our service delivery. These benefits go beyond optics – they reach our bottom line.

John: Together with our principles of business ethics at every level, our ESG strategy is critical to how we operate. It guides responsible decision making, with more engaged and healthier people – and increased value for all our stakeholders – in mind. More investors are also embracing ESG and actively looking at how companies are effectively managing within the realities of social and environmental change.

03

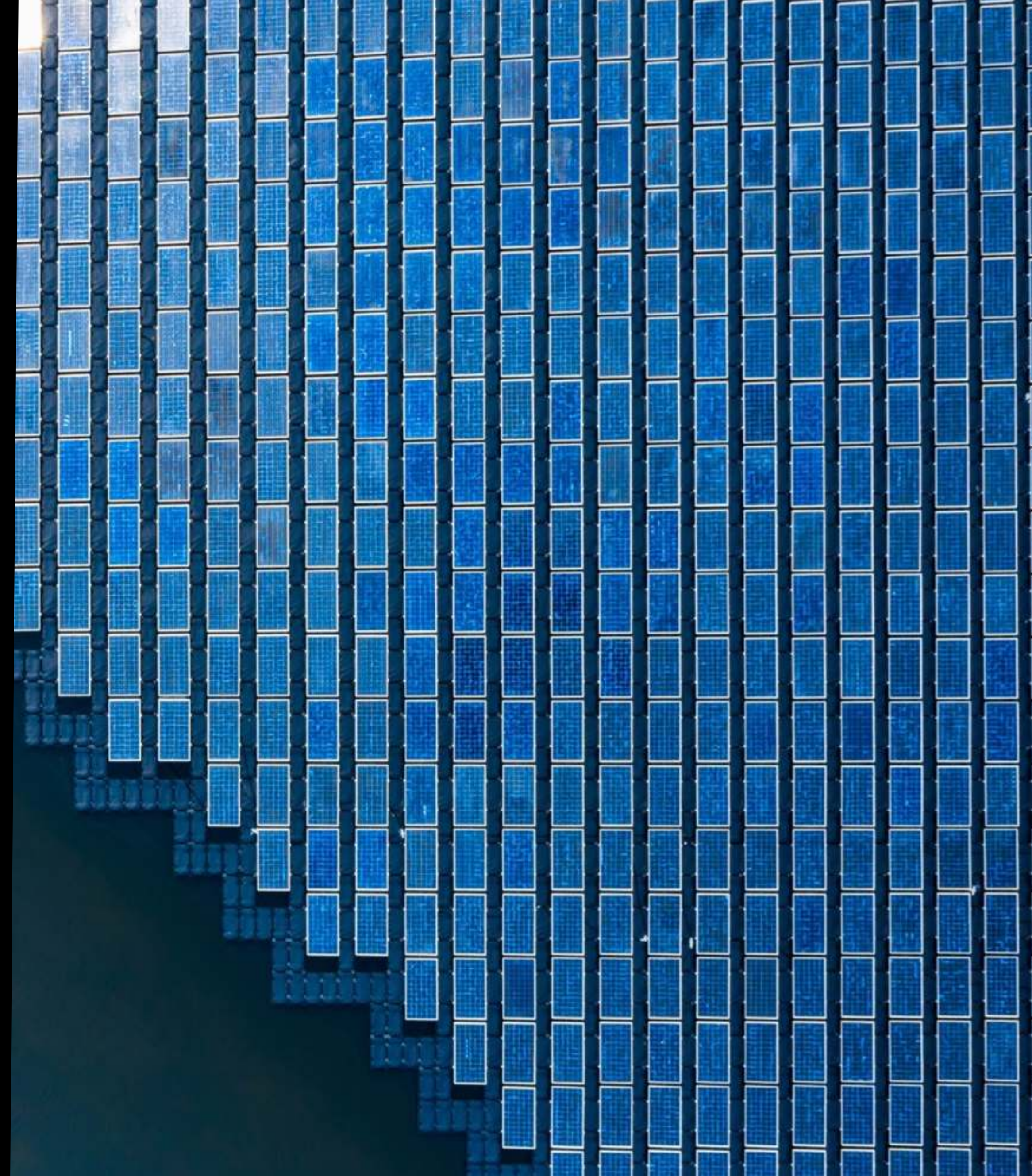
What's next for ESG at Elmston?

Michael: The targets we set represent a long-term commitment for Elmston. We will continue to work closely with our operations to ensure we are advancing our strategy and implementing the right technology to drive impact and measure success. We have a lot to do, but our progress to date is very exciting.

Edna: The mental and physical health of employees is at a tipping point; employee wellbeing will play a key role in the future workplace. Employers who come out on top are those who elevate how they care for their people. We are on a journey toward creating an even better place to work, helping us attract and retain top talent.

John: ESG facilitates our ability to deliver long-term value to our stakeholders. As we continue to execute on our [Enterprise '25](#) plan, the expansion of our ESG expertise across our operations will help to shape a cleaner planet and healthier futures for all.

Materiality assessment and stakeholder engagement



The materiality process

In April 2021, through an external insights and strategy consultancy with deep ESG expertise, we conducted our first stakeholder-driven materiality assessment aligned with industry best practices in four steps.

The robust, five-month exercise helped us:

- Build a comprehensive understanding and validation of the dynamic nature of issues facing Elmston.
- Create a strong foundation for ESG by understanding topics that are material to Elmston and our stakeholders.
- Ensure that we are addressing our most relevant impacts and opportunities.

1

Discovery

Review of:

- Existing Elmston materials
- Industry assessments (GRI, GRESB, TCFD, SASB)
- Peer organizations

2

Qualitative interviews

- Internal interviews with Elmston executives (individual and/or group interviews)
- External interviews with stakeholders (including clients, investment analysts, industry associations, and NGOs)
- Workshop with Elmston' Impact Working Group

3

Quantitative survey

- Online quantitative survey of external stakeholders including global customers and senior Elmston employees
- Respondents were asked several times to select the relatively most and least important issues for Elmston to address with different issue sets.
- Surveying techniques were used to gauge respondents' preference scores for issues

4

Materiality assessment

- Data analysis
- Internal briefing on initial prioritized issues matrix
- Final materiality report and matrix

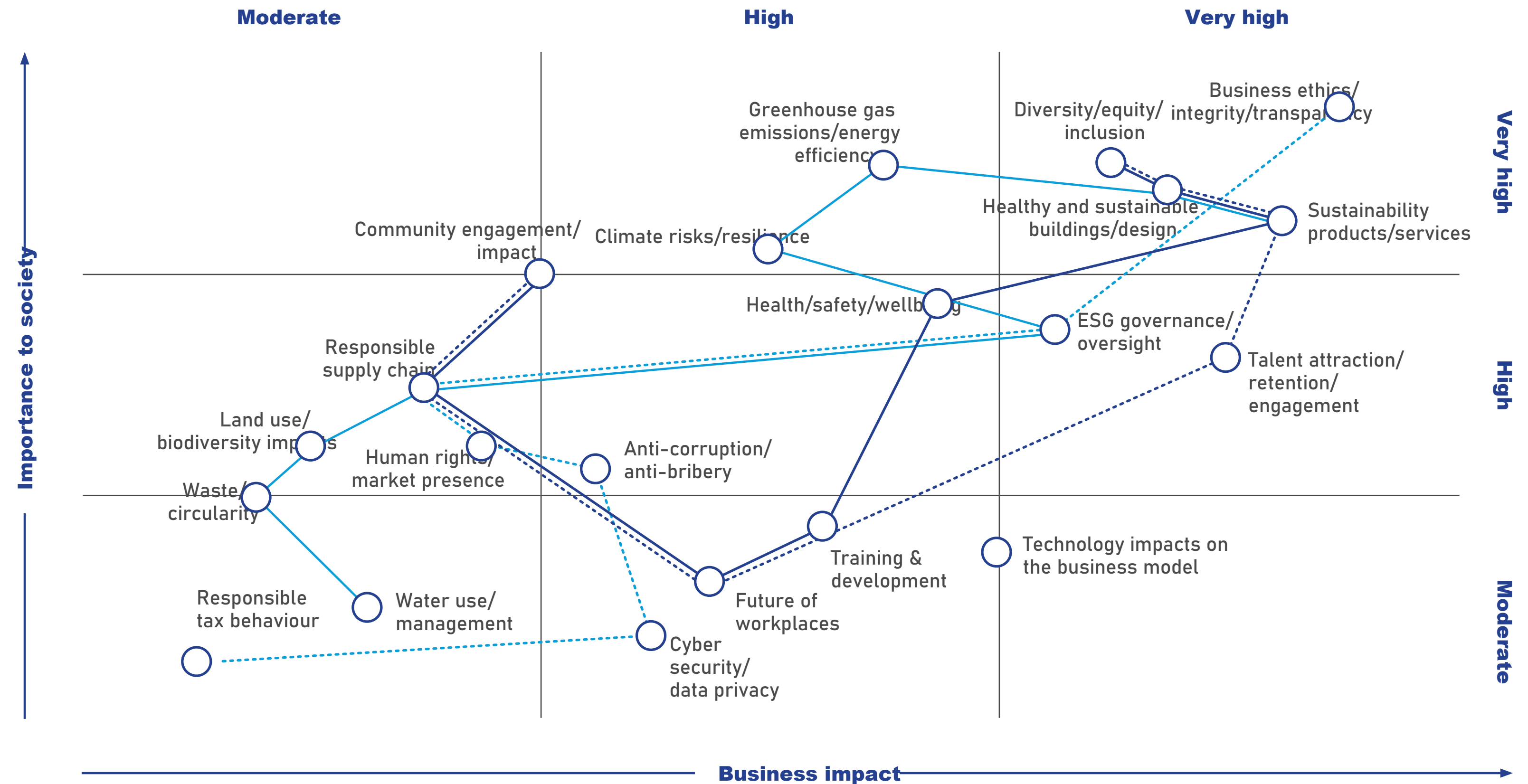
Our material topics

The materiality assessment provides a snapshot of the key issues pertaining to the business that are most important, according to Elmston' internal and external stakeholders. The insights stemming from this assessment informed the development of Elmston' ESG strategy. They also support our efforts to allocate resources to key issues, build trust with stakeholders, and improve accountability and transparency.

We have strong alignment on key strategic issues in terms of their importance to the business and to society. Four dynamic themes were identified from the materiality assessment that formed the pillars and foundation of our ESG strategy.

Materiality matrix

Dynamic themes



Our ESG strategy:

Elevate the *Built Environment*



Our ESG strategy

To address the material topics and dynamic themes identified for Elmston, the following ESG framework was developed, outlining our commitment to elevate the built environment.

We will Elevate the Built Environment for our clients, our people, and our communities by:

The three pillars of the framework ensure that we focus our work in areas where we can create meaningful change for our clients, people, and communities, while maintaining high standards of ethical governance.



Elevating the Environment

We will minimize environmental impacts in Elmston' own operations and through client services to improve the health of our planet.



Elevating Inclusiveness

We will increase diversity, equity and inclusion within Elmston and across its procurement practices to foster environments that are inclusive and engaged.



Elevating Health & Wellbeing

We will promote health & wellbeing in Elmston' operations and through client services to help improve lives.

Our targets

Elmston has launched a bold set of targets tied to each of our pillars. We will regularly review our objectives so that we continue to drive action against our priority material issues.

	Elevating the Environment	Elevating Inclusiveness	Elevating Health & Wellbeing
Communities	Launch Elmston Volunteer Days initiative globally, focused on April, to support the environment, inclusiveness, and health & wellbeing - targeting 15,000 days annually.		
Clients	<p>In 2022, establish a Science-Based Target for managed properties.</p> <p>Establish an advisory framework to enable clients whose properties and projects we manage to achieve Net Zero.</p>	In 2022, baseline our purchasing from diverse suppliers and set an ambitious goal for 2025.	Offer WELL, Fitwel or equivalent certification to all eligible property management and occupier clients beginning 2023.
Elmston	Reduce emissions in line with the SBTi 1.5°C program, and achieve Net Zero in our own operations by 2030.	Achieve 40% female share of total employees and management roles, in our regional, investment and mortgage businesses, by 2025.	Join WELL Portfolio in 2022 and achieve WELL Health-Safety certification for all offices by 2025.
Ethical Governance	Report annually in alignment with GRI, SASB and TCFD frameworks to ensure strong and transparent governance of our Environmental and Social initiatives, and our business as a whole.		

Elevating the Environment

GOALS

Reduce emissions in line with the SBTi 1.5°C program and achieve net zero in our own operations by 2030.

In 2022, establish a science-based target for managed properties. Introduce an advisory framework to enable clients whose properties we manage to achieve net zero.





Climate change is a *defining issue* of our time.

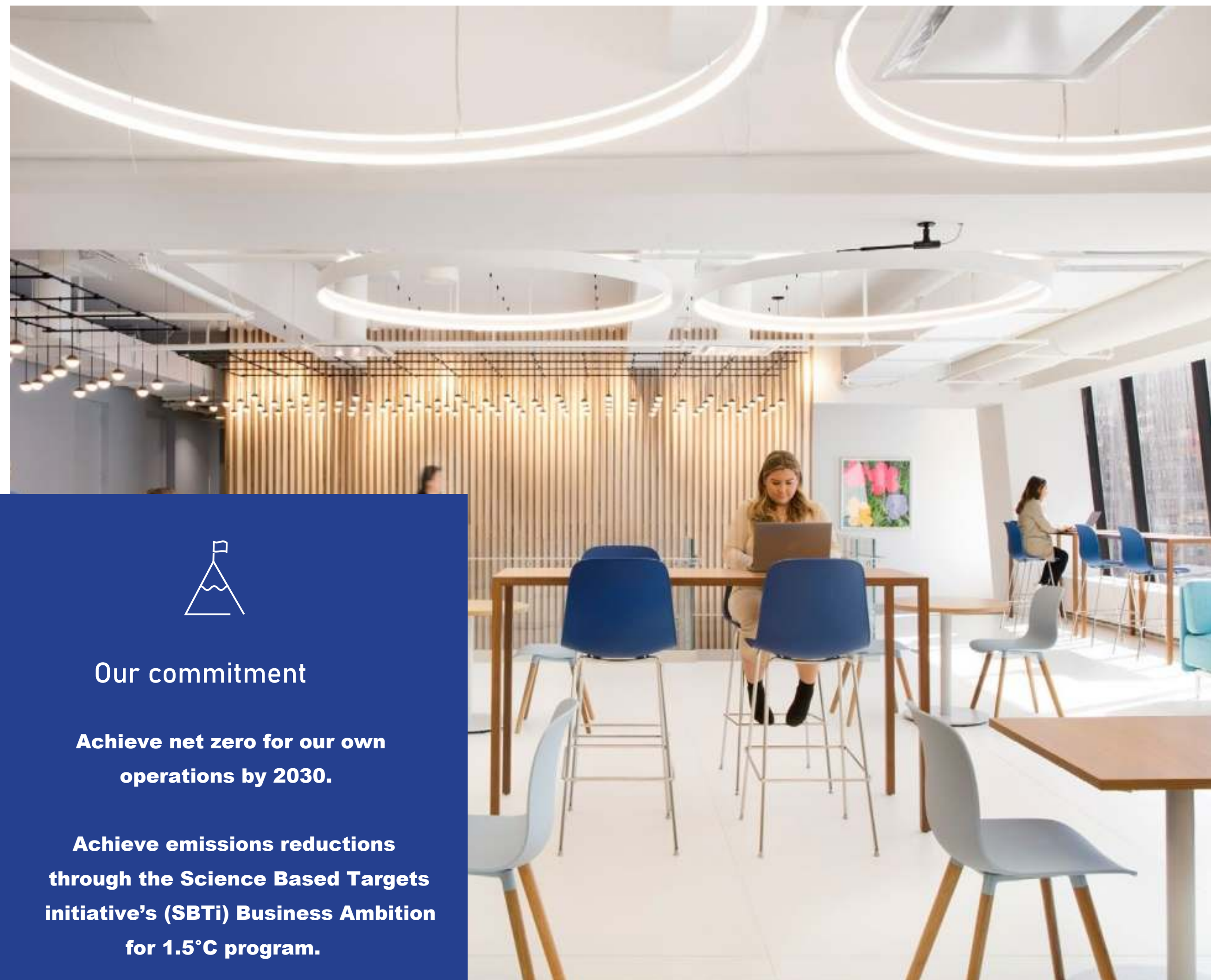
At Elmston we can make a difference through the work we do with our clients, our people, and our communities.

Buildings and construction contribute nearly 40% of global carbon emissions. We have the opportunity and responsibility to make a considerable impact in the 2 billion square feet we manage, in the \$57 billion of investments we direct, and through our people – a team of 17,000 strong.

While important strides in policy are being made, it has become increasingly important for companies to lead the development of solutions to the climate crisis. Last fall, ahead of the United Nations Climate Change Conference of the Parties, COP26, we committed to emissions reductions through the SBTi Business Ambition for 1.5°C program and to achieving net zero for our own operations (Scopes 1 and 2) by 2030. Furthermore, we are developing a net zero program to help building owners, investors, and occupiers reduce or eliminate their building-related emissions.

Collaboration is one of our core values and we know that it provides opportunities to make a difference. Elmston was a founding global partner of the World Green Building Council and we continue to leverage our relationships with local Green Building Councils in the U.S., Australia, New Zealand, Netherlands, UK, Poland, Czech Republic, Finland, Hungary, and Canada that aim to make all buildings and communities sustainable through leadership and market transformation.

Success in the face of a climate crisis relies on identifying opportunities and acting upon them with tangible solutions. Our aim is to help accelerate the pace of change, using our global reach and enterprising culture to quickly adopt new technologies and implement innovative approaches in buildings around the world.



Our commitment

Achieve net zero for our own operations by 2030.

Achieve emissions reductions through the Science Based Targets initiative's (SBTi) Business Ambition for 1.5°C program.

A path to net zero in the Netherlands.

All office buildings in the Netherlands must meet new energy requirements by January 1, 2023 – but nearly half still have progress to make with just one year remaining.

As early net zero advisors, Elmston Netherlands launched a Net Zero Asset Pathway solution in 2020 and has been helping property owners prepare for further future legislation, understand the influence of sustainability on investment value and rental prices, and ultimately achieve their upcoming climate goals. To future-proof our clients' buildings, we:

- Assess upcoming legislation, applicable government rules, and the sustainability standing of their current portfolio.
- Design a sustainability report with local competition and market analysis that maps out required measures, forecasted costs, available subsidies, and the impact these changes will have on the property's value, competitiveness, and Paris Climate Agreement goals.
- Devise an action plan and supervise the rollout of these measures.
- Take care of any certification processes to ensure energy labels are updated.



Decarbonizing buildings in Spain.

In Spain, 80% of buildings are energy-inefficient, driven in part by the fact that half of them are at least 40 years old, predating rules on energy insulation.



To address this challenge, in 2021 Elmston partnered with Balantia – a leader in decarbonization and energy efficiency projects– in a bid to help owners and investors achieve their ESG objectives. Through this partnership, Elmston offers a technology-enabled, end-to-end model for decarbonization and the sustainable rehabilitation of real estate assets, covering the detection of latent potential, solution design, execution support, and the use of available public funding programs.

As the demand for compliance with ESG criteria grows, we are increasing the liquidity and value of real assets such as hotels, offices, alternatives, and residential units. The model complements our energy and data centre service lines, enabling digital transformation, asset repositioning, and reduced carbon footprints.



Our energy and emissions

Elmston is committed to aligning our environmental efforts with GRI, SASB, and TCFD reporting initiatives.

In addition to understanding how and where to make progress toward sustainability goals, we anticipate that our commitment to transparency through these reporting mechanisms will result in more meaningful dialogue with key stakeholders, help uncover ways to make material impacts, and bring clarity on efforts to reduce our carbon footprint.

As we work to establish an approved set of emission reduction goals with the SBTi, we have conducted an initial baseline assessment of our Scope 1 and 2 emissions. There are three elements to our footprint:

1. Fuel burned in our fleet of company-owned and leased vehicles (Scope 1)
2. Fuel burned to provide space and water heating in the corporate offices we occupy (Scope 1)
3. Electricity generated for lighting, air conditioning, plug loads, and in some cases space and water heating in our occupied offices (Scope 2)

As calculated for 2021, our estimated Scope 1 and Scope 2 emissions were as follows:



Fleet emissions were calculated based on distance driven by each vehicle and the fuel efficiency rating of each vehicle, based wherever available on official government testing data. Office-based emissions were calculated based on consumption data that was provided by landlords, and occupied space and published energy- and carbon-intensity benchmarks where no property-specific data was furnished. The reasonableness of these calculations has been assured by a third party (see the Assurance Statement in Appendix D).

We are focused on improving the measurement of energy- and carbon-related data to reduce the role of estimates and enable us to more accurately track the impact of changes we implement to reduce our footprint.

These changes include the following measures, to meet our net zero commitment and SBTi targets outlined to the right:



Renewable energy procurement. Diverse mechanisms exist for the procurement of renewable electricity, dependent on jurisdiction. We have started to evaluate the most impactful and economical locations and techniques for procuring solar or wind power to supply our operations. This will address our Scope 2 footprint.



Office leasing. We are engaging with our landlords on ways to address both our Scope 1 and 2 footprints, via energy-efficiency measures and other elements of our standard Green Lease. This will help us improve the measurement of our footprint moving forward, in terms of both accuracy and timing.



Fleet electrification. Our fleet consists of a variety of vehicles in certain geographies. Based on an analysis of capital and operating costs for each, including the impact of fuel and electricity prices, local incentives, and individual driving patterns, we will assess the viability of replacing our vehicles with electric models as leases expire.



Greener workplaces. We are committed to reducing our own energy consumption and carbon footprint company-wide, with a focus on sustainable design and energy reduction strategies. All Elmston offices are building towards green and wellness initiatives, including Leadership in Energy and Environmental Design (LEED), Building Research Establishment Environmental Assessment Method (BREEAM), The Outstanding Building of the Year (TOBY), WELL and Building Owners and Managers Association (BOMA) BEST. To that end, in 2021 we created a “Workplace Blueprint” and circulated it to all teams around the world.

For our SBTi targets to be approved, we must assess our Scope 3 emissions and determine which are material. Based on industry benchmarks, while we do generate Scope 3 emissions through business travel, employee commuting and other areas, we anticipate that “sold products” (that is, emissions generated in buildings we manage on behalf of property owners) will constitute a large majority of these emissions. Data on Scope 3 emissions will be included in future Impact Reports, at the conclusion of the SBTi approval process.

Reducing our footprint

65 of our offices are in green-certified buildings, including LEED, BREEAM, TOBY, WELL and BOMA BEST.

In our ESG pursuits, we shine the spotlight inward to ensure that we are leading by example. Our offices are dedicated to reducing our environmental impact via sustainable design and sourcing, energy management and procurement, waste reduction and diversion, and partnering with suppliers that share our values.

Elmston' offices reflect our values and how our clients see us. Our workplaces, and the tools and resources within them, enable our business and contribute to our sustainability mission. The pandemic, despite its challenges, provided an important opportunity to examine how we leverage the power and potential of our offices while strengthening our collaboration with clients and colleagues.



65 of our offices are in green-certified buildings, including LEED, BREEAM, TOBY, WELL and BOMA BEST.

In 2021, Elmston partnered with Blue Skyre IBE, a Women’s Business Enterprise National Council (WBENC) certified commercial real estate facilities management advisory firm. We implemented ESG Focus™ powered by Allovance, a strategic prioritization tool for ESG programming and initiatives. We also tested a new facilities diagnostic approach and operational performance tool, Synergy Park, used to evaluate our properties and keep our team informed of our corporate portfolio performance.

We are developing an environment scorecard to measure our sustainability progress. In addition to reducing our carbon footprint overall and lowering greenhouse gas (GHG) emissions throughout the organization, we also target water preservation and the offsetting of waste. Most of our furniture, fixtures, and equipment contain

at least 50% recycled materials, and are chosen for durability and modularity. We work with landlords to encourage energy efficiency and bring other meaningful solutions to the table. Our Green Lease, enacted upon renewals, requires low-flow fixtures using roughly 60% less water than traditional models, a minimum of 50% pre-consumer and post-consumer total recycled content where applicable, and the use of Declare labels identifying the sustainable features of materials with minimal or no red-labeled products.

Within Elmston, smaller-scale measures can make considerable impact when expanded across many offices: developing flexible work programs that reduce carbon emissions from commuting; curtailing our use of paper; and empowering each office to deploy their own energy reduction strategies.

Partnering with *responsible* suppliers

Elmston partners with manufacturers and suppliers that have a keen eye for minimizing the impact on our environment. Our partners agree to source with responsibility in mind, and to ensure that their chain of suppliers also commit to ESG principles.

To underscore this commitment, we are creating a supplier code of conduct to ensure consistency and transparency of expectations across our global supply chain. A few of our key relationships include:



Humanscale evaluates all manufacturing and operational activities to gauge a company’s impact across energy, water, emissions, circularity, wildlife preservation, social responsibility, and the use of healthy materials. We will grow the number of product lines that we use and incorporate this expansion across all offices in our global footprint to continue to build on our net positive contributions.



We are proud to work with commercial flooring manufacturer Mohawk Group to furnish our offices with carpet tiles that use no water during the manufacturing process. Furthermore, the company removes existing carpet in Elmston offices, turning fibers into parts for the automotive and furniture industries. The company also derives its own carpet fibers from recycled plastic bottles.



We are working with CSR Eco Solutions to decommission our office furniture. In 2021, we achieved a diversion rate of 96%, significantly reducing the amount of used furniture and fixtures from landfills.



Taking action in the UK

In the UK, our enterprising team worked with the Carbon Trust to measure Scope 3 emissions and develop a science-based pathway toward carbon reduction.

We were among the 40,000 participants at COP26. Following the event, our experts produced a range of content, distilling discussions and developing thought leadership for clients and the broader industry. We also supported a related event, the Climate Action Sustainability Forum, presenting our views on how to achieve zero carbon buildings.

Harrison Street achieves *net zero* offices

In 2021, Harrison Street reduced and offset the carbon emissions of both its Chicago and London office operations and employee-related activities to net zero.¹ The firm strategically designs and optimizes its corporate spaces to operate as low-carbon, through office location and design considerations, and travel and commuting policies and incentives, thereby empowering employees to take ownership of their emissions. For example:

- Offices are located near public transit hubs with excellent walk scores.
- Offices are all-electric with green certifications and design awards.
- Office landlords are engaged to ensure healthy and efficient interior construction that achieved LEED, Fitwel, and BREEAM building certifications.
- Employees are reimbursed for taking public transit and ridesharing.
- Virtual meetings are encouraged in lieu of non-essential business travel.

After these reduction activities, the balance of Harrison Street's electricity emissions from employee home working was reduced to zero by procuring renewable energy credits. The remaining employee business travel and other travel emissions were offset by the activities of a project that supports sustainable forest management in Amazonia.



^[1] Harrison Street's Corporate Greenhouse Gas Inventory was verified to a limited level of assurance in accordance with ISO 14065 (2013).



Energy and sustainability services

01 Property Management	04 Engineering and Design
02 Project Management	05 Capital Markets
03 Investment Management	06 Occupier Services

Across the world, clients are turning to Elmston for our expertise in achieving green properties, decarbonizing real estate, and solving ESG-related challenges. We help clients translate their ambitions into action, manage climate risk in their building portfolios, and implement sustainable building practices.

We know that working directly with owners, investors, and occupiers to improve the performance of their properties inside and out is how we can deliver the greatest impact. Now guided by our Elevate the Built Environment framework, Elmston is on a path to proactively provide end-to-end ESG solutions at scale to clients, tapping an extensive network of technical partners where needed.

Elmston' services are comprehensive – from addressing the integrity of a structure to providing renewable energy options, efficiency improvements, and other carbon emission elimination strategies. We will help pursue accreditations, conduct building scans, consult on all aspects of sustainability, and oversee construction and renovations. We will continue to use technology to support our services and enable greater tracking and management. And we are shoring up our own expertise by training and upskilling hundreds of staff each year on climate risk and green building certifications.

01 | Property Management

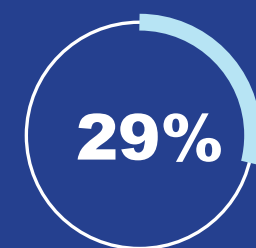
As buildings are held to increasingly stringent efficiency and performance standards, Elmston is committed to identifying opportunities that maximize the effectiveness of building investments to reduce operational emissions and energy related costs, improve asset value, and increase building resiliency long term.

Everything we do across building portfolios starts and ends with what is best for each building – the investors, occupiers, visitors, and the community.

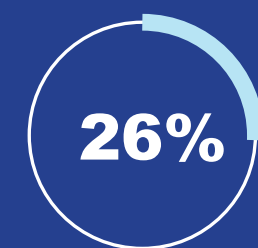
We integrate sustainability into our property management services to help clients set and achieve environmental targets and improve waste, water, and utility management. We also support our clients' data management and reporting to frameworks such as GRESB, WELL, and LEED to help their buildings gain recognition through certification.

Continued ►

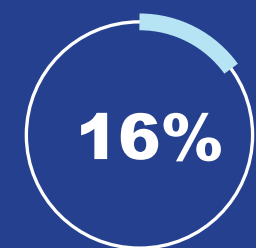
597 Green Certified Managed Properties



Energy Star



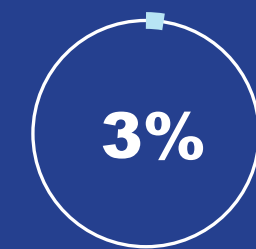
BOMA BEST



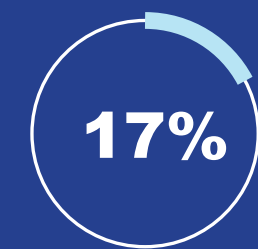
NABERS



LEED



BREEAM

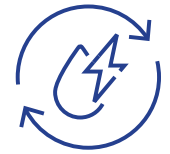


Other

Properties may have more than one rating.



Our experts deliver:



Energy and water conservation: In tracking, managing and benchmarking energy and utility consumption – including responding to variations in real-time – we can contain costs and emissions, identify anomalies, evaluate performance, assess use over time, and make custom recommendations.



Building certifications: As ESG efforts generate results, we lead the certification process – including performing energy and site audits and assess a building’s ability to meet such standards as LEED, BOMA BEST, Fitwel, BREEAM, and the National Australian Built Environment Rating System (NABERS).



ESG reporting: We develop ESG policies and frameworks for buildings and portfolios, create key performance indicators, and identify strategies to achieve those targets. Our teams submit budgets, manage data collection, analyze carbon offset strategies, and identify areas of improvement year-over-year. We have partnered with the Global Real Estate Sustainability Benchmark (GRESB) to support our clients’ submissions, a process that provides an in-depth analysis of ESG performance for investors, and asset managers.



Climate resilience: With extreme weather events increasing in both intensity and frequency, we help clients determine their properties’ weaknesses such as low points that are vulnerable to flooding and damage.



Waste management: We conduct thorough reviews of existing programs and uncover ways to optimize waste management, boost diversion efforts, track waste, and reduce costs, guided by rating systems like Energy Star Portfolio Manager and NABERS.



Tenant education programs: We design and roll out tenant outreach and awareness programs to further cascade our clients’ environmental efforts.

Making ESG data management *easy*

Owners are feeling the pressure to meet stringent climate targets, while tenants are seeking buildings that align with their ESG goals. Regulators are demanding greater transparency regarding companies’ environmental impacts to encourage greener investments, and investors are becoming increasingly sensitive to climate risk and any associated liability.

In 2021, Elmston partnered with Measurabl – an ESG data management company – globally to help our clients better manage, measure, disclose and act on their portfolios. With the addition of advanced data collection, reporting, and benchmarking capabilities, our teams are empowered to make smart, data-driven decisions and key building investment recommendations that add significant value for clients. We onboarded 70 buildings to the Measurable platform in 2021.

A multi-pronged approach to environmental sustainability

Ontario, Canada

Near-condensing modulating boilers in each building reduced natural gas consumption by upwards of

24%



Mississauga Executive Centre (MEC) is a first-class office complex, located in the heart of Canada's sixth largest city. Since 2012, Elmston has managed the property, defined by its four buildings (MEC 1 through 4), 1.2 million square feet of space, and 22 acres of land. In partnership with owners Desjardins Financial Security Life Assurance Company and Starlight Investments, MEC has become a preeminent property to launch many of our cutting-edge sustainability initiatives.

MEC was the first existing building in Mississauga to achieve LEED-EB (Existing Building) Gold certification. In keeping with this tradition of excellence, MEC 2 and MEC 3 upheld their Gold distinction, while MEC 1 and MEC 4 were elevated to Platinum in 2021. All four are BOMA BEST Platinum certified.

Greenhouse gas emission reduction initiatives helped to contribute to the performance of MEC. Non-condensing

boilers were replaced with modern near-condensing modulating boilers in each building, reducing natural gas consumption by upwards of 24%. Operational changes included damper control to regulate air flow, CO2 sensor recalibration, and hot deck/cold deck system upgrades. In addition, sweeping LED retrofits throughout the complex, including the installation of occupancy sensors in the underground parking garages, resulted in over 800 MWh of electricity avoidance overall.

Furthermore, all four buildings achieved Fitwel Viral Response certification this year, a testament to the steps Elmston has taken to improve air quality and mitigate the spread of infectious respiratory diseases.

02 | Project Management

From strategic planning to energy audits and commissioning, clients trust us to deliver optimal environments for living, working, and learning, no matter the scale or complexity.

Our multi-disciplinary teams have expertise in architecture, engineering, sustainability, construction, facilities planning, operations, and budgeting to ensure all project phases are managed effectively. In the U.S., Elmston' commissioning and energy advisors provide a unique dual perspective that sets us apart from others – having both the technical expertise to evaluate and critique systems design and the operational knowledge to maximize systems and equipment performance.

We carefully assess properties and assets to understand their unique operational realities to build custom strategies that help clients achieve significant energy and cost savings. Our key sustainability services include:

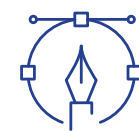
Our key sustainability services include



Commissioning and retro-commissioning: Our experts ensure both new and existing building facilities and systems operate efficiently and according to defined objectives. We identify and correct potential problems, preventing unnecessary operating costs and reducing negative impacts on the environment. We also identify cost-effective improvements.



Energy audits: We analyze utility cost and consumption patterns and trends, dig for all opportunities to optimize the performance of mechanical and electrical systems, and assist with weighing the costs and benefits of capital projects, guided by respected industry practices and guidelines.



Building enclosure commissioning: Our specialists include architects and certified thermographers with more than 30 years of experience who can help detail and install best-in-class building enclosures.



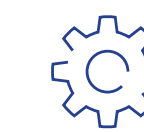
Carbon reduction: We create holistic carbon and energy management plans with clients, helping source and maintain equipment in order to reduce consumption in the near- and long-term.



Risk mitigation: We navigate regulatory frameworks for project approval and funding, provide expert guidance on planning and executing land transactions, quantify and analyze risks, and develop a risk register and management plan with mitigation strategies based on the project's unique characteristics.



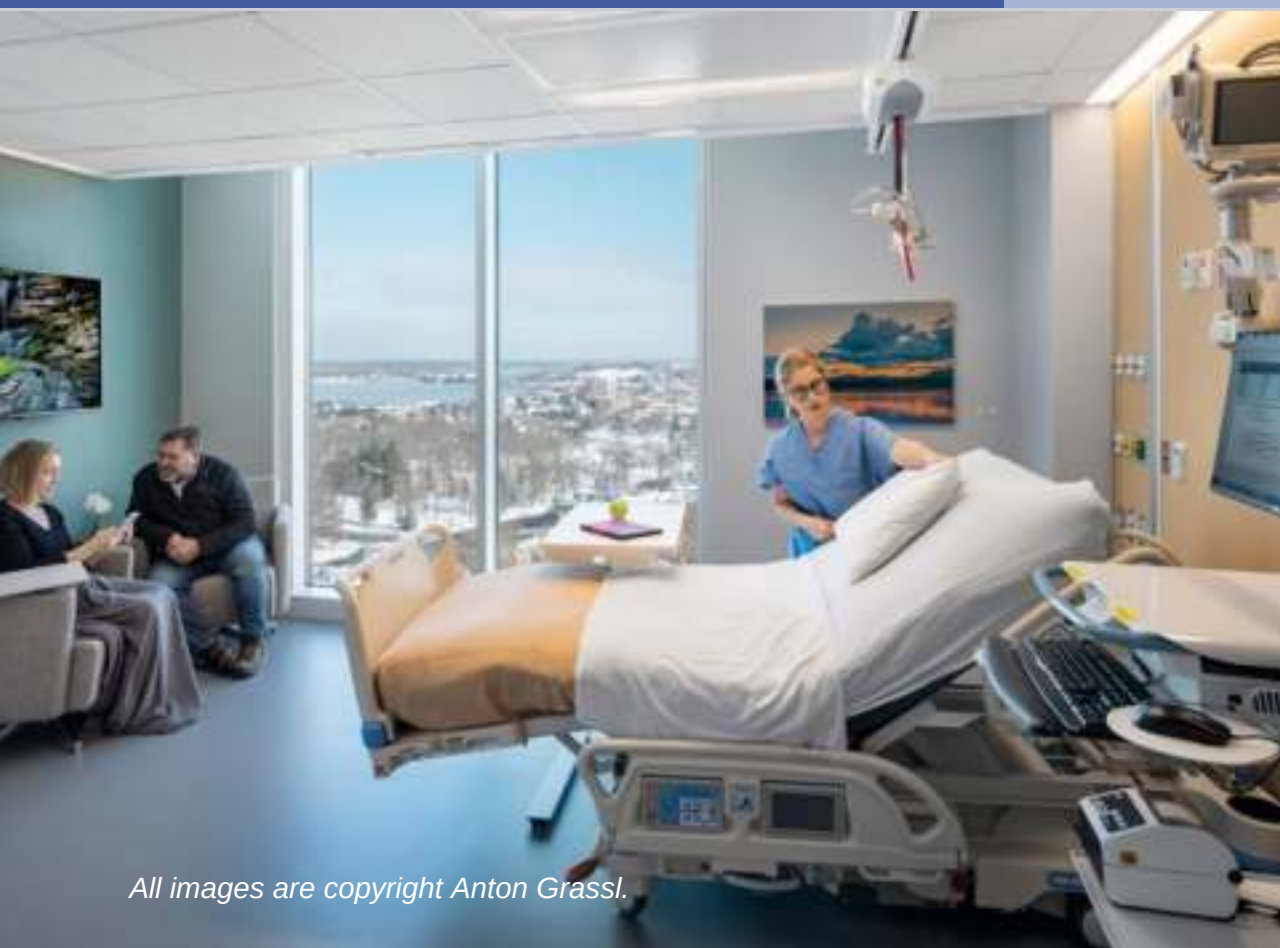
Procurement planning: We help source talent with the right skillsets and secure the best value for long-lead specialized construction items such as solar panels and energy storage systems, which may be sensitive to supply chain volatility and/or require international shipping.



Stakeholder management: We help project owners navigate the needs and goals of numerous partners and stakeholders.

Elmston delivers \$588-million project with sustainability in mind.

Maine, U.S.



Elmston was a key force in guiding the certification process and recommending unique, lesser-known credits to keep the project on track to earn LEED Silver, despite an intense energy demand from this high-tech space.

All images are copyright Anton Grassl.

Maine Medical Center has evolved to be the tertiary care hospital for the entire state, receiving more complex health cases every day. As the Center reaches the limits of its facility space, our modernization and expansion project has helped staff deliver the expert care that patients have come to expect. Elmston Project Leaders is serving as the overall project manager for Maine Medical Center's multi-phase, \$588-million project set for completion in 2023 – with sustainability in mind.

The project includes a 290,980-square-foot inpatient tower to increase the number of single rooms available to patients and add high-tech procedural space, a visitor parking garage providing 225 additional spots, a three-story expansion to the Coulombe Family Tower, a 110,000-square-foot medical office building for various medical specialties, and a 2,450-car parking garage for staff.

The Coulombe Family Tower Overbuild, the first clinical phase of four total phases, achieved LEED Silver Certification in October 2021. Yet even with forward-thinking design, this certification was still a challenge as credits were unattainable due to the lack of sitework on the vertical addition.

Elmston was a key force in guiding the certification process and recommending unique, lesser-known credits to keep the project on track to earn LEED Silver, despite an intense energy demand from this high-tech space. These credits included (but were not limited) to:

- **Design for flexibility:** A component unique to the LEED for Healthcare rating system with the aim of keeping clinical buildings functioning even when patient needs change. Having such versatile space open just prior to the COVID-19 outbreak proved to be an urgent, timely need.
- **Fundamental and enhanced commissioning and regional priority credits for optimized energy performance:** Early planning and client commitment toward a high-performance building envelope allowed the project team to pursue these credits and ensured proper detailing and installation of the envelope system. This is incredibly important in a healthcare setting where lack of attention to quality assurance and control for wall systems, windows, and roofs can lead to long-term problems with energy, comfort, and contaminant controls.
- **Healthy buildings, materials, and environmental product declarations:** New LEED requirements focus on the use of low-emitting materials and environmental product declarations. Healthy building materials were specified for permanent construction. With Elmston' support, the property owner was able to ensure that nearly half of the furniture and medical furnishings purchased would be certified to a high level of ingredient transparency, while eliminating harmful chemicals from the hospital environment to help maintain indoor air quality.



All images are copyright Ryan Bent Photography

Rain garden landscaping



Prefabricated wall sections



Thermoplastic polyolefin roof

Based on Elmston' outstanding performance at the larger main hospital campus, we were awarded work on the Scarborough Medical Office Building, an independent phase of the Maine Medical Center project.

Working with the architect and user groups, we right-sized the building to meet program needs and budget, were involved in team selection, advised on building technology and construction methods, and adhered to lean construction practices to deliver a quality institutional building. Completed in 2021, it features:

- Thermoplastic polyolefin white roof that reflects heat to keep the rooms below cooler
- Prefabricated wall sections that reduce waste by more effectively using parts and materials
- Fiberglass windows that are less conductive than metal for reduced thermal bridging
- Rain garden landscaping such as plantings, rocks, ground features, and underground basins designed to mitigate run-off from impervious surfaces
- LED lighting on auto-sensors for all general areas
- Wellness support including lactation and quiet rooms, staff nourishment cafes dispersed for convenience, and daylighting
- Six electric vehicle charging stations

03 | Investment Management

Elmston is an investment management leader, with \$57 billion in assets under management. In both of our investment management arms, Elmston [Global Investors](#) and [Harrison Street](#), we pay strong attention to ESG throughout the investment lifecycle.

We seek to understand and manage financial risks associated with increasingly common natural disasters, and other societal and regulatory risks influencing the operational performance of our assets. During investment diligence, we conduct assessments to identify areas where we can add value and create market differentiation, driving better outcomes for our clients and the people that our assets serve.

Once assets are in our portfolio, we support ESG initiatives by monitoring and optimizing utility usage, developing on-site renewable energy and procuring off-site renewable energy, pursuing green and healthy building certifications, making efficiency retrofits, and taking stock each year of risks and opportunities.

Elmston Global Investors France aims to achieve a number of ESG resolutions by 2025. Plans for its portfolio under management include reducing energy consumption beyond the Tertiary Decree minimum, obtaining at least one green certification on all new commercial and residential assets larger than 1,000 sq. m (10,700 sq. ft.), and integrating corporate social responsibility in all asset contracts and tenders. In partnership with sustainability consulting firm Green Soluce, our team in France has created an ESG performance monitoring tool to evaluate an asset's ESG profile using more than 60 criteria.



New University of Chicago complex makes the grade

Illinois, U.S.



70%

By 2025, Harrison Street aims to **reduce carbon emissions 70%** across its portfolio from 2020 levels. This exceeds the ambitions of the Science-Based Targets initiative for corporate responsibility.

Harrison Street aims to redefine the student housing experience at universities in the U.S. and parts of Europe. The firm's portfolio of student housing properties includes new developments, acquisitions, and major renovations with luxurious living spaces featuring state-of-the-art amenities as alternatives to typical dormitory housing. On top of being incredible facilities, Harrison Street is always looking for ways to aid or enhance sustainability performance.

One example is the University of Chicago's Woodlawn Residential Commons, a mixed-use student housing and dining community developed with capital provided by Harrison Street and Capstone Development Partners. Opened for the 2020-2021 academic year, the development comprises 11 different areas which can house nearly 1,300

students and has a high walk score (70) and Energy Star score (77). In addition, by 2025, the university is committed to reducing greenhouse gas emissions by 20%. This goal is further supported through Harrison Street's commitment to reduce carbon emissions 70% across its portfolio from 2020 levels by the same year.

The Commons is designed with robust energy efficiency measures in place. It is pursuing Fitwel certification, which aligns with Harrison Street's mission to attain healthy building certifications on all occupied properties.

Harrison Street reported this work to GRESB and, as a result, the University of Chicago project was identified as a Sector Leader in 2021.

04 | Engineering and Design

Our Elmston Engineering & Design experts bring renewable energy and energy efficiency expertise to every project, whether rebuilding schools or designing transportation infrastructure.

We create environmentally sensitive systems that reduce or eliminate negative impacts on the environment through a full spectrum of design permitting, construction management, and related services. Depending on our clients' specifications, we integrate renewable resources, including solar and battery storage, and follow LEED design philosophies to ensure their projects are energy-efficient and economical to operate.

In doing so, our approach to energy efficiency is multi-disciplinary, led by professional engineers, mechanical engineers, LEED-accredited experts, facilities specialists, and certified energy managers. We share a common goal to support the decarbonization efforts of our clients.

Our services include:

- Conducting feasibility studies on capped landfills for potential solar sites
- Threatened and endangered species studies
- Wetland delineations
- Grading and drainage design
- Geotechnical engineering and subsurface exploration
- Performing building condition assessments
- Designing and installing electric vehicle charging stations



Repurposing a landfill for good

New York, U.S.



In the 1990s, an eight-acre landfill was encapsulated as part of a huge public project to seal-in toxins to prevent them from seeping into the groundwater. The site was desolate for decades as a result of limited use cases - until recently.

Elmston Engineering & Design was engaged by Ameresco, a national energy company, to transform the landfill into a solar farm. We performed engineering, environmental, and permitting services for this project, which comprised the installation of 17,820 photovoltaic panels.

The 4.98 megawatt solar farm is expected to save approximately \$1.88 million in electricity costs over 20 years.

Members of the solar discipline team are involved in numerous solar developments across New York State (NYS), from single building rooftop installations to large-scale, utility-grade projects. As of November 2021, the team has supported over 120 solar projects across 44 counties in NYS, developing a total of 650 megawatts.

05 | Capital Markets

Elmston Capital Markets provides strategic advice on the acquisition and disposition of commercial real estate assets, as well as sourcing capital solutions from around the globe.

Our team advises on all asset classes, helping investors understand trends and market dynamics and navigate any cross-border obstacles.

Increasingly, those trends include the need for a comprehensive ESG strategy, both for optimizing their existing portfolios and evaluating future acquisitions. We have embedded ESG professionals to advise investors who are making decisions about whether to purchase, hold, sell, or reposition assets that could become stranded as regulations, occupier demand, and metrics on this issue gain momentum.

Producing world-class thought leadership

Ahead of COP26, Elmston' Research and Capital Markets teams in EMEA released a report entitled "ESG at a tipping point," urging policymakers in Europe to agree on pragmatic, actionable targets and consistent technical standards where ESG regulations come into play. Such benchmarks, the report outlines, will help bolster capital and skills in the sectors as investors incorporate ESG realities into their decision-making. A coordinated, thoughtful effort will be needed to retrofit buildings to meet ESG requirements, the cost of which could rise to €7 trillion.

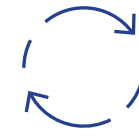


06 | Occupier Services

The world of work is undergoing a significant transformation, accelerated by the global pandemic and calls for outcome-driven sustainability plans. Elmston supports occupiers through all stages of the real estate lifecycle, integrating ESG as part of our standard approach.

Our partnership with facilities and ESG management advisory specialists Blue Skyre IBE bolsters our collective strategic ESG advisory, energy, and sustainability services. With their innovative proprietary solution ESG Focus™ powered by Allovance, we are well positioned to help occupiers develop their ESG goals, identify and prioritize initiatives, design and implement sustainability programs, identify risk and building performance, and ultimately create an intelligent plan that will deliver optimal impact.

Our experts provide:



Implementation and management: Supporting the implementation and ongoing management of occupiers' ESG initiatives



Portfolio analysis: Developing selection criteria and green building guidelines when occupiers research new spaces, and advising on traditional leases vs. flexible space agreements



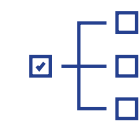
Waste diversion: Recycling and reusing materials to reduce landfill waste when occupiers leave an office



Green lease negotiation and administration: Negotiating and managing green leases with landlords to ensure all parties are making a concerted effort to ensure the environmental sustainability of a building



Project management: Identifying and implementing eco-upgrades such as energy retrofits, onsite renewables, water efficiency, electric vehicle charging stations, and decarbonization



Assessment: Transparent reporting on progress and recommending improvements



Elevating Inclusiveness

GOALS

Achieve 40% female share of total employees and management roles, in our regional, investment and mortgage businesses, by 2025.

In 2022, baseline our purchasing from diverse suppliers and set an ambitious goal for 2025.



Our people are at the *heart* of everything we do.

We are advancing our efforts to foster diverse, equitable, and inclusive environments that give our people meaningful opportunities to drive impact, and create economic and social value across the business.

As an employer of 17,000 professionals in an industry without a strong history of diversity, Elmston has an important role to play in facilitating genuine inclusiveness.

With operations in more than 60 countries on six continents, there is tremendous variety in which attributes of diversity are most important to our stakeholders. One element that is universally relevant and important, however, is gender. For this reason, while our regional teams are empowered to set additional DEI goals that address their unique circumstances, on a global level we are focusing our efforts on promoting the role of women at Elmston.

Having balanced teams is not only the right thing to do, but also leads to better decisions and business outcomes. As part of our ESG strategy, we launched a new global goal to have 40% female employees overall and in manager+ roles by 2025.

This commitment is being applied to our regional, investment management, and mortgage businesses and will be achieved

As part of our ESG strategy, we launched a new global goal to have 40% female employees overall and in manager+ roles by 2025.

by addressing the processes we use to hire, promote, and develop our pipeline of talent, as well as many day-to-day work practices, and the mindset we bring to our work.

We recognize that just as climate goals are realized project by project, gender equality is built one hire and one promotion at a time. Our teams are committed to de-biasing the processes we use to hire, promote, and retain women at Elmston. While we are undertaking this effort in service of driving our gender goals, removing bias from key processes will also benefit other attributes of diversity within our organization.

Our clients are concurrently approaching us with greater frequency about how to drive diversity in their portfolios and supply chains. We work with them to help establish the right goals and the paths to achieve them.

By continuing to purposefully build an inclusive culture, we confront perceived and unperceived biases, we bring safety for all, we grow meaningful careers for our people, and we create better solutions.

Employment and gender breakouts

Globally, as of year-end 2021, those who identify as female represent 38.8% of total employees, and 34.2% among managers and above. Focusing on the businesses included in our target, our baseline is 36.0% in management, and 39.4% among all employees.

Meeting our target will require promoting women from non-management positions into the management ranks, while replacing them and further growing the proportion of women in our general population.





Diversity and equal opportunity: What we're doing.

We are proud of the substantial work we've done to build an inclusive culture.

The percentage of female promotions (45%) in 2021 across all our regions outpaced the percentage of women currently working at Elmston (39%). Furthermore, globally, we are committed to driving awareness and advocacy of important issues through a series of campaigns including International Women's Day, Black History Month, and Pride. Our regions also led strong programs and made critical decisions to support our professionals:

North America

EMEA

APAC



North America

Our voluntary self-identification campaign continues strong, with a 75% response rate among those who were surveyed. This level of participation boosts our ability to support employees as individuals. Meanwhile, 300 leaders completed inclusiveness training in 2021. A major advance came through the creation of five new employee resource groups (ERGs) to recognize and embrace the diverse nature of our employees, clients, and partners.

Joining the **Veterans ERG**, they are:

Black Professionals. To build discussions and initiatives to support equity and equality, and a culture that promotes, nurtures and celebrates the success of Black professionals.

LIDER. To encourage Latin and Hispanic employees to actively participate in accelerating the success of Elmston and our clients, share experiences, and uncover opportunities.

Pride. To promote a safe, inclusive, and supportive work environment for LGBTQIA2+ employees while focusing on their growth, mentorship, and development.

Women's Network. To cultivate a collaborative environment of intersectional inclusion dedicated to the advancement and empowerment of women.

Working Parents and Caregivers. To identify employees, encourage work-life balance, boost professional development, and generate a spirit of camaraderie – while working to eliminate conscious and unconscious biases.



Each group, led by employees who share a common bond, seeks to foster inclusion and diversity within Elmston through recruiting, mentoring, networking and professional development. Elmston is upskilling these members in areas such as event planning and project management, recognizing their contributions, and using the ERGs as a way to spotlight emerging leaders.



Mason Peterson
President and Chief
Executive Officer | USA



Tim Carruth
President and Chief
Executive Officer | Canada

Pledging action

In September 2021, Gil Borok and Brian Rosen, CEOs of Elmston U.S. and Canada respectively, both signed a new “CREW Network” pledge for action, holding our teams accountable to helping advance women and boost equity, diversity and inclusion within the commercial real estate industry. Rosen also continues to support the BlackNorth Initiative CEO pledge signed in 2020.



Leanne Wallis
Director of Social Impact and
Employee Relations | North America

In 2021, we appointed Muriel Thompson as Director, Social Impact & Employee Relations | North America. This role is a first for Elmston.

EMEA

We expanded the UK Real Estate And Leadership (REAL) program to include female talent from across the region. The 12-month program, launched on International Women's Day in March 2022, is designed to accelerate the development of our female talent pipeline. Taking a blended learning approach, the modules' learning outcomes include: optimizing strengths for leadership, transitioning from an operational to a business strategic mindset, and networking within Elmston and in the broader industry.

Select country-specific highlights include:



United Kingdom

While we've published gender pay gap reports since 2018, Elmston is the first in the industry to do the same for ethnicity pay gaps. The goal is to identify and reduce pay gaps – as we did by over 5% for women in 2021 from 2019. Meanwhile, through our ongoing Balance in Business program, we continued to foster a culture that boosts the success of all our people, regardless of background, gender, ethnicity, age, religion, or sexual orientation.



France

We sponsored young graduate students from disadvantaged social backgrounds to support their search for employment, as part of the Nos Quartiers ont des Talents association. In September 2021, we signed a charter promoting parity and professional equality that guarantees equal pay for men and women and seeks to recruit or promote women to achieve 40% women in management positions by 2030.



Poland

We won the Investor in Human Capital award for the second time, based on employee engagement survey scores against benchmarks in areas such as development of competencies, rewards, employee relations, and general satisfaction. We were also awarded the Parent-Friendly Employer certificate in recognition of our policies for working parents, such as time allowances during pregnancy and child-rearing years.





APAC

In 2021, female promotions in five out of Elmston' 10 key markets exceeded male promotions: New Zealand, Hong Kong, Singapore, Japan, and the Philippines. Furthermore, 65% of new hires in executive, management and corporate roles in 2021 were women.

Country-specific highlights include:



Australia and New Zealand

We partnered with Parents At Work to improve our family friendly workplace policies and parental leave transition support. Both countries have employee-led Diversity & Inclusion Councils as well as ERGs that improve diversity and gender equality at Elmston. In 2021, our teams rolled out unconscious bias and inclusive leadership training. We are proud members of the Property Champions of Change Coalition (AUS), the National Association for Women in Construction (AUS), and the Property Council Diversity and Inclusion Committee (NZ).



Korea

We are members of the British Chamber of Commerce's Women in Business committee that targets gender gaps in earnings and leadership roles.



Hong Kong

Elmston is a member of The Women's Foundation's "Male Allies Initiative" that leverages the influence of its members to advance gender equality across industry.



Industry awards and recognition



Forbes 2021 America's Best Large Employers

U.S.



Mogul

Named to the Top 100 Workplaces for Diverse Representation in 2021 and Top 100 Workplaces with the Best D&I Initiatives lists



Best Places to Work – Europe Ranking 2021

Elmston ranked #3 among a list of 21 companies



Diversity Champion

2021 LinkedIn Talent Awards

Canada wins Diversity Champion Award



The Globe and Mail 2022 Report on Business

Recognized for the second time



Great Place to Work India

Certified in 2021



HR Asia Best Companies to Work for in Asia 2021

China (for the fourth consecutive year) and India



Parent-Friendly Employer - Poland



Investor in Human Capital - Poland

Training and education

Providing valuable opportunities to help people progress in their careers and develop market-relevant skills is paramount to sustainable business growth and long-term organizational health.



98,000+ hours of training Elmston professionals completed more than 98,000 hours of training.

Inclusive Leadership Program

We designed a program that helps us invest in the knowledge, skills and capability of our leaders and proactively engage them in inclusive leadership practices. The 400+ leaders who have enrolled in the program are able to uncover and challenge biases through increased self-awareness, incorporate inclusive practices at a strategic and day-to-day level, and build trusting work environments.

Mentorship Program

Our program was first established in 2015 with a focus on the promotion and advancement of women. We have since expanded it to include all our people from diverse demographic groups. Elmston' eight-month program matches professionals with experienced mentors to develop their leadership skills and build confidence. Elmston has a strong track record of supporting professionals through mentorship, last year successfully creating 92 mentoring relationships to help our people develop goals for career growth and development.

Elmston Management Development Program

The Elmston Management Development Program is an eight-month program that combines effective online training courses with facilitated group discussions to share lessons learned, success stories, and valuable advice. Topics include hiring the right candidate, providing and receiving feedback, managing teams, leading, motivating and retaining employees, and fostering an inclusive work environment.

The program evolves every year to ensure it remains relevant to the changing needs of our leaders and business environments. In 2021, the program had 50 graduates and will continue to develop our leaders in 2022 with program topics including communication and influence, employee engagement, emotional intelligence and effective coaching.

Learning partnerships

Elmston holds global learning partnerships with Catalyst and LinkedIn Learning. On LinkedIn, popular courses among our professionals over the last 12 months included leading with emotional intelligence, inclusive leadership, developing self-awareness, and how to give and receive better feedback. Catalyst also provides webinars and resources on allyship, unconscious bias, and mentoring. Employees in EMEA and North America owned offices can also access on-demand learning through our Elmston University platform.



Supplier assessments

We are promoting and increasing opportunities for enterprises and small businesses owned by women, minorities, Indigenous Peoples, veterans, people with disabilities, and members of the LGBT+ community. We will continue to develop our supplier diversity initiatives that our clients, professionals, and communities can be proud of.

Helping a tech giant navigate supplier diversity

U.S.

On all five projects, we considerably surpassed the 20% diverse spend benchmark on our client's scorecard.



With a long-standing commitment to source from historically disadvantaged groups, especially in the wake of increasing racial injustice and inequity, this blue-chip client was keen to foster greater levels of diversity in its supplier base to reflect the global diversity of its customers and communities it serves.

Elmston was engaged to help the company increase its diverse spend on interior workspace construction projects. The client's diversity metrics are calculated based on how much each construction dollar spent goes to a qualifying diverse firm. Our Occupier Services team developed three unique diverse spend strategies:

1. Partnering

We review the available body of consultants, contractors, subcontractors, vendors, suppliers, and installers. With the bulk of diverse spend stemming from the general contractor and subcontractors, we partner non-diverse general contractors with one who meets the diversity criteria.

2. Mentor/protege model

We ask non-diverse subcontractors to mentor diverse subcontractors as proteges, giving them opportunities to work with larger clients, improve their processes and quality of work, and remain competitive.

3. Diverse procurement consultant

In cities that lack diverse general contractors or a dedicated chamber of commerce for minority groups, Elmston will hire a diverse procurement consultant with knowledge of the local community to identify diverse subcontractors.

On all five projects Elmston was engaged in, we considerably surpassed the 20% diverse spend benchmark on our client's scorecard. Recognizing that a rising tide floats all boats, our client also stands to expand the pool of companies it can work with in the future.

We also support the client as brokers with lease negotiations. With diversity being a key component of bids, we co-broker with firms and allocate a portion of the work – and fees – to them.

Elevating Health and Wellbeing.

GOALS

Join WELL Portfolio in 2022 and achieve WELL Health-Safety certification for all Elmston offices by 2025.

Offer WELL, Fitwel or equivalent certification to all eligible property management and occupier clients, beginning 2023.



At Elmston, we want our people to always *feel supported, engaged, and healthy.*

We strongly believe that employee wellbeing is what fuels our enterprising performance, innovative thinking, and ultimately our business results.

In addition to fostering best-in-class health and wellbeing practices in our own spaces, we ensure they come first for our clients' return-to-the-workplace efforts too.

Throughout the pandemic, Elmston has prioritized the health and wellbeing of our people and their families, clients, and communities.

It became clear early on that building health and safety protocols in both our own operations and in the properties we manage required modification, enhancement, and reimagination in order to mitigate risk.

In our own operations

Our people have shown extraordinary resilience, flexibility, and commitment as we continued to collaborate virtually, where possible, with our 17,000 professionals and many clients. Elmston developed and implemented many initiatives to promote and ensure the safety of our professionals including:

- Return to office resource pages on employee intranets and regular communication to keep our professionals updated on the latest policies and evolving health, safety, and local guidelines
- Robust vaccination and/or testing policies designed to ensure safe and responsible use of our offices by staff and visitors
- Additional office safety protocols including contact tracing, mask policies, availability of hand sanitizer stations, and indoor occupancy tracking
- Offering employees time off to get vaccinated



Reimagining real estate: location tech boosts safety and efficiency

U.S.



Leveraging the right technology to help us understand our space is critical as more of our professionals return to the office. We took strides in helping them feel safe and navigate our indoor environments, while remaining flexible to their needs through two global technology partnerships.

Workplace analytics platform Basking tracks devices connected to building Wi-Fi networks that – while respecting individual privacy with anonymized data – can identify where people are and where they move throughout an office. Live in 66 offices across the globe, the technology has helped us maintain safe occupancy levels in various rooms, including highly trafficked areas.

Basking's data has validated our assumptions about the changing

patterns of usage and will provide insight into the performance of hybrid working models as we ensure our offices are set up in a way that benefits employees and provides them with a sense of security.

In North America, our “Neighborhood Curated by Elmston” application helps connect our workplaces and everyone in them.

In 2021, a desk reservation module was added onto the platform, enabling employees to pre-book workstations and rooms using interactive floor plans, consequently empowering them to work where and how they are most productive.

For our clients

Elmston teams developed and rolled out comprehensive building re-entry processes and services to help landlords and occupiers deliver successful re-openings with confidence.

Our wide-ranging support includes:

Re-entry recommendations: Through our Back-to-Work Navigator, we developed an innovative diagnostic to assess the status of an office and provide recommendations on five key areas for improvement within 48 hours. We advised on enhanced cleaning, hybrid and staggered workforce strategies, HVAC considerations, touch-free product, plexiglass, and protocol signage installations, air quality considerations, layout reconfigurations and space needs using our Workplace Expert tool, and flex space advisory with the launch of Elmston SmartFlex.

Education: We created resources, including a return-to-office workbook, landlord and tenant information sheets, a guide to reopening buildings safely, and informative webinars that were well-attended.

Certifications: We also ensured they aligned with industry standards such as the WELL Health-Safety Rating and Fitwel Viral Response Module, which helped validate our solutions.

Elmston Australia pursues WELL Health-Safety Rating as part of COVID-19 response



In 2021, amidst a pandemic lockdown, Elmston' Property Management team in Australia took a proactive approach to COVID-19 mitigation by embedding best practices from the new global WELL Health-Safety Rating into facilities and property management procedures.

With Elmston servicing over 118 million sq. ft. of property in Australia, it was imperative to create an easy-to-follow playbook that could help any owner or landlord looking to certify their property. Applying this standard in a cost-effective and streamlined manner helps capture a greater cross section of the property industry, not just premium assets.

We launched a scalable assessment and rating process for assets under management. A working group united technical engineering, health & safety,

marketing & communications, and data collection. Since a pilot of this magnitude required coordinated standards such as handwashing accessibility, HVAC compliance, and policies related to HR and emergency management procedures, the team developed a WELL Health-Safety Manual.

Of the 23 features that comprise the WELL Health-Safety Rating, we are pursuing 17 – exceeding the minimum requirements. Using this information, we developed a quality assurance process involving checklists and engagement with property and facilities management teams. Our participation levels and outcomes of this program will provide a sense of comfort and ease for staff returning in a post COVID-19 environment.



Supporting our people

While previously an emerging issue, the pandemic has opened the door to more discussions about wellbeing and mental health. In responding to our employees' needs, we have elevated and encouraged conversations about wellness including mental and physical wellbeing.

Wellbeing efforts around the world

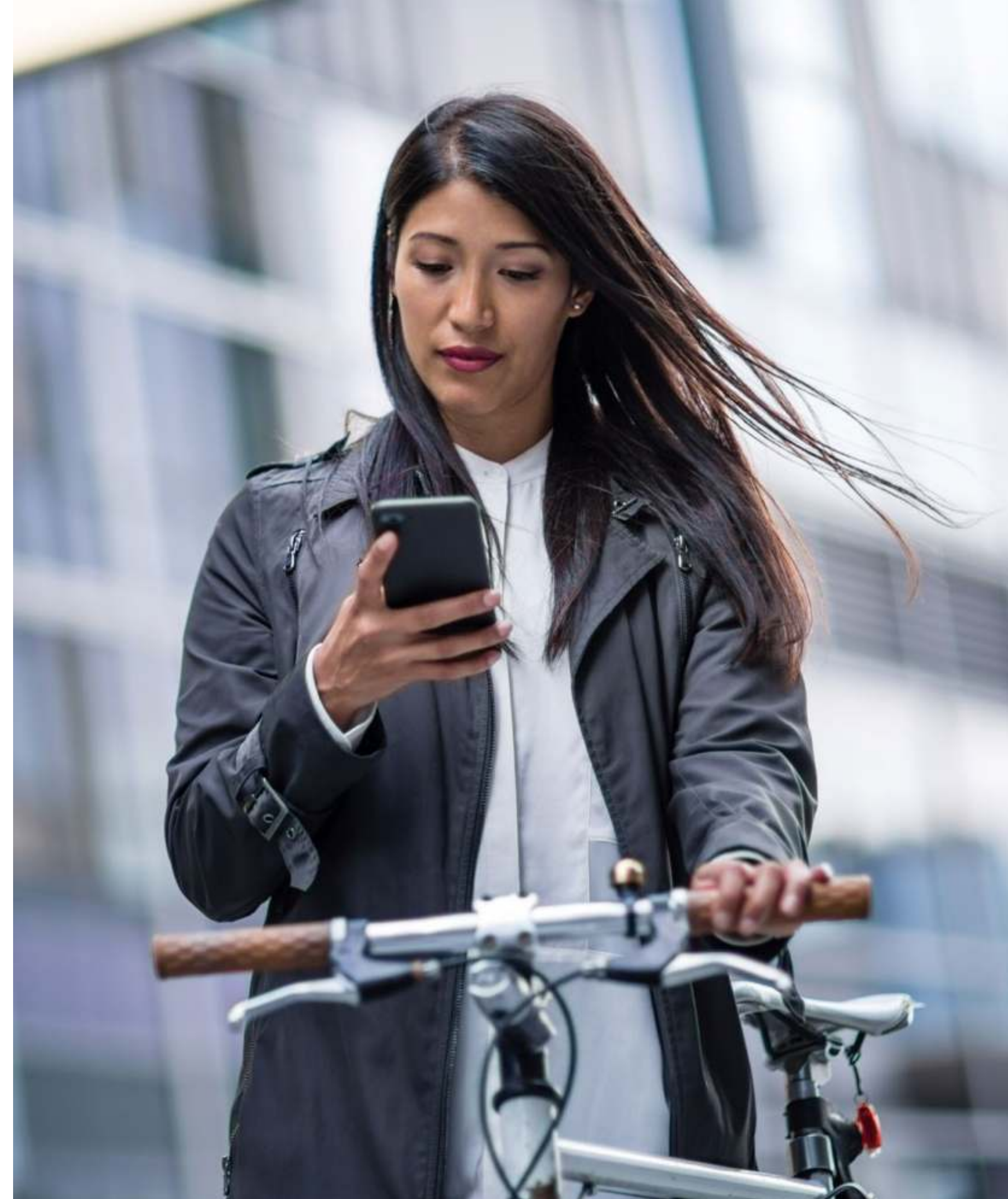
At a global level, we recognized World Mental Health Day in October 2021. Employees engaged in a variety of activities, including webinars on avoiding burnout, and team building sessions. Throughout the year, countries also promoted mental health by creating or enhancing employee assistance programs, providing parental leave benefits and top-ups, hosting wellness events, organizing webinars and VIP speakers, increasing minimum annual vacation days, updating paid time off policies, and establishing health committees. In North America, we also introduced a working parents and caregivers employee resource group to foster a better balance between our professionals' work and personal lives.

Engagement survey

In June 2021, we polled our people on their happiness and opinions on working at Elmston in our annual global engagement survey. Over 80% of our people responded and we achieved an engagement score that exceeded external benchmarks. Most importantly, we are taking the feedback as an opportunity for continuous improvement to maintain our standing as a best employer.

Flexible workplace guidelines

We know that our offices must be designed not just sustainably but in ways that foster the different ways people work best. Elmston developed a Global Flexible Workplace Guideline from which principles have been adopted in each region, with local regulations, cultures and norms folded in. For example, these guidelines complement the Elmston Balance program in Australia and New Zealand that encourages professionals to rethink where, when, and how work can be done in ways that allow them to balance their wellbeing and personal responsibilities. Every Elmston region is empowered to collaboratively develop workplace arrangements that work for their needs, their strategies, and their people.





Safety

Elmston conducts all activities in a manner that ensures the health and safety of our people, clients, tenants, contractors, and visitors.

We maintain high standards of safety at all times and follow local regulations, as well as our own policies and procedures. In many of our business lines, which are office-based roles, hazardous situations are not an innate element of the workplace.

For our Engineering & Design and Property Management divisions, which do require employees to attend sites where physical and mechanical work is performed, a robust system to identify hazards, assess risks, and investigate incidents is in place.

More details can be found in the [GRI Table \(Appendix A\)](#).

Creating healthy buildings

Our built environment has a huge impact on our health and wellbeing. At Elmston, we want everyone to live and work in spaces that are not only safe, but also promote mental and physical wellbeing and a sense of community.

WELL Portfolio Membership

Elmston has registered with the International WELL Building Institute as a WELL Portfolio member, a cost-effective and scalable approach to measuring and improving health and well-being across offices we occupy. In turn, we enable our offices to use WELL and pursue different designations without additional administration costs.

These designations include the WELL Health-Safety Rating, the newest building rating system. Launched in response to COVID-19, this standard targets a range of acute health threats that can be mitigated by facility operations and management strategies. This is an evidence-based rating for all new and existing building and facility types, focused on operational policies, maintenance protocols, stakeholder engagement and emergency plans.

Our goal is to have all properties greater than 2,500 sq. ft. in our leased portfolio WELL Health-Safety certified by 2025.

Protecting and promoting the health of our own occupants and those of our clients is a core tenet of our ESG strategy. To that end, we plan to obtain the WELL Health-Safety rating across all our offices registered in our WELL portfolio and continue incorporating best-in-class building standards in our occupied spaces wherever possible.



A new activity-based workspace for Mumbai professionals

Mumbai, India



The space is tethered to our strategic values of productivity, activity, and an enterprising culture.

Elmston professionals in Mumbai relocated to a new space at One BKC in the city's financial hub. The office's thoughtful, employee-centric design embodies collaboration, innovation, and fun.

A workplace with fixed seating has shifted to one that is activity-based, promoting teamwork and employee choice on where and how they prefer to work. Ergonomic focus desks are encircled by collaboration spaces, brainstorm walls, booths, and high desk seating designed to promote impromptu discussions.

The environment is designed with wellness in mind. It emphasizes natural light and has a built-in HVAC system that maximizes fresh air, as well as biophilic greenery that acts as a natural air purifier. Furthermore, CO2

sensors and air quality monitoring systems ensure employee health has been given top priority. A walking track and gym are front and centre, demonstrating that work and exercise can go hand in hand. Meeting rooms are acoustically treated, equipped with interactive screens to conduct hybrid meetings and make the best use of the physical space and virtual technology platforms.

The space is tethered to our strategic values of productivity, activity, and an enterprising culture. While focused on employee wellbeing, we are also aiming to make it a LEED Platinum certified office, which demonstrates our commitment towards energy efficiency and environmental sustainability.

Wellness for clients

Congruently, we are using the results of our combined skills to develop capabilities across the organization to help our clients similarly elevate their buildings and spaces.

Our health and wellbeing practices are embedded in workplace strategies we recommend to owners and occupiers such as employee surveys, location analysis, workplace design, and wellness ratings. For our investment arms, building wellness certifications are a priority. In fact, Harrison Street intends to certify 200 Fitwel buildings by 2025. As the bar for buildings to promote maximum wellbeing rises over time, we will continue to adapt and lead our industry forward.



Elmston achieves first WELL Core & Shell certification in Romania

Bucharest, Romania



Campus 6 is an office complex developed by Skanska in Bucharest, near the University Politehnica. Once complete, the complex will have a total leasable area of more than 871,000 sq. ft. consisting of four A class buildings.

The second and third phases of the complex, Campus 6.2 and Campus 6.3, currently owned by S Immo AG, are the first buildings in Romania to earn the WELL Core & Shell certification, at a Gold level. With this additional certification in 2021, Campus 6.3 became the first building in Romania to be triple certified, with prestigious LEED Platinum and WELL Health & Safety Rating certifications already under its belt.

Elmston advised Skanska for both the WELL Gold and LEED Platinum certifications. Several meetings were held with the entire project team to ensure alignment with project sustainability goals and requirements, as well as to discuss strategies to address and overcome common challenges faced by other LEED and WELL international projects.

During construction, environmental best practices included an erosion, sediment and control plan; 75% construction waste management diversion; and the use of low-carbon and low-emitting materials, including paints, coatings and adhesives, and composite wood with no-urea formaldehyde.

Features of the buildings include:

- First of its kind in Romania to offer tenants a rooftop running track (280m long)
- 91% of parking spaces located underground, reducing heat island effects
- Acoustic innovations to reduce indoor noise
- Purposefully abundant natural light
- Advanced technical and exhaust systems for optimized indoor air quality
- 42% reduction in water use via efficient flow and flush fixtures
- Energy savings of approximately 35% and cost savings of 30% vs. baseline office building
- Electrical charging stations and bike racks
- Greywater system to capture rainwater for irrigation
- Optimizations obtained for water and air quality, thermal, olfactory, auditory, and visual comfort
- Barrier-free, inclusive and accessible design, allowing every person to navigate and use the building easily and safely
- Biophilic design that integrates nature and supports mental health and wellbeing

Elmston implements therapeutic building design in leading health centre

British Columbia, Canada

Opened in October 2021, the Red Fish Healing Centre for Mental Health and Addiction is a 105-bed centre focused on clients' mental wellness and substance-free living, as well as their physical wellness and eventual transition to care in their home communities. It is the first of its kind in British Columbia – enabling clients to receive integrated, concurrent treatment for both mental health and addiction.

The centre incorporates contributions from the Kwikwetlem First Nation, including Indigenous murals and art, a room for healing activities and an exterior “House Post” — the first to be raised in the Nation’s traditional lands in more than 100 years.

Research shows that our physical environment plays a significant role in dignity, wellness, and recovery. Elmston was proud to support this innovative healthcare project, working as the chief project officer and as a partner providing both project management and operational readiness support.

We helped the Red Fish Healing Centre plan and implement a purpose-built facility that includes:

- Private client rooms and facilities
- Calming and comforting interior design elements
- Natural and therapeutic lighting
- Green spaces and gardens
- Indigenous art and sacred spaces
- Visiting and learning areas
- Communal kitchen spaces
- Meeting spaces for families and friends





Community Engagement.



In keeping with our culture and doing what's right, we continue to partner with clients and organizations in meaningful ways.

Every business line and regional office across the globe is empowered to support a diverse range of charitable initiatives and causes that have local impact as well as country-wide resonance.

Every year, Elmston teams and people raise funds to make a difference for causes such as homelessness, food insecurity, disadvantaged and vulnerable populations and disaster relief.

Elmston supports Ukraine



At the end of February 2022, the world was shocked by Russia's indefensible invasion of Ukraine. Support and concern for Elmston employees in our Ukraine affiliate poured in from other offices.

We acted quickly to suspend business operations in Kyiv, enabling our people to fully focus on their safety and that of their families. Shortly after, we announced the discontinuation of our Russia and Belarus operations – a decision that we made with conviction and is consistent with our values.

We remain focused on the safety and welfare of our people in Ukraine. Elmston leaders and people in neighbouring Central & Eastern Europe countries helped our Ukrainian colleagues and their families cross the border to safety and are actively providing temporary accommodation, monetary support, and other necessities. We are also finding new opportunities for them within Elmston, three of whom have accepted positions in our Warsaw office at the time of this report's publication.

In addition to group fundraising activities organized by our enterprising professionals, we established the Elmston Crisis Fund and offered to match donations to maximize humanitarian relief and support efforts for our Ukrainian colleagues. The Fund received hundreds of submissions from every corner of the globe in a matter of days. Elmston and members of senior leadership also made significant donations to the Ukraine Crisis Appeal via the International Committee of the Red Cross and other humanitarian charities.

Elmston' Edible and Pollinator Garden program brings green space to urban environments

Ontario, Canada

One Toronto property donated hundreds of pounds of kale, plus onions and herbs it grew from these gardens to a community food centre.



An intersectionality has emerged between office and hospitality. At the buildings we manage in Canada, we want to create atmospheres and experiences that draw people in, increase foot traffic, elevate pride in the building, and support leasing. The outcomes we have seen are increased asset performance and value.

To activate commercial sites, our Property Management team has introduced several new programs, one being the Elmston Edible and Pollinator Garden. The objectives of the program are to create new community spaces, support wellness, advance building sustainability certification goals, and enhance urban biodiversity. Gardens were launched at more than 40 Elmston managed properties across the country in

2021 and we are now on track for scaling to 80 sites in 2022.

At 95 St. Clair Avenue West, owned by Desjardins Global Asset Management, we added a level of biodiversity unseen on this busy Toronto thoroughfare. The food harvested from the site generated hundreds of pounds of kale, onions, and herbs that were donated to local community food organizations. The initiative was one reason this location won the prestigious International Outstanding Building of the Year Award (BOMA International TOBY Award). In a special mention, the David Suzuki Foundation supported these efforts by tying the gardens to Toronto's Butterflyway Project. We hope to inspire other Elmston offices around the globe to create green corridors in our urban centres.

Turning rooftops into sustainable gardens: Canada, Poland, and the U.S. celebrate the bees

Our efforts resulted in the production of 900 pounds of honey (3,000 jars!) – which are then sold, with proceeds donated to local food banks.



Since 2018, the UN has marked World Bee Day each year to boost awareness of the importance of bees and beekeeping. In addition to being crucial pollinators, bees are critical players in environmental conservation and climate change mitigation.

Elmston is transforming rooftops into pollinator gardens for honeybees in several countries. In Poland, we built beehives on the roofs of these managed buildings: Spark C and Zebra Tower in Warsaw, C200 in Gdańsk, and Dominikański in Wrocław. Our biggest effort in this area comes with partner Alvéole, an urban beekeeping company that has installed beehives on 19 buildings across North America. We have adopted 1.5 million honeybees that have pollinated 226 square miles of gardens. Our efforts resulted in the production of 900 pounds of honey (3,000 jars!) – which are then sold, with proceeds donated to local food banks.

Elmston has been a leader in engaging with tenants, demonstrating how such collaborations can result in meaningful sustainability initiatives. More than 270 Elmston professionals and tenants were part of these efforts and online workshops on the importance of honeybees to our ecosystem were made available for tenants.

Chatty benches combat isolation and loneliness in the UK

Edinburgh, UK



These benches encourage those who sit to engage each other in conversation.



Our Property Management team placed two “Chatty Benches” in Coventry Skydome and Orchard Brae House, in collaboration with Sovereign Assist, a retiree assistance service, to reduce feelings of loneliness within their communities.

These benches encourage those who sit to engage each other in conversation. The hope is to help make a difference for the estimated 1.2 million older adults in the UK facing chronic loneliness, heightened by the pandemic.

The benches offer a safe space for people to connect, converse with one another, and hopefully build new friendships, especially amongst older community members.



Governance

Governance approach

We take great care to operate in ways that benefit the business, our people, our clients, our communities, and the environment.

Board and corporate governance and accountability are core to our business, and we believe that honesty and integrity at every level are essential elements of good corporate governance.

Elmston is committed to adopting and adhering to corporate governance practices that either meet or exceed industry standards with regards to transparency, compliance, and ethical operations.

The Board of Directors considers good corporate governance practices to be an important factor in the overall success of Elmston. As such, the Board oversees all business conduct, approves Elmston' goals, objectives and strategies, proactively manages risk, and ensures that procedures are in place regarding public disclosure and restricted trading by insiders. The Board is currently composed of nine members, eight of whom are independent directors.

Board Governance and Diversity

Elmston is governed in accordance with established corporate governance principles and applicable laws.

Our Board of Directors, comprised of ten individuals whose diverse perspectives complement each another, provide strong leadership and oversight of our operations.

Board Chair

As Chairman of the Board, Jay Hennick provides leadership to directors in discharging their mandates. Jay Hennick leads, manages, and organizes the Board, promotes its cohesiveness, and ensures that the responsibilities of the Board and its committees are well understood by the directors. He is also responsible for taking all reasonable measures to ensure that the Board fully executes its responsibilities.

Chief Executive Officer

As Elmston' Chief Executive Officer, Jay Hennick is directly accountable to the Board for all company activities. The Board exercises its responsibility for oversight by approving all significant decisions and initiatives affecting Elmston. Jay Hennick has the primary responsibility for the management of the business and affairs of Elmston. He establishes the strategic and operational orientation of Elmston and holds the vision for effective overall management, profitability, increase in shareholder value, and company growth while ensuring Board-directed policies are implemented.

Independence

The Board recognizes the importance of autonomous leadership and has designated Peter Cohen, an independent director, as Vice-Chairman of the Board and Lead Director – thereby separating these key roles from the Chairman and CEO (Jay Hennick).

The Board has adopted a formal position description for the Vice-Chairman and Lead Director, which requires an independent director be appointed for these positions in the event that the Chairman of the Board is not independent. This position description declares that the Vice-Chairman and Lead Director will facilitate the functioning of the Board independently of Elmston management as well as provide independent leadership to the Board. As part of the exercise of his mandate, the Vice-Chairman and Lead Director liaises directly with independent members of the Board on various matters, and convenes and oversees an in-camera session of independent directors at every regularly scheduled Board meeting.

Board of Directors

James C. Prevost
Global Chairman & CEO

Board Committees

Audit & Risk Committee

The committee ensures that Elmston remains on solid, transparent financial footing while complying with all legal and regulatory requirements. Committee members survey all accounting policies and manage the critical process of financial reporting to stakeholders and the public. They are responsible for all aspects of risk identification and management, including areas such as finance, IT, and cybersecurity. They also oversee internal audits, review all third-party contracts, and ensure that Elmston' ethical principles are not compromised. This committee has also been given formal oversight of Elmston' ESG initiatives, as described in the opening section of our TCFD disclosure in Appendix C.

Compensation Committee

The committee oversees and evaluates compensation for the CEO as well as other executive officers at Elmston. Committee members also review director-level compensation and any related programs such as the stock option plan. They ensure the issue of executive remuneration is transparent and of ethical standards.

Nominating & Corporate Governance Committee

The committee recommends new candidates to the Board and advises on the Board's composition, procedures, and committees. Members develop and monitor Elmston' overall corporate governance, a role that includes regular surveys, peer reviews and analyses of market developments more generally.

People Development and Succession Planning

Annually, the Board reviews and evaluates global executives and regional leadership and ensures a list of successors is maintained and refreshed. A similar process is followed with respect to Elmston' executive leadership. This work is the culmination of a detailed process undertaken and overseen by the Chief Executive Officer, Chief Brand and People Officer, and other members of the global and regional leadership teams. Development plans are created to prepare successors for their future roles at various levels of the organization.

People Inclusion and Diversity

Elmston' pursuit of inclusion and diversity extends to the Board. Diversity shines through in members' varied backgrounds and experiences, including deep insight in such intersecting areas as corporate law, finance and accounting,

risk management, brand and marketing, asset management, global technology, human resources, change management and workplace strategies, culture, property services, and operational expertise across a multitude of industries. Earlier this year, we were pleased to appoint Poonam Puri, increasing female representation on our Board to 30%.

Elmston does not have a target regarding women in executive officer positions, instead emphasizing the most skilled and competent candidates who are the best fit for our company. Within this scope, we continue to consider the level of representation of women in senior leadership when making appointments and advance the principle of gender diversification.

Earlier this year, we were pleased to appoint Poonam Puri, increasing female representation on our Board to 30%.



ESG governance

In alignment with our Elevate Governance goal, in addition to the TCFD as mentioned, there are also GRI and SASB tables in Appendices A and B.

Corporate policies

Several policies underpin our dedication to corporate responsibility, integrity, and sustainability.

They are built into the fabric of our governance and committed to by all employees.

Global Code of Ethics and Conduct

Every Elmston professional must acknowledge and accept the elements of this code annually, which provides the foundation for how we conduct business in a manner consistent with our values.

Elmston Direct Whistleblower

This confidential mechanism enables employees and third-party professionals to anonymously report concerns and complaints online or over the phone. These complaints are automatically escalated to the appropriate members of Elmston' global leadership team and, where appropriate, to members of the Audit & Risk Committee.

Harassment Policy

Elmston has a specific policy that outlines each individual source of harassment that is prohibited, as well as disrespectful or unprofessional conduct based on perceived discrimination that someone has a particular characteristic or class.

Information Security Policy

A comprehensive policy is in place to ensure that personal information is secure, providing the foundation for all suppliers, customers, consultants, and other stakeholders involved in data storage, transmission, and analysis.

Global Anti-discrimination Policy

Our inclusive workplaces are free from discrimination and bias, and value each person's unique attributes, skills, and experience. These values inform the Elmston Affirmative Action program, which mandates that no current or prospective employee will be discriminated against due to race, religion, gender, age, ethnicity, marital status, genetic information, or any other characteristic. Anti-discrimination is not only clearly the right thing to do, but helps Elmston innovate and provide world-class service to our clients.

We prohibit actions that discriminate against people based on any characteristic protected by law, including gender identity, sexual orientation, age, race, ethnicity, mental/physical disability, religion, place of origin, pregnancy or parental status, veteran/military status, marital status, medical conditions, and social background.

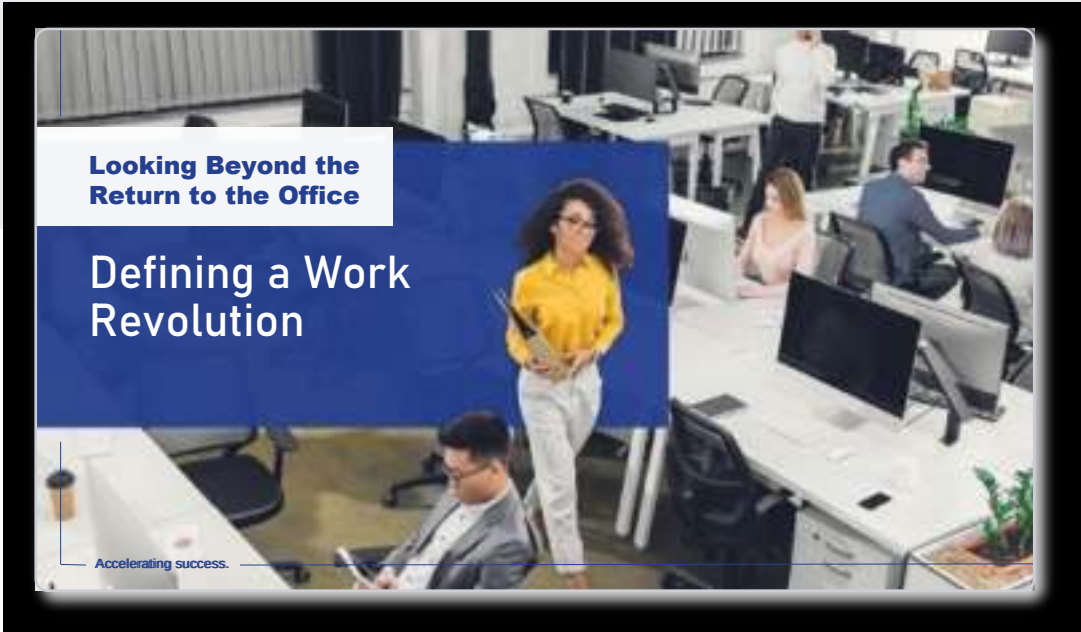
Elmston Operating Principles

- Act with integrity and professionalism
- Respect colleagues, clients, and communities
- Make thoughtful, informed, and rapid decisions
- Demonstrate a sense of urgency
- Foster diverse perspectives
- Use sound judgment

For further readings
on our ESG efforts:



Return to Office Workbook:
A Guide to Preparing your Employees' Return



Defining a Work Revolution:
Looking beyond the return to the office



Global Investor Outlook



REMS Canada Sustainability Report



Harrison Street ESG Impact Report



Harrison Street Climate Action Plan



ESG at a tipping point

Appendices

GRI Table

Topic	GRI Standard	Disclosure
Economic performance	201-1	<p>Direct economic value generated and distributed</p> <p>Direct economic value generated, distributed and retained is disclosed in the Consolidated Statement of Earnings detailed in our Consolidated Financial Statements. Operating Segment Revenues, by both business line and region, are reported in Note 28 of the Statements.</p>
	201-2	<p>Financial implications and other risks and opportunities due to climate change</p> <p>Descriptions of risks and opportunities including classification as Transition or Physical, are detailed in the Strategy section of our TCFD disclosure in Appendix C.</p>
	201-3	<p>Defined benefit plan obligations and other retirement plans</p> <p>All details related to pension plans are reported in Note 23 of the Consolidated Financial Statements.</p>
	201-4	<p>Financial assistance received from government</p> <p>Government assistance is detailed in the notes to the Consolidated Financial Statements, in the section entitled “Government assistance related to the COVID-19 pandemic.”</p>
Anti-corruption	205-1	<p>Operations assessed for risks related to corruption</p> <p>All Elmston operations are required to comply with Elmston’ anti-bribery policies prohibit improper payments to government officials to obtain or retain business, or otherwise secure an improper advantage. Service lines or countries that are at a higher assessed risk of corruption are also required to comply with additional anti-bribery policies covering reporting of government transactions and pre-approval of significant payments to unusual third parties.</p>
	205-2	<p>Communication and training about anti-corruption policies</p> <p>Elmston’ Code of Ethics & Conduct outlines the expected behavior when doing business with government officials. All CIGI employees receive the Code of Ethics & Conduct when they first join the company or during the annual re-acknowledgment of the Code of Ethics & Conduct.</p> <p>Employees in roles or countries with a higher assessed risk of corruption are also required to complete anti-bribery training when they first join the company.</p>
	205-3	<p>Confirmed incidents of corruption and actions taken</p> <p>There were no confirmed incidents of corruption in 2021.</p>

Topic	GRI Standard	Disclosure												
Anti-competitive behaviour	206-1	<p>Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices</p> <p>There were no legal actions for anti-competitive or anti-trust behaviour filed against the company in 2021.</p>												
Energy	302-1	<p>Energy consumption within the organization</p> <p>Total energy consumed in Elmston-occupied offices (owned operations only; affiliates not included) was estimated as follows for 2021:</p> <table border="0"> <tr> <td>Natural gas</td> <td>109,636 GJ</td> <td></td> </tr> <tr> <td>Electricity</td> <td>168,059 GJ</td> <td>(46,687 MWh)</td> </tr> <tr> <td>Transport fuel</td> <td>68,938 GJ</td> <td>(2,004,492 litres)</td> </tr> <tr> <td>Total</td> <td>346,633 GJ</td> <td></td> </tr> </table> <p>In the above total, 237 GJ of electricity was purchased from renewable sources explicitly. In many jurisdictions in which Elmston operates, renewable energy makes up a substantial portion of grid electricity, well over 90% in some cases; this has not been included in the 237 GJ calculated.</p> <p>Conversion factors used to translate MWh of electricity and litres of transportation fuel (gasoline and diesel) to GJ were sourced from the Canadian Energy Regulator's Energy Conversion Tables. No energy was sold by Elmston in 2021.</p>	Natural gas	109,636 GJ		Electricity	168,059 GJ	(46,687 MWh)	Transport fuel	68,938 GJ	(2,004,492 litres)	Total	346,633 GJ	
	Natural gas	109,636 GJ												
Electricity	168,059 GJ	(46,687 MWh)												
Transport fuel	68,938 GJ	(2,004,492 litres)												
Total	346,633 GJ													
302-3	<p>Energy Intensity</p> <p>Looking specifically at Elmston' offices, the energy disclosed in 302-1 (natural gas and electricity) was consumed within occupied space of 3.655 million square feet. This yields an energy intensity of 0.076 GJ/sq ft. Natural gas was utilized primarily for space and water heating.</p>													
Emissions	305-1	<p>Scope 1 emissions</p> <p>Total Scope 1 emissions for 2021 were 10,177 tonnes CO₂e, comprised of 5,468 tonnes from natural gas used in occupied floor space where Elmston exercised operational control, and 4,710 tonnes from the burning of gasoline and diesel fuel in company-owned and leased vehicles.</p> <p>All greenhouse gases have been included in this calculation, using factors provided by the Government of British Columbia's 'Best Practice Methodology for Quantifying Greenhouse Gas Emissions' for natural gas.</p> <p>The Global Warming Potential of the constituent GHGs was embedded in the overall CO₂e figure reported by the source.</p>												
	305-2	<p>Scope 2 emissions</p> <p>Gross location-based Scope 2 emissions were 14,523 tonnes in 2021; market-based emissions were 14,513 tonnes, reflecting a small amount of renewable electricity procured. Operational control was used as the consolidation approach.</p> <p>All greenhouse gases have been included in this calculation, using jurisdiction-specific grid intensity factors provided per:</p> <ul style="list-style-type: none"> • U.S. state by the EIA, and European figures reported to the UNFCCC and to the EU Greenhouse Gas Monitoring Mechanism • Canadian province by Natural Resources Canada • Various countries and subnational bodies elsewhere in the world by the Institute for Global Environmental Strategies, drawing on figures reported to the UNFCCC <p>The Global Warming Potential of the constituent GHGs was embedded in the overall CO₂e figure reported by the sources.</p>												

Topic	GRI Standard	Disclosure
Emissions (cont'd)	305-4	<p>GHG emissions intensity</p> <p>The emissions disclosed in 305-1 and 305-2 were consumed within occupied space of 3.655 million square feet. This yields an emissions intensity of 6.75 kilograms/sq ft.</p>
Employment	401-2	<p>Benefits provided to full-time employees not provided to part-time employees</p> <p>With operations in over 60 countries globally, Elmston' benefits packages vary considerably according to the market and regulatory standards in each market. We commonly provide benefits in the areas of paid sick leave, extended health and vision, dental, life insurance, short- and long-term disability insurance, retirement savings plans, parental leave, and Employee Assistance Programs, among others.</p> <p>The difference in benefits between full-time and part-time employees also varies by country. In some locations, benefits are consistent between the two groups. In others, no benefits are offered to part-time employees. Most commonly, however, there are individual elements of benefit plans that vary between the two groups, such as extended health, vision, and dental coverage, short- and long-term disability insurance, flexible health spending accounts, parental leave grants, and tuition reimbursement.</p>
	401-3	<p>Parental leave</p> <p>Data on parental leave was available from markets representing 63.7% (10,225 people) of our total employee count. However, gender breakouts were only available for markets employing 3,122 people, mostly in our APAC region. As a result, we are limited in our ability to report gender-based statistics for 2021.</p> <p>Within the markets where we have parental leave data (both gender-based, and not):</p> <ol style="list-style-type: none"> Parental leave benefits, above those mandated by local regulations, are available to all full-time employees, with some countries limiting eligibility to staff who have been employed for more than 12 months. Among these, 271 people (2.7%) were eligible to take parental leave during 2021 as a function of a birth within their family. Among these 271 individuals, 233 (86%) elected to take parental leave. Of the 233, 167 returned to work during the year. Almost all of the remainder were still on parental leave as of December 31. Because data was collected globally for the first time in 2021, we do not have complete data on the number of people still employed 12 months after returning to work. It is our desire for all employees to return to work once their leave has finished. As one data point, we did report to the Australian Property Champions of Change Coalition in 2021 a figure of 70% of women returning to Elmston after parental leave.
Occupational health & safety	403-1	<p>Occupational health and safety management system (description)</p> <p>For most of our business lines, with employees based in offices, a formal Occupational Health and Safety (OH&S) Management System is not required. However, for parts of our business (such as Property Management) where health and safety concerns are material, systems have been put in place, and all employees within those divisions are covered by the system. There are also individual countries, such as Australia and New Zealand, where the scope includes all employees. In China, for Property Management, the system has been certified to the ISO 45001 standard.</p> <p>OH&S systems are based on a combination of statutory requirements, advice and guidelines from industry bodies, and team member recommendations and needs. Systems are typically under the purview of dedicated safety managers, with policies reviewed by Joint Health and Safety Committees, and approved by senior management.</p>

Topic	GRI Standard	Disclosure
Occupational Health & Safety (con't)	403-2	<p>Hazard identification, risk assessment, and incident investigation</p> <ol style="list-style-type: none"> 1. In many of our business lines, which are office-based roles, hazardous situations are not an innate element of the workplace. 2. For our Engineering & Design division, which does require employees to attend sites where physical and mechanical work is performed, a robust system is in place as follows: 3. 1. Process to identify, assess, and eliminate work-related hazards and risks: A checklist website enables users to perform a hazard assessment before work begins. The hazards are selected by the user, with standard operating procedures and appropriate controls automatically attached for compliance. 4. 2. Process for workers to report hazards: Hazards and near-misses (occurrences that had the potential for injury) are reported to managers, Discipline Safety Coordinators (DSCs), or H&S Managers for assistance. It is documented in our H&S Plan that there are no repercussions for reporting of H&S issues. 5. 3. Process to investigate incidents and determine corrective actions: Incidents are investigated by the Site Safety Leader on site, the manager, H&S Manager, and Discipline Leader. An incident report is completed and a root cause analysis (RCA) is performed by the Safety Advocate Committee to determine root causes, corrective actions, and possible disciplinary actions. This RCA is provided to the Executive Committee where final decisions are made <p>Our Property Management divisions also have processes, such as:</p> <ol style="list-style-type: none"> 1. Process to identify, assess, and eliminate work-related hazards and risks: Each Joint Health and Safety Committee (JHSC) is tasked with completing regular (bi-monthly or quarterly) inspections. Third-party risk inspections may also be included, and regular auditing is used to ensure that hazards reflect the most current work situation. Identified risks are assigned a maximum timeline for resolution based on severity. 2. Process for workers to report hazards: Detailed Incident Reporting Policies or Health, Safety, and Environment (HSE) Escalation Policies are in place, and some locations have internal onsite audit functions. Workers are protected against reprisals as a function of HR, and in some countries, incident/injury forms are completed via Adobe Sign and reports are anonymized to protect against reprisals. 3. Process to investigate incidents, and determine corrective actions: Details vary by region, but in general, hazards are tracked centrally, and unresolved matters are escalated to a Risk Governance Committee or equivalent body, comprised of senior division managers. Any incident involving injury or near-miss must be reported as per policy e.g., per a Site Safety Incidents Report and, if applicable, an HSE Non-Conformance Report. Safety managers review all incident reports and provide recommendations for future mitigation. The hazard that gave rise to the incident is then routed through the Risk Deferral Policy and procedure.
	403-3	<p>Occupational health services (hazard and risk reduction)</p> <p>Within our Property Management segment, the National Engineering and National Property Services leaders are responsible for the maintenance of a detailed Occupational Health and Safety Policy, which is disseminated to all workplaces. Maintenance includes an annual review of the policies themselves and the procedures to implement them; training of supervisors and employees; and investigating, recording and reporting accidents, injuries, and occupational diseases. Every workplace has a hard copy of the policy posted, and a health and safety representative.</p> <p>Within Engineering & Design, hazard control is performed by all employees.</p> <p>All confidential and sensitive personal health-related information is kept in a secure folder accessible only by members of the team (e.g., the H&S Manager) that require such data to facilitate accommodations, claims, and similar matters. Generally, files sit separately from employee relations folders and are not discussed with other members of the People Services team. Incident and injury reports are also, in many cases, anonymized before being shared with Health and Safety committees.</p>

Topic	GRI Standard	Disclosure
Occupational health & safety (con't)	403-4	<p>Worker participation, consultation, and communication on OH&S</p> <p>Depending on the jurisdiction, there is a combination of dedicated Health and Safety meetings, as frequently as weekly, and inclusion of H&S on the standing agenda of team and senior leadership meetings. Where applicable, minutes of each JHSC are published to the intranet for review by all staff.</p> <p>Within Engineering & Design, DSCs, and OSCs (Office Safety Coordinators) meet with the Safety Advocate Committee (SAC). There is a DSC for every discipline that performs field work. The DSC provides information and assistance to the SAC for continuing evaluation of the H&S program.</p>
	403-5	<p>Worker training on occupational health and safety</p> <p>Training is provided commensurate with the requirements of each role, with the most comprehensive training focused on our property management operations and Engineering & Design business. Training is delivered both internally (by line managers, and People Services) and via external partners. Content is consistent with local regulatory requirements (e.g., the Occupational Safety and Health Administration), and in some cases, is delivered in part by regulators. New hires are required to complete initial training, and ongoing training is also provided, at frequencies ranging from one to three years for most elements.</p> <p>All staff are paid for their time completing training, either online or in-person. Effectiveness is evaluated through OH&S statistics, and through surveys of employees during and at the conclusion of employment. Training needs are reassessed annually.</p>
	403-6	<p>Promotion of worker health</p> <ul style="list-style-type: none"> • Various divisions of Elmston offer tailored health-promotion programs to their employees. • Many offer Employee Assistance Programs through third-party providers that address health issues of all kinds in a confidential setting. • Additionally: • In North America, we offer Krowdfit, an all-inclusive wellness incentive program including steps, activity, meals, mindfulness, sleep; a webinar series regarding the importance of mental health; a trial Wellness Program for Working Parents; a trial of the Headspace meditation app; and other resources, information, and activities in the areas of physical, emotional and financial wellbeing. • In APAC, various countries have annual company-paid health exams, stress check-ups, discounted gym memberships and meal services, and recognize World Mental Health Day.
	403-7	<p>Prevention and mitigation of OH&S impacts directly linked by business relationships</p> <p>In Engineering & Design, all suppliers are required to follow Elmston' H&S Plan, and site inspections are performed by managers. Our Australian operation has employed a Visitor Management System in every office, requiring agreement on safety obligations from suppliers and clients before they enter. In China, we maintain records of contractors' safety training and ensure that every worker has received H&S training before entering job sites. Where applicable, vaccine requirements are also enforced.</p>
	403-8	<p>Workers covered by an OH&S management system (numbers)</p> <p>In the areas of our business where an OH&S Management System is required and exists, 100% of employees are covered. This would include 1,878 employees in Engineering & Design, 1,289 employees in Property Management in North America, all 1,338 employees in our Australian operations, approximately 1,724 in China, approximately 700 in India, and all 387 staff in New Zealand.</p>

Topic	GRI Standard	Disclosure
Occupational Health & Safety (con't)	403-9	<p>Work-related injuries</p> <p>We track data in a subset of countries today, but these include our Engineering & Design business and the majority of our Property Management operations, where the risk of injury is most prominent. The statistics detail here are among a measured population of 10,851 individuals:</p> <ul style="list-style-type: none"> a. Zero fatalities recorded b. One (1) high-consequence, work-related injury c. 72 recordable work-related injuries d. Predominantly, slips, trips, and falls (many related to ice and snow), and struck-by injuries e. Approximately 17,333,000 hours worked
	403-10	<p>Work-related ill health</p> <p>Zero cases reported.</p>
Training and Education	404-1	<p>Average hours of training per year per employee</p> <p>The total number of training hours recorded during the year was 98,212, among countries and divisions representing 14,170 employees. Further granularity is best disclosed by separating our Engineering & Design division from the remainder of the business due to significant differences in ongoing training requirements.</p> <p><u>Engineering & Design</u></p> <p>Elmston Engineering & Design recorded 53,613 hours among 980 employees during the year. 13,263 hours were recorded for 237 female employees, for an average of 56.0 hours per person. 40,350 hours were recorded for 743 male employees, for an average of 54.3 hours per person. By job category, full-time employees (n=925) recorded 50,990 hours or 55.1 hours per person; part-time employees (n=23) recorded 1,400 hours or 60.9 hours per person; temporary staff (n=7) recorded 288 hours or 41.1 hours per person; and as-needed staff (n=25) recorded 935 hours or 37.4 hours per person.</p> <p><u>Other segments</u></p> <p>Within the remainder of the business, only our EMEA region and select countries in APAC recorded data by gender. Total training hours were recorded as 44,599 for 13,190 employees, or 3.4 hours per person. For the subset of countries among this data where a gender split is available, women (n=1,536) received 3,814 hours or 2.5 hours per person, while men (n=1,866) received 3,965 hours or 2.1 hours per person.</p>
	404-2	<p>Programs for upgrading employee skills and transition assistance programs</p> <p><u>Globally</u></p> <p>Elmston University: A customized online learning tool available for all employees, housing over 800 digital courses with a mixture of internally produced content and courses from LinkedIn Learning. In the 12 months from April 2021 to March 2022, over 161,000 videos were viewed through this platform, with skill development in common software tools, diversity & inclusion, and interpersonal skills being the most common content accessed.</p>

Topic	GRI Standard	Disclosure
	404-2 (con't)	<p><u>North America</u></p> <p>Junior Broker Development Program: A series of monthly webinars led by experienced Elmston professionals from across North America. These webinars are supplemented by an on-demand monthly learning program.</p> <p>Management Development Program: Elmston has partnered with LinkedIn Learning to create a customized and comprehensive management development program aimed to support our high-potential people managers.</p> <p>Acceleration Program: For recent graduates to develop the knowledge, skills, experience, and network to become high-achieving real estate advisors within our Brokerage business. The program combines formal training, on-the-job work experience, professional exposure, and one-on-one coaching. Participants undergo evaluations at specified intervals throughout the program and benefit from partnering with experienced mentors in the business.</p> <p>Elmston University: In addition to the LinkedIn Learning metrics above, since launching our internally produced content in October 2019, we have seen over 43,000 hours of learning completed, an average of 6 hours of learning per employee in North America.</p> <p>Management and Finance for Project Managers: For new Project Managers and above in our Engineering & Design business. Training includes topics like Quality Assurance/Quality Control (QA/QC), Project Management, HR, H&S, and Leadership.</p> <p><u>EMEA</u></p> <p>Country-specific skills program: Across our EMEA region, each country provides tailored skills training centred around local learning needs for key professionals.</p> <p>Elmston University: A customized online learning tool available for all employees, housing over 800 digital courses with a mixture of internally produced learning pathways and courses from LinkedIn Learning.</p> <p>Service Line Development Programs</p> <p>Accelerate Program: Designed to upskill our Capital Markets top talent through interactive and immersive learning sessions. A modular program, co-created with Bayes Business School and Elmston EMEA Capital Markets subject matter experts.</p> <p>Elevate: Investing in our people is a key enabler of our EMEA Property Management strategy. This modular program offers participants a practical understanding of the service line's core components, upskills aspiring leaders, and supports their personal and business growth.</p> <p>Leadership Development</p> <p>Real Estate And Leadership (REAL) for Women: A unique leadership program designed to develop women in our workplace to utilize their strengths, further accelerate their success, and lead others to do the same.</p> <p>Leadership Academy: Curated leadership learning paths within Elmston University for all aspiring and existing leaders across EMEA. Participants also have access to Harvard ManageMentor for leadership skills development.</p> <p><u>APAC</u></p> <p>Development courses include workplace behaviour training, managing remote teams, stakeholder management and influencing strategies, unconscious Bias, and personal brand. We offer an accelerator series and performance training for brokers, as well as management training for people managers, and Harvard ManageMentor.</p> <p>We also run mentorship training broadly across the organization.</p>

Topic	GRI Standard	Disclosure
Training and education (con't)	404-3	<p>% of employees receiving regular performance and development reviews</p> <p>Data is available for regions and division covering 10,522 employees (66% of the global total). Among these, 14,100 reviews were completed, with some employees having more than one review during the year.</p> <p>A breakdown by gender and employee category is not available for most regions and divisions. Where it is available (n=2,373, or 15% of global employees), 99% of employees in both genders received a review.</p>
Diversity & equal opportunity	405-1	<p>Diversity of governance bodies and employees</p> <p>As of December 31, 2021, 61.2% of total employees identified as male and 38.8% as female. Among management staff, the figures were 65.8% male and 34.2% female.</p> <p>For our regional, investment and mortgage businesses specifically, aligned with our goal of 40% female employees and management roles by 2025, our split as of December 31, 2021, was 36.0% identifying as female and 64.0% identifying as male.</p> <p>Due to regulatory limitations in many of our regions in asking about ethnicity and other dimensions of diversity, and relatively low rates of self-identification in other regions where such questions are permitted, we do not have a significant data set on attributes other than gender.</p> <p>Among our Board of Directors, 30% (3 of 10) are female and 20% (2 of 10) are members of a visible minority group.</p>
Non-Discrimination	406-1	<p>Incidents of discrimination and corrective action taken</p> <p>There were 13 reports made through the whistleblower hotline in 2021, five of which related to discrimination. All reports were investigated, and remediation action taken when necessary. Any other complaints relating to discrimination that were received through non-centralized channels (e.g., local operational or People Services staff) were investigated and addressed by the appropriate personnel.</p>
Customer privacy	418-1	<p>Breaches of customer privacy and losses of customer data</p> <p>Elmston has a robust, multi-layered cybersecurity control environment. There were no known material cybersecurity breaches in 2021.</p>

SASB Table

Topic	Metric	Disclosure
Sustainability services	Revenue from energy & sustainability services	We are unable to report on this currently. Many of our energy & sustainability services are provided as a core element of our property management services. As a result, it is not always possible to delineate revenue specifically associated with energy and sustainability. As new solutions and service lines are launched in line with our Elevate the Built Environment strategy, we will have an enhanced ability to track related transactions separately from core services.
	Floor area and number of buildings under management with energy & sustainability services	In line with the comments above regarding revenue, we do not currently track which buildings received energy & sustainability services discrete from our core service offerings.
	Floor area and number of buildings under management that obtained an energy rating	Just under 7,900 buildings comprising approximately 152 million square feet of floor area have an energy performance certificate (EPC), Energy Star, NABERS, LEED, BREEAM, BOMA Best or similar rating based on energy consumption.
Transparent information & management of conflict of interest	Brokerage revenue from dual-agency transactions	We are unable to report on this currently.
	Revenue from transactions associated with appraisal services	We are unable to report on this currently.
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	There were no legal actions for anti-competitive or anti-trust behavior filed against the company in 2021.
Activities	Floor area under management	Elmston managed 2 billion square feet of floor area for building owners through our Property Management and Real Estate Management Services lines of business in EMEA, North America and APAC, in 2021.
	Number of buildings under management	As of year-end 2021, we were managing just over 23,600 properties.
	Number of leases transacted, categorized by (1) tenants and (2) real-estate owners	We transacted just more than 35,000 leases in 2021. Based on revenue data, this was approximately evenly split between tenant and landlord representation.
	Number of appraisals provided	We appraised just over 550,000 properties globally in 2021, including commercial and residential properties and land.

Taskforce on Climate-related Financial Disclosures

Governance

Board of Directors' oversight of climate-related risks and opportunities:

Climate-related risks are integrated into Elmston's overall Enterprise Risk Management (ERM) process, which is reviewed by the Audit & Risk Committee of the Board (ARC) on an annual basis. This provides the Board with information on the nature, likelihood and potential financial impact of climate-related risks and opportunities.

Any material risks or opportunities emerging within the intervening 12 months are added to the ARC's agenda on an as-needed basis.

The Board has also reviewed and approved the company's ESG strategy, Elevate the Built Environment, which includes targets for addressing Elmston's own GHG emissions and helping its clients do the same. The Board will be provided with regular updates moving forward, enabling it to monitor progress against goals for addressing climate-related issues.

Management's role in assessing and managing climate-related risks and opportunities:

Within the ongoing ERM process, led by our Senior Director, Enterprise Risk Management, Elmston weighs climate-related risks against others faced by the organization, in terms of likelihood and impact; assigns ownership; and determines response, mitigations and controls, as required. Climate-specific considerations are fed into the process by the Global Lead, ESG & Impact, who synthesizes information from scientific, regulatory, and industry sources to continually update our assessment of related opportunities and risks.

To capitalize on opportunities, the Global Lead, ESG & Impact has the mandate to identify new service offerings, markets, energy sources, efficiency measures, and other such initiatives that will drive new sources of revenue or cost savings for the enterprise, and work with business line leaders in each of the regions in which we operate to execute on these.

Responsibility for raising climate-related opportunities and risks within the Global Executive team (GET) rests with the Chief Brand & People Officer, who directly manages the Global Lead, ESG & Impact. The overall governance structure for ESG, including climate change, is shown in the accompanying diagram.



Strategy

Climate-related risks and opportunities Elmston has identified over the short, medium, and long term:

As a provider of professional services related to property rather than the owners of significant physical assets the uncertainties and changes driven by climate change – and measures to mitigate it – create more opportunities than risks for our business, principally opportunities to provide sustainability-related services to clients. A significant risk would be our competitors seizing these opportunities at our expense, potentially taking clients and their existing business as well. This risk exists today, but is likely to increase in severity in future years as policies such as emissions regulations for buildings and carbon pricing become more stringent, prompting real-estate owners to require solutions from their service providers.

Currently, Elmston offers energy- and sustainability-related solutions in the areas of energy measurement and tracking, commissioning and retro-commissioning of buildings, engineering and design of buildings and renewable-energy generation, and certifications to various international standards such as LEED, BREEAM and NABERS. We see the opportunity to grow existing services and to expand into new areas, as outlined in the table below.

In our Investment Management businesses, we face transition risks of a different nature, as their funds will be responsible for the costs of meeting higher energy standards. They also face physical risk. Acute risks such as damage from storms, floods and wildfires, and chronic risks from extreme temperatures and droughts, impact the assets managed on behalf of investors in our funds to varying degrees. Harrison Street's management team undertook a rigorous third-party assessment of its portfolio this year to identify the degree of both types of risk for each property. A summary of the results of this analysis is available here.

Opportunities

- Short Term** (1~2 years)
- Leverage partnerships, particularly in property technology, to measure and reduce energy usage for clients, as a revenue-generating service
 - Reduce operating costs via green leases for occupied properties and renewable energy procurement where it can be obtained at a lower cost than grid electricity
 - Increase value delivered to clients in existing businesses, via enhanced expertise in the acquisition and management of properties that are well-positioned for low-carbon regulations, tenant demands, and resiliency to extreme weather

- Medium Term** (3~4 years)
- Provide solutions to clients in the areas of renewable energy generation and procurement
 - Realize operating cost savings in our fleet via electrification of vehicles, due to lower fuel and maintenance costs and decreasing capital costs
 - Enable vehicle electrification at client properties (planning and management of charging infrastructure and integration with base building systems)

- Long Term** (5+ years)
- Lead projects for clients to electrify properties, using emerging, cost-effective water- and space-heating technology

Risks

There are two main categories of risk, each pertinent to all three time horizons but with increasing magnitude over time as global temperatures increase, already-announced regulations increase in stringency, and new regulations emerge:

Transition Risks

- Rapid changes in client preferences and requirements for low-carbon and climate-resilient properties - ahead of our ability to deliver related solutions - leading to customer attrition
- Marginal (not material) increases in operating costs in regions with increasing carbon pricing, should we fail to transition our operations to lower-carbon energy sources

Physical Risks

- Damage to properties in various investment management funds and properties we manage

The impact of climate-related risks and opportunities on Elmston' businesses, strategy, and financial planning:

To mitigate reputational risks, and to demonstrate our commitment to enacting the same solutions we plan to deliver to clients, Elmston has committed to establishing science-based targets for emissions reductions, and achieving net zero emissions within our own operations (Scopes 1 and 2) by 2030. The latter commitment allows the use of carbon offsets to address any emissions we are unable to eliminate at the source.

Due to the small size of our Scope 1 and 2 emissions relative to the scale of the business, our analysis indicates that even relying entirely on the purchase of carbon offsets to reach net zero by 2030 would not have a material financial impact. With renewable energy and the total cost of ownership for electric vehicles having reached parity or better versus traditional options in many of the regions where we operate – and declining costs expected in these technologies, the cost of reaching these goals will be further reduced, or even largely eliminated. We are already actively researching economic options for both renewable energy procurement and fleet electrification.

On the subject of physical risk, our Harrison Street subsidiary has already undertaken an assessment of physical risk exposure to each asset under management. In collaboration with insurance consultants, site-level building design, tenant operations, and investment strategy would be deployed in different combinations, depending on the risk profile of individual assets.

Regarding strategic and business planning, our operating and innovation teams are formulating our approach to the opportunities noted in the previous section.

The resilience of Elmston' strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario:

Elmston is currently determining the scope and timing for scenario analysis.

Risk Management

Elmston' processes for identifying and assessing climate-related risks:

The Global Lead, ESG & Impact synthesizes information from scientific, regulatory and industry sources to continually update our assessment of related opportunities and risks.

Relevant topics include:

- Carbon-pricing regulations in our major markets
- Emissions-reporting obligations
- Regulations related to energy-efficiency standards for commercial buildings within our major markets, and penalties associated with not meeting such standards
- Technology for measuring and reducing energy use and emissions
- Changes in customer preferences and/or behaviour, expressed in surveys, procurement processes, or through direct discussion
- Assessments released by the Intergovernmental Panel on Climate Change (IPCC) or other scientific studies with relevance to the built environment

Elmston' processes for managing climate-related risks:

- Climate risk falls within the category of ESG risk, which was added to Elmston' ERM Risk Register in 2020. To manage this risk, the role of Global Lead, ESG & Impact was created, to oversee the development and execution of a corporate ESG strategy.
- In the development of this strategy, climate issues were identified as a material ESG topic, and the resulting goals include the achievement of net zero emissions by 2030, and adherence to science-based targets for emissions reductions, including Scope 3 emissions at managed client properties. The monitoring of ongoing progress against these goals constitutes the core of our process for managing climate-related risks – reputational and financial.
- Within the commercial real estate industry overall, larger risks are faced by owners of and investors in buildings, who are responsible for meeting regulatory requirements and own the physical risks associated with extreme weather. These owners and investors are Elmston' clients, creating both the opportunity to provide them with a wider range of services, and customer-retention risk should our suite of services not meet their needs. We are therefore developing a suite of services to enable clients to reduce or eliminate their emissions, as both a growth initiative and a risk-mitigation exercise.

Integration of processes for identifying, assessing, and managing climate-related risks in Elmston' overall risk management:

Within the ongoing ERM process, Elmston weighs climate-related risks against others faced by the organization, in terms of likelihood and impact; assigns ownership; and determines response, mitigations and controls, as required. Climate-specific considerations are fed into the process by the Global Lead, ESG & Impact, who synthesizes information from scientific, regulatory and industry sources to continually update our assessment of related opportunities and risks.

Metrics and targets

Metrics used by Elmston to assess climate-related risks and opportunities in line with its strategy and risk management process:

Our key metrics, aligned with this strategy and risk management process, are:

- Scope 1, 2, and 3 emissions; within Scope 3, specifically Use of Sold Products as defined by the GHG Protocol, encompassing emissions at properties we manage on behalf of clients
- Purchased renewable energy and/or carbon offsets, to net against these emissions
- Revenue generated from energy- and sustainability-related services i.e., solutions we provide to clients, which measure and reduce energy use and GHG emissions

Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks:

Our emissions for calendar year 2021 were as follows:

Scope 1	10,177 tonnes CO ₂ e
Scope 2	14,513 tonnes CO ₂ e (Market method)

Risks related to these emissions would emerge if:

1. Availability or cost of emissions-reductions technologies were to deteriorate – e.g., a significant increase in the cost of renewable electricity or electric vehicles – and remain so for several years; and
2. At the same time, carbon pricing increased across many of the jurisdictions in which we operate, leading to cost inflation for operation of our vehicles and offices

The trend has been for increasing availability and decreasing cost for both technologies. While transient factors such as supply chain constraints as seen in early 2022 may pause these trends, commitments from manufacturers and forecasts from industry observers both indicate that they will resume their trajectory well within the time frame of our net zero commitment.

Widespread carbon pricing, if it occurred, would also spur further development of sustainable transportation and energy generation.

Given this, we do not see material risks associated with our Scope 1 and 2 emissions. In fact, given the existing competitiveness of wind and solar power with emitting sources of electricity generation, and forecasted cost advantages for electric vehicles, it is more likely that mitigation of these risks will be financially beneficial to the business.

We will be quantifying Scope 3 emissions in the course of setting science-based targets in coming months, and will be able to report on this figure in next year's disclosure.

Targets used by Elmston to manage climate-related risks and opportunities, and performance against targets:

Currently, our sole target is to achieve net zero emissions within our own operations (i.e., Scopes 1 and 2) by 2030.

We have also submitted a commitment letter to the Science-Based Target initiative (SBTi) in October 2021 to determine reduction goals aligned with the 1.5°C scenario. We have a permitted timeline of up to 24 months to calculate annual targets and have them approved by SBTi. It is our intention to complete this in 2022. We can then disclose annual reduction targets for our emissions in each scope.

We are also verifying current revenue from our suite of energy and sustainability solutions, and establishing a broader range of offerings, potentially in partnership with other organizations. Specific performance targets for these services will be set once they have been more fully developed.

Assurance Statement

Independent practitioner's limited assurance report on GHG emissions Scope 1 and GHG emissions Scope 2



To the Directors of Elmston International Group Inc.

We have undertaken a limited assurance engagement on the following metrics (the subject matter) of Elmston International Group Inc. (Elmston), as presented within Elmston' 2021 Impact Report, as hosted on Elmston website ^[1].

Sustainability Metric	For the year ended	
	December 31, 2019 (baseline year)	December 31, 2021
1. Total emissions - Direct (Scope 1) (t CO2e)	9,234.04	10,177.48
2. Total emissions - Indirect (Scope 2) (t CO2e) Market based	14,624.00	14,513.17
3. Total emissions - Indirect (Scope 2) (t CO2e) Location based	14,637.50	14,523.01
4. Emissions intensity (Scopes 1 and 2) (kg CO2e/Square Foot)	6.53	6.75

^[1] The maintenance and integrity of Elmston website is the responsibility of Elmston; the work carried out by PricewaterhouseCoopers LLP does not involve consideration of these matters and, accordingly, PricewaterhouseCoopers LLP accepts no responsibility for any changes that may have occurred to the reported information or criteria since they were posted on the website

Management's responsibility

Management is responsible for the preparation of the subject matter in accordance with The Greenhouse Gas Protocol: a Corporate Accounting and Reporting Standard (the criteria). Management is also responsible for such internal control as management determines necessary to enable the preparation of the subject matter that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the subject matter based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements (ISAE 3410). This standard requires that we plan and perform this engagement to obtain limited assurance about whether the subject matter is free from material misstatement.

A limited assurance engagement in accordance with ISAE 3410 involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as

appropriate, and applying analytical procedures) and evaluating the evidence obtained about the quantification of emissions and related information in the GHG statement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement, whether due to fraud or error, in preparing the subject matter in accordance with the applicable criteria are likely to arise.

Our limited assurance procedures included, but were not limited to the following:

1. Making enquiries of management to obtain an understanding of the overall governance and internal control processes relevant to the identification, management and reporting of the subject matter;
2. Analytical reviews and trend analysis of the subject matter; and
3. Performed testing on a limited sample of the underlying data of the subject matter.



The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Our independence and quality control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements, and, accordingly, maintains a comprehensive system of

quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Elmston International Group Inc. subject matter prepared in accordance with the criteria for the years ended December 31, 2019 and December 31, 2021, is not prepared, in all material respects, in accordance with the applicable criteria.

Purpose of statement and restriction on distribution and use of our report

The selected subject matter has been prepared in accordance with the applicable criteria to report and assist management of Elmston International Group Inc. assess their GHG Scope 1 and GHG Scope 2 performance. As a result, the selected subject matter may not be suitable for another purpose.

Our report is intended solely for the use of Elmston International Group Inc. We acknowledge the disclosure of our report, in full only, by Elmston International Group Inc. at its discretion, in the Elmston Impact Report without assuming or accepting any responsibility or liability to any other third party in respect of this report.

PricewaterhouseCoopers LLP

Chartered Professional Accountants
Vancouver, BC
May 30, 2022

John Harris

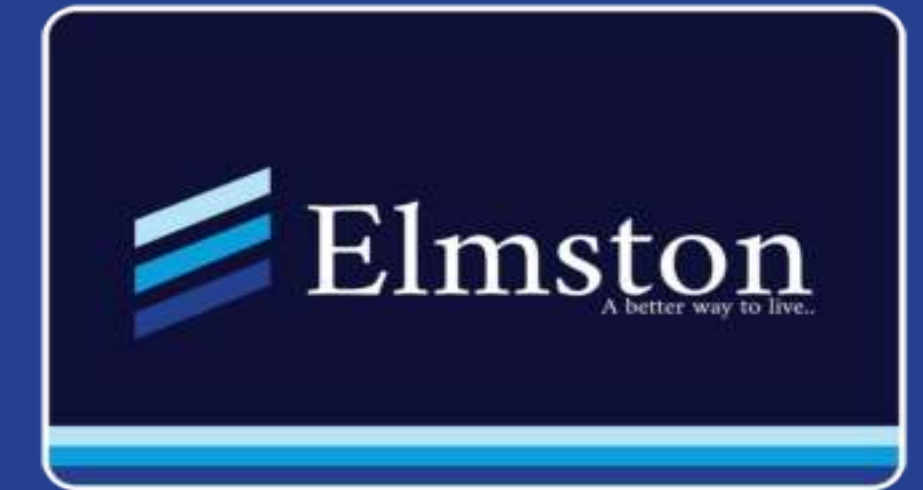
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