



Frontier & Latitude, Ottawa, ON

About the Report

Reporting Framework

Killam's Environmental, Social and Governance (ESG) Report focuses on the fiscal 2022 reporting period. The report's ESG disclosures were prepared in accordance with the Global Reporting Initiative (GRI) 2021 Universal Standards, the Sustainability Accounting Standards Board (SASB) standards, and the Task Force on Climate-Related Financial Disclosure (TCFD) framework.

External Verification

Killam's greenhouse gas (GHG) emissions and associated energy data have been externally verified to a limited level of assurance by Green Check (Risk Check Inc.) using International Organization for Standardization (ISO) 14064-3:2019, the standard for GHG verification to a limited level of assurance. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than an audit. The review by Green Check found no material discrepancy, error or omission that would conclude that Killam's 2022 GHG emissions inventory and associated energy data are not fairly stated and prepared in all material respects in accordance with the standards and principles of the GHG Protocol.

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Letter from Our President & CEO



We are pleased to present Killam Apartment REIT's 2022 Environmental, Social and Governance (ESG) Report, which highlights our commitment to incorporating ESG principles into our core operations and business strategy.

We recognize that achieving long-term success requires creating value for our unitholders, residents, communities, team members and other stakeholders at all levels. This report highlights our 2022 accomplishments and how we're holding ourselves accountable as we aim to better serve all of our stakeholders and our planet.

This year, as a result of the progress made, we reviewed our initial goals and set refreshed, more ambitious targets for the years ahead. Setting goals is essential to drive innovation that makes change possible and to be accountable in our progress. We are increasingly focused on transparency; disclosing high-quality data and measurable performance in light of evolving ESG frameworks and standards.

Our annual resident survey is an important way we ensure our properties and services meet our residents' expectations. We continued to work to exceed our annual minimum target of 85% resident satisfaction, ending the 2022 year with an overall score of 87%. An opportunity to ensure we are providing the best operating and healthy living standards for our residents is through the Canadian Certified Rental Building Program. We certified an additional 10 properties in 2022 and ended the year with 13% of our units certified – well on our way to our target of 20% of the portfolio being certified by 2025.

Killam's ESG progress is being recognized; our 2022 GRESB⁽¹⁾ results earned us a green, three-star designation and increased our GRESB score by 15% from prior year's results. We are also proud to have earned an A-rating on the GRESB public disclosure survey, outperforming the global scoring average.

We encourage all Killam employees to contribute their time, passion and expertise to community and charitable initiatives that inspire them, with three days of paid volunteer time, annually. In 2022, we launched a six-week volunteer campaign, resulting in over 700 hours of employee time donated to communities in need through our partnership programs. Killam also invested \$2.3 million in community giving efforts, such as rent relief programs, suite donations, and cash donations.

We continue to prioritize the development and diversity of our employees. In 2022, Killam offered expanded diversity and inclusion workshops to employees. These optional workshops are also being offered in 2023, with strong attendance. Killam continues to develop and foster a more diversified employee base across the company, offering a selection of online and in-person training courses. Additionally, we continue to offer our annual 12-month leadership development course to future leaders identified across the organization.

Our annual \$8 million capital commitment towards energy-efficiency initiatives led to 12 additional solar photovoltaic installations, installing of 114 Level II electric vehicle charging stations, heat pump installations, and water conservation projects. As well, we installed geothermal heating and cooling systems at two of our completed developments. We are focused on using less energy throughout our portfolio, beginning with how we design, operate, and maintain our properties.

The housing supply and affordability crisis in Canada continues to be a key area of focus. Killam is working with industry peers and all levels of government to find solutions. I am proud of Killam's long-term commitment to address affordability challenges. Killam partners with non-profit housing agencies to provide approximately 850 subsidized units to previously under-housed individuals. In 2022, we ended the year with over 1,000 apartment units with long-term affordable commitments, an 18% increase from 2021. In addition, in the span of three months, in 2022 Killam provided homes for 57 Ukrainian families spread across six provinces as they settled in Canada.

As you will read in this report, we are committed to this work because we fundamentally believe that it is right thing to do. In the years ahead, we will continue to build on this momentum, prioritizing a transition to a net-zero economy while increasing our climate change disclosure. We are committed to making a positive impact, leaving the world better than how we found it. We hope to lead by example, influencing and inspiring profound and lasting change.

I want to thank our Killam team of employees, who continuously work to provide positive value creation to our residents, our communities, our investors and our other stakeholders.

Sincerely,



Phillip Fraser

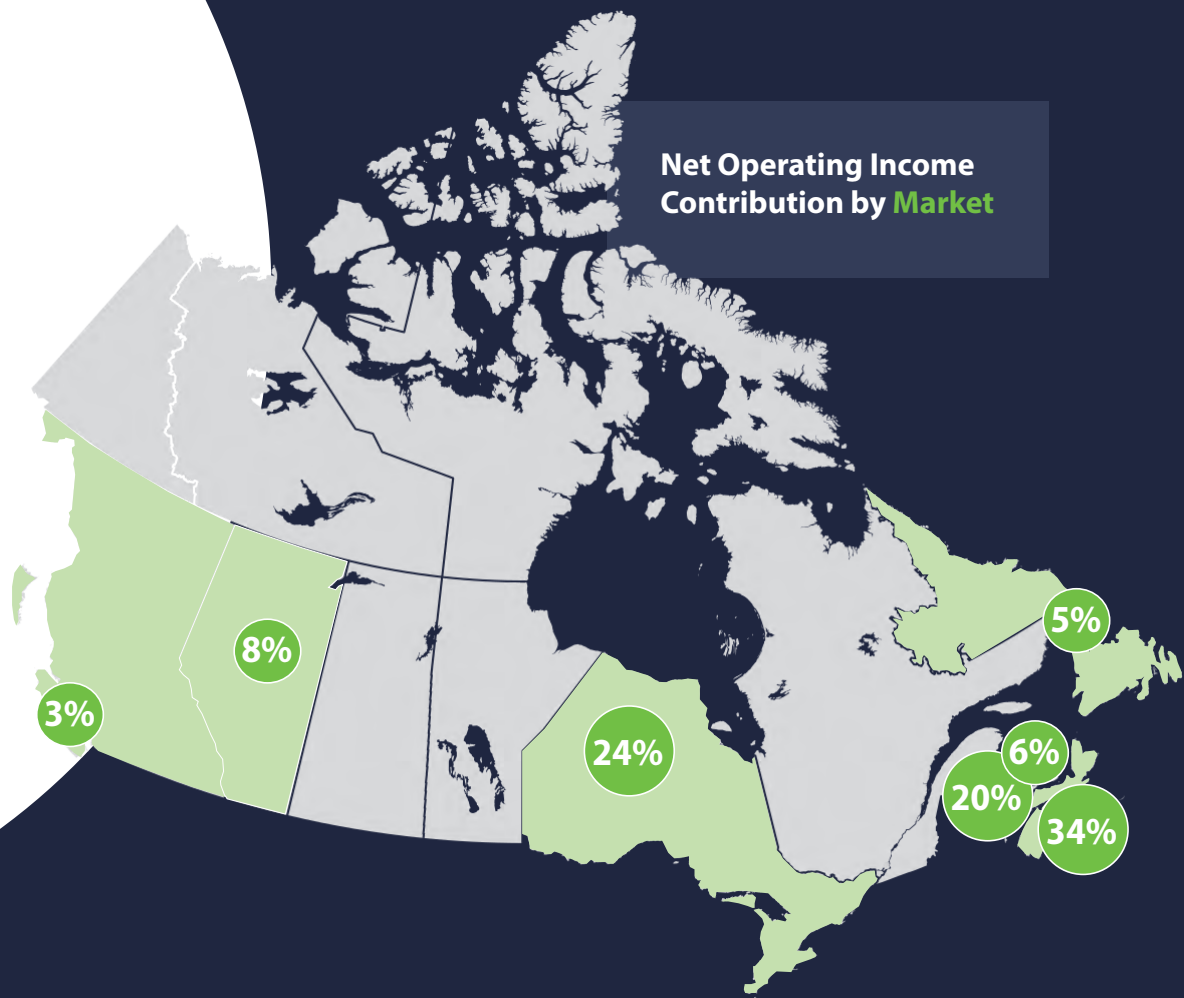
¹ GRESB is a mission-driven and investor-led organization that provides actionable and transparent ESG data to financial markets.

About Killam

[GRI 2-1, 2-6]

Killam Apartment REIT (“Killam”, or the “Trust”), based in Halifax, Nova Scotia (NS), is one of Canada’s largest real estate investment trusts, owning, operating, managing and developing a \$4.9 billion portfolio of apartments, manufactured home communities (MHCs) and commercial properties across seven provinces.

Killam was founded in 2000 to create value through the consolidation of apartments in Atlantic Canada and MHCs across Canada. Killam entered the Ontario (ON) apartment market in 2010, the Alberta (AB) apartment market in 2014, and the British Columbia (BC) apartment market in 2020. Killam broke ground on its first development in 2010 and has completed 16 projects to date, with three additional projects currently under construction.



Killam’s strategy to drive value and profitability focuses on three key priorities:



1 Increase earnings from the existing portfolio;



2 Expand the portfolio & diversify geographically through accretive acquisitions, targeting new properties; and



3 Develop high-quality properties in Killam’s core market.

Killam's Five Core Values

Killam's five Core Values are the foundation of our strong, vibrant culture. We are committed to these values in all aspects of our business.



**Build
Community**



**Creative
Solutions**



**Do the
Right Thing**



**Curb
Appeal**



**Strong Customer
Relationships**

Killam's ESG Strategy

Killam integrates and prioritizes sustainable practices through all areas of its strategy, including the acquisition, development, and operation of its properties. Killam recognizes the significance of ESG initiatives and the long-term value they provide to its stakeholders. To formalize this commitment, Killam has established a Sustainability Policy.

In 2020, Killam established ambitious yet practical targets to guide its ESG program. These goals aim to reduce Killam's carbon footprint, promote good corporate citizenship, and generate long-term value for stakeholders. Killam reviews its ESG goals annually to ensure alignment with its materiality assessment and commits to reporting on its progress towards these targets.

Killam is working towards a plan to achieve net-zero carbon emissions in the long term, recognizing the appropriate steps to achieve this goal include identifying climate risks and opportunities facing our business, assessing the resiliency of our portfolio, and setting science-based targets. Killam remains dedicated to transparent and measurable reporting and will share further insight on our transition to net-zero in next year's report.



***Killam is
committed
to moving
forward on its
ESG journey,
and as you
will read in
this report,
our focus is
making a
difference.***

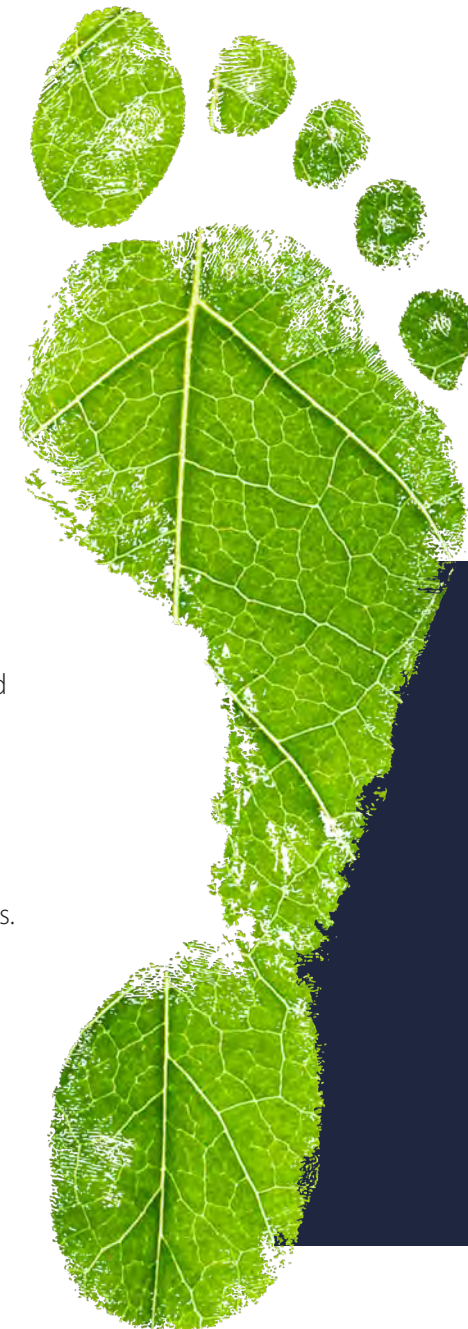
Killam's ESG Strategy

Sustainability Policy

Killam's Sustainability Policy is approved by the Board of Trustees and monitored by the Governance and ESG Committee. The following outlines Killam's commitment to ESG:

- Invest in technology and new initiatives to increase sustainability and lower its carbon footprint across the portfolio, with a focus on energy, water and waste consumption and management.
- Support and invest in its employees through training and development.
- Enhance diversity and inclusion policies and practices to continue to foster a safe, inclusive, and equitable workplace.
- Provide outstanding customer service and build an inclusive community at its properties.
- Support initiatives in the communities in which Killam operates, with an emphasis on affordable housing through community partnerships, subsidized rents and discounts.
- Establish and implement measurable governance policies and practices.
- Report annually on its ESG programs, highlighting new initiatives and Killam's performance against targets.
- Review its annual ESG benchmark ratings⁽¹⁾ and target areas for improvement each year.

(1) Currently the benchmark rating focus is GRESB



Killam works proactively and diligently to monitor and reduce its environmental footprint, to ensure effective and ethical governance and to invest in ways that stimulate sustainable economic growth.

Progress on ESG Targets

[TCFD 9, TCFD 11]

Environmental

> Targets

- Reduce GHG emissions 15% by 2030.⁽¹⁾
- Reduce carbon intensity 15% by 2030.⁽²⁾⁽³⁾
- Produce a minimum of 10% of electricity⁽⁴⁾ consumed by its portfolio through renewable energy sources by 2025.
- Pursue green building health and operating certifications across a minimum of 20% of Killam's portfolio by 2025.
- Invest a minimum of \$50M in energy-efficiency projects by 2030.⁽³⁾
- Establish science-based GHG emissions reduction targets by 2024.⁽³⁾⁽⁵⁾

(1) From 2020 levels, based on a like-for-like portfolio.

(2) From 2020 levels.

(3) New long-term target introduced as of January 1, 2023.

(4) Operational controlled electricity.

(5) We anticipate establishing science-based GHG emissions reduction targets by Q4 2024; however, receiving official Science-Based Targets initiatives (SBTi) approval for those targets may only occur in early 2025.

> 2022 Performance

- Achieved reduction of 2.7% in like-for-like GHG emissions from the 2020 baseline levels.
- Reduced GHG intensity ratio by 6.7% from 2020 baseline levels.
- Completed 12 solar photovoltaic installs, which will produce ~1,285 MWh of annual renewable energy for Killam.
- Achieved building certifications on an additional 10 properties (1,541 units), which results in a total of 13% of Killam's portfolio being certified.
- Invested \$8.5M in energy-efficiency projects.
- Worked with utility providers to increase access to full-building data, including capturing tenant-controlled energy data, increasing the accuracy of our Scope 2 and Scope 3 GHG emissions.

> 2023 Plan

- Invest a minimum of \$8M in energy-efficiency projects.
- Invest \$1.5M in solar photovoltaic installs, increasing Killam's production capacity by ~550 MWh of annual renewable energy for Killam.
- Achieve building certifications for an additional 14 properties.

Progress on ESG Targets

[TCFD 9, TCFD 11]

Social

> Targets

- Increase employee volunteer hours by 25% by 2025.⁽¹⁾⁽²⁾
- Donate \$3M to our communities by 2030.⁽³⁾⁽⁴⁾
- Increase the number of units with a long-term affordability commitment by 20% by 2025.⁽¹⁾
- Maintain resident satisfaction score above 85% annually.
- Maintain employee satisfaction score above 80% annually.⁽⁴⁾

> 2022 Performance

- Increased employee volunteer time by 75% from 2020 levels.
- Increased the number of units with a long-term affordability commitment by 160 units, resulting in a 35% increase from the 750 units at the end of 2020.
- Achieved 87% resident satisfaction score.
- Achieved 83% employee satisfaction score.

> 2023 Plan

- Continue to promote the use of paid volunteer days and opportunities among all employees.
- Continue to seek opportunities to include affordable housing when Killam acquires, develops, and refinances properties.
- Address resident concerns to maintain and increase satisfaction.

(1) From 2020 levels.

(2) Killam achieved this goal in 2022 and replaced it with a new long-term target to donate \$3M to our communities by 2030.

(3) Community donations calculated as the sum of the market value of suite donations, employee volunteer hours, cash donations, and Trustee donations for the period January 1, 2023 to December 31, 2030.

(4) New long-term target introduced as of January 1, 2023.

Progress on ESG Targets

[TCFD 9, TCFD 11]

Governance

> Targets

- Continue to participate in the GRESB⁽¹⁾ survey annually, targeting a minimum increase of 5% each year to reach a GRESB 4-star ranking by 2025, and to continue to expand ESG disclosure.
- Increase the diversity of employees by 2025, including a 25% increase in the representation of employees who identify as racialized, Disabled, or LGBTQ2+.⁽²⁾

> 2022 Performance

- Improved GRESB score by 15% in 2022, and earned an additional green star ranking, resulting in a 3-star ranking.
- Reported under TCFD framework and aligned with SASB and GRI standards.
- Formed a corporate-level Climate Change Committee and conducted analysis on Killam's physical and transition risks and opportunities to better align with the TCFD framework.
- Offered a variety of Diversity & Inclusion training across the company, including optional in-house workshops for head office employees and online training for all employees.

> 2023 Plan

- Work towards a higher GRESB score through building certification work, increased energy, waste and water consumption data, and continued focus on reduction of Killam's carbon footprint.
- Continue to increase education around Diversity & Inclusion through in-person and online workshops offered to all employees.

(1) GRESB is a mission-driven and investor-led organization that provides actionable and transparent ESG data to financial markets.

(2) From 2020 levels.



2022 ESG Highlights



Environmental

- > Completed our sixth geothermal heating and cooling system.
- > Installed 114 Level II electric vehicle charging stations across 11 properties.
- > Completed photovoltaic (PV) solar panel installations at 12 additional properties.
- > Invested \$16.1M in building envelope work to improve efficiency across 24 properties.



Social

- > Supported affordable housing with more than 1,000 units, through community and government partnerships.
- > Achieved an 83% employee satisfaction score.
- > Spearheaded our six-week Community Giving Campaign with more than 110 employees donating over 700 hours to communities in need.
- > Provided housing to 57 Ukrainian families seeking refuge in Canada, across six provinces, over a 90-day period.



Governance

- > Established a Climate Change Committee to embed climate objectives across the business and strengthen climate reporting.
- > Offered a variety of Diversity & Inclusion training across the company, including optional in-house workshops for head office employees, and online training for all employees.
- > Incorporated ESG targets into executives' compensation performance metrics.
- > Approved a formal Board Diversity & Inclusion Policy in January 2023, which targets a minimum of 30% women Trustees and a commitment to ensuring racial, ethnic or visible minority diversity on the Board by 2025-26.

United Nations Sustainable Development Goals (SDGs)









Aligning Killam's strategy with the United Nations Sustainable Development Goals

Killam believes it can make the most impact on the following goals and associated action items:

In September 2015, Canada and all other 192 United Nations Member States adopted the 2030 Agenda for Sustainable Development at the UN General Assembly.

This initiative is a global call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. This 2030 Agenda is broken down into 17 global goals that countries, organizations, businesses and individuals alike are working towards. Killam has assessed these goals and aligned its corporate sustainability targets with the United Nations SDGs.



UN SDG	UN SDG Target	UN SDG Indicator	Killam's Alignment
	5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	5.5.2 - Proportion of women in managerial positions	As a recurring Women Lead Here award-winner, our Equity, Diversity & Inclusion program ensures equal opportunity, recognition, respect, and well-being for all employees. More about our efforts can be found on page 47.
	7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix	7.2.1 - Renewable energy share in the total final energy consumption	We continue to improve the energy efficiency across our portfolio and are committed to increasing our use of renewable energy in both our existing assets and new developments. We are committed to producing a minimum of 10% of operationally controlled electricity consumed by the portfolio through renewable energy sources by 2025 and to reducing our carbon intensity by 15% by 2030. More about our efforts can be found on pages 19-26.
	7.3 - By 2030, double the global rate of improvement in energy efficiency	7.3.1 - Energy intensity measured in terms of primary energy and GDP	
	8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	8.5.1 - Average hourly earnings of female and male employees, by occupation, age and persons with disabilities	Killam is an equal opportunity employer and prioritizes the importance of equal pay for equal work. We are committed to building a more diverse workforce and continue to engage employing surveyors to ensure we have the proper information available to track our progress. More about our efforts can be found on pages 36-37.
	11.1 - By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums	11.1.1 - Proportion of urban population living in slums, informal settlements or inadequate housing	We recognize the importance of providing safe, affordable housing in our communities. We are committed to increasing the number of units in our portfolio with a long-term affordability commitment. More about our efforts can be found on pages 40-42.
	12.5 - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	12.5.1 - National recycling rate, tons of material recycled	Killam seeks to continuously improve and enhance sustainability at its buildings, focusing on reducing and diverting waste. In 2021, we began working with Recycle Smart Solutions® to improve the waste diversion rates from landfills. More about our efforts can be found on page 34.
	13.1 - Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	13.1.2 - Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies	To improve the resiliency of our portfolio, we are updating and implementing sustainable policies, investing in technology, and switching to greener forms of energy, while relying on TCFD recommendations to assess and disclose climate-related risks and opportunities. We continue to set targets to reduce carbon emissions, as well as build an action plan to achieve net-zero carbon in our portfolio. More about our efforts can be found on pages 27-32.
	13.2 - Integrate climate change measures into national policies, strategies and planning	13.2.2 - Total greenhouse gas emissions per year	Killam established a GHG emissions reduction target of 15% by 2030 as part of its long-term sustainability strategy. It strives to seek operational efficiencies to reduce resource consumption and dependence on fossil fuels, thereby reducing its carbon footprint. Killam is helping to combat global warming by changing the way it develops properties and operates its portfolio. More about our efforts can be found on page 26.

Stakeholder Engagement

[GRI 2-29]

Killam is committed to engaging with its stakeholders on ESG and climate-related issues. Killam engages with its stakeholders in the following ways:

Residents

Killam uses a third-party supplier to survey its residents annually and uses this feedback to focus and action on areas of importance. Killam then engages corporate and property-level teams to develop action plans to implement new tenant engagement initiatives based on residents' input.

Employees

Killam uses a third-party supplier to survey its employees annually for feedback on a variety of topics, including compensation and benefits, career opportunities and advancement, diversity and inclusion, as well as safety and comfort in their workplace. This feedback is used to find opportunities to drive employee programming. Additionally, Killam performs annual performance reviews and encourages informal discussions for feedback from all levels.

Investors

Killam regularly meets with investors at conferences, private meetings and on property tours to discuss a variety of topics, including operations, strategy, corporate governance and sustainability.

Communities

Killam is an active participant in the communities in which it operates and regularly engages in dialogue with local groups and all levels of government about community activities, housing affordability, development projects, and sustainability practices.



Lakefront Apartments, Halifax, NS

ESG Methodology

[GRI 3-1, TCFD 4, TCFD 9, TCFD 11]

By integrating ESG initiatives into its overall business strategy, Killam aims to promote innovation, enhance its operational performance, and maximize long-term value for all stakeholders.

The following materiality assessment identifies the ESG topics that are the most critical and relevant to Killam, its employees, its Trustees and other external stakeholders. This approach involves evaluating all material ESG topics and identifying opportunities for improvement in each area, including goal setting, resource allocation, performance management, and reporting to achieve improvements.

In late 2021, Killam conducted a comprehensive stakeholder engagement process to review its materiality matrix, which allowed the Trust to engage with its stakeholders and understand their current sustainability priorities. In 2022, Killam reviewed this assessment internally to adjust for current material topics within the industry and the business, such as affordability and community impact.

Killam's Corporate Sustainability Committee, which includes the President and CEO and a select group of senior management from across the organization, provides guidance and ensures the integration of ESG into its strategic objectives. This Committee champions ESG action items throughout the year and regularly reports progress against ESG targets to the Board's Governance and ESG Committee.



Killam recognizes that climate change poses both physical and economic risks to the business and the communities in which it operates. Killam is committed to better understanding the risks of climate change, incorporating this into business decisions and, in turn, increasing the resiliency of its portfolio. Killam is actively reviewing the recommendations and guidance put forth by the TCFD and is committed to defining how best to apply them.

Materiality Assessment

[GRI 3-1, 3-2, 3-3]

The following matrix shows the top right-hand quadrant of Killam's Materiality Assessment, which includes the ESG factors that are most important to Killam.

This report focuses on the topics that are of the highest importance and most relevant to internal and external stakeholders.



Environment

- 1 Energy Management
- 2 Greenhouse Gas Emissions
- 3 Risk of Climate Change
- 4 Water Management
- 5 Waste Management
- 6 Sustainable Development Design & Product Quality

Social

- 1 Health, Wellbeing & Safety
- 2 Employee Engagement, Training & Development
- 3 Resident Satisfaction
- 4 Diversity & Inclusion
- 5 Affordability
- 6 Community Impact

Governance

- 1 Ethics
- 2 Regulatory Compliance
- 3 Data & Cyber Security
- 4 Supply Chain Responsibility
- 5 Insurance & Risk Management
- 6 Board Composition & Governance

A close-up photograph of several vibrant green leaves, likely from a tropical plant, covered in numerous clear water droplets. The leaves are layered, with some in sharp focus and others blurred in the background, creating a sense of depth. The lighting is soft, highlighting the texture of the leaf surfaces and the glistening water.

Commitment to

Environment

[GRI 3-3 for GRI 302]

Energy Management

[GRI 3-3, SASB IF-RE-130a.5, SASB IF-RE-410a.3]

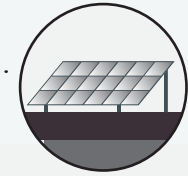
Killam is committed to using resources in a responsible manner to preserve and protect the environment. By reducing natural resource consumption and managing waste responsibly, Killam minimizes its environmental impact while lowering its operating costs. The Trust takes its responsibility to promote sustainability seriously and has a long history of investing in energy efficiency. During 2016-2021, Killam completed a five-year, \$25 million energy-efficiency program aimed at reducing GHG emissions, increasing operational efficiency, and lowering operating costs. Killam's investment in energy-efficiency programs have continued to grow on an annual basis.

As part of this program, Killam installed PV solar panels, air-sealed apartment units, installed low-flow toilets, and retrofitted all apartment units with LED lighting. Killam is committed to investing in energy efficiencies and allocated \$8.5 million towards this effort in 2022. Killam is committed to investing another \$8 million in 2023 to continue its progress towards a greener future.



Energy Efficiency

- LED Lighting
- Low-flow faucets and shower heads
- Sub-metered water and electricity
- Energy-efficient appliances
- Condensing boilers
- Heat pumps
- Double glazed windows
- Improved insulation



Renewable Energy

- Six properties with geothermal heating and cooling systems
- 1.5MW of installed PV solar systems across 17 properties
- ~\$41 million invested in the past 6 years in energy-efficiency projects

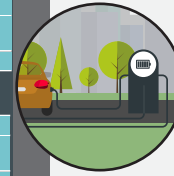
Natural Resources

- 75% of properties have low-flow water fixtures
- 70% of properties have waste reduction programs
- 51% of properties have a composting program
- 13,700 low-flow toilets installed across more than 180 properties, saving up to 30% on water consumption



Sustainable Transport

- 22 properties with electrical vehicle (EV) charging stations (targeting 50 properties by 2024)
- 48 average transit score
- Bike storage



Building Certifications

- Over 1,900 units with a healthy living and green building certification through: BOMA Best, Certified Rental Building Program and FitWel certifications.



40 Properties have a walk score over 70 (very walkable)



55 average bike score

Energy Management

Killam's energy management strategy is constantly evolving as new solutions and green technologies emerge. In its pursuit of sustainable practices, Killam invests in a variety of projects aimed at improving residents' quality of life, reducing energy consumption, and lowering emissions. This energy management strategy is an integral part of Killam's overall business strategy.



Developments

With new technology and renewable energy systems used to create sustainable homes for its residents, Killam has designed and built more than \$450 million in new developments over the last 10 years using strategies aimed at improving energy and water efficiency and reducing each development's environmental impact. With geothermal heating and cooling systems, air-to-air heat pumps, building automation systems, energy-recovering ventilation, energy-efficient building envelopes, LED lighting, water-conserving fixtures and solar photovoltaics, Killam's development team aims to continually innovate with new technologies to reduce each new building's carbon intensity, reducing the long-term operating costs. All new developments have sub-metered water and electricity, encouraging tenants to reduce consumption as they pay directly for the utilities.



Operations

Killam employs a range of energy management strategies, including sub-metering of electricity, water, and heat, reinsulating exterior walls and attics to minimize heat loss, installing boiler economizers to recover wasted exhaust heat, and switching from oil to cleaner heating fuels like natural gas and propane. Solar photovoltaic installations are also being implemented across Killam's portfolio.

To effectively manage energy consumption, Killam employs real-time peak demand monitoring at select properties and regularly analyzes energy and water consumption data. The Trust is also investigating opportunities to convert fossil fuel-based heating systems to electricity in the future.



Acquisitions

Killam's acquisition and disposition program aims to reduce the portfolio's overall greenhouse gas emissions and energy consumption. The acquisition team evaluates the energy efficiency of a property through the due diligence process, while the disposition identification process contemplates higher-emitting properties. The acquisition team considers every property's capacity to support Killam's sustainability goals and create long-term value for its unitholders and residents. In addition, Killam's suite renovation program and common area upgrades allow for opportunities to increase the energy efficiency of existing spaces, while also providing upgraded appliances and amenities to its residents.

Killam is committed to continuing its annual investment in energy efficiencies, with \$8.5 million in 2022 and another \$8 million planned for 2023.

S2 Profile - Energy Management



S2 Apartments

63-Unit Building
89 Shaunslieve Drive, Halifax, NS

Killam's S2 development, completed in May 2013, is one of the most energy-efficient buildings in the Trust's portfolio.

It features the following green technologies, making it a LEED-certified building:

- > Building envelope insulation well above code
- > Multiple electric car charging stations
- > In-unit "green" plugs, in-floor radiant heating
- > Rooftop solar panels for domestic hot water pre-heating
- > Rainwater collection system that is used for all toilets



S2 Apartments is a LEED-certified building.

"Reduced energy is the first area of opportunity. Moving to new windows and re-cladding with increased insulation in our roofs and wall systems is very important to us from an existing infrastructure standpoint. In new builds, the sustainable technology opportunities are broader and include geothermal heating and cooling systems, heat pumps and heat recovery ventilation technology, and full electrification where feasible."



Brian Jessop
Vice President Operations

Energy Audits on New Developments

In 2022, leveraging CMHC's MLI Select incentive program, Killam completed third-party energy performance assessments at three of its new developments. Killam qualified for energy-efficiency eligibility under this program, which requires performance to exceed the National Energy Code of Canada for Buildings 2017 (NECB 2017).



> Latitude | Ottawa, ON

This property utilizes a water-to-water ground source heat pump and exchanger system to heat and cool the building. The building's energy audit estimates that it will achieve a **32.8% reduction in energy** and a **47.4% reduction in GHG emissions** compared to the NECB 2017 reference model.



> The Kay | Mississauga, ON

This property utilizes a water-to-water ground source heat pump and exchanger system to provide the majority of the building's heat and cooling. The building's energy audit estimates an **energy reduction of 31.5%** and **47.3% fewer total annual CO2e emissions** compared to the NECB 2017 reference model.



> Civic 66 | Kitchener, ON

This property utilizes a closed-circuit geothermal heat exchanger to provide heating and cooling in units via hybrid heat pumps. Additionally, a geothermal water-to-water heat pump is used to provide domestic hot water for the building. The building's energy audit estimates an **energy reduction of 51.6%** and **67.2% fewer total annual CO2e emissions** compared to the NECB 2017 reference model.

"The MLI Select program allows Killam to obtain mortgage loan insurance relief for the construction, purchase or refinancing of these buildings. Performing these energy audits results in lower carbon emissions for Killam and encourages the creation of affordable, accessible and energy-efficient housing."



Andrew Kent
Senior Director, Developments

Geothermal Heating and Cooling

Killam is dedicated to incorporating geothermal heating and cooling systems in its new developments where feasible and permitted by municipalities.

In 2022, Killam completed two additional geothermal systems, at The Kay in Mississauga, ON and at Latitude in Ottawa, ON. Killam already operated geothermal systems in London, ON, Moncton, NB and Ottawa, ON. A sixth system was installed at Civic 66, a 178-unit development underway in Kitchener, ON. Once completed, Killam will have approximately 1,000 units using geothermal heating and cooling sources.



To install the system, a series of wells are drilled up to 600 feet below the structure, which capitalize on the relatively constant ground temperature.



By dissipating heat energy into the ground from the buildings during the hottest months and utilizing heat stored in the ground to heat the buildings in the colder winter months, these systems help reduce emissions by up to 25% compared to conventional heating and cooling systems.



The investment costs approximately \$6,000 per suite with a payback period of 10-15 years, depending on the market and local utility rates.

Killam's Geothermal Heating and Cooling Portfolio



Civic 66
Kitchener, ON



Luma
Ottawa, ON



The Kay
Mississauga, ON



Latitude
Ottawa, ON



Frontier
Ottawa, ON



88 Sunset
Dieppe, NB



180 Mill
London, ON

Solar

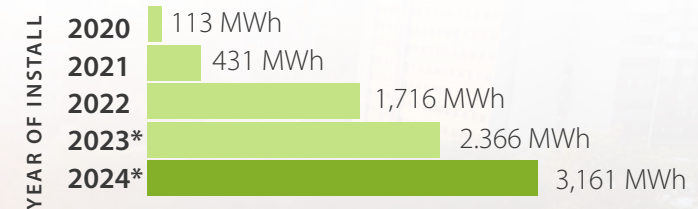
Killam began investing in PV solar arrays in 2020 and now has 17 properties with solar production throughout Halifax, Waterloo, Charlottetown and Edmonton. These solar arrays are expected to generate 1,780 MWh of renewable energy annually.

Killam also has solar domestic hot water heating systems installed at five properties. These systems collectively save approximately 1,800 gigajoules (GJ) of natural gas annually.

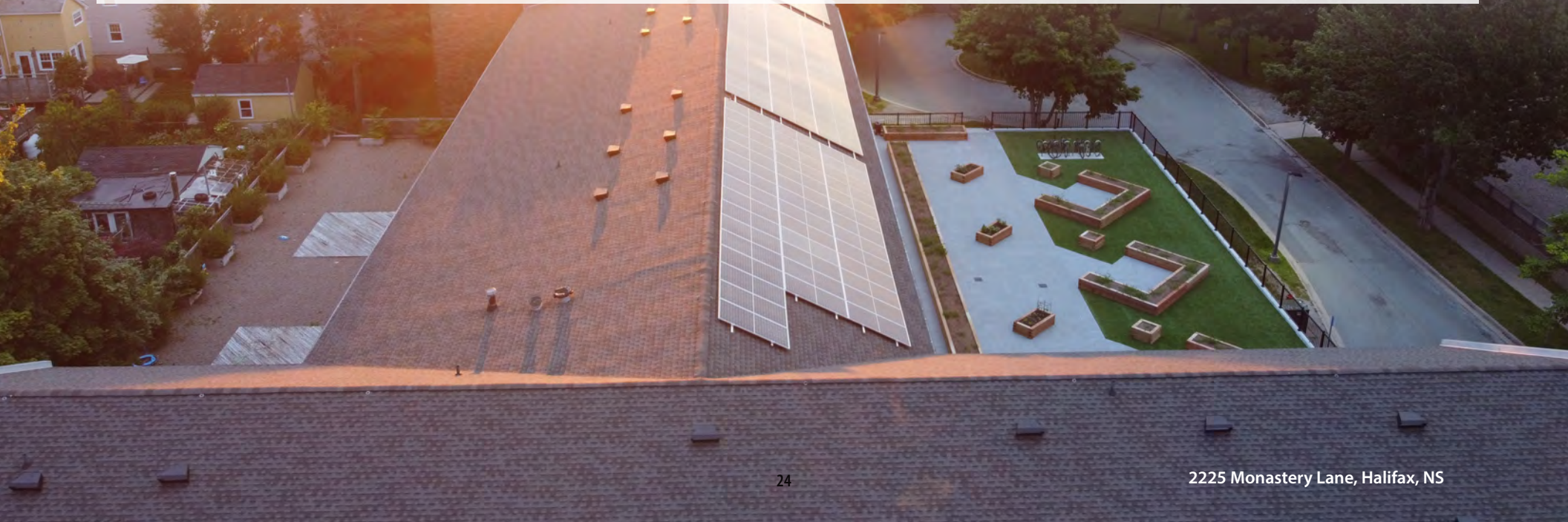
In 2023, Killam expects to invest an additional \$1.5 million in PV solar systems, which is estimated to produce an additional 550 MWh of electricity annually.

As the cost of solar installs continues to decline, Killam expects to increase its production of solar energy throughout its portfolio. Killam will also explore purchasing or developing off-site renewable electricity if a property is not a suitable candidate for on-site solar or has limited roof area to meet energy needs.

Annual PV Solar Power Energy Production Capacity



*Forecasted.



EV Chargers and Sustainable Transportation

With future transportation needs in mind, Killam develops in urban cores and in highly walkable suburban sub-markets, builds less underground parking and includes electric vehicle charging stations and secure bike parking.

In 2022, Killam had 22 properties with 151 onsite Level II EV charging stations. In 2023, Killam is committed to installing additional Level II EV stations across another 50 properties and will continue to add EV charging stations at its existing properties, as needed. These new Level II chargers are capable of charging vehicles at a rate of up to 9.6 kW per hour and utilize an intuitive mobile application to allow drivers to pay per use. All new developments being built by Killam will incorporate EV chargers.



In addition to supporting the electrification of transportation, Killam is developing in urbanized environments that support direct access to public transportation. These include the Frontier and Latitude developments in Ottawa, which are adjacent to the city's newly expanded light-rail transit network.



The Alexander, Halifax, NS

Greenhouse Gas Emissions

[GRI 3-3, GRI 3-3 for GRI 302 and 305, TCFD 5]



Killam is committed to supporting better environmental health, promoting long-term sustainability and reducing its carbon footprint by establishing greenhouse gas emission reduction targets and encouraging responsible resource use. Focusing on operational efficiencies that minimize resource consumption and reliance on fossil fuels will require an adapted approach to how properties are managed and developed.

Owning a real estate portfolio comprising more than 19,500 apartment units and 6,000 MHCs, Killam consumes significant amounts of energy, and generates GHG emissions that contribute to global climate change, and extreme weather events. Fossil fuels, such as coal, oil, and natural gas, used for electricity, heating, and transportation are the primary sources of human-generated emissions.

To monitor progress, Killam conducts an annual GHG inventory that complies with The Greenhouse Gas Protocol. To ensure the accuracy and reliability of energy and greenhouse gas data, Killam engages Green Check (Risk Check Inc.) to perform an independent verification review in compliance with ISO 14064 - Part 3.

Killam's GHG emission sources include: electricity, natural gas, propane, oil, petrol and steam.

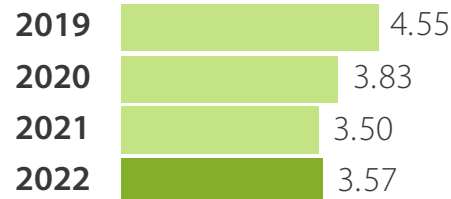
Killam has committed to measuring Scope 1 and Scope 2 GHG emissions, in compliance with ISO 14064-1. Scope 1 includes all direct emissions generated and managed by Killam, including building fuel consumption and fleet vehicles. Scope 2 includes indirect emissions, purchased steam and electricity paid for by Killam. Scope 3 includes tenant-controlled utilities.

United Nations SDG 7: Affordable and Clean Energy
United Nations SDG 13: Climate Action

For the past five years, Killam has been calculating the energy consumed by the portfolio to support efficiency initiatives and optimize resource management.

GHG Intensity (tCO2e/sf)



GHG Emissions (tCO2e) | Scope 1



GHG Emissions (tCO2e) | Scope 2⁽¹⁾



The increase in Scope 1 and Scope 2 GHG emissions in 2022 compared to 2021 reflects Killam's growing portfolio following over \$650 million in acquisitions and developments completed in 2021 and the first half of 2022. In addition, Killam continues to expand its GHG database by working closely with utility providers to capture tenant energy consumption data.

Killam's GHG intensity increased slightly in 2022 following higher natural gas consumption due to a colder winter.

Killam's Scope 1 and Scope 2 GHG emissions exclude refrigerant leakage, upstream and downstream activities associated with its business operations, new developments and off-site waste management.

(1) To better align with the guidance set out in the greenhouse gas protocol, Killam made changes to the 2021 allocation of Scope 2 and Scope 3 emissions for tenant managed emissions.

Deep Retrofit Program

Killam continuously makes significant capital investments in its older assets to ensure their viability. Over recent years, concerns regarding the risks of climate change have altered the goals and objectives of this work from the industry norm of replacing with the same to a more holistic approach of improving the asset's operating and energy efficiency.

In 2022, Killam's Operations team began working with consultants in multiple regions across the country on energy modeling, improved envelope designs, and long-term phased mechanical upgrades to prepare Killam's assets to achieve net-zero emissions by 2050.

Through coordinated design, Killam is replacing end-of-life building elements with new more efficient systems. As other pieces reach their end of life, the new efficient equipment pieces are installed. This is a strategic decision that requires professional engineers and architects to create successful phased projects today that will allow us to reach our ultimate goal of net-zero emissions in the future.



The first phase of the plan involves identifying the deep retrofit opportunities. These are the biggest buildings within the portfolio that are large energy consumers, require updated building envelopes or mechanical systems, or have elements that are currently at end of life. These factors typically align. Implementation of the Deep Retrofit phase is estimated to take 10 years. Killam will balance the capital investment, estimated GHG savings and return on investment in determining the rollout and scale of the Deep Retrofit Program.



The second phase will entail identifying buildings that would benefit from upgraded building systems and with which a holistic design program will create a net-zero asset in the long term. These projects can have significant impact to performance but will be of a smaller scale.

Layered into this approach, whenever possible, Killam plans on aligning the timing of these projects with refinancing of mortgage renewals to take advantage of improved CMHC financing options for Deep Retrofit projects and to reduce the cost of capital.



Killam's Path to Decarbonization (Net Zero)



Define CO2 footprint



Increase efficiency of buildings



Increase clean energy supply



Invest in on-site energy generation



Consider off-site energy generation



Review CO2 offset programs

Climate Change

[GRI 3-3, GRI 3-3 for GRI 302, GRI 201-2, SASB IF-RE-450a.2, TCFD 1, TCFD 2, TCFD 3, TCFD 4, TCFD 5, TCFD 6, TCFD 7, TCFD 8]

Killam recognizes that in the conduit of its business it faces a variety of operational risks, including the impact of climate change on its physical assets. To mitigate the risks of climate change and improve the resiliency of its portfolio, Killam is continually updating and implementing sustainable policies, investing in green technology, and switching to renewable forms of energy whenever feasible. Killam leverages applicable reporting frameworks, such as the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, to assess and disclose climate-related risks and opportunities and to guide informed internal decision-making.

2019

Killam was the first publicly traded Canadian multi-residential REIT to complete the GRESB survey. In 2019, Killam formed a Corporate Sustainability Committee to provide guidance and ensure the integration of ESG into Killam's strategic objectives; additionally, the mandate of Killam's Governance Committee was expanded to encompass reporting on matters of environmental and social responsibility.

2020

Killam set ambitious but realistic long-term ESG targets to work towards. These goals aimed to mitigate Killam's carbon footprint, maintain good corporate citizenship and create long-term value for its stakeholders. In 2020, Killam also began reporting in line with TCFD recommendations and introduced an annual sustainability target as part of its financial strategic target.

2021

Killam continued to expand its ESG program in 2021, focusing on implementing its established sustainability strategy and enhancing its disclosure. An initial review of climate risks and opportunities was performed, along with discussions involving how this analysis can be implemented into the overall risk management strategy.




2022

As a result of great progress made towards its targets, Killam introduced updated long-term targets, which can be found on pages 9-11. Additionally, a corporate-level Climate Change Committee was established, responsible for conducting and formalizing a high-level qualitative risks and opportunities analysis. This analysis, which can be found below, identifies a number of physical and transition risks that can disrupt business continuity.

2023

In early 2023, the Board's Compensation and HR Committee reviewed and approved expanding ESG targets for executives' annual incentive compensation plan for executive compensation in 2023. By 2024, as Killam continues on its climate change journey, it plans to conduct a detailed climate-risk assessment in order to identify risks at the property level to help develop mitigation and resilience plans for high-risk properties.

Climate Risks & Opportunities

	Short Term	Medium Term	Long Term
 <p>Physical Risks</p>	<ul style="list-style-type: none"> • Direct damage to properties • Increased costs of property insurance • Costs associated with capital expenditure and infrastructure-related remediation projects 	<ul style="list-style-type: none"> • Building adaptation (architectural/mechanical improvements) could increase capital expenditure requirements • Costs associated with capital expenditure and infrastructure-related remediation projects • Incurring cost of relocating critical building infrastructure to mitigate flood risk 	<ul style="list-style-type: none"> • Sea-level rise and extreme weather events could threaten the viability of properties or make property insurance unavailable in high-risk areas • Limited access to reliable water supply during potential droughts
 <p>Transition Risks</p>	<ul style="list-style-type: none"> • Insurers requiring resilience measures • Enhanced emissions reporting requirement • Increased operational costs due to proactive mitigation measures • Carbon pricing increasing operational costs • Unpredictable policy changes across regions • Rapid demand for EV chargers and air conditioning in buildings • Increased capital and development costs to meet decarbonization requirements • Increased electricity costs due to capital requirements from utility providers to increase grid capacity 	<ul style="list-style-type: none"> • Increased costs and/or potential fines due to non-compliance with regulatory requirements, including energy and carbon standards • Increased development and operational costs due to compliance with green building codes, including electrification of heating systems • Reduced access to capital due to failure to meet sustainability needs of investors (i.e., net-zero requirements) • Challenges leasing high-carbon buildings or buildings without decarbonization plans • Real estate taxes may increase as a result of public projects to improve regional and neighborhood-scale resilience 	<ul style="list-style-type: none"> • Significant variation of grid emission factors across provinces leading to varying operational costs • Increased hazardous material from increased use of batteries • Rapid growth in electricity demand leading to building brownout • Social unrest from increased cost of living, accelerating inequality
 <p>Opportunities</p>	<ul style="list-style-type: none"> • Greater access to and/or lower cost of capital from stronger ESG disclosures • Efficient operations may avoid operating cost increases from rising energy costs • Capital investment in energy efficiency may avoid operating cost increases from rising energy costs and/or create cost reductions • Improved allocation of capital from integrating climate risk into acquisition and development due diligence process 	<ul style="list-style-type: none"> • Product differentiation and competitive advantage from energy and carbon reductions • Increased value of energy-efficient and climate-resilient properties • Increased demand for assets converted to, and certified as, net zero • Access to grants and funding for net-zero investments and green financing mechanisms • Enhance risk management process to incorporate climate-related impacts 	<ul style="list-style-type: none"> • Integrate potential climate impact considerations into building design • Increase passive cooling and other innovative resilience design measures • Elevate building management plans to incorporate climate-related considerations • Certifications that demonstrate commitment to best-in-class health measures • Increased availability of skilled workers as urban population grows • Support community resilience during extreme weather events • Population growth as a result of climate-induced migration

Governance

[GRI 2-9, GRI 2-13, GRI 2-14, GRI 3-3, TCFD 1, TCFD 2]

Killam's Corporate Sustainability Committee, including the President and CEO, members of senior management and other key staff members across the organization's departments, meets bi-monthly to discuss ESG related topics, including:

- > Climate-related resiliency
- > Sustainability policies
- > Killam's environmental impact
- > Climate risks and opportunities
- > Emergency preparedness
- > Deep Retrofit Program
- > GHG emission targets
- > Energy-efficient projects
- > Monitoring and reduction
- > Alignment with climate reporting



The Board views ESG as a shared responsibility and engages with Management on the execution of its ESG strategy. ESG updates are on every Board meeting agenda in recognition of the importance of ESG matters to the Board and its committees. At the corporate level, Killam's Corporate Sustainability Committee draws on expertise from all business lines, as well as key functional units with influence on ESG matters, and oversees execution of Killam's ESG strategy. Additionally, our Climate Change Committee, a sub-committee of the Corporate Sustainability Committee, manages Killam's climate and portfolio resiliency strategy and compliance with climate change reporting guidelines and frameworks.

In 2022, the Compensation and HR Committee reviewed and approved certain targets for the Trust's Annual Incentive Plan (AIP) and performance factors for the restricted trust units for executive compensation in 2023, including expanding ESG targets for the AIP. For more information on Killam's corporate governance practices, please see Killam's 2023 Management Proxy Circular.

Strategy

In the long-term, Killam plans to work towards operating its portfolio with net-zero carbon emissions to combat its impact on climate change, with the intention of maintaining transparent disclosure on the evolution of its long-term planning.



Killam is in the process of developing a more robust long-term investment strategy for risk management planning with respect to flood risk, extreme weather and sea level rise, as well as other areas of environmental impact that Killam can reduce or eliminate.

Risk Management

To date, Killam's climate-related risk strategies have included:

- > Annual long-term investments in energy-efficiency projects to lower its energy, water and greenhouse gas footprint. The annual investment continues to increase, with more than \$41 million invested in green projects in the past six years.
- > Building new properties with the advanced green technology available, including geothermal heating and cooling systems and energy-efficient materials and appliances.
- > Conducting energy audits annually to identify opportunities to improve energy consumption and operations.
- > Piloting deep retrofit of older properties to fully understand the benefits, costs and sustainable methods to expand Killam's retrofit program.

Future risk management strategies will include continuing to refine our risk assessment and measurement capabilities by performing climate scenario-analysis exercises to identify, assess, measure, and monitor such risks. Additional focus will be placed on further embedding climate risk in our policies and procedures in all aspects of Killam's daily operations, acquisitions, and developments.

Energy Assessment

In 2022, Killam conducted an analysis to identify the highest-emitting buildings across our portfolio. Killam has begun developing plans to implement energy-efficiency upgrades at these high-consumption properties.

These projects will target upgrades that yield deep energy savings while revitalizing aging building systems.

These measures will increase the operational capacity of the buildings while significantly reducing the operating emissions.

Recommissioning

A recommissioning program will be undertaken for 14 properties within the portfolio. This program will seek to improve the operation of buildings that do not require capital upgrades.

Intended to both increase performance and reduce operating emissions, these projects will form a template for an ongoing recommissioning program to ensure Killam's portfolio maintains a high standard of operational efficiency.

Energy Benchmarking

Killam uses the Energy Star Portfolio Manager tool to report resource consumption to regulatory agencies where required, such as Ontario's Energy and Water Reporting and Benchmarking (EWRB) initiative. Additionally, this tool will allow the benchmarking of Killam's energy performance against similar buildings across North America in a similar cohort. This information will identify buildings where energy upgrades should be prioritized.

Building Automation Systems (BAS)

Over the past two years, Killam has invested in a central BAS server capable of remotely monitoring energy system performance and building's comfort conditions. This technology has enabled the Operations team to remotely diagnose operational issues and reduce the cost and time required to address building system issues and consequently reducing GHG emissions as inefficiencies are identified sooner. Currently, there are 11 large buildings connected to the central BAS server. In 2023, Killam is targeting the integration of an additional 14 buildings.

In addition to the deployment of a central automation server, Killam is exploring the use of fault detection, interval energy metering and advanced building analytic tools to reduce operating costs across the portfolio. These tools can be used to both manage a building's emissions and to proactively address maintenance issues.

Metrics and Targets

[TCFD 9]

Killam tracks key performance indicators related to transitional risk, such as Scope 1 and Scope 2, and select Scope 3 emissions. Reviewing and tracking physical risks at Killam's properties, such as proximity to sea-level, flood plain zones, and wildfire zones, has commenced.

In 2021, Killam established a target to achieve a 15% reduction in Scope 1 and Scope 2 GHG emissions by 2030, relative to a 2020 baseline. In 2022, Killam set a goal of establishing science-based emissions reductions targets by 2024 through the Science-Based Targets initiative (SBTi) and in line with the latest climate science necessary to meet the goals of the Paris Agreement⁽¹⁾⁽²⁾. These science-based targets will allow Killam to manage climate-related risks and opportunities and begin establishing a net-zero transition plan.

Future Plans and Considerations

As a part of its physical climate risk analysis and TCFD guidance, Killam has identified climate change-related opportunities to work toward over the next two years. Killam continues to prioritize and make progress in these areas:

- > Formalize Board of Trustees' climate change oversight by implementing climate change risk and opportunities into areas that require board-level approval, including acquisitions, budgets, strategy, external reporting, compensation, risk management and developments.
- > Incorporate additional environmental and climate-related risk analysis into its acquisition due diligence process, including carbon intensity of the property, physical risk of climate change based on location and current condition of the property, and emergency preparedness.
- > Mitigate impacts of carbon pricing by continuing to reduce GHG emissions.
- > Incorporate additional climate-related analysis into the development planning process, including planned carbon intensity of the property during construction and upon completion, and environmental impact of construction and materials.

(1) The Paris Agreement is a legally binding international treaty on climate change, adopted by 196 Parties at the UN Climate Change Conference (COP21) in Paris, France on December 12, 2015.

(2) We anticipate establishing science-based GHG emissions reduction target(s) by Q4 2024; however, receiving official Science-Based Targets initiatives (SBTi) approval for those targets may only occur in early 2025.

Water Management

[GRI 3-3, GRI 3-3 for GRI 303, GRI 303-1, SASB IF-RE-140a.4, SASB IF-RE-410a.3]



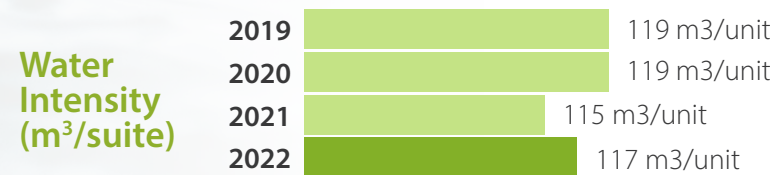
Killam's properties use more than two million cubic meters of water each year, and reducing water consumption across its portfolio is a priority.

Killam's water management initiatives focus on reducing both interior and exterior water consumption by installing more efficient appliances and water fixtures, and by implementing environmentally friendly landscaping practices. Since the program started in 2015, Killam has completed the installation of low-flow toilets in more than 13,000 units in its portfolio, with over 1 billion litres of water saved as a result.



The latest upgrade at 301 Heritage Drive reduced the building's water consumption by 37%, equating to an annual savings of 4.3 million litres and reducing Killam's annual water expense by over \$25,000.

Developments built since 2018, such as Saginaw Park, Frontier, Shorefront and Latitude, have sub-metered water usage and all current developments in progress are continuing with this initiative. This practice not only mitigates Killam's exposure to water costs, but actual usage data has proven that it encourages conservation of water by approximately 25%.




United Nations SDG 12: Responsible Consumption and Production


Killam implements water reduction solutions in both common areas and apartment units to help conservation efforts, as noted above.

Waste Management

[GRI 3-3]

Killam seeks to continuously improve and enhance sustainability at its buildings, focusing on the reduction and separation of waste to its appropriate stream. To achieve this, Killam has been investigating the waste management and diversion strategy at each apartment building and is finding practical solutions for different properties that make the highest impact in reducing its environmental footprint.

 In 2021, Killam began working with Recycle Smart Solutions® at a majority of its properties to improve its waste diversion rate from landfills. This service notifies the buildings if there is a particular issue with contamination, allowing Killam to immediately address issues and develop proactive solutions. In 2022, almost 50% of Killam's properties operated under the Recycle Smart's waste diversion program.

 Recycling, composting and waste management programs are available at the majority of Killam's properties, with a concentrated effort by employees and residents to reduce waste in landfills. Killam is working towards developing a food waste reduction strategy, implementing waste exchange opportunities at its buildings, and offering more compost and recycling programs, as well as drop-off locations to recycle hazardous waste materials such as batteries, propane tanks, electronics, and paint cans.



Horizon Place Profile - Waste Management

162-Unit Building
88 Rue Sunset, Dieppe, NB

We would like to acknowledge the commitment made by the resident-managed social committee at Horizon Place in Dieppe, NB.

New Brunswick has varying bylaws and processing facilities for waste and recycling – for this reason, it is extremely important that all disposals make their way to the proper place. The social committee has taken on the initiative to oversee and enhance the property's recycling program by introducing additional channels such as composting, battery and mercury items, electronic waste, and a deposit for cans and bottles. Any profit earned from the bottle exchange program goes directly back to the committee to fund social events.

The committee fosters community by organizing a variety of social events such as game nights, bingo night, book clubs, and community meals. Additionally, there is a focus on improving the health and wellbeing of tenants by organizing a variety of exercise classes, including aerobics, yoga, line dancing, and Thai chi lessons.

Killam is devoted to supporting this initiative through managing waste pickups for recyclables and alternative streams, providing space for community gardens and a bike room for our tenants, freedom in management of the program and providing any additional help needed from our Resident Managers. We applaud the success and achievements of the Horizon Place social committee.





Commitment to
Social

Employees

[GRI 3-3, GRI 3-3 for GRI 401]

Killam's Five Core Values:



**Build
Community**



**Creative
Solutions**



**Do the
Right Thing**



**Curb
Appeal**



**Strong Customer
Relationships**

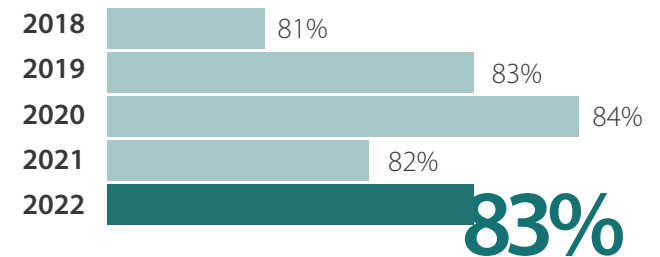
Killam's five Core Values remain the foundation of its culture. These values are an active part of everyday work and are embodied throughout the organization.

Killam's core values influence many of our employee programs. They serve as important criteria in recruitment and selection, performance management, and employee recognition. Most importantly, Killam's core values guide decision-making and actions in daily work. In the recruitment and selection process, there are specific questions and discussions used to assess individual alignment with Killam's values and culture. This alignment is incorporated into Killam's formal performance management process, where managers specifically review individual demonstration of the values.

Cultural alignment continues with employee events, typically held several times a year, where content is driven by and supports the core values. Employees are also recognized for demonstrating exceptional cultural alignment through a formal recognition program.

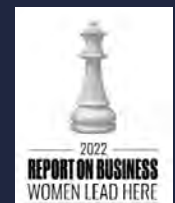
Killam's annual employee survey is another tool to review employee feedback and monitor engagement.

Overall Employee Satisfaction:



2022 Employer Awards

Killam's exceptional culture has been recognized publicly by third parties. Killam was named one of Canada's Most Admired Corporate Cultures, earning this distinction in 2022 and in the six previous years. Other recent employer distinctions include:



Diversity and Inclusion

[GRI 3-3 for GRI 405]

In 2020, Killam joined the Canadian Centre for Diversity & Inclusion (CCDI) as an employer partner to assist in its pursuit of a robust diversity and inclusion (D&I) program and to continue to grow this partnership. This partnership continues to actively provide employees with access to expert advice, including a monthly newsletter, a knowledge repository, and monthly webinars. Employees across the organization are encouraged to participate in diversity training, with hundreds of courses completed each year. In 2022, specialized professional development was provided, focused on gender diversity and inclusion in the workplace.

Killam's recruitment practices includes electronic postings on a variety of platforms, word-of-mouth referrals, attending community job fairs, and seeking creative solutions to recruit in rural or underrepresented communities. Killam's management team engages with the community and not-for-profit organizations to both increase the candidate pool and to help seek a diverse and representative group. Some of our partners include Phoenix Youth Programs, Immigrant Services Association of Nova Scotia, YWCA and Lake City Works.

Workplace inclusion remains important throughout employment. Killam's position on D&I is formalized through its D&I policy, and ongoing training ensures continuous learning and awareness. An open culture that encourages the sharing of information allows Killam to take full advantage of the collective knowledge of its team.

Killam formed an employee-led D&I committee in 2020, and this group meets on a regular basis to provide employee input on diversity and inclusion programming. Chaired by employees, with executive management participation, this team participates in regular professional development, identifies opportunities for employee learning and growth, and reviews policy and procedure. Through inclusion, it aims to support Killam's efforts to increase both the diversity of its workforce and the strength of its culture.

Training and Development

[GRI 3-3, GRI 3-3 for GRI 404 and 404-2]

Killam's commitment to ongoing education, training, and development increases employee skills, the quality of work produced, and the personal connection to the company. Employees are provided with safety, job-specific, and other required training upon hire. Ongoing opportunities are provided in the areas of diversity, leadership, and enhanced safety and wellness training. Industry-specific training, such as the Certified Property Manager program and a tuition reimbursement program, are also available.



Training is provided through a mix of external and internal resources. Employee summits, internal conferences and training sessions allow for sharing and storytelling. Many employees work alone or in very small groups daily, so these gatherings provide an important opportunity that may not otherwise be available due to the nature of their work. In 2022, Killam piloted a mentorship program, where employees across the company had the option to participate as either a mentor or mentee, or both. Participants were matched with mentors from across the company with the intention to promote cross-functional exposure to members of the management team across various departments.


Killam's success in providing career advancement opportunities is measured through its internal promotion rates, which are recorded and reported internally on a monthly basis. In 2022, Killam saw more than 20 permanent employees progress into more senior positions. Killam prioritizes and encourages growth from within the company, and supports employees through a 12-month leadership development course offered to future leaders identified within the company.


Rewards and Recognition

Killam understands the strong connection between rewards, recognition, and retaining top talent and is focused on this in several ways. The Scorecard program is Killam's annual incentive plan for all employees. Scorecard measures, at all levels of the organization, support Killam's strategic goals.

“Core Value Champions” are nominated for exemplifying Killam’s Core Values. These awards are driven by employee nominations, where stories of kindness, creativity, integrity, and exceptional customer service are shared by the employee’s peers. A committee of employees from across the country examine and vote on quarterly award winners. All nominees receive individual acknowledgment from our CEO, a financial reward and an organization-wide recognition through our employee newsletter.

Ongoing education and training, as mentioned in the previous section, is yet another way Killam rewards and recognizes its employees.

 Informally, employees receive gift cards, personal correspondence, and acknowledgment from their supervisors, rewarding them for a job well done. Typically, annual employee events such as summer BBQs and holiday celebrations have shown appreciation for Killam’s teams. The global pandemic highlighted the importance of flexibility, and Killam adjusted its recognition plan to include rewarding front-line employees with increased pay during the pandemic and beyond.

 Killam’s Years-of-Service Award Program recognizes and rewards employees for every five years of service. This program recognizes loyal Killam employees and celebrates their milestones with a unit-based compensation award. The knowledge, experience, and commitment of long service employees is invaluable to the ongoing success of Killam, and by increasing employee unit holdings, Killam’s financial success is shared with this group of employees.

Compensation and Performance

Killam is committed to delivering employee benefits and competitive compensation, including strategic incentive plans. Killam employees are measured quarterly on targets that are tied directly to corporate goals, ensuring compensation and results are clearly linked. This practice increases the commitment of Killam’s employees to its success in meeting its strategic targets.

Quarterly scorecard reports for Property Managers and on-site employees are part of the regular performance management feedback program. The program includes probationary, quarterly and annual reviews, all offered through a user-friendly interactive employee portal and in-person meetings. Performance management includes career development and long-term goal discussions.

Employee Benefits

[GRI 3-3 for GRI 401-2 and 401-3]

The performance and compensation plans are reviewed annually to ensure they align with market influences and internal requirements. Components of Killam’s compensation and benefits package include:

- > Group Benefit Plans
- > Employee & Family Assistance Program
- > Paid Volunteer Time (3 days)
- > Paid Time Off (Vacation & Personal)
- > Paid Sick Leave (14 days)
- > Long-term Service Awards
- > Tuition Reimbursement
- > Discount on Killam Apartment Rents
- > Killam Perks (Discount at Partners)
- > Parental Leave Pay
- > Annual Incentive Plan
- > Employee Unit Purchase Plan
- > Paid Professional Association Fees
- > Referral Bonuses
- > Short-term Disability Coverage
- > Scholarships
- > Wellness Programming

Employee Engagement

Killam's annual engagement survey is completed by an independent third party and has provided insight into employee satisfaction and engagement levels for more than 10 years. This confidential survey has confirmed high levels of engagement across Killam teams and provides regular insight into areas where further engagement can be fostered. Killam employees have shared consistently high feedback in the areas of leadership and planning, corporate culture, and work environment.

Feedback from the annual survey provides opportunities to focus on areas where employee programs can be introduced or enhanced, ensuring that our team is highly engaged, productive, and satisfied with their work.

Employee Volunteering

Killam has offered paid time off for volunteering for many years. In 2021, the employee volunteer leave was increased to three days per employee, and a focused effort applied to increase employee use of volunteer time. This initiative included a six-week community giving campaign leading into the holiday season. During this time, employees across the country were provided with volunteer opportunities in their regions. Many were group events, with the added benefit of team building and bonding.



In 2022, Killam increased the number of paid staff volunteer days by 75% over the previous year, with 127 days taken. In 2023, we endeavour to further increase the use of paid volunteer time.

87% of employees are satisfied with their role

92% of employees report overall satisfaction with Killam as their employer

88% of employees are satisfied with their work environment

88% of employees are satisfied with their supervisor relationship

91% of employees feel their supervisor treats them fairly



Residents

[GRI 3-3, GRI 3-3 for GRI 416]

Killam aims to provide outstanding customer service and foster a sense of community at its properties. Residents are surveyed annually to measure Killam's success in meeting expectations and to identify areas for improvement. **In 2022, Killam received a satisfaction rating of 87%. Killam's satisfaction rating has been greater than 86% for the ten years it has commissioned this survey.**

Providing exceptional service to prospective tenants and residents is key to ensuring Killam is their sustainable choice of residence, today and tomorrow. In 2022, Killam returned to in-person showings, with virtual options offered for increased flexibility. Providing an online experience, with a mix of virtual and in-person showings, allowed leasing to continue seamlessly during the pandemic. In addition, Killam's resident portal and associated mobile app, corporate website, and online preauthorized payments (PAP) proved valuable in ensuring social distancing with residents while interacting with Killam.



Resident wellness and safety are at the forefront of Killam's operations. This is demonstrated through first aid, fire, and life safety training for on-site staff. Comprehensive fire plans and monthly safety inspections further support this commitment.

Building Certifications

Ensuring properties have the best operating and healthy living standards for Killam's residents is a priority. Programs such as BOMA BEST, LEED, FitWel, and Canada's Certified Rental Building (CRB) Program assess these standards and provide assurance to residents that Killam is a fair and responsible landlord.

In 2022, Killam certified an additional 1,500 units through the CRB Program, resulting in 13% of the portfolio with a building certification. Killam will continue to pursue additional building certifications each year and is well on its way to reaching its long-term target of having 20% of the portfolio certified by 2025.





Community Impact

[GRI 3-3]

As a leading organization, Killam has a responsibility to maximize the social impact alongside earnings by supporting the community.

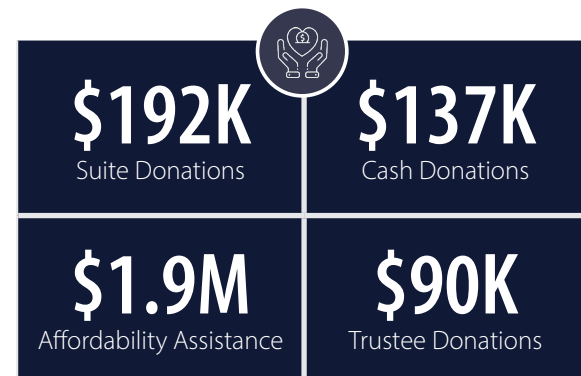
As part of Killam’s effort to build community, its experienced community investment committee oversees a budget of approximately \$300,000 of community giving each year.

The committee is focused on making the workplace a caring environment, and it encourages, celebrates and shares the individual community giving projects of Killam’s employees, in addition to corporate giving. Killam’s giving strategy is centered on charities and causes that support family and shelter. It also has allocations for employee-led giving, Killam family scholarships, and tenant rent relief. Killam understands affordability concerns and is part of the solution by providing more than 1,000 units with a long-term affordability commitment. For many years, Killam has donated furnished suites to hospitals across its markets, with 12 units currently available to families in need. Contributions are made to a variety of community organizations which align with Killam’s community investment strategy. Killam strongly believes in supporting charitable causes that its employees value.

Employees give back to their communities by volunteering with numerous organizations, such as Ronald McDonald House, the Canadian Mental Health Association, Brunswick Street Mission, minor hockey associations, Phoenix Youth Program and YWCA, to name a few.



In 2022, Killam assisted refugee families from war-torn Ukraine. Despite the housing crisis in Canada and Killam’s record low vacancy across the country, we provided homes for 57 Ukrainian families spread across six provinces, over a 90-day period. In addition to providing a home for these families, Killam provided over \$140,000 in rent relief for these tenants, helped with government documentation, employment, and connection to support services, and in many instances, donated furniture and household items. We are proud to assist these Ukrainian families and help give them a sense of safety and security as they start their new lives in Canada.



Affordability

[GRI 3-3]

Killam delivers affordable, safe, clean and high-quality housing to its residents across Canada. Along with partnering with community and government organizations to provide subsidized units to residents, Killam maintains affordable units in each of its markets. At the end of 2022, 52% of Killam's portfolio rented for less than \$1,200 per month. As well, 64% of Killam's portfolio meets the Canadian Mortgage Housing Corporation (CMHC) definition of affordability, with monthly rents of less than 30% of the respective markets' median household income.

Killam has recently increased its commitment to provide affordable units by utilizing the CMHC MLI select program, adding an additional 310 units as long-term affordable units. Killam now has over 1,000 units across the portfolio with a long-term affordability commitment.



Ossington Profile - Affordability Commitment

179-Unit Building

100 Lower Ossington Street, Toronto, ON

Killam's Ossington property is a model of true partnership in affordable housing development and management. It combines the strengths of all three levels of government, non-profit housing agencies, and a private sector developer and operator. The funding model ensures long-term affordability to vulnerable community members, while providing flexibility to increase rents to market for a percentage of the property. This balance is an example of how new apartment development can help meet affordability needs while also achieving an acceptable return for the developer. Without the investment from all level of government, this type of development is not feasible.

Funding for Ossington:

- > Federal government and Province of Ontario each provided \$21M affordable housing development grant, forgivable at a rate of 5% each year for 20-year term.
- > No municipal taxes payable for 25 years (translates to ~\$450,000 annual savings, or \$200/month per unit).
- > Overall rent roll to be 80% of average CMHC Market Rents; at purchase, average CMHC rent was \$962/month.
- > The City of Toronto oversees the management of the 25-year contract.



Supply Chain Responsibility

[GRI 3-3, GRI 2-6]

As an owner, operator and developer of real estate, Killam has a responsibility to work closely with its suppliers to achieve its sustainability goals. Killam's major suppliers and service providers include skilled tradespersons for maintenance and major renovations in its buildings, and suppliers for building materials, cleaning and office supplies.

Killam operates within responsible business conduct and has a mandatory checklist that is signed by suppliers prior to commencing work. This checklist includes proof of both workers compensation and liability insurance, disclosure of any health and safety infractions or fines, documentation of proper safety training, and evidence that the supplier will adhere to Killam's sustainability policy. This ensures business is conducted ethically in accordance with Killam's policies and reduces third-party risk.



Safe Work Environment

A safe workplace, where everything is done to limit the risk of injury, violence, harassment, or illness at work, is Killam's first priority. Killam's commitment to safety, and the communication of this commitment to our employees, is evident in our annual satisfaction survey. When asked if they feel physically safe in their work environment, 94% agreed. In addition, 89% of Killam employees feel that safety is a top priority in their organization.

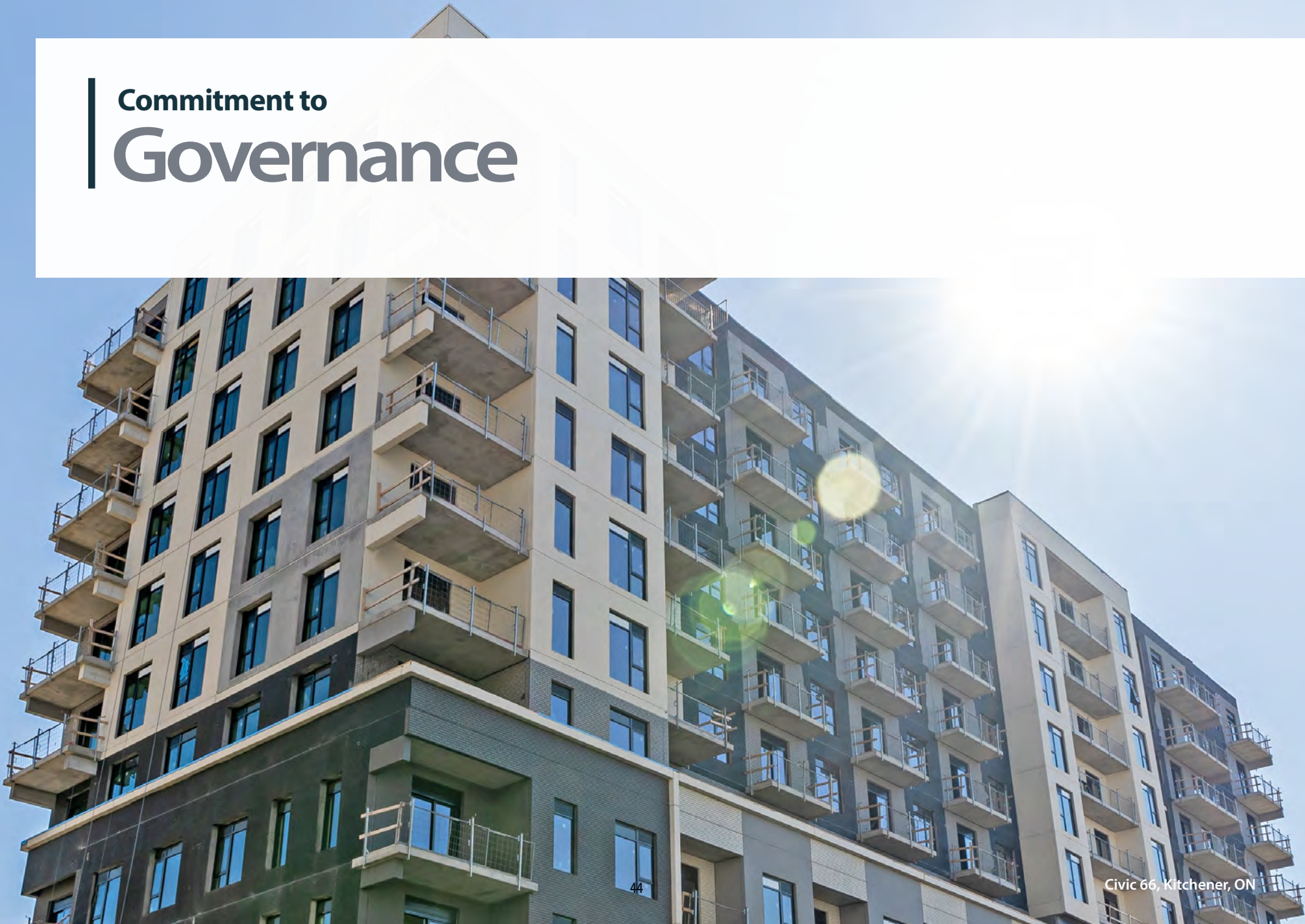


Killam is dedicated to providing employees with the resources to ensure that their workplaces, including all Killam properties, are properly assessed for hazards and that all reasonable measures are taken to ensure the safety of individuals at its sites.

Killam's Occupational Health & Safety (OH&S) program ensures OH&S policies and guidelines are in place and monitored to ensure a safe working environment. Joint OH&S committees and representatives are integral to Killam's OH&S program and meet regularly in each of Killam's operating provinces. Their function brings greater awareness to health and safety issues, provides a way for concerns to be shared and resolved, and increases communication and the overall education of Killam's safety practices.

Commitment to

Governance



Ethics

[GRI 3-3]

Killam is a good corporate citizen and maintains a high standard of integrity in conducting business. Killam's **Code of Conduct** (the Code) establishes a framework of guidelines and principles to oversee and foster ethical behaviour in all business activities. The principles in the Code are intended to:

- Establish ethical and fair practice in all business relationships, dealings and activities.
- Ensure compliance with all laws, regulations and Killam policies.
- Facilitate a safe working environment with respect for people and a commitment to diversity, equal opportunity and freedom from exposure to improper conduct and discrimination.
- Maintain professional integrity in all business dealings.
- Safeguard the use of confidential information and maintain proper reporting procedures.
- Protect Killam's assets, ensuring only proper use for Killam's benefit.
- Provide additional, practical insight into applying Killam's Core Values, specifically Do the Right Thing, to Killam's everyday operations.

Killam's Whistleblower Policy, which was updated in January 2023, underscores our commitment to operating under the highest standards of accountability and transparency.



The Whistleblower program encourages individuals and businesses to report any harmful activity without fear of retribution. Through Killam's corporate website, individuals can complete a confidential form to report any harmful activity that they may have witnessed. The report itself and any subsequent dialogue are anonymous should the individual choose. Reports are submitted through Killam's Whistleblower web submission portal and subsequently investigated by Killam's Compliance Officer. Killam's Compliance Officer has been designated by the Board and will serve as the investigator for incidents, and shall oversee reporting to the Audit Committee regarding such matters. No significant incidents were reported in 2022.

Board Composition

[GRI 2-9, GRI 2-13, GRI 2-14, GRI 3-3, TCFD 1]

At Killam, we firmly believe that effective corporate governance is essential to ensure the ongoing and long-term success of our organization while maximizing value for our unitholders. Our Trustees are deeply committed to upholding sound governance practices that align with the best interests of the Trust and its unitholders, which, in turn, promotes effective and efficient decision-making.

Each Trustee on the Board offers their unique background, experience, and skill set, including their expertise in corporate governance. We recognize that this diversity of thought and perspective is essential to driving innovation and achieving our long-term goals.

The Board carries out its responsibilities with the support of several Board committees. The Board views ESG as a shared responsibility and engages with Management on the execution of its ESG strategy. ESG updates are included on every Board meeting agenda in recognition of the importance of ESG matters to the Board and its committees.

A Corporate Sustainability Committee oversees execution of Killam's ESG strategy. The Corporate Sustainability Committee is a multidisciplinary team of Killam executives that draws on expertise from all business lines, as well as key functional units with influence on ESG matters. The Governance and ESG Committee is responsible for the oversight of Killam's ESG mandate and initiatives.

Our 2023 Management Proxy Circular provides an overview of Killam's corporate governance structure, policies and practices and describes the core principles that guide our approach to governance. During 2022 all Board mandates were reviewed and updated and formally approved by The Board of Trustees in early 2023.

Independence

In 2022, Killam's Board of Trustees was comprised of nine Trustees. All seven non-executive Trustees are independent, and all three Board committees are made up of independent Trustees. Killam believes that separating the position of Chair of the Board and the position of the CEO is key to effectively providing independent oversight. It is the Board's policy that non-management Trustees hold regularly scheduled meetings without the attendance of Management (in-camera meetings). Time is specifically reserved for in-camera meetings at the beginning or end of the Board, Audit, Compensation and Governance & ESG Committee meetings.



For more information on Killam's Board Committees, visit: killamreit.com/corporate-governance.



Diversity and Inclusion

[GRI 3-3, GRI 3-3 for GRI 405]

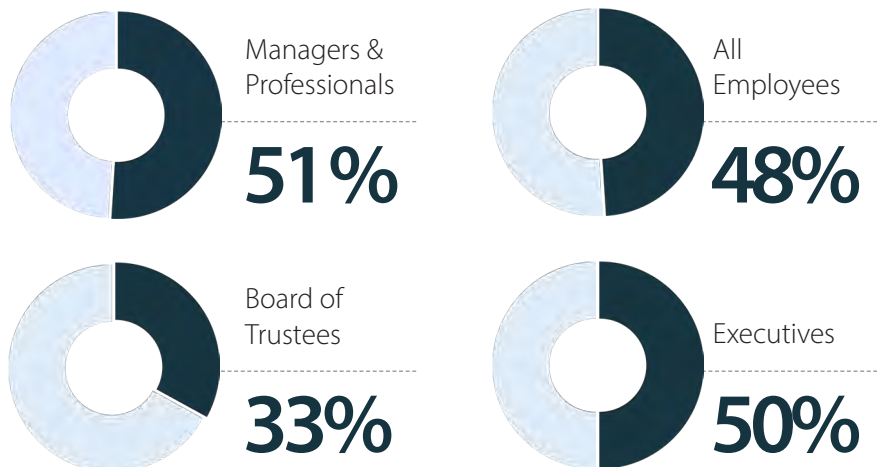
At Killam, we are dedicated to creating a work environment that is supportive and inclusive of all employees. We encourage our team members to reach their full potential and utilize their unique skills and abilities, thus maximizing the overall efficiency of our organization.

We understand and value the benefits of having a diverse workforce, such as enhancing our corporate culture, improving employee retention, gaining access to diverse perspectives and ideas, and utilizing the full range of available talent. As an equal opportunity employer, Killam ensures that all decisions related to recruitment, hiring, promotion, compensation, employee development, and other employment terms are made solely on the basis of merit and without any discrimination based on factors such as race, nationality or ethnic origin, color, religion, age, sex, sexual orientation, gender orientation, marital status, civil status, physical or mental disability, or any other protected grounds outlined in our Code of Business Conduct and Ethics and applicable human rights legislation.

Killam's Board recognizes the significance of gender diversity and is committed to the advancement of women on the Board and within Killam. The Board approved a formal Board Diversity and Inclusion Policy in January 2023, which targets a minimum of 30% women Trustees and a commitment to ensuring racial, ethnic or visible minority diversity on the Board by 2025-26. The Diversity and Inclusion Policy will be reviewed annually by the Governance and ESG Committee to ensure compliance with any regulatory requirements, and to assess the effectiveness of the policy and make recommendations to the Board for any appropriate changes.

The Board also considers the representation of such diversity in the selection of executives. Killam has a long history of promoting and hiring females in executive positions and intends to maintain a high level of representation, with a minimum target of 30% female representation, a target that Killam has exceeded for over 9 years. Currently 50%, or 5 of 10, of Killam's executive officers are female. The graph below illustrates female representation across Killam in various positions:

Killam's Gender Diversity % of Females



Killam's commitment to a diverse and inclusive workplace is also led internally through our employee-led D&I Committee, composed of a group of employees working along the management and human resources teams. This group is committed to the continuing development of Killam's diversity and inclusion programming and dedicated to supporting the organization in fostering a welcoming and inclusive work environment for all. This D&I Committee shares employee perspectives, identifies barriers to inclusivity, and helps communicate the successes of Killam's D&I program with all Killam employees.

Risk Management

[GRI 3-3]

Killam's risk management program ensures Management assesses the Trust's largest risks as well as stays informed on emerging issues. The safety of Killam's residents and staff is a top priority. Killam has a culture of risk reporting, with employees across the country reporting risk-related events through a cloud-based risk management software program. This reporting process ensures risk events are addressed quickly and provides the opportunity for risk mitigation initiatives in the future. Employee training ensures staff are prepared to handle building and tenant risk events if they happen. In addition, weekly and monthly property inspections by Killam's property management team identify and address risk mitigation.



On a quarterly basis, Killam's Risk Management Committee, including senior representatives from all departments, addresses initiatives to improve the safety and security of Killam's portfolio. Initiatives implemented in 2022 included enhanced process improvements for managing and monitoring contractor insurance certificates and building safety inspections, and the expanded delivery of flood loss kits. The flood loss kits are an in-house initiative rolled out in 2020 and include supplies to reduce the damage from water leaks. These kits have proven incredibly effective at reducing damage following a water event and are being distributed to more properties across the portfolio every year.



In 2022, Killam also welcomed five third-party building inspections from a risk professional, arranged by our insurance broker, to identify additional risk mitigation opportunities. The inspections confirmed Killam's best practices, and also provided valuable insight to further expand our program.

Management recognizes the impact climate change may have on its portfolio and recently initiated a program to identify properties at higher risk for extreme weather events and rising sea levels, and the cost to improve the resiliency of these properties. This process has resulted in increased capital investment to higher-risk properties, including upgrades to building envelopes and mechanical systems. Killam is already seeing the benefit of these investments as a defence against extreme weather events. These investments also improve the efficiency of our properties across the country.

Cyber Security

Killam is committed to protecting the security of its information systems and data against unauthorized access, use, and disclosure. We take a comprehensive approach to cyber security, leveraging industry best practices, security tools, and processes to secure our IT environment.

We have established a cyber security program that includes the implementation of policies and procedures, security awareness training, risk assessments, vulnerability testing, and incident response planning. Our cyber security program is regularly updated and reviewed to ensure that the highest standards of security are maintained.

We have taken steps to ensure that our IT environment and data are secure, including hardening our networks, monitoring for malicious activity, and ensuring that our systems are up-to-date. We also employ numerous controls to protect our sensitive information, including encryption, user authentication, access control, and secure data transfer protocols.

Further Information

For further information about Killam's sustainability program and performance, please refer to Killam's website at killamreit.com/esg.

For governance-related disclosures, please refer to Killam's website at killamreit.com/corporate-governance, and Killam's Management Information Circular and Annual Information Form is available on Sedar.com.

If you have any questions about this Report, please email:

Claire Hawksworth at chawksworth@killamreit.com



Reporting

Frameworks

[GRI 3-3]

Frontier, Ottawa, ON

Killam's ESG Performance Data

For the year ended December 31,

Portfolio	2022	2021	2020	Indicator
Apartments				
Number of apartment properties	231	221	206	IF-RE-000.A
Number of apartment units	19,527	18,685	17,048	IF-RE-000.A
Leasable floor area (SF)	21,040,603	18,937,922	17,595,296	IF-RE-000.B
Number of indirectly managed assets	-	-	1	IF-RE-000.C
Occupancy rate	98.3%	96.6%	96.5%	IF-RE-000.D
Manufactured Home Communities				
Number of MHC properties	40	39	39	IF-RE-000.A
Number of MHC sites	5,975	5,875	5,875	IF-RE-000.A
Acres of land	1,735	1,707	1,707	IF-RE-000.B
Number of indirectly managed assets	-	-	-	IF-RE-000.C
Occupancy rate	98.4%	98.3%	97.8%	IF-RE-000.D
Commercial				
Number of commercial properties	9	8	8	IF-RE-000.A
Leasable floor area (SF)	946,372	941,372	749,661	IF-RE-000.B
Number of indirectly managed assets	-	-	1	IF-RE-000.C
Occupancy rate	93.0%	90.6%	91.0%	IF-RE-000.D

Killam's ESG Performance Data

For the year ended December 31,

Environmental Performance	2022	2021	2020	Indicator
Energy				
Energy consumption data coverage as a percentage of total floor area, by property subsector	100%	100%	100%	IF-RE-130a.1
Consumption from non-renewable resources (MWh)				
Energy consumption	197,061	185,125	188,818	IF-RE-130a.2 and GRI 302-1
Natural gas, oil, propane, petrol and steam consumption	170,974	145,824	156,555	IF-RE-130a.2 and GRI 302-1
Total	368,035	330,949	345,373	IF-RE-130a.2 and GRI 302-1
Total energy generated from renewable consumption (MWh)	2,866	1,330	7	IF-RE-130a.2
Percentage grid electricity	99.221%	99.947%	99.998%	IF-RE-130a.2
Percentage renewable	0.779%	0.403%	0.002%	IF-RE-130a.2
Like-for-like percentage change in energy consumption ⁽¹⁾	1.66%	(5.6)%	(1.0)%	IF-RE-130a.3
Percentage of tenants that are separately metered or submetered for grid electricity consumption	89.5%	86.4%	85.9%	IF-RE-410a.2
Greenhouse Gas Emissions				
Gross direct (Scope 1) GHG emissions (tCO ₂ e)	31,267	26,608	29,194	GRI 305-1 and TCFD 10
Gross direct (Scope 2) GHG emissions (tCO ₂ e) ⁽²⁾	19,762	18,657	18,168	GRI 305-2 and TCFD 10
Gross direct (Scope 3) GHG emissions (tCO ₂ e) ⁽²⁾	49,357	46,870	49,370	TCFD 10
GHG intensity ratio (tCO ₂ e/sf) ⁽³⁾	3.57	3.50	3.83	GRI 302-3 and 305-4
Water				
Water withdrawal data coverage as a percentage of total floor area	96.1%	95.5%	95.2%	IF-RE-140a.1
Water withdrawal data coverage as a percentage of floor area in regions with High or Extremely High Baseline Water Stress	100%	100%	100%	IF-RE-140a.1
Total water withdrawn (m ³)	2,330,190	2,139,573	2,031,768	GRI 303-5 and IF-RE-140a.2
Percentage of total water withdrawn in regions with High or Extremely High Baseline Water Stress	15.7%	13.1%	10.4%	IF-RE-140a.2
Like-for-like percentage change in water withdrawn for portfolio area with data coverage	(1.4)%	0.6%	3.5%	IF-RE-140a.3
Percentage of tenants that are separately metered or submetered for water withdrawal	4.8%	2.3%	2.3%	IF-RE-410a.2

(1) Killam's like-for-like change in energy consumption is impacted as increased building data becomes available, thereby reducing estimation required and affecting reported consumption levels year-over-year.

(2) To better align with the guidance set out in the greenhouse gas protocol, Killam made changes to the 2021 allocation of Scope 2 and Scope 3 emissions for tenant managed emissions.

(3) Killam's GHG intensity ratio was restated for 2020 and 2021 to reflect emissions per Gross Floor Area, rather than the previous base factor of Gross Leasable Area. We believe this unit of measure is the best representation of our portfolio's intensity ratio.

Killam's ESG Performance Data

For the year ended December 31,

Social Performance	2022	2021	2020	Indicator
Gender Representation				
Board of Directors				GRI 2-7 and 405-1
Female	33%	30%	30%	
Male	67%	70%	70%	
Senior Management ⁽¹⁾				
Female	50%	55%	55%	
Male	50%	45%	45%	
Overall Employees ⁽²⁾				
Female	48%	50%	48%	
Male	50%	48%	51%	
Non-binary ⁽³⁾	2%	2%	1%	
Permanent Employees				
Female	335 (48%)	330 (50%)	292 (48%)	
Male	346 (50%)	313 (48%)	313 (51%)	
Non-binary	11 (2%)	13 (2%)	6 (1%)	
Temporary Employees				
Female	11 (48%)	10 (40%)	24 (56%)	
Male	12 (52%)	15 (60%)	19 (44%)	
Non-binary	0%	-(0%)	-	
Full-time Employees				
Female	276 (48%)	270 (50%)	228 (48%)	
Male	291 (50%)	261 (49%)	239 (51%)	
Non-binary	10 (2%)	8 (1%)	6 (1%)	
Part-time Employees				
Female	60 (52%)	71 (50%)	88 (49%)	
Male	55 (47%)	66 (46%)	93 (51%)	
Non-binary	1 (1%)	5 (4%)	-	

Killam's ESG Performance Data

For the year ended December 31,

Social Performance	2022	2021	2020	Indicator
Diversity Representation⁽⁴⁾				
Self-identified BIPOC	16%	16%	11%	GRI 405-1
Persons with a disability	9%	9%	6%	
LGBTQ2+	9%	9%	6%	
Age Representation				
Senior Management				GRI 405-1
Under 30 years old	-%	-%	-%	
30-50 years old	30%	45%	50%	
Over 50	70%	55%	50%	
Overall Employees⁽²⁾				
Under 30 years old	12%	13%	13%	
30-50 years old	31%	30%	36%	
Over 50	57%	57%	51%	

(1) Includes Killam's C-suite, Executive Vice President, Senior Vice Presidents and Vice Presidents.

(2) Total employee count as at December 31 (2022 - 715; 2021 - 681; 2020 - 654).

(3) Non-binary includes employees who do not identify as male or female.

(4) Killam completes an employee diversity survey bi-annually, which was last completed in 2021.

Killam's ESG Performance Data

For the year ended December 31,

Social Performance	2022	2021	2020	Indicator
Employee Hires				
Total Employee Hires				GRI 401-1
As a percentage of total employees	24%	26%	19%	
Number of people	165	177	121	
Employee hires by age group				
Under 30 years old	36 (22%)	30 (17%)	33 (25%)	
30-50 years old	65 (39%)	69 (39%)	53 (40%)	
Over 50	64 (39%)	78 (44%)	46 (35%)	
Employee hires by gender				
Female	75 (45%)	87 (49%)	64 (48%)	
Male	82 (50%)	88 (50%)	67 (51%)	
Non-binary	8 (5%)	2 (1%)	1 (1%)	
Employee Turnover				
Total Employee Turnover				GRI 401-1
As a percentage of total employees	20%	30%	22%	
Number of people	151	201	145	
Employee turnover by age group				
Under 30 years old	30 (20%)	28 (14%)	27 (19%)	
30-50 years old	65 (43%)	89 (44%)	59 (41%)	
Over 50	56 (37%)	84 (42%)	59 (40%)	
Employee turnover by gender				
Female	77 (51%)	97 (48%)	73 (50%)	
Male	68 (45%)	101 (50%)	71 (49%)	
Non-binary	6 (4%)	3 (2%)	1 (1%)	

Killam's ESG Performance Data

For the year ended December 31,

Social Performance	2022	2021	2020	Indicator
Gender Pay Ratio (Base Salary Female/Male) (%)				
All Employees (%)	91%	92%	See note 4	GRI 405-1
Administrative Employees (%)	107%	110%		
Leasing Employees (%)	104%	97%		
Maintenance Employees (%)	91%	98%		
Manager and Senior Manager Employees (%)	91%	89%		
Executive Employees (%) ⁽¹⁾	82%	70%		
Professional Employees (%)	104%	80%		
Property-level Employees (%)	75%	102%		
Employee Training				
Average hours of training by gender ⁽²⁾				GRI 404-1
Female	4	5	4	
Male	4	5	4	
Non-binary ⁽³⁾	4	5	6	
Average hours				
Senior Management ⁽³⁾	7	6	8	
Resident Managers	5	5	4	
Maintenance Staff	5	3	5	
Other	4	4	3	
Average hours of training per employee	5	5	4	
Performance Reviews				
Employees receiving regular performance reviews				GRI 404-3
Female	92%	90%	90%	
Male	93%	91%	90%	
Non-binary	100%	100%	100%	
Senior Management	100%	82%	11%	
Resident Managers	92%	96%	94%	
Maintenance Staff	89%	92%	88%	
All Other Employees	92%	90%	85%	
Overall Employees	92%	96%	88%	

(1) Includes Killam's C-suite, Executive Vice President, Senior Vice Presidents and Vice Presidents.

(2) Average training hours are calculated using the total employee count.

(3) Non-binary includes employees who do not identify as male or female.

(4) Killam commenced disclosing Gender Pay Ratio in 2021. No disclosure available for 2020.

Killam's ESG Performance Data

For the year ended December 31,

Social Performance	2022	2021	2020	Indicator
Resident Health, Safety and Satisfaction				
Resident satisfaction score (%)	87%	87%	87%	
Portfolio assets for which health and safety impacts are assessed for improvement	100%	100%	100%	GRI 416-1
Employees by Region⁽¹⁾				
Full Time Employees				GRI 2-7
Halifax	226	206	209	
Moncton	64	58	49	
Fredericton	48	43	34	
Saint John	36	33	34	
Ottawa	32	22	25	
Southwest Ontario	71	71	52	
Prince Edward Island	33	28	26	
Newfoundland	26	25	22	
Alberta	32	24	22	
BC	9	5	2	
Part Time/Temporary Employees				
Halifax	38	54	62	
Moncton	29	32	33	
Fredericton	8	10	16	
Saint John	6	7	7	
Ottawa	6	5	6	
Southwest Ontario	13	15	14	
Prince Edward Island	28	32	27	
Newfoundland	6	6	10	
Alberta	2	3	2	
BC	2	2	2	
Total	715	681	654	

(1) Total employee count as at December 31 (2022 - 715; 2021 - 681; 2020 - 654).

Killam's ESG Performance Data

For the year ended December 31,

Governance Performance	2022	2021	2020	Indicator
Board Governance				
Board oversight on ESG Strategy	Yes	Yes	Yes	GRI 2-9
Executive-level responsibility on ESG strategy and performance				
President and Chief Executive Officer	Yes	Yes	Yes	GRI 2-13
Chief Financial Officer	Yes	Yes	Yes	GRI 2-13
Reporting level of Executives for ESG strategy and performance	Board of Trustees	Board of Trustees	Board of Trustees	GRI 2-13
Board Composition				
Independent Non-executive Trustees	100%	100%	90%	GRI 2-9
Non-independent Non-executive Trustees	0%	0%	10%	GRI 2-9
Self-identified female/male	33% / 66%	30% / 70%	30% / 70%	GRI 2-9

GRI 1: Foundation 2021

Disclosures	Description	Response
Content Index		
	ii. Statement of Use	Killam Apartment REIT has reported in accordance with the GRI Standards for the period January 1, 2022 - December 31, 2022.
	iii. Title of the GRI used	GRI 1: Foundation 2021.
	iv. GRI Sector Standards(s) that apply to the organizations sector(s)	Not applicable – the real estate sector guidance not released at time of publication.

GRI 2: General Disclosures

Disclosures	Description	Response
The Organization and its Reporting Practices		
2-1	a. Legal name of the organization	Killam Apartment REIT (Killam)
	b. Ownership and Legal form	Killam is an open-ended real estate investment trust (“REIT”) formed under the laws of the Province of Ontario pursuant to an amended and restated declaration of trust dated November 27, 2015 (the “Declaration of Trust”). The Declaration of Trust is available on SEDAR at www.sedar.com .
	c. Location of Headquarters	3700 Kempt Rd., Suite 100 Halifax, Nova Scotia B3K 4X8
	d. Location of Operations	Killam’s operations are within Canada. For details on Killam’s specific operating regions, see pg. 6
2-2	a. List of all its entities included in its sustainability reporting	Killam Apartment REIT and its principal subsidiaries as listed on page 4 of Killam’s Annual Information Form on www.sedar.com
	b. if the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting	Sustainability reporting is consistent with financial reporting unless otherwise noted.
	c. if the organization consists of multiple entities, explain the approach used for consolidating the information, including: <ul style="list-style-type: none"> i. whether the approach involves adjustments to information for minority interests ii. how the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities iii. whether and how the approach differs across the disclosures in this Standard and across material topics 	The consolidated financial statements comprise the assets and liabilities of all subsidiaries and the results of all subsidiaries for the financial year. Killam and its subsidiaries are collectively referred to as Killam in these consolidated financial statements. Noncontrolling interest represents the portion of profit or loss and net assets not held by Killam and is presented separately in the consolidated statements of income and comprehensive income and within equity in the consolidated statements of financial position, separately from unitholders’ equity. Subsidiaries are entities controlled by Killam. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by Killam.

GRI 2: General Disclosures

Disclosures	Description	Response
The Organization and its Reporting Practices		
2-3	a. Reporting period, and frequency of sustainability reporting	January 1, 2022 to December 31, 2022, annual reporting
	b. Reporting Period for financial reporting, if it does not align with sustainability reporting and explain why	The financial reporting period is the calendar year (January 1 to December 31 of each year). This aligns with the sustainability reporting period.
	c. Publication date of the report	June 6, 2023
	d. Specify the contact point for questions regarding reported information	Claire Hawksworth, Manager, Investor Relations & Sustainability chawksworth@killamreit.com
2-4	a. report restatements of information made from previous reporting periods and explain: i. the reasons for the restatements; ii. the effect of the restatements.	No material restatements.
2-5	a. describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved	Killam's Management was responsible for preparing Killam's 2022 ESG Report, and for maintaining effective internal control over the data and information disclosed. Various internal reviews were undertaken to ensure the accuracy and completeness of the information and data disclosed in this report. Killam's 2021 GHG Inventory was independently verified by Green Check.
	b. if the organization's sustainability reporting has been externally assured: i. provide a link or reference to the external assurance report(s) or assurance statement(s) ii. describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process iii. describe the relationship between the organization and the assurance provider	Killam's Management was responsible for preparing Killam's 2022 ESG Report, and for maintaining effective internal control over the data and information disclosed. Various internal reviews were undertaken to ensure the accuracy and completeness of the information and data disclosed in this report. The 2022 energy and GHG data included in this report has been externally verified by Green Check (Risk Check Inc.) using ISO 14064 - Part 3. Green Check (Risk Check Inc.) is a third-party consultancy and is not involved in the collection of data.

GRI 2: General Disclosures

Disclosures	Description	Response
Activities and Workers		
2-6	a. report the sector(s) in which it is active	Real Estate
	b. describe its value chain, including: i. the organization's activities, products, services, and markets served ii. the organization's supply chain iii. the entities downstream from the organization and their activities	i. Killam is a growth-oriented Canadian real estate investment trust owning, operating and developing apartments, commercial properties, and manufactured home communities. Killam owns a \$4.9 billion real estate portfolio, located in Atlantic Canada, Ontario, Alberta and British Columbia. ii. Supply Chain Responsibility, p. 43. iii. About Killam and Killam's Strategy, pp. 6-8
	c. report other relevant business relationships	Killam has joint-venture partners in six properties, one development project, and land for future development.
	d. describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.	Killam acquired 9 properties in 2022, totaling \$118.5 million. Our core operational and development activities did not change in 2022.

A. Total number of employees by gender and region:

	Female	Male	Not Specified	Total
Alberta	22	11	1	34
British Columbia	9	1	1	11
Fredericton	27	28	1	56
Halifax	130	132	2	264
Moncton	44	45	4	93
Newfoundland	11	21	0	32
Ottawa	16	21	1	38
PEI	26	35	0	61
Saint John	19	22	0	41
Southwest Ontario	42	42	1	85
Total	346	358	11	715

2-7 a. report the total number of employees, and a breakdown of this total by gender and by region

GRI 2: General Disclosures

Disclosures Description

Response

Activities and Workers

- 2-7
- b. report the total number of:
- i. permanent employees, and a breakdown by gender and by region;
 - ii. temporary employees, and a breakdown by gender and by region;
 - iii. non-guaranteed hours employees, and a breakdown by gender and by region;
 - iv. full-time employees, and a breakdown by gender and by region;
 - v. part-time employees, and a breakdown by gender and by region;

Part Time	Female	Male	Not Specified	Total
Alberta	1	0	0	1
British Columbia	2	0	0	2
Fredericton	4	2	0	6
Halifax	19	13	0	32
Moncton	10	15	1	26
Newfoundland	4	2	0	6
Ottawa	1	4	0	5
PEI	14	14	0	28
Saint John	3	2	0	5
Southwest Ontario	2	3	0	5
Total	60	55	1	116

Full Time	Female	Male	Not Specified	Total
Alberta	20	11	1	32
British Columbia	7	1	1	9
Fredericton	22	25	1	48
Halifax	110	114	2	226
Moncton	32	29	3	64
Newfoundland	7	19	0	26
Ottawa	14	17	1	32
PEI	12	21	0	33
Saint John	15	20	0	35
Southwest Ontario	36	34	1	71
Total	275	291	10	576

Temporary Employees	Female	Male	Not Specified	Total
Alberta	1	0	0	1
British Columbia	0	0	0	0
Fredericton	1	0	0	1
Halifax	0	4	0	4
Moncton	2	0	0	2
Newfoundland	0	0	0	0
Ottawa	1	0	0	1
PEI	0	0	0	0
Saint John	1	0	0	1
Southwest Ontario	4	5	0	9
Total	10	9	0	19

GRI 2: General Disclosures

Disclosures	Description	Response
Activities and Workers		
2-7	c. describe the methodologies and assumptions used to compile the data, including whether the numbers are reported: in head count, full-time equivalent (FTE), or using another methodology at the end of the reporting period, as an average across the reporting period, or using another methodology	All employees are reported in headcount at the end of the reporting period.
	d. report contextual information necessary to understand the data reported under 2-7-a and 2-7-b	This data was compiled using a headcount report from our payroll and HR software ADP.
	e. describe significant fluctuations in the number of employees during the reporting period and between reporting periods	Temporary numbers go up slightly in the summer with seasonal workers joining us on a four-month contract at our seasonal manufactured home community resorts, typically from May to August.
2-8	a. report the total number of workers who are not employees and whose work is controlled by the organization and describe: i. the most common types of worker and their contractual relationship with the organization ii. the type of work they perform	Killam has less than 10 workers at any time who are not employees. Such workers are typically engaged for short-term hiring needs.
	b. describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: i. in head count, full-time equivalent (FTE), or using another methodology ii. at the end of the reporting period, as an average across the reporting period, or using another methodology	Data was collected through collaboration with Killam's HR department. The number of workers is reported in full-time equivalent (40 hrs per week). Due to the nature and turnover of short-term contracts, we excluded any contractors who were not employed on an ongoing basis throughout 2022 (e.g., plumbers if there is a flood at a building).
	c. describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods	None.

GRI 2: General Disclosures

Disclosures	Description	Response
Governance		
	a. describe its governance structure, including committees of the highest governance body	Board Composition, p. 46. ESG Data table, p. 57. Please also refer to Killam's 2023 Management Information Circular, Governance Practices on p. 51 and Committees on p. 68. https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf
	b. list the committees of the highest governance body that are responsible for decision-making on and overseeing the management of the organization's impacts on the economy, environment, and people	Governance, p. 30. Board Composition, p. 46. ESG Data table, p. 57. Please also refer to Killam's 2023 Management Information Circular, Governance Practices on p. 51 and Committees on p. 68. https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf
2-9	c. describe the composition of the highest governance body and its committees by: i. executive and non-executive members ii. independence iii. tenure of members on the governance body iv. number of other significant positions and commitments held by each member, and the nature of the commitments; v. gender vi. under-represented social groups vii. competencies relevant to the impacts of the organization viii. stakeholder representation	Please refer to Killam's 2023 Management Information Circular, Election of Trustees on pp. 12-21 and Committees on p. 68. https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf
	a. describe the nomination and selection processes for the highest governance body and its committees	Please refer to Killam's 2023 Management Information Circular, Nomination of Trustees on p. 55 and Trustee Tenure and Board Renewal on p. 56. https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf
2-10	b. describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: i. views of stakeholders (including shareholders) ii. diversity iii. independence iv. competencies relevant to the impacts of the organization	Please refer to Killam's 2023 Management Information Circular, Nomination of Trustees on p. 55. https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf

GRI 2: General Disclosures

Disclosures	Description	Response
Governance		
2-11	a. report whether the chair of the highest governance body is also a senior executive in the organization	Killam has an independent and non-executive Chair of the Board. Killam believes that separating the position of Chair of the Board and the position of President and CEO is key to effectively providing independent Board oversight.
	b. if the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	Not applicable.
2-12	a. describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development	Please refer to Killam's 2023 Management Information Circular, Board of Trustees' Mandate on p. 52. https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf
	b. describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including: i. whether and how the highest governance body engages with stakeholders to support these processes ii. how the highest governance body considers the outcomes of these processes	Please refer to Killam's 2023 Management Information Circular, Position Descriptions on p. 53, and Killam's Commitment to ESG on p. 65. https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf
	c. describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review	

GRI 2: General Disclosures

Disclosures	Description	Response
Governance		
2-13	<p>a. describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including:</p> <p>i. whether it has appointed any senior executives with responsibility for the management of impacts;</p> <p>ii. whether it has delegated responsibility for the management of impacts to other employees;</p> <hr/> <p>b. describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people</p>	<p>Governance, p. 30. Board Composition, p. 46.</p> <p>Please also refer to Killam's 2023 Management Information Circular, Killam's Commitment to ESG on pp. 64-65.</p>
2-14	<p>a. report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information</p> <hr/> <p>b. if the highest governance body is not responsible for reviewing and approving the reported information, including the organization's material topics, explain the reason for this</p>	<p>https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf</p>
2-15	<p>a. describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated</p> <hr/> <p>b. report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to:</p> <p>i. cross-board membership</p> <p>ii. cross-shareholding with suppliers and other stakeholders</p> <p>iii. existence of controlling shareholders</p>	<p>Please refer to Killam's 2023 Management Information Circular, Ethical Business Conduct on pp. 60-62.</p> <p>https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf</p> <p>i. Cross-board membership is reported to unitholders annually in Killam's Management Information Circular.</p> <p>ii. There is no cross-shareholding to report.</p> <p>iii. The existence of controlling unitholders, if any, is reported to unitholders no less than annually in Killam's Management Information Circular.</p> <p>iv. Material related party transactions, including outstanding balances, are reported to unitholders in the notes to the financial statements for each quarterly and annual period.</p>

GRI 2: General Disclosures

Disclosures	Description	Response
Governance		
2-16	a. describe whether and how critical concerns are communicated to the highest governance body	Unitholders, employees and other interested parties may communicate directly with the Board through the Chair of the Board of Trustees by mail, as instructed annually in Killam's Management Information Circular. Senior executives provide, at a minimum, quarterly updates to the Board on any concerns that are elevated from our employees. Additionally, through Killam's Whistleblower program, persons can complete a confidential online form, accessible on our corporate website, to report any harmful activity that they may have witnessed.
	b. report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period	There were no critical concerns communicated to the Board during the reporting period.
2-17	a. report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development	Please refer to Killam's 2023 Management Information Circular, Continuing Education on pp. 58-59 and Killam's Commitment to ESG on p. 65. https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf
2-18	a. describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people	The Board is responsible for monitoring Killam's ESG strategy and evaluates the overall ESG performance of our organization through third-party assessments and frameworks that evaluate Killam's impacts on the economy, environment and/or people. The Board reviews the assessment scores from Glass Lewis, ISS, Board Games, GRESB, our Resident Engagement Survey and Employee Engagement Survey, at least annually.
	b. report whether the evaluations are independent or not, and the frequency of the evaluations	In consultation with Senior Management of Killam, the Chair of the Governance and ESG Committee developed an annual assessment questionnaire for completion by the Trustees to assist in reviewing performance of the Trustees against their mandate and other criteria.
	c. describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices	All mandates were updated and approved to reaffirm the responsibilities of the Board and each of the committees. Additionally, educational sessions are held annually with the Board members regarding Killam, the real estate industry, and relevant ESG topics.
2-19	a. describe the remuneration policies for members of the highest governance body and senior executives, including: i. fixed pay and variable pay ii. sign-on bonuses or recruitment incentive payments iii. termination payments iv. clawbacks v. retirement benefits	Please refer to Killam's 2023 Management Information Circular, Trustee Compensation on pp. 22-24 and Executive Compensation Philosophy and Strategy on pp. 25-47. https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf
	b. describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people	

GRI 2: General Disclosures

Disclosures	Description	Response
Governance		
2-20	<p>a. describe the process for designing its remuneration policies and for determining remuneration, including:</p> <p>i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration</p> <p>ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration</p> <p>iii. whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives</p>	<p>Please refer to Killam's 2023 Management Information Circular, Trustee Compensation on pp. 22-24 and Executive Compensation Philosophy and Strategy on pp. 25-47.</p> <p>https://killamreit.com//sites/default/files/financial_reports/Killam%20Info%20Circular%202023.pdf</p>
	<p>b. report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable</p>	<p>Killam issued a press release and discloses the voting results of the Say-on-Pay resolution, and any unitholder proposals, if applicable, as a part of its report on voting results for each annual meeting of unitholders. Killam also discloses the results of the Say-on-Pay resolution in the management information circular for the following year's annual meeting of unitholders. At the 2022 annual meeting of unitholders, 92.55% of the proxies received voted "For" the Say-on-Pay resolution.</p>
2-21	<p>a. report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual)</p>	<p>Ratio is 16:1</p> <ul style="list-style-type: none"> • Total Compensation for Highest Paid Employee (CEO): \$690,000 • Median Total Compensation (excluding the CEO): \$42,848
	<p>b. report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)</p>	<p>Ratio is 0.5:1</p> <ul style="list-style-type: none"> • CEO annual total compensation increased by 1.5% in 2022 • Median % increase: 3%
	<p>c. report contextual information necessary to understand the data and how the data has been compiled</p>	<p>Total Compensation contemplates base salary only. Does not account for variable compensation.</p>

GRI 2: General Disclosures

Disclosures	Description	Response
Strategy, Policies and Practices		
2-22	a. report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development	Letter from the President & CEO, pp. 4-5.
	a. describe its policy commitments for responsible business conduct, including: i. the authoritative intergovernmental instruments that the commitments reference ii. whether the commitments stipulate conducting due diligence iii. whether the commitments stipulate applying the precautionary principle iv. whether the commitments stipulate respecting human rights	Please refer to Killam's Code of Conduct Policy, which can be found on our corporate website: https://killamreit.com/sites/default/files/Financial%20Reports/Governance/Code%20of%20Conduct%202023.pdf Killam does not currently use the Precautionary Principal to protect against environmental degradation. The SASB and TCFD indexes below reference further discussions on Killam's climate change risk management practices.
2-23	b. describe its specific policy commitment to respect human rights, including: i. the internationally recognized human rights that the commitment covers ii. the categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment	Killam is committed to meeting or exceeding human rights laws under applicable Canadian law, including the Canadian Human Rights Act, the Canada Labour Code and the Fair Wages and Hours of Labour Act. Killam is also committed to meeting or exceeding human rights laws within the jurisdictional areas in which we own and operate.
	c. provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this	Killam's Code of Conduct Policy can be found on our corporate website: https://killamreit.com/sites/default/files/Financial%20Reports/Governance/Code%20of%20Conduct%202023.pdf
	d. report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level	The Board of Trustees, which is the most senior level of the organization, has approved and adopted the Code of Business Conduct.
	e. report the extent to which the policy commitments apply to the organization's activities and to its business relationships	All of Killam's business activities are guided by our Code of Business Conduct.
	f. describe how the policy commitments are communicated to workers, business partners, and other relevant parties	All employees must review and certify compliance with our Code of Business Conduct annually.

GRI 2: General Disclosures

Disclosures	Description	Response
Strategy, Policies and Practices		
2-24	<p>a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including:</p> <p>i. how it allocates responsibility to implement the commitments across different levels within the organization</p> <p>ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures</p> <p>iii. how it implements its commitments with and through its business relationships</p> <p>iv. training that the organization provides on implementing the commitments</p>	<p>The Code of Conduct is embedded within our hiring process, and employees certify compliance with it annually. All policies developed are anchored in our Code of Business Conduct.</p>
2-25	<p>a. describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to</p> <hr/> <p>b. describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in</p> <hr/> <p>c. describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to</p> <hr/> <p>d. describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms</p> <hr/> <p>e. describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback</p>	<p>Killam does not have a formal organizational remediation process, but we are committed to properly remedy negative impacts that our business operations may cause or contribute to in accordance with the laws of Canada and the provinces in which we operate.</p>

GRI 2: General Disclosures

Disclosures	Description	Response
Strategy, Policies and Practices		
2-26	a. describe the mechanisms for individuals to: i. seek advice on implementing the organization's policies and practices for responsible business conduct ii. raise concerns about the organization's business conduct	Killam has a formal Whistleblower Policy in place, accesible on our corporate website: https://killamreit.com/sites/default/files/Financial%20Reports/Governance/Whistleblower-Policy-2023.pdf . Killam also has an open-door culture and encourages employees to raise any concerns through Management. Killam's leadership team is committed to attending regular site visits to ensure face time and encourages any site-specific concerns to be raised during these visits.
2-27	a. report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by: i. instances for which fines were incurred ii. instances for which non-monetary sanctions were incurred <hr/> b. report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods <hr/> c. describe the significant instances of non-compliance <hr/> d. describe how it has determined significant instances of non-compliance.	No fines for instances of non-compliance with laws and regulations noted in the current or previous reporting periods.

GRI 2: General Disclosures

Disclosures	Description	Response
Strategy, Policies and Practices		
2-28	a. report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role	Canadian Camping and RV Council (CCRVC) Federation of Rental Housing Providers in Ontario (FRPO) Investment Property Owners Association of Nova Scotia (IPOANS) Manufactured Home Association of Atlantic Canada (MHAAC) New Brunswick Apartment Owners Association (NBAOA) Real Property Association of Canada (REALPAC) Residential Rental Apartment Prince Edward Island (RRAP)
Stakeholder Engagement		
2-29	a. describe its approach to engaging with stakeholders, including: i. the categories of stakeholders it engages with, and how they are identified, ii. the purpose of the stakeholder engagement, iii. how the organization seeks to ensure meaningful engagement with stakeholders	Stakeholder Engagement, p. 15
2-30	a. report the percentage of total employees covered by collective bargaining agreements	Non-unionized; 0%
	b. for employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations	Not applicable

GRI 3: Material Topics

Disclosures	Description	Response
Strategy, Policies and Practices		
3-1	<p>a. describe the process it has followed to determine its material topics, including:</p> <p>i. how it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships,</p> <p>ii. how it has prioritized the impacts for reporting based on their significance</p> <hr/> <p>b. specify the stakeholders and experts whose views have informed the process of determining its material topics</p>	ESG Methodology, p. 16 and Materiality Assessment, p. 17
3-2	<p>a. list its material topics</p> <hr/> <p>b. report changes to the list of material topics compared to the previous reporting period</p>	<p>Killam’s material topics addressed in this report include Board Composition and Governance, Regulatory Compliance, Data and Cyber Security, Ethics, Health Wellbeing and Safety, Employee Engagement, Training and Development, Greenhouse Gas Emissions, Resident Satisfaction, Sustainable Development Design and Product Quality, Energy Management, Water Management, Waste Management, Insurance and Risk Management, Diversity and Inclusion, Risk of Climate Change, Affordability, Community Impact and Supply Chain Responsibility. Please also refer to Materiality Assessment, p. 17</p> <hr/> <p>Changes in 2022 include:</p> <ul style="list-style-type: none"> - Separating “Energy, Water and Waste Management” into three stand-alone topics under Environmental - Adding “Affordability” as a topic under Social - Removing “Sustainable Communities” from Environmental - Adding “Community Impact” under Social

GRI 3: Material Topics

Disclosures	Description	Response
3-3	Strategy, Policies and Practices	
	<p>a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights</p> <hr/> <p>b. report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships</p> <hr/> <p>c. describe its policies or commitments regarding the material topic</p> <hr/> <p>d. describe actions taken to manage the topic and related impacts, including:</p> <p>i. actions to prevent or mitigate potential negative impacts</p> <p>ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation</p> <p>iii. actions to manage actual and potential positive impacts</p> <hr/> <p>e. report the following information about tracking the effectiveness of the actions taken:</p> <p>i. processes used to track the effectiveness of the actions</p> <p>ii. goals, targets, and indicators used to evaluate progress</p> <p>iii. the effectiveness of the actions, including progress toward the goals and targets</p> <p>iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures</p>	<p>Board Composition and Governance, p. 30 and p. 46</p> <p>Regulatory Compliance, p. 46</p> <p>Data and Cyber Security, p. 48</p> <p>Ethics, p. 45</p> <p>Health, Wellbeing and Safety, p. 43</p> <p>Employee Engagement, p. 36</p> <p>Training and Development, p. 37</p> <p>Greenhouse Gas Emissions, p. 26</p> <p>Resident Satisfaction, p. 40</p> <p>Sustainable Development Design and Product Quality, p. 19</p> <p>Energy Management, p. 19</p> <p>Water Management, p. 33</p> <p>Waste Management, p. 34</p> <p>Insurance and Risk Management, p. 48</p> <p>Diversity and Inclusion, p. 47</p> <p>Risk of Climate Change, p. 28</p> <p>Affordability, p. 42</p> <p>Community Impact, p. 41</p> <p>Supply Chain Responsibility, p. 43</p> <p>Please also refer to Materiality Assessment, p. 17</p>

Global Reporting Initiative Content Index

GRI 300-400: Topic Disclosures

Indicator	Description	Explanation / Section
201: Economic Performance 2016		
3-3	Management of material topics	Strategy, p. 6
201-1	Direct economic value generated and distributed	2022 Annual Report: Financial and Operational Highlights, p. 28 and Distribution Reinvestment Plan and Net Distributions Paid, p. 67
201-2	Financial implications and other risks and opportunities due to climate change	Climate Risks & Opportunities, p. 28
302: Energy 2016		
3-3	Management of material topics	Energy Management, pp. 18-25 and Greenhouse Gas Emissions, p. 26
302-1	Energy consumption within the organization	ESG Data table, p. 51
302-3	Energy intensity	ESG Data table, p. 51
303: Water and Effluents 2018		
3-3	Management of material topics	Water Management, p. 33
303-1	Interactions with water as a shared resource	Water Management, p. 33
303-5	Water consumption	ESG Data table, p. 51
305: Emissions 2016		
3-3	Management of material topics	Greenhouse Gas Emissions, p. 26
305-1	Direct (Scope 1) GHG emissions	ESG Data table, p. 51
305-2	Energy indirect (Scope 2) GHG emissions	ESG Data table, p. 51
305-4	GHG emissions intensity	ESG Data table, p. 51
401: Employment 2016		
3-3	Management of material topics	Employees, pp. 36-39
401-1	New employee hire and employee turnover	ESG Data table, p. 54

Global Reporting Initiative Content Index

GRI 300-400: Topic Disclosures

Indicator	Description	Explanation / Section
404: Training and Education 2016		
3-3	Management of material topics	Training and Development, p. 37
404-1	Average hours of training per year per employee	ESG Data table, p. 55
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development, p. 37
404-3	Percentage of employees receiving regular performance and career development reviews	ESG Data table, p. 55
405: Diversity and Equal Opportunity 2016		
3-3	Management of material topics	Diversity and Inclusion, p. 37 & p. 47
405-1	Diversity of governance bodies and employees	ESG Data table, pp. 52-53
416: Resident Health and Safety 2016		
3-3	Management of material topics	Residents, p. 40
416-1	Assessment of health and safety impacts of product and service categories	ESG Data table, p. 56

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Indicator	Description	Explanation / Section
Energy Management		
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	ESG Data table, p. 51
IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	ESG Data table, p. 51
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	ESG Data table, p. 51
IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	0.4% of Killam's portfolio has an energy rating, and 0% is certified to Energy Star.
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Energy Management, pp. 19-25
Water Management		
IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	ESG Data table, p. 51
IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	ESG Data table, p. 51
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	ESG Data table, p. 51
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water Management, p. 33

SASB Index

Indicator	Description	Explanation / Section
Management of Tenant Sustainability Impacts		
IF-RE-410a.1	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area, by property subsector	0% of Killam's new leases contain a cost recovery clause for efficiency related capital improvements.
IF-RE-410a.2	Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	ESG Data table, p. 51
IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Energy Management, pp. 19-25 Water Management, p. 33 Waste Management, p. 34 Sustainable Communities, p. 19
Climate Change Adaptation		
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	Killam does not currently disclose this data.
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Climate Change, p. 27
Activity Metrics		
IF-RE-000.A	Number of assets, by property subsector	Refer to p. 50 for number of assets, by property subsector.
IF-RE-000.B	Leasable floor area, by property subsector	Refer to p. 50 for leaseable floor area, by property subsector.
IF-RE-000.C	Percentage of indirectly managed assets, by property subsector	Refer to p. 50 for percentage of indirectly managed assets, by property subsector.
IF-RE-000.D	Average occupancy rate, by property subsector	Refer to p. 50 for average occupancy rate, by property subsector.

TCFD Index

Indicator	Description	Explanation / Section
Governance		
1	Describe the board’s oversight of climate-related risks and opportunities.	Governance, p. 30 and Board Composition, p. 46
2	Describe management’s role in assessing and managing climate-related risks and opportunities.	Governance, p. 30
Strategy		
3	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Climate Risks & Opportunities, pp. 28-29
4	Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	ESG Methodology, p. 16 and Climate Change, pp. 28-32
5	Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Killam is actively working towards reducing GHG emissions and is establishing a long-term plan to move to net-zero carbon emissions. Refer to Greenhouse Gas Emissions, pp. 26-27 and Climate Change, pp. 28-32 for more information.
Risk Management		
6	Describe the organization’s processes for identifying and assessing climate-related risks.	Climate Change, pp. 28-32
7	Describe the organization’s processes for managing climate-related risks.	Climate Change, pp. 28-32
8	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	Climate Change, pp. 28-32
Metrics and Targets		
9	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Killam’s ESG Targets, pp. 9-11 and Metrics and Targets, p. 32
10	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	ESG Data table, p. 51
11	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Killam’s ESG Targets, pp. 9-11

Forward-Looking Statements Advisory

Certain statements contained in this ESG Report may contain forward-looking statements and forward looking information (collectively, “forward-looking statements”), including within the meaning of applicable securities law. In some cases, forward-looking statements can be identified by the use of words such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “potential”, “continue”, “target”, “commit”, “priority”, “remain”, “strategy”, “future” or the negative of these terms or other comparable terminology, and by discussions of strategies that involve risks and uncertainties.

Such forward-looking statements contained in this ESG Report may include, among other things, statements regarding: Killam’s strategy and priorities; Killam’s commitment to incorporating ESG principles into its core operations and strategy to promote innovation, operational performance and long-term value; Killam’s ability to better serve its stakeholders and the planet; the level and transparency of Killam’s ESG reporting; Killam’s ESG priorities, commitments and targets and the strategies and milestones for achieving them; the prioritization and development of diversity of Killam employees and other employee initiatives; focusing on housing supply and affordability; Killam’s strategy to drive value and profitability; Killam’s five core values; Killam’s commitment to achieve net-zero emissions by 2050 and the steps to achieve this goal; Killam’s specific ESG targets, goals and commitments and the timing thereof, including, among others, certifying 20% of Killam’s portfolio by 2025, 15% GHG emissions and carbon intensity reductions by 2030, minimum investments in ESG projects and the timing thereof including \$8M in energy-efficiency projects and \$1.5M in PV installs in 2023, and producing 10% of electricity consumed by Killam’s portfolio from renewable energy sources by 2025; the development of future ESG targets; the anticipated energy production capacity from PV solar arrays at Killam’s properties; Killam’s path to decarbonization; renovations and retrofits to Killam’s properties; Killam’s deep retrofit program and the phases and timing thereof; short, medium and long term climate-related risks, targets and opportunities; maintenance and operating costs; the impact of efficiency and ESG initiatives on Killam’s operating costs; Killam’s diversity and inclusion targets and goals; the impact of ESG commitments on Killam’s reputation with stakeholders; Killam’s diversity and inclusion initiatives and policies; Killam’s charitable and social impact initiatives including donations, affordability assistance and long-term affordability commitments and employee volunteering; investments in ESG initiatives and their impacts on Killam’s energy consumption, costs and carbon footprint; the increase of data collection and technology to monitor building emissions and energy consumption across Killam’s portfolio; Killam’s supply chain responsibility and sourcing policies; the installation of electric vehicle charging stations across Killam’s portfolio; and reducing Killam’s impact on the environment.

Readers should be aware that these forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated or implied, or those suggested by any forward-looking statements, including: the effects and duration of local, international or global events, such as the COVID-19 pandemic, and any government responses thereto; national and regional economic conditions (including interest rates and inflation); risks inherent in the real estate industry; risks relating to investment in development projects; environmental and climate related risks; risk of changes in governmental laws and regulations; the availability of capital to fund further investments in Killam’s business and other factors described under the “Risk Factors” section in Killam’s current Annual Information Form and in documents Killam files with securities regulatory authorities from time to time. Given these uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements contained in this ESG Report.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events contained therein may not occur. Although Management believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that future results, levels of activity, performance or achievements will occur as anticipated.

While Killam anticipates that subsequent events and developments may cause Killam’s view to change, Killam does not intend to update or revise any forward-looking statement, whether as a result of new information, future events, circumstances, or such other factors that affect this information, except as required by applicable law. The forward-looking statements in this document are provided for the limited purpose of enabling current and potential investors to evaluate an investment in Killam. Readers are cautioned that such statements may not be appropriate and should not be used for any other purpose.

