



## INDEPENDENT PRACTITIONER’S LIMITED ASSURANCE REPORT

To the management of BentallGreenOak

We have undertaken a limited assurance engagement on certain key performance indicators of BentallGreenOak (the “Entity”), included in the accompanying Selected Environmental Indicators Report (the “Report”) as described below, as at and for the year ended December 31, 2022.

### Subject Matter Information and Applicable Criteria

The scope of our limited assurance engagement, as agreed with management, comprises the following quantitative performance information (collectively, the ‘Subject Matter Information’):

Subject Matter Information	Applicable Criteria
Financed emissions <ul style="list-style-type: none"> <li>• Location Based - excluding waste emissions (tCO<sub>2</sub>e)</li> <li>• Market Based - excluding waste emissions (tCO<sub>2</sub>e)</li> </ul>	<ul style="list-style-type: none"> <li>• The World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol (“GHG Protocol”) – Corporate Accounting and Reporting Standard Revised Edition;</li> <li>• The GHG Protocol Scope 2 Guidance, An amendment to the GHG Protocol Corporate Standard; and</li> <li>• The Corporate Value Chain (Scope 3) Accounting and Reporting Standard as applicable to Scope 3 emissions</li> <li>• The Global GHG Accounting &amp; Reporting Standard Part A: Financed Emissions. Second Edition. (Partnership for Carbon Accounting Financials, December 2022)</li> </ul>
Energy consumption <ul style="list-style-type: none"> <li>• Direct energy consumption (GJ)</li> <li>• Indirect energy consumption (GJ)</li> <li>• Water consumption (m<sup>3</sup>)</li> </ul>	Internally developed criteria, as described in the BGO 2023 ESG Report’s Annex 1: 2022 GHG Reporting Methodology, available in BGO’s Sustainable Investing website.
Green building certifications (# of) <ul style="list-style-type: none"> <li>• LEED certified buildings</li> <li>• BOMA Best certified buildings</li> <li>• ENERGY STAR certified buildings</li> <li>• IREM certificates issued</li> <li>• Fitwel certificates issued</li> <li>• Fitwel Viral Response certificates issued</li> </ul>	Internally developed criteria found in Appendix 2 of the Report



## Management's Responsibility

Management is responsible for the preparation and presentation of the Subject Matter Information in accordance with the applicable criteria. There are no mandatory requirements for the preparation, publication or review of ESG performance metrics. As such, BGO applies the applicable criteria, including internally developed measurement methods which can be found in the BGO 2023 ESG Report's Annex 1: 2022 GHG Reporting Methodology, available [online](#), and Appendix 2 of the Report.

Management is responsible for determining the appropriateness of the use of the applicable criteria.

Management is also responsible for determining the Entity's objectives in respect of sustainability performance and reporting, including the identification of stakeholders and material issues.

Management is also responsible for such internal control as management determines necessary to enable the preparation and presentation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

## Practitioner's Responsibilities

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information based on evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements ('ISAE') 3000 (revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and ISAE 3410 *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards board. These standards require that we plan and perform our engagement to obtain limited assurance about whether based on the procedures performed and evidence obtained, any matter(s) has come to our attention to cause us to believe that the Subject Matter Information is materially misstated.

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 a reasonable assurance engagement been performed. Accordingly, it is not a guarantee that a limited assurance engagement conducted in accordance with this standard will always detect a matter that causes the practitioner to believe that the Subject Matter Information is materially misstated.

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 nature, timing and extent of procedures performed depends on our professional judgment, including an assessment of the risks of material misstatement, whether due to fraud or error, and involves obtaining evidence about the Subject Matter Information.

Our engagement included assessing the appropriateness of the Subject Matter Information, the suitability of the criteria used by the Entity in preparing the Subject Matter Information in the circumstances of the engagement and evaluating the appropriateness of the methods, policies and procedures, and models used in the preparation of Subject Matter Information and the reasonableness of estimates made by the Entity.

Our engagement included, amongst others, the following procedures:

- Inquiries with relevant staff at the corporate level as well as third-party service providers to understand the data collection and reporting processes for the Subject Matter Information
- Where relevant, performing walkthroughs to test the design of internal controls relating to data collection and reporting of the Subject Matter Information;
- Comparing the reported data for the Subject Matter Information to underlying data sources on a sample basis;



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- Inquiries regarding key assumptions and the re-performance of calculations on a sample basis; and,
- Reviewing the presentation of the Subject Matter Information in the Report to determine whether the information presented is consistent with our overall knowledge of, and experience with, the sustainability performance of the Entity.

The engagement was conducted by a multidisciplinary team which included professionals with suitable skills and experience in both assurance and in the applicable subject matter, including environmental, social and governance aspects.

### **Practitioner's Independence and Quality Management**

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 Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Significant Inherent Limitations**

Historical non-financial information, such as that contained in the Report, is subject to more inherent limitations than historical financial information, given the characteristics of the underlying subject matter and methods used for determining this information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques, which can result in materially different measurements and can impact comparability. The nature and methods used to determine such information, as described in the applicable criteria, may change over time, and it is important to read the Entity's reporting methodology presented in the BGO 2023 ESG Report's Annex 1: 2022 GHG Reporting Methodology, available in BGO's Sustainable Investing [website](#), and Appendix 1 and 2 of the Report.

### **Conclusion**

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Based on the procedures performed and evidence obtained, no matters have come to our attention to cause us to believe that the Entity's Subject Matter Information, as at and for the year ended December 31, 2022, is not prepared and presented, in all material respects, in accordance with the applicable criteria.

### **Chartered Professional Accountants**

Vancouver, Canada  
June 29, 2023

## Selected Environmental Indicators Report

### As at and for the year ended December 31, 2022

As part of BentallGreenOak (“BGO”)’s commitment to transparent environmental reporting, provide our stakeholders with reliable environmental data, where possible, and enhance our own data approach, we engaged KPMG LLP (“KPMG”) to undertake a limited assurance engagement on select environmental indicators presented in Table 1 below. BGO intends to use this data in our Environmental, Social, and Governance (“ESG”) reporting.

BGO has calculated our environmental indicators in accordance with the Report Criteria described in Table 1 below, which form an integral part of this report.

**Table 1**

Environmental Indicators	Scope	2022	Reporting Criteria
<b>Financed emissions</b>			
Location based - excluding waste emissions	Assets under management corresponding to properties owned by the Sun Life, Prime Canadian, ILP, and BGO-Diversified funds	452,511 tCO <sub>2</sub> e	<ul style="list-style-type: none"> <li>• The World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol (“GHG Protocol”) – Corporate Accounting and Reporting Standard Revised Edition;</li> <li>• The GHG Protocol Scope 2 Guidance, An amendment to the GHG Protocol Corporate Standard; and</li> <li>• The Corporate Value Chain (Scope 3) Accounting and Reporting Standard as applicable to Scope 3 emissions</li> <li>• PCAF (2022). The Global GHG Accounting &amp; Reporting Standard Part A: Financed Emissions. Second Edition.)</li> </ul> Available at: <a href="https://ghgprotocol.org/standards">ghgprotocol.org/standards</a> and <a href="https://carbonaccountingfinancials.com/standard">carbonaccountingfinancials.com/standard</a>
Market based - excluding waste emissions		382,008 tCO <sub>2</sub> e	
<b>Energy consumption</b>			
Direct energy consumption	Assets under management corresponding to properties owned by the Sun Life, Prime Canadian, ILP, and BGO-Diversified funds	4,907,353 GJ	Internally developed criteria, as described in the BGO 2023 ESG Report’s Annex 1: 2022 GHG Reporting Methodology, available in BGO’s <a href="#">Sustainable Investing website</a> .
Indirect energy consumption	Assets under management corresponding to properties owned by the Sun Life, Prime Canadian, ILP, and BGO-Diversified funds	3,270,659 GJ	

Environmental Indicators	Scope	2022	Reporting Criteria
Water consumption		4,769,983 m <sup>3</sup>	
<b>Green Building Certifications</b>			
LEED certified buildings	Assets under management, excluding data for BGO's global debt series and mortgage investments, U.S., European and Asian Core Plus and Value-Add strategies, Strategic Capital Partners (secondaries) and separate accounts.	126	Internally developed criteria, as described in Appendix 2 of this report.
BOMA Best certified buildings		577	
ENERGY STAR certified buildings		55	
IREM certificates issued		20	
Fitwel certificates issued		15	
Fitwel Viral Response certificates issued		53	

Additional disclosures required by the PCAF Standard have been included in Appendix 1 and in our methodology document, Annex 1.

## **Appendix 1**

### **Financed Emissions Additional Required Disclosures**

As an asset manager of private real estate equity, to the extent feasible, BGO reports emissions associated with its Assets Under Management (AUM) under Scope 3, Category 15 (Investments), applying the PCAF Standard when measuring and disclosing emissions. The PCAF Standard is aligned with the GHG Protocol. Utilizing PCAF's framework helps reduce the uncertainty in our emissions impact, however some methodological choices, interpretations, and assumptions are required. These are reported as described in the BGO 2023 ESG Report's Annex 1: 2022 GHG Reporting Methodology, available in BGO's [Sustainable Investing website](#).

Additional disclosures, as required by the PCAF Standard, are provided below:

- Emissions are reported for energy and water consumed across select assets under management (corresponding properties under management by the Sun Life, Prime, ILP, and BGO-Diversified funds), following the financial control organization boundary approach.
- The four funds covered in reported emissions represented around 38% of AUM in 2022.
- BGO's financed emissions are equivalent to the Scope 1, 2, and 3 emissions of the emissions of the investments (BGO's clients' property-level emissions), adjusted (if necessary) by an attribution factor, defined in Annex 1 online.
- Scope 1 emissions are direct emissions that originate at asset managed properties. These include natural gas and fuel oil consumption for space heating, water heating and, in some cases, cooking. Emissions from refrigerants used on-site are outside of the reporting scope.
- Scope 2 emissions are indirect emissions from purchased electricity, steam and chilled water that are consumed at asset managed properties, but generated elsewhere. The location-based approach reflects the average emissions intensity of grids on which energy consumption occurs and does not account for REC purchases or any other contractual instruments. The market-based approach reflects the emissions from electricity that BGO has chosen to purchase via contractual instruments. This approach accounts for REC purchases.
- Scope 3 emissions are indirect emissions from the value chain, and include category 4 (upstream transportation and distribution) emissions related to water use.
- Financed emissions from Scope 1 and 2 sources following the location-based approach total 451,062 tCO<sub>2</sub>e, and 1,449 tCO<sub>2</sub>e for Scope 3 Category 4 water emissions. Following the market-based approach, financed emissions from Scope 1 and 2 emissions total 380,559 tCO<sub>2</sub>e, and 1,449 tCO<sub>2</sub>e for Scope 3 water emissions.

- Reported emissions are in units of tonnes of CO<sub>2</sub> equivalent. Emission factors include emissions impacts of CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O. Other gases outlined in the Kyoto Protocol, including HFCs, PFCs, SF<sub>6</sub>, and NF<sub>3</sub>, are not included due to limitations in the availability of data.

Emission intensity is reported as the economic intensity of 15.4 tCO<sub>2</sub>e/\$M USD GAV (Gross Asset Value) in 2022 and based on tCO<sub>2</sub>e/1,000 sqft/yr. Utilizing a location based approach, as described above, the intensity is 4.6 tCO<sub>2</sub>e/1,000 sqft/year in 2022 and, under a market based approach, the intensity is 3.9 tCO<sub>2</sub>e/1,000 sqft/year in 2022.

- The PCAF Global Standard provides a data estimation hierarchy, assigning five “data quality scores” to differing options for building emissions data calculation or estimation. Each building’s emissions may contain components with different data quality scores – for example when partial utility data is available, allowing for some emissions to be calculated with Score 2, while the remainder are estimated with Score 3. The aggregate data quality score for the building is the weighted average (by emissions mass) of the applicable scores for each component. Overall, the data quality score for BGO’s 2022 emissions is 2.8. The data quality score for the buildings’ Scope 1 and 2 emissions is 2.8 and for the buildings’ Scope 3, Category 4 is 2.4.

## Appendix 2

### Green Building Certification Evaluation Criteria

- **BOMA BEST certified buildings:** The number of BOMA BEST certified buildings in Canada and the US. BOMA BEST is a series of programs which are both certifications and building management tools. They encourage smart and sustainable solutions for existing buildings, promoting health, efficiency, cost-effectiveness, and low-carbon performance. Properties certified through the BOMA BEST Portfolio Program are required to renew certification annually. BOMA BEST certification for properties certified through the Single Stream Program is valid for 5 years. This metric includes all BOMA BEST certified buildings owned by BGO clients within the scope of reporting.
- **ENERGY STAR certified buildings:** Number of buildings in the U.S. and Canada that receive an ENERGY STAR score of 75 or higher are eligible to apply for ENERGY STAR Certification for exemplary performance. A score of 75 or higher indicates buildings that are in the top quartile of energy performance. The certification must be achieved each year and verified externally. This metric includes all ENERGY STAR certified buildings owned by BGO clients within the scope of reporting.
- **Fitwel certificates:** Number of Fitwel certificates in the U.S. and Canada. Fitwel's healthy building certification helps implement, track, and benchmark actions and strategies that impact human health and wellbeing. Obtaining a healthy building certification demonstrates the building's commitment to improving the lives of residents, occupants, and the surrounding communities. The certification is valid for three years. This metric includes all Fitwel-certified buildings owned by BGO clients within the scope of reporting.
- **Fitwel Viral Response certificates:** Number of certificates in the U.S. and Canada. The Fitwel Viral Response Module was designed and developed in response to the demand surrounding COVID-19, the module highlights data-driven strategies that mitigate viral transmission and create a healthy environment for all occupants. The certification is valid for one year. This metric includes all Fitwel Viral Response-certified buildings owned by BGO clients within the scope of reporting.
- **IREM Certified Sustainable Property certificates:** Institute of Real Estate Management is the originator of the IREM Certified Sustainable Property Program. The IREM Certified Sustainable Property (CSP) program is a voluntary program that provides sustainability best practices and evaluation. Reported figure reflects the number of certificates valid for the year. Certificates expire every three years. This certification is only available in the U.S. This metric includes all IREM certified buildings owned by BGO clients within the scope of reporting.
- **LEED certified buildings:** Number of LEED certified buildings in Canada and the United States. LEED certification is a globally recognized symbol of sustainability achievement. LEED-certified buildings save money, improve efficiency, lower carbon emissions and create healthier places for people. LEED certified buildings include LEED Building Design + Construction (including Core & Shell and New Construction) certifications (no expiry); LEED Building Operations & Maintenance (valid for 3 or 5 years); LEED Homes (no expiry); and LEED Neighborhood Development (no expiry). This metric includes all LEED certified buildings owned by BGO clients within the scope of reporting.