

SUSTAINABILITY REPORT 2011

MESSAGE FROM THE CEO



Oxford is building one of the world's great real estate companies.

Our vision around sustainability is clear – we want to grow our business without growing our environmental footprint and we want to continue to be an employer and partner of choice.

We have developed strong competencies measuring our footprint, setting targets, and driving performance improvements. I'm particularly proud of achieving our Target 2012 greenhouse gas reduction commitment ahead of schedule and being ranked in the top 10 globally out of over 200 private funds in the 2011 Global Real Estate Sustainability Benchmark.

I'm also especially proud of our employee volunteer sponsorship program and new developments like 1021 West Hastings in Vancouver and the Leadenhall Building in London – new buildings with state of the art sustainability features that will be completed in the next few years.

At the same time, we have identified areas we can further improve. We need to better integrate sustainability into our day-to-day operations, look more carefully at our choices around building materials and technologies, and have a deeper dialogue with our tenants on sustainability issues.

We're proud of our progress to date, and will continue to move the needle on our targets and challenges. We're just getting started.

A handwritten signature in black ink, appearing to read 'Blake Hutcheson'.

Blake Hutcheson
President and CEO, Oxford Properties Group



OUR ACHIEVEMENTS

OXFORD RANKS TOP 10 GLOBALLY IN SUSTAINABILITY PERFORMANCE

Oxford is proud to have ranked top 10 globally among private funds and top 3 in North America in the 2011 Global Real Estate Sustainability Benchmark (GRESB). The GRESB is the first global effort to assess the environmental and social performance of the global property sector.



We've reduced GHG emissions
from our buildings by 21.9%.
This is equivalent to taking 23,000 cars
off the road for a year.

Oxford set a corporate greenhouse gas reduction target in 2008 to reduce greenhouse gas emissions by 20% by 2012. We are pleased to announce that we have achieved this goal ahead of schedule.

Target 2012: Our Promise. Our Plan.

CASE EXAMPLES

SCARBOROUGH TOWN CENTRE

The two year revitalization at Scarborough Town Centre was used as an opportunity to make the 1.3 million square foot shopping centre a more sustainable site. During the revitalization, ten new state-of-the-art skylights were installed allowing maximum daylight. This along with energy saving light sensors and fixtures reduced lighting costs by 20%.

New upgraded mechanical systems reduced heating and cooling costs and the complex implemented an expanded recycling program. Scarborough Town Centre also saw a significant reduction in water costs by installing low-flow toilets and sensor operated faucets in renovated washrooms, as well as through implementing a weather based irrigation system.



CENTENNIAL PLACE

Centennial Place in Calgary offers more than 1.2 million square feet of AAA-class, LEED® NC Gold office space. The property's key sustainability features include superior curtain wall technology, a high-efficiency heating and cooling plant, motion sensors on all lighting controls, low-flow plumbing fixtures and a "green" roof with 30% of its surface planted. During construction, 40% of new materials were locally sourced and 60% of construction waste was diverted from landfill or recycled. The complex also supports sustainable transportation by offering secure bicycle storage, complete with locker facilities, showers and change rooms.

Across the street, Oxford's Canterra Tower became the first LEED® EB:OM certified office building in western Canada in July 2010.

FAIRMONT CHATEAU WHISTLER

The Fairmont Chateau Whistler's Green Partnership Program focuses on improvements in the areas of energy and water conservation, waste management, and innovative community outreach programs involving local groups and partnerships.

Between 2006 and 2010, energy consumption decreased by 8.5% and greenhouse gas emissions decreased by 45.5%. Over 90% of organic waste is diverted from landfill, and we updated a comprehensive recycling program to include everything from plastics, glass, and paper to electronics and kitchen grease.

This site also implements leading green initiatives including their Green Cuisine (local, organic produce), Eco-Meet (green meetings) and Greening Our Greens (golf course management) programs which help minimize the ecological footprint of activities at Fairmont Chateau Whistler.

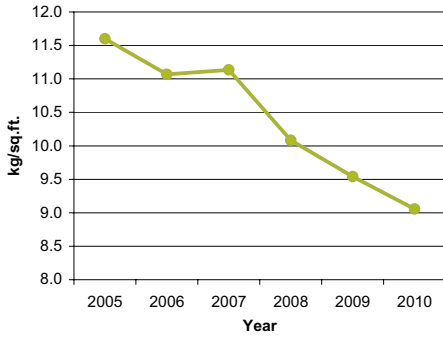


OUR PERFORMANCE

Performance is reported from 2005 to 2010 across Oxford's Canadian office, retail and residential portfolio for environmental indicators. Performance is reported on a company-wide basis for green building, customer and employee indicators for the periods noted. Note: Reference above each chart corresponds to the GRI Construction and Real Estate Sector Supplement indicator number.

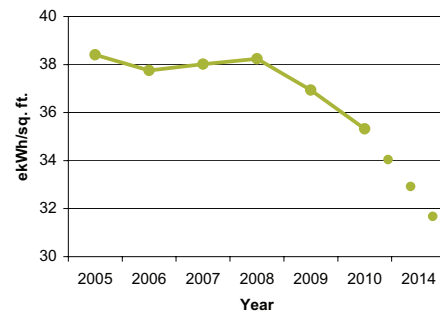
GHG EMISSIONS

CRE3



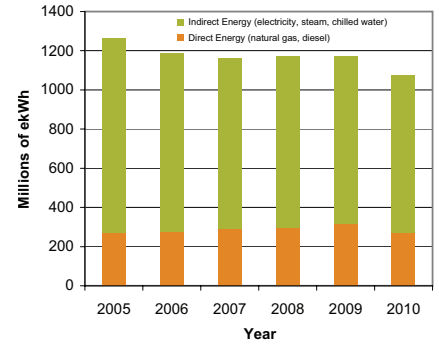
ENERGY

CRE1



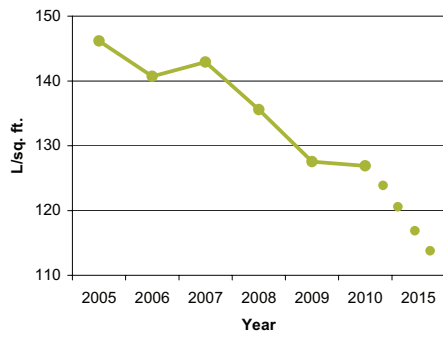
ENERGY BY SOURCE

EN3 and EN4



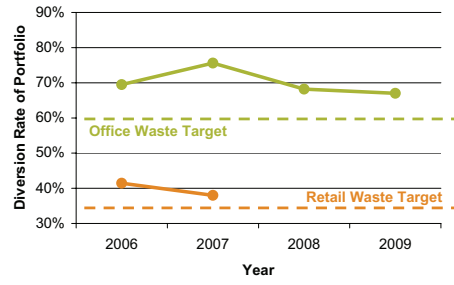
WATER

CRE2



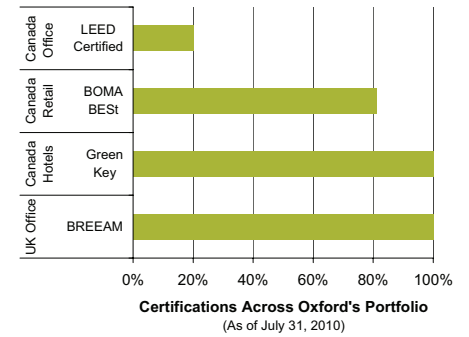
WASTE

EN22



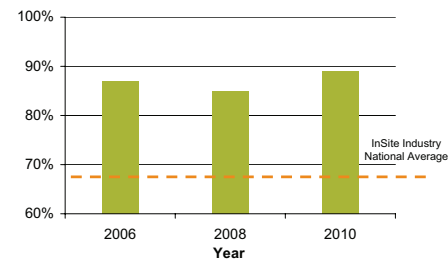
GREEN BUILDINGS

CRE8



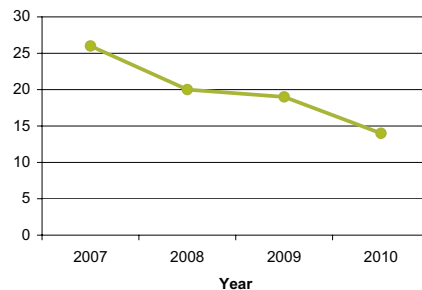
CUSTOMER SATISFACTION

PRS



LOST TIME ACCIDENTS

LA7



Oxford reports on its performance in accordance with the GRI Guidelines and Construction and Real Estate Sector Supplement. Visit www.oxfordproperties.com/sustainable for further details.

OUR EMPLOYEES & COMMUNITY

VOLUNTEER PROGRAMS

As part of Oxford's commitment to developing its employees, supporting communities and being a great place to work, Oxford encourages employees to participate in its Employee Volunteer Program. Team Volunteer Days encourage employees to spend a day outside the office volunteering with their team within their community. In 2010, Oxford employees in Canada volunteered their time to local organizations such as Nature Conservancy of Canada, United Way, Habitat for Humanity and The Food Bank.

Oxford's Volunteer Sponsorship Program provides employees with paid time off and additional financial assistance to pursue volunteer activities abroad. Over the first two years of the Volunteer Partnership Program Oxford has funded 9 groups of volunteers who were able to give back to our global community.



COMMUNITY INVESTMENT

80% of our employees participate in charity fundraisers.

Oxford employees raise funds for various charities across the country through programs, fundraisers and contributions benefiting charities such as the Juvenile Diabetes Research Foundation, Canadian Breast Cancer Foundation, Camp Oochigeas, Heart & Stroke Foundation, Nature Conservancy of Canada, Swing for the Cure, RedCross, and more.

Corporately, Oxford sponsors annual United Way campaigns and supports Free The Children.



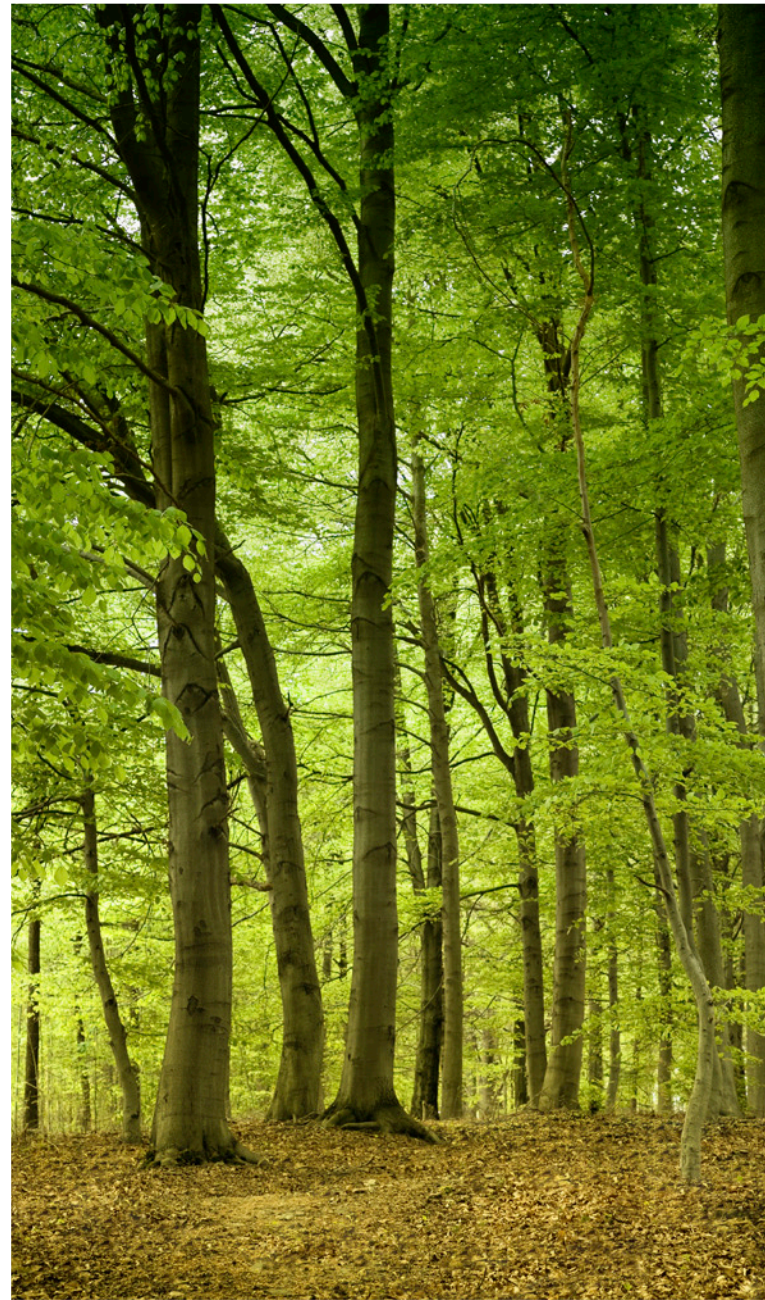
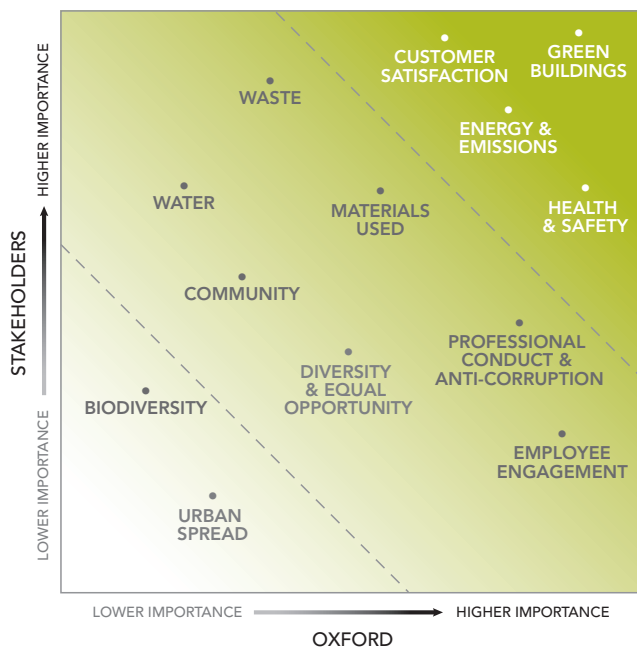
OUR APPROACH

SUSTAINABLE INTELLIGENCE

Sustainable Intelligence™ is Oxford's formalized program for managing and communicating our sustainability performance to stakeholders. Sustainable Intelligence describes every facet of Oxford's approach – from identifying opportunities and establishing goals, to implementing plans and measuring performance.

SUSTAINABILITY ISSUES

Our reporting focuses on the sustainability issues that matter most to our key stakeholders: our customers, co-owners and employees. The figure below provides an overview of how we have assessed the relative importance of our sustainability issues.



DECISION MAKING

By integrating sustainability considerations into our core decision making process it becomes a part of our corporate culture, improves performance and allows us to achieve our goals.

STRATEGY

We have a Sustainability Steering Committee led by our President & CEO and other Executive Management Team members. They chart the overall course for our sustainability efforts and decide the issues of most importance, how we manage and report on our performance, and what targets we set for our business.

INVESTMENT

Decisions around the acquisition of new assets are guided by our due diligence checklist which addresses a number of sustainability risk factors.

DEVELOPMENT

Decisions around the design and construction of our new developments are guided by the LEED Core & Shell and BREEAM requirements for sustainability considerations.

PROPERTY MANAGEMENT

Decisions around building management and upgrades make financial sense and align with leading green building certification programs (LEED EB: O&M and BREEAM), Oxford's Sustainable Intelligence Operations Guides, and our Responsible Contracting Policy.

OUR TARGETS

CURRENT TARGETS

Oxford's sustainability targets from the 2010 reporting period.

GREENHOUSE GAS EMISSIONS – Target 2012

Reduce greenhouse gas emissions from Oxford properties, on a per square foot basis, by 20% by 2012 (relative to a 2005 base year). **Completed**

GREEN BUILDINGS – Education & Training

All Oxford property management construction managers will achieve the LEED® Green Associate designation by the end of 2011. **In progress**

WASTE

Achieve a minimum national diversion rate of 60% in office and 35% in retail. **Completed**

GREEN BUILDINGS – Residential

Develop and publish a Sustainable Intelligence Operations Guide for Residential by the end of 2010. **Completed**

WATER

Develop and announce a multi-year, portfolio wide water reduction target by the end of 2010. **Completed**

SUPPLY CHAIN – Survey

Conduct a formal survey of major Oxford suppliers by the end of 2010 to begin to assess their sustainability performance. **Completed**

NEW TARGETS

Oxford's new short and medium term targets.

ENERGY & EMISSIONS

Reduce energy consumption, on a per square foot basis, by 10% by 2014 (relative to a 2010 base year).

SUSTAINABLE MATERIALS

Develop a list of preferred sustainable building materials for new developments by the end of 2011.

WATER

Reduce water consumption, on a per square foot basis, by 10% by 2015 (relative to a 2010 base year).

SUSTAINABILITY – Education & Training

Develop an online Sustainable Intelligence awareness training module and get 50% of employees trained by the end of 2012.

WASTE

Maintain a minimum national diversion rate of 60% in office and 35% in retail.

GREEN BUILDINGS – Certification

Increase LEED Certified Office Space to 30% by the end of 2012. Increase BOMA Best Certified Retail Space to 100% by the end of 2012.

ABOUT OXFORD

Oxford Properties Group is a leading global real estate investment, development and management company with over \$17 billion in assets under management and a portfolio that extends to approximately 50 million square feet of office, retail, hotel, industrial and multi-residential assets.



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