

SUSTAINABILITY REPORT 2019

HIGHLIGHTS

-9%
CARBON
REDUCTION
Since 2015


GRESB[®]
REAL ESTATE
Sector Leader 2018

\$150M CAD
ENERGY SPEND
Total Portfolio

86% of Total
Buildings
with a
GREEN BUILDING
CERTIFICATION

o|x|f|o|r|d

Q&A WITH MICHAEL TURNER



MICHAEL TURNER
President,
Oxford Properties Group

WHAT DOES SUSTAINABILITY MEAN TO YOU?

Sustainability is about being a responsible corporate citizen. It is about setting goals, and sweating the details in-between. It's also about leadership, transparency and engagement, and doing our part to make the world a better place.

HOW DOES SUSTAINABILITY FIT INTO OXFORD'S STRATEGY?

Oxford is committed to connecting people to exceptional places, and our sustainability practices and programs contribute to delivering on that vision. We are proud of the many ways we actively engage our global team and our 2 million daily customers in sustainability, and of the long list of accomplishments and industry firsts we have achieved.

WHAT SUSTAINABILITY TRENDS ARE YOU SEEING RIGHT NOW?

Our customers' interest in climate change, renewable energy, and health and wellbeing continue to grow and are key areas we are driving action. We're also seeing an increased desire from customers for our help in defining tangible actions they can take to do their part.

WHAT IS DIFFERENT ABOUT OXFORD'S APPROACH TO SUSTAINABILITY?

We have a culture that encourages all team members to own their role, exchange ideas, take smart risks and share their learnings. Our team is integrated across business lines and around the world, which is a tremendous advantage. We are ambitious and have high expectations, in sustainability and in all we do.

WHAT ARE YOU MOST PROUD OF AROUND OXFORD'S SUSTAINABILITY EFFORTS?

I am most proud of our team's disciplined execution. It's easy to develop sustainability strategies and targets. It's much harder to execute on them across asset classes and around the world, but our people do that consistently through the decisions and actions they take every day.

WHAT CAN PEOPLE EXPECT FROM OXFORD ON SUSTAINABILITY GOING FORWARD?

We will continue to lead on the sustainability issues that matter most to our customers and partners: low carbon buildings, renewable energy, wellbeing amenities, and healthy materials – all of which support our promise of creating exceptional places for our customers. And we will continue to set ambitious targets, and transparently report on our progress.

GUIDING PRINCIPLES

1. LEADERSHIP

We strive to be recognized by our customers, employees, shareholders, co-owners, and the market-at large as industry leaders in sustainability.

2. PERFORMANCE

We continuously measure and benchmark our sustainability performance, and drive improvements consistent with our fiduciary responsibility.

3. INNOVATION

We foster innovation in technology and building management practices aimed at higher levels of sustainability.

4. CREDIBILITY

We follow recognized high standards, work with industry leading service providers, and engage in credible initiatives in our pursuit of sustainability.

5. RISKS & OPPORTUNITIES

We actively monitor and take action around the market, regulatory and economic issues related to and arising from sustainability.

6. TRANSPARENCY & ENGAGEMENT

We conduct ourselves in a transparent manner and engage our shareholders, co-investors, customers, employees, and service providers as active partners in pursuit of higher levels of sustainability.

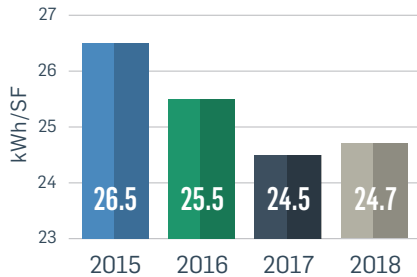


CLIMATE & ENERGY OUR COMMITMENT

We will be a leader in the development and operation of energy efficient, low-carbon buildings.

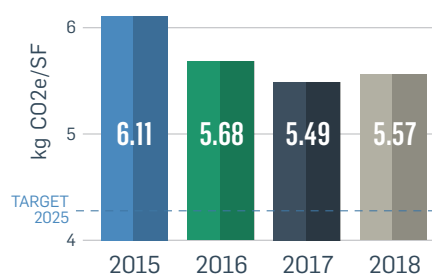
HIGHLIGHTS

ENERGY USE INTENSITY*



* Global office, retail, residential, hotels portfolio.

GHG EMISSIONS INTENSITY*



* Global office, retail, residential, hotels portfolio.
Reductions of 9% since 2015 on track with target (-30% by 2025).

GHG EMISSIONS ABSOLUTE 2018

317,263 MT CO₂e

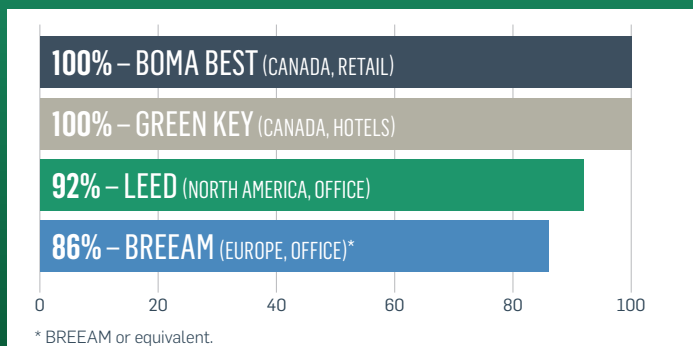
SCOPE 1

92,185 MT CO₂e

SCOPE 2

225,079 MT CO₂e

GREEN BUILDING CERTIFICATIONS



CONTINUAL LEARNING FOR THE CLIMATE

Oxford is committed to doing its part to address climate change, setting an ambitious carbon reduction target of 30% by 2025. Achieving this goal will require coordinated and impactful action across our global portfolio, which is why we are investing in training and development around this initiative. Oxford's corporate energy leaders held a Target 2025 Workshop in 2018, with a focus on expanding our thinking beyond energy conservation into carbon reduction. The workshops were enthusiastically received and produced tangible Carbon Reduction Action Plans for all property teams. These workshops will continue into 2020 and beyond as we double down on achieving our target!

WELLBEING OUR COMMITMENT

We will incorporate world class features and amenities in our buildings that support the success of our customers and help them live healthy and active lives.

HIGHLIGHTS

THE FOUNDATION AT 225 FRANKLIN IN BOSTON



How do you revitalize an underutilized 11,000 SF space on the lower level of a downtown Boston office building? By converting it into an exceptional multi-purpose amenity center for the community. The team at 225 Franklin Street had a bold vision to deliver a beautifully designed meeting and event space with mixed-use seating. Customers can book "The Foundation"

for external events and meeting space as an extension to their own office space. Wellbeing amenities such as locker rooms, bike storage, and even two professional golf simulators were added to enhance the customer experience.

YOGA FOR EVERYONE

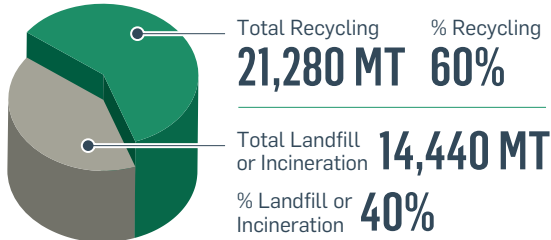
2018 was the year of the downward dog across our global office and retail portfolio. Our customers told us they were interested in yoga classes and our teams delivered in spectacular fashion. Sony Center in Berlin introduced outdoor yoga classes on the terrace which quickly became a weekly ritual for our customers. Dix30 Shopping Centre in Quebec held an outdoor yoga event in June with more than 400 yogis of all ages participating, raising funds to support lung cancer patients at a local hospital. These, and other yoga programs across our portfolio, allow customers to connect, get healthy, and relax during their work day.

MATERIALS & RESOURCES OUR COMMITMENT

We will manage resources responsibly and critically evaluate the environmental and health aspects of the materials and resources we procure and use in our buildings.

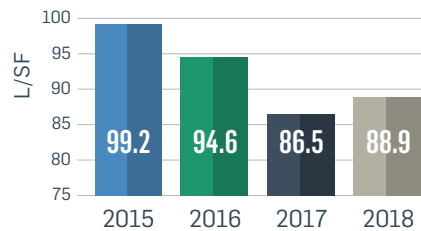
HIGHLIGHTS

WASTE DIVERSION*



* North American office and retail portfolio.

WATER INTENSITY*



* Global office, retail, residential, hotels portfolio.

TAKING A PRECAUTIONARY APPROACH

How do we dig deeper and explore potential health aspects of the materials we procure and use in our buildings? That's the question that a global team of Oxford colleagues looked at in 2018. The team set a goal of developing a Restricted Materials List, in order to 'future proof' our buildings by getting ahead of an important emerging trend. So what did they come up with? Here is the list of 5 Restricted Materials that will be piloted across select Oxford development projects in 2019: **(1) Formaldehyde, (2) Antimicrobials, (3) Halogenated Flame Retardants, (4) Phthalates, and (5) Highly Fluorinated Chemicals.** Each pilot project team will introduce the list in their procurement process and engage in a dialogue with key partners. After a year, the team will share their experience, including availability of alternatives and impact on performance criteria.

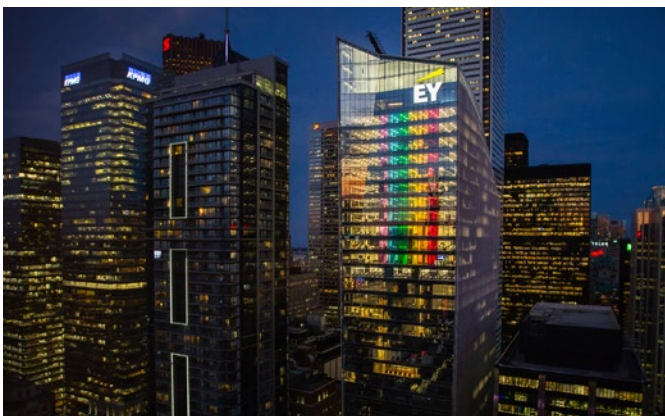
COMMUNITIES OUR COMMITMENT

We will engage our stakeholders, create outstanding buildings and places, and give back to our communities.

HIGHLIGHTS

STANDING UP FOR INCLUSION AND DIVERSITY

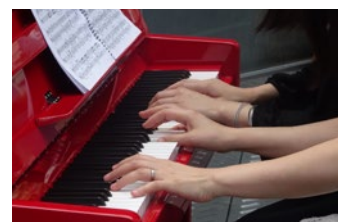
In March of 2018, buildings around the world, including Toronto's EY Tower, displayed their support on the eve of International Women's Day as part of a global campaign to push for equality in the workplace. And then, in celebration of Pride Month Toronto, EY Tower proudly displayed the rainbow flag on the side of the building, in partnership with EY, OMERS and TMX. This was a powerful visual demonstration of our commitment to diversity and inclusion in our society and in business.



GRAFFITI FOR GOOD

If you can't beat them, join them. The fencing at one of our new developments in Vancouver was constantly being vandalized. Recognizing that some of the graffiti art was actually pretty good, our Vancouver Team gave local graffiti artists the fencing as a canvas to share their best work. Currently lining the development site, the artwork will be auctioned off after construction is completed, with all proceeds going to Covenant House Vancouver, in support of street youth.

BERLIN'S RED PIANO



To foster a sense of community engagement, our team at The Sony Center installed the first public piano in Berlin. With its bright red colour, the piano was placed prominently in the public space under the iconic roof throughout the summer of

2018. What happened next exceeded the team's wildest expectations. The piano attracted locals and tourists young and old to play and share the joy. It's a great example of a simple action going a long way, and our commitment to connecting people to exceptional places.

SUSTAINABILITY IN ACTION

COMMUNITY SOLAR LEADERSHIP

In collaboration with New Partners Community Solar, Oxford has completed the development of a 163 kW, 10,000 SF rooftop solar initiative across two buildings in Washington DC. Regulations in the market allow us to generate clean, solar energy on our rooftops and donate 100% of it to low income families, by way of reduced costs on their electricity bill, and inject 190,000 kW of clean electricity into the grid each year. We're proud to support a cleaner grid and our local communities through this innovative initiative.



1101 New York Ave.,
Washington DC



Arbora, Montreal, QC

OUR NATURAL MATERIALS MASTERPIECE

Arbora, in Montreal, is one of the most recent additions to our multi-family residential portfolio, and is one of the first buildings in Québec to be built with a local, eco-friendly solid wood frame of cross-laminated timber (CLT) panels from the boreal forests of northern Québec. CLT is known for its strength and performance in energy efficiency and acoustics. Arbora was designed to celebrate natural materials, and features exposed wood beams and posts, hardwood flooring, and stone surfaces throughout. It also features ample windows providing an abundance of natural light, 9-foot ceilings, and an on-site green space. Arbora is Certified LEED® Platinum for Homes – a first for Oxford's multi-family residential portfolio.



LED CONVERSIONS DRIVING SAVINGS

Oxford's Mountain Resort Hotels - including Chateau Whistler, Chateau Lake Louise, Jasper Park Lodge and the Banff Springs – are on track to be 100% LED by year-end 2019.

The InterContinental Hotel, located in downtown Toronto, completed its conversion to 100% LED lighting by January 2019. This five year project started with converting meeting rooms and the lobby, with the back of house area and guest rooms following after. This drove a 20% reduction in electricity and \$270,000 in annual cost savings.



Chateau Whistler, Whistler, BC

TARGETS	STATUS
 CLIMATE & ENERGY	CARBON EMISSIONS Reduce scope 1 & 2 carbon emissions , on a per square foot basis, by 30% by 2025 . (2015 base year) (All Regions, All Asset Classes) ✓ Procure electric vehicles for all new Oxford light duty/passenger fleet vehicles. (2019/Ongoing) (All Regions, All Asset Classes) ✓
	NET ZERO CARBON Pilot the CaGBC Zero Carbon Building Standard for two new development projects to reduce carbon emissions. (2021) (Canada, Office) ✓
	RENEWABLE ENERGY Develop 1,000,000 square feet of rooftop solar projects . (2022)(Canada, Retail/Industrial) ✓
	INDOOR AIR QUALITY Conduct global best practice annual indoor air quality testing and develop action plans where required. (2018/Ongoing) (All Regions, Office) ✓
 WELLBEING	NATURE & DESIGN Pilot a biophilic design project that enhances customer wellbeing and asset productivity. (2018) (Canada, Retail) ¹ -
	CUSTOMER SATISFACTION Conduct periodic customer satisfaction surveys and drive property level continual improvement. (Ongoing) (All Regions, All Asset Classes) ✓
	WASTE DIVERSION Achieve 75% diversion from landfill and incineration . (2018) (Canada, Office) ² - Achieve 50% diversion from landfill and incineration . (2018) (US, Office) ² - Achieve 60% diversion from landfill and incineration . (2018) (Canada, Retail) ² - Achieve 50% diversion from landfill and incineration . (2018) (Europe, All Asset Classes) ² - Establish a waste diversion rate baseline and reduction target. (2018) (Canada, Hotels) ✓
 MATERIALS & RESOURCES	WATER REDUCTION Achieve 10% reduction in potable water use by 2020 . (2015 base year) (Canada/US, All Asset Classes) ✓
	ENVIRONMENTAL & HEALTH PRODUCT DECLARATIONS Request LEED v4 compliant EPDs (environmental product declarations) and LEED v4 compliant HPDs (health product declarations) for construction materials on all major renovation and new development projects. (2019/Ongoing) (Canada/US, All Asset Classes) ✓
	VOLUNTEER DAYS Support employees to engage in at least one dedicated volunteer day/year. (2018/Ongoing) (All Regions, All Asset Classes) ✓
 COMMUNITY	COMMUNITY PROGRAMMING Cultivate spaces for philanthropic, entrepreneurial, and artistic partnerships within our leasable and common areas. (Ongoing) (All Regions, Office, Retail) ✓
	REAL ESTATE EDUCATION LEADERSHIP Engage future generations on the benefits and values of the real estate industry through educational institutions and industry associations. (Ongoing) (All Regions, All Asset Classes) ✓
	GREEN BUILDING CERTIFICATIONS LEED – Increase certified office space to 90% . (2018) (Canada/US, Office) ³ ✓ BOMA Best – Increase certification to 100% . (2018) (Canada, Retail) ⁴ ✓ Green Key – Increase certification to 100% . (2018) (Canada, Hotels) ⁴ ✓

¹ Target not completed due to challenging business case; target to be achieved at future developments.

² Diversion rates lower than expected due to shifts in local and global recycling markets.

³ Target to increase to 95% in 2019.

⁴ Target continues in 2019.

○ Not Achieved
○ In Progress
● Achieved

ABOUT THIS REPORT

Oxford Properties Group connects people to exceptional places, and is the owner, developer and manager of some of the world's best real estate assets. Established in 1960, it manages approximately \$60 billion of assets across the globe on behalf of its co-owners and investment partners. Oxford's portfolio encompasses office, retail, industrial, hotels and multifamily residential and spans more 100 million square feet in global gateway cities across four continents. A highly disciplined and thematic investor, Oxford invests in properties, portfolios, development sites, debt, securities and platform opportunities across the risk-reward spectrum. With its global headquarters in Toronto, Oxford operates out of over 15 offices including New York, London, Luxembourg, Singapore and Sydney. Its long-term approach to real estate investment aligns Oxford's interests to its customers and the communities in which it operates. Oxford is the global real estate arm of OMERS, the AAA credit rated^[1] defined benefit pension plan for Ontario's municipal employees.

^[1] Rating by DBRS

Sustainability performance data is reported from January 1, 2015 to December 31, 2018, except where otherwise noted. This report was created with reference to the GRI Standard.

Select performance indicators in this report were independently assured by Ernst & Young LLP. Ernst & Young performed a limited assurance engagement for the following 2018 performance indicators - (1) Energy Use; (2) GHG Intensity, (3) Total GHG Emissions; (4) Waste Diversion; and (5) Water Intensity. Ernst & Young's assurance statement is available at <https://sustainable.oxfordproperties.com/2019/assurance.html>.

For more detailed information on our programs, targets, reporting boundaries and performance metrics please visit: sustainable.oxfordproperties.com